

From: Wilcox, Ralph

Sent: Saturday, March 28, 2009 9:45 PM

To: Acad-AAPG; Acad-Chairs

Cc: Holbrook, Karen; Meningall, Dr. Jennifer; Hoad, Michael; Pearce, Michael; Moore, Michael (Provost Office); Brigman, Leellen; Moore, Kathleen (Provost Office); Williams, Stephanie (Provost Office)

Subject: Summary of FL Senate Higher Education Committee Recommendation for 2009-2010

Dear Colleagues,

I wanted to take a moment to share with you some details of the Florida Senate Higher Education Committee's proposed budget that was released on Friday. As expected, it is pretty much a "bare bones" budget that is counting on a \$155.1 M infusion of federal economic stimulus funds and \$10 M in new revenues from Native American gambling. There is no funding for student enrollment growth, student safety issues, or faculty and staff retention, which had been requested by the Board of Governors. Similarly, no funding is recommended for USF medical education equalization funding, centers of excellence, and distance learning. The Senate Committee is recommending a base tuition increase of 8% for all UG students (compared to the Governor's earlier recommendation of 5%). If this holds and the differential fee bill passes, then USF would have the authority to increase UG tuition as much as another 7%, to a maximum of 15% over current levels.

While I wish I had better news for you, I do want to keep you informed of developments as we move through the current legislative session. For now, we must continue to focus on delivering the highest quality education to those students enrolled at USF; supporting our faculty's research agendas; and maintaining our focus on USF's Strategic Plan. Our belts will need to remain tightened for now as we work to balance what we expect to be another sizeable shortfall in funds for the coming academic year.

Finally, and below, I have included a summary from Tim Jones, the BOG's CFO (my notes are in [blue](#)). Meanwhile, we anticipate that the House will release its proposed budget next week.

Best regards,

Ralph

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From: Jones, Tim [mailto:Tim.Jones@flbog.edu]

Sent: Friday, March 27, 2009 9:12 PM

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Subject: Senate Higher Education Recommended 2009-2010 Appropriation Information

Attached is an executive summary comparing the Board's LBR, Governor's Recommendation and the Senate Higher Education proposed appropriations bill for the universities and board general office. There are no changes to the Senate proposed appropriations bill as discussed at the Board meeting yesterday.

Senate Bill 1696 has several proposed statutory revisions that will be of interest. Pertinent revisions include:

1. **Graduate and professional tuition** can be increased up to 15% per year (NOTE: current statute limits the increase to 10%). This is a good thing and balances the perception that universities will be funded first, and foremost on the basis of UG tuition increases. If advanced through conference and is, subsequently, signed into law we will, once again, consider the implementation of graduate tuition increases in a differential fashion by level, discipline, program etc). It supports USF Tampa's goal of increasing the proportion of GR enrollment, consistent with the profile of a top tier national research university.
2. **Tuition Differential** (NOTE: the following is different from the Governor's proposal) -
 - a. For each state university that has total research and development expenditures at least \$100 million per year, the aggregate sum of tuition and the tuition differential charged may not be increased by more than 15%. This will continue USF's current authority.
 - b. For each state university that has total research and development expenditures less than \$100 million per year, the aggregate sum of tuition and the tuition differential may not be increased by more than 12.5%.
3. **Excess hour surcharge** - an excess hour surcharge equal to 50% of the tuition rate for each hour in excess of 120% of the number of credit hours required to complete a baccalaureate degree. (NOTE: this would be a new fee. Certain credit hours would be excluded in the calculation.) This could be problematic for USF students, many of whom stay around for far too long before graduating. We'll have to look carefully at the impact on dual major degrees, etc. Regardless, it is consistent with the State Legislature's and Board of Governors' commitment to seeing all SUS UG students graduate "on time". This action was anticipated and has prompted our continuing focus on Student Success (including an enhanced academic profile of admitted students, investment in advisors and improved advising, significantly enhanced "tracking" through DegreeWorks etc).
4. **Prepaid Program** - modifications to the statute would authorize the following payments to universities if the actuarial reserve is:
 - a. Less than 5% - the prepaid board would pay universities 5.5% above the registration fee or base rate.
 - b. Between 5-6% - the prepaid board would pay universities 6% above the registration fee or base rate.
 - c. Between 6-7.5% - the prepaid board would pay universities 6.5% above the registration fee or base rate.
 - d. Greater than 7.5% - the prepaid board would pay universities 7% above the registration fee or base rate.

This is consistent with earlier expectations.
5. **Community College baccalaureate Degrees** - if a community college offers more than 25 baccalaureate programs the Board of Governors shall review the programs and determine whether such programs should be transferred to the BOG oversight. This is in reference to

moderating unnecessary duplication/competition between the nascent State Colleges and the State University System.

6. **Courtelis and Major Gift Matching Program** – each university shall notify all donors of private funds of a substantial delay in the availability of state matching funds for these programs. *As you know, there is a significant lag in state matching to private gifts for construction and it recognizes the disappointment registered by the donors.*
7. **Employment Contracts** – the Board of Governors may not enter into employment contracts to pay an employee an amount from state funds in excess of 1 year of the employee's annual salary for termination, buyout or other contract settlement. *This is in response to action taken by some SUS institutions in recent years*