

# **Governor's Budget Recommendations 2004-05**

## **Florida State University System**

### **January 20, 2004**

#### **Governor announced increases: K-12=7.1%, CC=7.6%, SUS=5.7%**

- Community Colleges' budget was increased by \$104.5 million to \$1.5 billion, which equates to a 7.6 percent increase.
- State Universities' budget was increased by \$144.1 million to \$2.7 billion, which equates to a 5.7 percent increase.

#### **General Revenue Budget**

- Enrollment Growth-\$68M total (60% of BOG Request)
- \$50M General Revenue (\$20M is non-recurring)
- \$18M Student Fees
- Targeted Degree Incentive Program-\$10M
  - a) Teaching, Nursing, Engineering, Information Tech
  - b) BOG/UBOT's to identify/allocate specific academic disciplines and upper level and graduate level programs targeted to critical areas
  - c) Growth over 2003-04 to be considered
- FSU Medical School-\$4.3M
- FAMU Law School-\$1M
- Centers of Excellence-\$20M
- Increased FRS Requirements-\$3M (.5%); annualization of Salary/health insurance incr-\$22.7M
- Major Gifts- \$25M (non-recurring)
- Annualize Facilities Operating Costs-\$2.7M(new space was not funded)

#### **Tuition Policies:**

- Mandatory Increase
  - a) In-state undergraduate- 7.5%
  - b) All other- 12.5%
  - c) Generates \$58 M
- Subject to local BOT policy
  - a) Block tuition for full-time students authorized at a rate of 15 credit hours
  - b) Non-degree seeking students to pay out-of-state tuition rates
  - c) Students taking greater than 110% of degree requirements to pay out-of-state tuition
  - d) Each student's tuition bill must delineate true cost of student's education by fund source and entity bearing the cost.

**Public Education Capital Outlay**-The Governor allocated the additional \$192.9M PECO revenues that were estimated by the PECO Estimating Conference in September. Universities received an additional \$50.8M. In allocating funds to the universities, the Governor followed the second year of the 3-year PECO Request.

## Other

- a) Programs funded from non-recurring for 2003-04 funded for 2004-05
- b) MPLE-\$.7M,
- c) Florida Center for Teachers \$.4M

## Notes

### Enrollment Funding:

- a) Number of FTE's and allocation by university unknown at this time
- b) Lower Level- funded at system wide average (\$7118 per FTE)
- c) Upper, Grad, Other-funded at individual university funding per FTE

### Targeted Incentive Program - \$10 million

- a) The Board of Governors shall allocate \$10,000,000 as incentive awards to individual university boards of trustees for establishing programs, policies, and procedures which lead to increased degree production in academic discipline areas deemed critical to Florida's future job growth needs.
- b) For fiscal year 2004-2005, the targeted critical career areas shall be defined as: Teaching, Nursing, Engineering, and Information Technology. The Florida Board of Governors, in conjunction with the individual university boards of trustees, shall identify the specific academic disciplines and the related, upper-division and graduate level academic courses which link to the targeted critical career areas.
- c) For allocating the incentive awards, the Florida Board of Governors shall establish a base from the 2003-2004 FTE enrollments in the targeted upper-division and graduate level academic courses taken by students who are majoring in the targeted academic disciplines. Incentive awards shall be determined at the end of each semester based on the prorated share of the FTE growth above the base year. The Florida Board of Governors shall determine the incentive award amount for each additional FTE by August 1, 2004. Any funds in Specific Appropriation 157 for incentives that are not awarded by June 30, 2005, shall revert to General Revenue unallocated.
- d) By October 1, 2004, the Florida Board of Governors, in consultation with the Agency for Workforce Innovation, Workforce Florida Inc., and Enterprise Florida shall develop a multi-year forecasting mechanism for identifying occupations to target for increased degree production. Such forecasting shall identify occupations with the largest unmet growth rates and/or highest wage potential for subsequent years. By November 1, 2004, the Florida Board of Governors shall develop a proposal for providing incentive awards beginning with the 2005-2006 fiscal year based on increasing degree production in academic disciplines linked to the occupations determined by the forecast. By December 1, 2004, the Florida Board of Governors shall report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, the details regarding targeted occupations which meet the guidelines of the forecast, the incentive award proposal, and any university successes or barriers to implementing this proposal.

### Universities Can Establish Block Tuition

Individual university boards of trustees are authorized to establish block tuition and fee policies for full-time students based on a course load of 15 credit hours beginning with the 2004-2005 academic year. The Board of Governors shall review and approve such policies prior to their implementation. Such policies shall not increase costs to students or the state regarding state supported student financial aid programs or the Florida Prepaid College Tuition Program.

### University Billing Statements

All students who are charged tuition and fees must receive a tuition bill which clearly identifies the amount of funding paid by the state on the student's behalf to reflect the true costs of the student's education and identify the entities which are bearing that cost. State funding to universities and state student financial aid shall be itemized. The Board of Governors shall review and approve a sample of each university's bill format prior to August 15, 2004.

### Excess Credit Hours

University boards of trustees shall establish policies which require students who are in excess of the number of hours needed to graduate by more than ten percent or who are not enrolled as degree-seeking to pay the out-of-state fee per credit hour.