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Sent: Thursday, December 18, 2008 3:22 PM
To: #SUS Council for Admin/Fin Affairs; #SUS Governmental Relations
Cc: Ogletree, Kenneth; Stapleton, Stephanie; Farley, Teira
Subject: FW: BOG Budget Planning Update, including PECO

Several items of interest are attached for your review. This is a quite a bit of information to transmit before the winter break and Christmas and New Year's holidays, but each item is significant, and merits careful consideration and action as may be required:

- **2010-11 LBR Guidelines:** Attached are draft revised LBR Guidelines for your consideration. No changes are currently recommended for the operating budget, but significant changes are proposed for the fixed capital outlay budget. The Board of Governors directed staff to work more closely with the universities on this year's guidelines, and the need for this is made more timely by calls for higher education to be included in any federal stimulus package. Specifically, the current staff recommendation is that the LBR Guidelines be drafted to provide for the use of PECO to match federal stimulus funds as a high priority, as opposed to the lowest priority.

A conference call will be scheduled for January 8th, 3:00 to 4:00 PM to discuss these changes. The dial-in number is (888) 808-6959, and the conference code is 850-2450. The LBR Guidelines will be further discussed at the January 29th BOG meeting and the final form adopted at the Board's March meeting.

<<LBR Guidelines 2010_2011 Draft(R).doc>>

- **Federal Economic Stimulus Plan:** On a nationwide basis, public colleges and universities have been asked to identify "shovel-ready" infrastructure projects to support calls for the federal government to include funding for higher education in a stimulus package. I have attached one of the more recent proposals endorsed by the Chancellor and BOG Chair. At this point, no guidelines have been developed to determine what projects would be eligible for federal stimulus funding, were it to materialize. However, the BOG Office of Finance and Facilities has developed an advocacy list of projects to demonstrate that the Florida SUS also has significant needs and would benefit from any federal economic stimulus funding. (Attached).

<<Fed Economic Stimulus.xls>> <<CCNY-HigherEducationAd-NYT.PDF>>

This list is not an allocation proposal – if funding is provided, it will be up to each university to develop projects eligible for funding. However, given the rapidly evolving nature of the federal response to the current economic situation, it seems advisable to be prepared for any contingency. Universities with questions about the list, or those wishing to make changes to projects on the list should contact Chris.Kinsley@flbog.edu.

- **January Special Session:** In addition to possible cuts to the SUS operating budget, for the first time in memory, cuts to current year and prior year fixed capital outlay appropriations appear to be on the table for discussion, based on requests for information received by this office. Every effort will be made to provide specifics to your Government Relations staff, and we will work together to present factual information on the vital public purpose served by every university capital appropriation, both to the university and for the economic stimulus benefit provided to Florida's battered construction industry.
- **PECO Reductions:** Unfortunately, the Board of Governors must adopt a reduced PECO list at its January 29, 2009 meeting in line with the reduced estimate. Development of the reduction list has been extremely challenging, and every effort is being made to ensure the continuation of existing projects, while ensuring that the reductions are equitable. We remain optimistic that the final March PECO estimate will accommodate the restoration of some projects to the list of recommended projects.

The current working timeframe is that each university will be provided a copy of the draft list within the next few weeks.

Regards,

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