

## MEMORANDUM

TO: University Boards of Trustees Chairs  
University Presidents

FROM: Frank Brogan  
Chancellor Designee

DATE: August 21, 2009

SUBJECT: 2010-2011 Legislative Budget Requests

Although I will not officially assume the Chancellor position until September 14, I have been engaged with Board of Governors members and staff in preparation for the September 24 Board meeting. One of the actions the Board of Governors will take at this meeting is the approval of the 2010-11 legislative budget request (LBR).

The Board approved the 2010-11 LBR guidelines at the March 26 meeting, emphasizing the Board's Strategic Plan goals. The Board will meet in Tampa next month to review and approve the 2010-11 LBR for the operating and fixed capital outlay budgets. Remember, there will be an opportunity to amend the budget request in January 2010.

As expected the revenue situation has not improved, with the revenue estimating conference not expecting modest growth until the spring of 2011. Recent estimating conferences have slightly revised downward current year and 2010-11 general revenue collections. The PECO estimating conference significantly reduced the amount of PECO available for 2010-11, with no funds for the SUS to continue or start new projects.

The Legislature will face significant challenges next spring with limited revenues. In addition, the state budget is propped up with approximately \$5.5 billion in Federal Stimulus funds which will go away after 2010-11. It will be critical for us to work with the Legislature to start identifying revenue sources to replace the Federal Stimulus funds and to provide funds for systematic growth.

Given the general revenue picture, it would be appropriate to request just a continuation operating budget, which will include Plant Operations and Maintenance for new and existing facilities (\$40 M); replacement of 2009-2010 non-recurring general revenue (\$11.3 M); year 2 of Federal Stimulus (\$161 M); Major Gift matching (\$155 M), continued phase-in funding of the UCF and FIU medical schools (\$6 M); base funding for the UF and USF medical schools (\$17 M)(this is pending the completion of the medical education funding study required in 2009 proviso); partnership with Community Colleges on Distance Learning Initiatives (\$134 K); and the final funds for the NCF Academic / Administrative Start-up Support (\$1.3 M).

For PECO there will only be sufficient funds to provide infrastructure / maintenance funding in Year 1 (\$37 M). Universities will have the opportunity to request re-appropriations for prior year projects with unspent balances. Revenues do improve slightly in Years 2 and 3 so that continued

or new projects may be funded. We are required by law to request the amount needed for all eligible Courtelis projects (\$113 M). The Board may also discuss whether or not a request for Concurrency funding will be made (\$15 M).

Although the needs of the SUS are great, we feel this is a prudent approach given the challenges facing the system and the State.

If you have any legislative budget issues or contractual obligations that you believe must absolutely be included in the 2010-2011 LBR, please email those to Mr. Tim Jones, BOG Chief Financial Officer, at [tim.jones@fbog.edu](mailto:tim.jones@fbog.edu).

Thank you.