State University System 101

Tim Jones, Senior Vice Chancellor
Finance & Administration
June 9, 2024

Better Together.
Together, WE ARE #1.
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<th>Table of Contents</th>
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<td>• Education Organization</td>
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<td>• Strategic Plan &amp; Accountability</td>
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<tr>
<td>• Legislative Bills &amp; System Budget</td>
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<td>• Legislative Budget Process</td>
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<td>• Performance Funding</td>
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</table>
Which state has been recognized by US News & World report since 2017 as the Number 1 higher education system in the country? Who is Number 2?

#1

#2

#3

#4
Florida Education Structure

Board of Governors
- Constitutional
- 12 State Universities

State Board of Education
- Constitutional
- Pre-K - 12
- 28 Colleges

Independent Colleges and Universities of Florida
- 31 Institutions

- Information Systems
- Articulation
Governance

How many members are appointed by the Governor to the Board of Governors?

14

How many members are appointed by the Governor to the Board of Trustees?

6
Section 1001.706 Florida Statutes, *Board of Governors Powers and Duties*, includes:

- Regulatory Authority
- Organization & Operation of the SUS
- Finance
- Accountability
- Personnel
- Property
- Fixed Capital Outlay
Regulation 1.001, *University Board of Trustees Powers and Duties*, includes:

- University Administration and Oversight
- Academic Programs and Student Affairs
- Personnel
- Financial Management
- Property and Purchasing
- Compliance
Accountability is the glue that ties commitment to the result.
# 2025 Strategic Plan

9 General Goals with 32 Specific Goals.

<table>
<thead>
<tr>
<th>GOALS</th>
<th>EXCELLENCE</th>
<th>PRODUCTIVITY</th>
<th>STRATEGIC PRIORITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEACHING &amp; LEARNING</td>
<td>Strengthen Quality &amp; Reputation of Academic Programs &amp; Universities</td>
<td>Increase Degree Productivity &amp; Program Efficiency</td>
<td>Increase the Number of Degrees Awarded Within Programs of Strategic Emphasis</td>
</tr>
<tr>
<td>SCHOLARSHIP, RESEARCH, &amp; INNOVATION</td>
<td>Strengthen Quality &amp; Reputation of Scholarship, Research, &amp; Innovation</td>
<td>Increase Research Activity &amp; Attract More External Funding</td>
<td>Increase Commercialization Activity</td>
</tr>
<tr>
<td>COMMUNITY &amp; BUSINESS ENGAGEMENT</td>
<td>Strengthen Quality &amp; Recognition of Commitment to Community &amp; Business Engagement</td>
<td>Increase Community &amp; Business Engagement</td>
<td>Increase Community &amp; Business Workforce</td>
</tr>
</tbody>
</table>
Annual Accountability Plans include information about each institution’s direction and priorities as well as performance expectations and outcomes on institutional and system-wide goals.
Legislative Session

 HOW A BILL BECOMES A LAW TODAY...

IT DOESN'T.
2024 regular session included:

- 1,957 Bills & Proposed Committee Bills filed
- 2,196 Amendments filed
- 3,051 Votes Taken
- 43 Floor Sessions
- 325 Bills passed both chambers
- 2 Bills vetoed by the Governor*

Only 1 bill is constitutionally required to be approved….

*as of 6/30/24
Bills Impacting the SUS

- **HB 707** – State University Unexpended Funds
  - Universities may keep additional funds in reserve above 7 percent
- **HB 149** – Continuing Contracts
  - Raises the maximum cost for projects under a continuing contract from $4M to $7M
- **HB 1291** – Educator Preparation Programs
  - Prohibits preparation programs from including curriculum that distorts historical events or teaches identity politics
  - Mandates these programs to offer opportunities for critical thinking and competence demonstration
- **SB 494** – Graduate Program Admissions
  - Universities waive GRE or GMAT examination requirement for service members
REALLY
GOOD STUFF
IS COMING!
2023-2024 SUS Operating Budget

- **E&G State Funds**: 35.24%
- **Student Tuition**: 10.93%
- **Faculty Practice**: 4.50%
- **Contracts & Grants**: 19.60%
- **Auxiliaries**: 12.10%
- **Local Funds**: 17.63%

- **$18.1 Billion**

- **Collects & distributes income from faculty billings for patient services performed at medical schools or clinics**
- **Housing, parking, dining, bookstores and other units that support the university**
- **Financial aid, student activities, athletics, technology, concessions, Board approved fees**
Legislative Budget Process

- Legislative Budget Requests are submitted to the Governor, Senate & House of Representatives
- Governor submits budget recommendations to Senate & House of Representatives
- Senate & House budget committees hold public meetings to workshop budget issues
- Senate & House each pass their own budget bills (General Appropriations Act)
- House & Senate members hold public meetings to work out the differences between the budgets (a.k.a Budget Conference)
- A final General Appropriations Act is passed by the Senate & House
- The final budget is then sent to the Governor who has line item veto power
2024-2025 General Appropriations Act - $117 B

- Education, $32,096
- Health, $46,546
- Criminal Justice, $6,597
- Natural Resources, $22,649
- General Gov't, $8,832
- Judicial, $741

Education, $32,096
Health, $46,546
2024-2025 General Appropriations Act – Education - $32.1 B

- Public Schools: $19,731, 62%
- Colleges: $1,734, 5%
- Universities: $4,925, 15%
- Early Learning: $1,713, 5%
- Other: $3,994, 13%
Operating Appropriations (in millions)

Year | State Funds
--- | ---
2014-15 | $2,494
2015-16 | $2,604
2016-17 | $2,747
2017-18 | $2,986
2018-19 | $3,105
2019-20 | $3,154
2020-21 | $3,206
2021-22 | $3,376
2022-23 | $3,627
2023-24 | $4,354
2024-25 | $4,925
Fixed Capital Outlay Appropriations (in millions)

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<tbody>
<tr>
<td>State Funds</td>
<td>$248</td>
<td>$155</td>
<td>$249</td>
<td>$232</td>
<td>$212</td>
<td>$153</td>
<td>$141</td>
<td>$184</td>
<td>$940</td>
<td>$660</td>
<td>$667</td>
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</tbody>
</table>
2024-2025 Legislative Appropriation

❖ $4.9* billion E&G Operating Budget:
  • $645 M for Performance-based funding
  • $386 M for Operational Enhancements
  • $100 M for Preeminent Universities
  • $100 M for Recruitment/Retention of Faculty
  • $46 M for Nursing Initiatives
  • $38.5 M for STEM Waivers

❖ $667 million for Fixed Capital Outlay:
  • $616 M for 27 University Projects
  • $51 M for Capital Improvement Trust Fund (Student) Projects

* Does not include $2 billion in student tuition that is used for educational purposes.
How does FL Undergraduate tuition rank nationally compare to other States?

College Board, *Trends in College Pricing*, 2023
Data weighted by full-time enrollment
Higher Education Appropriations per FTE Student; Four-Year Public Institutions

Source: State Higher Education Finance, FY 2023; State Higher Education Executive Officers

$13,650

$10,238

$25,000

$20,000

$15,000

$10,000

$5,000

$-
Higher Education Net Tuition Revenue per FTE Student; Four-Year Public Institutions

Source: State Higher Education Finance, FY 2023; State Higher Education Executive Officers

- $10,269
- $2,230
Higher Education Total Revenue per FTE Student; Four-Year Public Institutions

Source: State Higher Education Finance, FY 2023; State Higher Education Executive Officers

$15,880

$20,373

$35,000

$30,000

$25,000

$20,000

$15,000

$10,000

$5,000

$-
Performance Funding
Performance-based Funding Model

4 Guiding Principles:

• Use metrics that align with Strategic Plan goals
• Reward excellence or improvement
• Have a few clear, simple metrics
• Acknowledge the unique mission of the different institutions

Key Components:

• New funds allocated based on 10 metrics totaling 100 points
• Base (institution) funds and new funds (state), at risk
• One metric chosen by the Board of Governors and one by the Board of Trustees
• Institutions evaluated on the excellence or improvement for each metric
• Data based on one year
Performance-based Funding Metrics

| 1. Percent of Bachelor’s Graduates Employed (Earning $43,200+) or Continuing their Education | 6. Bachelor’s Degrees Awarded in Areas of Strategic Emphasis |
| 2. Median Wages of Bachelor’s Graduates Employed Full-Time | 7. University Access Rate (Percent of Undergraduates with a Pell-grant) |
| 3. Average Cost to the Student (Net Tuition per 120 Credit Hours) | 8a. Graduate Degrees Awarded in Areas of Strategic Emphasis |
| | 8b. Percentage of Newly Admitted FTICs with a HS GPA of 4.0 or Higher (NCF only) |
| 4. Four Year Graduation Rate (Full-time FTIC) | 9a. Three Year Graduation Rate for FCS AA Transfer Students |
| | 9b. 6-Year Graduation Rate for Students Awarded Pell Grants |
| | 9b.1. Academic Progress Rate for Pell Students (FL Poly only) |
| 5. Academic Progress Rate (2nd Year Retention with GPA Above 2.0) | 10. Board of Trustees Choice |
Performance-based Funding History

($ in millions)

State Investment  Institutional Investment
### Year 1 of Performance-based Metric Excellence Scores

<table>
<thead>
<tr>
<th>Metric</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8A</th>
<th>8B</th>
<th>9</th>
<th>10</th>
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<tbody>
<tr>
<td>1</td>
<td>60%</td>
<td>$30,000</td>
<td>$37,950</td>
<td>41%</td>
<td>72%</td>
<td>43%</td>
<td>65%</td>
<td>39%</td>
<td>31%</td>
<td>86%</td>
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<tr>
<td>2</td>
<td>70%</td>
<td>$34,900</td>
<td>$32,430</td>
<td>40%</td>
<td>70%</td>
<td>40%</td>
<td>41%</td>
<td>33%</td>
<td>31%</td>
<td>42%</td>
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<tr>
<td>3</td>
<td>70%</td>
<td>$32,900</td>
<td>$29,240</td>
<td>43%</td>
<td>72%</td>
<td>35%</td>
<td>47%</td>
<td>36%</td>
<td>74%</td>
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<tr>
<td>4</td>
<td>67%</td>
<td>$35,100</td>
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<td>78%</td>
<td>40%</td>
<td>56%</td>
<td>30%</td>
<td>74%</td>
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<td>5</td>
<td>61%</td>
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<td>90%</td>
<td>56%</td>
<td>35%</td>
<td>41%</td>
<td>70%</td>
<td>115</td>
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<td>6</td>
<td>44%</td>
<td>$21,200</td>
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<td>35%</td>
<td>30%</td>
<td>11</td>
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<td>56%</td>
<td>29%</td>
<td>4</td>
<td>60%</td>
<td>$697 M</td>
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<tr>
<td>8A 8B</td>
<td>63%</td>
<td>$24,200</td>
<td>$29,350</td>
<td>96%</td>
<td>96%</td>
<td>35%</td>
<td>38%</td>
<td>18</td>
<td>71%</td>
<td>9%</td>
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<tr>
<td>9</td>
<td>69%</td>
<td>$24,600</td>
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<td>87%</td>
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<td>36%</td>
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<td>$300</td>
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<tr>
<td>BOT Choice</td>
<td>60%</td>
<td>$40,000</td>
<td>$20,000</td>
<td>44%</td>
<td>62%</td>
<td>39%</td>
<td>41%</td>
<td>47%</td>
<td>29%</td>
<td>$697 M</td>
<td></td>
</tr>
</tbody>
</table>

| Highest Benchmark | 75% | $40,000 | $20,000 | 70% | 90% | 50% | 30% | 50% | 80% | 9%   |

Score of 4-5 | Score of 3 | Score of 2-0
80% 40% 20% 6,100 75 100% 12,300 Top 1/3 of AAU 7% 300 21%
# Year 11 of Performance-based Metric Excellence Scores

<table>
<thead>
<tr>
<th>Metric</th>
<th>Highest Benchmark</th>
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<tr>
<td>1</td>
<td>80.0%</td>
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<td>3</td>
<td>$9,000</td>
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<td>4</td>
<td>65%</td>
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<tr>
<td>5</td>
<td>90%</td>
</tr>
<tr>
<td>6</td>
<td>50%</td>
</tr>
<tr>
<td>7</td>
<td>42%</td>
</tr>
<tr>
<td>8A</td>
<td>8A 60%</td>
</tr>
<tr>
<td>8B</td>
<td>8B 70%</td>
</tr>
<tr>
<td>9A</td>
<td>70%</td>
</tr>
<tr>
<td>9B</td>
<td>52.3%</td>
</tr>
<tr>
<td>9B1</td>
<td>9B 80%</td>
</tr>
<tr>
<td>10</td>
<td>9B1 89%</td>
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<tr>
<td>BOT Choice</td>
<td>Score of 10-8</td>
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Performance-based Metric Improvement
Retention and Graduation Rates

Metric 5: Academic Progress Rate
(2nd Year Retention w/ GPA above 2.0)

- 2012-13: 83.3%
- 2022-23: 88.8%

Strategic Plan Goal: 90%

Metric 4: 4-Year Grad Rate

- 2009-13: 42.3%
- 2019-23: 61.8%

Strategic Plan Goal: 65%
Performance-based Metric Improvement
Degrees and Cost to the Student

Metric 6: Percent of Bachelor’s Degrees Awarded in Programs of Strategic Emphasis

- 2012-13: 46.6%
- 2022-23: 59.8%

Strategic Plan Goal: 50%

Metric 3: Average Cost to the Student

- 2013-14: $15,110
- 2022-23: $1,230

10 point Benchmark: $9,000

92%
Did you know?

- FL has 5 universities in the top 75 of US News & World Report
- 77% of Florida resident undergraduates attend without loans
- $1.7B in total gift aid to Florida resident undergraduates
- 85% of undergraduate students receive a degree without incurring excess credit hours
- 4-Yr Graduation rates have risen 9% in the last 5 years and exceed 61%
- FL tops in 6-Yr graduation rate among 10 largest states – 75% and ranks 5th out of all 50 states