Chairs & Deans Meeting

KYLE CLARK ▪ VICE PRESIDENT FOR FINANCE & ADMINISTRATION

APRIL 4, 2016
Legislative Session
Legislative Session

FSU Issues

- HB 5001 - General Appropriations Act signed into law
- $10 million increase in Preeminence funding
- $12 million appropriated for EOAS building
- $8.8 million for Deferred Maintenance
- $1 million for College of Law Scholarships/Faculty
- $1.5 million for Black Student Union Renovation
Legislative Session

Operating

• 5% increase over the prior year base budget
• Total of 4.73 billion provided from general revenue, lottery, and tuition
• $75 million in new performance funding
  • Brings the state total to $225 million
  • Institutional investment of $275 million
  • Total investment of $500 million in performance based funding
• $30 million for preeminent and emerging preeminent universities
  • Florida State University and the University of Florida are preeminent universities
  • New category of emerging preeminent
• $63 million for other projects
Distance Learning

- 51009.24 State University Student Fees
- A state university may assess a student who enrolls in a course listed in the distance learning catalog, established pursuant to s. 1006.735, a distance learning course fee
- The average distance learning fee amount assessed by a state university may not exceed $30 per credit hour
- For purposes of accessing this fee, a distance learning course is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time or space, or both
Preeminence

- Increase Preeminence by $10 million
- FSU meets all 12 of 12 required metrics
- Supplements FSU’s annual base budget with $35 million in preeminence
- Hired 57 new faculty in STEM and other areas
Performance Funding
Performance Based Funding

History

- The State of Florida adopted performance based funding beginning in FY 2014
- The majority of new state support is distributed via performance funding
- Florida Legislature and Governor determine the amount of state funding and base
- Benchmarks are based on the Board of Governors 2025 System Strategic Plan
- New this year is a 10 point based system
Guiding Principles as stated by Board of Governors

Performance Based Funding

• 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
Performance Funding - Key Metrics

**Common to All Universities**
- Percent of Bachelor’s Graduates Employed and/or Continuing their Education Further 1 Year After Graduation
- Median Average Full-time Wages of Undergraduate Employed in Florida 1 Year After Graduation
- Average Cost per Undergraduate Degree to the Institution
- Six Year Graduation Rate
- Academic Progress Rate
- Bachelor’s Degrees Awarded in Areas of Strategic Emphasis
- University Access Rate
- Graduate Degrees Awarded in Areas of Strategic Emphasis

**Institution Specific Metrics**
- 1 Board of Governors Choice
  - Percent of Bachelor’s Degrees without Excess Hours
  - Faculty Awards
- 1 Board of Trustee Choice
### Performance Funding Model 2016-17

**Florida State University**

<table>
<thead>
<tr>
<th>Key Metrics Common to All Universities Plus 2 Institution Specific Metrics</th>
<th>Excellence</th>
<th>Improvement</th>
<th>Final Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Percent of Bachelor's Graduates Employed and/or Continuing their Education (1 Yr after Graduation)</strong></td>
<td>67.9%</td>
<td>-1.6%</td>
<td>0</td>
</tr>
<tr>
<td><strong>Median Wages of Bachelor's Graduates Employed Full-Time in Florida (1 Yr after Graduation)</strong></td>
<td>$32,700</td>
<td>7</td>
<td>3.5%</td>
</tr>
<tr>
<td><strong>Average Cost per Bachelor's Degree</strong></td>
<td>$27,820</td>
<td>5</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>Six Year Graduation Rate</strong>&lt;br&gt;Full-time and Part-time FTIC</td>
<td>79.3%</td>
<td>10</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Academic Progress Rate</strong>&lt;br&gt;2nd Year Retention with GPA Above 2.0</td>
<td>91.0%</td>
<td>10</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>Bachelor's Degrees Awarded in Areas of Strategic Emphasis</strong></td>
<td>39.1%</td>
<td>5</td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>University Access Rate</strong>&lt;br&gt;Percent of Undergraduates with a Pell-grant</td>
<td>28.4%</td>
<td>8</td>
<td>-1.6%</td>
</tr>
<tr>
<td><strong>Graduate Degrees Awarded in Areas of Strategic Emphasis</strong></td>
<td>42.0%</td>
<td>2</td>
<td>3.5%</td>
</tr>
<tr>
<td><strong>Institution-Specific Metrics</strong>&lt;br&gt;Faculty Awards</td>
<td>2</td>
<td>1</td>
<td>-4</td>
</tr>
<tr>
<td><strong>National Rank Higher than Predicted by the Financial Resources Ranking Based on a US and World News Report</strong></td>
<td>114</td>
<td>10</td>
<td>-4.2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Fair Labor & Standards Act (FLSA)
The FLSA establishes federal minimum wage and overtime pay standards.

- Non-exempt workers are entitled to a minimum wage and overtime pay of 1.5x for hours > 40

**FLSA Non-Exempt**
- Most USPS, OPS
  - Employee tracks hours worked, must track in/out
  - Employee eligible for overtime pay

**FLSA Exempt**
- A&P, Faculty, OPS Exempt, USPS Exempt
  - Salaried, default schedule, only leave time tracked
  - No overtime pay
Why the Change?

• President Obama signed a Presidential Memorandum directing the DOL to update the regulations defining which workers are protected by FLSA overtime standards

• Current regulations were last updated in 2004
To be FLSA Exempt employee must pass:

**Duties Test**
- Perform primarily executive, administrative, or professional duties as defined under DOL regulations

**AND**

**Salary Test**
- Be paid on a salary basis, not hourly
- Earn more than $455/week ($23,660 annually)
Proposed Changes

• Salary Test
  • More than doubles minimum salary requirement
  • Projected to be $970/weekly or $50,440 annually

• Automatic annual salary updates
Exemptions

• No changes expected to Duties Test or Teaching Exemption
FLSA Regulation Changes

Who This May Affect at FSU

• A&P staff under salary threshold
• USPS Exempt staff
• OPS Exempt and Post Docs
• Exempt part-time employees
• Faculty who do not meet teaching exemption
FLSA Regulation Changes

2015 Proposed Regulations Timeline

• Proposed rules released June 30, 2015
• Comment period with DOL ended Sept 4, 2015
• Final rule expected July, 2016
• Likely at least 60 days until effective
• Anticipated that new FLSA regulations will be effective prior to 2016 elections
Impact at FSU

- Proposed changes require action on all FLSA Exempt University employees making less than $50,440, who don’t fall under an FLSA salary exemption

- As of 10/30/15
  - 1,189 Staff (1,076 A&P; 113 USPS)
  - 82 Faculty (including OPS faculty)
  - 146 OPS (staff & postdocs)
FLSA Regulation Changes

How We Are Preparing

• Compensation Services identified which positions may be affected.
• Reviewed exempt job codes with employees below the new salary minimum.
• Researched FLSA exemptions that apply to University job codes.
• Identified options to comply with proposed regulations.
• HR met with administration to discuss plans.
• Waiting for final regulation to be released in July.
• Continuing to stay informed.
Finance and Administration Update
Finance & Administration Update

Current Projects

- Collective bargaining
- New budget system
- Process Improvements
- Streamlined management of federal student financial aid
- Implemented a Graduate Assistant Tuition Payment Plan
- Provided free online e-checks as a method of payment
Finance & Administration Update

Current Projects

- Shared Services Initiatives
  - Snack Vending
    - 1st Joint Competitive Solicitation with TCC, FAMU, FSU
  - Deferred Maintenance Software
    - Benchmarking services
  - Learning Management System
    - Online course software
  - Office Supplies
  - Travel Services (In Progress)
  - IT Computers/Peripherals/Services (In Progress)
  - Executive Search (In Progress)
  - Industrial/ Specialty Gases (In Progress)
Finance & Administration Update

Current Projects

- Public Private Partnership Guidelines
  - Convention, Retail, and Entertainment District
  - Varsity Way
  - Panama City Residence Hall
- Transportation masterplan
- Fleet management
- Human resource ERP upgrades in progress
- Information Technology Upgrades
- Vehicle Maintenance
Finance & Administration Update

Current Projects

• Transfer from Avis Rental Car to Enterprise / National Rental Car
• Strengthen Policies Related to Payment Card Industry Standards
• Energy Savings Enhancements
• Implement Space Management Software
• Minor Project Renovation and Refurbishment
• Continuous Improvement
Construction Update
## Facilities Design & Construction

### Active Major Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Description</th>
<th>Architect/Engineer</th>
<th>Bid/Guarantee</th>
<th>Construction</th>
<th>Substantial Completion</th>
<th>Planning</th>
<th>Construction</th>
<th>Equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FS-242</td>
<td>University Housing Replacement</td>
<td>11/15/2012</td>
<td>06/20/2013</td>
<td>08/05/2013</td>
<td>06/30/2015</td>
<td>$7,600,000</td>
<td>$46,300,000</td>
<td>$1,500,000</td>
<td>$55,400,000</td>
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<tr>
<td>FS-221</td>
<td>University Housing Replacement Phase 2 including Urban Entelee Dining Concept</td>
<td>09/25/2014</td>
<td>07/15/2015</td>
<td>08/05/2015</td>
<td>06/01/2017</td>
<td>4,830,355</td>
<td>62,382,809</td>
<td>2,450,000</td>
<td>69,663,254</td>
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<tr>
<td>FS-259</td>
<td>Earth Oceanic &amp; Atmospheric Sci. (EOAS)</td>
<td>05/05/2013</td>
<td>05/01/2016</td>
<td>07/01/2016</td>
<td>05/30/2018</td>
<td>3,594,465</td>
<td>56,100,000</td>
<td>5,345,538</td>
<td>64,850,000</td>
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<tr>
<td>FS-298</td>
<td>Asian Art Study Center</td>
<td>04/01/2012</td>
<td>09/15/2013</td>
<td>12/20/2013</td>
<td>06/27/2013</td>
<td>902,108</td>
<td>9,318,309</td>
<td>685,000</td>
<td>10,305,419</td>
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<tr>
<td>FS-218</td>
<td>Dock Complex Stadium Improvements</td>
<td>09/01/2014</td>
<td>01/15/2015</td>
<td>02/01/2015</td>
<td>09/01/2016</td>
<td>5,000,000</td>
<td>75,000,000</td>
<td>5,000,000</td>
<td>85,000,000</td>
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<tr>
<td>31672/31866</td>
<td>Athletics Locker Room/Office</td>
<td>04/24/2014</td>
<td>01/29/2015</td>
<td>03/23/2015</td>
<td>03/29/16</td>
<td>300,000</td>
<td>3,250,000</td>
<td>450,000</td>
<td>4,000,000</td>
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<tr>
<td>FS-275</td>
<td>Interdisciplinary Research &amp; Commercialization Bldg. (IRCB)</td>
<td>05/15/2015</td>
<td>06/15/2016</td>
<td>06/15/2018</td>
<td></td>
<td>5,000,000</td>
<td>65,000,000</td>
<td>17,000,000</td>
<td>85,000,000</td>
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<tr>
<td>FS-253</td>
<td>Donald L. Tucker Center</td>
<td>Varies</td>
<td>Varies</td>
<td>Varies</td>
<td>Varies</td>
<td>2,823,931</td>
<td>18,946,793</td>
<td>6,404,445</td>
<td>27,275,168</td>
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<tr>
<td>31780/31954</td>
<td>Tucker Locker Room Improvements</td>
<td>10/18/14</td>
<td>10/30/2015</td>
<td>Mar 16</td>
<td>Sept 16</td>
<td>422,846</td>
<td>3,577,154</td>
<td>300,000</td>
<td>4,300,000</td>
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<tr>
<td>FS-321</td>
<td>College of Engineering (PSU/PAMU)</td>
<td>02/01/2015</td>
<td>08/15/2015</td>
<td>09/01/2015</td>
<td>08/01/2016</td>
<td>1,600,000</td>
<td>9385188</td>
<td>200,000</td>
<td>11,185,188</td>
</tr>
</tbody>
</table>

### Projects Underway

$417,679,019
## Minor Renovations

- Admissions & Registrar – UCA - $32,625
- Arts & Sciences – Diffenbaugh - $78,682
- Communication & Information – Shores & UCA - $242,042
- Criminology & Criminal Justice – Eppes - $37,275
- Engineering – Buildings A&B - $217,196
- Film School – UCA - $5,962
- Fine Arts – The Lab Building A - $172,998
- Law – Law Library - $200,000
- Music – Housewright & Kuersteiner - $112,559
- PCC – various locations - $136,832
- University Libraries – Dirac - $150,000
- Marine Lab – Gate, Dive Shop, Dorm - $105,110
- ITS – UCC & UCA - $290,410
Earth, Ocean & Atmospheric Sciences

Substantial Completion Date: August 2018 (if funds are received this session)

GSF: 130,000 +/-

Total Cost: $64,950,000

Fund Source: FCO

Project Information:
To be located at the prominent corner of Woodward Avenue & Tennessee Street, the new EOAS building will provide state of the art classrooms, teaching labs, research labs, and offices for the Earth Ocean & Atmospheric Sciences Department which has been created from the recently merged departments of Geology, Oceanography, and Meteorology.

Consultants:
Architects – Bohlin Cywinski Jackson Architects, Pittsburgh, PA
Contractor – Ajax Construction, Tallahassee, FL
Substantial Completion Date: 6/1/2017
GSF: 209,000 (Buildings 3 & 4); 19,300 GSF for Urban Eateries
Total Cost: $69,663,254
Fund Source: University Funds

Project Information:
Dorman and Deviney have been demolished. Foundations for Buildings 3 and 4 are currently being installed. A 912-bed facility will be constructed in a suite style configuration. Common areas for study, lectures, recreation, and laundry are all included, as well as landscaped courtyards. Urban Eateries is a unique food service venue, to be located along Jefferson Street.

Consultants:
Architect – Gilchrist, Ross, Crowe Architects, Tallahassee, FL
Contractor – Culpepper Construction, Inc., Tallahassee, FL
Doak Campbell Stadium Improvements

Completion Date: 8/1/2016  
GSF: 75,000 new and renovated space  
Total Cost: $85,000,000  
Fund Source: Seminole Boosters/Athletics

Project Information:  
Implements include the South end zone terrace/club seating and stadium seating, south end zone/ballroom expansion/renovation. Two new ingress/egress towers will be constructed along with replacement of the East/West skybox window wall, structural repairs, and mechanical upgrades.

Design-Build Consultants:  
Architect – EMI Architects, Tallahassee, FL  
Contractor – Childers Construction, Tallahassee, FL

Design-Build Consultants:  
Architect – EMI Architects, Tallahassee, FL  
Contractor – Childers Construction, Tallahassee, FL
Completion Date: 2018 (if funds are received this session)

GSF: 125,000

Total Cost: $85,000,000 (including equipment)

Fund Source: University Funds/FCO

Project Information:

This new facility will house interdisciplinary teams by creating a collaborative environment to conduct research and to develop commercialization opportunities to bring products to market. Spaces to be constructed are research labs, imaging/characterization labs, clean room facilities, collaboration spaces, administrative spaces, and building support functions. Researchers in the disciplines of biomedical engineering, chemistry, chemical engineering, condensed matter physics, and device prototyping will be accommodated.

Consultants:

Architect – Wilson Architects, Boston, MA

Contractor – Whiting-Turner, Tampa, FL
Asian Art Study Center – Ringling Campus

Substantial Completion Date: 6/26/2015
GSF: 30,000
Total Cost: $9,850,000
Fund Source: Donor and University Funds

Project Information:
The project consists of new and renovated gallery, exhibition, educational, administrative and support space to display and accommodate Ringling’s various art collections.

Consultants:
Architects – Machado & Silvetti Architects, Boston, MA
Contractor – Willis A. Smith Construction, Sarasota, FL
Substantial Completion Date: 8/31/2016  
GSF: 125,000  
Total Cost: $3,500,000  
Fund Source: FCO/University Funds

Project Information:  
The project consists of many improvements to the upper floors at Strozier Library. New furnishings, carpet, paint, ceilings/lighting, and mechanical improvements are planned. Construction is expected to start in December and will be phased to keep the library operational. All work is expected to be complete by August 2016.
Chairs & Deans Meeting

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APRIL 4, 2016