

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

Legislative Session

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

Legislative Session

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



Performance Funding Model 2016-17 Florida State University

	Excellence		Improvement		Final Score
	Data	Points	Data	Points	
Key Metrics Common to All Universities Plus 2 Institution Specific Metrics					
Percent of Bachelor's Graduates Employed and/or Continuing their Education (1 Yr after Graduation)	67.9%	5	-1.6%	0	5
Median Wages of Bachelor's Graduates Employed Full-Time in Florida (1 Yr after Graduation)	\$32,700	7	3.5%	7	7
Average Cost per Bachelor's Degree	\$27,820	5	4.2%	0	5
Six Year Graduation Rate <i>Full-time and Part-time FTIC</i>	79.3%	10	0.3%	0	10
Academic Progress Rate 2nd Year Retention with GPA Above 2.0	91.0%	10	0.5%	1	10
Bachelor's Degrees Awarded in Areas of Strategic Emphasis	39.1%	5	1.5%	3	5
University Access Rate Percent of Undergraduates with a Pell-grant	28.4%	8	-1.6%	0	8
Graduate Degrees Awarded in Areas of Strategic Emphasis	42.0%	2	3.5%	7	7
Institution-Specific Metrics					
Faculty Awards	2	1	-4	0	1
National Rank Higher than Predicted by the Financial Resources Ranking Based on a US and World News Report	114	10	-4.2%	0	10
TOTAL					68

Fair Labor & Standards Act (FLSA)

FLSA Regulations

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

FLSA Regulation Changes

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

FLSA Regulation Changes

Current FLSA Exempt Standards

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)

FLSA Regulation Changes

Proposed Changes

- Salary Test
 - More than **doubles** minimum salary requirement
 - Projected to be \$970/weekly or **\$50,440** annually
- Automatic annual salary updates

FLSA Regulation Changes

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

FLSA Regulation Changes

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

Project Number	Project Description	SCHEDULE				BUDGET			
		Architect/ Engineer	Bid/ Guarantee Max Price	Construction	Substantial Completion	Planning	Construction	Equipment	Total
FS-242	University Housing Replacement	11/15/2012	06/20/2013	08/05/2013	06/30/2015	\$7,600,000	\$46,300,000	\$1,500,000	\$ 55,400,000
FS-221	University Housing Replacement Phase 2 including Urban Eateries Dining Concept	9/29/2014	07/15/2015	08/15/2015	06/01/2017	4,830,355	62,382,899	2,450,000	69,663,254
FS-259	Earth Ocean. & Atmosph. Sci. (EOAS)	09/05/2013	05/01/2016	07/01/2016	05/30/2018	3,504,462	56,100,000	5,345,538	64,950,000
FS-298	Asian Art Study Center	04/01/2012	09/15/2013	12/20/2013	06/27/2015	902,100	9,318,309	685,000	10,905,409
FS-218	Doak Campbell Stadium Improvements	09/01/2014	01/15/2015	02/01/2015	09/01/16	5,000,000	75,000,000	5,000,000	85,000,000
31672 / 31866	Athletics Locker Room/Offices	04/24/2014	01/29/2015	03/23/2015	03/29/16	300,000	3,250,000	450,000	4,000,000
FS-275	Interdisciplinary Research & Commercialization Bldg (IRCB)	04/15/2015	05/15/2016	06/15/2016	06/15/2018	5,000,000	63,000,000	17,000,000	85,000,000
FS-253	Donald L. Tucker Center	Varies	Varies	Varies	Varies	2,823,931	18,046,792	6,404,445	27,275,168
31780 / 31954	Tucker Locker Room Improvements	10/18/14	10/30/2015	Mar 16	Sept 16	422,846	3,577,154	300,000	4,300,000
FS-321	College of Engineering (FSU\FAMU)	02/01/2015	08/15/2015	09/01/2015	08/01/2016	1,600,000	9385188	200,000	11,185,188
Projects Underway								\$ 417,679,019	

Facilities Design & Construction

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

University Housing Replacement Phase 2



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:

Improvements 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

Interdisciplinary Research & Commercialization Building (IRCB)



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

Strozier Library Improvements



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

KYLE CLARK ■ VICE PRESIDENT FOR FINANCE & ADMINISTRATION

APRIL 4, 2016