

Deans & Chairs Meeting

KYLE CLARK ■ VICE PRESIDENT FOR FINANCE & ADMINISTRATION

OCTOBER 8, 2019

Legislative Session

Senate Bill 190

Senate Bill 190 – Major Requirements

1. Auditor General shall conduct audits of all state universities & verify the accuracy of the amounts certified by each state university chief financial officer
2. PECO - The Board of Governors shall develop and submit the prioritized list required by s. 1013.64 (4)
 - The board shall develop a points-based prioritization method to rank projects for consideration
3. The Board of Governors shall develop and annually deliver a training program for members of each state university BOT that addresses the role of such boards

Senate Bill 190 Continued

Senate Bill 190

4. By 2019-2020, to strengthen Florida's "2+2" system of articulation and improve student retention and on-time graduation
 - Each state university shall execute at least one or more Florida College System institution to establish "2+2" targeted pathway programs
 - A state university that executes a "2+2" targeted pathway articulation agreement must meet certain requirements
5. Chancellor of the SUS shall report to the BOG any findings by the Auditor General that a university is acting without statutory authority or contrary to general law
6. University shall maintain a minimum carryforward balance of at least 7% of its state operating budget (\$49 million)
7. Must provide a spending plan for the carryforward balance in excess of 7%

Senate Bill 190 Continued

Senate Bill 190

8. Spending plan shall include estimated cost per planned expenditure and a timeline for completion
 - Funds for a previously funded PECO project that needs completion
 - Completion of renovation, repair, or maintenance up to \$5 million and replacement of minor facility up to \$2 million
 - Completion of remodeling/infrastructure project up to \$10 million
 - Completion of repair/replacement caused by natural disaster
 - Non-recurring operating expenditures
9. By Sept 30 of each year the CFO shall certify the carryforward balance
10. University may spend into the 7% reserve if an emergency situation has been approved by BOT & BOG

Operating Budget

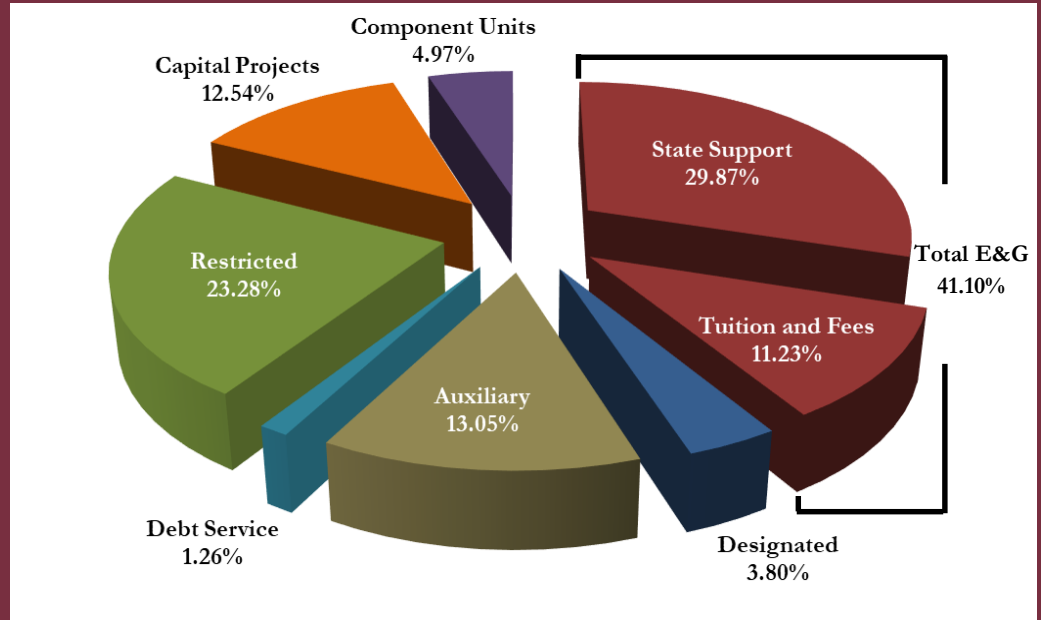
FSU Operating Budget

2019-2020 Total Operating Budget Summary

	<u>2018-2019</u>	<u>2019-2020</u>
Education & General - State Support	\$586,142,857	\$568,695,996
Education & General - Tuition & Fees	212,490,698	213,698,820
Designated	75,193,792	72,256,730
Auxiliary	239,599,418	248,471,880
Debt Service	24,014,205	23,915,364
Restricted	405,881,103	443,142,535
Capital Projects	169,519,158	238,716,784
Component Units	87,584,516	94,596,319
Total	<u>\$1,800,425,747</u>	<u>\$1,903,494,428</u>

2019-2020 Total Operating Budget Summary

FSU Operating Budget



FSU Operating Budget

2019-2020 New E&G Appropriations

RECURRING E&G

National Ranking Operational Enhancement	\$5,470,057
Health Insurance Adjustments	1,380,691
Florida Campus Compact	514,926
Adjustment for Rounding	2
Base Funding Reduction	(5,032,947)
Performance Based Funding	<u>(9,522,543)</u>
Subtotal Recurring E&G	<u>(\$7,189,814)</u>

RECURRING COLLEGE OF MEDICINE

Tuition Adjustments	\$1,241,970
Health Insurance Adjustments	<u>94,164</u>
Subtotal Recurring College of Medicine	<u>\$1,336,134</u>

RECURRING FAMU-FSU COLLEGE OF ENGINEERING

Health Insurance Adjustments	<u>\$31,446</u>
Subtotal Recurring FAMU-FSU College of Engineering	<u>\$31,446</u>

TOTAL NEW FUNDING APPROPRIATED	<u><u>(\$5,822,234)</u></u>
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FSU Operating Budget

Performance Funding

- Funding through 2019-2020 \$54,935,981
- Represents 6.85% of our overall Education and General funds budget

FSU Operating Budget

Preeminence Funding

- Recurring funding through 2019-2020
\$58,487,179
- Represents 7.29% of our total Education and General funds budget

2019-2020 Construction Budget

Student Union Expansion Phase I	\$60,000,000
Earth, Ocean and Atmospheric Science Building	31,461,817
Bio-Med Research Facility	21,196,658
FSUS STEAM Building	15,000,000
Hoffman Teaching Lab Renovations	11,300,000
Don Veller Golf Course	4,482,700
Center for Advanced Propulsion Systems Building	4,311,490
Technology Services Building	3,108,784
Campus Dining & Kitchen Renovations	1,939,131
All Others	85,916,204

TOTAL DISTRIBUTION BY PROJECT

\$238,716,784

FSU Operating Budget

2019-2020 Component Units

Seminole Boosters, Inc.	\$48,991,000 ¹
FSU Foundation, Inc.	10,754,827
FSU International Programs Association, Inc.	18,750,000
FSU Financial Assistance, Inc.	15,797,000 ¹
Florida Medical Practice Plan, Inc.	8,429,289
FSU Research Foundation, Inc.	4,058,100
FSU Alumni Association, Inc.	965,597
John and Mable Ringling Museum of Art, Inc.	2,741,073
FSU Real Estate Foundation, Inc.	101,000
FSU Magnet Research and Development, Inc.	108,360
FSU College of Business Student Investment Fund, Inc.	6,750 ¹
FSU Athletics Association, Inc.	4,208,816 ¹
SUBTOTAL COMPONENT UNIT EXPENSES	<u>\$114,911,812</u>
Addition to Fund Balance	\$8,113,125 ¹
TOTAL COMPONENT UNIT EXPENSES	<u>\$123,024,937</u>

¹ The 2019-2020 budget is an estimate, and has not yet been approved by the component unit's Board.

2019-2020 FSU Undergraduate Tuition & Fees

No change since 2013-2014

	<u>Resident</u>	<u>Non-Resident</u>
Tuition:		
Tuition	\$ 105.07	\$ 105.07
Student Financial Aid Fee	5.25	5.25
Capital Improvement Trust Fund Fee	4.76	4.76
Out-of-State Fee	-	481.48
Student Financial Aid	-	24.07
Subtotal	<u>\$ 115.08</u>	<u>\$ 620.63</u>
Fees:		
Athletic Fee	\$ 7.90	\$ 7.90
Activity and Service Fee	12.86	12.86
Health Fee	13.97	13.97
Transportation Fee	8.90	8.90
Tuition Differential Fee	49.59	49.59
Student Affairs Facility Use Fee	2.00	2.00
Technology Fee	5.25	5.25
Subtotal	<u>\$ 100.47</u>	<u>\$ 100.47</u>
Total per Credit Hour	<u>\$ 215.55</u>	<u>\$ 721.10</u>
Student Affairs Facility Use Fee per semester	<u>\$ 20.00</u>	<u>\$ 20.00</u>
Academic Year (30 Hours)	<u>\$ 6,506.50</u>	<u>\$ 21,673.00</u>
Academic Year (30 Hours Less Tuition Differential)	<u>\$ 5,018.80</u>	<u>\$ 20,185.30</u>

Our Annual Operating Budget is Larger than 75 Countries

American Samoa	Faroe Islands	Madagascar	Saint Vincent and the Grenadines
Anguilla	Fiji	Malawi	Samoa
Antigua and Barbuda	French Polynesia	Maldives	San Marino
Aruba	Gambia	Marshall Islands	Sao Tome and Principe
Barbados	Gibraltar	Mauritania	Seychelles
Belize	Greenland	Micronesia, Federated States of	Sierra Leone
Bermuda	Grenada	Monaco	Solomon Islands
Bhutan	Guam	Montserrat	Somalia
British Virgin Islands	Guernsey	Nauru	Suriname
Burundi	Guinea	New Caledonia	Swaziland
Cabo Verde	Guinea-Bissau	Niue	Togo
Cayman Islands	Guyana	Norfolk Island	Tokelau
Central African Republic	Isle of Man	Northern Mariana Islands	Tonga
Chad	Jersey	Palau	Turks and Caicos Islands
Comoros	Kiribati	Pitcairn Islands	Tuvalu
Cook Islands	Kosovo	Saint Helena and Dependencies	US Virgin Islands
Djibouti	Lesotho	Saint Kitts and Nevis	Vanuatu
Dominica	Liberia	Saint Lucia	Vatican City
Falkland Islands	Liechtenstein	Saint Pierre and Miquelon	

Other Business

Budget Questions

Carryforward

- How has the university planned for potential budgetary shortfalls i. e. not receiving preeminence funding?
 - During the budget process, we take into account what critical items will need to be funded in the event of budgetary shortfalls
 - We make the necessary adjustments required to help us meet our overall initiatives.
 - Delay implementing strategic initiatives

Budget Questions

Carryforward

- What is the university doing to get back our carry-forward money?
Has that money permanently disappeared?
 - We are working with the Legislature and the Board of Governors (BOG) to suggest changes in the language in SB 190
 - The carryforward funds have not disappeared
 - A 7% reserve was held within each department's reserve
- When do you anticipate having the carry-forward situation managed?
 - Carryforward plans were received, reviewed, and approved by the Budget Office and the BOT
 - Approved by the BOG on Thursday, October 3
 - On September 23rd an update on the budget process was emailed to Deans, Directors, and Department Heads

Budget Questions

General

- Please clearly explain the reality of the budget as many people read in the newspaper and elsewhere that FSU's budget is higher, not lower, than last year. That makes it tough to understand what the administration means when it says money is tight.
 - The overall budget includes E&G, C&G, Auxiliaries, Capital Projects, Restricted, Designated, and Component Units.
 - The total budget increased approximately 5.7%
 - However, the E&G state support decreased 3%
- Any suggestions for how we can better explain to faculty/staff why media reports about university funding are often inconsistent with information provided by the university?
 - We share this information with the Faculty Steering Committee, Dean's, Provost meetings, university budget advisory committee, and Vice Presidents
 - Budget meetings are conducted throughout the year with both faculty and staff where this is discussed
 - Deans are provided annually, a copy of our operating budget.

Graduate Assistants

General

- What can be done to improve salaries for all the university's graduate teaching assistants?
 - The University is currently in negotiations with the graduate students
 - Departments and Colleges can review their TA stipends and analyze the market rate for each discipline
 - If deemed necessary, departments can provide increases to their TA's beyond what the University has outlined in the Collective Bargaining Agreement, so long as the increase to the stipend rate is based on a written policy or rationale
 - The University has supported incremental increases to the minimum stipend over the last five years, taking the minimum stipend from \$10,000 to \$15,000
 - The University has also provided recurring increases every year to all GA's in addition to the minimum stipend increases, and has provided increases to the health insurance subsidies to ensure GA's have not had to absorb any increase in the health insurance premiums
 - Legislative Budget Request for the upcoming session to address additional graduate level support

Golf Cart, Utility, & All- terrain

- There are many golf carts on campus and many drivers of those vehicles drive safely, but several do not. They drive too fast. I think there needs to be better enforcement, but I worry that we're just begging for a serious accident
- FSU Cart Procedure complies with Florida Statutes 316.212, 316.2126, 316.2074, & 320.01
- All-terrain vehicles may only be used by law enforcement
- Golf Carts must maintain the proper safety equipment as directed in the procedures
- All University employees and volunteers are governed by this procedure

Golf Cart, Utility, & All- terrain

- The operator of a Cart must meet the following criteria
 - Must be a current employee, agent, or volunteer
 - Must possess a valid driver license
 - Must know and adhere to the State of Florida motor vehicle laws
 - Must... sign the Golf Cart, Utility Vehicle, and All-terrain Acknowledgement Form
- Cart Purchases must be approved by EH&S
- The Annual Safety Inspection Checklist must be submitted to EH&S
- Carts must be registered with TAPS
- Privately owned carts are prohibited from operating on University property
- Failure to follow the Cart Procedures could result in an issuance of a citation

HR Updates

FLSA

- On September 24, 2019, the Department of Labor released the final rule which set the salary threshold for white-collar exemptions to the federal overtime pay requirements under Fair Labor Standards Act (FLSA) to \$35,568 (\$684/week).
- Compliance is required by January 1, 2020.
- FSU's current salary threshold for FLSA exemption exceeds the new requirement.
- No immediate changes to the University plan are required.
- HR will be evaluating the new rule and its impact to classifications over the next few months and determining whether revisions are necessary.

HR Updates

OFCCP Audit

- In April 2018, FSU was selected by the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) for a Supply and Services Compliance Review.
- This federal review determines if an organization's recruitment, hiring, employment, and compensation practices meet OFCCP requirements. HR is the designated institutional respondent to these types of reviews.
- On September 13, 2019, we received notification that the OFCCP had found no apparent violations of federal Equal Employment Opportunity policy.

HR Updates

Graduate Assistant Collective Bargaining

- We have had 8 bargaining sessions with GAU attempting to resolve a contract.
- We currently have an offer for bonuses on the table and have offered an increase in the health insurance subsidy of \$82.
- We are working on scheduling the 9th session for October 18, 2019.

Open Enrollment

- Open Enrollment Dates – October 14 – November 1
- We recommend going online to verify dependents are still eligible even if you do not plan to make changes.
- Benefits Fair – Representatives from all State Group Insurance plans will be available.
 - October 16
9:00 AM – 2:00 PM
FSU Turnbull Center

Other Items

- Faculty and Staff are encouraged to utilize the University's Travel Card program
 - Provides for greater efficiency and streamlining
- Endowed Chairs and Professorships
- Golf Course Update
 - Will be managed by Club Corp
 - Memberships are going on sale within the next week
 - If you would like to join, please contact Lori Wilkey, Director of Marketing and Memberships, at (850) 321-5400 / lorilwilkey@gmail.com or Jaxon Hardy, General Manager and Director of Golf, at (850) 896-7119 / jaxonhardy@gmail.com

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