Workshop on Senate Bill 190
Talking Points
September 10, 2019
Auditor General
Duties

Presented by
Vice President Steve Magiera
Auditor General Duties:

- Annually audit Carryforward Funds.
- Auditors use cycle auditing.
- UBOT approves the carryforward.
- Certification signed by BOT Chair, President and CFO.
- In October we present our plan to the BOG at a BOG meeting.
- We usually are requested to send an updated report on a monthly basis.
- The Carryforward can be audited by the University Internal Auditor.
- The BOG-appointed accounting firm of Crowe and Company will also be reviewing our and the other state universities’ practices regarding Carryforward funds.
BOG TRAINING

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BOG Training:

- BOG shall develop and annually deliver a training program for members of each University Board of Trustees.
- It should address the role of the Trustees in governing resources and protecting the public interest.
- Trustees must participate within 1 year of appointment or reappointment.
- Program must include:
  - Statutory, regulatory and fiduciary obligations of the board.
  - Internal process controls and accountability for the president and other administrative officers.
  - College affordability – minimize costs of fees, textbooks and materials.
  - Create University rules and regulations.
  - Institutional ethics and conflicts of interest.
  - Best Practices for BOT governance.
  - Understand current national and state issues in higher education.
  - Any other responsibilities the BOG deems necessary.

Powers and Duties Relating to Accountability – Data:

- The BOG shall define data components and methodology used to implement Preeminent Research (1001.7065) and Performance Based Funding (1001.92).
- Each University shall conduct an audit and the results are to be submitted to the BOG Office of Inspector General.
- The BOG must enter into an agreement with the Department of Economic Opportunity that allows access to individual reemployment wage records for the purpose of auditing or evaluating higher education programs offered by state universities.

Public Education Capital Outlay (PECO):

- The BOG shall submit a prioritized list of projects. The list should give priority to previously approved projects that are not completed and the top two priorities of each university.
• The BOG is to develop a points-based system based on the following criteria:
  o The project was funded previously by the legislature.
  o The project represents a building maintenance project or repair of utility structure, which is necessary to preserve a safe environment.
  o The project addresses the greatest current year need for space. For example, classrooms space, research space, etc.
  o The project reflects a ranked priority of the submitting university.
  o The project represents the most practical and cost effective replacement or renovation of an existing building.
  o For new construction, remodeling or renovation project—does it have a prior appropriation, does it have funding from other sources or has the institution allocated funding equal to a percentage of the total project costs.
    ▪ Six percent for preeminent universities
    ▪ Four percent for emerging preeminent universities
    ▪ Two percent for all other state universities.
• The project scoring the highest for each criterion shall be awarded the maximum points.
• A new construction, remodeling, or renovation project that has not received an appropriation in a previous year shall not be considered for inclusion on the prioritized list unless:
  o A plan is provided to reserve funds in an escrow account into which shall be deposited each year an amount of funds equal to 1 percent of the total value of the building for future maintenance.
  o There exists sufficient capacity within the cash and bonding estimate of funds to accommodate the project within the 3-year PECO funding cycle.
  o The project has been recommended pursuant to the educational plant survey team.
  o The BOG shall review its space need calculation methodology developed by law to incorporate improvements, efficiencies, or changes. Recommendations shall be submitted to the chairs of the House of Representatives and Senate Appropriations Committee by October 31, 2019 and every three years thereafter.
Oversight:

- The Chancellor may investigate allegations of noncompliance with any law or BOG regulation and determine probable cause. The chancellor shall report its determination of probable cause to the Board of Governors which may require the University’s Board of Trustees to document compliance.
- Same rule as above but now includes findings by the Auditor General that a university is acting without statutory authority or contrary to general law.
2 + 2

Presented by

Vice President Mitch Cordova
2 + 2:

- SB190 specifically states that each state university shall execute at least one “2+2” targeted pathway articulation agreement with at least one Florida State College

- FGCU is currently in the process of developing a memorandum of understanding with the State College of Florida (SCF), specifically creating a 2+2 Targeted Articulated Pathway Program; we are calling the program - *Destination FGCU: SCF/FGCU Targeted Pathways Transfer Program.*

- Specific targeted programs being developed are:
  - BA Biology
  - BS Biology (Pre-professional concentration)
  - BA Communication (Communication Studies)
  - BA Communication (Public Relations concentration)
  - BS Health Sciences
  - BS Management (General Management concentration)
  - BS Management (Human Resource Management concentration)
  - BS Management (Sports Management concentration)
  - BS Marketing
• We are working on getting the MOU prepared for both institutions’ Presidents and General Counsels to sign by mid-September (or sooner).

• An implementation MOU will then be signed by Senior Leadership in Student Success & Enrollment Management (SS&EM) and Academic Affairs at both institutions.

• Both documents will address the specific criteria that is outlined in SB190.

• We will be updating our existing MOU with Florida Southwestern State College to ensure it reflects the new changes identified in SB190.
  
  o These conversations have already begun between FGCU and FSW.

• We will also identify specific targeted programs like we are doing with SCF; this will be finished within the Fall 2019 term.
Excess Hours:

- Each University must calculate an excess hour threshold for each student based on the number of credit hours required for the degree.
- If a student changes degree programs, the excess hour threshold must be adjusted only if the new degree requires more credit hours than the previous degree.
- The schedule is as follows:
  - Fall 2009 – summer 2011 120% 144 50%
  - Fall 2011 – summer 2012 115% 138 100%
  - Fall 2012 – spring 2019 110% 132 100%
  - Summer 2019 – after 120% 144 100%
- A state University shall refund up to 12 excess credit hours if the first time in college (FTIC) student completes his/her degree in 4 years after his/her initial start at the university.
- What do we do at FGCU:
  - Baseline notifications are sent to newly admitted or returning students at the end of their first term.
  - Students are informed of the excess hours policy, their individual threshold and attempted credit count. Students with undeclared majors are calculated based on a 120 credit hour program and then it is recalculated when they select a degree program.
  - We issue warning notification to students who have attempted at least 90% of the credits required toward their degree. Students are reminded of the policy and encouraged to meet with their advisor.
  - For FY year 2018-19 we had 387 students billed a total of $401,419 in excess hour fees.
Bright Futures

Presented by

Vice President Mitch Cordova
Bright Futures (BF):

When we apply the new criteria to our 2018 FTIC cohort students (n=2899), we would potentially increase our Bright Futures populations slightly.

- For BF Academic:
  - The previous criteria for SAT was 1290.
  - With the new SAT set at 89th national percentile: SAT score is 1280 (based on 2018-2019 AY).
  - 34 additional students or 1.2% of the cohort would now become eligible.

- For BF Medallion:
  - The previous criteria for SAT was 1290.
  - With the new SAT set at 89th national percentile: SAT score is 1280 (based on 2018-2019 AY).
  - 74 additional students or 2.6% of the cohort would now become eligible.

Regarding the change of the max 45 credit hours –

- For BF Academic (2018-2019)
  - 58% took 30 credits or more.
  - 3 students took 45 credits or more.

- For BF Medallion (2018-2019)
  - 53% took 30 credits or more.
  - 11 students took 45 credits or more.
Carryforward

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Vice President Steve Magiera
Carryforward:

- Each University shall maintain a minimum carryforward balance of at least 7 percent of its state operating budget. Failing to maintain the 7 percent requires submission of a plan to the BOG to get it refunded within the next fiscal year.
- Each university shall submit a spending plan for any moneys in excess of the 7 percent. This is to be completed by September 1, 2020 and each September 1 thereafter.
- We may now commit funds to a public education capital outlay (PECO) project for which an appropriation has previously been provided that requires additional funds for completion. Example, AB9.
- Completion of a renovation, repair, or maintenance project up to $5 million per project and replacement of a minor facility that does not exceed 10,000 gross square feet in size up to $2 million.
- Completion of a remodeling or infrastructure project including a project up to $10 million per project. The project must be survey recommended.
- Completion of a repair or replacement project necessary due to damage caused by a natural disaster.
- Operating expenditures that support the university mission and that are nonrecurring.
- Any purpose specified by the board or in the General Appropriations Act.
- Annually by September 30, the CFO of each University shall certify the unexpended amount of E&G funds.
- A university may spend the minimum carryforward balance of 7 percent if a demonstrated emergency exists and the plan is approved by the University’s Board of Trustees and the BOG.