Florida Gulf Coast University Board of Trustees  
June 21, 2011

SUBJECT:  2011 Post-Legislative Session Report

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

This report is a summary of the action taken by the Legislature during the 2011 Session, and actions by the Governor.

Supporting Documentation Included:  2011 Post-Legislative Session Report

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Legal Review by:  N/A

Submitted by:  President Wilson Bradshaw
FGCU 2011 Post-Session Report

Budget cuts dominated debate during the 2011 Session and yielded a $69.7 billion state budget -- a spending plan relying on no new taxes, a massive Medicaid overhaul, state government pension reform, privatization and negotiated cuts in the areas of health care, education, transportation and many other critical government services - all to address a $4 billion budget deficit. The Florida Legislature also passed $308 million in tax relief for Floridians as requested by Governor Rick Scott.

On May 26th, Governor Scott approved the state budget for the fiscal year 2011-2012. Below are FGCU's results from the signed budget and a summary of the 2011 Session legislation affecting the Florida's State University System as of May 26, 2011.

BUDGET

System wide, the State University System (SUS) had its funding reduced by 10% when the loss of federal stimulus money is included. Our allocation of funding is listed below.

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>FY 2010-2011</th>
<th>Legislature Budget</th>
<th>Budget after Vetoes</th>
<th>Difference from FY 2010-2011</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Ed General Revenue Allocations</td>
<td>$3,408,200,000</td>
<td>$3,222,600,000</td>
<td>$3,222,600,000</td>
<td>-$185,600,000</td>
<td>-5%</td>
</tr>
<tr>
<td>SUS General Revenue Allocations</td>
<td>$1,920,742,146</td>
<td>$1,726,205,130</td>
<td>$1,726,205,130</td>
<td>-$194,537,016</td>
<td>-10%</td>
</tr>
<tr>
<td>Lottery E&amp;G Funds</td>
<td>$5,657,839</td>
<td>$6,386,402</td>
<td>$6,386,402</td>
<td>$728,563</td>
<td>13%</td>
</tr>
<tr>
<td>Student Financial Aid</td>
<td>$230,760</td>
<td>$98,073</td>
<td>$98,073</td>
<td>-$132,687</td>
<td>-58%</td>
</tr>
<tr>
<td>General Revenue Funding</td>
<td>$40,047,965</td>
<td>$38,643,003</td>
<td>$38,643,003</td>
<td>-$1,404,962</td>
<td>-4%</td>
</tr>
<tr>
<td>Tuition Authority Total</td>
<td>$36,502,181</td>
<td>$50,778,538</td>
<td>$50,778,538</td>
<td>$14,276,357</td>
<td>39%</td>
</tr>
<tr>
<td>FTE Enrollment</td>
<td>5,373</td>
<td>5,373</td>
<td>5,373</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Undergrad Tuition</td>
<td>$95.67</td>
<td>$103.32</td>
<td>$103.32</td>
<td>$7.65</td>
<td>8%</td>
</tr>
<tr>
<td>First Generation in College Matching Grant</td>
<td>$6,574,195.00</td>
<td>$5,588,066</td>
<td>$5,588,066</td>
<td>-$986,129.00</td>
<td>-15%</td>
</tr>
<tr>
<td>Public Television Stations</td>
<td>$363,200.00</td>
<td>$307,447</td>
<td>$0</td>
<td>-$363,200.00</td>
<td>-100%</td>
</tr>
<tr>
<td>Public Radio Stations</td>
<td>$72,907.00</td>
<td>$61,715</td>
<td>$0</td>
<td>-$72,907.00</td>
<td>-100%</td>
</tr>
</tbody>
</table>

Governor Scott vetoed funding for the completion of our Health Sciences Building (AB8) and our Innovation Hub (IHUB).

Below are the amounts awarded for FGCU PECO projects.

<table>
<thead>
<tr>
<th>PECO</th>
<th>FY 2010-2011</th>
<th>Legislature Budget</th>
<th>Budget after Vetoes</th>
<th>Difference from Request</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PECO - Maintenance</td>
<td>$3,000,000</td>
<td>$1,529,524</td>
<td>$1,529,524</td>
<td>-$1,470,476</td>
<td>-49%</td>
</tr>
<tr>
<td>PECO - AB8 Equipment</td>
<td>$4,500,000</td>
<td>$4,500,000</td>
<td>$0</td>
<td>-$4,500,000</td>
<td>-100%</td>
</tr>
<tr>
<td>PECO - IHUB</td>
<td>$12,500,000</td>
<td>$5,000,000</td>
<td>$0</td>
<td>-$12,500,000</td>
<td>-100%</td>
</tr>
</tbody>
</table>
**SB 2150 Higher Education Budget Conforming Bill, approved by the Governor 5/26/11**

- Base tuition increase of 8% with an additional 7% increase possible in differential tuition.
- Provide exemption from 30% requirement for need based financial aid on the tuition differential if the university covers the entire tuition and fee costs of all students receiving Pell grants.
- To offset budget reductions, for fiscal year 2011--2012, universities may use 15% of total revenues generated from fee collections for general education services, adult general services in undergraduate degree programs. Included fees: CITF, A&S, Student Health, athletic fees, technology fee, and user fees and fines.
- Require 100% tuition surcharge for students taking more than 115% of credit hours required for their degree program.
- Modify statutes to streamline transient registration and credit transfers for distance learning courses taken by students enrolled in another state institution. Require nominal student fee of $5 for each course registration through distance learning catalog.
- Require creation of union catalog for education libraries. Improve library operations and efficiency through consolidation and joint purchasing.
- Suspends state match for facilities (Courtelis) and operating (Major Matching Gifts) challenge grant programs. May restart after $200M backlog has been matched.
- Reduces statutory cap from $225,000 to $200,000 for appropriated state funds that can be used for remuneration of SUS and Florida College System Presidents and administrators.

**Changes to Bright Futures (Included in Budget and SB 2150)**

Bright Futures has also been changed substantially. Both eligibility and award amounts have been adjusted. Changes to Bright Futures include:
- Requires FAFSA to be filled out for Bright Futures scholarship
- Revise eligibility for each level:
  - **Academic Scholars** - Effective 2012-2013 increase SAT score from 1280 to 1290, or ACT from 28 to 29
  - **Medallion Scholars** - Effective 2012-2013 Increase SAT score from 1020 to 1170, or ACT score from 22 to 26
- Reduces Bright Future awards by the amount of accelerated credits.
- Adds 50 point differential for home schooled students who cannot produce required college prep curriculum.

<table>
<thead>
<tr>
<th>Bright Futures</th>
<th>FY 2010-2011</th>
<th>Legislature Budget</th>
<th>Budget after Vetoes</th>
<th>Difference from FY 2010-2011</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Scholars</td>
<td>$125</td>
<td>$125</td>
<td>$101</td>
<td>-$24</td>
<td>-19%</td>
</tr>
<tr>
<td>Medallion Scholars</td>
<td>$94</td>
<td>$94</td>
<td>$76</td>
<td>-$18</td>
<td>-19%</td>
</tr>
<tr>
<td>Gold Seal Vocational Scholars</td>
<td>$94</td>
<td>$94</td>
<td>$76</td>
<td>-$18</td>
<td>-19%</td>
</tr>
<tr>
<td>Top Scholars Stipend</td>
<td>$53</td>
<td>$53</td>
<td>$43</td>
<td>-$10</td>
<td>-19%</td>
</tr>
</tbody>
</table>
Higher Education Issues

HB 7151 – Relating to Post Secondary Education, approved by the Legislature 05/05/11

The Higher Education Coordinating Council (HECC) is tasked with making detailed recommendations relating to:

- Define the primary core mission of public and nonpublic postsecondary education institutions in the context of state access demands and economic development goals.
- Establish performance outputs and outcomes designed to meet annual and long-term state goals, including, but not limited to, increased student access, preparedness, retention, transfer, and completion. Performance measures must be consistent across sectors and allow for a comparison of the state’s performance to that of other states.
- Evaluate the state's articulation policies and practices to ensure that cost benefits to the state are maximized without jeopardizing quality. The evaluation shall consider return on investment for both the state and students.
- The HECC shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31, 2011, that specifically includes recommendations for consideration by the Legislature for implementation in the 2012-2013 fiscal year.

To improve and facilitate articulation system wide, the State Board of Education and the Board of Governors shall collaboratively establish and adopt recommended policies and guidelines to the Legislature with input from statewide K-20 advisory groups established by the Commissioner of Education and the Chancellor of the State University System and shall recommend the policies to the Legislature. The policies shall relate to:

- The alignment between the exit requirements of one education system and the admissions requirements of another education system into which students typically transfer.
- The identification of common courses, the level of courses, institutional participation in a statewide course numbering system, and the transferability of credits among such institutions.
- Identification of courses that meet general education or common degree program prerequisite requirements at public postsecondary educational institutions.
- Dual enrollment course equivalencies.
- Articulation agreements.

The Commissioner of Education, in consultation with the Chancellor of the State University System, shall establish the Articulation Coordinating Committee which shall make recommendations related to statewide articulation policies to the Higher Education Coordination Council, the State Board of Education, and the Board of Governors. The committee shall consist of two members each representing the State University System, the Florida College System, public career and technical education, public K-12 education, and nonpublic education and one member representing students. The chair shall be elected from the membership. The committee shall:

- Monitor the alignment between the exit requirements of one education system and the admissions requirements of another education system into which students typically transfer and make recommendations for improvement.
- Propose guidelines for inter-institutional agreements between and among public schools, career and technical education centers, Florida College System institutions, state universities, and nonpublic postsecondary institutions.
- Annually recommend dual enrollment course and high school subject area equivalencies for approval by the State Board of Education and the Board of Governors.
- Annually review the statewide articulation agreement pursuant to s. 1007.23 and make recommendations for revisions.
Annually review the statewide course numbering system, the levels of courses, and the application of transfer credit requirements among public and nonpublic institutions participating in the statewide course numbering system and identify instances of student transfer and admissions difficulties.

Annually publish a list of courses that meet common general education and common degree program prerequisite requirements at public postsecondary institutions identified pursuant to s. 1007.25.

Examine statewide data regarding articulation to identify issues and make recommendations to improve articulation throughout the K-20 education system.

Recommend roles and responsibilities of public education entities in interfacing with the single, statewide computer-assisted student advising system established pursuant to s. 1007.28.

Exemption from mandatory summer courses for students in accelerated mechanisms is repealed.

A student who has accumulated 12 college credit hours and has not yet demonstrated proficiency in the basic competency areas of reading, writing, and mathematics must be advised in writing of the requirements for associate degree completion and state university admission, including information about future financial aid eligibility and the potential costs of accumulating excessive college credit as described in s. 1009.286.

Deletes Florida Statute 1007.25 Subsection 12 General education courses; common prerequisites; and other degree requirements

**SB 234 Fire Arms on Campus Bill, approved by the Legislature 05/04/11**

The original legislation would have allowed university staff, faculty, and registered students who hold a concealed carry license to carry their firearm on campus. This provision of the bill was stripped out in committee and there are no changes pertaining to weapons and university campuses.

**SB 1292 Uniform Charts of Accounts for Higher Education, approved by the Governor 05/26/11**

- Beginning October 1, 2011, the CFO will begin conducting workshops with state agencies, local governments, educational entities and entities of higher education to gather information for the development of a uniform chart of accounts.
- The CFO will provide to the state agencies, local governments, educational entities and entities of higher education a draft chart of accounts by July 1, 2013.
- The CFO shall accept comments and input from state agencies, local governments, educational entities and entities of higher education regarding the draft chart of accounts through November 1, 2013.
- By January 15, 2014, the CFO will present a report to the Governor, President of the Senate and the Speaker of the House of Representatives recommending a uniform chart of accounts which requires specific enterprise-wide information related to revenues and expenditures of state agencies, local governments, educational entities and entities of higher education. The report will include the estimated cost of adopting and implementing a uniform enterprise-wide chart of accounts.
State Employee Issues

SB 2100 Florida Retirement System (FRS), approved by the Governor 05/26/11

- Requires a 3% of gross salary employee contribution for members of all classes of the FRS pension plan and investment plan, effective 7/1/11. DROP participants are not required to pay employee contributions.
  - Requires each active member of the State University System Optional Retirement Program (ORP) to contribute the same percentage of 3% gross salary to fund retirement benefits as those contributed by FRS employees, effective 7/1/11. The employer contribution is decreased by the amount paid by the employee.
- Effective July 1, 2011 all new hires will be required to complete 8 years of creditable service to be vested for the FRS.
- For new enrollees after July 1, 2011: Increases regular class retirement age from 62 to 65; and increases the years of creditable service from 30 to 33 years of service.
- Average final compensation will be based on the average of the 8 highest fiscal years of compensation. If less than 8 years of service it will be based on average of the 5 highest years.
- Maintains DROP; however, members entering DROP on or after 1 July 2011, will earn interest at an accrual rate of 1.3%.
- Ends COLA (Cost of Living Allowance) for service earned on or after 1 July 2011. May reinstate 3% COLA after June 30, 2016.