

# LEGISLATIVE AND POLICY ISSUE UPDATE - 2020

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*Serving the Florida College System since 1949*

# 2020 DOE LEGISLATIVE BUDGET REQUEST

	<b>2019-20</b> <b>\$1,255,118,265</b>	<b>2020-21</b> <b>\$1,305,051,744</b>	<b>\$ change</b> <b>\$49,933,479</b>	<b>% Difference</b> <b>4%</b>
Performance Based Incentives – Industry Certs	14,000,000	15,000,000	1,000,000	7.14%
Student Success Incentive Funds - 2+2 and Workforce Performance	30,000,000	40,000,000	10,000,000	33.33%
Dual Enrollment-Instructional Materials	550,000	550,000	0	0%
Dual Enrollment- Scholarship	0	16,000,000	16,000,000	100%
-Total Program Fund	1,209,585,083	1,231,018,562	21,433,479	1.77%
-Special Programs/Projects	24,066,683	21,461,683		
Last Mile Completion	0	1,500,000	1,500,000	100%
Commission on Community Service	983,182	983,182	0	0%
PECO-Maintenance & Projects	11,279,721	65,798,016	54,518,295	483.3%

# FCS Constitutional Amendment Implementation

- In 2018, we passed Amendment 7 to the Florida Constitution, Section 8 to Article IX (Education) pertaining to the “State College System.”
- Establishes a system of governance for our college system.
  - District Boards of Trustees now constitutionally vested
  - State Board Of Education constitutionally vested with supervision authority over the college system.
  - Provides for a residency requirement for trustees.
  - Affirms gubernatorial appointments to staggered four-year terms with confirmations by the Senate.

# Recommendation

- Align statutory references conferring governance authority to District Boards of Trustees.
- Add “state college system” and “state college system institution” to statute providing for interchangeable use of names of the system and its institutions.
- Codify authority of State Board of Education over the college system.
- Address any instance of statutory encroachment that may now be proscribed by the Constitution.

# Classroom and Lab Space Utilization

In 2019, the House Higher Education Appropriations Subcommittee pushed for new metrics for SUS and FCS space need determinations based on the [OPPAGA Report on Higher Ed Space Utilization](#). OPPAGA had produced a similar report in 2009. It found that:

- SUS and FCS classrooms and lab spaces were underutilized.
- Currently there is a minimum room utilization rate of 40 hours per week and a minimum state utilization rate of 60%.

[House Bill 5501](#) was filed in 2019. A classroom or lab would be considered “100% utilized” if:

- A minimum use rate of 60 hours per week and a minimum station use rate of 80%.
- For vocational or laboratory space, a minimum use rate of 40 hours per week and a minimum station use rate of 85%.
- Required institutions to adjust FTE enrollment estimates for online students.
- Required SBOE to provide summary survey data on space utilization for each campus to show the effectiveness space utilization.

# The Compromise

- Senate Bill 190, required the SBOE to review its space need calculation methodology found in Florida Statute 1013.03(2)(a).
- It shall submit recommendations, starting October 31, 2019 (and every 3 years thereafter), to the chairs of the House of Representatives and Senate Appropriations committees.
- The SBOE must also develop a points-based prioritization method to rank projects for consideration.

# FCS Performance Funding

Performance funding has been a part of the college system for decades in various forms.

In the 2012-13 fiscal year a new performance funding method was implemented for the college system, but was limited to industry certification performance which remains.

In the 2015-16 a new set of metrics was adopted including:

- program completion and graduation rates
- retention rates
- job placement
- entry-level wages.

This model provided a match of state funds with an equal share of each college's base funding withheld. It also ranked colleges based on performance.

The "bottom" tier of colleges would not only be ineligible to receive a portion of the state funding, but their withheld base funding would be at risk, and re-distributed to the top tier colleges.

# 2019 Changes to Performance Metrics

## New Performance Funding model:

- Provides colleges their performance allocations when the budget is passed annually.
- Eliminates the colleges' base funding withheld.
- Awards points for completions for metrics similar to those previously measured.
- Eliminates the ranking of institutions and the principle of the bottom-three.

## Measures two general categories:

- 2+2 Student Success (\$20 million)
  - ✓ Critical Year-One course completion
  - ✓ Persistence (Year 1-Year 2)
  - ✓ On-time Graduation
  - ✓ Transfer to Baccalaureate program
- Workforce Incentive (\$10 million)
  - ✓ On-time completion
  - ✓ Job placement/Continuing education

# College Fund Balances

## What is a Fund Balance?

- Fund balance (reserves) is NOT the same as a cash balance available for spending.
- Reserves are used for specific purposes as directed by each College's Board of Trustees.
- Colleges are statutorily required to keep Operating reserves of either 5% or 7% (depending on student FTE levels).

## The Problem

- Legislators see the TOTAL RESERVES & UNALLOCATED FUND BALANCE (which excludes future liabilities) may exceed the prescribed minimum percentage.
- They think colleges are "saving" too much money and don't need additional funding.

# HB 6001 – Campus Carry of Concealed Weapons or Firearms

## What the bill proposes

- Removes Section 13 of F.S. 790.06, which provides the exemption to concealed carry laws prohibiting concealed carry licensees from openly carrying a concealed weapon or firearm into college or university facility. Effective Date: July 1, 2020.
- It also removes concealed weapons carry exemptions that disallowed a concealed carry licensee who is a registered student, employee, or faculty of college or university from carrying stun guns, non-lethal electric weapons, or a defensive device that does not fire a dart or projectile.

## Impact

- As the bill is currently written, the financial impact for colleges to respond to weapons being carried on campus is varied.
- 2017 data collected estimates a \$74 million financial impact to increase armed security, capital outlay, and training.
- Employee and faculty emotional reaction is very high. Campus carry in other states has resulted resignations and union response.

# FCSRMC Budget Request - **\$18.67M**

The FCS Risk Management Consortium is created by mutual agreement of the Boards of Trustees of the Florida College System. It covers:

- \$8.7 billion in property values

## The Request

- Member colleges only pays \$10,000 of the 3% consortium hurricane deductible. In other consortiums, the individual members bear the full deductible.
- Due to the recent catastrophic hurricane losses (Irma, Matthew, and Michael) and other incidences, the FCSRMC is requesting legislative funding of **\$18.67M to replenish the cash coffers used to cover the 3% deductibles.**

# School District Tech Colleges/Career Centers Offering AS Degrees (Nursing)

In 2019, HB 381 (2019) would have allowed school district-level Tech Colleges/Career Centers to offer ASN degrees. The bill was not considered but may return.

## Issue

- AS programs offered by postsecondary institutions must have Masters Degree level (in field) instructors.
- Allowing Tech Colleges/Career Centers to offer ASN would spread thin the existing pool of MS-level instructors. Very limited for MSN.
- Limited clinical capacity for established ASN programs is already an issue.
- It can take up to five-years to set up a new ASN program, and get accredited.

## Options

- Colleges could expand Associates in Science Nursing programs to include more students which requires additional funding.
- Continue to partner with the School Districts as early as high school to create pathways and articulation between the School Districts and Colleges such as completing LPN at the Tech College/Career Center and advancing to an RN program at a College.

# Tuition

- The Florida College System has not been able to increase tuition and fees for over **8 years**...Colleges have been facing cost increases in every area of operations.
- The average tuition cost for public community colleges in the US is approximately \$3,660 (per College Board, Trends in Higher Education)
- The average for the Florida College System is **\$3,149** (16% lower than the national average).
- 23 of the 28 Florida Colleges are currently charging less than the maximum \$82.78 in-state tuition rate allowed in Statute.
- Colleges have the authority to raise tuition by the CPI if the legislature takes no action on the matter.

# Assumptions

- Many colleges are currently below the allowable tuition or rates allowed in statute but Boards have been pressured NOT to increase.
- Colleges regularly asked to justify all fees to legislators even though the fees have remained stagnant for 8 years and are allowable under **FS 1009.23**.
- The inability to raise tuition and fees has caused many colleges to not be able to give adequate raises to faculty and staff and thus makes us unable to keep up with market salaries.
- Colleges could be forced to limit enrollment in high demand/high cost programs to assure they can cover the incremental costs.

# Recommendation

- Allow colleges to work within the current statutes related to tuition and fees (tuition can be assessed 10% below the standard rate or 15% above).
- Allow a reasonable increase (such as CPI) in years that the State appropriations do not provide adequate funding growth.
- Allow the Colleges to raise capital improvement fees to the statutory limit and remove the current \$2.00 cap on the raising of this fee, if PECO funds continue to be limited.
- Allow the Financial Aid fee to be increased to the statutory limit in order to increase scholarship and aid for our students.
- Allow Colleges to comply with statutory percentages for all the other registration fees (technology fee and student activity fee).
- With the current environment regarding safety and security of our students, allow a security fee for cyber risk and/or police/security staffing.