Presided by Trustee Kimberly Moore

BOT Budget Workshop
March 5, 2020
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>Welcome</td>
<td>Trustee Moore</td>
</tr>
<tr>
<td>II.</td>
<td>Roll Call</td>
<td>Dr. Lynn B. Turner</td>
</tr>
<tr>
<td>III.</td>
<td>Workshop Overview and Board Policy</td>
<td>Trustee Moore</td>
</tr>
<tr>
<td>IV.</td>
<td>University Funding</td>
<td>Dr. Alan Robertson</td>
</tr>
<tr>
<td>V.</td>
<td>State Budget Recommendations</td>
<td>Dr. Alan Robertson</td>
</tr>
<tr>
<td>VI.</td>
<td>Senate Bill 190 Summary and Impact</td>
<td>Dr. Alan Robertson</td>
</tr>
<tr>
<td>VII.</td>
<td>New Budget Process</td>
<td>Dr. Alan Robertson and Dr. Maurice Edington</td>
</tr>
<tr>
<td></td>
<td>a. 2020-2021 Budget Priorities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Performance-Based Funding and Metrics</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Quarterly Reviews</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. Carry Forward Spending Plan / Campus Renovations vs Remodeling</td>
<td></td>
</tr>
<tr>
<td>VIII.</td>
<td>Questions</td>
<td></td>
</tr>
<tr>
<td>IX.</td>
<td>Adjournment</td>
<td>Trustee Moore</td>
</tr>
</tbody>
</table>
Workshop Overview and Board Policy

Presented by

Trustee Kimberly Moore
FAMU Board of Trustees Vice-Chair
BOT- Budget, Finance and Facilities Committee Chair
Florida Agricultural & Mechanical University
Board of Trustees Policy

Board of Trustees Policy Number: 2005-05  Date of Adoption/Revision: February 25, 2005,
August 20, 2009, December 3, 2009

Subject | PREPARATION AND SUBMISSION OF BUDGET
Authority | 1011.40, Florida Statutes, Section 7(d) Art. IX, Fla. Const.; 1011.40(2), Florida Statutes,
| Board of Governors Regulation 9.007; FAMU Regulation 1.021

I. Policy Statement and Purpose

The Board of Trustees desires to implement policies and procedures designed to fulfill requirements for
budgeting pursuant to the Board of Governors Regulations, Board policies and regulations and provisions of
the General Appropriations Act, to facilitate the effective discharge of its fiduciary responsibility to the
University.

The June 17, 2004 action of the Board of Trustees delegating "to the President the authority to amend
operating budgets as appropriate during the year, including amendments to provide spending authority for non
E&G encumbrances and adjustments required after the 2003-04 fiscal year is closed in July 2004" is hereby
revoked.

II. Procedures, Approvals/Responsibilities

The University President shall prepare and submit to the Board of Trustees an annual operating budget for the
University's academic programs and support services within the limits of available resources. The budget
submission shall include the budget entities outlined in Board of Governors Regulation 9.007 (State University
Operating Budgets) and be in sufficient detail identifying the categories of expenditures and the sources and
amounts of expected revenues for the fiscal year. The proposed annual budget shall be presented to the Board
of Trustees within sixty (60) days prior to the end of the fiscal year.

III. Adjustments in Categories of Expenditures

The President is hereby granted the authority to adjust categories of expenditure of an operating budget
approved for the university, provided that the adjustments conform to the approved budget limitations, and
reductions in budget plans when resources are projected to be inadequate to support authorized expenditure
levels.

IV. Amendments to the Operating Budgets

The President is hereby granted the authority to amend the approved operating budgets, provided that the
amendments do not exceed 2% or $100,000 per fund. A budget report will be provided at each Board of
Trustees meeting. Amendments approved in the previous fiscal year will be continued in the subsequent fiscal
year if the obligation was not met and cash is certified as available. Budgets for E&G certified forward or non
E&G encumbrances do not require Board of Trustees re-approval as these expenditures were approved in the
prior year’s budget. Changes in certified forward budget requirements will be reflected in the calculation of
available carry forward moneys.
University Funding

Presented by

Dr. Alan Robertson
Vice President for Finance & Administration / CFO
University Funding

- Educational and General (E&G)
- Contracts and Grants (C&G)
- Local Funds
- Auxiliaries
FY2020 Operating Budget ($369.8M)

- **Local Funds**: $63,876,670 (17%)
- **C&G**: $65,918,726 (18%)
- **Auxiliaries**: $49,427,086 (13%)
- **E&G**: $190,645,716 (52%)
State Budget Recommendations

Presented by

Dr. Alan Robertson
Vice President for Finance & Administration / CFO
## FLORIDA A&M UNIVERSITY
### 2020-2021 E & G ALLOCATIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$72,028,521</td>
<td>$64,033,902</td>
<td>$(7,994,619)</td>
<td>$69,426,743</td>
<td>$(2,601,778)</td>
<td>$70,150,543</td>
<td>$(1,877,978)</td>
</tr>
<tr>
<td>Lottery</td>
<td>19,948,565</td>
<td>19,881,878</td>
<td>$(66,687)</td>
<td>22,988,221</td>
<td>3,039,656</td>
<td>22,664,419</td>
<td>2,715,854</td>
</tr>
<tr>
<td>Student Fees</td>
<td>67,801,614</td>
<td>67,801,614</td>
<td>0</td>
<td>67,801,614</td>
<td>0</td>
<td>67,801,614</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$159,778,700</td>
<td>$151,717,394</td>
<td>$(8,061,306)</td>
<td>$160,216,578</td>
<td>$437,878</td>
<td>$160,616,576</td>
<td>$837,876</td>
</tr>
</tbody>
</table>

### PRIORITY BUDGET ALLOCATIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Plant Improvements</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Peaden Education Center (Crestview)</td>
<td>1,500,000</td>
<td>-</td>
<td>$(1,500,000)</td>
<td>1,000,000</td>
<td>$(500,000)</td>
<td>$(1,500,000)</td>
</tr>
<tr>
<td>Need Based Financial Aid</td>
<td>624,417</td>
<td>624,417</td>
<td>-</td>
<td>624,417</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Black Male Explorers Program</td>
<td>164,701</td>
<td>164,701</td>
<td>-</td>
<td>164,701</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Brooksville Research</td>
<td>-</td>
<td>-</td>
<td>100,000</td>
<td>100,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,289,118</td>
<td>$789,118</td>
<td>$(1,500,000)</td>
<td>$1,889,118</td>
<td>$(400,000)</td>
<td>$2,789,118</td>
</tr>
</tbody>
</table>

*Additional Budget Information
- **FAMU-FSU Engineering**: $14,541,522

*Source: Governor's Recommendations, SB 2500, HB 5001 (As of February 13, 2020)*
Senate Bill 190
Summary and Impact

Presented by

Dr. Alan Robertson
Vice President for Finance & Administration / CFO
Senate Bill 190 - Carryforward

- Minimum carry forward balance of at least 7 percent of its state operating budget.

- Emergency spending approved by the university board of trustees (BOT) and the BOG.

- Annual spending of excess balances to its BOT for approval by September 1, and to the BOG for approval by October 1.

- Spending plan may include: capital project for which an appropriation has previously been provided that requires additional funds for completion.

- Spending plan shall include the estimated cost per planned expenditure and a timeline for completion of the expenditure.
Senate Bill 190 – Carryforward continued

- Annual CFO certification of the unexpended amount of state funds remaining as of June 30 and audit by the Auditor General, to verify the accuracy.

- May include:
  
  (a) Capital outlay project for which an appropriation has previously been provided that requires additional funds for completion;

  (b) 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;

  (c) Completion of a remodeling or infrastructure project, including a project for a development research school, up to $10 million per project, if such project is survey recommended;

  (d) Completion of a repair or replacement projects due to a natural disaster;

  (e) Operating expenditures that support the university mission and that are nonrecurring.
New Budget Process

Presented by

Dr. Alan Robertson, Vice President for Finance & Administration / CFO
Dr. Maurice Edington, Provost and Vice President of Academic Affairs
Increase Awareness of Institutional Budget & Planning Process

Overview of Institutional Effectiveness Process

Review of Institutional Goals & Strategic Priorities

Overview of Budgeting Process
The University has made tremendous progress over the past few years towards achieving the goals outlined in the 2017-2022 Strategic Plan (FAMU Rising).

However, several significant changes have occurred within Florida’s higher education landscape since 2017, which necessitate that we take more aggressive steps to accelerate the University’s progress.

- Changes to Performance Funding Model
- BOT Mandate to Accelerate Progress
- Increased Emphasis on Institutional Accountability and Efficiency
- Potential Reductions in State Funding

**Response:**
- Refine institutional priorities
- Reengineer internal processes (e.g. Budget & Planning)
Core Requirement 7.1:
The institution engages in ongoing, comprehensive, and integrated, research-based planning and evaluation processes that:

(1) Focus on institutional quality and effectiveness and

(2) Incorporate a systematic review of institutional goals and outcomes consistent with its mission.

This Should Drive the Institutional Budget & Planning Process
Institutional Effectiveness
FAMU’s Institutional Effectiveness Process

University Mission

University-Wide Strategic Planning

Annual Planning Cycle

- Establish Annual Goals and Priorities
- Budget Planning Process
- Evaluation of Progress

Institutional Research and Assessment

Internal Review and Improvement Process

- Internal Audit
- Academic Program Review
Florida Agricultural and Mechanical University (FAMU) is an 1890 land-grant institution dedicated to the advancement of knowledge, resolution of complex issues and the empowerment of citizens and communities.

The University provides a student-centered environment consistent with its core values.

The faculty is committed to educating students at the undergraduate, graduate, doctoral and professional levels, preparing graduates to apply their knowledge, critical thinking skills and creativity in their service to society.

FAMU’s distinction as a doctoral/research institution will continue to provide mechanisms to address emerging issues through local and global partnerships.

Expanding upon the University’s land-grant status, it will enhance the lives of constituents through innovative research, engaging cooperative extension, and public service.

While the University continues its historic mission of educating African Americans, FAMU embraces persons of all races, ethnic origins and nationalities as life-long members of the university community.
University-Wide Strategic Planning

Typically Occurs Every 5-10 Years at FAMU
- Should be appropriate for the current educational landscape

Comprehensive Planning Process
- Involves internal and external stakeholders

Includes Review of Mission and Vision
- Involves internal and external stakeholders

Provides a Roadmap for the University’s Future
- Identifies strategic goals and objectives

Drives Resource Allocations
- Ensures appropriate resources are directed towards key institutional priorities
University-Wide Strategic Planning, cont

6 Strategic Priorities

- Exceptional Student Experience
- Excellent and Renowned Faculty
- High Impact Research, Commercialization, Outreach and Extension Services
- Transformative Alumni, Community and Business Engagement
- First-Class Business Infrastructure
- Outstanding Customer Experiences
Exceptional Student Experience

**Focus**
- Increase student success
- Strengthen academic degree programs
- Increase student involvement in high-impact co-curricular activities
- Strategically grow and diversify the student body
- Enhance the living-learning environment

**Outcomes**
- Increase in retention and graduation rates
- Improved performance on licensure exams
- Increase in employment outcomes for graduates
- Increase in enrollment and degrees awarded
- Enhanced residential and instructional facilities
Excellent and Renowned Faculty

Focus
Attract and retain world-class faculty
Improve faculty incentives
Invest in critical research facilities

Outcomes
Increase in faculty scholarship and notoriety
Reduction in faculty teaching loads
Expansion of faculty development resources
Enhanced facilities for faculty research and instruction
### Focus

- Establish institutional research priorities
- Increase research productivity and commercialization
- Build upon contributions in outreach and extension
- Grow the University’s reputation as a doctoral-research institution

### Outcomes

- Increase in R&D expenditures
- Increase in faculty research productivity
- Increase in revenue from commercialization efforts
- Increase in graduate degrees awarded in areas of strategic emphasis
- Increase in prestige of graduate programs
- Broadened impact on the community
**Focus**

Increase engagement with key external stakeholder groups

Increase the University’s impact on the community

Grow financial support for the University

**Outcomes**

More engaged and supportive alumni base

Increased number of corporate partnerships

Increased legislative support for institutional priorities

Increase in annual dollars raised

Enhanced perception of the University
<table>
<thead>
<tr>
<th>Focus</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment and retention of an excellent and diverse staff</td>
<td>Improved employee morale and satisfaction</td>
</tr>
<tr>
<td>Enhanced administrative services</td>
<td>Increased satisfaction rates with IT services</td>
</tr>
<tr>
<td>Implementation of a more transparent and effective budgeting model</td>
<td>Reduction in audit findings</td>
</tr>
<tr>
<td>Leveraging technology to increase effectiveness and efficiency in university operations</td>
<td>Increased on-time submissions of data files and reports to external agencies</td>
</tr>
</tbody>
</table>
### Focus
Consistently provide high-quality customer service in all facets of University operations

### Outcomes
- Improved stakeholder satisfaction
- Increased alumni giving
- Increased enrollment
- Enhanced University reputation
Assessment, Budgeting and Effectiveness
Section 13: Financial and Physical Resources

The institution has sound financial resources and a demonstrated, stable financial base to support the mission of the institution and the scope of its programs and services. (Financial resources)

The institution manages its financial resources in a responsible manner. (Financial responsibility)

The institution exercises appropriate control over all its financial resources. (Control of finances)

An annual budget that is preceded by sound planning, is subject to sound fiscal procedures, and is approved by the governing board.
FAMU’s Institutional Effectiveness Process

University Mission

University-Wide Strategic Planning

Annual Planning Cycle
- Establish Annual Goals and Priorities
- Budget Planning Process
- Evaluation of Progress

Institutional Research and Assessment

Internal Review and Improvement Process

Internal Audit

Academic Program Review
Annual Planning Cycle

University-Wide Strategic Planning

Annual Planning Cycle

Develop Unit-Level Annual Plan with Goals that Support:
- University Strategic Plan Goals
- President’s Annual Goals
- Accountability Plan Goals
- Other Priorities Identified by BOT/President

Establish Annual Goals and Priorities

Use Annual Plan to Form Basis for Annual Budget Requests
- Links unit-level planning with institutional budgeting

Budget Planning Process

Evaluate Progress Towards Achieving Annual Goals
- Units should evaluate impact of prior year funding on goal achievement
- University Budget Council will use the unit-level evaluation to assist with funding recommendations

Evaluation of Progress
Office of University Assessment
Mission:

• Promote a culture of evidence at FAMU through the implementation of a manageable and sustainable process that leads to quality program and service improvement.

Example of Impact on Annual Planning Cycle:

• Unit assessment reports that highlight need for resources/focus (e.g. additional staffing or technology resources)
Update on Institutional Goals
Goal Established by BOT at August 2019 Retreat:
Accelerate Progress on PBF Outcomes to
Achieve Minimum Score of 80 Points in 2021

Areas of Focus for Improvement:

- Four-Year Graduation Rate (PBF #4)
- Academic Progress Rate (PBF #5)
- Bachelor's and Graduate Degrees Awarded within PSEs (PBF #6/8)
- Bachelor's Degrees Awarded w/o Excess Credit Hours (PBF #9)
- Post-Graduate Outcomes (PBF #1/2)
- Bachelor's Degrees Awarded to FCS AA Transfers (PBF #10)
## Performance Based Funding Metrics

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Percent of Bachelor's Graduates Enrolled or Employed ($25,000+) (One Year After Graduation)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMU</td>
<td>59.2</td>
<td>61.8</td>
<td>64.6</td>
<td>66.7</td>
<td>63.9</td>
<td>70.5</td>
<td>72.5</td>
<td>74.0</td>
<td>75.0</td>
</tr>
<tr>
<td>SUS</td>
<td>64.9</td>
<td>65.7</td>
<td>67.4</td>
<td>68.4</td>
<td>68.3</td>
<td>70</td>
<td>71</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Median Wages of Bachelor's Graduates Employed Full-time (One Year After Graduation)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMU</td>
<td>$28,800</td>
<td>$32,000</td>
<td>$32,700</td>
<td>$33,000</td>
<td>$31,600</td>
<td>$34,700</td>
<td>$35,900</td>
<td>$37,400</td>
<td>$37,800</td>
</tr>
<tr>
<td>SUS</td>
<td>$34,700</td>
<td>$36,400</td>
<td>$38,000</td>
<td>$38,100</td>
<td>$38,300</td>
<td>$39,800</td>
<td>$40,500</td>
<td>$41,200</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3. Average Cost to the Student (Net Tuition &amp; Fees per 120 Credit Hours for Resident Undergraduates)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMU</td>
<td>$14,350</td>
<td>$13,830</td>
<td>$11,020</td>
<td>$9,410*</td>
<td>$7,640</td>
<td>$7,600</td>
<td>$7,580</td>
<td>$7,560</td>
<td>$7,540</td>
</tr>
<tr>
<td>SUS</td>
<td>$15,100</td>
<td>$14,840</td>
<td>$14,840</td>
<td>$13,760</td>
<td>$9,400</td>
<td>$10,300</td>
<td>$10,150</td>
<td>$9,960</td>
<td>$9,790</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4. FTIC Four-Year Graduation Rate (Full-time FTIC)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMU</td>
<td>12.7</td>
<td>14.0</td>
<td>19.2</td>
<td>21.6</td>
<td>22.5</td>
<td>30</td>
<td>35</td>
<td>38</td>
<td>40</td>
</tr>
<tr>
<td>SUS</td>
<td>43.1</td>
<td>45.2</td>
<td>47.2</td>
<td>49.6</td>
<td>52.6</td>
<td>55</td>
<td>57</td>
<td>59</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5. Academic Progress Rate (Second Year Retention Rate with At Least a 2.0 GPA)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMU</td>
<td>70.1</td>
<td>75.4</td>
<td>74.6</td>
<td>70.0</td>
<td>71.3</td>
<td>85</td>
<td>86</td>
<td>88</td>
<td>88</td>
</tr>
<tr>
<td>SUS</td>
<td>83.3</td>
<td>84.0</td>
<td>85.1</td>
<td>85.9</td>
<td>86.2</td>
<td>89</td>
<td>90</td>
<td>91</td>
<td>91</td>
</tr>
</tbody>
</table>
## Performance Based Funding Metrics

### 6. Percentage of Bachelor’s Degrees Awarded within Programs of Strategic Emphasis

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FAMU</td>
<td>51.1</td>
<td>49.7</td>
<td>48.0</td>
<td>42.6</td>
<td>43.7</td>
<td>48</td>
<td>52</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>SUS</td>
<td>48.1</td>
<td>49.3</td>
<td>51.2</td>
<td>52.2</td>
<td>52.0</td>
<td>53</td>
<td>55</td>
<td>55</td>
<td></td>
</tr>
</tbody>
</table>

### 7. University Access Rate (Percent of Undergraduates with a Pell grant)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FAMU</td>
<td>61.6</td>
<td>64.8</td>
<td>65.4</td>
<td>62.8</td>
<td>65.6</td>
<td>65</td>
<td>65</td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>SUS</td>
<td>39.6</td>
<td>39.7</td>
<td>39.0</td>
<td>38.0</td>
<td>39.2</td>
<td>39</td>
<td>40</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>

### 8. Percentage of Graduate Degrees Awarded within Programs of Strategic Emphasis

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FAMU</td>
<td>43.3</td>
<td>51.5</td>
<td>58.2</td>
<td>58.9</td>
<td>55.2</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>SUS</td>
<td>58.4</td>
<td>60.1</td>
<td>63.7</td>
<td>65.0</td>
<td>64.4</td>
<td>65</td>
<td>65</td>
<td>66</td>
<td>66</td>
</tr>
</tbody>
</table>

### 9. BOG Choice: Percent of Baccalaureate Degrees Awarded Without Excess Hours

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FAMU</td>
<td>34.0</td>
<td>29.0</td>
<td>39.0</td>
<td>41.6</td>
<td>51.4</td>
<td>52</td>
<td>62</td>
<td>72</td>
<td>75</td>
</tr>
<tr>
<td>SUS</td>
<td>68.8</td>
<td>71.1</td>
<td>72.4</td>
<td>76.7</td>
<td>78.8</td>
<td>79</td>
<td>80</td>
<td>81</td>
<td>82</td>
</tr>
</tbody>
</table>

### 10. BOT Choice: Number of Bachelor’s Degrees Awarded to Transfers with AA from FCS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FAMU</td>
<td>188</td>
<td>161</td>
<td>208</td>
<td>244</td>
<td>277</td>
<td>290</td>
<td>310</td>
<td>330</td>
<td>350</td>
</tr>
</tbody>
</table>
Performance Based Funding Metrics

Approach to Drive Improvement

1. Pinpoint the student success metrics/outcomes that need the most attention

2. Evaluate data and historical trends to determine where strategic intervention is most needed

3. Identify and implement proven best practices for increasing student success

4. Allocate resources towards areas / initiatives that have the greatest impact on the outcomes, stop those that do not

5. Ensure that we have the appropriate organizational structure and staffing to foster student success
FY2020 Operational Budget
FY2020 E&G Budget ($190.6M)

- Administration: $48,249,286
- PO&M: $20,210,617
- Libraries: $4,247,848
- Student Services: $14,326,102
- Instruction & Research: $99,111,863
- Student Fees: $4,500,000
Overview of FAMU’s Budget & Planning Process
Incremental Budgeting
- Most common model used in higher education
- Allocations are based upon the funding levels of the previous year and possibly increased by a set percentage
- Involves making only limited changes in the organization’s revenue levels and distribution of resources from one year to next
Incremental Budgeting

Advantages

- Easy to understand and the calculations required are relatively simple and straightforward
- Has the advantage of producing budgets that are relatively stable, with gradual changes from year to year
Incremental Budgeting

Disadvantages

- Allocation of resources is based on the existing pattern of activities and priorities
- Can create disincentives for developing new programs and no incentive to reduce costs
- Encourages managers to adopt a “use it or lose it” attitude, spending monies towards the end of a fiscal year simply because it is there
- Does not adequately incorporate multi-year planning
We should be asking…

- What Process Do We Use to Ensure that Units are Appropriately Funded?

- How Do We Ensure that Sufficient Funding is Allocated to Achieve Institutional Goals?

- How Do We Stack up With Respect to Performance and Operational Efficiency in Comparison to Other SUS Institutions?
Enhanced Annual Budget & Planning Process

Rationale for Change

To achieve the targeted performance goals, we will need to re-engineer internal processes to better position the University to make rapid improvements in outcomes:

- We typically only allocate new dollars towards priorities
- We do not consistently assess and reallocate funds if units are underperforming
- We have not been aggressive in identifying and eliminating inefficiencies
Enhanced Annual Budget & Planning Process

Goal
Implement an enhanced budgeting model that fosters better alignment of resource allocations with the University’s strategic priorities:

- Adequately support institutional priorities
- Drive long-term sustainability and growth
- Promote operational efficiency and effectiveness
Enhanced Annual Budget & Planning Process

New Approach

☑ Adopt a “Full Fund” Budgeting Model
  - Resource allocations are made with consideration of all available university funding sources

☑ Evaluate all Vacant Positions for Potential Reallocation or Elimination
  - Generate savings for reinvestment

☑ Modify Function and Role of Budget Council
  - Now co-chaired by CFO & Provost
  - Council makes preliminary funding recommendations to CFO & Provost
  - Includes representative from Deans’ Council

☑ Increase Operational Efficiency
  - Well-defined list of funding priorities
  - Assessment and evaluation of existing resource allocations and expenditures for each unit
FY2021 Budget Priorities
1. Increase Student Success
2. Promote Accountability and Increase Efficiency
3. Support Faculty Excellence
4. First Class Business Infrastructure
1. Academic Support and Retention Services
2. Student Recruitment
3. Curriculum Development
4. Program Accreditation
5. Instructional Technology
6. Facility Upgrades/Enhancements
1. Operational Efficiency
2. Enhance Internal Controls
3. Faculty Workload and Productivity
4. Customer Service
Support Faculty Excellence

1. Faculty Recruitment and Retention
2. Faculty Professional Development
3. Faculty Salaries
First Class Business Infrastructure

1. Staff Recruitment and Retention
2. Staff Professional Development and Education
3. Succession Planning
4. Cybersecurity/Technology Infrastructure
5. Facility Upgrades/Enhancements
Next Steps

Budget Requests

- Involve unit stakeholders in the process
- Conduct critical analysis of unit, with a focus on increasing efficiency and improving performance
- Budget Hearings
Carryforward Spending Plan / Campus Renovations vs Remodeling
## FLORIDA A&M UNIVERSITY

### Education and General

**Carryforward Spending Plan Summary**

Approved by University Board of Trustees

September 1, 2019

<table>
<thead>
<tr>
<th>Restricted / Contractual Obligations</th>
<th>University F&amp;G</th>
<th>Amount Encumbered &amp; Expended as of 02/01/2020</th>
<th>Remaining Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional and Graduate Degree programs</td>
<td>$687,720</td>
<td>$462,135</td>
<td>$225,585</td>
</tr>
<tr>
<td>World Class Faculty and Scholar Programs</td>
<td>$683,433</td>
<td>$675,694</td>
<td>$7,739</td>
</tr>
<tr>
<td>Black Male College Explorers</td>
<td>$23,119</td>
<td>$10,945</td>
<td>$12,171</td>
</tr>
<tr>
<td><strong>Restricted by Appropriations</strong></td>
<td>$1,394,292</td>
<td>$1,148,777</td>
<td>$245,515</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Restricted by Contractual Obligations</th>
<th>University F&amp;G</th>
<th>Amount Encumbered &amp; Expended as of 02/01/2020</th>
<th>Remaining Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Services, Enrollment, and Retention Efforts (Oracle)</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Student Financial Aid</td>
<td>$4,500,000</td>
<td>-</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Information Technology (BlackBoard)</td>
<td>$630,000</td>
<td>$630,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Restricted Funds</strong></td>
<td>$7,534,292</td>
<td>$2,778,777</td>
<td>$4,755,515</td>
</tr>
</tbody>
</table>

### Commitments

#### Compliance, Audit, and Security

- **Campus Security and Safety Enhancements (Fire Alarm Upgrades & Sidewalk Repair)**
  - University F&G: $1,175,000
  - Amount Encumbered & Expended as of 02/01/2020: - $1,175,000

#### Academic and Student Affairs

- **Quality Enhancement Program**
  - University F&G: $400,000
  - Amount Encumbered & Expended as of 02/01/2020: $400,000

- **Graduate Assistantships**
  - University F&G: $2,100,000
  - Amount Encumbered & Expended as of 02/01/2020: $825,147
  - Remaining Balance: $1,274,853

#### Facilities, Infrastructure, and Information Technology

- **Information Technology (Campus Wide Classrooms and PeopleSoft Upgrades)**
  - University F&G: $1,025,000
  - Amount Encumbered & Expended as of 02/01/2020: - $1,025,000

- **Completion of Renovation, Repair, or Maintenance Project up to $5M ($9-$100)**
  - University F&G: $4,411,690
  - Amount Encumbered & Expended as of 02/01/2020: $1,470,583
  - Remaining Balance: $2,941,102

#### Other UBOT Approved Operating Requirements

- **Contingency Funds**
  - University F&G: $250,000
  - Amount Encumbered & Expended as of 02/01/2020: $100,000
  - Remaining Balance: $150,000

<table>
<thead>
<tr>
<th>Total Commitments</th>
<th>University F&amp;G</th>
<th>Amount Encumbered &amp; Expended as of 02/01/2020</th>
<th>Remaining Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
<td>$16,885,982</td>
<td>$5,574,512</td>
<td>$11,311,470</td>
</tr>
</tbody>
</table>
“At FAMU, Great Things are Happening Every Day!”