

1                                   A bill to be entitled  
 2           An act relating to the State University System  
 3           performance funding model; amending s. 1001.7065,  
 4           F.S.; authorizing state universities to receive  
 5           designation as preeminent state research universities;  
 6           creating s. 1001.707, F.S.; providing legislative  
 7           intent; requiring the Board of Governors to establish  
 8           a State University System performance funding model  
 9           and reporting system; specifying standards for  
 10          purposes of the performance funding model; requiring  
 11          the Board of Governors to implement a weighted scoring  
 12          system to measure university achievement of excellence  
 13          or improvement; providing funding and reporting  
 14          requirements; requiring the Board of Governors to  
 15          design and annually disseminate university report  
 16          cards; requiring the Board of Governors to adopt  
 17          regulations; providing an effective date.

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 19   Be It Enacted by the Legislature of the State of Florida:

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 21           Section 1. Subsection (3) of section 1001.7065, Florida  
 22   Statutes, is amended to read:

23           1001.7065 Preeminent state research universities program.—

24           (3) PREEMINENT STATE RESEARCH UNIVERSITY DESIGNATION.—In  
 25   the 2013-2014 fiscal year, the Board of Governors designated the  
 26   University of Florida and Florida State University as preeminent

27 state research universities. To receive the designation, the  
 28 University of Florida met all 12 of the academic and research  
 29 excellence standards identified in subsection (2) and Florida  
 30 State University met ~~shall designate each state research~~  
 31 ~~university that meets at least~~ 11 of the 12 academic and  
 32 research excellence standards identified in subsection (2) ~~a~~  
 33 ~~preeminent state research university.~~ Beginning with the 2014-  
 34 2015 fiscal year, any other state university may submit a  
 35 request to the Board of Governors for designation as a  
 36 preeminent state research university, which the Board of  
 37 Governors may grant based upon verification that the university  
 38 meets at least 11 of the 12 academic and research excellence  
 39 standards identified in subsection (2).

40 Section 2. Section 1001.707, Florida Statutes, is created  
 41 to read:

42 1001.707 State University System performance funding model  
 43 and reporting system.-

44 (1) LEGISLATIVE INTENT.-Beginning July 1, 2014, in  
 45 furtherance of the collaborative partnership between the Board  
 46 of Governors and the Legislature as codified in the State  
 47 University System Governance Agreement of March 24, 2010, it is  
 48 the intent of the Legislature to provide authority to the Board  
 49 of Governors to establish and maintain a performance funding  
 50 model and reporting system in accordance with this section. It  
 51 is the further intent of the Legislature that the performance  
 52 funding model and reporting system shall reflect the Board of

53 Governors' operation and management of the State University  
 54 System as a complementary, interactive system while recognizing  
 55 the specific mission that each university within the State  
 56 University System plays in advancing the state's higher  
 57 education goals and priorities. To accomplish these objectives,  
 58 the Board of Governors may implement performance funding rewards  
 59 and sanctions designed to maximize each university's potential  
 60 to succeed, including, but not limited to, incentives for  
 61 preeminence and incentives for the production of highly skilled  
 62 graduates.

63 (2) PERFORMANCE FUNDING MODEL AND REPORTING SYSTEM.—The  
 64 Board of Governors shall establish the State University System  
 65 performance funding model and reporting system. The applicable  
 66 standards for purposes of the performance funding model are:

67 (a) Universities designated as preeminent state research  
 68 universities by the Board of Governors are subject only to the  
 69 academic and research excellence standards specified in s.  
 70 1001.7065(2).

71 (b) Except as provided in paragraphs (c) and (d), all  
 72 other universities are subject only to the following quality  
 73 standards:

74 1. Percentage of baccalaureate degree graduates employed  
 75 or continuing their education.

76 2. Average wages of employed baccalaureate degree  
 77 graduates.

78 3. Average cost per undergraduate degree.

79 4. Six-year graduation rate for full-time and part-time  
 80 first-time-in-college students.

81 5. Academic progress rate based on the number of students  
 82 retained after the first academic year with a grade point  
 83 average above 2.0 on a 4.0 scale.

84 6. Baccalaureate degrees awarded in areas of strategic  
 85 emphasis as designated by the Board of Governors.

86 7. Percentage of baccalaureate degree graduates who were  
 87 Pell Grant recipients.

88 8. Graduate degrees awarded in strategic areas of emphasis  
 89 as designated by the Board of Governors.

90 9. A standard selected by the Board of Governors for each  
 91 university.

92 10. A standard selected by the board of trustees of each  
 93 university.

94 (c) In recognition of the mission of New College of  
 95 Florida as a small residential arts and sciences honors college,  
 96 New College of Florida is exempt from the standards in  
 97 subparagraphs (b)3. and 8. and, in lieu thereof, shall be  
 98 measured by the number of Fulbright Scholars and other national  
 99 award recipients per 100 undergraduates and the percent of  
 100 undergraduate courses taught by tenure-track professors.

101 (d) The standards in paragraph (b) shall be applicable to  
 102 Florida Polytechnic University beginning July 1, 2022.

103 (3) WEIGHTED PERFORMANCE FUNDING MODEL METHODOLOGY.—The  
 104 Board of Governors shall establish benchmarks for each standard

105 established in paragraphs (2)(b) and (c). The Board of Governors  
 106 shall also implement a weighted scoring system to measure the  
 107 achievement of excellence or improvement of each university.  
 108 Points shall be awarded to each university for each standard  
 109 based on the associated benchmark achieved. Each university  
 110 shall be awarded a total score based on the points earned for  
 111 each benchmark achieved.

112 (a) A university designated as a preeminent state research  
 113 university shall be evaluated on the academic and research  
 114 excellence standards specified in s. 1001.7065(2). In the Board  
 115 of Governors' scoring system, each of the academic and research  
 116 excellence standards shall be worth twice the weight and  
 117 commensurate fiscal value of the maximum points achievable for  
 118 the standards established in paragraphs (2)(b) and (c). The  
 119 Board of Governors shall award each preeminent state research  
 120 university a total score based on the points earned for each  
 121 academic and research excellence standard achieved.

122 (b) The initial year of use of the performance funding  
 123 model shall be based on data submitted by the universities to  
 124 the Board of Governors for fiscal year 2012-2013 and validated  
 125 for accuracy by the Board of Governors. Funds for the State  
 126 University System performance funding model are subject to  
 127 annual appropriation by the Legislature in the General  
 128 Appropriations Act. Funds appropriated each year for the  
 129 performance funding model shall be held in reserve until the  
 130 Legislative Budget Commission approves a budget amendment

131 allocating the performance funding based on the Board of  
 132 Governor's scoring system. The budget amendment shall be  
 133 submitted to the Executive Office of the Governor by the Board  
 134 of Governors by July 15 annually.

135 (c) Annually by March 1, the Board of Governors shall  
 136 submit a report to the Governor, the President of the Senate,  
 137 and the Speaker of the House of Representatives containing each  
 138 university's scores based on data from the prior academic year  
 139 and suggested changes to the standards and benchmarks used to  
 140 evaluate a university's performance.

141 (4) UNIVERSITY REPORT CARD.—For State University System  
 142 transparency and clarity of student and parental choice options,  
 143 the Board of Governors shall design and annually disseminate a  
 144 report card for each university that displays the university's  
 145 ranking on each of the performance funding model standards  
 146 applicable to that university. However, the report card for each  
 147 preeminent state research university must also display the  
 148 university's ranking on each of the standards established in  
 149 paragraph (2) (b).

150 (5) REGULATIONS.—The Board of Governors shall adopt  
 151 regulations to implement the requirements of this section.

152 Section 3. This act shall take effect July 1, 2014.