



Council of Business Affairs Division Report

Division of Florida Colleges

September 16, 2021





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Presented By:

Dottie Sisley

Director, Florida College System Budget Office

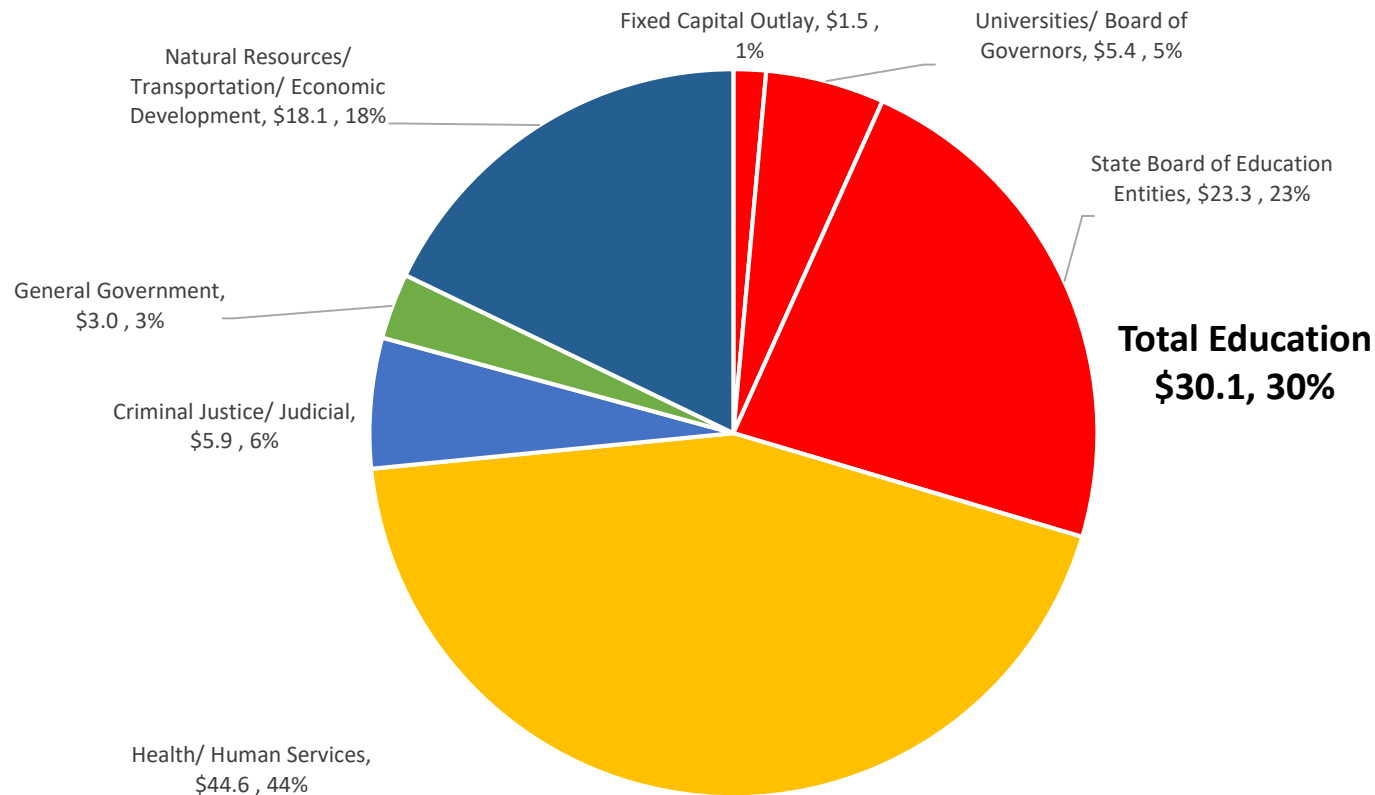
Lisa Cook

Associate Vice Chancellor



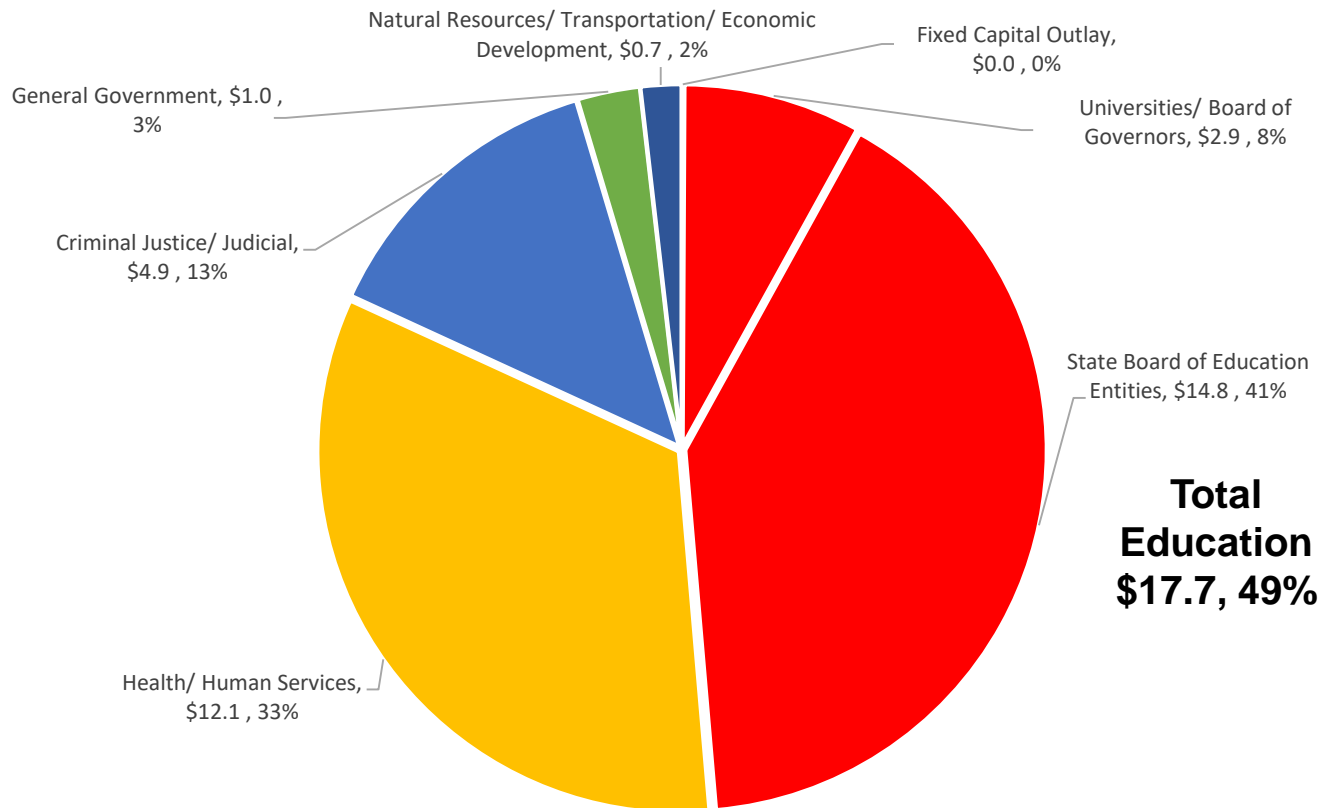
2021-22 Statewide Funds Operations and Fixed Capital Outlay = \$101.7 billion

(amounts are in billions and after vetoes)



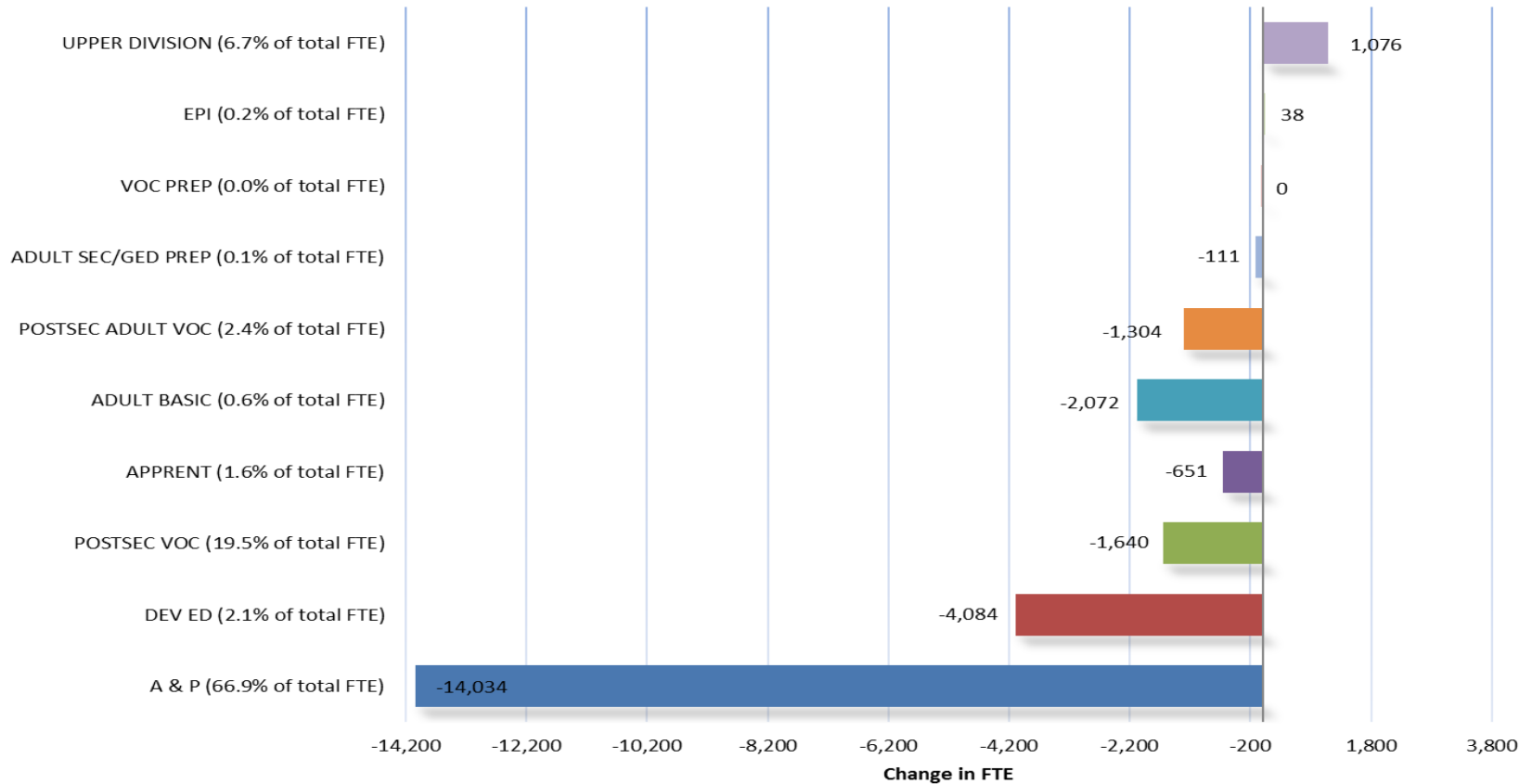
2021-22 General Revenue Funds Operations and Fixed Capital Outlay = \$36.5 billion

(amounts are in billions and after vetoes)



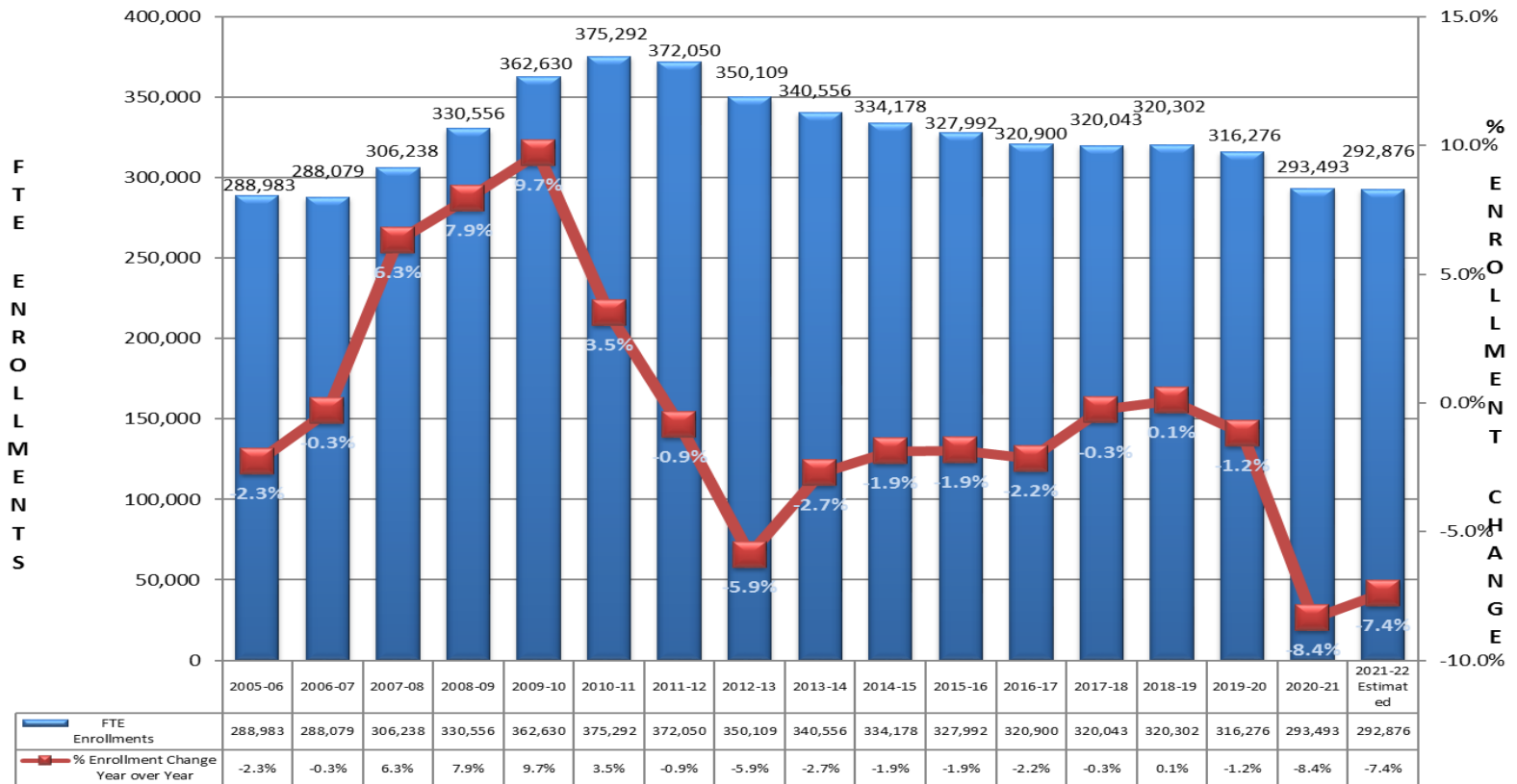
FTE Enrollment Change by Program

Florida College System
2020-21 FTE-3 Over 2019-20 FTE-3 Change in FTE by Program Area



FTE Enrollment History

FTE Enrollment History - Lower and Upper Levels Combined



Note: This graph uses each year's independent legislative definition of funded FTE.

Annual Financial Reports

Report	Due Date
Cost Analysis	Friday, October 15, 2021
Administrative Cost Analysis	Friday, October 15, 2021
Summary of Student Fee Exemptions and Waivers	Friday, October 15, 2021
Report of Actual Services & Expenditures for Students with Disabilities	Friday, October 15, 2021
Financial Aid Fee Report	TBD
Technology Expenditure Analysis	Friday, October 15, 2021
Dr. Philip Benjamin Expenditure Report	Friday, October 15, 2021

Due Dates are available on the [FCS Finance Website](http://www.fcsfinance.com):
(<http://www.fldoe.org/schools/higher-ed/fl-college-system/data-reports/finance/>)



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Legislative Implementation Update

Florida Postsecondary Academic Library Network

- House Bill (HB) 847 amended section (s.) 1006.73, Florida Statutes (F.S.), by directing the Board of Governors and the State Board of Education to oversee the chosen host entity that will deliver the services of the postsecondary library network, statewide internet-based catalog of distance learning courses and online student advising services.
- The Chancellors of the State University System and Florida College System (FCS) will provide an annual report on the performance of the host entity to the Governor, President of the Senate, Speaker of the House, Board of Governors and State Board of Education (SBOE).
- By June 1, 2022, the Commissioner of Education and Chancellor of the Board of Governors will provide a recommendation on a process for career centers to access these services which would include an analysis of resources to expand access. **We are developing a survey tool for technical centers to determine level of need.**

Workers' Compensation Premium

- Senate Bill (SB) 366 created s. 446.54, F.S., to reimburse employers, including school districts and FCS institutions, the workers' compensation premium for students in work-based learning opportunities. The bill specifies that the institution is considered an employer when the student is 18 years or younger and providing unpaid services under a work-based learning opportunity provided by the institution.
- The Department is developing an allocation plan for employer institutions based on the \$2 million appropriation. There will be a rule workshop. The plan is to take the rule to the SBOE in February, 2022.

Foreign Gift and Contract Reporting

- HB 7017 created s. 1010.25, F.S., to require institutions to provide a semiannual report (January 31 and July 31) of any gift, grant or contract from a foreign source with a value of \$50,000 or more. The bill prescribes reporting requirements and specific contract disclosures.
- Beginning July 1, 2022, the Inspectors General of the Board of Governors and Department of Education will randomly test for compliance. Institutions who fail to report or willfully fail to disclose may be sanctioned and fined by the Department.
- We have drafted a reporting form and would like college input before we finalize.

Dual Enrollment Scholarship Program

- SB 52 created s. 1009.30, F.S., to reimburse postsecondary institutions for tuition and related instructional materials for dual enrolled students beginning in fall 2021.
- The appropriation provides \$15.5 million to public postsecondary institutions for private and home education students in the fall or spring terms and all students during the summer term.
- Biannual reporting is required by the institutions for FDOE to reimburse by the statutory deadlines of April 15th and August 15th.
- The rule workshop for 6A-20.0282 was held August 18, 2021. The rule will go to the SBOE for approval on October 20, 2021.

Open Door Grant Program

HB 1507 created s. 1009.895, F.S., to establish the Open Door Grant Program (Open Door), which will provide funds to support student completion of short-term, high-demand credit and non-credit career and technical education (CTE) programs at:

- School district postsecondary technical career centers under s. 1001.44, F.S.
- Charter technical career centers under s. 1002.34, F.S.
- Florida College System (FCS) institutions s. 1000.21(3), F.S.

To support implementation of Open Door, the Florida Legislature appropriated:

- \$15,000,000 for school district career centers.
- \$20,000,000 for FCS institutions.

Open Door Grant Program cont.

The State Board of Education approved Rule 6A-20.045, on August 18, 2021.

Application materials and FAQs are now available at [FLDOE Website - Funding Opportunities](#). The first review date is October 15. Applications will continue to be accepted until November 1, 2021, or until all appropriated funds are awarded.

FDOE is also hosting a webinar on Friday, September 17, at 10:00a EDT to assist institutions in the application process.

Money Back Guarantee Program

HB 1507 created s. 1011.803, F.S., to require each FCS institution to create a money-back guarantee program that will refund tuition to students who are unable to find employment in their field of study within six months of completion of certain workforce education programs.

The Labor Market Estimating Conference (LMEC) created in s. 216.136, F.S., will identify a statewide needs list that includes programs leading to in-demand and middle-level to high-level wage occupations. FCS institutions will need to create money-back guarantee program for:

- A minimum of three workforce education programs on the LMEC statewide needs list, or at least 50 percent of workforce education programs if the institution offers six or fewer programs.
- All workforce education programs that are not on the LMEC statewide needs list but are established to meet a critical local economic industry need.

Money Back Guarantee Program cont.

FCS institutions will need to review their program offerings against the statewide needs list to determine the programs that will be offered with a money-back guarantee. Additionally, FCS institutions must establish student eligibility requirements, including student attendance, career service attendance, participation in internships or work-study, job search documentation and development of a student career plan.

The money-back guarantee program begins in the 2022-2023 academic year. By July 1, 2022, each institution must notify the SBOE of the money-back guarantee programs they offer and include information about these programs on their respective website(s). Annually, colleges will be required to report performance results to FDOE. FDOE will provide institutions with additional information regarding the LMEC's list and reporting requirements as soon as available.

The Labor Market Estimating Conference has not yet been scheduled, but is expected to occur in October.



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FTE Estimate and Projections

FTE Estimate and Projections Part 1

- Moving to a current year plus five years outlook at the request of the Office of Economic and Demographic Research (EDR)
- FTE-1/1A and FTE-2/2A processes for current year estimate will be the same
- The five (5) years of projections will be based off the summer process used to project COFTE, except using current term numbers, and not using site level detail
 - Eliminates the need for separate tier funding model projections
 - If needed, the tier funding model will use the first year projection from this process

FTE Estimate and Projections Part 2

Timeline: September

- 16th: Present 1 year estimate plus 5 year projections model (new model) to Business Officers (COBA)
- 22nd: Chancellor to review the new process with Presidents at COP
- 27th-30th: Present new model to Reports Coordinators

FTE Estimate and Projections Part 3

Timeline: October

- 1st: College submission window closes for term 1E and 2B data, no data submissions allowed after the term
- 4th-14th: FDOE runs FTE1 estimate and FTE projections data and generates FTE estimate/projections model spreadsheets
- 15th-29th: FTE1 estimates and FTE 5 year projections sent to colleges for review and adjustments
- 29th: Colleges submit any adjustments and all justifications to FDOE.

FTE Estimate and Projections Part 4

Timeline: November

FDOE reviews college adjustments and justifications. Reports are generated and conference packet is developed. Packet is reviewed by leadership and sent to EDR.

December

Anticipated FCS FTE Estimating Conference the week of December 6th-10th.

FTE Estimate and Projections Part 5

October 15th

Colleges will receive memo and FTE-1 Estimates and FTE 5 year projections instructions.

Colleges have the same options, and the same requirement to provide justifications for the chosen option:

- Accept all/part of the Division FTE-1 estimate and projections
- Adjust all/part of the Division FTE-1 estimate and projections
- Replace all/part of the Division FTE-1 estimate and projections with a detailed, fully-explained college model

FTE Estimate and Projections Part 6

October 29th

Colleges submit the following:

- FTE-1 Enrollment and Projections Estimates Adjustments Forms (Excel workbook)
- Narrative Justification Forms (Excel workbook)
- All narrative justification supporting documents
- Executed FTE-1 Certification Form signed by both the President (or designee) and the Business Officer



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State of Florida Long-Range Financial Outlook

[Link to EDR Website:](http://edr.state.fl.us/Content/long-range-financial-outlook/3-Year-Plan_Fall-2021_2023-2225.pdf)

(http://edr.state.fl.us/Content/long-range-financial-outlook/3-Year-Plan_Fall-2021_2023-2225.pdf)

State of Florida Long-Range Financial Outlook

September 3, 2021

EXECUTIVE SUMMARY KEY POINTS

The State of Florida's General Revenue Fund collections are projected to be above the pre-pandemic forecasted levels for Fiscal Year 2021-22 and Fiscal Year 2022-23 and are expected to increase approximately four percent per year throughout the three-year forecast period.

Projected expenditures are considerably less than the General Revenue funds expected to be available—significant surpluses are projected for all three fiscal years included in the Outlook.

A minimum reserve equivalent to 3.9 percent of the revenue estimate is maintained in the General Revenue Fund for each year of the Outlook.

The Outlook does not account for any new or expanded programs; new appropriations projects; or potential risks such as hurricanes or other natural disasters. (Report page 3)

[Link to EDR Website:](#)

(http://edr.state.fl.us/Content/long-range-financial-outlook/3-Year-Plan_Fall-2021_2023-2225.pdf)

State of Florida Long-Range Financial Outlook September 3, 2021 (Revenue Projections)

REVENUE PROJECTIONS - KEY POINTS

The state's overall General Revenue collections move notably above the pre-pandemic forecasted levels for Fiscal Year 2021-22 and Fiscal Year 2022-23 by approximately \$600 million each year, after adjusting for legislative actions.

Even though signs of a return to pre-pandemic life appear to be firmly in place, the Revenue Estimating Conference noted the future risk to Sales Tax collections associated with people returning to a normal purchasing mix of goods and services, as well as a more typical savings rate.

The Educational Enhancement and State School trust funds are expected to end the current fiscal year with sizeable balances that will supplement the funds available for expenditure in Fiscal Year 2022-23.

The Tobacco Settlement Trust Fund is projected to have steady growth throughout the Outlook period. (Report page 5)

State of Florida Long-Range Financial Outlook September 3, 2021 (Expenditure Projections)

EXPENDITURE PROJECTIONS - KEY POINTS

There are 15 Critical Needs budget drivers and 28 Other High Priority Needs budget drivers included in the Outlook.

The projected General Revenue need is \$2.4 billion in Fiscal Year 2022-23; \$1.9 billion in Fiscal Year 2023-24; and \$1.8 billion in Fiscal Year 2024-25.

Across the three years of the Outlook, the largest General Revenue needs are in the Human Services (30.8%), Higher Education (20.6%), and Administered Funds & Statewide Issues (14.4%) policy areas (65.8% of 3-year total). (Report page 11)



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Other Updates

Spending Plans

- Per s. 1013.841, F.S., Colleges shall submit spending plans for any excess carry forward balance beyond the applicable 5 percent or 7 percent minimum.
- The spending plan shall include all excess carry forward funds from state operating funds, and shall be approved by the college board of trustees by September 30th.
- The SBOE shall review and publish each institution's carry forward spending plan by November 15th.

Other Updates Continued

- Textbook Affordability: Revised rule 6A-14.092, F.A.C., going to Board for approval on October 21.
- Deferred Maintenance \$350M Plan



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Fixed Capital Outlay

Capital Improvement Plans

Five-year Request Summary 2022-23 to 2026-27

253 Projects:

• Maintenance, Repair & Renovation	\$553 million
• Remodel & New	<u>\$1.05 billion</u>
Total	\$1.6 billion

August 3, 2021 PECO Revenue (K-20)

Estimates (Cash only)

2022-23	\$386.5 million
2023-24	\$465.8 million
2024-25	\$549.0 million

August 3, 2021 PECO for FCS

Preliminary Estimates (SODA + Projects)

2022-23	\$48.4M (39.8M + 8.6M)
2023-24	\$59.5M (48.9M + 10.6M)
2024-25	\$70.4M (57.8M + 12.5M)

FCS PECO Project List

Based on August 3, 2021 estimate

Approved by State Board of Education on August 18, 2021

- 56 projects total \$685.7M
 - Top 2 priority projects per college + previously funded
 - 3-Year Request \$31.8M
 - 2 Projects, 1 Complete



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