

Budget Workshop
Tuesday June 4, 2024
Marshall Student Center
11:30 – 2:30

Board Chair Will Weatherford welcomed everyone to the Budget Workshop. He commented on the USF budget being a multibillion-dollar enterprise and on the importance of us understanding the investment choices and the opportunities that we must make.

Chair Weatherford asked Finance Committee Chair Mike Griffin for comments.

Finance Committee Chair Mike Griffin

Finance Committee Chair Mike Griffin acknowledged when we had the concept of having a workshop with leaders from the campus boards it continued the evolution of One USF as well as the commitments we've made through consolidation to be collaborative, engaging and thoughtful. We have had transformative success in the last few legislative sessions thanks to President Law, Chair Weatherford and our Government Relations team. Part of this workshop is for educational purposes as well as to hear thoughts and concerns. One of the most important duties as a Trustee is awareness and commitment to fiscal responsibility.

Chair Weatherford commented that this workshop is meant to be conversational. He encouraged everyone to feel free to discuss and ask questions.

USF President Rhea Law

President Law commented that this important process is about alignment, understanding the budget, and being predictable and transparent. This workshop is a recognition of the university's transformation as a result of USF joining AAU one year ago.

This is the beginning of a new era. We are in a position where we must make decisions strategically on everything we do. The budget is one of the biggest things as it reflects how we're going to make our investments to make this the best university it could possibly be.

A strategic metric list was provided in the Trustees packets. It included filters on how to make decisions. The President discussed the following information included on the metric list:

- The budget framework
- How will the budget look in the future?
- Filter question – Will it support our performance-based funding, our preeminence and AAU metrics?
- Filter question - How does this affect our student and faculty success and research enterprise?
- Filter question - Will it support USF being a great place to work and learn?
- Community Engagement and partnerships
- Filter question - Does it support a competitive advantage?
- Areas of expertise
- What it takes to be in the top 25
- Meeting the reputational metrics – increasing the score
- The Strategic Optimization Fund – Using it strategically
- Identifying key initiatives
- Opportunities to raise funds – generating revenue from our auxiliary funds
- Efficiencies – How to be more effective with the use of funds we have?

President Law acknowledged her appreciation of working with the USF faculty. They are an important part of this process as it relates to having a transparent and predictable budget, ways to conduct ourselves moving forward and meeting our goals.

The President also acknowledged Trustee Jasinski Schneider for her diligent work and representation of the faculty and of the Board of Trustees.

Trustee Jasinski Schneider thanked the President for engaging with the faculty members. Since forming the Budget Council, the faculty have worked closely with the President, Provost and USF leadership to understand the budget and decisions that are made to reflect the reputation of USF.

President Law turned the meeting over to Vice President and CFO Jennifer Condon. A PowerPoint was presented.

Vice President and CFO Jennifer Condon

Vice President Condon encouraged the Board and Campus Board members to share thoughts or concerns during the presentation and provided an update on the USF budget process.

The PowerPoint highlighted the following:

- Budgeting at USF
- USF Budget Framework
- Goals and Objectives

Review of FY24

- Funding Distribution by Type and Campus

Chair Weatherford requested a briefing of the funding distribution by type and campus to view and compare the trends of changes which have occurred over time.

- Filters for Decision Making
- Use of New State Appropriations

Chair Weatherford's question concerned plans for new resources and prioritization of where the university allocates resources.

Vice President Condon commented on previously asked questions: What would you do if there was a reduction in resources? What would you stop doing without impacting student success, research, or some of our other critical missions?

A concept of local, state and federal funding was introduced. The idea is that when you are going through your budget process locally, look to solve your own problems by transitioning an investment from another college or requesting other resources.

Trustee Jasinski Schneider had a comment relating to programs. Not everything operates as a business and not everything will make a profit. There are many programs that are non-profitable, however, they are still necessary.

Vice President Condon acknowledged the involvement and input of the of the Faculty Senate. They were instrumental in providing a different perspective on the budget process, which was greatly appreciated.

- Central Carry Forward Non-Reoccurring Fund Use
- Central Carry Forward Capital Investment
- Major Capital Activity
- Administrative Improvements

Vice President Condon concluded her overview of FY24 and the incredible bold things that are happening at USF.

Chair Weatherford had a question concerning investments made over the past year at USF. He asked if there were changes in the CapEx and facility prices.

Vice President for Facilities and Public Safety Operations Carole Post commented on the many setbacks and impacts from the inflation during the Covid crisis as well as the deferred maintenance projects and timing delays. We've adapted and adjusted with the times and implemented better management. We've taken a more realistic approach to all projects and a rigorous accountability to stay on budget, however, there will always be unexpected situations.

Trustee Oscar Horton's question concerned daily cash on hand and the resources for USF to gain cash for operational purposes.

Vice President Condon commented that we intentionally keep a very liquid portfolio of our investments and have more than a year's cash on hand.

Vice President Condon turned the floor over to Provost Prasant Mohapatra.

Investment Impact on Strategic Outcomes

Provost and Executive Vice President Prasant Mohapatra

The Provost provided a PowerPoint presentation which highlighted the following:

- Looking Back – How have our past investments and efforts impacted our strategic growth?
- Highlights of Outcomes
- USF Public and National Rank Versus Year of USNWR Ranking

- USNWR 2024 Metric Weights
- Peer Assessment Score 10-year Trend

Chair Weatherford asked for a realistic timeframe for USF to get to the 3.6 level from a peer assessment score perspective. The Chair also had a question concerning the over under metric.

The Provost recommended that we target a four year timeframe. This goal will be difficult but possible.

The over under metric is the projection of where USF should be and where we actually are based on the profile and intake of students, and what should be their outcome.

- 6-Year Graduation Rate 10-Year Trend

Chair Weatherford asked if there is data used on the front end to project the type of student who is most likely to be retained after the first year.

The Provost commented that almost 50% of the time when a student chooses to change majors they don't graduate.

- Total Research Expenditures 10-Year Trend

The Chair's comments concerned getting the point out politely and respectfully that USF doesn't agree with the position that the NSF has taken with us as it relates to their unique approach to total research expenditures. This has a large impact on how our research expenditures are viewed yearly.

Trustee Horton questioned how research expenditures were measured.

They are measured in pure dollars.

- Past Impacts on Student Success
- What have We Learned?

Provost Mohapatra proceeded with the next topic of his presentation.

Academic Priorities: Near and Long Term

A PowerPoint was presented which highlighted the following:

- Our goals
- GAP: Between Current State and Goal
- Undergraduate Applications and GPA

Trustee Patel had comments on retention, graduation rates and better baseline students.

Trustee Callahan asked out of 90,000 applications sent in, how many students were admitted to USF?

41% of the students who applied to USF in 2024 were accepted.

USF Sarasota-Manatee Campus Board member Ernie Withers questioned if USF gets credit if a student transfers from another university?

USF will get zero credit for student transfers.

Mr. Withers had questions concerning the landscape surrounding student athletes as it relates to the NIL, the number of transfer students that we are losing and how does this affect our graduation rates.

Vice President for Student Success Cindy DeLuca explained that this is a very competitive process. USF can be very selective. The numbers have risen because of a common application that has opened across the United States.

The landscape surrounding student athletes as it relates to the NIL is approximately 100 a year out of 6000. It's a very small percentage, however it's nationwide and has been a challenge at all universities.

- Research Productivity per Faculty

Trustee Piccolo had a question concerning the possibility of changing the criteria.

There were recent discussions between the USF General Counsel Gerard Solis, President Law and members of Moffitt Cancer Center concerning the possibility of changing the criteria. We're also working with NSF.

- USF Tenured and Tenure-Track Faculty

Trustee Jasinski Schneider provided an explanation of the faculty tenure lines and USF research faculty. USF has excellent faculty and researchers, however, not all faculty are on a tenure line. There are a significant number of programs and awards that are offered and available.

Vice President for Research and Innovation Sylvia Thomas commented on the Office of Faculty Honors and Awards led by Dr. Victoria Stewart. Vice President Thomas talked about some of the services that are available for faculty members. Since USF has become a member of AAU, we are now eligible for additional faculty honors.

- Fall 2022 Tenured and Tenure–Track Faculty Counts

Trustee Patel had a question concerning USF’s rank in terms of size. Should the numbers be higher considering our AAU status?

For a university of our size the numbers should be higher. 1400 is the median.

- Current Trends
- Bold Initiatives – Proposed

Chair Weatherford expressed his appreciation of the initiative of achieving a large goal of \$1 billion in research by the year 2030. He wanted to know where USF would stand in relative to our AAU counterparts.

There is a very small select group of institutions, both public and private, that have reached a goal of \$1 billion in research.

Trustee Patel commented on our unique asset with the College of Sustainability and the huge lane for potential research dollars if we can get the right parties aligned in our institution.

- Resources

Chair Weatherford’s comments concerned the low cost of tuition in the state of Florida. Florida ranks fifty out of fifty states in tuition.

Trustee Piccolo asked if there was a metric that gives the average tuition median for AAU universities?

USF may rank at one-third of the average for AAU universities as it relates to low tuition costs.

Trustee Horton's comments were personal examples of large investments.

Chair Weatherford commented on generating more revenue opportunities in athletics. He discussed the television revenue and the \$80 million deficit disparity between USF and Alabama annually for the next ten years.

Vice President for Athletics Michael Kelly commented on the growing revenue gap and athletic conferences.

Trustee Jasinski Schneider commented that we should think more broadly about resources and support programs not only for student athletes but for all students as well as focus on the future success of our faculty.

- Faculty Excellence
- Student Success

Provost Mohapatra ended his presentation.

Vice President Condon reported that Senior Vice President and Chief Human Resources and Administrative Officer Angie Sklenka is leading the university's transition of Human Resources to an embedded services model. The intent is to improve all perspectives, from the candidate, to interaction with leadership, to the individual employee experience.

Vice President Condon provided a presentation – Looking Forward, Capital and Related Priorities.

The PowerPoint highlighted the following:

- Embedded Services Quotes: Breaking Through Organizational Barriers
- Anytime, Anywhere: Lets go digital in 2025 with Oracle!
- Overarching Facilities Strategy
- Near Term Physical Capital Priorities

- Longer Term Physical Capital Priorities
- Overarching Digital Strategy – “Making It Easy”
- Student, Employee and Faculty Digital Experience

Chair Weatherford commented on the importance of Digital Infrastructure Investments.

- Cybersecurity and Client Technologist Enablement
- Wrap up and Next Steps
- Fiscal Year 2025
- Filters For Decision Making
- Pending New State Appropriations
- Internal Budget Timeline
- Board(s) Budget Timeline
- Long-term Financial Planning
- Key Component Alignment = Institutional Success!

Vice President Condon concluded her presentation and opened the floor to questions and comments.

Trustee Horton complemented everyone on their informative presentations. He found the material to be comprehensive and easy to follow.

Trustee Carrere had a question concerning graduation rates.

Chair Weatherford commented that we are not just chasing rankings, we’re chasing a standard of excellence. We want USF to become the best version of itself that it can be and continue to stay on the upward trajectory.

Trustee Jasinski Schneider acknowledged Provost Mohapatra’s experience with AAU Universities and the knowledge he brings to USF. Her comments were also related to faculty success being instrumental in the achievement of moving USF forward.

Chair Weatherford thanked the Trustees and Campus Board members for their participation in the workshop.

USFSP Campus Board member Debbie Sembler asked for an estimated time that USF St. Petersburg can expect to receive the budget for review and approval.

USF St. Petersburg Chancellor Christian Hardigree confirmed that the budget will be presented at the next USFSP Campus Board meeting on August 1st.

President Law thanked everyone for their participation. She commended the Leadership Team for the enormous amount of work that they put in. The President commented on making strategic investments and the importance of remaining disciplined and supporting our Board of Trustees.

Trustee Carrere thanked President Law for her outstanding leadership, and Vice Provosts Theresa Chisolm and Pritish Mukherjee and the Strategic Planning Committee for the tremendous amount of work that they put in aligning with the USF Strategic Plan.

The Chair thanked everyone for their time and participation. Having no other business Chair Weatherford ended the Budget Workshop.