

By the Committee on Higher Education; and Senator Gaetz

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1 A bill to be entitled
2 An act relating to state university system
3 performance-based incentives; amending s. 1001.92,
4 F.S.; requiring performance-based metrics to include
5 specified wage thresholds; requiring the Board of
6 Governors to establish minimum performance funding
7 eligibility thresholds; prohibiting a state university
8 that fails to meet the state's threshold from
9 eligibility for a share of the state's investment
10 performance funding; requiring the board to adopt a
11 regulation; providing an effective date.

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

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15 Section 1. Section 1001.92, Florida Statutes, is amended to
16 read:

17 1001.92 State University System Performance-Based
18 Incentive.—

19 (1) A State University System Performance-Based Incentive
20 shall be awarded to state universities using performance-based
21 metrics adopted by the Board of Governors of the State
22 University System. The performance-based metrics must include
23 graduation rates;i retention rates;i postgraduation education
24 rates;i degree production;i affordability;i postgraduation
25 employment and salaries, including wage thresholds that reflect
26 the added value of a baccalaureate degree; access;i and other
27 metrics approved by the board in a formally noticed meeting. The
28 board shall adopt benchmarks to evaluate each state university's
29 performance on the metrics to measure the state university's

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30 achievement of institutional excellence or need for improvement
31 and minimum requirements for eligibility to receive performance
32 funding.

33 (2) Each fiscal year, the amount of funds available for
34 allocation to the state universities based on the performance-
35 based metrics shall consist of the state's appropriation for
36 performance funding, ~~including increases in base funding~~ plus
37 institutional investments consisting of funds deducted from the
38 base funding of each state university in the State University
39 System, in an amount provided in the General Appropriations Act.
40 The Board of Governors shall establish minimum performance
41 funding eligibility thresholds for both the state's investment
42 and the institutional investment. A state university that fails
43 to meet the state's investment performance funding threshold is
44 not eligible for a share of the state's investment performance
45 funding. The institutional investment shall be restored for each
46 institution eligible for the state's investment under the
47 performance-based metrics.

48 (3) (a) A state university that fails to meet the Board of
49 Governors' minimum institutional investment performance funding
50 threshold shall have ~~a portion of~~ its institutional investment
51 withheld by the board and must submit an improvement plan to the
52 board that specifies the activities and strategies for improving
53 the state university's performance. The board must review and
54 approve the improvement plan and, if the plan is approved, must
55 monitor the state university's progress in implementing the
56 activities and strategies specified in the improvement plan. The
57 state university shall submit monitoring reports to the board by
58 December 31 and May 31 of each year in which an improvement plan

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59 is in place. The ability of a state university to submit an
60 improvement plan to the board is limited to 1 fiscal year.

61 (b) The Chancellor of the State University System shall
62 withhold disbursement of the institutional investment until the
63 monitoring report is approved by the Board of Governors. A state
64 university that is determined by the board to be making
65 satisfactory progress on implementing the improvement plan shall
66 receive no more than one-half of the withheld institutional
67 investment in January and the balance of the withheld
68 institutional investment in June. A state university that fails
69 to make satisfactory progress may not have its full
70 institutional investment restored. Any institutional investment
71 funds that are not restored shall be redistributed in accordance
72 with the board's performance-based metrics.

73 (4) Distributions of performance funding, as provided in
74 this section, shall be made to each of the state universities
75 listed in the Education and General Activities category in the
76 General Appropriations Act.

77 (5) By October 1 of each year, the Board of Governors shall
78 submit to the Governor, the President of the Senate, and the
79 Speaker of the House of Representatives a report on the previous
80 fiscal year's performance funding allocation which must reflect
81 the rankings and award distributions.

82 (6) The Board of Governors shall adopt a regulation to
83 implement this section ~~expires July 1, 2016.~~

84 Section 2. This act shall take effect July 1, 2016.