

1.6 Fiscal Resources. The school shall have financial resources adequate to fulfill its stated mission and goals, and its instructional, research, and service objectives.

Required Documentation.

1.6.a Description of the budgetary and allocation processes, including all sources of funding supportive of the instruction, research and service activities. This description should include, as appropriate, discussion of legislative appropriations, formula for funds distribution, tuition generation and retention, gifts, grants and contracts, indirect cost recovery, taxes or levies imposed by the university or other entity within the university, and other policies that impact the resources available to the school.

The Florida Legislature appropriates funds to three budgetary units at the University: the Health Science Center, Institute of Food and Agricultural Sciences (IFAS) and Education and General (E&G). The College's state funding is in the E&G unit.

Beginning FY 2010-2011, the University changed its budgeting model to Responsibility Center Management (RCM). The fundamental basis of the RCM model is to move decisions and resulting revenues and expenses to the responsibility centers (RC) and to create transparency in the budget process. The state budget is distributed to the responsibility centers, such as colleges, via an algorithm that is driven primarily by on-book student credit hours and weighted cost of delivery. By definition, RCs must generate revenues.

Support unit cost assessments are paid on all expenditures. All revenues are allocated to responsibility centers. Therefore, responsibility centers must pay for the services provided to them through an allocation or assessment system.

Total dollars from indirect cost recoveries from grants are transferred entirely to the unit generating those dollars per the distribution described above. Certain research-related support costs (DSP, animal care, contracts and grants accounting) are paid via a research assessment to cover those specific costs.

The University allows for certain degree and non-degree programs to be offered in a self-funded model through the UF Distance and Continuing Education office (DOCE). Each program prepares a budget with actual costs including overhead for review and approval. These programs allow us to capture and re-coup our full overhead costs.

In the RCM model, the amount of money that a responsibility center pays to support core University functions is based on the amount of money that the RC spends over the 18 month period ending on December 31 of the year preceding the beginning of the budget year. The advantage of using this system is that the invoice that is due is directly proportional to the amount of money that the RC has spent. A unit can pay its invoice from any source that it deems appropriate except a RC cannot pay taxes from endowment earnings or gift sources. An additional benefit is a RC can save revenue (i.e., not "expend" it) without incurring assessments on this income.

The current funding matrix for the College of Public Health and Health Professions within RCM is provided in Table 1.6.a.1 below. Once the appropriation dollars are calculated across all colleges, the office of the Chief Financial Officer calculates the average adjustment to base budget from the prior year. If any college is receiving more than 1% over the average, the process of “subvention” occurs. This process realigns funds from colleges that were not in the greater than 1% loss position to those that are to realign budgets.

Table 1.6.a.1 RCM Funding Matrix for the College of Public Health and Health Professions

Part I	PHHP Courses – Fundable SCH only 70% Appropriations				
New	Lower	Upper	Grad I	Grad II	Total
SCH ¹	X	X	X	X	
BSA ²	17.64	17.64	17.64	17.64	
Weight	1.05	4.16	5.90	7.12	
Part II	PHHP Majors – Fundable SCH only on all coursework at UF 30% Appropriations				
New	Lower	Upper	Grad I	Grad II	Total
SCH	X	X	X	X	
BSA	7.69	7.69	7.69	7.69	
Weight	1.05	4.16	5.90	7.12	
Part III	PHHP Courses – Fundable + Non-fundable – Self-funded 70% Tuition				
New	Lower	Upper	Grad I	Grad II	Total
SCH	X	X	X	X	
BSA	28.52	28.52	28.52	28.52	
Weight	1.05	4.16	5.90	7.12	
Part IV	PHHP Majors – Assessed Tuition				
	30% of Assessed Tuition				

¹SCH: Student Credit Hours

²BSA: Base Student Allocation

Beginning state allotments are provided by the University to each unit in May for the fiscal year beginning July 1. The Dean and the Assistant Dean for Finance and Human Resources meet when necessary with each department chair prior to this process to review the total department budget for the next fiscal year, including funds in the state, grant and contract, and clinical accounts. Throughout the year, chairs have regular meetings with the Dean, and during those meetings they can present a proposal for hiring additional faculty or staff.

The College’s Assistant Dean for Finance and Human Resources is responsible for the state budget. She distributes the state budget to the departments based upon the prior year’s allocation with any additional adjustments as agreed upon by the Dean and chair. The Assistant Dean is the responsible agent for each of the department’s direct reports, including authorization, access, monitoring and reporting for these funds. Documentation of approvals is maintained for any changes to departmental budgets implemented by the departmental budget officer.

Once the initial budget allocation to departments has been determined and approved by the Assistant Dean, the allocation is entered into the online University Hyperion Budget System, which is accessed via the PeopleSoft (PS) portal. After the initial University budget load has taken place, any changes to a department’s allocation are effected by completing a budget transfer within the University’s PeopleSoft financial system. Only the Assistant Dean and her

designee can access this module for the College of Public Health and Health Professions. Requests are made by the department budget officers via e-mail that is copied to their chairs. A PeopleSoft system notification is subsequently sent to verify that the update has been processed. The appropriate chair is copied on the PS notification.

Grant and contract awards are established within the principal investigator's department. These awards are managed by the College's Research Administration Core. The budgets are set as determined by the awarding agency and the rules and regulations that govern them. The University's Division of Sponsored Projects (DSP) is charged with pre- and post-award processing and maintaining compliance with federal and state rules and regulations pertaining to the receipt of research-related funds. The Finance and Accounting Division's Office of Contract and Grant Accounting is charged with maintenance of budget and expenditure data at the University level. All financial transactions pertaining to these items are done through the University's PeopleSoft financial system.

Indirect cost (IDC) recovery ranges from 25 to 49% on contracts and grants. Distribution of the College's IDCs to the principal investigators and units is based on expenditures in allowable categories. The returns are distributed to the principal investigators (10%), departments (7.5%), and centers (7.5%). The remainder of the pool (after University required support for infrastructure, such as libraries) is returned to the College; for FY2013-2014, this is 25.45% not including a base rate facility charge of \$9.15 per square foot. Facility square footage charges are weighted by the room type, such as laboratory or office, before applying the base rate.

Miscellaneous gifts and grants accounts are utilized by the Health Science Center units at the University to transfer income received via the provision of clinical services for payment of salaries, supplies and equipment. A 3% tax on expenditures in the miscellaneous gifts and grants account is charged by the University.

The University of Florida Foundation, Inc. (UFF), is charged with overseeing fund-raising activities for the University of Florida. It maintains the alumni database for each college, which is accessed by college development officers for specific mailings and to determine potential donors. UFF pays 50% of the salary of the College's Development Officer. The Development Officer works in concert with UFF, the Dean and the appropriate department chair or program director to solicit potential benefactors. The Senior Vice President for Health Affairs' office supports .50 FTE assistant for the Development Officer. Plans for fund-raising activities and donor solicitation are mutually defined between the College and UFF.

When a donation is received, it is classified as either an endowment or a gift. Endowments are established at \$30,000. If state matching funds are received, they are added to the donor's gift fund and enhance the value of the fund. Interest earned on endowments is transferred to a spendable account for its intended purpose. Gifts are designated to the administrative area or department indicated by the donor.

1.6.b A clearly formulated school budget statement, showing sources of all available funds and expenditures by major categories, since the last accreditation visit or for the last five years, whichever is longer. The information must be presented in a table format as appropriate to the school. See CEPH Data template 1.6.1.

The College budget for fiscal years 2009 through 2013 is presented in Table 1.6.b.1. The trajectory of the College is one of steady growth. Substantial increases are apparent in grants and contracts (with associated indirect cost recovery), endowment and gifts, and self-funded programs.

State appropriations decreased with implementation of the RCM allocation model in 2011. The RCM budgeting model, described under criterion 1.3.c, calculates all “earned” revenue for state appropriations and indirect cost recovery. Once the revenue is determined, the University deducts associated taxes for these revenue streams. The values presented in Table 1.6.b.1 for State Appropriations and Indirect Cost Recovery are net of the University taxes. This allows us to present consistent data across the represented five-year period.

Research, training and service grants and contracts have increased from \$16.4 million in fiscal year 2009 to over \$26.4 million in fiscal year 2013, reflecting our highly productive faculty and a culture supporting this success. During the same period, the College established three new departments and greatly expanded the size of one department by merger. In addition, the distribution of income has shifted. As shown in Table 1.6.b.2, public health departments contributed \$2.5 million or 15% of the College’s external funding in 2009. By 2013, faculty members in public health were awarded \$15.8 million, which comprised 60% of the College’s external funding.

Table 1.6.b.1 College of Public Health and Health Professions Budget, FY 2009 – FY 2013

Sources of Funds and Expenditures by Major Category, Fiscal Years 2009 to 2013¹					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Source of Funds					
Tuition & Fees ²					
State Appropriation	12,458,543	14,315,874	12,722,878	12,507,327	12,237,032
University Funds					
Grants/Contracts	16,445,947	17,540,174	18,277,231	23,133,751	26,409,180
Indirect Cost Recovery	1,077,422	1,246,991	1,422,765	1,617,181	1,662,164
Endowment ³	877,028	1,181,826	1,474,407	1,729,653	2,178,544
Gifts ⁴	6,253,357	5,073,281	6,423,638	8,607,736	8,460,065
Self Funded Programs	78,985	989,984	1,105,418	1,294,034	1,341,564
Service Income ⁵	7,377,547	7,259,317	5,980,514	6,350,094	5,769,539
Total	38,321,725	47,607,447	47,406,851	55,239,776	58,058,088
Expenditures					
Faculty Salaries & Benefits	14,978,558	16,076,545	17,337,639	18,901,428	18,354,113
Staff Salaries & Benefits	6,358,449	6,337,465	6,585,532	7,668,226	7,218,352
Operations	6,615,896	12,045,851	9,768,996	11,607,129	10,602,928
Travel	524,012	757,468	876,810	959,978	937,086
Student Support ⁶	2,786,905	3,906,805	4,389,426	4,522,111	4,947,236
University Tax	125,516	128,004	394,689	412,817	513,035
Total	31,389,336	39,252,138	39,535,092	44,071,689	42,572,750

¹Data are reported by Fiscal Year- Period 07/01-06/30

²Tuition & Fees are returned to the College per the RCM budgeting process

³ Endowment is the spendable portion FY beginning balance

⁴ Gifts- Beginning FY balance of all non-endowment funds

⁵ Service Income-funds from clinical practices and contracts

⁶ Student Support includes Graduate Assistants, Fellowships, Tuition and Interns

Table 1.6.b.2 Distribution of External Funding for Research, Training and Service, Fiscal Years 2009-2013

Fiscal Year	Public Health	Health Professions
	% of Total	% of Total
2009	15%	85%
2010	27%	73%
2011	38%	62%
2012	47%	53%
2013	60%	40%

This five-year period coincided with a major capital campaign at the University of Florida. Gifts to the College and associated endowment income rose from \$6.2 million in FY 2009 to \$8.4 million in FY 2013.

The growth of self-funded programs in the College is apparent in the budget, as well. In 2009, these programs yielded \$78,000. In 2013, income from self-funded programs exceeded \$1.3 million. The decision to develop self-funded programs was discussed in our 2008 self-study. At that time, we recognized that state appropriations were unlikely to increase, and the College needed to engage in other methods to produce income to support our mission.

1.6.c If the school is a collaborative one sponsored by two or more universities, the budget statement must make clear the financial contributions of each sponsoring university to the overall school budget.

Not applicable.

1.6.d.1 Identification of measurable objectives by which the school assesses the adequacy of its fiscal resources, along with data regarding the school's performance against those measures for each of the last three years.

Table 1.6.d.1 shows two measures of the adequacy of our resources. The first measure, *state appropriations minus University taxes*, is largely a function of the RCM allocation model. In principle, the College can influence our allocation by increasing student credit hours in specific categories. However, because the RCM model is modified each year to assure adequate resources for all units in the University, our influence is limited. Thus, our target is to reverse the trend toward lower annual allocations and show a modest increase during the next five years. The second measure, *grants and contracts for research training and service*, shows strong and increasing productivity during the past three years. Faculty, infrastructure and culture are in place to continue this trend, as represented by a five-year target of \$30,000,000.

Table 1.6.d.1 Adequacy of Resources: Outcome Measures and 5 Year Targets

Outcome Measures	Target	AY 2010-11 FY 2011	AY 2011-12 FY 2012	AY 2012-13 FY 2013
State appropriation minus University taxes	\$14,000,000	\$12,722,878	\$12,507,327	\$12,237,032
Grants/contracts for research, training, and service	\$30,000,000	\$18,277,231	\$23,133,751	\$26,409,180

1.6.e Assessment of the extent to which this criterion is met and an analysis of the school's strengths, weaknesses and plans relating to this criterion.

This criterion is met.

Strengths:

1. The University of Florida has a well-established process for funds distribution, with associated policies that are modified periodically to reflect changes in the environment.
2. The College has undergone a tremendous period of growth during the past five years. Although state appropriations have actually decreased slightly, the college has increased its income through external research, service and training awards, gifts, and self-funded programs. This reflects our highly productive faculty and a culture supporting this success.
3. The College has been successful in diversifying its sources of income, as planned in the 2008 self-study.

Weaknesses:

1. The RCM model for allocation of state appropriations has significant limitations for College-level planning. The methodology is not consistent from year-to-year, and is not known in advance.

Plans:

1. Continue to diversify sources of income to the College.
2. The University is aware of the limitations of RCM, and plans are underway to address them. The Dean is actively involved in these discussions.