

State University System Guidance on Carryforward Expenditures and COVID-19

June 11, 2020

Each university will need financial flexibility over the coming months to maintain campus operations and provide support for promoting the academic success of students. The CARES Act is providing approximately \$126 million in institutional funds to the system. Most universities will utilize some of the resources to cover the cost of housing and/or meal plan refunds. Remaining CARES Act resources should be used to the extent permissible to address various costs associated with COVID-19.

The Board of Governors approved a carryforward spending plan for each university in November 2019. That plan most likely has been modified by the Boards of Trustees as spending priorities have changed over the last several months as universities moved to remote instruction and enhanced cleaning/sanitizing protocols throughout campus. Utilizing carryforward to support students, faculty, staff, and promote a healthy campus is important as students return for the fall semester. Not every university has the same need, but having flexibility as universities prepare and implement their Campus Reopening plans will be helpful.

Proposed uses of carryforward for COVID-19 should be included in the 2020-2021 Carryforward Plans that will be approved by Boards of Trustees and the Board of Governors this fall.

The use of carryforward funds for the following activities fall within section 1011.45(3)(e) and (f), Florida Statutes, and would be effective between now and June 30, 2021.

- Purchasing supplies for units and functions across campus, including personal protection equipment, hand sanitizer, cleaning supplies, etc.
- Making minor facility changes across campus, such as installing barriers, increasing signage, creating shade structures so more activity can occur outside, and improving building air flow and air quality.
- Paying for costs associated with the expense of boxing and shipping a student's personal goods from their residence halls to their homes.
- Permitting exclusive use of larger revenue generating auxiliary spaces, which are currently used in off hours for community and private events on a fee basis, for

educational purposes, so that classes can be held while maintaining social distancing; and the use of large spaces for social gatherings will likely not be a best practice and/or have reduced demand for Fall 2020.

- Offsetting increased meal plan and dining hall expenses, such as, pre-boxing meals for pick-up to avoid long lines of students or purchasing tables so more students and staff can eat outside.
- Supporting student OPS positions in non-Educational & General (E&G) areas across the campus for students who utilize university employment to pay for costs associated with their education.
- Providing temporary pay for positions in departments or divisions undergoing structural adjustments with the caveat that these positions will not be continuing past the current fiscal year.
- Offsetting administrative overhead charges to student auxiliary accounts; for example, student health and wellness centers, and student counseling & advising.
- If fall enrollment declines, such that student fee revenues drop, allowing the use of E&G funds to pay for student support positions on a temporary basis.
- Offsetting lost housing revenues caused by capacity reduction outlined in university re-opening plans in order to ensure adequate coverage for required housing debt service and preserve bond credit ratings, with the caveat that carryforward funds cannot be used for P3 Housing. The use of carryforward funds to offset lost housing revenues for debt issued by direct support organizations will be subject to evaluation by staff from the Board Office and the Division of Bond Finance.

We recognize the financial condition of each state university varies and that such carryforward spending plans will be developed to maintain a fiscally responsible approach to campus operations and to promote student academic success and a healthy campus.



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