

**2010 Work plan assumption options**

Discussed by CAVP on March 26, 2010

	<u>Category</u>	<u>Assumptions for 2010-11</u>	<u>Assumptions for 2011-12</u>	<u>Assumptions for 2012-13</u>
1	General Revenue	4% decrease <sup>1</sup>	flat	2% growth <sup>2</sup>
2	Lottery <sup>3</sup>	no change from 2009-10 appropriation	flat	flat
3	Undergraduate Base Tuition	8%	6% <sup>4</sup>	6%
4	Undergraduate Tuition Differential	up to 7% with each university estimating their increase	up to 9% with each university estimating their increase	up to 9% with each university estimating their increase
5	Out-of-state / Graduate / Professional Tuition	up to 15% with each university estimating their increase	up to 15% with each university estimating their increase	up to 15% with each university estimating their increase
6	Federal Stimulus	estimate same amount as 2009-10 appropriation	no replacement of federal stimulus	no replacement of federal stimulus
7	New Florida - GR Funding	\$100 million (approx. 5% increase per university)	\$100 million (approx. 5% increase per university)	\$150 million (approx. 7% increase per university)
8	Federal Research Funding	flat	flat	flat
9	H.S. Graduates (standard diplomas)	142,000	135,000	138,000
10	Percentage standard diplomas entering SUS <sup>8</sup>	25%	25%	25%
11	Percentage standard diplomas entering FCS <sup>8</sup>	39%	39%	39%
12	AA Projections from FCS (# earning AA prior year)	43,000	46,500	51,000
13	Endowment Growth <sup>5</sup>	7.50%	7.50%	7.50%
14	Pell Grants, maximum award <sup>6</sup>	\$5,550	\$5,550	\$5,550
15	Consumer Price Index <sup>7</sup>	2.7%	2.0%	2.1%

<sup>1</sup> based on tentative appropriation bills as of 3/22/10 - Senate GR is currently flat; House GR is 8% down. Assume meet in the middle.

<sup>2</sup> September 2009 Legislative long range financial outlook.

<sup>3</sup> Based on February 2010 lottery estimating conference.

<sup>4</sup> Over the last 10 years the average UG tuition increase has been 6%; this is close to the Florida PrePaid assumptions.

<sup>5</sup> Based on Asset Allocation of the endowments of UF, FSU, USF, and UCF. Historical data suggests an average yearly return of 7.26%, while Monte Carlo Simulation suggests about 7.8%.

<sup>6</sup> Set at \$5,550 for 2010-11, will remain at that level for the following two years. It will then increase by the rate of inflation in each of the next five years. Per 3/26/2010 reports.

<sup>7</sup> CPI estimates from the Office of Economic & Demographic Research, March 2010.

<sup>8</sup> FETPIP produces an Annual Outcomes Report that provides follow-up information on individual prior year high school graduates that indicates which sector of postsecondary education, if any, they entered during the year following high school graduation. FETPIP tracks students into the SUS, private universities, the Florida College System and the District technical centers. These updated %s represent 2007 data, versus the previous assumptions which were based on 2005 data.