

**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**FINANCE AND AUDIT COMMITTEE**

TUESDAY, 19 JUNE 2007  
8:00 A.M.  
FLORIDA INTERNATIONAL UNIVERSITY  
UNIVERSITY PARK CAMPUS  
GRAHAM CENTER BALLROOMS  
MIAMI, FL

**MEMBERSHIP**

KIRK LANDON, *CHAIR*  
MIRIAM LÓPEZ, *VICE CHAIR*  
ALBERT DOTSON  
ARMANDO GUERRA  
BRUCE HAUPTLI  
ALBERT MAURY

*T. GENE PRESCOTT, FOUNDATION BOARD OF DIRECTORS*

**AGENDA**

- |  |                           |
|--|---------------------------|
| <b>I. CALL TO ORDER</b>                              | <b>KIRK LANDON</b>        |
| <b>II. APPROVAL OF MINUTES</b>                       | <b>KIRK LANDON</b>        |
| <b>III. CHAIR'S REMARKS</b>                          | <b>KIRK LANDON</b>        |
| <b>IV. FOLLOW-UP TO ITEMS FROM PREVIOUS MEETINGS</b> | <b>KIRK LANDON</b>        |
| <b>V. ITEMS FOR COMMITTEE REVIEW</b>                 | <b>KIRK LANDON</b>        |
| <br><b>A. ACTION ITEMS</b>                           |                           |
| <b>1. PROPOSED 2007-2008 OPERATING BUDGET</b>        | <b>VIVIAN SANCHEZ</b>     |
| a. RESOLUTION FOR OPERATING BUDGET                   |                           |
| b. RESOLUTION FOR UNIVERSITY TUITION FEE             |                           |
| RULE   |                           |
| <br><b>2. LEGISLATIVE BUDGET REQUEST 2008-2009</b>   | <br><b>VIVIAN SANCHEZ</b> |
| a. OPERATING   | <b>CHARLES SCURR</b>      |
| b. FIXED CAPITAL OUTLAY                              |                           |
| c. SUPPLEMENTAL EDUCATIONAL PLANT SURVEY             |                           |
| d. MASTER PLAN UPDATE                                |                           |

**B. REPORTS** *(FOR DISCUSSION - NO ACTION REQUIRED)*

- |   |                      |
|---|----------------------|
| <b>3. OFFICE OF INTERNAL AUDIT REPORT</b> | <b>TED GUBA</b>      |
| <b>4. SPONSORED RESEARCH REPORT</b>       | <b>GEORGE WALKER</b> |

**C. REPORTS** *(FOR INFORMATION ONLY)*

- |   |                         |
|---|-------------------------|
| <b>5. CFO UPDATE - MARCH 2007 AND 2006 – UNAUDITED<br/>FINANCIAL STATEMENTS AND RELATED FOOTNOTES</b> | <b>VIVIAN SANCHEZ</b>   |
| <b>6. FOUNDATION REPORT</b>   | <b>RUSSELL DENTON</b>   |
| <b>7. TREASURY REPORT - UNIVERSITY INVESTMENT<br/>COMMITTEE</b>                                       | <b>RUSSELL DENTON</b>   |
| <b>8. ENVIRONMENTAL – REGULATORY &amp; COMPLIANCE</b>   | <b>JENNIFER MWASELA</b> |
| <b>9. UNIVERSITY COMPLIANCE REPORT</b>  | <b>LEYDA BENITEZ</b>    |

<b>VI. OTHER BUSINESS</b>	<b>KIRK LANDON</b>
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<b>VII. ADJOURNMENT</b>	<b>KIRK LANDON</b>
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**NEXT FINANCE AND AUDIT COMMITTEE MEETING  
IS SCHEDULED FOR  
SEPTEMBER 10, 2007**

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: FINANCE AND AUDIT COMMITTEE MEETING MINUTES, 24 APRIL 2007**

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**PROPOSED COMMITTEE ACTION:**

Adopt the following Resolution:

RESOLVED that the minutes of the meeting of the Florida International University Board of Trustees' Finance and Audit Committee held on 24 April 2007, attached to this Resolution as Exhibit "A," are hereby approved.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT "A": 24 APRIL 2007 FINANCE AND AUDIT COMMITTEE MEETING MINUTES.

**FACILITATOR/PRESENTER:**

- COMMITTEE CHAIR KIRK LANDON

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**



**FINANCE AND AUDIT COMMITTEE  
MINUTES  
24 APRIL 2007**

**I. Call to Order**

The Florida International University Board of Trustees' Finance and Audit Committee meeting was called to order by Committee Chair Kirk Landon at 3:33 pm on Tuesday, 24 April 2007, via conference call.

The following attendance was recorded:

***Present***

Kirk Landon, *Chair*

Miriam López, *Vice Chair*

Albert Dotson

Armando Guerra

Bruce Hauptli

T. Gene Prescott, *Board of Directors*

Trustee Alfonso Leon was also in attendance.

**II. Approval of Minutes**

Committee Chair Kirk Landon asked if there were any additions or corrections to the minutes of the 15 February 2007, Finance and Audit Committee meeting. Hearing none, the Committee adopted the following:

RESOLVED that the minutes of the meeting of the Finance and Audit Committee, held on 15 February 2007, and attached to this Resolution as Exhibit "A," are hereby approved.

**III. Chair's Remarks**

Committee Chair Landon welcomed Trustees and staff to the meeting. He added that the State Audit of the University's Financial Statements concluded with no findings, noting that he received a

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Finance and Audit Committee Minutes  
24 April 2007  
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congratulatory letter commending the University for their efforts and performance. He thanked the University's Controller's Office for their hard work and dedication.

#### **IV. Follow-up to Items from Previous Meetings**

Committee Chair Landon reported that since the last Committee meeting the University's Office of Environmental/ Health & Safety had made notable progress communicating to the University community on current environmental efforts. Associate VP for Risk Management and Environmental Health and Safety Jennifer Mweisela reported on current environmental initiatives.

#### **V. Items for Committee Review**

##### **A. Action Item**

##### **1. Re-Adoption of the Revised University Traffic and Parking Regulations**

CFO and Senior Vice President for Administration Vivian Sanchez presented the Re-adoption of the Revised University Traffic and Parking Regulations for Committee review, noting that the increase in fees was a response to the need to provide additional on-campus parking.

After discussion, the Committee adopted the following Resolution:

WHEREAS, the Florida International University Board of Trustees (the BOT) is authorized to establish Traffic and Parking fees and regulations within the limits provided by law; and

WHEREAS, the proposed University Traffic and Parking Regulation FIU-1105 is revised primarily to reflect changes in the decal registration fees and is being presented for adoption;

THEREFORE, BE IT RESOLVED THAT, the BOT adopts the following University Regulation, which is attached hereto as Exhibit "B":

- FIU-1105 – University Traffic and Parking Regulations

BE IT FURTHER RESOLVED, that, as the Regulation includes information on fees, the University Administration will submit the University Traffic and Parking Regulations FIU-1105 to the Florida Board of Governors for approval, as is required by the Florida Board of Governors Regulation Development Procedure for State University Boards of Trustees.

##### **2. Athletic Fee Increase**

Athletic Director Pete Garcia presented the Athletic Fee increase for Committee review, noting that the increase represented a \$1.39 per student credit hour and will be used to help fund stadium expenses and high priority needs in the Department of Intercollegiate Athletics.

After discussion, the Committee adopted the following Resolution, subject to approval by the Administration and Athletics Committee:

WHEREAS, the Florida International University Board of Trustees (the BOT) has the power to establish an Athletic Fee for the University pursuant to Board of Governor's Resolution adopted January 7, 2003, which references **Section 1009.24(8) and (11)**, Florida Statutes;

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WHEREAS, the Athletic Fee Committee has approved, in the form attached as Exhibit "C" hereto, an increase in the Athletic Fee in the amount of \$1.39 per credit hour effective Fall 2007;

WHEREAS, the President has approved the fee increase after consultation with the Student Government president;

THEREFORE BE IT RESOLVED that the BOT approves an Athletic Fee increase.

## **B. Reports**

### **3. Sponsored Research Report**

Vice President for Research George Walker presented the Sponsored Research Report, reporting on grants administration, research integrity and customer satisfaction. He noted that all audit report recommendations issued in 2006 were implemented.

### **4. CFO Update**

CFO and Senior Vice President for Administration Vivian Sanchez presented the CFO Update. She reported on the Budget Variance Analysis year-to-date as of January 31, 2007. She also reported that the State Financial Audit for fiscal year 2005/06 is under audit management review in Tallahassee with no significant findings.

### **5. Office of Internal Audit Report**

University Internal Audit Director Ted Guba presented the Office of Internal Audit Report, providing updates on ongoing audits.

### **6. – 8. Reports**

Committee Chair Landon requested that the Foundation Report, the Treasury Report and the Environmental – Regulatory and Compliance reports provided in the agendas be accepted as written. There were no objections.

### **9. University Compliance Report**

University Compliance Officer Leyda Benitez presented the University Compliance Program Report, noting the progress of various University-wide compliance initiatives.

## **VII. Adjournment**

With no other business, Committee Chair Landon adjourned the meeting at 5:13 pm.

<b><i>Trustee Requests</i></b>	<b><i>Follow-up</i></b>	<b><i>Completion Date</i></b>
<i>1. Committee Chair Kirk Landon requested that a University-appointed official spearhead the initiative of reaching out to past donors and to provide a report detailing these efforts on an annual basis.</i>	<i>TBA</i>	<i>TBA</i>

## Exhibit "A"

DRAFT

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2. <i>Committee Chair Kirk Landon requested that the University's Office of Student Affairs coordinate research efforts to evaluate and analyze the possible re-introduction of Cooperative Education (co-op) Programs to the University.</i>	<i>Vice President Rosa Jones</i>	<i>19 June 2007</i>
3. <i>Committee Chair Kirk Landon requested that the Frost Art Museum item be removed from the Follow-up Status Report provided by the Office of Internal Audit.</i>	<i>Audit Director Ted Guba</i>	<i>19 June 2007</i>

*Exhibits attached: "A," "B," and "C"*

*MB  
4.25.07*



**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: PROPOSED 2007-2008 UNIVERSITY OPERATING BUDGET**

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**PROPOSED COMMITTEE ACTION:**

Recommend Board adoption of the following Resolution:

RESOLVED that the Florida International University Board of Trustees (the BOT) approves the 2007-2008 University Operating Budget, including tentative approval of the 2007-2008 Operating Budget of the FIU Foundation, Inc., as attached to this Resolution as Exhibit “B”, subject to approval by the FIU Foundation Inc. Board of Directors, and

FURTHER RESOLVED that the BOT delegates to the University President the authority to amend the budget to adjust to changing circumstances, including the authority to reasonably increase expenditures based on the receipt of additional funding during the operating year and authority to make any changes resulting from the final approval of the 2007-08 Operating Budget of the FIU Foundation, Inc. by its Board of Directors, and

FURTHER RESOLVED that the University President shall keep the BOT informed of any changes in excess of 2% made to the total approved 2007-2008 Operating Budget during the operating year.

**BACKGROUND INFORMATION:**

**A: LEGAL AUTHORITY:**

Florida Board of Governor’s Resolution delegating and delineating powers of local boards of trustees adopted January 7, 2003 and Section 1001.75, Florida Statutes (2005), K-20 Governance, University presidents; powers and duties, states in relevant part:

**1001.75, UNIVERSITY PRESIDENTS; POWERS AND DUTIES.—**THE PRESIDENT IS THE CHIEF EXECUTIVE OFFICER OF THE STATE UNIVERSITY . . . AND SHALL . . .

**(2) PREPARE A BUDGET REQUEST AND AN OPERATING BUDGET FOR  
APPROVAL BY THE UNIVERSITY BOARD OF TRUSTEES.**

**B: THE PROPOSED 2007-2008 UNIVERSITY BUDGET IS PRESENTED USING  
THE FOLLOWING CATEGORIES:**

Exhibit “B”:

Proposed Allocations 2007-2008 by Budget Entities

- A. Overview
- B. Educational and General (E&G)
- C. Auxiliary Enterprises Proposed Budget Allocation
- D. Sponsored Research Proposed Budget Allocation
- E. Activity and Service Proposed Budget Allocation
- F. Athletics Proposed Budget Allocation
- G. Concession Proposed Budget Allocation
- H. Financial Aid Proposed Budget Allocation
- I. FIU Foundation, Inc.
- J. FIU Research Foundation, Inc.
- K. Public Education Capital Outlay (PECO) Proposed Budget Allocation
- L. Challenge Grants Legislative Budget Allocation

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “B” 2007-2008 PROPOSED  
UNIVERSITY OPERATING BUDGET
- ATTACHMENT 1: LINE ITEM  
DEFINITIONS

**FACILITATOR/PRESENTER:**

- VIVIAN SANCHEZ

Florida International University  
Board of Trustees Financial Summary  
**2007-08 Budget**

**Overview**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Change Forecast vs. Final Budget</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>
<i>(In millions of dollars)</i>					
<b>Revenue / Receipts</b>					
Education and General (net)	\$317.6	\$318.0	\$0.4	\$351.9	\$33.9
Auxiliary Enterprises	\$107.2	\$116.4	\$9.2	\$118.4	\$2.0
Sponsored Research	\$83.1	\$87.2	\$4.1	\$86.4	(\$0.8)
Student Scholarships	\$67.5	\$68.9	\$1.4	\$72.7	\$3.8
Concessions	\$0.4	\$0.4	(\$0.0)	\$0.5	\$0.1
Intercollegiate Athletics	\$15.7	\$15.4	(\$0.3)	\$18.6	\$3.1
Activities & Service	\$10.6	\$10.7	\$0.1	\$11.1	\$0.4
FIU Research Foundation Inc.	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
FIU Foundation Inc.	\$15.3	\$22.8	\$7.4	\$17.4	(\$5.4)
Interfund Adjustments	(\$10.8)	(\$10.8)	\$0.0	(\$11.5)	(\$0.6)
<b>Total Operating Revenues</b>	<b>\$606.6</b>	<b>\$628.9</b>	<b>\$22.3</b>	<b>\$665.4</b>	<b>\$36.5</b>
Student Loans	\$100.7	\$100.0	(\$0.7)	\$114.5	\$14.5
<b>Total</b>	<b>\$707.3</b>	<b>\$728.9</b>	<b>\$21.6</b>	<b>\$779.9</b>	<b>\$51.0</b>
<b>Expenses</b>					
Education and General	\$317.6	\$306.1	(\$11.5)	\$351.9	\$45.9
Auxiliary Enterprises	\$87.5	\$86.0	(\$1.5)	\$98.8	\$12.9
Sponsored Research	\$82.5	\$80.9	(\$1.5)	\$85.7	\$4.8
Student Scholarships	\$72.2	\$67.2	(\$5.0)	\$72.4	\$5.2
Concessions	\$0.4	\$0.4	(\$0.0)	\$0.4	\$0.0
Intercollegiate Athletics	\$15.9	\$18.6	\$2.7	\$19.7	\$1.2
Activities & Service	\$10.0	\$9.2	(\$0.9)	\$10.7	\$1.5
FIU Research Foundation Inc.	\$0.6	\$0.6	\$0.0	\$0.3	(\$0.3)
FIU Foundation Inc.	\$9.8	\$10.0	\$0.2	\$9.9	(\$0.2)
Interfund Adjustments	(\$10.8)	(\$10.8)	\$0.0	(\$11.5)	(\$0.6)
<b>Total Operating Expenses</b>	<b>\$585.7</b>	<b>\$568.1</b>	<b>(\$17.6)</b>	<b>\$638.4</b>	<b>\$70.3</b>
Principal Payment of Debt	\$6.2	\$7.1	\$0.9	\$7.8	\$0.7
Student Loans	\$100.7	\$100.0	(\$0.7)	\$114.5	\$14.5
<b>Change in Net Assets</b>	<b>\$14.7</b>	<b>\$53.7</b>	<b>\$39.0</b>	<b>\$19.2</b>	<b>(\$34.5)</b>

Notes:

E&G revenues are net of waivers and uncollectible amounts .

As of FY2006-07 the University no longer budgets for student loans since the University acts as an agent with respect to these loans.

Interfund transfers have been included resulting in higher revenue and expenses by fund allowing for an individual fund performance analysis. The interfund adjustments above eliminate this double counting. However, interfund transactions such as tuition funded by scholarships and auxiliary services provided to other units have not been eliminated.

The FIU Foundation Inc. FY2007-08 budget is subject to approval by it's Board of Directors.

The financials presented above reflects the state budgeting methodology which differs from full accrual Financial Statements. The following have the most significant impact:

- **Depreciation of Assets:** For budgeting purposes equipment purchases are fully expensed in their acquisition year, therefore depreciation is not included in the budget.
- **Payables:** The E&G budget expenses include year end commitments (encumbrances) even though they have not yet been invoiced (payables).
- **Unrealized gains and losses:** The investment results are recognized as revenues in the budget however GASB accounting principles require that it be recorded as an expense.

Florida International University  
Board of Trustees Financial Summary  
**2007-08 Budget**

**Overview**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Change Forecast vs. Final Budget</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>
<i>(In millions of dollars)</i>					
<b>Carry Forward</b>					
Prior Years Available Funds	\$3.23	\$7.64	\$4.41	\$4.26	(\$3.38)
2005 -2006 Available Funds	\$2.73	\$6.60	\$3.87	\$6.60	\$0.00
2006 -2007 Available Funds	\$0.00	\$0.00	\$0.00	\$4.90	\$4.90
Expenditures	\$4.20	\$3.38	(\$0.82)	\$7.79	\$4.41
<b>Net Available Carry Forward</b>	<b>\$1.76</b>	<b>\$10.86</b>	<b>\$9.10</b>	<b>\$7.97</b>	<b>(\$2.89)</b>
<b>Capital Appropriation (Revenue)</b>					
Public Education Capital Outlay	\$55.2	\$55.2	\$0.0	\$75.8	
Capital Improvement Fee Trust Fund (CIF)	\$12.6	\$12.6	\$0.0	\$0.0	
Challenge Grants			\$0.0		
Major Gifts Trust Fund Gifts	\$2.6	\$2.6	\$0.0	\$2.0	
Alec P. Courtelis Grant	\$3.5	\$3.5	\$0.0	\$2.6	
Challenge Grants	<b>\$6.2</b>	<b>\$6.2</b>	<b>\$0.0</b>	<b>\$4.7</b>	
<b>Total Capital Appropriation</b>	<b>\$74.0</b>	<b>\$74.0</b>	<b>\$0.0</b>	<b>\$80.5</b>	

*Notes:*

*The Carry Forward information presented above includes University centrally controlled funds and excludes departmentally allocated funds.*

Florida International University  
Board of Trustees Financial Summary  
**E&G Revenue and Expenses**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>					
<b>Revenues</b>					
General Revenue	\$196,649	\$196,649	\$228,652	\$32,003	16%
Educational Enhancement	\$19,679	\$19,679	\$19,913	\$233	1%
Student Fee (net)	\$101,251	\$101,664	\$103,368	\$1,704	2%
<b>Total Revenues (net)</b>	<b>\$317,580</b>	<b>\$317,993</b>	<b>\$351,933</b>	<b>\$33,941</b>	<b>11%</b>
<b>Expenses</b>					
Permanent Salaries and Benefits	\$210,639	\$198,999	\$239,803	\$40,804	21%
State Mandated Personnel Increases*	\$6,077		\$3,038	\$3,038	
OPS	\$24,812	\$25,229	\$26,549	\$1,320	5%
Operating Expenses (E&G)	\$64,864	\$66,834	\$68,438	\$1,604	2%
OCO	\$8,379	\$13,056	\$11,146	(\$1,910)	-15%
University Contingency	\$2,809	\$1,958	\$2,960	\$1,002	51%
<b>Total Expenses</b>	<b>\$317,580</b>	<b>\$306,076</b>	<b>\$351,933</b>	<b>\$45,858</b>	<b>15%</b>
<b>Change in Net Assets</b>	<b>\$0</b>	<b>\$11,917</b>	<b>\$0</b>	<b>(\$11,917)</b>	<b>-100%</b>

\*State mandated personnel increases are budgeted centrally for FY2006-07 and FY2007-08 but are reflected in each of departments FY2006-07 forecasts.

Florida International University  
Board of Trustees Financial Summary  
**2007-08 E&G Revenue Growth**

<i>(In thousands of dollars)</i>	General Revenue	Educational Enhancement	Total State Funding	Student Fee (net)	Total
<b>2006 - 2007 Adjusted Recurring Base Budget</b>	<b>\$196,119</b>	<b>\$18,885</b>	<b>\$215,004</b>	<b>\$101,251</b>	<b>\$316,255</b>
<b>2007 - 2008 New Funds</b>					
<b>• Enrollment Growth</b>					
Enrollment Growth	\$8,895	\$278	\$9,173	\$2,117	\$11,290
Change in Mix	\$259		\$259		\$259
<b>• Infrastructure</b>					
Phased - In Space	\$241		\$241		\$241
Risk Management Insurance Increase	\$50		\$50		\$50
<b>• Employee Compensation &amp; Benefits</b>					
Health Insurance Increase (annualization & adjust.)	\$1,472		\$1,472		\$1,472
Salary Increase (06-07 annualization)	\$1,454		\$1,454		\$1,454
Performance Incentive Estimated (\$1,000 lump sum) <sup>1</sup>	\$2,929		\$2,929		\$2,929
Life Insurance Estimated Increase	\$108		\$108		\$108
<b>• Legislative Line Item</b>					
Life Sciences Initiative	\$4,000		\$4,000		\$4,000
College of Medicine	\$5,472		\$5,472		\$5,472
Hurricane Mitigation Research	\$400		\$400		\$400
Wall of Wind Project (non-recurring)	\$2,000		\$2,000		\$2,000
Research Enhancement (non-recurring)	\$5,000		\$5,000		\$5,000
Degree Tracking Program (non-recurring)		\$750	\$750		\$750
Metropolitan Center (non-recurring)	\$50		\$50		\$50
Targeted Degree Program - Nursing	\$203		\$203		\$203
<b>Total Incremental Dollars</b>	<b>\$32,533</b>	<b>\$1,028</b>	<b>\$33,561</b>	<b>\$2,117</b>	<b>\$35,678</b>
<b>2007 - 2008 Base Budget</b>	<b>\$228,652</b>	<b>\$19,913</b>	<b>\$248,565</b>	<b>\$103,368</b>	<b>\$351,933</b>

**Notes**

<sup>1</sup> One-time payment on 11/1/2007

Florida International University  
Board of Trustees Financial Summary  
**E&G Expense Summary**

**By Executive Area**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<b>(In thousands of dollars)</b>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b><u>Academic Affairs</u></b>					
Salaries and Benefits	\$160,398	\$152,845	\$179,970	\$27,125	18%
OPS	\$21,923	\$22,363	\$23,605	\$1,243	6%
Expense	\$27,668	\$29,691	\$32,631	\$2,940	10%
OCO	\$7,670	\$9,988	\$10,459	\$471	5%
<b>Total Operating Expenses</b>	<b>\$217,659</b>	<b>\$214,886</b>	<b>\$246,665</b>	<b>\$31,778</b>	<b>15%</b>
<b><u>External Relations</u></b>					
Salaries and Benefits	\$4,842	\$4,543	\$5,672	\$1,129	25%
OPS	\$315	\$385	\$376	(\$9)	-2%
Expense	\$915	\$1,270	\$992	(\$278)	-22%
OCO	\$5	\$21	\$1	(\$20)	-94%
<b>Total Operating Expenses</b>	<b>\$6,077</b>	<b>\$6,220</b>	<b>\$7,041</b>	<b>\$822</b>	<b>13%</b>
<b><u>General Counsel</u></b>					
Salaries and Benefits	\$2,437	\$2,214	\$2,650	\$437	20%
OPS	\$130	\$117	\$97	(\$20)	-17%
Expense	\$2,485	\$3,062	\$2,579	(\$482)	-16%
OCO	\$6	\$46	\$1	(\$45)	-98%
<b>Total Operating Expenses</b>	<b>\$5,057</b>	<b>\$5,438</b>	<b>\$5,328</b>	<b>(\$111)</b>	<b>-2%</b>
<b><u>Office of the President</u></b>					
Salaries and Benefits	\$1,594	\$1,556	\$1,708	\$152	10%
OPS	\$238	\$191	\$130	(\$60)	-32%
Expense	\$599	\$621	\$687	\$66	11%
OCO	\$25	\$30	\$50	\$20	66%
<b>Total Operating Expenses</b>	<b>\$2,455</b>	<b>\$2,398</b>	<b>\$2,575</b>	<b>\$177</b>	<b>7%</b>
<b><u>UTS</u></b>					
Salaries and Benefits	\$11,132	\$10,558	\$11,837	\$1,278	12%
OPS	\$933	\$848	\$1,051	\$202	24%
Expense	\$7,094	\$7,740	\$7,101	(\$639)	-8%
OCO	\$408	\$2,007	\$363	(\$1,643)	-82%
<b>Total Operating Expenses</b>	<b>\$19,566</b>	<b>\$21,154</b>	<b>\$20,352</b>	<b>(\$802)</b>	<b>-4%</b>
<b><u>Human Resources</u></b>					
Salaries and Benefits*	\$7,372	\$2,754	\$6,266	\$3,512	128%
OPS	\$245	\$213	\$188	(\$25)	-12%
Expense	\$2,237	\$1,026	\$2,696	\$1,669	163%
OCO	\$0	\$11	\$0	(\$11)	-100%
<b>Total Operating Expenses</b>	<b>\$9,854</b>	<b>\$4,005</b>	<b>\$9,150</b>	<b>\$5,144</b>	<b>128%</b>
<b><u>Division of Finance</u></b>					
Salaries and Benefits	\$4,933	\$4,977	\$5,507	\$530	11%
OPS	\$111	\$111	\$147	\$36	33%
Expense	\$453	\$468	\$563	\$95	20%
OCO	\$23	\$44	\$0	(\$44)	-100%
<b>Total Operating Expenses</b>	<b>\$5,519</b>	<b>\$5,599</b>	<b>\$6,216</b>	<b>\$617</b>	<b>11%</b>

Florida International University  
Board of Trustees Financial Summary  
**E&G Expense Summary**

**By Executive Area**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
(In thousands of dollars)	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b><u>Student Affairs</u></b>					
Salaries and Benefits	\$7,286	\$7,318	\$9,631	\$2,313	32%
OPS	\$692	\$718	\$767	\$50	7%
Expense	\$990	\$1,156	\$1,773	\$617	53%
OCO	\$44	\$358	\$72	(\$287)	-80%
<b>Total Operating Expenses</b>	<b>\$9,013</b>	<b>\$9,550</b>	<b>\$12,243</b>	<b>\$2,693</b>	<b>28%</b>
<b><u>Division of Administration</u></b>					
Salaries and Benefits	\$10,646	\$12,233	\$16,562	\$4,329	35%
OPS	\$226	\$283	\$188	(\$95)	-34%
Expense	\$22,423	\$21,799	\$19,416	(\$2,383)	-11%
OCO	\$198	\$552	\$200	(\$352)	-64%
<b>Total Operating Expenses</b>	<b>\$33,494</b>	<b>\$34,867</b>	<b>\$36,366</b>	<b>\$1,499</b>	<b>4%</b>
<b><u>University Total</u></b>					
Salaries and Benefits	\$210,639	\$198,999	\$239,803	\$40,804	21%
State Mandated Personnel Increases**	\$6,077		\$3,038	\$3,038	
OPS	\$24,812	\$25,229	\$26,549	\$1,320	5%
Expense	\$64,864	\$66,834	\$68,438	\$1,604	2%
OCO	\$8,379	\$13,056	\$11,146	(\$1,910)	-15%
Contingency	\$2,809	\$1,958	\$2,960	\$1,002	51%
<b>Total Operating Expenses</b>	<b>\$317,579</b>	<b>\$306,076</b>	<b>\$351,933</b>	<b>\$45,858</b>	<b>15%</b>

Notes

\* Operational Excellence Award salary increases are budgeted in Human Resources for FY2006-07 and FY2007-08 but are reflected in the FY2006-07 departmental forecasts.

\*\* State mandated personnel increases are budgeted centrally for 2006-07 and 2007-08, but are reflected in each of the 2006-07 departmental forecasts.



Florida International University  
Board of Trustees Financial Summary  
Auxiliary Enterprises

**Total Auxiliary Enterprises**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>					
<b>Total Revenues*</b>	<b>\$107,178</b>	<b>\$116,382</b>	<b>\$118,384</b>	<b>\$2,002</b>	<b>2%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$26,053	\$24,973	\$32,424	\$7,451	30%
OPS	\$17,670	\$15,459	\$14,953	(\$506)	-3%
Expense	\$34,884	\$38,454	\$42,897	\$4,443	12%
OCO	\$2,539	\$1,475	\$2,981	\$1,506	102%
Debt Service Interest	\$6,382	\$5,617	\$5,581	(\$36)	-1%
<b>Total Operating Expenses</b>	<b>\$87,528</b>	<b>\$85,979</b>	<b>\$98,836</b>	<b>\$12,857</b>	<b>15%</b>
<b>Operating Income</b>	<b>\$19,651</b>	<b>\$30,403</b>	<b>\$19,548</b>	<b>(\$10,855)</b>	<b>-36%</b>
Principal payment of Debt	(\$4,630)	(\$5,583)	(\$5,923)	(\$339)	6%
<b>Change in Net Assets</b>	<b>\$15,021</b>	<b>\$24,820</b>	<b>\$13,626</b>	<b>(\$11,194)</b>	<b>-45%</b>

**FUND BALANCE**

Beginning Fund Balance	\$75,536	\$75,536	\$86,800		
Change in Net Assets	\$15,021	\$24,820	\$13,626		
Capital Expenditures	(\$6,513)	(\$8,415)	(\$9,245)		
Third Party Reserves	\$0	(\$3,500)	\$0		
Institutional Transfers	(\$2,093)	(\$1,640)	(\$1,700)		
<b>Ending Fund Balance</b>	<b>\$81,951</b>	<b>\$86,800</b>	<b>\$89,480</b>	<b>\$2,680</b>	<b>3%</b>

**Notes**

Budget figures represent total revenue and expenditures for all Auxiliary activities, hence interdepartmental transactions have not been eliminated.

\* A&S Transfers to Student Centers (PCS72) and Extracurricular activities (PCS87) have been reclassified to revenues.

\*\* Fund balance for FY2006-07 Budget has been adjusted to reflect the beginning fund balance resulting from FY2005-06 actuals.

**Financial Highlights**

Financial performance for FY2006-07 depicts revenues surpassing budget expectations by \$9M to reach a total of \$116M primarily driven by Treasury operations and the South Beach Wine and Food Festival. Additional expenses are driven mainly by Academic Auxiliaries, due to appropriate allocation of expenses to the corresponding auxiliary, higher expenses in South Beach Wine and Food festival, and Telecom activities associated with increased revenue. Revenue growth along with expense savings from salary and temporary staff result in a favorable change in net assets relative to the budget of \$8.8M.

In FY2007-08, each auxiliary will continue on the trend of being self supporting despite the \$12M growth in expenses as units project new hires, salary increases, OPS conversions and projects which did not materialize in FY2006-07.

Florida International University  
Board of Trustees Financial Summary  
Auxiliary Enterprises

**Housing**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>					
<b>Total Revenues</b>	<b>\$19,945</b>	<b>\$20,281</b>	<b>\$22,004</b>	<b>\$1,723</b>	<b>8%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$2,452	\$2,379	\$3,455	\$1,076	45%
OPS	\$1,249	\$1,165	\$1,135	(\$29)	-3%
Expense	\$7,572	\$7,035	\$8,696	\$1,661	24%
OCO	\$439	\$140	\$75	(\$65)	-47%
Debt Service Interest	\$4,195	\$4,217	\$4,051	(\$166)	-4%
<b>Total Operating Expenses</b>	<b>\$15,907</b>	<b>\$14,936</b>	<b>\$17,412</b>	<b>\$2,476</b>	<b>17%</b>
<b>Operating Income</b>	<b>\$4,038</b>	<b>\$5,344</b>	<b>\$4,591</b>	<b>(\$753)</b>	<b>-14%</b>
Principal payment of Debt	(\$2,955)	(\$3,076)	(\$3,280)	(\$205)	7%
<b>Change in Net Assets</b>	<b>\$1,083</b>	<b>\$2,269</b>	<b>\$1,311</b>	<b>(\$957)</b>	<b>-42%</b>

**FUND BALANCE**

Beginning Fund balance	\$11,429	\$11,429	\$8,114		
Change in Net Assets	\$1,083	\$2,269	\$1,311		
Capital Expenditures	(\$3,611)	(\$5,584)	(\$1,167)		
Third Party Reserves	\$0	\$0	\$0		
Institutional Transfers					
<b>Total Fund Balance</b>	<b>\$8,902</b>	<b>\$8,114</b>	<b>\$8,258</b>	<b>\$144</b>	<b>2%</b>

**Financial Highlights**

The Housing Auxiliary generates revenues in the form of rental income from students seeking housing facilities on campus. The rapid growth in students over the past 10 years resulted in an excess demand for Housing facilities. A new 825 bed facility, Lakeview, opened in Fall-06, bringing total capacity for the Housing System to 2,980 beds. Planning phase has started for a new facility expected to open in Fall 09.

Occupancy rates for the housing system in FY2006-07 have met budget expectations of 93%. Expense savings of \$0.6M are a result of maintenance and repair projects delayed until summer 2007.

Revenues for FY2007-08 are projected to grow \$1.7M due to higher occupancy rates of 96% and a 7% fee increase. The fee increase remains essential to maintain healthy debt service coverage ratios given the higher operating costs and the building repairs scheduled for FY2007-08.

Expenses in FY 2007-08 reflect the cost associated with the university wide initiative of converting OPS employees into permanent positions, the payroll accrual adjustment for the transition to ADP, and the increase in temporary summer staff. The housing system is expected to incur \$1.7 million in minor projects and repairs, \$0.9 million of which are repairs to Biscayne Bay Campus housing facility. Nevertheless, the system will continue to maintain its debt coverage ratios in both FY2006-07 of 1.31 and FY2007-08 of 1.23\*, as well as maintain their reserve for future housing facilities and the Facility Maintenance and Equipment Reserve.

Capital Expenditures in FY2007-08 reflect the remaining balance for the Lake View construction project.

\* Debt coverage ratio was calculated excluding one time investments

Florida International University  
Board of Trustees Financial Summary  
Auxiliary Enterprises

**Parking/Traffic/Transportation**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>					
<b>Total Revenues</b>	<b>\$7,555</b>	<b>\$8,042</b>	<b>\$8,614</b>	<b>\$572</b>	<b>7%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$1,044	\$1,096	\$1,293	\$197	18%
OPS	\$220	\$196	\$194	(\$2)	-1%
Expense	\$1,564	\$1,689	\$2,010	\$321	19%
OCO	\$100	\$60	\$164	\$104	174%
Debt Service Interest	\$1,336	\$1,336	\$1,275	(\$61)	-5%
<b>Total Operating Expenses</b>	<b>\$4,264</b>	<b>\$4,377</b>	<b>\$4,936</b>	<b>\$559</b>	<b>13%</b>
<b>Operating Income</b>	<b>\$3,291</b>	<b>\$3,665</b>	<b>\$3,678</b>	<b>\$13</b>	<b>0%</b>
Principal payment of Debt	(\$1,675)	(\$1,675)	(\$1,735)	(\$60)	4%
<b>Change in Net Assets</b>	<b>\$1,616</b>	<b>\$1,990</b>	<b>\$1,943</b>	<b>(\$47)</b>	<b>-2%</b>

**FUND BALANCE**

Beginning Fund balance	\$8,066	\$8,066	\$8,865		
Change in Net Assets	\$1,616	\$1,990	\$1,943		
Capital Expenditures	(\$869)	(\$1,191)	(\$2,400)		
Third Party Reserves	\$0	\$0	\$0		
Institutional Transfers					
<b>Total Fund Balance</b>	<b>\$8,813</b>	<b>\$8,865</b>	<b>\$8,408</b>	<b>(\$457)</b>	<b>-5%</b>

**Financial Highlights**

The Parking and Traffic auxiliary is responsible for the registration of vehicles for faculty, staff and students, the construction of parking accommodations, transportation between campuses, as well as the enforcement of parking rules and regulations for both campuses. There are currently 4 garages and 54 parking lots in operation totaling 14,186 parking spaces. The most recent garages, Panther Garage and Red Garage, opened in Fall 2004.

In FY2006-07 expenses for the Parking Auxiliary are expected to be slightly above budget due to increased cost for the Golden Panther Express bus service and additional funding required for minor construction projects.

Parking fees for FY2007-08 will be \$67 per semester for students and range between \$132 per year and \$974 per year for employees, a 10% increase from FY2006-07 fees. This fee increase will primarily support expansion in services and construction of Parking Garage V.

Included in the fund balance are the parking reserves required for Parking Garage V, the Facility Maintenance and Equipment Reserve.

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Auxiliary Enterprises  
**Academic Auxiliaries**

	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>					
<b>Total Revenues</b>	<b>\$35,965</b>	<b>\$36,934</b>	<b>\$37,914</b>	<b>\$979</b>	<b>3%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$10,074	\$8,734	\$11,010	\$2,275	26%
OPS	\$12,351	\$10,810	\$10,226	(\$584)	-5%
Expense	\$9,959	\$11,701	\$14,434	\$2,733	23%
OCO	\$729	\$475	\$499	\$24	5%
Debt Service Interest	\$0	\$0	\$0	\$0	
<b>Total Operating Expenses</b>	<b>\$33,113</b>	<b>\$31,720</b>	<b>\$36,169</b>	<b>\$4,449</b>	<b>14%</b>
<b>Operating Income</b>	<b>\$2,852</b>	<b>\$5,214</b>	<b>\$1,745</b>	<b>(\$3,470)</b>	<b>-67%</b>
Operational Transfers	\$687	(\$0)	(\$263)	(\$263)	
<b>Change in Net Assets</b>	<b>\$3,539</b>	<b>\$5,214</b>	<b>\$1,481</b>	<b>(\$3,733)</b>	<b>-72%</b>

**FUND BALANCE**

Beginning Fund balance	\$18,805	\$18,805	\$24,019		
Change in Net Assets	\$3,539	\$5,214	\$1,481		
Capital Expenditures	\$0	\$0	\$0		
Third Party Reserves	\$0	\$0	\$0		
Institutional Transfers					
<b>Total Fund Balance</b>	<b>\$22,344</b>	<b>\$24,019</b>	<b>\$25,500</b>	<b>\$1,481</b>	<b>6%</b>

**Financial Highlights**

Academic Auxiliary programs reside under both the Continuing Education and Academic Sales and Services Activity and is comprised primarily of value added programs, web based courses, conferences, labs, recharge centers and a few distance learning programs. These units represent the office of Academic Affairs of the University in its efforts to fulfill the public service mission, and provide educational programs to nontraditional students. Generally, the revenues generated serve to support the actual program and its growth. Almost every college or school at FIU provide some continuing education or other revenue generating activity.

In FY2007-08, revenue growth is mostly driven by the expansion of graduate programs and web based courses while higher expenses are derived from salary positions not filled in FY2006-07, related to administrative support for Kovens Conference Center and Continuing Education, the accrual adjustment due to payroll transition to ADP, and the appropriate allocation of administrative and marketing expenses to the corresponding auxiliary.

Florida International University  
Board of Trustees Financial Summary  
Auxiliary Enterprises  
**Other Auxiliaries**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b>Total Revenues</b>	<b>\$43,713</b>	<b>\$51,124</b>	<b>\$49,853</b>	<b>(\$1,271)</b>	<b>-2%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$12,483	\$12,764	\$16,667	\$3,903	31%
OPS	\$3,849	\$3,289	\$3,398	\$109	3%
Expense	\$15,789	\$18,029	\$17,757	(\$272)	-2%
OCO	\$1,271	\$800	\$2,243	\$1,443	180%
Debt Service Interest	\$850	\$63	\$254	\$191	302%
<b>Total Operating Expenses</b>	<b>\$34,243</b>	<b>\$34,945</b>	<b>\$40,319</b>	<b>\$5,374</b>	<b>15%</b>
<b>Operating Income</b>	<b>\$9,470</b>	<b>\$16,180</b>	<b>\$9,534</b>	<b>(\$6,646)</b>	<b>-41%</b>
Principal payment of Debt	\$0	(\$833)	(\$907)	(\$75)	
Operational Transfers	(\$687)	\$0	\$263	\$263	
<b>Change in Net Assets</b>	<b>\$8,783</b>	<b>\$15,347</b>	<b>\$8,890</b>	<b>(\$6,457)</b>	<b>-42%</b>

**FUND BALANCE**

Beginning Fund balance	\$37,235	\$37,235	\$45,803		
Change in Net Assets	\$8,783	\$15,347	\$8,890		
Capital Expenditures	(\$2,033)	(\$1,640)	(\$5,678)		
Third Party Reserves	\$0	(\$3,500)	\$0		
Institutional Transfers	(\$2,093)	(\$1,640)	(\$1,700)		
<b>Total Fund Balance</b>	<b>\$41,892</b>	<b>\$45,803</b>	<b>\$47,314</b>	<b>\$1,512</b>	<b>3%</b>

**Financial Highlights**

Other auxiliary activities include the remaining activities which have various revenue sources which are essentially derived from the following:

- Commission earnings from Food Service and Bookstore Operations
- Student Fees for services other than instruction such as Health and Student and Recreational Centers
- Interdepartmental Services such as Duplicating and Telecom
- Investment Earnings gained in the Special Purpose Investment Reserve (SPIR) generated from the University's operating cash flow

The positive variance in FY2006-07 revenues has been driven mainly by higher rates of return and cash balances, resulting in an investment earnings gain of approximately \$10M, and \$2M in additional income from the South Beach Wine and Food festival. Most of the expense growth is due to higher expenses in South Beach Wine and Food festival, and Telecom activities associated with increased revenue.

Capital Expenditures in 2007-08 include \$5M funding to support construction projects to enhance food service facilities and build additional retail space. Institutional transfers include the receipt of \$.5M loan repayment from Office of Sponsored Research Administration (OSRA), and \$2.2M loan payment through the Research Foundation associated with grant activity.

**Sponsored Research Development Trust Fund  
Total Trust Fund**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b>Total Revenues</b>	<b>\$83,145</b>	<b>\$87,197</b>	<b>\$86,371</b>	<b>(\$826)</b>	<b>-1%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$30,057	\$29,014	\$31,944	\$2,930	10%
OPS	\$18,891	\$18,951	\$19,522	\$571	3%
Expense	\$31,711	\$30,730	\$32,455	\$1,724	6%
OCO	\$1,800	\$2,243	\$1,800	(\$443)	-20%
<b>Total Expenditures</b>	<b>\$82,459</b>	<b>\$80,939</b>	<b>\$85,721</b>	<b>\$4,783</b>	<b>6%</b>
<b>Operating Income</b>	<b>\$686</b>	<b>\$6,258</b>	<b>\$650</b>	<b>(\$5,609)</b>	<b>-90%</b>
<b>Change in Net Assets</b>	<b>\$686</b>	<b>\$6,258</b>	<b>\$650</b>	<b>(\$5,609)</b>	<b>-90%</b>
<b><u>Fund Balance Information</u></b>					
Reserves					
Operating Fund	(\$11,266)	(\$7,804)	(\$7,655)	\$150	-2%
Nonoperating Transfer	\$500	\$500	\$500	\$0	0%
<b>Total Fund Balance</b>	<b>(\$10,766)</b>	<b>(\$7,304)</b>	<b>(\$7,155)</b>	<b>\$150</b>	<b>-2%</b>

**Financial Highlights**

The Sponsored Research Trust Fund includes funding of grants and contracts in support of research, public service and training. Revenues are derived from Federal, State, Local and Private sources to support the sponsored programs of the University. These funds are restricted to the specific purpose for which they are awarded. The total grant allocated is comprised of Direct Costs and Indirect Costs. Direct Costs are those costs directly related to research projects such as salaries and benefits of researchers and supplies while indirect costs represent the University's overhead such as administrative support, utilities, etc. Currently, the fee is up to 40% of the direct costs and varies based on different formulas depending on whether the grant is Federal, State, Local or Privately funded.

In order to support the transition to full accrual the Office of Sponsored Research is in the process of the acquisition of a grants module to support tracking and recording receivables.

**Revenues**

Revenues within the Total Trust Fund are derived from a number of sources. The main sources of revenue are:

- Federal Grants**: These are grants allocated to the University from the Federal government on a cost reimbursement basis.
- Local and State Grants** are funds awarded by State & Local government entities.
- Other Grants** generally come from private entities for specific research purposes. Some of these grants are allocated on a cost reimbursement basis while some may be "Fixed Price". Excess funds are transferred to Miscellaneous Revenues.
- Miscellaneous Revenues** refer to excess funding from 'fixed price' awards. ('Fixed Price' awards are unrestricted and are

■ The University is projecting an increase in revenues in FY2007-08. Due to a one-time prior period recovery of indirect costs in FY2006-07 of \$2.2M, the anticipated increase in revenues is \$1.4M with \$0.5M attributed to an increase in indirect cost recovery and \$.9M in new awards and awards currently in the start up phase.

■ IDC Recovery for FY2006-07 increased due to one time revenues of \$2.2M. This was a result of the Contracts and Grants Office identifying prior year expenditures that did not capture the full indirect cost allowed per the award document. Indirect cost recovery for FY2007-08 is projected to increase by 5% due to new awards negotiated at higher rates of return.

■ Several new awards were received in FY2006-07 that were funded from the agency prior to expenses being incurred. Expenditures for these awards will be incurred in FY2007-08. Examples of these are :Hispanic Crime Prevention program, Major Cultural Institution Grants, HIV Prevention Group and Focus Group Research on Miami.

- The Office of Sponsored Research has also worked on reducing receivables. As of March 06 the accounts receivable balance was approximately \$29.8M of which \$23.1M was from the current fiscal year and \$6.7M was from prior fiscal years. As of March 07 the accounts receivable balance was approximately \$17.2M of which \$12.4M was current fiscal year receivables and 4.8M was prior year receivables.

**Expenditures**

- Salary expenditures for FY2007-08 include a projected increase in current salaries and the hiring of critical personnel in Contracts and Grants Administration.
- In FY2007-08, the Contracts & Grants office is planning full implementation of the Info-Ed module to assist in the proposal process and the Image Now module which will allow scanning and electronic submission of documents.

**Net Transfers**

- Net transfers represent \$500,000 towards the auxiliary loan balance.

**Change in Net Assets**

- Change in net assets represents the indirect cost returned to the departments not spent, investment losses, project change in assets and the Office of Sponsored Research change in assets.

**Reserves**

- The fund balance includes the \$4.4M loan from the Auxiliary Trust Fund less any payments made. At the end of FY2006-07 the outstanding principal is \$3.9M

**Office of Sponsored Research Administration (OSRA)  
Indirect Costs (Overhead)**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b>Total Revenues</b>	\$11,000	\$13,288	\$11,500	(\$1,788)	-13%
<b><u>Expenditures</u></b>					
Salaries and Benefits	4,414	3,653	4,374	721	20%
OPS	416	334	339	5	1%
Expense	2,185	3,029	3,119	90	3%
IDC return to departments	3,300	8,839	2,774	(6,065)	-69%
OCO		14	24	10	66%
<b>Total Operating Expenses</b>	<b>\$10,314</b>	<b>\$15,869</b>	<b>\$10,629</b>	<b>(\$5,239)</b>	<b>-33%</b>
<b>Operating Income</b>	<b>\$686</b>	<b>(\$2,580)</b>	<b>\$871</b>	<b>\$3,451</b>	<b>-134%</b>
<b>Change in Net Assets</b>	<b>\$686</b>	<b>(\$2,580)</b>	<b>\$871</b>	<b>\$3,451</b>	<b>-134%</b>
<b><u>Fund Balance Information</u></b>					
Reserves					
Operating Fund	(\$6,694)	(\$2,779)	(\$2,408)	\$371	-13%
Principal Payment of Debt	\$500	\$500	\$500	\$0	0%
<b>Total Fund Balance</b>	<b>(\$6,194)</b>	<b>(\$2,279)</b>	<b>(\$1,908)</b>	<b>\$371</b>	<b>-16%</b>

**Financial Highlights**

**Revenues**

- Revenues for the Office of Sponsored Research are directly correlated with the amount of research expenditures at the University and specifically the rate of IDC. Indirect costs are based on an assessment of all sponsored projects to cover the administrative and operational costs of Sponsored Research, the overhead accounts belonging to deans and center directors and FIU cost sharing commitments. This rate is projected to remain flat for FY2007-08 with respect to FY2006-07. This is due to the timing of completing old awards with lower IDC and the receiving of new awards with higher rates. In FY2006-07 a space utilization study was conducted along with continued analysis and negotiations between OSRA and the Federal government to increase FIU's IDC rates which will improve OSRA recovery of indirect costs in the years to come.
- IDC Recovery for FY2006-07 increased due to prior period adjustments of \$2.2M. This was a result of the Contracts and Grants Office identifying prior year expenditures that did not capture the full indirect cost allowed per the award document. Indirect cost recovery is projected to increase by 5% due to new awards negotiated at a higher rate of return.

**Expenditures**

- Salary expenditures for FY2007-08 are projected to increase due to a projected increase in salaries and the hiring of critical personnel in Contracts and Grants Administration
- IDC shared with the academic departments is classified under expenses. These funds are provided to the academic units from the IDC recovery to cover their grant administrative costs. For FY2006-07 \$8.8M was returned to departments, this represented \$2.9M for 0405, \$1.9M for FY2005-06 and \$4.0M for FY2006-07. This catch up resulted in a negative operating income in FY2006-07. For FY2007-08 return of IDC is projected to be \$2.8M.
- The expenditures also include agreed upon support from the Office of Sponsored Research Administration for additional personnel in Environmental Health, Purchasing, Controllers and Personnel to assist in the additional administrative processes needed for Contracts and Grants administration. For FY2006-07 forecasted expense for these activities is \$1.2M and projections for FY2007-08 are \$1.4M.
- Net transfer represent \$500,000 towards repaying the auxiliary loan
- Change in net assets for FY2006-07 of a negative \$3.1M is a result of the prior period return of IDC to the various departments. Moving forward the Office of Sponsored Research will be allocating this money to the department on a quarterly basis.
- The fund balance includes the \$4.4M loan from the Auxiliary Trust Fund less any payments made. At the end of FY2006-07 the outstanding principal is \$3.9M



**Activity & Service Fund**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b>Total Revenues</b>	<b>\$10,625</b>	<b>\$10,721</b>	<b>\$11,096</b>	<b>\$375</b>	<b>3%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	\$1,420	\$1,334	\$1,939	\$604	45%
OPS	\$635	\$663	\$627	(\$36)	-5%
Expense	\$7,903	\$7,154	\$8,089	\$936	12%
OCO	\$79	\$31	\$13	(\$18)	-59%
<b>Total Operating Expenses</b>	<b>\$10,036</b>	<b>\$9,183</b>	<b>\$10,668</b>	<b>\$1,486</b>	<b>16%</b>
<b>Operating Income</b>	<b>\$589</b>	<b>\$1,539</b>	<b>\$428</b>	<b>(\$1,111)</b>	<b>-72%</b>
<b>Change in Net Assets</b>	<b>\$589</b>	<b>\$1,539</b>	<b>\$428</b>	<b>(\$1,111)</b>	<b>-72%</b>
<b><u>Fund Balance Information</u></b>					
Reserves					
Operating Funds	\$5,645	\$5,975	\$6,403	\$428	7%
<b>Total Fund Balance</b>	<b>\$5,645</b>	<b>\$5,975</b>	<b>\$6,403</b>	<b>\$428</b>	<b>7%</b>

**Student Activities Summary**

The Activity and Service Fee fund is the student life component of the University which supports clubs, organizations, student centers and recreational sports for all campuses. The purpose of this activity is to enhance and balance the academic experience with social real world interactions amongst students. The principle funding source for this activity is a per credit hour fee of \$10.52 which is charged equally to all level of students. For FY2007-08 the revenue also reflects investment interest income of \$379K.

**Financial Highlights**

The \$604K increase in salaries is mainly due to the hiring of a new positions for the Student Government Association Office and projected increases in salaries and benefits. Operational expenditures will increase to sporting events, concerts, conferences, Graham Center Operations, expanded business hours and programming activities, as well as, several student organizations. Based on student priorities Student Government with final approval from the President allocates the funds.

Florida International University  
Board of Trustees Financial Summary  
Intercollegiate Athletics

**Athletics**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
<i>(In thousands of dollars)</i>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>		
<b>Total Revenues</b>	<b>15,666</b>	<b>15,410</b>	<b>18,551</b>	<b>\$3,140</b>	<b>20%</b>
<b><u>Expenditures</u></b>					
Salaries and Benefits	4,539	6,186	6,285	\$98	2%
OPS	730	780	437	(\$343)	-44%
Expense	6,257	6,623	7,227	\$604	9%
Scholarships	4,341	4,807	5,764	\$956	20%
OCO	0	157	0	(\$157)	-100%
<b>Total Expenditures</b>	<b>15,867</b>	<b>18,553</b>	<b>19,713</b>	<b>1,159</b>	<b>6%</b>
<b>Change in Net Assets</b>	<b>(201)</b>	<b>(3,143)</b>	<b>(1,162)</b>	<b>1,981</b>	<b>-63%</b>

**Fund Balance**

Beginning Fund Balance	2,575	2,575	1,245	
Change in Net Assets	(201)	(3,143)	(1,162)	
Institutional Transfers	1,808	1,812	(73)	
<b>Total Fund Balance</b>	<b>\$4,183</b>	<b>\$1,245</b>	<b>\$9</b>	<b>(1,235)</b>

**Financial Highlights**

Intercollegiate Athletics is the functional area of the University responsible for team sports and their support activities. Examples of University sports activities include football, baseball, soccer, golf, basketball, cross country track, swimming, tennis and volleyball.

Despite incremental revenues from a student fee increase, from \$11.66 to \$13.05 per credit hour, Intercollegiate Athletics will realize operating losses of approximately (\$3.1M) in FY2006-07 and (\$1.1M) in FY2007-08 which will be covered by reserves and a transfer from its unrestricted Foundation funds. This gap is the result of the University building and strengthening its infrastructure to support its athletics program in order to compete in NCAA division 1A.

Florida International University  
Board of Trustees Financial Summary

**Concessions**

	<b>Final Budget</b>	<b>Forecast</b>	<b>Requested Budget</b>	<b>Change Forecast vs.</b>	
<i>(In thousands of dollars)</i>	<b>2006-07</b>	<b>2006-07</b>	<b>2007-08</b>	<b>Requested Budget</b>	<b>%</b>
Total Revenues	\$428	\$403	\$458	\$55	14%
<b><u>Expenditures</u></b>					
Salaries and Benefits					
OPS					
Expense	\$428	\$394	\$425	\$30	8%
OCO					
<b>Total Operating Expenses</b>	<b>\$428</b>	<b>\$394</b>	<b>\$425</b>	<b>\$30</b>	<b>8%</b>
<b>Operating Income</b>	<b>\$0</b>	<b>\$9</b>	<b>\$34</b>	<b>\$25</b>	<b>276%</b>
<b>Change in Net Assets</b>	<b>\$0</b>	<b>\$9</b>	<b>\$34</b>	<b>\$25</b>	<b>276%</b>

**Fund Balance Information**

Reserves					
Operating Funds	\$335	\$378	\$411	\$34	9%
<b>Total Fund Balance</b>	<b>\$335</b>	<b>\$378</b>	<b>\$411</b>	<b>\$34</b>	<b>9%</b>

**Concession Fund**

This activity contains all the commission based revenues from vending snack and refreshment machines as well as student housing washing machines. The commission revenues in the concession fund are used to support the purchase of food and refreshment items at University wide events, faculty recruitment, staff meeting, student housing socials and convocation events.

**Financial Highlights**

In FY2006-07 efforts to mitigate negative revenue exposure were successful. These efforts included: focusing efforts on locations with the greatest return on investment especially since 7 out of 28 locations account for 70% of total business activities, evaluating product mix, exploring new locations and attempting to increase the number of vending machines where possible. Unfortunately, in FY2006-07 the University experienced several incidents of vandalism to machines which adversely impacted the projected revenue but appropriate steps have been taken to secure the machines. Due to the volatility of the business we are not projecting any increases for FY2007-08, though we are in negotiation to renew our soda contract and expect a favorable outcome. The FYFY2007-08 revenue reflects investment interest income of \$25.7K.

Laundry revenues are projected to increase 8% due to Lakeview Housing facilities being upgraded to accept the PantherCard.

### Financial Aid Scholarships

<i>(In thousands of dollars)</i>	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
Total Revenues	\$67,509	\$68,873	\$72,721	\$3,847	6%
<b><u>Expenditures</u></b>					
Salaries and Benefits					
OPS					
Expenses	\$72,212	\$67,202	\$72,398	\$5,196	8%
OCO					
<b>Total Operating Expenses</b>	<b>\$72,212</b>	<b>\$67,202</b>	<b>\$72,398</b>	<b>\$5,196</b>	<b>8%</b>
<b>Operating Income</b>	<b>(\$4,703)</b>	<b>\$1,671</b>	<b>\$323</b>	<b>(\$1,349)</b>	<b>-81%</b>
<b>Change in Net Assets</b>	<b>(\$4,703)</b>	<b>\$1,671</b>	<b>\$323</b>	<b>(\$1,349)</b>	<b>-81%</b>
<b><u>Fund Balance Information</u></b>					
Reserve					
Operating fund	\$583	\$9,584	\$9,906	\$323	3%
<b>Total Fund balance</b>	<b>\$583</b>	<b>\$9,584</b>	<b>\$9,906</b>	<b>\$323</b>	<b>3%</b>

### Financial Highlights

The FY2006-07 budget was adjusted to represent the financial aid not captured in other funds such as Athletics and Contracts and Grants. The original revenue budget of \$74.0M and expense budget of \$78.4M were decreased by scholarships captured in other funds or agency accounts. Net income is a result of scholarships disbursed to students relative to the revenue collected through University fees and E&G state legislative, federal and private allotments.

### Revenues

The revenues from Financial Grant and scholarship programs come from the following sources:

Federal Government, State of Florida and other states that offer financial assistance to their residents, Private Organizations, miscellaneous government agencies and University Institutional funds. Funding from the US Dept. of Education and the Florida Dept. of Education are subject to Legislative actions annually. (Large scholarship programs include the Federal Pell Grant forecasted at \$28.3M for FYFY2007-08 and the State of Florida funded Bright Futures programs at \$21.0M.) The overall major revenue sources for FYFY2007-08 are comprised of \$29.3M or 41% from Federal sources, \$21.0M or 29% from State sources and \$22.0M or 30.0% from Institutional and private classified sources. Revenues projections for FY2007-08 also include \$426,481 investment interest income.

### Operating Expenses

The Financial Aid Office acts as an agent reviewing student status and matching qualifying students with applicable aid programs. There is a forecasted increase in scholarship activity for FYFY2007-08 in the amount of \$1.1M for Pell, \$2.2M for Bright Futures Grants and \$600K for Florida Student Assistance Grant awards

### Loans

Based on Board of Governor guidelines the University no longer budgets for student loans since the University acts as an agent with respect to these funds. For 06-07 the original budget was \$100,691,588 with projections as of June 30, 2007 being \$99,980,388. For FY2007-08 the projected loans to students is anticipated to be \$114,470,458, increasing due to Federal loans: Subsidized and Unsubsidized Stafford Loans are projected to increase 12%, Plus loans increase projections are 48% and Perkins loans are projected to increase by 71%. Federal loans make up for 92% of the total loans disbursed to students while the remaining 8% is related to private loans.

### Fund Balance

The cash balances at year-end are carried forward to fund need-based and merit type scholarships in future years.

Florida International University  
Board of Trustees Financial Summary

**Institutional Financial Aid**

<i>(In thousands of dollars)</i>	<b>Final Budget 2006-07</b>	<b>Forecast 2006-07</b>	<b>Requested Budget 2007-08</b>	<b>Change Forecast vs. Requested Budget</b>	<b>%</b>
Total Revenues	\$11,297	\$11,227	\$11,625	\$397	4%
<b><u>Expenditures</u></b>					
Expenses	\$16,000	\$9,556	\$11,302	\$1,746	18%
<b>Total Operating Expenses</b>	<b>\$16,000</b>	<b>\$9,556</b>	<b>\$11,302</b>	<b>\$1,746</b>	<b>18%</b>
<b>Operating Income</b>	<b>(\$4,703)</b>	<b>\$1,671</b>	<b>\$323</b>	<b>(\$1,349)</b>	<b>-81%</b>
<b>Change in Net Assets</b>	<b>(\$4,703)</b>	<b>\$1,671</b>	<b>\$323</b>	<b>(\$1,349)</b>	<b>-81%</b>
Fund Balance Information					
Operating fund	\$755	\$7,130	\$7,452	\$323	1%
<b>Total Fund balance</b>	<b>\$755</b>	<b>\$7,130</b>	<b>\$7,452</b>	<b>\$323</b>	<b>5%</b>

**Financial Highlights**

The revenues consist of a 5% of per credit tuition as a Financial Aid fee charged all students and a \$6.4M allocation from E&G. These funds are disbursed based on both need and merits.

**Fund Balance**

The cash balances at year-end are carried forward to fund scholarships in future years.

Florida International University  
Board of Trustees Financial Summary

FIU Foundation, Inc.

	Final Budget 2006-07	Forecast 2006-07	Requested Budget 2007-08	Change Forecast vs. Requested Budget	%
<i>(In thousands of dollars)</i>					
<b>Revenues:</b>					
Contributions:					
University-Wide Scholarships & Programs	\$200	\$475	\$313	(\$162)	-34%
College, Schools, Centers	\$3,700	\$3,500	\$3,185	(\$315)	-9%
Athletics Operations	\$670	\$452	\$502	\$50	11%
Alumni Membership	\$140	\$135	\$215	\$80	59%
Annual Fund	\$445	\$600	\$361	(\$239)	-40%
Total Contributions	\$5,155	\$5,162	\$4,576	(\$586)	-11%
Other Revenues:					
MARC Building Rental Income	\$1,575	\$1,583	\$1,575	(\$8)	-1%
Estimated Investment Income/Capital Gains	\$8,050	\$15,500	\$10,648	(\$4,852)	-31%
Foundation Staff University Funded	\$568	\$536	\$574	\$38	7%
Total Other Revenues	\$10,193	\$17,619	\$12,797	(\$4,822)	-27%
<b>Total Revenues</b>	<b>\$15,348</b>	<b>\$22,781</b>	<b>\$17,373</b>	<b>(\$5,408)</b>	<b>-24%</b>
<b>Expenses:</b>					
Operational:					
Annual Fund	\$320	\$285	\$438	\$153	54%
Administrative Operating Fund	\$1,565	\$1,593	\$1,794	\$201	13%
Foundation Staff University Funded	\$568	\$536	\$574	\$38	7%
Total Operational Costs	\$2,453	\$2,414	\$2,806	\$392	16%
University Programs:					
University-Wide Scholarships & Programs	\$350	\$880	\$648	(\$232)	-26%
College, Schools, Centers	\$5,700	\$5,500	\$4,927	(\$573)	-10%
MARC Building	\$840	\$840	\$884	\$44	5%
Athletics	\$315	\$250	\$400	\$150	60%
Alumni Programs	\$140	\$115	\$162	\$47	41%
General Reserve	\$40	\$24	\$30	\$6	25%
Total University Program Costs	\$7,385	\$7,609	\$7,051	(\$558)	-7%
<b>Total Expenses</b>	<b>\$9,838</b>	<b>\$10,023</b>	<b>\$9,857</b>	<b>(\$166)</b>	<b>-2%</b>
<b>Change in Net Assets</b>	<b>\$5,510</b>	<b>\$12,758</b>	<b>\$7,516</b>	<b>(\$5,242)</b>	<b>-41%</b>
<b>Building Funds Activity</b>					
Revenues	\$11,350	\$2,200	\$6,649		202%
Expenses	\$3,545	\$3,546	\$2,319		-35%
<b>Building Funds Activity (Net)</b>	<b>\$7,805</b>	<b>(\$1,346)</b>	<b>\$4,330</b>	<b>\$5,676</b>	<b>-422%</b>
<b>Total Endowment</b>					
Permanent Restricted beginning balance	\$71,252	\$71,252	\$76,252		
Endowment revenue	\$18,440	\$5,000	\$7,786		
Permanent Restricted Ending balance	\$89,692	\$76,252	\$84,038	\$7,786	10%
Endowment Reserves - Contribution	\$8,770	\$8,770	\$14,721		
Distributions to Endowment reserves	\$0	\$5,952	\$988		
Endowment reserves Ending balance	\$8,770	\$14,721	\$15,709	\$988	7%
<b>Endowment balance</b>	<b>\$98,462</b>	<b>\$90,973</b>	<b>\$99,747</b>	<b>\$8,774</b>	<b>10%</b>

Notes

Subject to approval by the FIU Foundation Inc. Board of Directors

Estimated investment income including realized and unrealized gains, forecasted for FY 2006-07 at 14% while FY 2007-08 budget projected at 8%

Florida International University  
Board of Trustees Financial Summary

FIU Research Foundation, Inc

	Final Budget	Forecast	Requested Budget	Change Forecast vs. Requested Budget	%
<i>(In thousands of dollars)</i>	2006-07	2006-07	2007-08		
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b><u>Expenditures</u></b>					
Debt Service Interest	\$562	\$562	\$290	(\$272)	-0.02%
<b>Total Expenditures</b>	<b>\$562</b>	<b>\$562</b>	<b>\$290</b>	<b>(\$272)</b>	-0.02%
<b>Operating Income</b>	<b>(\$562)</b>	<b>(\$562)</b>	<b>(\$290)</b>	<b>\$272</b>	-0.02%
Principal Payment of debt	(\$1,598)	(\$1,530)	(\$1,910)	(\$380)	-0.02%
<b>Change in Net Assets</b>	<b>(\$2,160)</b>	<b>(\$2,092)</b>	<b>(\$2,200)</b>	<b>(\$108)</b>	
<b><u>Fund Balance</u></b>					
Beginning Fund balance	\$0	\$0	\$0		
Change in Net Assets	(\$2,160)	(\$2,092)	(\$2,200)		
Net transfers	\$2,160	\$2,092	\$2,200		
<b>Total Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>

**Financial Highlights**

The principle activity for FY2006-07 and FY2007-08 is the repayment of an outstanding five year note related to research. The cash transfer to meet this obligation derives from Treasury operations in the Auxiliary Trust Fund. Since cash is transferred and no expense is recognized in the Auxiliary fund, no revenue is recognized in this entity. At the end of fiscal year FY2007-08 the outstanding loan balance will be \$4.5 million.

Florida International University  
Board of Trustees Financial Summary  
**Public Education Capital Outlay**

**FIXED CAPITAL OUTLAY  
STATE UNIVERSITY SYSTEM PROJECTS  
2007-08  
AS OF 5/10/2007**

FIU Utilities/Infrastructure/Capital Renewal Roofs	\$7,000,000
Science / Classroom Complex - UP	\$29,000,000
Graduate Classroom Building - UP	\$4,680,165
Satellite Chiller Plant - UP	\$1,110,000
Health Sciences Laboratory Clinic - UP	\$19,000,000
International Hurricane Center - UP	\$15,000,000
<b>TOTAL</b>	<b>\$75,790,165</b>



Florida International University  
Board of Trustees Financial Summary  
**Challenge Grants**

**MAJOR GIFTS TRUST FUND  
2007-2008  
AS OF 5/10/2007**

	<b><u>ALLOCATION MATCH</u></b>
C.V. STARR SCHOLARSHIP ENDOWMENT	\$99,701
SCHOOL OF NURSING PROGRAM ENDOWMENT	\$50,000
PINO GLOBAL ENTREPRENEURSHIP CENTER ENDOWMENT	\$360,000
FIU FOUNDATION PROFESSORSHIP IN THE COLLEGE OF LAW	\$525,000
THE WOLFSONIAN PROGRAM ENDOWMENT	\$139,549
INGERSOLL-RAND PROFESSORSHIP IN INTERNATIONAL BUSINESS	\$50,001
SCHOOL OF NURSING PROGRAM ENDOWMENT	\$125,000
MARRIOTT SCHOLARS ENDOWMENT	\$50,000
PINO GLOBAL ENTREPRENEURSHIP CENTER ENDOWMENT	\$340,000
MICHAEL FELSBERG SCHOLARSHIP ENDOWMENT	\$50,465
SCHOOL OF NURSING PROGRAM ENDOWMENT	\$125,000
OCEAN WATERS HOSPITALITY MANAGEMENT SCHOLARSHIP ENDOWMENT	\$50,000
SEDANO'S FAMILY FIRST GENERATION SCHOLARSHIP ENDOWMENT	\$50,000
<b>TOTAL</b>	<b><u><u>\$2,014,716</u></u></b>

**FIXED CAPITAL OUTLAY  
ALEC P. COURTELIS FACILITY ENHANCEMENT CHALLENGE GRANT PROGRAM LIST**

	<b><u>ALLOCATION MATCH</u></b>
Frost Art Museum	\$363,500
College of Law	\$212,901
Graduate School of Business Phase I	\$1,109,388
Hospitality & Tourist Mgmt. Biscayne Bay	\$300,000
IHRC Wall of Wind	\$608,063
Engineering Center Lab	\$55,000
<b>TOTAL</b>	<b><u><u>\$2,648,852</u></u></b>

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## **FLORIDA INTERNATIONAL UNIVERSITY**

### **Line-Item Definitions for Auxiliary, Sponsored Research and Local Funds**

#### **REVENUES:**

**Auxiliary** revenues represent operating inflows generated by the provision of products and/or services to the University community. Auxiliary Enterprise Operations are self-sufficient and rely on the generation of these revenues for their ongoing existence.

**Sponsored Research** receives its revenue/funding through the acquisition of Federal, State and Local grants.

**Student Activities (SGA) and Intercollegiate Athletics** receive their funding through the assessment of a student credit hour fee as well as gate admission for general and sports events.

**Financial Aid** revenues originate from scholarship programs such as Pell Grants, Bright Futures that are passed on to qualifying students. Additionally, Financial Aid loans are funded by financial institutions which are passed on to qualifying students.

**Concessions** funding originates from commissions on vending machine sales across the University.

#### **EXPENDITURES:**

**Salaries & Benefits** – The expenditure category from which State employees are paid. Expenditures in this category typically include salary rate (actual salary) plus the costs of benefits (retirement, social security, health insurance and life insurance).

**OPS** – This category represents "Other Personnel Services" typically representing the costs of temporary employment positions such as student assistants, graduate assistants, and faculty adjuncts. Note, in the SAMAS environment, consultant expenditures were booked as professional agreements under OPS. However, beginning in the 2004-05 fiscal year under PeopleSoft financials, consultants will be booked as an Expense category expenditure.

**Expense** – Expenditures in this category represent a wide range of cost activities such as phone service, utilities, supplies and photocopying. Generally, expenditures under \$1,000 per item are classified in the expense category. As noted above, consultant related expenditures will be booked to expense as well as overhead charges which under SAMAS were previously recorded as a Transfer-Out.

**OCO** – This operating category is where capital expenditures greater than \$1,000 per individual item and/or items with a useful life greater than one year are recorded. Items classified as OCO are also recorded as assets on the University balance sheet.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: UNIVERSITY TUITION FEES REGULATION FIU-1101 – AMENDMENT**

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**PROPOSED COMMITTEE ACTION:**

Recommend Board adoption of the following Resolution:

WHEREAS, the Florida International University Board of Trustees (the BOT) is authorized to set tuition and fees for the University within the limits provided by law;

WHEREAS, the Legislature has provided the Florida Board of Governors (the BOG) or its designee, the BOT, with authority to set 2007-2008 Academic Year tuition and fees for graduate, graduate professional, and nonresident students (at any level of instruction);

THEREFORE, BE IT RESOLVED THAT, the BOT approves the 2007-2008 Academic Year tuition and fees increases reflected in the amendments to the Tuition Fees Schedule Regulation FIU-1101 attached hereto as Exhibit “C”;

BE IT FURTHER RESOLVED THAT, the BOT delegates authority to the University President to forward the Regulation to the Board of Governors for approval and to approve any subsequent amendments that are based on comments to the Regulation received from the Board of Governors and as a result of the regulation-making process;

AND BE IT FURTHER RESOLVED, that the President report to the BOT at its next regularly scheduled meeting on any substantive change requested or made to the Regulation as a result of comments received by the Board of Governors and the regulation-making process.

**BACKGROUND INFORMATION:**

**A. LEGAL AUTHORITY:**

Florida Board of Governors Resolution delegating and delineating powers of local boards of trustees adopted January 7, 2003 and Section 1001.74(11), Florida Statutes (2006), Powers and duties of university boards of trustees, provides:

(11) Each board of trustees shall establish fees pursuant to ss. 1009.24 and 1009.26.

**In accordance with the General Appropriations Act for Fiscal Year 2007-2008, Conference Report on Senate Bill 2800:**

The maximum resident undergraduate tuition per credit hour is hereby established for the 2007-2008 fiscal year as follows:

	2007-2008 Fall/Spring Terms
Lower Level Course Work	\$77.39
Upper Level Course Work	\$77.39

Except as otherwise provided by law, the Board of Trustees, as the BOG's designee for fiscal year 2007-2008, shall set University tuition and fees for graduate, graduate professional and nonresident students. The annual percentage increase in tuition and fees established by the Board of Trustees shall not exceed ten percent. Tuition and out of state fees for nonresident students may not be lower than the rates in effect for the 2006-2007 fiscal year.

**B. EXPLANATION FOR PROPOSED BOARD ACTION:**

The Tuition Fees Regulation FIU-1101 is being amended to reflect the increases in tuition fees for the 2007-08 Academic Year of the University that have been authorized by the Legislature. Specifically, the BOT is authorizing:

- An increase in undergraduate Resident tuition (formerly known as "Matriculation") from \$73.71 to \$77.39 per credit hour
- An increase in graduate Resident tuition from \$211.63 to \$222.21 per credit hour
- An increase in law school Resident tuition from \$240.52 to \$252.54 per credit hour

In addition, the BOT is increasing the Student Financial Aid Fees because Student Financial Aid Fees are 5% of the Resident and Out-of-State fees; increasing the Intercollegiate Athletics Fee (as previously approved by the Board on April 26, 2007); and increasing the fee charged to students enrolling in the same undergraduate course more than twice to \$179.88.

Finally, in 2006, the Legislature authorized an increase of up to five percent in tuition and fees for students enrolled prior to the fall of 2006, and an increase of up to ten percent in tuition and fees for students enrolled after the fall of 2006. Therefore, based on the tuition rate structure implemented in 2006, graduate students enrolled

in or after the fall of 2006 will pay an additional Resident Fee of \$10.57 per credit hour and an additional Financial Aid Fee of \$0.52 per credit hour; and newly enrolled law students will pay an additional Resident Fee of \$12.02 per credit hour and an additional Financial Aid Fee of \$0.60 per credit hour.

The Optional fees listed in section (9) are not new fees, but rather are a memorialization of fees already being charged that should be in a regulation.

The Transportation Access fee is being deleted from the Tuition Fees regulation as it already is contained within Regulation No. FIU-1105 (University Traffic and Parking Rules).

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “C”: TUITION FEES SCHEDULE, FIU-1101

**FACILITATOR/PRESENTER:**

- VIVIAN SANCHEZ

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**THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES  
FLORIDA BOARD OF GOVERNORS**

**FIU-1101                      Tuition Fees Schedule**

(1) Tuition shall be defined as the basic fee charged to a student for instruction provided by the Florida International University. Tuition consists of the following fees:

1. Resident Fee;
2. Student Financial Aid Fee;
3. Capital Improvement Trust Fund Fee;
4. Building Fee;
5. Health Fee;
6. Athletic Fee; and
7. Activity and Service Fee.

In addition to the fees set forth in 1.-7. above, a non- Florida student, as defined in the Florida Board of Governors' Resolution, will pay the Out-of-State Fee and the Non-Resident Student Financial Aid Fee.

(2) Registration shall be defined as consisting of two components:

(a) Formal enrollment in one or more credit courses approved and scheduled by the University;  
and,

(b) Tuition payment, or other appropriate arrangements for tuition payment (installment payment, deferment, or third party billing) for the courses in which the student is enrolled.

(3) A student is liable for tuition associated with all courses for which the student is registered.

The fee payment deadline shall be as determined by the University.

(4) The following tuition shall be levied and collected on a per credit hour basis, effective the fall semester indicated for each student regularly enrolled, unless provided otherwise ~~in this chapter by law, or~~ Board of Governor or University rule or regulation.

FALL ~~2006~~2007

<i>Fee</i>	<i>Undergraduate</i>		<i>Graduate</i>		<i>Law</i>	
	<i>Resident</i>	<i>Non-Resident</i>	<i>Resident</i>	<i>Non-Resident</i>	<i>Resident</i>	<i>Non-Resident</i>
Resident	<del>\$73.71</del> <u>77.39</u>	<del>\$ 73.71</del> <u>77.39</u>	<del>\$211.63</del> <u>222.21</u>	<del>\$211.63</del> <u>222.21</u>	<del>\$240.52</del> <u>252.54</u>	<del>\$240.52</del> <u>252.54</u>
Out-of-State		\$393.62		\$480.07		\$437.60
Athletic	<del>\$11.66</del> <u>13.05</u>	<del>\$11.66</del> <u>13.05</u>	<del>\$11.66</del> <u>13.05</u>	<del>\$11.66</del> <u>13.05</u>	<del>\$11.66</del> <u>13.05</u>	<del>\$11.66</del> <u>13.05</u>
Activity and Service	\$10.52	\$10.52	\$10.52	\$10.52	\$10.52	\$10.52
Student Financial Aid	<del>\$3.68</del> <u>3.86</u>	<del>\$3.68</del> <u>3.86</u>	<del>\$10.58</del> <u>11.11</u>	<del>\$10.58</del> <u>11.11</u>	<del>\$12.02</del> <u>12.62</u>	<del>\$12.02</del> <u>12.62</u>
Non-Resident Financial Aid		\$19.68		\$24.00		\$21.88
Capital Improvement Trust Fund	\$2.44	\$2.44	\$2.44	\$2.44	\$2.44	\$2.44
Building	\$2.32	\$2.32	\$2.32	\$2.32	\$2.32	\$2.32

(5) (a) For those new students enrolled in a graduate classes in the Fall 2006, or thereafter, in addition to the tuition and fees set forth in paragraph (4) above, the University shall levy and collect an additional Resident Fee of ~~\$10.08~~10.57 per credit hour and an additional Student Financial Aid Fee of ~~\$0.500.52~~ per credit hour. The additional fees authorized by this paragraph (5)(a) shall not apply to a graduate student who was enrolled in a graduate program prior to Fall 2006, and such student's enrollment has not lapsed in four terms before re-enrolling in the same graduate program.

(b) For those new students enrolled in the law school in the Fall 2006, or thereafter, in addition to the tuition and fees set forth in paragraph (4) above, the University shall levy and collect an additional Resident Fee of ~~\$11.45~~12.02 per credit hour and an additional Student Financial Aid Fee of ~~\$0.570.60~~ per credit hour. The additional fees authorized by this paragraph (5)(b) shall not apply to a law school student who was enrolled in law school prior to Fall 2006, and such student's enrollment has not lapsed for four terms before re-enroll in the same program.

(6) Effective the Fall 2005 term, during any semester in which a graduate nonresident student has been appointed as a Graduate Assistant for at least .25 FTE, the Out-of-State Fee for the student shall be \$0.00 per credit hour.

(7) The following fees shall be levied and collected on a per semester basis, effective the fall semester indicated for each student regularly enrolled, unless provided otherwise ~~in this chapter~~ by law, or Board of Governor or University rule or regulation.

FALL ~~2006-2007~~

<i>Fee</i>	<i>Undergraduate</i>		<i>Graduate</i>		<i>Law</i>	
	<i>Resident</i>	<i>Non-Resident</i>	<i>Resident</i>	<i>Non-Resident</i>	<i>Resident</i>	<i>Non-Resident</i>
Health	\$67.20	\$67.20	\$67.20	\$67.20	\$67.20	\$67.20
Inter-collegiate Athletics	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Transportation Access	\$61.00	\$61.00	\$61.00	\$61.00	\$61.00	\$61.00

~~The Transportation Access Fee does not include the State sales tax, and is \$55.00 (plus the State sales tax) for any Summer semester.~~

(8) Effective the Fall Semester ~~2006~~2007, each student enrolled in the same undergraduate course more than twice shall be assessed an additional \$~~161.70~~179.88 per credit hour for each such course in addition to the fees set forth above.

(9) Optional fees.

<u>Orientation fee</u>	<u>\$ 35.00</u>
<u>Identification Card</u>	<u>\$ 10.00</u>
<u>Fee for Transcript</u>	<u>\$ 5.00</u>
<u>Fee for Diploma replacement</u>	<u>\$ 10.00</u>
<u>Late Payment fee</u>	<u>\$100.00</u>
<u>Late Registration fee</u>	<u>\$100.00</u>
<u>Off-Campus Fee</u>	<u>cost</u>
<u>Fingerprinting</u>	<u>cost</u>
<u>Materials and Supplies fee</u>	<u>cost</u>
<u>Library Fines and Penalties</u>	<u>varies</u>

Authority: Resolution of the Florida Board of Governors dated January 7, 2003; Fla. Stat. sections 1001.74(11) and 1009.24, ~~2006~~2007-~~08~~7 General Appropriations Act, Section ~~164~~156.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: LEGISLATIVE BUDGET REQUEST 2008-2009**

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**PROPOSED COMMITTEE ACTION:**

Recommend Board adoption of the following Resolution:

WHEREAS, the Florida Board of Governors (the BOG) has the power to operate, regulate, control and be fully responsible for the management of the whole university system (Section 7, Article IX, Florida Constitution); and

WHEREAS, included within this responsibility is the development of an annual, system-wide Legislative Budget Request; and

WHEREAS, Section 1001.74(12), Florida Statutes, requires the universities' Boards of Trustees to submit an institutional budget request based on the guidelines established by the BOG; and

WHEREAS, Section 216.023(1), Florida Statutes, requires the submission of a legislative budget request to the legislature and governor based on an independent judgment of needs;

THEREFORE, BE IT RESOLVED that The Florida International University Board of Trustees (the BOT) hereby approves the Florida International University 2008-2009 Legislative Budget Request, attached to this resolution as Exhibit "D," and

BE IT FURTHER RESOLVED that the BOT authorizes the University Administration to amend the Legislative Budget Request to adjust to changing circumstances and to report to the BOT at its next regularly scheduled meeting of any substantive or material change made, and

BE IT FURTHER RESOLVED that the BOT authorizes the University Administration to take all actions necessary to implement this Resolution.

**BACKGROUND INFORMATION:**

**A: LEGAL AUTHORITY:**

**Section 7.(d), Article IX, Florida Constitution, State University System,** states in relevant part:

(d) The Board of Governors shall... operate, regulate, control, and be fully responsible for the management of the whole university system.

**Section 1001.74(12), Florida Statutes, Powers and duties of university boards of trustees,** states in relevant part:

- (12) Each board of trustees shall submit an institutional budget request, including a request for fixed capital outlay, and an operating budget to the State Board of Education for approval in accordance with guidelines established by the state Board of Education.

**Section 216.023(1), Florida Statutes, Legislative budget requests to be furnished to Legislature by agencies,** states in relevant part:

- (1) The head of each state agency... shall submit a final legislative budget request to the Legislature and to the Governor, as chief budget officer of the state, in the form and manner prescribed in the budget instructions and at such time as specified by the executive Office of the Governor, based on the agency's independent judgment of its needs. However, a state agency may not submit its complete legislative budget request, including all supporting forms and schedules required by this chapter, later than October 15 of each year unless an alternative date is agreed to be in the best interest of the state by the Governor and the chairs of the legislative appropriations committees.

**B: EXPLANATION OF PROPOSED BOARD ACTION:**

The 2008-2009 LBR shall be need-based and will provide flexibility for the Board of Governors (BOG) and universities' boards of trustees to jointly manage the System to meet the critical needs of the state, achieve the statewide goals and objectives of the State University System (SUS) Strategic Plan, address specific institutional issues, and demonstrate accountability/ justification. The following goals and objectives of the SUS Strategic Plan will be addressed in the request:

1. Access to and production of degrees.
2. Meeting statewide professional and workforce needs.
3. Building world-class academic programs and research capacity.
4. Meeting community needs and fulfilling unique institutional missions.

To assure an equitable LBR, each university will receive a sum to distribute among the specific issues that each UBOT wants to include in the LBR for community needs, institutional mission or other Strategic Plan goals and objectives. Issues developed and approved must be no more than 8% of the University's 2007-2008 recurring state funding. Based on the 2007-08 recurring state appropriation for the Educational and General budget, the target for Florida International University has been set at: \$18.3 million.

FIU ensured that the Legislative Budget Request issues address the SUS Strategic Plan and are aligned with the University's Strategic Plan. We seek targeting funding to:

1. Health and Life Science Initiative
2. Undergraduate retention: Access to advising and degree-tracking
3. Research Enhancement
4. Hurricane Enhancement Initiative

The BOT is asked to approve the FIU 2008-09 Legislative Budget Request in the amount of \$18.3 million.

The proposed LBR will be submitted to the BOG for approval at their meeting on August 8, 2007.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT "D": FLORIDA  
INTERNATIONAL UNIVERSITY 2008-  
2009 LEGISLATIVE OPERATING  
BUDGET ISSUE

**FACILITATOR/PRESENTER:**

- VIVIAN SANCHEZ

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**FLORIDA INTERNATIONAL UNIVERSITY  
2008-09 Legislative Operating Budget Issue**

**Priority Number 1  
HEALTH AND LIFE SCIENCE INITIATIVE**

**Budget Request for 2008-09: \$5.0 million**

The University intends to continue unique opportunities for academic programs and research to serve the South Florida community by promoting and strengthening the training of students in health and life sciences.

Funding for this health initiative will allow FIU to continue to address local health needs, specifically in nursing, public health and other life sciences. It will allow FIU to continue building its capacity to contribute to the fundamental understanding of life sciences.

Funds will be necessary for faculty and support staff. It will also include enhanced student services to provide a quality pool of undergraduate students who will continue their graduate work in health related fields and to foster graduate research opportunities/fellowships. This initiative will continue to expand FIU's ability to prepare students for research careers and employment opportunities in the State's critical areas of Public Health and Biomedical Sciences.

**Priority Number 2  
UNDERGRADUATE RETENTION:  
ACCESS TO ADVISING AND DEGREE-TRACKING**

**Budget Request for 2008-09: \$5.0 million**

The University must fulfill its most important obligation, that of access, academic success, and graduation for its students. This request focuses on fundamental changes that must be instituted to provide the support and educational opportunity that our students require and deserve. The funding will focus on the following critical areas:

- Quality Advising
- Progress-to-Degree/Degree tracking system
- Entry Level Classes and Support
- Curricular offerings/Administrative-Faculty Efforts

FIU will improve the quality of advising that its students receive with renewed emphasis on curricular issues. We will develop training institutes in order for our faculty/advisors to be more effective in helping our students choose the programs and courses that will help them stay engaged and on track with their degree program.

FIU will institutionalize its new degree tracking system to ensure that students have access to the most current, appropriate information with respect to their progress to degree with pre-determined milestones along the way. This will provide an interactive experience for students to manage their trajectory.

We will expand institutional support for enhanced tutoring services in the critical areas of writing and mathematics. We will develop appropriate mechanisms to embed writing across the curricular areas, to ensure that our graduates are capable of the quality writing that is necessary for success in the 21st century. FIU will provide increased student hourly support for the Writing Center.

In Fall 2007 the university will begin with a MWF/T-Th schedule for its students. This will provide many academic benefits to our students including increased opportunities throughout the day to take necessary courses, more frequent contact time between faculty and students, and increased opportunities for our graduate students to interact as Teaching Assistants with their faculty advisors and our undergraduate students.

We anticipate needing increased staff and advisors as the combination of all of these initiatives will warrant more of our students using our services. We also anticipate increased faculty, staff and advisor training and development with respect to annual planning. Finally, FIU will invest in information technology, and software development and implementation.

**Priority Number 3**  
**RESEARCH ENHANCEMENT**

**Budget Request for 2008-09:**

**\$5.0 million**

The University intends to create a recurring pool of funds that will allow us to augment the existing funding for replacement and new faculty to recruit World Class/Eminent Scholars to join our senior Faculty.

This faculty will enhance our research portfolio and mentor younger faculty and graduate students in public health, biomedical engineering, hurricane mitigation research and other Science, Technology, Engineering, and Mathematics (STEM) disciplines.

This initiative will allow FIU to strengthen its research portfolio in these strategic areas, through both new researchers and new equipment. This initiative will act as a critical catalyst for local economic development, address unique local needs, and improve the University's national reputation in the research enterprise.

**Priority Number 4**  
**HURRICANE ENHANCEMENT INITIATIVE**

**Budget Request for 2008-09:**

**\$3.3 million**

The Hurricane enhancement request will allow for the expansion of the International Hurricane Research Center (IHRC) mission to include academic program integration, provide opportunities for students, and make possible the development of academic materials and on-line training. In specific, it will:

- Build upon our successful hurricane initiatives in Public Hurricane Loss Projection (Catastrophe) Modeling, High-Resolution Coastal & Estuarine Storm Tide (CEST) Modeling, Wall of Wind full-scale destructive testing of houses, and creating a “culture of preparedness and mitigation” in the State of Florida.
- Enhance our current research and outreach in hurricane data management, including the statewide LIDAR data set for surge-prone areas in Florida.
- Develop state-of-the-art courses and computer simulations for academic program integration and student development, which would augment and utilize our modeling and simulation programs.
- Support the development of a Training Laboratory for emergency managers and student learning for FEMA HAZUS and other training courses, Multi-Media Area for reporters similar to that available at the National Hurricane Center, and other laboratories for student research.
- Create an interdisciplinary/multidisciplinary Forum on Hurricanes that will bring nationally and internationally acclaimed researchers to collaborate with FIU hurricane scientists and engineers, students, and the community at large.

Graduates will incorporate the practice of hazard mitigation in the exercises of their professions. This initiative will increase both the quality and the level of safety of homes and businesses.

Hurricanes continue to threaten our cities, our economy, and our lives. The IHRC is poised to lessen the dangers of hurricanes through advancement in science and technology. Since its inception the IHRC has developed collaboration with public and private entities. The IHRC, as the State of Florida Center, has shown its ability in conducting and promoting hurricane research as evidenced by organizing and leading the highly successful SUS-wide initiative of the Florida Hurricane Alliance.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: FIXED CAPITAL OUTLAY LEGISLATIVE BUDGET REQUEST, 2008-2009**

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**PROPOSED COMMITTEE ACTION:**

Recommend Board adoption of the following Resolution:

WHEREAS the University must submit to the Board of Governors its Fixed Capital Outlay Legislative Budget Request for 2008-2009.

THEREFORE BE IT RESOLVED that the Florida International University Board of Trustees (the BOT) approve the Florida International University 2008-2009 Fixed Capital Outlay (FCO) Legislative Budget Request consisting of the 5-year capital improvement plan (CIP) for Public Education Capital Outlay (PECO) projects, the Courtelis Facilities Enhancement Challenge Grant program list, and the Appropriations Bill proposed project list prepared pursuant to Sections 1013.64, 1001.74, 1011.40 and 1013.60, Florida Statutes and attached to this Resolution as Exhibit "E"; and

BE IT FURTHER RESOLVED that the BOT authorizes the University President to amend the 2008-2009 Fixed Capital Outlay (FCO) Legislative Budget Request to adjust to changing circumstances not-to-exceed 15% for each year and that any changes made will be further reported to the Board of Trustees at the next board meeting.

BE IT FURTHER RESOLVED that the BOT authorizes the University Administration to take all actions necessary to implement this Resolution.

**BACKGROUND INFORMATION:**

**STATUTORY AUTHORITY:**

**1013.64 F.S.** (4)(a) Community college boards of trustees and university boards of trustees shall receive funds for projects based on a 3-year priority list, to be updated annually, which is submitted to the Legislature in the legislative budget request at least 90 days prior to the legislative session. Should the order of the priority of the projects change from year to year, a justification for such change shall be included with the updated priority list.

## SUMMARY:

The **Capital Improvement Plan** (CIP) is intended to present the additional academic and academic support facilities needed for a five-year period. Accordingly, each college and university's CIP should not include such projects as student unions, parking garages, athletic facilities, and housing facilities which are normally funded from revenue bonds or allocations of Capital Improvement Fees. Each institution's CIP will be used to select projects for inclusion within the 2008-09/2010-11 Three-Year Public Education Capital Outlay (PECO) Project Priority List to prepare the Five-Year Capital Improvement Plan and to prepare the initial 2008-09 Courtelis Facilities Enhancement Challenge Grant Project List.

Additionally, the following must be submitted with the additional CIP request on August 1, 2007:

1. Projects funded from external institutional sources which require general revenue for operation.
2. Projects financed with long term debt or other long term obligations, including University direct support organization projects.
3. Previous legislative authorizations for which universities are requesting revisions.

Funding will be requested for institutional **PECO** projects in the following priority order:

- a. Continuation of the funded projects included on the Board of Governor's adopted three-year list.
- b. Utilities infrastructure/Capital Renewal/Roofs needs.
- c. Requests to increase the amount of initial construction funding for an existing project on the three year PECO list.
- d. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, and technology upgrades that are in accordance with s. 1013.64(4)(a), Florida Statutes.
- e. Instructional, then research, followed by support space needs to include projects that will bring each university to the system average percentage of formula need.
- f. Projects to provide specialized space for a newly approved academic program.
- g. Land acquisition in accordance with University Board of Trustees adopted master plans.
- h. Matching external funds from non-private sources.

**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “E”: CAPITAL IMPROVEMENT PLAN (CIP-2) AND LEGISLATIVE BUDGET REQUEST, 2008-2009 THROUGH 2012-2013; CHALLENGE GRANT REQUEST, 2008-2009; 2008-2009 APPROPRIATIONS BILL AUTHORIZATION ITEMS

**FACILITATOR/PRESENTER:**

- VIVIAN SANCHEZ
- CHARLES D. SCURR

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# Exhibit "E"

FLORIDA BOARD OF GOVERNORS  
Capital Improvement Plan (CIP-2) and Legislative Budget Request

BOT 06/20/2007

Period: 2008-2009 through 2012-2013

Florida International University Board of Trustees

Priority Number	Project	2008-09	2009-10	2010-11	2011-12	2012-13	Total
1	FACILITIES INFRASTRUCTURE /CAPITAL RENEWAL - UW (P,C,E)	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$52,500,000
2	SCIENCE/CLASSROOM COMPLEX - UP (P,C )(C,E)	\$9,000,000	\$3,000,000				\$12,000,000
3	SATELLITE CHILLER PLANT - UP (C,E)	\$6,000,000					\$6,000,000
4	HEALTH-SCIENCE LABORATORY CLINIC - UP (C,E)	\$7,000,000 .					\$7,000,000
5	* STUDENT ACADEMIC SUPPORT CENTER - UP (P,C)(C,E)	\$24,000,000	\$5,120,000				\$29,120,000
6	* DEPT. OF HEALTH/FIU PUBLIC HEALTH - UP (P,C,E)(C,E)	\$12,000,000	\$2,196,000				\$14,196,000
7	PUBLIC SAFETY BUILDING SUPPLEMENT - UP ( P,C,E )	\$1,976,000					\$1,976,000
8	HUMANITIES CTR., (ARTS & SCIENCES) - UP (P,C)( P,C,E )(C,E)	\$7,500,000	\$11,500,000	\$12,720,000			\$31,720,000
9	* SCIENCE LABORATORY COMPLEX - UP (P,C)(P,C )(C,E)	\$4,000,000	\$26,000,000	\$26,160,000			\$56,160,000
10	* REMODEL./RENOV. OF EXIST. EDUC. SPACE - UW (P,C,E)(P,C,E)(P,C,E)	\$1,000,000	\$2,000,000	\$9,480,000			\$12,480,000
11	CLASSROOM/OFFICE, (ACADEMIC IV) - BBC (P,C)(C,E)(C,E)	\$4,000,000	\$20,120,000	\$5,000,000			\$29,120,000
12	* CONSTR. MGT. & ENGINEERING EXPANSION - EC (P,C)(P,C)(C,E)		\$1,000,000	\$10,521,000	\$2,000,000		\$13,521,000
13	TRAINING COMPLEX (HUMAN RESOURCES) - UP (P,C)(P,C,E)			\$1,500,000	\$15,660,000		\$17,160,000
14	* HONORS COLLEGE - UP (P,C)(P,C)(C,E)			\$2,000,000	\$14,720,000	\$2,000,000	\$18,720,000
15	* GRADUATE SCHOOL OF BUSINESS, Phase II - UP (P,C)(C,E)				\$9,440,000	\$28,000,000	\$37,440,000
16	* SOCIAL SCIENCE, Phase II - UP (P,C)(C,E)				\$11,040,000	\$16,000,000	\$27,040,000
TOTAL PECO REQUEST		\$86,976,000	\$81,436,000	\$77,881,000	\$63,360,000	\$56,500,000	\$366,153,000

\* Indicates a new PECO project added to the 5-year CIP.

# Exhibit "E"

FLORIDA BOARD OF GOVERNORS  
 Capital Improvement Plan (CIP-2) and Legislative Budget Request  
 Period: 2008-2009 through 2012-2013  
 Florida International University Board of Trustees

BOT 06/20/2007

Priority Number	Project	2008-09	2009-10	2010-11	2011-12	2012-13	Total
16	HEALTH SCIENCES CONFERENCE CENTER, UP (P,C,E)	\$20,000,000					\$20,000,000
17	PATRICIA AND PHILLIP FROST ART MUSEUM, UP BR-839 (P,C,E)	\$500,000					\$500,000
18	COLLEGE OF LAW BR-832, UP (E)	\$200,000					\$200,000
19	GRADUATE SCHOOL OF BUSINESS- PHASE I, UP (P,C,E)	\$100,000					\$100,000
20	IHRC- WALL OF WIND TESTING FACILITY- PH. II, UP (P,C,E)	\$700,000					\$700,000
21	ENGINEERING CENTER- LAB REMODELING AND EXPANSION, UP (P,C,E)	\$20,000					\$20,000
22	TROPICAL BOTANY CENTER, UP (P,C,E)	\$5,000,000					\$5,000,000
23	CARNIVAL STUDENT CENTER	\$500,000					\$500,000
TOTAL CHALLENGE GRANT REQUEST		\$27,020,000	\$0	\$0	\$0	\$0	\$27,020,000

# Exhibit "E"

**STATE UNIVERSITY SYSTEM**  
2008-2009 Fixed Capital Outlay Projects Requiring Legislative Approval  
to be Constructed, Aquired and Financed by a University or  
a University Direct Support Organization with Approved Debt  
authorized by the Board of Governors

**August 1, 2007**

**Florida International University Board of Trustees**

Univ	Project Title	GSF	Brief Description of Project	Project Location	Project Amount	Funding Source	Est. Annual Amount for Oper. & Maintenance Cost	Amount Source
FIU	Parking Garage Five	512,828	Parking garage for 1,400 cars with four lane access road. Includes 6,000 GSF of administrative office and support space.	UP	\$24,528,000	Revenue Bonds	\$520,000	(a) Auxiliary
FIU	Parking Garage Six	1,098,917	Parking garage for 3,000 cars with four lane access road. Includes 6,000 GSF of administrative office and support space.	UP	\$50,400,000	Revenue Bonds	\$800,000	(a) Auxiliary
FIU	Housing Phase V	488,000	Accommodates 800 beds and dining facility	UP	\$57,792,000	Revenue Bonds	\$5,211,840	(b) Auxiliary
FIU	Department of Health / FIU Public Health Building	120,000	Office, research and clinical space leased to the State of Florida supported Miami-Dade County Department of Health for a period of 50 years - medical initiative and collaboration with FIU's Department of Public Health	UP	\$35,000,000	Revenue Bonds	\$780,000	GR

(a) Annual operating and maintenance cost based on \$175 per year per car plus \$5/GSF per year for support space.

(b) Annual operating and maintenance cost based on approximately \$7.12/GSF apartment style residential facilities.

# Exhibit "E"

## STATE UNIVERSITY SYSTEM 2008-2009 Fixed Capital Outlay Projects Requiring Legislative Authorization and General Revenue Funds to Operate and Maintain

August 1, 2007

Florida International University Board of Trustees

Univ	Project Title	GSF	Brief Description of Project	Project Location	Project Amount	Funding Source	Est. Annual Amount for Oper. & Maintenance Cost	Amount Source
FIU	Department of Health / FIU Public Health Building	120,000	Office, research and clinical space leased to the State of Florida supported Miami-Dade County Department of Health for a period of 50 years - medical initiative and collaboration with FIU's Department of Public Health	UP	\$35,000,000	Revenue Bonds	\$780,000	GR

(a) Annual operating and maintenance cost based on approximately \$6.50/GSF

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: 2005-2006 SUPPLEMENTAL EDUCATIONAL PLANT SURVEY AMENDMENT**

---

**PROPOSED COMMITTEE ACTION:**

Recommend Board adoption of the following Resolution:

WHEREAS Florida Statute 1013.31(1)(a) requires that the Board of Trustees arrange for an Educational Plant Survey to determine the University's needs; and

WHEREAS a survey was conducted pursuant to the requirements of the Statute:

THEREFORE BE IT RESOLVED that the Florida International University Board of Trustees (the BOT) adopts The Florida International University 2005-2006 Supplemental Educational Plant Survey, as mandated by Florida Statutes (Section 1013.31, F.S., 2005) which is attached to this Resolution as Exhibit "F"; and

BE IT FURTHER RESOLVED that the BOT authorizes the University Administration to take all actions necessary to implement this Resolution.

**BACKGROUND INFORMATION:**

**STATUTORY AUTHORITY:**

**Florida Statutes 1013.31(1), "Educational plant survey; localized need assessment; PECO project funding,--"** states in part,

- (1)** At least every 5 years, each board shall arrange for an educational plant survey, to aid in formulating plans for housing the educational program and student population, faculty, administrators, staff, and auxiliary and ancillary services of the district or campus, including consideration of the local comprehensive plan.
  - (a)** *Survey preparation and required data.* – Each survey shall be conducted by the board or an agency employed by the board. Surveys shall be reviewed and approved by the board, and a file copy shall be submitted to the Office of Educational Facilities and SMART schools Clearinghouse within the Office of the Commissioner of Education.

**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “F”: SUPPLEMENTAL  
EDUCATIONAL PLANT SURVEY  
AMENDMENT – “ANALYSIS OF SPACE  
NEEDS BY CATEGORY – REVISED JUNE  
20, 2007”

**FACILITATOR/PRESENTER:**

- VIVIAN SANCHEZ
- CHARLES D. SCURR

# Exhibit "F"

## ANALYSIS OF SPACE NEEDS BY CATEGORY - FORM B

## FLORIDA INTERNATIONAL UNIVERSITY Main Campus Net Assignable Square Feet Eligible for Fixed Capital Outlay Budgeting

REVISED 06/20/2007

	Class- room	Teaching Lab	Study	Research Lab	Office	Aud/ Exhibition	Instruct. Media	Student Academic Support	Gym	Campus Support Services	Total NASF
<b>Space Needs by Space Type 2010-11*</b>	314,454	358,447	456,584	257,186	960,023	78,093	29,415	15,619	150,199	131,001	2,751,021
<b>Less:</b>											
1) <b>Current Inventory as of October 2005</b>											
A) Satisfactory Space	139,417	230,204	182,123	204,128	530,405	96,323	15,712	4,108	62,896	78,248	1,543,564
B) Unsatisfactory Space to be Remodeled											0
C) Unsatisfactory Space to be Demolished/Terminated											0
D) Total Under Construction	6,035	22,173	40,325	0	29,700	10,600	150	4,204	0	6,630	119,817
Art Museum (FECG)	700	0	0	0	7,165	10,600	0	1,300	0	5,500	25,265
Central Utilities Plant Sub Station	0	0	0	0	400	0	0	0	0	0	400
College of Law	5,335	22,173	40,325	0	22,135	0	150	2,904	0	1,130	94,152
<b>Total Current Inventory</b>	<b>145,452</b>	<b>252,377</b>	<b>222,448</b>	<b>204,128</b>	<b>560,105</b>	<b>106,923</b>	<b>15,862</b>	<b>8,312</b>	<b>62,896</b>	<b>84,878</b>	<b>1,663,381</b>
2) <b>Projects Funded for Construction thru 2005</b>											
Office/Classroom (Graduate School of Business)	24,775	0	4,680	0	22,760	0	0	0	0	2,490	54,705
Social Sciences	17,500	0	0	0	15,570	0	500	0	0	1,500	35,070
Nursing & Health Science (Molecular Biology)	0	23,784	0	0	10,880	0	0	0	0	0	34,664
<b>Total Funded Construction</b>	<b>42,275</b>	<b>23,784</b>	<b>4,680</b>	<b>0</b>	<b>49,210</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>3,990</b>	<b>124,439</b>
<b>Plus: Planned Demolition</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Space Needs</b>	<b>126,727</b>	<b>82,286</b>	<b>229,456</b>	<b>53,058</b>	<b>350,708</b>	<b>(28,830)</b>	<b>13,053</b>	<b>7,307</b>	<b>87,303</b>	<b>42,133</b>	<b>963,201</b>
Percent of:											
Current Inventory and Funded Projects											
Minus Demolition											
Space Needs	60%	77%	50%	79%	63%	137%	56%	53%	42%	68%	65%

NOTES: Funded projects consisting of space that is not eligible for fixed capital outlay budgeting are not shown.

\* 2010-11 Space Needs based on 2000-01 NASF/FTE factors and projected FTE of 26,031

# Exhibit "F"

REVISED 06/20/2007

FLORIDA INTERNATIONAL UNIVERSITY 2006-07 CIP

	Class- room	Teaching Lab	Study	Research Lab	Office	Aud/ Exhibition	Instruct. Media	Student Academic Support	Gym	Campus Support Services	Total NASF
<b>Space Needs by Space Type 2010-11</b>	314,454	358,447	456,584	257,186	960,023	78,093	29,415	15,619	150,199	131,001	2,751,021
<b>Net Space Needs from Form B</b>	126,727	82,286	229,456	53,058	350,708	(28,830)	13,053	7,307	87,303	42,133	963,201
<b>Percent of Space Needs</b>	<b>60%</b>	<b>77%</b>	<b>50%</b>	<b>79%</b>	<b>63%</b>	<b>137%</b>	<b>56%</b>	<b>53%</b>	<b>42%</b>	<b>68%</b>	<b>65%</b>
3) Projects Funded for Planning thru 2005-2006	0	0	0	0	0	0	0	0	0	0	0
Sub Total Net Space Needs	126,727	82,286	229,456	53,058	350,708	(28,830)	13,053	7,307	87,303	42,133	963,201
Sub Total Percent	60%	77%	50%	79%	63%	137%	56%	53%	42%	68%	65%
4) 2006-07 CIP Projects											
Proj 1) Facilities Infrastructure/Capital Renewal	0	0	0	0	0	0	0	0	0	0	0
Sub Total Net Space Needs	126,727	82,286	229,456	53,058	350,708	(28,830)	13,053	7,307	87,303	42,133	963,201
Sub Total Percent	60%	77%	50%	79%	63%	137%	56%	53%	42%	68%	65%
Proj 2) Science/Classroom Complex-UP	25,000	30,000	12,750	0	12,000	0	1,000	1,000	0	0	81,750
Sub Total Net Space Needs	101,727	52,286	216,706	53,058	338,708	(28,830)	12,053	6,307	87,303	42,133	881,451
Sub Total Percent	68%	85%	53%	79%	65%	137%	59%	60%	42%	68%	68%
Proj 3) Satellite Chiller Plant	0	0	0	0	500	0	0	0	0	0	500
Sub Total Net Space Needs	101,727	52,286	216,706	53,058	338,208	(28,830)	12,053	6,307	87,303	42,133	880,951
Sub Total Percent	68%	85%	53%	79%	65%	137%	59%	60%	42%	68%	68%
Proj 4) Health-Science Lab Clinic, UP	14,860	10,710	510	0	13,420	0	0	0	0	0	39,500
Sub Total Net Space Needs	86,867	41,576	216,196	53,058	324,788	(28,830)	12,053	6,307	87,303	42,133	841,451
Sub Total Percent	72%	88%	53%	79%	66%	137%	59%	60%	42%	68%	69%
Proj 5) Student Academic Support Center, UP	6,000	0	10,000	0	32,400	0	0	1,600	0	0	50,000
Sub Total Net Space Needs	80,867	41,576	206,196	53,058	292,388	(28,830)	12,053	4,707	87,303	42,133	791,451
Sub Total Percent	74%	88%	55%	79%	70%	137%	59%	70%	42%	68%	71%
Proj 6) Department of Health/FIU Public Health, UP	0	5,000	0	0	26,000	0	0	0	0	0	31,000
Sub Total Net Space Needs	80,867	36,576	206,196	53,058	266,388	(28,830)	12,053	4,707	87,303	42,133	760,451
Sub Total Percent	74%	90%	55%	79%	72%	137%	59%	70%	42%	68%	72%
Proj 7) Public Safety Building Supplement, Up	0	0	0	0	12,000	0	0	0	0	3,000	15,000
Sub Total Net Space Needs	80,867	36,576	206,196	53,058	254,388	(28,830)	12,053	4,707	87,303	39,133	745,451
Sub Total Percent	74%	90%	55%	79%	74%	137%	59%	70%	42%	70%	73%
Proj 8) Humanities Center/Arts & Sciences Offices, UP	4000	15,000	4,000	5,000	15,500	0	0	0	0	0	43,500
Sub Total Net Space Needs	76,867	21,576	202,196	48,058	238,888	(28,830)	12,053	4,707	87,303	39,133	701,951
Sub Total Percent	76%	94%	56%	81%	75%	137%	59%	70%	42%	70%	74%
Proj 9) Science Laboratory Complex, UP	16,300	4,000	30,000	32,700	20,000	0	2,000	1,000	0	0	106,000
Sub Total Net Space Needs	60,567	17,576	172,196	15,358	218,888	(28,830)	10,053	3,707	87,303	39,133	595,951
Sub Total Percent	81%	95%	62%	94%	77%	137%	66%	76%	42%	70%	78%
Proj 10) Remodeling/Renovation of Existing Space	0	0	0	0	0	0	0	0	0	0	0
Sub Total Net Space Needs	60,567	17,576	172,196	15,358	218,888	(28,830)	10,053	3,707	87,303	39,133	595,951
Sub Total Percent	81%	95%	62%	94%	77%	137%	66%	76%	42%	70%	78%
Proj 11) Classroom/Office, (Academic IV), BBC	8,000	5,000	6,000	3,000	16,800	0	800	0	0	0	39,600
Sub Total Net Space Needs	52,567	12,576	166,196	12,358	202,088	(28,830)	9,253	3,707	87,303	39,133	556,351
Sub Total Percent	83%	96%	64%	95%	79%	137%	69%	76%	42%	70%	80%
Proj 12) Construction Management & Engineering Expansion, EC	6,500	4,000	7,000	3,000	5,000	0	0	2,000	0	0	27,500
Sub Total Net Space Needs	46,067	8,576	159,196	9,358	197,088	(28,830)	9,253	1,707	87,303	39,133	528,851
Sub Total Percent	85%	98%	65%	96%	79%	137%	69%	89%	42%	70%	81%



# Exhibit "F"

REVISED 06/20/2007

FLORIDA INTERNATIONAL UNIVERSITY 2006-07 CIP

	Class- room	Teaching Lab	Study	Research Lab	Office	Aud/ Exhibition	Instruct. Media	Student Academic Support	Gym	Campus Support Services	Total NASF
Proj 13) Training Complex, (Human Resources), UP	0	0	0	0	14,420	0	0	0	0	10,000	24,420
Sub Total Net Space Needs	46,067	8,576	159,196	9,358	182,668	(28,830)	9,253	1,707	87,303	29,133	504,431
Sub Total Percent	85%	98%	65%	96%	81%	137%	69%	89%	42%	78%	82%
Proj 14) Honors College, UP	10,500	0	3,000	3,000	9,500	0	0	0	0	0	26,000
Sub Total Net Space Needs	35,567	8,576	156,196	6,358	173,168	(28,830)	9,253	1,707	87,303	29,133	478,431
Sub Total Percent	89%	98%	66%	98%	82%	137%	69%	89%	42%	78%	83%
Proj 15) Graduate School Business Phase II, UP	20,600	3,410	12,000	0	40,740	0	0	0	0	0	76,750
Sub Total Net Space Needs	14,967	5,166	144,196	6,358	132,428	(28,830)	9,253	1,707	87,303	29,133	401,681
Sub Total Percent	95%	99%	68%	98%	86%	137%	69%	89%	42%	78%	85%
Proj 16) Social Science, Phase II - UP	9,000	0	3,200	0	15,378	0	1,000	1,500	0	5,000	35,078
Sub Total Net Space Needs	5,967	5,166	140,996	6,358	117,050	(28,830)	8,253	207	87,303	24,133	366,603
Sub Total Percent	98%	99%	69%	98%	88%	137%	72%	99%	42%	82%	87%

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: 2000-2010 Campus Master Plan Amendment No. 1**

---

**PROPOSED COMMITTEE ACTION:**

Recommend Board adoption of the following Resolution:

WHEREAS Florida Statute 1013.30 requires that the University Board of Trustees prepares and adopts the Campus Master plan; and

WHEREAS Florida Statute 1013.30(9) requires the Board of Trustees to approve any minor changes to the plan:

THEREFORE BE IT RESOLVED that the Florida International University Board of Trustees adopts Amendment No.1 to the Florida International University 2000-2010 Campus Master Plan Update, State Project No. BR-813 as a minor change amendment to the Master Plan approved by the Board at its July 26, 2004 meeting prepared in accordance with requirements of 1013.30, Florida Statutes, attached to this Resolution as Exhibit "G, Land Use Map – Amendment 1, Revised 6/28/07"; and

BE IT FURTHER RESOLVED that the Florida International University Board of Trustees authorizes the University Administration to take all actions necessary to implement this Resolution.

**Background Information:**

**STATUTORY AUTHORITY:**

**1013.30 University campus master plans and campus development agreements.--**

Each university board of trustees shall prepare and adopt a campus master plan for the university and maintain a copy of the plan on the university's website. The master plan must identify general land uses and address the need for and plans for provision of roads, parking, public transportation, solid waste, drainage, sewer, potable water, and recreation and open space during the coming 10 to 20 years. The plans must contain elements relating to future land use, intergovernmental coordination, capital improvements, recreation and open space, general infrastructure, housing, and

conservation. Each element must address compatibility with the surrounding community. The master plan must identify specific land uses, general location of structures, densities and intensities of use, and contain standards for onsite development, site design, environmental management, and the preservation of historic and archaeological resources. The transportation element must address reasonable transportation demand management techniques to minimize offsite impacts where possible. Data and analyses on which the elements are based must include, at a minimum: the characteristics of vacant lands; projected impacts of development on onsite and offsite infrastructure, public services, and natural resources; student enrollment projections; student housing needs; and the need for academic and support facilities. Master plans must be updated at least every 5 years.

The proposed amendment creates a “mixed” land use category appropriate for planned development in the northeast quadrant of University Park and the north side of the FIU Community Stadium. This change will rearrange land uses in a manner that will not increase the impact of any proposed campus development by more than 10 percent on a road or on another public facility or service provided or maintained by the state, the county, the host local government, or any affected local government. The proposed amendment is consistent with authority given to local boards to adopt minor changes to the plan as per §1013.30(9), Florida Statutes.

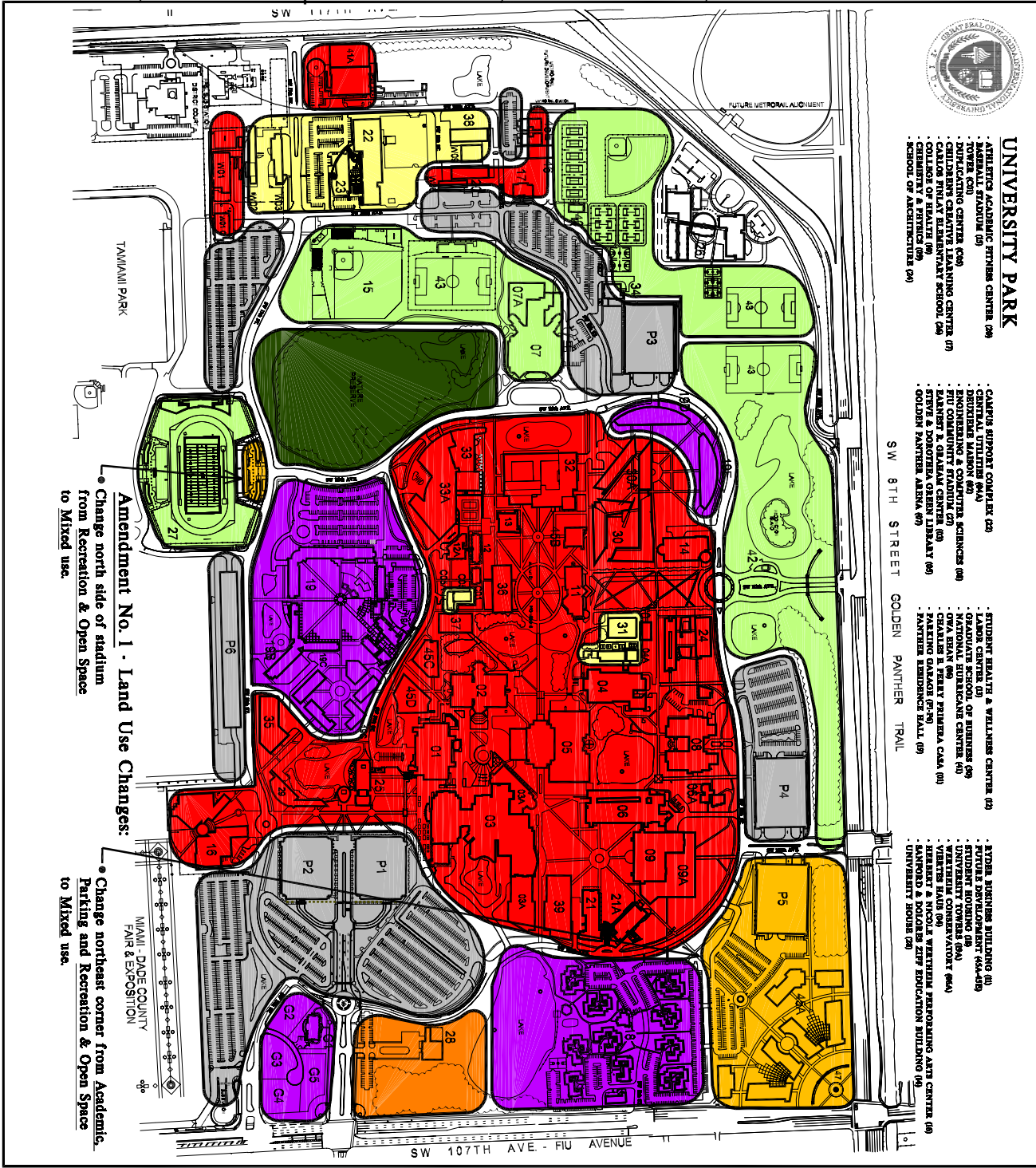
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**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “G, LAND USE MAP – AMENDMENT 1, REVISED JUNE 28, 2007”

**FACILITATOR/PRESENTER:**

- VIVIAN A. SANCHEZ
- CHARLES D. SCURR



UNIVERSITY PARK

- ATHLETIC ACADEMIC FITNESS CENTER (06)
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Amendment No. 1 - Land Use Changes:

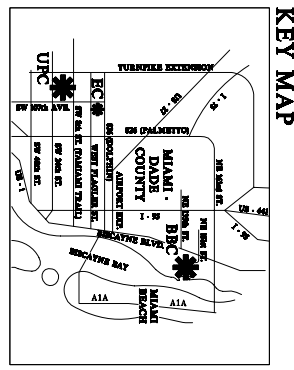
- Change north side of stadium from Recreation & Open Space to Mixed use.
- Change northeast corner from Academic, Parking and Recreation & Open Space to Mixed use.

FIGURE NUMBER 4.3

LAND USE MAP

Amendment No. 1 - Revised 06/20/07

- LEGEND:
- ACADEMIC
  - SUPPORT
  - RESIDENTIAL
  - RECREATION - OPEN SPACE
  - COMMUNITY INTERFACE
  - PARKING
  - CONSERVATION
  - MIXED



FINAL MASTER PLAN  
FLORIDA  
INTERNATIONAL  
UNIVERSITY  
MIAMI, FLORIDA

DATE: OCTOBER 2003

0 250 500 750 1000

NORTH

SOURCE: MASH - JAY & VANDERKAM/UNIVERSITY, 2001/UP/PTO, ALDWIG

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: OFFICE OF INTERNAL AUDIT REPORT**

---

**PROPOSED COMMITTEE ACTION:**

None. Discussion item.

---

**EXHIBITS/SUPPORTING DOCUMENTS:**

- INTERNAL AUDIT REPORT

**FACILITATOR/PRESENTER:**

- TED GUBA

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# **Meeting of the Finance and Audit Committee**

**BOARD OF TRUSTEES**

**Office of Internal Audit**

June 19, 2007

# **Audit Committee Meeting**

## **May 30, 2007**

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<b>Special Projects/Investigations .....</b>	
<b>2006 – 2007 Revised Work Plan .....</b>	
<b>Training and Seminars Update.....</b>	
<b>Follow-up Status Report .....</b>	
<b>Management Responses to Outstanding Audit Issues .....</b>	



## **Executive Summary – Office of Internal Audit Status Report**

**Board of Trustees**

**Finance and Audit Committee**

**May 30, 2007**

---

This report details the current status of the Office of Internal Audit. During this reporting period, we issued **Report No. 06/07-06**, Audit of the Victim Advocacy Center-Patient Information Systems, **Report No. 06/07-07**, Audit of Construction-Change Orders for Major Construction Projects, and **Report No. 06/07-08**, Audit of the Counseling and Psychological Services Center-Patient Information Systems. The audits of Oracle Database Security (3 audits - Touch Net, Tidal Enterprise Scheduler and All Fusion Harvest), the University Foundation and the implementation of the ADP Payroll System are currently in progress. In terms of investigations, we completed the UTS Purchases Complaint, the Business Services Meal Card Complaint and the Metropolitan Center Complaint. The Facilities and the College of Business complaints are in progress. All reports mentioned above were previously provided to Finance and Audit Committee members.

We are preparing for a Quality Assurance Review for our office operations that will be conducted by a regional CPA firm, Morrison, Brown, Argiz and Favra, LLP. The purpose of the review is to assess our adherence to the International Standards for the Professional Practice of Internal Auditing and to identify opportunities to enhance management and work processes. The final report for the review will be provided to each Audit Committee member.

The staff and I completed a two-day in-house training session to familiarize ourselves with our automated working paper solution, Audit Leverage. The software will be used for all future audits and will enhance the efficiency and productivity of our Office.

Finally, attached is a summary on the current status of management's implementation of prior recommendations from internal and external audits. Our current implementation rate is 69 percent as compared with 48 percent at the last Finance and Audit Committee Meeting.

For the next meeting, after performing a comprehensive financial risk assessment process, I will present the University Internal Audit plan for fiscal year 2007-2008 for your approval.

I look forward to seeing you on June 19, and if you have any questions prior to the meeting, please feel free to contact me at (305) 348-2465.

Ted Guba  
Audit Director

**FLORIDA INTERNATIONAL UNIVERSITY**  
**OFFICE OF INTERNAL AUDIT**  
Special Projects/Investigations  
May 30, 2007

<b><u>INVESTIGATION/RESPONSIBLE EXECUTIVE</u></b>	<b><u>Target Date to Complete</u></b>	<b><u>Assigned Auditor</u></b>
<b><u>Original Plan</u></b>		
1. UTS-referred by State Attorney-former CIO, John McGowan	Complete	Cho
2. College of Education EMBERS Grant -Interim Dean Judy Blucker	Complete	Sanchez
3. College of Arts & Sciences-Dean Mark Szuchman	Complete	Sanchez
4. College of Engineering-Dean Viswanath Prasad	Complete	Cho
5. School of Hospitality & Tourism Management-Dean Joseph West	Complete	Sanchez
6. Additional Financial Aid Complaints-VP Corinne Webb	Complete	Cho
7. UTS –Purchases Complaint- CFO & Senior VP Vivian Sanchez	Complete	Cho
<b><u>Additional Investigations Since Plan Approved</u></b>		
8. Business Services Meal Card Complaint- CFO & Senior VP Vivian Sanchez	Complete	Sanchez
9. Facilities Complaint- CFO & Senior VP Vivian Sanchez	June	Sanchez
10. Purchasing Department Complaint-CFO & Senior VP Vivian Sanchez	Complete	Guba
11. College of Business Complaint-Dean Joyce Elam	June	Sanchez
12. The Metropolitan Center Complaint-Provost Berkman	Complete	Cho/Mayungbe

**FLORIDA INTERNATIONAL UNIVERSITY  
OFFICE OF INTERNAL AUDIT  
2006 – 2007 Revised Work Plan**

**AUDIT & REVIEW ACTIVITIES**

	<b>Original Plan – Approved 09/28/07</b>	<b>Target Date</b>		<b>Revised Plan/Comments – Approved 02/15/07</b>
1	Payroll Certification for the Dept. of Financial Services	June 2007	1	Payroll Certification for the Dept. of Financial Services/Dependent on management's implementation date which is currently scheduled for July 2007
2	Contracts & Grants – Compensation for Personal Services/Time & Effort Reporting	Complete	2	Contracts & Grants – Compensation for Personal Services/Time & Effort Reporting
3	Contracts & Grants – Allowable Expenditures	Complete	3	Contracts & Grants – Allowable Expenditures/ Completion date pushed back since assigned auditor terminated prior to completion
4	Oracle Database Security – Student Administration	Complete	4	Oracle Database Security – Student Administration
5	Oracle Database Security – Tidal Enterprise Scheduler	June 2007	5	Oracle Database Security – Tidal Enterprise Scheduler
6	Oracle Database Security – Touch Net	June 2007	6	Oracle Database Security – Touch Net
7	Oracle Database Security – All Fusion Harvest	June 2007	7	Oracle Database Security – All Fusion Harvest
8	Quality Assurance Review of the Office of Internal Audit	June 2007	8	Quality Assurance Review of the Office of Internal Audit
9	Foundation – Travel & Expense Reports	June 2007	9	Foundation – Travel & Expense Reports
10	Construction – Process & Controls	Defer 2007-2008		Will substitute Construction – Change Orders due to Board Concerns
		Complete	10	Construction – Change Orders
11	University Health Services – Patient Information Systems	Complete	11	University Health Services – Patient Information Systems/Identified potential security access concerns during audit in related departments (See #12 & #13)
		Complete	12	Counseling & Psychological Services Center – Patient Information Systems
		Complete	13	Victim Advocacy Center – Patient Information Systems
12	Housing	Defer to 2007-2008		We are substituting two audits and will perform preliminary work on Housing (See #12 & #13 above)
13	Purchasing Card Controls	Defer to 2007-2008		The Controller's Office will audit departmental Purchasing Card recordkeeping; we plan to review their work
14	Follow-up Audit on Implemented Recommendations	Defer to 2007-2008		The State Auditor General will audit the status of their recommendations; we will compare their work to management's reported status
		Complete	14	Review of Security Over Conference Calls/ Review completed due to need for immediate corrective action
				<b>Additions since 2/15/07</b>
		June	15	Review of Computer Workstation Security – University Wide

## INVESTIGATIONS

	<b>Original Plan – Approved 09/28/07</b>	<b>Target Date</b>		<b>Revised Plan/Comments – Approved 02/15/07</b>
1	Allegations Against the Director of Enterprise Technology Support Services	Complete	1	Allegations Against the Director of Enterprise Technology Support Services
2	College of Education EMBERS Grant	Complete	2	College of Education EMBERS Grant
3	College of Arts & Sciences	Complete	3	College of Arts & Sciences
4	College of Engineering	Complete	4	College of Engineering
5	School of Hospitality & Tourism Management	Complete	5	School of Hospitality & Tourism Management
6	Additional Financial Aid Complaints	Complete	6	Additional Financial Aid Complaints
7	UTS – Purchases Complaint	Complete	7	UTS – Purchases Complaint
				<b>Additional Complaints Since Plan Approved</b>
		Complete	8	Business Services Meal Card Review
		June 2007	9	Facilities Complaint
		Complete	10	Purchasing Department Complaint
		June 2007	11	College of Business Complaint
		Complete	12	The Metropolitan Center Complaint

## FOLLOW-UP ACTIVITIES

We will follow-up on the current status of the implementation of recommendations prior to each Finance and Audit Committee Meeting.

## AUDIT RELATED SERVICES

1. Minimum of Two Surprise Cash Counts
2. Financial Risk Assessment and Work Plan – Finance and Audit Committee Meeting scheduled on 09/10/07
3. Audit Committee Reports – five per fiscal year
4. Annual Report – by September 30, 2007

**FLORIDA INTERNATIONAL UNIVERSITY  
OFFICE OF INTERNAL AUDIT**

**Training and Seminars Update**

The following is an update on both attended and planned seminars through May 2007.  
All seminar topics are directly related to critical functions of our office.

Below is a recap of completed training hours for the current and prior fiscal years by auditor.

	<b><u>2006-2007</u></b>	<b><u>2005-2006</u></b>
Ted Guba	40 hours	42 hours
Pyong Cho	63 hours	47 hours
Manny Sanchez	37 hours	22 hours
Phillip Maddux	57 hours	37 hours
*Tenaye Arneson	34 hours	
*Albert Mayungbe	34 hours	

<b>DATE</b>	<b>ATTENDED SEMINARS</b>	<b>HOURS</b>	<b>AUDITOR</b>
7/24-28/06	Institute of Internal Auditors	35	Pyong Cho
9/9-15/06	ACUA 50 <sup>th</sup> Annual Conference	22	Manny Sanchez
9/25-10/1/06	MIS Training Institute	43	Phillip Maddux
12/7-8/06	Construction Activity Audit Seminar	14	Ted Guba
12/7-8/06	Construction Activity Audit Seminar	14	Pyong Cho
2/14/07	ACUA – Web Seminar	1	Manny Sanchez
4/2-4/07	SUAC Spring Conference	12	Ted Guba
4/2-4/07	SUAC Spring Conference	20	Albert Mayungbe
4/2-4/07	SUAC Spring Conference	20	Tenaye Arneson
4/30-5/1/07	Audit Leverage – In-house Training	14	Ted Guba
4/30-5/1/07	Audit Leverage – In-house Training	14	Pyong Cho
4/30-5/1/07	Audit Leverage – In-house Training	14	Manny Sanchez
4/30-5/1/07	Audit Leverage – In-house Training	14	Phillip Maddux
4/30-5/1/07	Audit Leverage – In-house Training	14	Tenaye Arneson
4/30-5/1/07	Audit Leverage – In-house Training	14	Albert Mayungbe
	<b>PLANNED SEMINARS</b>		
07/8-11/07	IIA International Conference	20	Manny Sanchez
07/15-20/07	18 <sup>th</sup> Annual ACFE Fraud Conference	40	Manny Sanchez
07/15-20/07	18 <sup>th</sup> Annual ACFE Fraud Conference	40	Pyong Cho

\* New hires during March 2007

## FOLLOW-UP STATUS REPORT – OFFICE OF INTERNAL AUDIT

The following summarizes the current status of audit issues from prior internal audit reports as of May 2007

*Note: Items bolded in Status column (Yes or No) are due for implementation this period.*

Report	Audit Issue(s)	Responsible Executive/Director	Status	Revised Due Date	Original Due Date
<b>Computer Network Security</b> Report Issued: May 4, 2001	1. Security Risk Analysis 2. Firewall Protection 3. Information Technology Resources	Sanchez/Yao Sanchez/Yao Sanchez/Yao/Grillo	No <b>Yes</b> No	06/07 N/A 12/07	Pending Funding Pending Funding Pending Funding
<b>Wolfsonian-FIU</b> Report Issued: June 17, 2005	1. Repairs and Upgrades to Annex Building	Berkman/Wartzok/ Leff	No	Pending Funding	Pending Funding
<b>Wolfsonian-FIU Physical Security of Museum &amp; Annex</b> Report Issued: June 17, 2005	Confidential and exempt from public records by Florida Statutes For 5 recommendations, 4 implemented and 1 outstanding	Berkman/Wartzok/ Leff	No	Pending Funding	Various
<b>Access Controls Over PS Student Records Module*</b> Report Issued: Feb. 23, 2006	Confidential and exempt from public records by Florida Statutes For 29 recommendations, 28 implemented and 1 outstanding (Due)	Sanchez/Yao/Grillo	<b>No</b>	11/07	12/06
<b>Access Controls Over PS Financial Aid Module*</b> Report Issued: May 5, 2006	Confidential and exempt from public records by Florida Statutes For 19 recommendations, 18 implemented and 1 outstanding (Due)	Sanchez/Yao	<b>No</b>	10/07	Various
<b>OSRA Close Out Controls</b> Report Issued: May 19, 2006	1. System providing accountability of files	Walker/Barabino	<b>Yes</b>	N/A	09/06
<b>Access Controls Over PS Admissions Module*</b> Report Issued: June 20, 2006	Confidential and exempt from public records by Florida Statutes For 24 recommendations, 23 implemented, 1 outstanding (Due)	Sanchez/Yao	<b>No</b>	09/07	Various
<b>Access Controls Over PS Student Financials Module*</b> Report Issued : June 30, 2006	Confidential and exempt from public records by Florida Statutes For 22 recommendations, 21 implemented, 1 outstanding. (12 Due)	Sanchez/Yao/Grillo	<b>No (1)</b> <b>Yes (11)</b>	09/07 N/A	Various
<b>Allegations Against the Director of Enterprise Technology Support Services</b> Report Issued: July 7, 2006	1. Conflict of Interest – Gift (Rec. #3.2) 2. Purchasing Rule – Gift (Rec. #3.3)	Sanchez/Yao Sanchez/Millsbaugh	<b>No</b> <b>No</b>	09/07 09/07	09/06 09/06
<b>University's Time &amp; Effort Certification Systems</b> Report Issued: Nov. 3, 2006	1. Time Card Certifications	Walker/Barabino	<b>No</b>	06/07	04/07
<b>University's Time &amp; Effort Certification Systems*</b> (System Security) Report Issued: Nov. 15, 2006	Confidential and exempt from public records by Florida Statutes For 2 recommendations, 1 implemented, 1 outstanding. (Due)	Walker/Barabino	<b>No</b>	06/07	11/06
<b>Review of Security Over Conference Calls</b> Report Issued: Dec. 1, 2006	Confidential and exempt from public records by Florida Statutes For 2 recommendations, 1 implemented, 1 outstanding. (Not Due)	Sanchez/Yao	No	07/07	02/07



<b>Report</b>	<b>Audit Issue(s)</b>	<b>Responsible Executive/Director</b>	<b>Status</b>	<b>Revised Due Date</b>	<b>Original Due Date</b>
<b>Student Administration (SA) Oracle Databases*</b> Report Issued: Dec. 19, 2006	Confidential and exempt from public records by Florida Statutes For 35 recommendations, 29 implemented, 6 outstanding. (17 Due)	Sanchez/Yao	<b>No (6)</b> <b>Yes (11)</b>	Various N/A	Various
<b>Allegations Against The Executive Dean of the College of Engineering &amp; Computing</b> Report Issued: Jan 17, 2007	1. Written Policies (Rec. #1.2) 2. Disbursement Policies & Procedures (Rec. #1.3) 3. Guidelines (Rec. #1.4)	Sanchez/Denton/ Elkin	<b>No</b> <b>No</b> <b>No</b>	10/07 10/07 10/07	02/07 02/07 02/07
<b>Audit of University Health Services-Patient Information Systems*</b> Report Issued: Feb. 28, 2007	Confidential and exempt from public records by Florida Statutes For 26 recommendations, 13 implemented, 13 outstanding. (11 Due)	Sanchez/Yao Jones/Dollinger	<b>No (1)</b> <b>No (2)</b> <b>Yes (8)</b>	09/07 10/07 N/A	Various
<b>Allegations Against the EMBERS Project at the College of Education</b> Report Issued: March 16, 2007	1. Payroll Internal Controls 2. Use of University Video Resources	Berkman/Miron	No No	N/A N/A	06/07 06/07
<b>Audit of the Contracts &amp; Grants Expenditures (Other Than Payroll)</b> Report Issued: March 21, 2007	1. Physical Inventory of Property (Rec. #1.1) 2. Physical Inventory of Property (Rec. #1.2) 3. Transferred/Retired Property (Rec. #2.1) 4. Transferred/Retired Property (Rec. #2.2) 5. Indirect/Direct Costs (Rec. #3.1) 6. Indirect/Direct Costs (Rec. #3.2) 7. Consultant Services (Rec. #4.1) 8. Consultant Services (Rec. #4.2) 9. Sponsored Research vs. Auxiliaries (Rec. #5.1) 10. Sponsored Research vs. Auxiliaries (Rec. #5.2) 11. Sponsored Research vs. Auxiliaries (Rec. #5.3) 12. Sponsored Research vs. Auxiliaries (Rec. #5.4) 13. Purchasing Card (Rec. #6.1) 14. Purchasing Card (Rec. #6.2)	Sanchez/Bond  Walker/Barabino Walker/Roig Walker/Roig Walker/Barabino Walker/Vos Walker/Barabino Walker/Barabino  Sanchez/Bond  Sanchez/Yao  Sanchez/Yao  Walker/Roig Sanchez/Yao	<b>Yes</b> No <b>Yes</b> <b>Yes</b> <b>Yes</b> No <b>Yes</b> <b>Yes</b> No  <b>Yes</b>  <b>Yes</b>  <b>Yes</b> <b>Yes</b>	N/A N/A N/A N/A N/A N/A N/A N/A N/A  N/A  N/A  N/A N/A	03/07 06/07 03/07 03/07 03/07 06/07 03/07 03/07 07/07  03/07  03/07  03/07 03/07

## FOLLOW-UP STATUS REPORT – PEOPLESOFT FINANCIALS SYSTEM AUDIT

The following summarizes the current status of audit issues from the State Auditor's PeopleSoft Financials System Audit (Report #2007-006) as of May 2007. *Note: Items bolded in Status column (Yes or No) are due for implementation this period.*

Report	Audit Issue/Recommendation	Responsible Executive/Director	Status	Revised Due Date	Original Due Date
<b>Finding No. 1: University Governance of IT**</b>	A University-level governance model should be adopted to create a centralized authority for managing and securing enterprise data. Written procedures should be initiated to address areas with consistent enterprise application to support the confidentiality, availability and integrity of information resources. For 8 action plans, 3 implemented and 5 outstanding.	Sanchez/Yao	No	Various	Various
<b>Finding No. 2: Application Environment and Support Function</b>	University management should strengthen its control surrounding its enterprise information resources and systems.	Sanchez/Yao	No	N/A	07/01/07
<b>Finding No. 3: Access Authorization**</b>	In order to preserve integrity, confidentiality, and availability of its information resources, the University should strengthen access authorization controls. Specifically, users' roles should be reviewed to ensure they are reflective of the job duties of the individual to whom they are assigned and correction mode access should be granted on a limited basis according to defined circumstances and responsibilities. Further, the University should develop detailed procedures necessary to ensure that all terminated or transferred employees' access rights are timely revoked. For 3 action plans, 2 implemented and 1 outstanding (1 Due)	Sanchez/Yao	<b>No</b>	06/07	12/31/06
<b>Finding No. 5: Disaster Recovery Plan</b>	The University should continue with its efforts to complete the disaster recovery plan, along with incorporating the detailed departmental emergency response plans, to ensure a minimum business impact in the event of a major disruption.	Sanchez/Yao	<b>Yes</b>	N/A	04/30/07
<b>Finding No. 6: Environmental Controls</b>	The University should implement and maintain environmental controls to ensure the safety of data center resources from environmental hazards.	Sanchez/Yao	No	N/A	06/01/07

## FOLLOW-UP STATUS REPORT STATEWIDE FEDERAL AWARDS AUDIT

The following summarizes current status of audit issues from the State Auditor's Federal Awards Audit (Report #2007-146) as of May 2007. *Note: Items bolded in Status column (Yes or No) are due for implementation this period.*

<b>Audit Issue/Recommendation (Finding Number)</b>	<b>Responsible Executive/Director</b>	<b>Status</b>	<b>Revised Due Date</b>	<b>Original Due Date</b>
1. The institution should promptly return to applicable Federal programs or lenders unclaimed Title IV HEA funds contained in checks that remain unnegotiated for 180 days after the dates the checks are written. <b>(FA 06-084)</b>	Webb/Valines Sanchez/Bond	<b>Yes</b>	N/A	02/07
2. The institution should enhance its procedures to ensure that monthly reconciliations of GAPS to the institution's accounting records are properly performed and that any differences are resolved. The institution should also ensure that drawdowns of Title IV HEA funds are monitored and limited to immediate cash needs, and interest earned on excess funds should be calculated and remitted, as applicable, to USED. In addition, the institution should remit the interest earned on excess funds totaling \$1, 789.48 to USED. <b>(FA-06-087)</b>	Webb/Valines	<b>Yes</b>	N/A	02/07
3. The institution should enhance its procedures to timely identify all students who did not attend at least one class, and return unearned Title IV HEA funds to applicable Federal programs and lenders. In addition, the institution should return unearned Title IV HEA funds totaling \$37, 315.15 to applicable Federal programs and lenders. <b>(FA-06-097)</b>	Webb/Valines	<b>Yes</b>	N/A	01/07
4. The institution should work with NSC and NSLDS to ensure timely submissions or develop alternative procedures to timely provide NSLDS with FFEL student loan borrower's enrollment status information. <b>(FA 06-098)</b>	Webb/Collins	<b>Yes</b>	N/A	04/07
5. The institution should monitor the new automated system to ensure that exit counseling is performed, or exit counseling materials provided within 30 days of a student ceasing at least half-time enrollment. <b>(FS 06-099)</b>	Webb/Valines	<b>Yes</b>	N/A	
6. The institution should enhance its procedures to monitor FPL student loan borrower's enrollment status changes to ensure timely conversion to repayment status, and timely completion of exit counseling (including providing borrowers with exit counseling materials), when a student ceases at least half-time enrollment. <b>(FA 06-100)</b>	Sanchez/Bond	<b>Yes</b>	N/A	
7. The institution should implement procedures that allow for employees' unused leave to be readily identified to the Federal grants on which the employees worked throughout their employment at the institution so that costs related to unused leave payments to terminated employees can be allocated to all appropriate Federal grants. <b>(FA 06-113)</b>	Walker/Barabino	No	N/A	07/07
8. The institution should enhance its procedures to ensure that compliance with Federal cost-share requirements is adequately documented. <b>(FA 06-117)</b>	Walker/Barabino	<b>No</b>	07/07	03/07

### Explanatory Notes

- Explanation of Status in chart – Yes = implemented; No = not fully implemented; bolded items were due for implementation this period.
- \* – Means that Management’s responses on outstanding audit issues due by May 2007 were reported separately to the Finance and Audit Committee, since they were confidential and exempt from public records by Florida Statutes.
- \*\* – Means that Management’s responses on outstanding audit issues due by May 2007 were reported separately to the Finance and Audit Committee, since they were related to Information Technology, a sensitive area. However, these findings were reported by the State Auditor to the public.
- For those recommendation noted in bold as **No** (not implemented) in the status column of this schedule, the “Management Responses to Outstanding Audits Issues” section (following page) details management’s current action plan.
- N/A – Revised due date is not applicable because the recommendation was either implemented or was not due during this reporting period.

### Follow-up Status Report Summary

Total number of audit issues due for implementation as of May 2007: **72**

Total number of audit issues completed as of May 2007: **50 (69%** implementation rate)

Total number of audit issues outstanding as of May 2007: **36**

**FLORIDA INTERNATIONAL UNIVERSITY**  
**Management Responses to Outstanding Audit Issues**  
**May 30, 2007**

<b>Allegation Against the Director of Enterprise Technology Support Services</b>
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1. Audit Issue: **Conflict of Interest – Gift** (Recommendation #3.2)

Status: Not Implemented

Action Plan to Complete:

Due to the complexity of this item, and the far reaching implications of the yet to be determined policy, it has been decided that a memorandum will not be sent to the Division of IT employees until a clear University policy applying to all employees has been approved. Responsible party beyond Division of IT. New target date: September 2007.

2. Audit Issue: **Conflict of Interest – Gift** (Recommendation #3.3)

Status: Partially Implemented

Action Plan to Complete:

Since the University gift policy has greater reaching ramifications other than just Purchasing Services, the Office of the General Counsel and Compliance have taken this project on. The policy has been drafted and will be finalized by September 2007.

<b>University's Time &amp; Effort Certifications Systems</b>
--

1. Audit Issue: **Time Card Certifications** (Recommendation #1)

Status: Partially Implemented

Action Plan to Complete:

A revised policy that provides more restrictive guidelines on the completion and return of effort reports was submitted to senior management for review. The revised policy will be added to the University policy and procedure website and will be effective June 1, 2007.

<b>Allegations Against the Executive Dean of the College of Engineering &amp; Computing</b>
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1. Audit Issue: **Foundation Policies/Procedures/Guidelines** (Recommendations #1.2 - #1.4)

Status: Partially Implemented

Action Plan to Complete:

Foundation procedures pertaining to Travel, Employee Meal Reimbursement and President's Travel have been drafted. During June we will initiate the approval process for these documents. New target date: October 2007.

1. Audit Issue: The institution should enhance its procedures to ensure that compliance with Federal cost-share requirements is adequately documented. **(FA 06-117)**  
Status: Partially Implemented

Action Plan to Complete:

The cost sharing policy was revised to include more frequent reviews of cost sharing documents maintained by the department that is providing the cost share commitment. The policy is currently being reviewed by senior management and will be implemented July 1, 2007 with a review of the January 1 to June 30, 2007 activity. Cost sharing documentation is being requested on a monthly basis for all manual invoices.

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: OFFICE OF SPONSORED RESEARCH REPORT**

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**PROPOSED COMMITTEE ACTION:**

None. Discussion Item.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- SPONSORED RESEARCH REPORT

**FACILITATOR/PRESENTER:**

- GEORGE WALKER

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# **FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES FINANCE AND AUDIT COMMITTEE**

## **OFFICE OF SPONSORED RESEARCH REPORT (OSRA) JUNE 19, 2007**

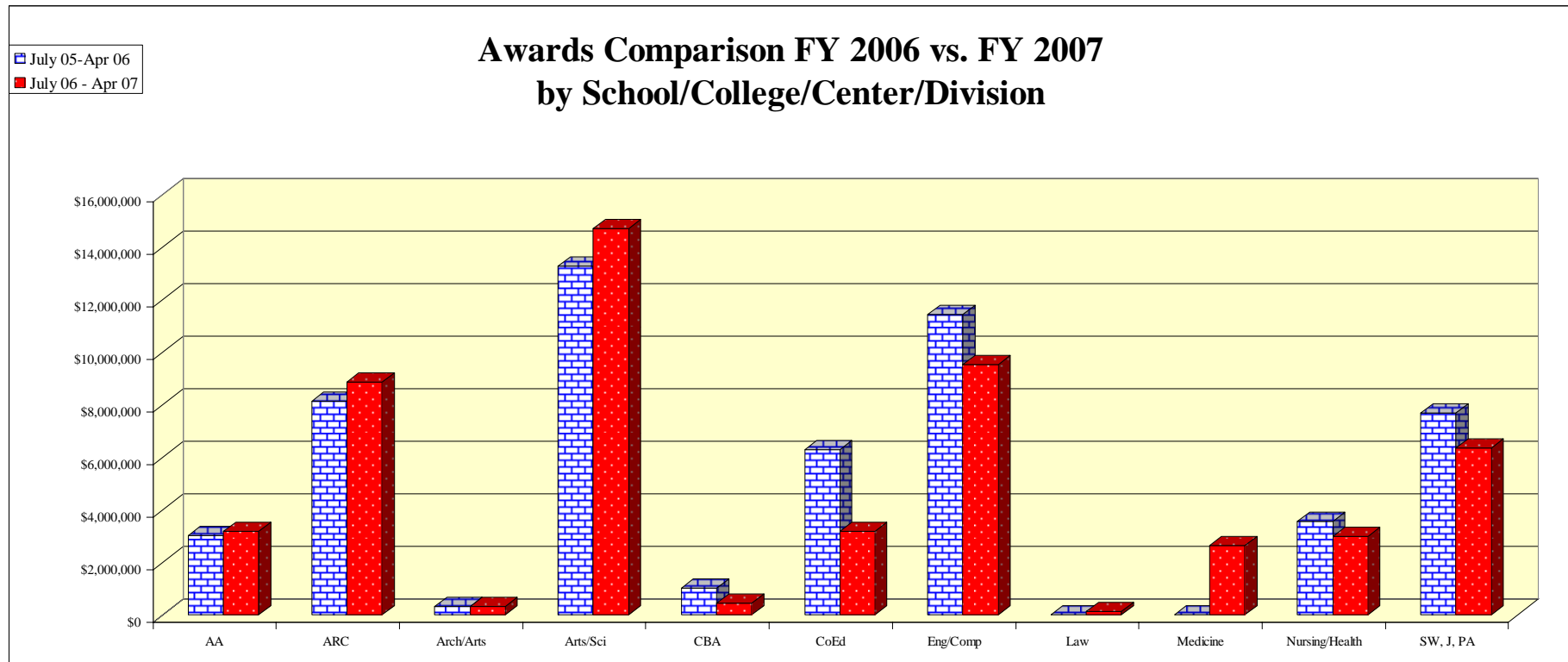
### **1. Summaries of Awards Applications and Research Expenditures**

Summaries of awards and applications by colleges, schools, centers, and/or divisions for the period of July 2006 through April 30, 2007 are presented in Tables 1 and 2, respectively. For comparison purposes, data for the period of July 2005 through April 30, 2006 is also provided. Awards and applications have decreased by 4% and 3%, respectively, when compared to the same period last fiscal year. Research expenditures through April 30, 2007 are summarized in Table 4. The facility and administrative costs (F&A) generated by these expenditures as well as the return to the departments are shown in Table 5.

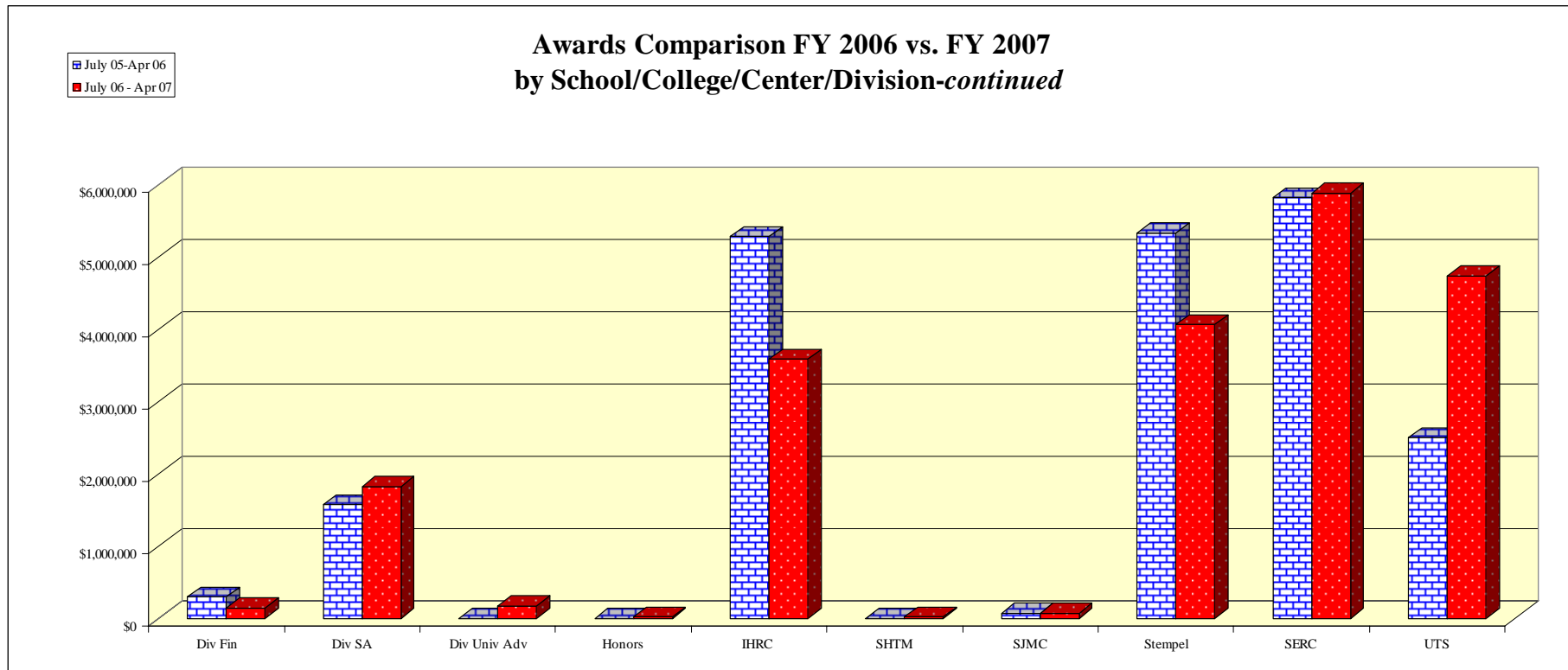
**Table 1**

<b>Awards Comparison FY 2006 vs. FY 2007 by School/College/Center/Division</b>							
<b>School/College/Center/Division</b>	<b>July 2005 – April 2006</b>			<b>July 2006 – April 2007</b>			<b>% change</b>
	<b>Direct Costs</b>	<b>Indirect</b>	<b>Total</b>	<b>Direct Costs</b>	<b>Indirect</b>	<b>Total</b>	
Academic Affairs	\$2,851,053	\$165,345	\$3,016,398	\$2,917,810	\$275,434	\$3,193,244	6%
ARC	\$6,289,334	\$1,859,927	\$8,149,261	\$6,475,508	\$2,386,849	\$8,862,357	9%
College of Architecture & the Arts	\$333,291	\$0	\$333,291	\$332,064	\$909	\$332,973	0%
College of Arts & Sciences	\$10,966,497	\$2,332,723	\$13,299,220	\$11,679,107	\$3,053,118	\$14,732,225	11%
College of Business Administration	\$926,026	\$99,819	\$1,025,845	\$426,766	\$41,700	\$468,466	-54%
College of Education	\$6,044,462	\$265,241	\$6,309,703	\$2,985,332	\$192,219	\$3,177,551	-50%
College of Engineering & Computing	\$9,808,695	\$1,651,753	\$11,460,448	\$8,149,688	\$1,380,062	\$9,529,750	-17%
College of Law	\$25,000	\$0	\$25,000	\$151,669	\$0	\$151,669	507%
College of Medicine	\$0	\$0	\$0	\$1,954,398	\$698,096	\$2,652,494	N/A
College of Nursing & Health Sciences	\$3,353,502	\$214,380	\$3,567,882	\$2,479,799	\$518,560	\$2,998,359	-16%
College of Social Work, Justice & Public Affairs	\$6,717,932	\$993,138	\$7,711,070	\$5,579,984	\$798,088	\$6,378,072	-17%
Division of Finance & Administration	\$300,644	\$0	\$300,644	\$144,146	\$0	\$144,146	-52%
Division of Student Affairs	\$1,529,216	\$43,467	\$1,572,683	\$1,751,976	\$76,912	\$1,828,888	16%
Division of University Advancement	\$4,500	\$0	\$4,500	\$174,937	\$0	\$174,937	3787%
Honors College	\$0	\$0	\$0	\$25,000	\$0	\$25,000	N/A
IHRC	\$4,830,292	\$449,344	\$5,279,636	\$3,313,861	\$272,419	\$3,586,280	-32%
School of Hospitality & Tourism Management	\$0	\$0	\$0	\$25,000	\$0	\$25,000	N/A
School of Journalism & Mass Communication	\$68,970	\$1,800	\$70,770	\$75,000	\$0	\$75,000	6%
School of Public Health	\$4,319,698	\$1,012,169	\$5,331,867	\$3,112,983	\$951,597	\$4,064,580	-24%
SERC	\$4,902,276	\$915,373	\$5,817,649	\$4,854,297	\$1,026,973	\$5,881,270	1%
UTS	\$2,332,143	\$167,580	\$2,499,723	\$3,820,913	\$920,764	\$4,741,677	90%
<b>TOTAL</b>	<b>\$65,603,531</b>	<b>\$10,172,059</b>	<b>\$75,775,590</b>	<b>\$60,430,238</b>	<b>\$12,593,700</b>	<b>\$73,023,938</b>	<b>-4%</b>

Figure 1



**Figure 1—continued**



**Table 2**

<b>Applications Comparison FY 2006 vs. FY 2007 by School/College/Center/Division</b>							
<b>School/College/Center/Division</b>	<b>July 2005 – April 2006</b>			<b>July 2006 – April 2007</b>			<b>% change</b>
	<b>Direct Costs</b>	<b>Indirect</b>	<b>Total</b>	<b>Direct Costs</b>	<b>Indirect</b>	<b>Total</b>	
Academic Affairs	\$6,979,939	\$749,930	\$7,729,869	\$5,018,181	\$842,650	\$5,860,831	-24%
ARC	\$7,269,586	\$2,442,805	\$9,712,391	\$7,222,931	\$2,061,175	\$9,284,106	-4%
College of Architecture & the Arts	\$198,650	\$0	\$198,650	\$19,543,093	\$0	\$19,543,093	9738%
College of Arts & Sciences	\$33,183,225	\$8,738,021	\$41,921,246	\$22,646,770	\$6,453,829	\$29,100,599	-31%
College of Business Administration	\$2,130,699	\$224,667	\$2,355,366	\$1,401,922	\$272,654	\$1,674,576	-29%
College of Education	\$20,417,935	\$1,890,373	\$22,308,308	\$8,578,862	\$774,385	\$9,353,247	-58%
College of Engineering & Computing	\$37,381,735	\$8,011,297	\$45,393,032	\$59,366,127	\$10,602,784	\$69,968,911	54%
College of Law	\$25,000	\$0	\$25,000	\$103,516	\$0	\$103,516	314%
College of Medicine	\$0	\$0	\$0	\$3,886,452	\$1,379,746	\$5,266,198	N/A
College of Nursing & Health Sciences	\$6,686,548	\$764,805	\$7,451,353	\$7,271,545	\$1,657,200	\$8,928,745	20%
College of Social Work, Justice & Public Affairs	\$23,066,062	\$4,182,373	\$27,248,435	\$9,703,141	\$2,757,130	\$12,460,271	-54%
Division of Finance & Administration	\$61,482	\$0	\$61,482	\$0	\$0	\$0	-100%
Division of Student Affairs	\$3,398,058	\$264,760	\$3,662,818	\$4,436,543	\$362,114	\$4,798,657	31%
Division of University Advancement	\$50,000	\$0	\$50,000	\$199,937	\$0	\$199,937	300%
Honors College	\$0	\$0	\$0	\$50,000	\$0	\$50,000	N/A
IHRC	\$3,718,969	\$127,809	\$3,846,778	\$997,697	\$153,334	\$1,151,031	-70%
School of Hospitality & Tourism Management	\$0	\$0	\$0	\$38,665	\$1,162	\$39,827	N/A
School of Journalism & Mass Communication	\$1,623,526	\$637,410	\$2,260,936	\$742,027	\$146,328	\$888,355	-61%
School of Public Health	\$18,717,083	\$4,887,764	\$23,604,847	\$13,164,465	\$4,373,177	\$17,537,642	-26%
SERC	\$10,088,369	\$2,952,433	\$13,040,802	\$6,198,639	\$1,484,635	\$7,683,274	-41%
UTS	\$392,684	\$58,056	\$450,740	\$948,699	\$93,455	\$1,042,154	131%
<b>TOTAL</b>	<b>\$175,389,550</b>	<b>\$35,932,503</b>	<b>\$211,322,053</b>	<b>\$171,519,212</b>	<b>\$33,415,758</b>	<b>\$204,934,970</b>	<b>-3%</b>

**Figure 2**

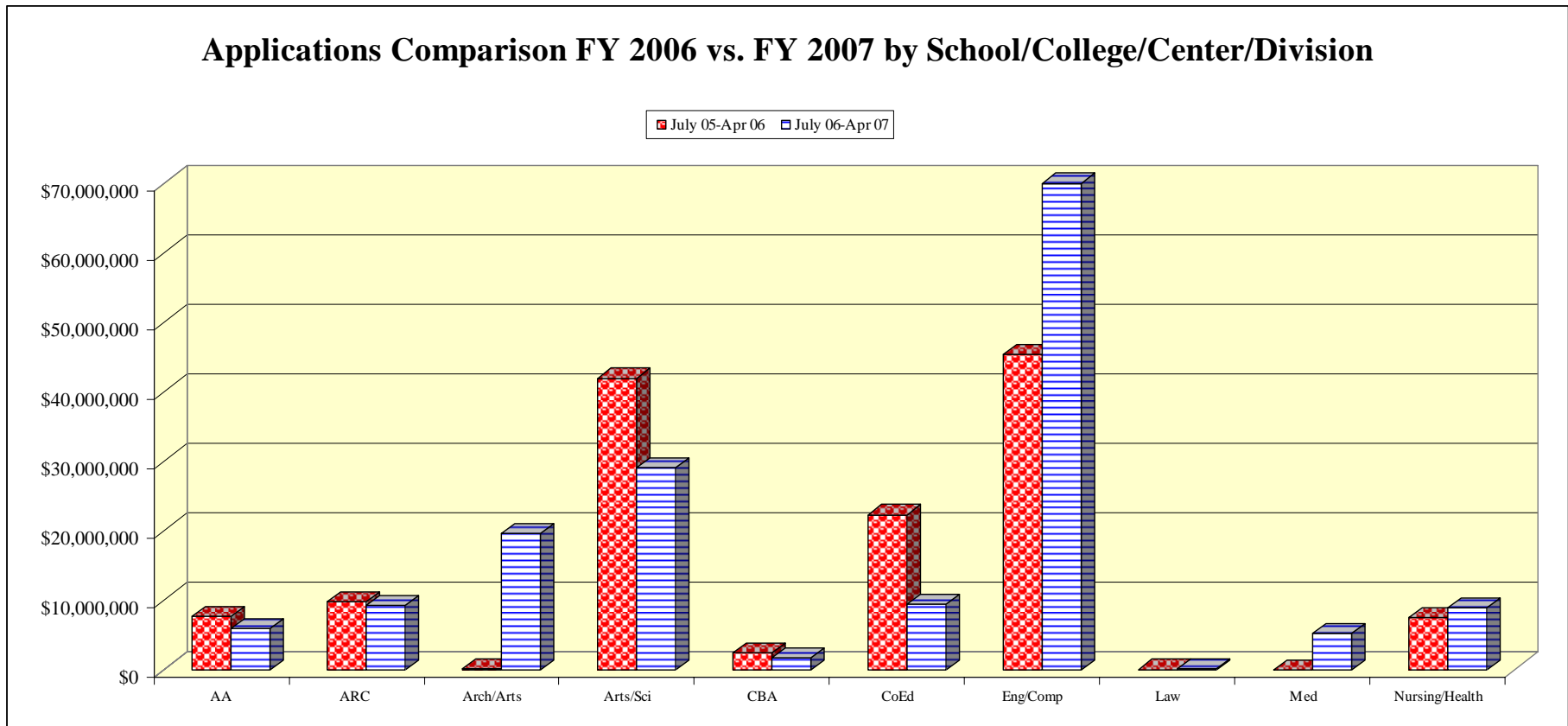
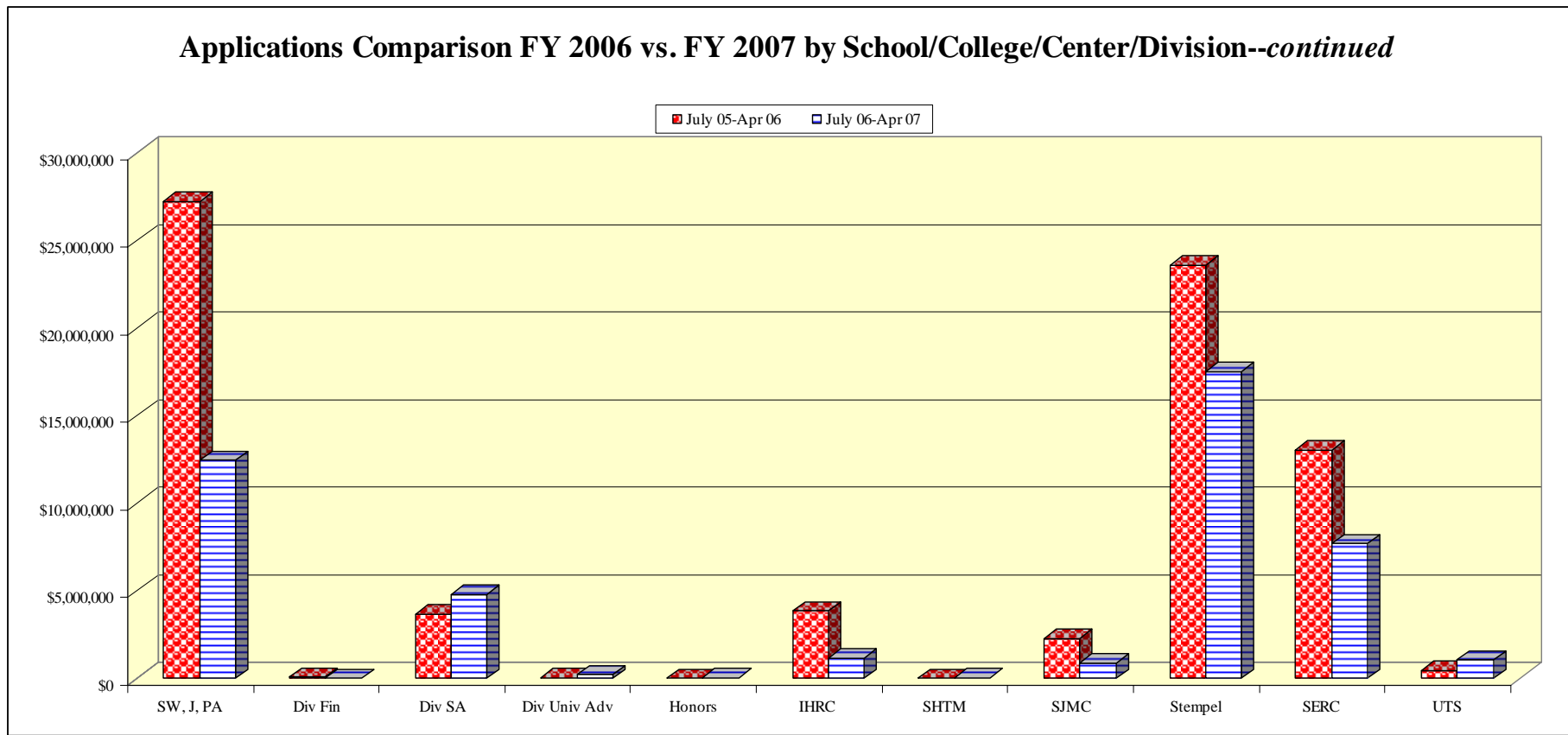


Figure 2—*continued*



**Table 3**

<b>Contracts and Grants Awarded by Major Funding Sources for Research, Service, and Training</b>				
<b>Source</b>	<b>Award Increment Direct Costs</b>	<b>Award Increment F&amp;A</b>	<b>Amount</b>	<b>Percent</b>
<b>July 2005 — April 2006</b>				
Federal Government	\$44,102,133	\$8,808,523	\$52,910,656	70%
State & Local Government	\$12,283,258	\$855,150	\$13,138,408	17%
Private/Other Sources	\$9,218,140	\$508,386	\$9,726,526	13%
<b>Total</b>	<b>\$65,603,531</b>	<b>\$10,172,059</b>	<b>\$75,775,590</b>	<b>100%</b>
<b>July 2006 — April 2007</b>				
Federal Government	\$45,366,990	\$11,348,636	\$56,715,626	77.7%
State & Local Government	\$8,496,205	\$785,128	\$9,281,333	12.7%
Private/Other Sources	\$6,567,043	\$459,936	\$7,026,979	9.6%
<b>Total</b>	<b>\$60,430,238</b>	<b>\$12,593,700</b>	<b>\$73,023,938</b>	<b>100.00%</b>



**Table 4**

<b>July 1, 2006 – March 31, 2007 Expenses by School/College/Center/Division</b>			
<b>School/College/Center/Division</b>	<b>YTD Total Direct Costs</b>	<b>YTD F&amp;A</b>	<b>YTD Total Expenses</b>
ABR/MBRS	\$2,514,114	\$795,604	\$3,309,718
Academic Affairs	\$2,370,093	\$383,018	\$2,753,111
ARC	\$4,649,604	\$1,619,325	\$6,268,929
College of Architecture & Arts	\$816,820	\$2,041	\$818,861
College of Arts & Sciences	\$7,031,209	\$1,585,011	\$8,616,220
College of Business Administration	\$574,620	\$76,274	\$650,894
College of Education	\$3,526,577	\$197,402	\$3,723,979
College of Engineering & Computing	\$7,493,350	\$1,840,439	\$9,333,789
College of Medicine	\$40,626	\$16,250	\$56,876
College of Nursing & Health Sciences	\$2,288,963	\$137,319	\$2,426,282
College of Social Work, Justice & Public Affairs	\$4,367,101	\$820,519	\$5,187,620
Division of Finance & Administration	\$112,982	\$0	\$112,982
Division of Student Affairs	\$1,286,888	\$56,383	\$1,343,271
Division of University Advancement	\$101,778	\$0	\$101,778
IHRC	\$2,377,558	\$244,040	\$2,621,598
School of Journalism & Mass Communication	\$179,377	\$32,096	\$211,473
SERC	\$4,012,953	\$1,094,208	\$5,107,161
Stempel School of Public Health	\$3,811,027	\$1,448,250	\$5,259,277
UTS	\$2,900,351	\$151,977	\$3,052,328
<b>TOTAL</b>	<b>\$50,455,991</b>	<b>\$10,500,156</b>	<b>\$60,956,147</b>

**Table 5**

<b>F&amp;A Expensed/Returned July 1, 2006 through March 31, 2007</b>		
<b>School/College/Center/Division</b>	<b>Total Expensed</b>	<b>Total Returned</b>
ABR/MBRS	\$ 795,604	\$ 238,681
Academic Affairs	\$ 383,018	\$ 149,823
ARC	\$ 1,619,325	\$ 809,663
College of Architecture & the Arts	\$ 2,041	\$ 612
College of Arts & Sciences	\$ 1,585,011	\$ 475,503
College of Business Administration	\$ 76,274	\$ 22,882
College of Education	\$ 197,402	\$ 59,221
College of Engineering & Computing	\$ 1,840,439	\$ 552,132
College of Medicine	\$ 16,250	\$ 4,875
College of Nursing & Health Sciences	\$ 137,319	\$ 41,196
College of Social Work, Justice, & Public Affairs	\$ 820,519	\$ 236,053
Division of Student Affairs	\$ 56,383	\$ 16,915
IHRC	\$ 244,040	\$ 73,212
School of Journalism & Mass Communication	\$ 32,096	\$ 9,629
SERC	\$ 1,094,208	\$ 328,263
Stempel School of Public Health	\$ 1,448,250	\$ 438,511
UTS	\$ 151,977	\$ 45,593
<b>TOTAL</b>	<b>\$10,500,156</b>	<b>\$3,502,764</b>

## **2. Facilities and Administrative (F&A) Cost Proposal**

The Facility and Administrative (F & A) cost proposal was submitted to the Division of Cost Allocation at the Department of Health Human Services and negotiations of future F & A rates is anticipated for the fall of 2007.

## **3. People Soft Grant System**

During fiscal 2008 the Division of Research will develop a plan for the installation of the People Soft grants system. The implementation of people soft enterprise grants management system will occur during the 2009 fiscal year and includes the following people soft modules Grants, Contracts, Project Costing, Billing, and Receivables. The five modules will provide the management tools necessary for managing grants at the central administration and department levels. Several key aspects to managing a grant will be readily available in the system, for example: invoices, receipts, current expense data, grant terms, facility and administrative cost distributions, budgets, awards, etc. Access and training will occur in the 2009 fiscal year. Principal investigators and administrators will be requested to critique the system in the fall 2008. When possible, information provided in the critiques will be added in fall 2008 enhancements.

## **4. Info Ed Electronic Grant Submissions**

Info Ed, the web based electronic proposal submission system was scheduled for implementation in the fall of 2007 with training taking place during the summer. Due to the numerous changes in the grants.gov system the deployment of Info Ed's Proposal Development module will be done on a phased method where the Division of Research staff will work hand in hand with administrators and faculty to roll out this enhanced service on a college by college basis. Since the revised plan calls for a phased method of implementation, the training sessions that had been scheduled for this summer have been cancelled. Phased implementation will begin with the Stempel School of Public Health this summer with future targeted training on a college by college basis.

## **5. Limited Submissions**

Limited Submissions are research competitions in which funding agencies limit the number of applications an institution can make. The new procedures for Limited Submissions have been fully implemented. The OSRA website has been updated with a list of limited submission opportunities through December 2007, including several for 2008. These are regularly updated when new funding opportunities become available. You may review all the pertinent information regarding the application and review process at <http://www.dsrt.fiu.edu/limitedSubmissions.htm>. As planned, OSRA provides monthly reminders to the University community to check the OSRA website for funding opportunities.

## **6. Notification to PIs of Incoming Grant Awards**

The procedures for rapid notifications to the PIs of incoming research awards are in place. Notifications are sent weekly to ensure that PIs are informed within a week of the incoming grant. These notifications include the name of the pre-award and post-award

OSRA personnel assigned to the specific grant. In the last BOT report the plan was to send notifications on a daily basis starting March 15, 2007. There have been delays on this plan as we engaged in efforts to streamline the process. Daily notifications will begin June 1, 2007. Additionally, once the new project account is set-up, the PIs receive notification within 24 hours.

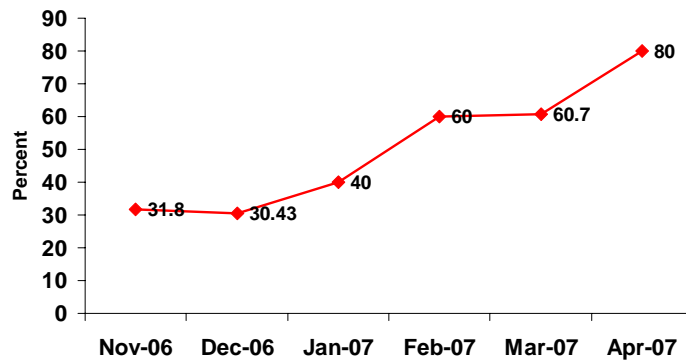
## **7. Streamlining the Process of Setting-up Accounts for New Grant Awards**

The procedures for setting up accounts for new grants have been streamlined. In the last BOT report we stated the Division of Research's goal of having 80% of grants with accounts established within 5 working days, and to have an average of 10 working days or less for all grants within each month. We have established an internal system for monitoring the length of time required to establish a project number. We have made significant progress in reducing the length of time from incoming grant award to setting-up of accounts (see figures below). In the process we have also learned that there are several factors out of the University's control that can impact the length of time it takes to set-up accounts for new grants. These include:

- Grants awarded with budgets that differ from the proposed budget in the grant. In such instances the PI needs to create revised budgets. This is likely to be more common as Federal agencies such as NIH address budget reductions by reducing budgets for funded grants.
- Negotiations with foundations, agencies, and other universities for final budgets and terms of agreements.
- Delays in receiving necessary forms and requests from funding agencies which need to be produced by PIs.

The figures below provide an overview of the progress made in shortening the time from incoming grant award to account set-up. As shown on Figure 1 below, the goal of setting-up accounts within 5 working days for 80% of grants was achieved in April 2007. While our goal is to continue to make improvements, we expect that there will be months in which this may vary as a result of some of the uncontrollable factors described above. We also plan to keep track of those factors.

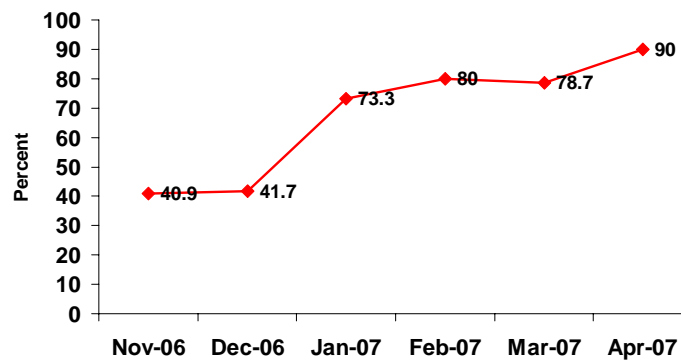
**Figure 1 - Proportion of Grants with Final Account Set-up\* in Five or Fewer Working Days**



\*Final Account Set-up indicates that there is a project ID, the budget is loaded and ready, and the PI has been informed that he/she can begin work.

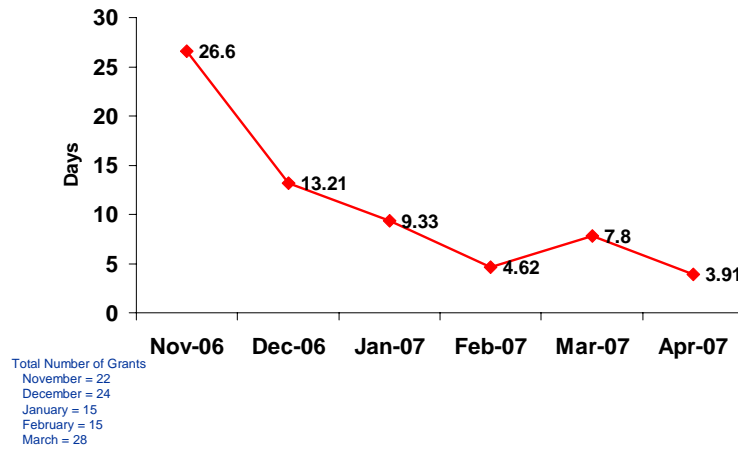
Figure 2 below also shows improvements in setting-up of accounts within 10 working days from the date the grant is awarded to FIU.

**Figure 2 - Proportion of Grants with Final Account Set-up in Ten or Fewer Working Days**

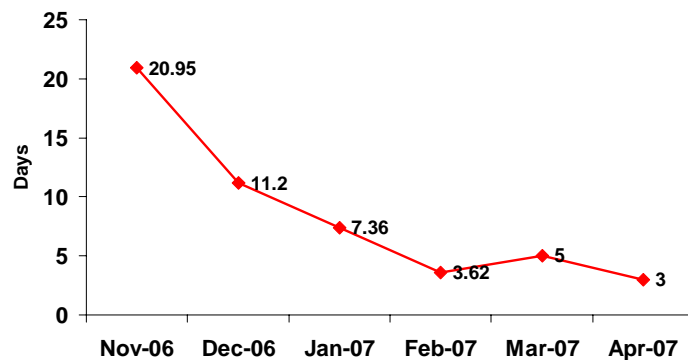


Figures 3-5 below provide evidence of improvements in the mean and median number of working days from incoming grant award to the set-up of grant accounts.

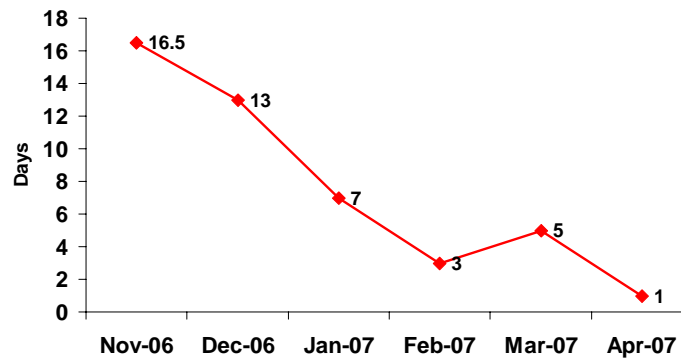
**Figure 3 - Average Working Days From Incoming Grant Award to Final Account Set-up**



**Figure 4 - Average Working Days From Incoming Grant Award to Final Account Set-up (Excluding One Grant With Longest Delay)**

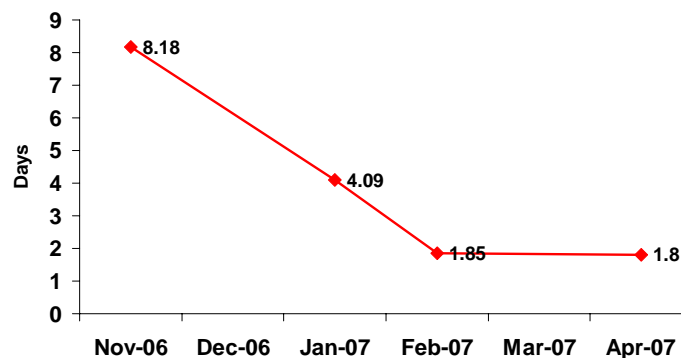


**Figure 5 - Median Number of Working Days From Incoming Grant Award to Final Account Set-up**



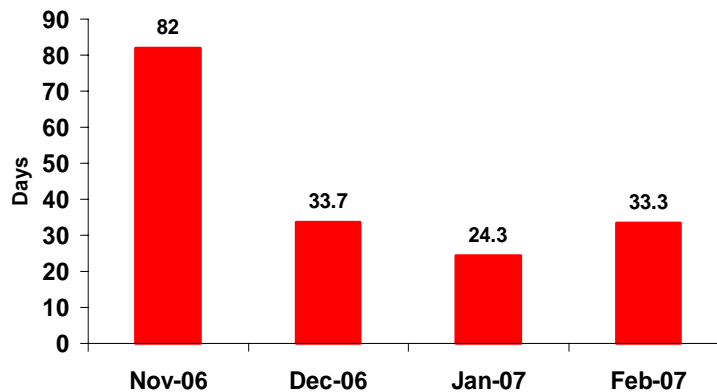
We believe that improvements in the time length of time it takes to set-up accounts for new grants are partially a result of the streamlining of procedures at OSRA. A key issue in this is the length of time it takes for an incoming grant award to be reviewed and processed by the Pre-Award to the Post-Award Divisions at OSRA. Figure 6 below shows the reductions in this time from November, 2006 to April, 2007.

**Figure 6 – Average Working Days from Pre-Award to Post-Award**



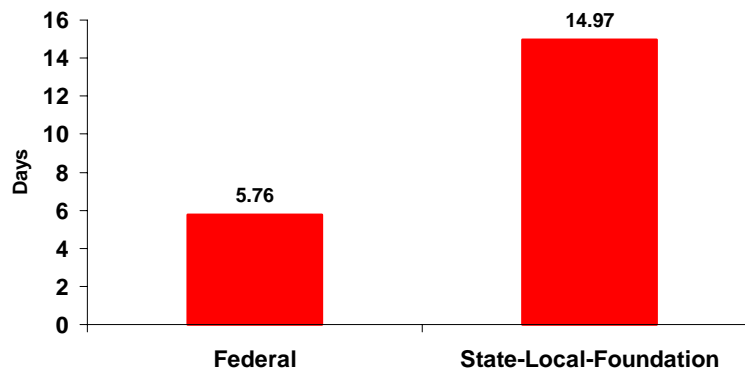
Despite the improvements in this area, there will always be grants that take long periods of time to set-up as result of circumstances beyond our control. While this is a minority of grants, we have learned that these tend to be grants from non-Federal sources, such as Foundations and local agencies. Coincidentally, these tend to be grants with lower F&A returns. Figure 7 below shows the average number of working days for the 3 slowest grants to set-up each month from November, 2006 to February, 2007.

**Figure 7 – Average Number of Working Days to Final Account Set-up for Three Slowest Grants to Set-up**



Finally, Figure 8 below shows the wide gap in the length of time for setting-up accounts between Federal and non-Federal grants. The number of working days for non-Federal is 2.5 times higher than for Federal grants. It is important to note that F&A rates are higher for the Federal grants, so in essence grants with lower F&A rates take greater OSRA and University resources while providing lower funding to support these resources.

**Figure 8 – Final Account Set-up for Federal Grants vs. Local, State & Foundation Grants - November, 2006 Through March, 2007**





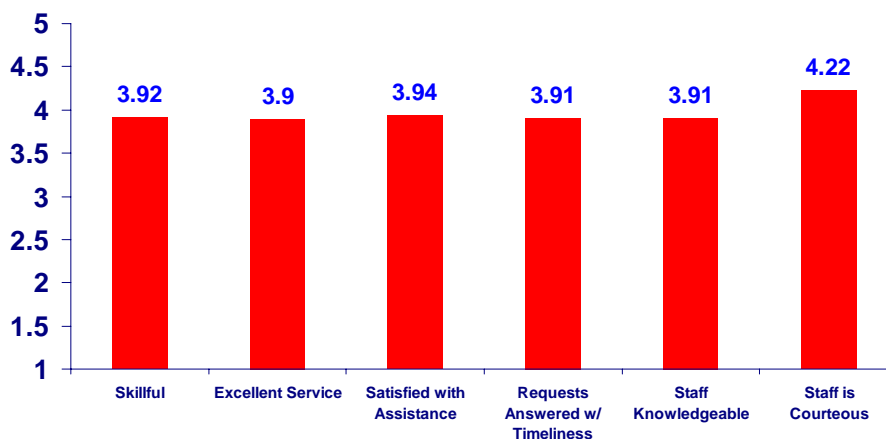
## 8. Division of Research Quarterly Survey

The first of the quarterly survey by the Division of Research was sent in April, 2007. The survey was sent April 27, 2007 to 204 researchers that submitted and/or were awarded grants between November 1, 2006 and February 28, 2007. The survey sought feedback in areas of customer satisfaction, barriers and difficulties encountered in grant submission and administration by the FIU research community, as well as areas of PI knowledge. The results presented below are preliminary.

### I. Satisfaction with Pre-Award Services

- Overall satisfaction was relatively high, with scores near 4 for most items (in a scale from 1 to 5). **See Figure 1.**
- The highest score was for OSRA Pre-Award Staff being courteous (4.22).
- For most items, about 75% of PIs reported that they “Strongly Agreed” or “Agreed” with the positive statements. **See Table 1.**

**Figure 1 – Experiences with Pre-Award OSRA Staff**



Scoring:  
Scale from 1 to 5, with 5 indicating Excellent or Strongly Agree.

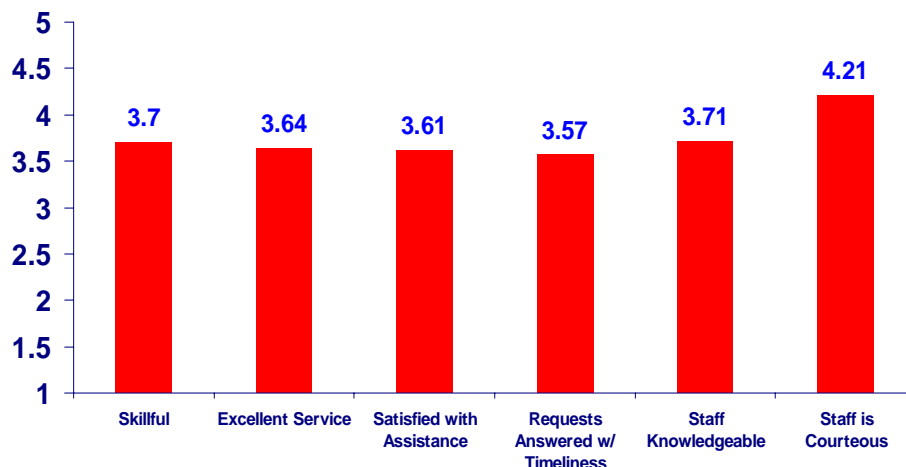
**Table 1 – Assessment of OSRA Pre-Award Services Based on Principal Investigator’s Experiences in Recent Grant Application**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree Nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
Staff is skillful	22.0%	53.0%	19.0%	6.0%	0.0%
Excellent Customer Service	22.0%	50.0%	22.0%	6.0%	0.0%
Satisfied with Assistance	25.0%	53.0%	12.0%	9.0%	0.0%
Returns Calls within 24 hrs	38.0%	34.0%	16.0%	12.0%	0.0%
Staff is Timely	34.0%	38.0%	12.0%	16.0%	0.0%
Staff is Knowledgeable	28.0%	44.0%	22.0%	3.0%	3.0%
Staff is Courteous	34.0%	56.0%	6.0%	3.0%	0.0%

## II. Satisfaction with Post-Award Services

- Overall scores for satisfaction with Post-Award services were also generally positive, but less so than with Pre-Award. All scores were higher than 3.5. See Figure 2.
- The best score (4.21) was for staff being courteous.
- An indicator of lower satisfaction with Post-Award is found on lower proportion of PIs reporting “Strong Agreement” with the positive statements, and a larger proportion disagreeing. See Table 2.

**Figure 2 – Experiences with Post-Award OSRA Staff**



Scoring:  
Scale from 1 to 5, with 5 indicating Excellent or Strongly Agree.

**Table 2 – Assessment of OSRA Post-Award Services Based on Principal Investigator’s Experiences in Recent Grant Awards**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neither Agree Nor Disagree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
Staff is skillful	18.0%	57.0%	11.0%	7.0%	7.0%
Excellent Customer Service	18.0%	46.0%	25.0%	4.0%	7.0%
Satisfied with Assistance	18.0%	50.0%	14.0%	11.0%	7.0%
Returns Calls within 24 hrs	32.0%	36.0%	11.0%	18.0%	4.0%
Staff is Timely	21.0%	43.0%	11.0%	21.0%	4.0%
Staff is Knowledgeable	21.0%	54.0%	7.0%	11.0%	7.0%
Staff is Courteous	36.0%	54.0%	7.0%	4.0%	0.0%
Notified Promptly of New Award	25.0%	32.0%	32.0%	11.0%	0.0%
Budgets for New Grant Set-up Promptly	25.0%	36.0%	25.0%	7.0%	7.0%

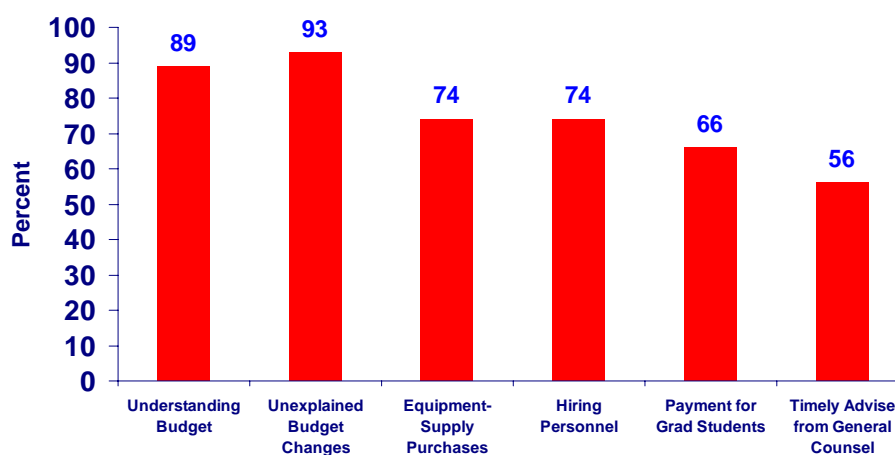
### III. Obstacles and Difficulties

- Major difficulties in operating grants for PIs are: managing and understanding budgets, hiring personnel, payments and tuition for graduate students, and getting financial reports to funding agencies. See Figures 5-7.
- Problems with changes in budgets and interpreting budgets with People Soft were listed as “Important” factors in managing grants and as obstacles by nearly 90% or more of the PIs.

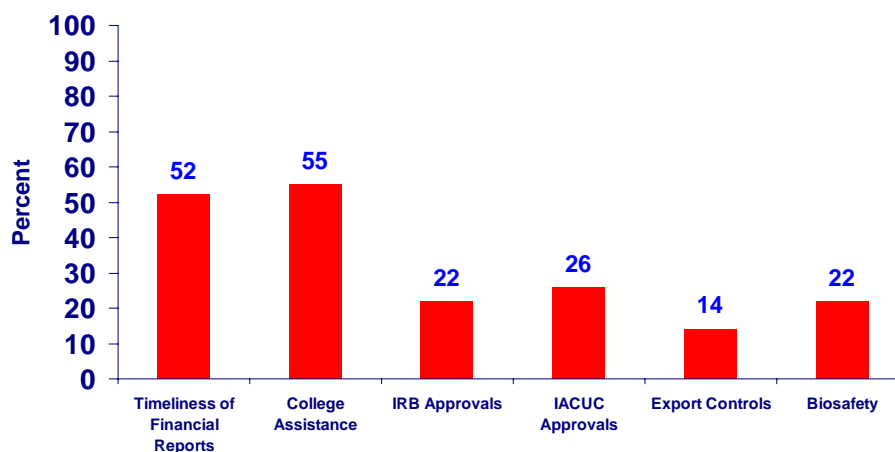
**Figure 5 - Importance of Factors in Managing Existing Grant : Proportion Reporting “Very Important” and “Important”**



**Figure 6 - Major Obstacles in Managing Existing Grant:  
Proportion Reporting “Very Important” and “Important”**



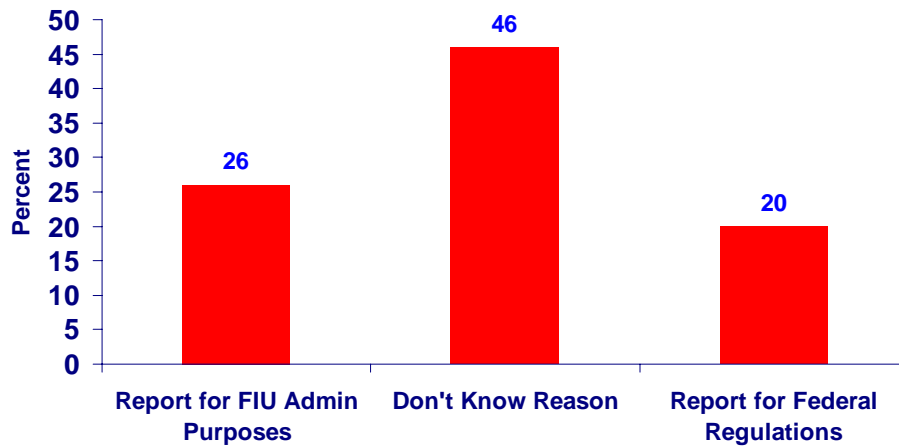
**Figure 7 - Major Obstacles in Managing Existing Grant :  
Proportion Reporting “Very Important” and “Important”**



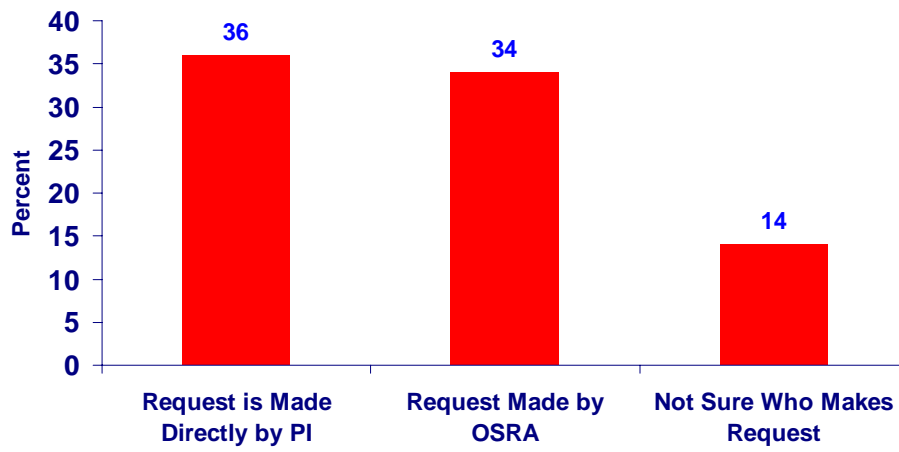
#### IV. PI Knowledge

- 46% of PIs don't know the reason for the Effort Reporting requests they receive each semester from OSRA. See Figure 8.
- 26% of PIs believe that the reason for the Effort Reporting requests they receive is purely due to FIU Administrative rules.
- Only 20% of PIs are aware that Effort Reporting is based in Federal regulations.
- 36% of PIs mistakenly believe that no-cost extensions are requested by the PI. See Figure 9.

**Figure 8 – PI Knowledge Regarding Effort Reporting**



**Figure 9 – PI Knowledge Regarding No-Cost Extensions**



### **Plans to Address Deficiencies Based On Preliminary Survey Results**

Below is a list of the major challenges identified in the survey and the plans to address them. Since we only have preliminary results, the issues to be addressed are likely to change by the time final results are available. With final results, the solution plans listed below will be adjusted accordingly. Additionally, the implementation of PeopleSoft grant modules and a “system-to-system” electronic grant submission will facilitate addressing several of the challenges listed below.

<b>Challenges</b>	<b>Possible Solutions</b>	<b>Approach and Timing</b>
1. PIs inability to understand the status of budgets in their grants.	<ul style="list-style-type: none"> <li>• Changes in the formatting of grant budgets on PantherSoft so that it reflects the categories that exist in the budget created by the PI.</li> <li>• Using new budget formats, provide Monthly or Quarterly Reports e-mailed to PIs consisting of a simple table summarizing status of the grant’s budget.</li> </ul>	<ul style="list-style-type: none"> <li>• George Walker and Min Yao and decided on creation of a team to address this issue.</li> <li>• Team has been meeting weekly. First meeting took place on 5/9/07.</li> <li>• Team consists of AVPs Barabino &amp; Gil from OSRA and Bello from IT. They will involve others as the solution is planned.</li> <li>• Goal is for identification of all relevant issues and action plan by 5/31/2007.</li> <li>• Tentative Implementation of solution by September 1, 2007.</li> </ul>
2. Difficulties with unexplained budget transfers. <sup>1</sup>	<ul style="list-style-type: none"> <li>• Partially addressed by solution to #1 above.</li> <li>• Reduce delays in setting-up grant contracts in the Colleges.</li> <li>• Reduction of budget exemptions (which is already occurring).</li> <li>• Reductions of erroneous account codes in purchasing.</li> </ul>	<ul style="list-style-type: none"> <li>• Better coordination with College Post-Award administration in processing of PI and Co-I contracts.</li> <li>• Training of Purchasing staff regarding account codes (this will also be addressed under solutions to #1 above, and with “Grant Obstacles” Committee below).</li> </ul>
3. Difficulties hiring personnel	<ul style="list-style-type: none"> <li>• Coordinate personnel hiring between HR and OSRA.</li> </ul>	<ul style="list-style-type: none"> <li>• Create a “Grant Obstacles” Committee (organized by AVP Gil) of experienced researchers and Project Coordinators to meet with OSRA, HR and College grant administrators to determine obstacles in</li> </ul>

Challenges	Possible Solutions	Approach and Timing
		grant personnel hiring. <ul style="list-style-type: none"> <li>Once changes are made, train project coordinators on new procedures.</li> <li>Track effectiveness of new procedures.</li> </ul>
4. Difficulties with payments to graduate students. <sup>1</sup>	<ul style="list-style-type: none"> <li>Development of a system that interacts with PantherSoft grant accounts and student financial system.</li> </ul>	<ul style="list-style-type: none"> <li>Incorporated into the work of Committee addressing Challenge # 1.</li> <li>Tentative Implementation of solution (even if it is short-term until Grant Modules are implemented) by January 1, 2008.</li> </ul>
5. Difficulties with participant payments.	<ul style="list-style-type: none"> <li>Develop a participant compensation system for FIU, in collaboration with Controller's office.</li> </ul>	<ul style="list-style-type: none"> <li>AVP Gil will gather information on approaches used at other Florida Universities, as well as outside of Florida.</li> <li>Andres &amp; Joe will develop a system for FIU, in collaboration with Controller's office.</li> <li>Put new system in place by September 1, 2007.</li> </ul>
6. Lack of knowledge regarding Effort Reporting, equipment purchases and no-cost extensions.	<ul style="list-style-type: none"> <li>Training of PIs and grant administrators.</li> <li>Training of College and Dept. grant administrators.</li> <li>Ongoing communication with PIs, grant administrators and College grant administration.</li> </ul>	<ul style="list-style-type: none"> <li>Required meeting of PI with OSRA (with senior OSRA personnel) once grant is awarded to review specific policies related to the grant and anticipate needs, such as personnel hiring, student tuition, etc.</li> <li>Mandatory meeting of grant's coordinator (when hired) with OSRA Post-Award to review grant's needs.</li> <li>Quarterly meeting of College grant administrators with OSRA Post-Award for training, problem solving and to address timely inputting of PI grant contracts (see # 2 above).</li> </ul>



Challenges	Possible Solutions	Approach and Timing
7. Return time for telephone inquiries to OSRA.	<ul style="list-style-type: none"> <li>• Training of OSRA personnel to ensure quick response (e.g., all staff must check messages at start and end of the day).</li> <li>• Set-up monitoring system to ensure prompt responses.</li> </ul>	<ul style="list-style-type: none"> <li>• Training of OSRA front desk staff.</li> <li>• Front desk will have daily list of OSRA staff not in office with designated back-up so that they can redirect callers who need immediate assistance.</li> </ul>
8. Timeliness of financial reports. <sup>1</sup>	<ul style="list-style-type: none"> <li>• Have early (months in advance) list of grants with specific due dates for financial reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Anticipate upcoming grants due for financial reports as part of quarterly meetings with College grant administrators (see # 7 above).</li> <li>• Internal tracking of financial report performance in same manner new account set-up is currently tracked.</li> </ul>
9. Improving level of satisfaction with Pre-Award.	<ul style="list-style-type: none"> <li>• Satisfactorily address items 1 to 8 above.</li> <li>• Ongoing training of OSRA staff.</li> <li>• Continue to create climate with OSRA staff of high expectations for performance with ongoing assessment, feedback and rewards for performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement items recommended above.</li> </ul>
10. Improving level of satisfaction with Post-Award.	<ul style="list-style-type: none"> <li>• Satisfactorily address items 1 to 8 above.</li> <li>• Ongoing training of OSRA staff.</li> <li>• Continue to create climate with OSRA staff of high expectations for performance with ongoing assessment, feedback and rewards for performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement items recommended above.</li> </ul>

<sup>1</sup> This challenge will be partially addressed once grant modules are incorporated, and “system-to-system” electronic grant applications are set in place.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: CFO UPDATE**

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**PROPOSED COMMITTEE ACTION:**

None. Discussion item.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- CFO UPDATE
  - MARCH 2007 AND 2006 –  
UNAUDITED FINANCIAL  
STATEMENTS AND RELATED  
FOOTNOTES

**FACILITATOR/PRESENTER:**

- VIVIAN SANCHEZ

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# CFO Update

## EXTERNAL AUDIT UPDATE

The State Auditor General's Office has concluded the Federal Awards and the Bright Futures audits at FIU. The findings noted therein have been distributed to all Board members and the follow-up to these items are included in the report from Internal Audit.

As previously reported, the State Auditor General's Office is currently conducting the Operational audit. The auditors indicated an expected completion date of August 2007. To date, no findings have been communicated to management.

## FINANCIAL STATEMENTS

Financial Statements for the period ending March 31<sup>st</sup> are included in this Board book.

## ASSOCIATE VICE PRESIDENT OF REAL ESTATE DEVELOPMENT AND PLANNING

We are proud to announce the addition of Charles D. Scurr as the new Associate Vice President of Real Estate Development and Planning. Mr. Scurr joined the university on May 14<sup>th</sup> and comes to us from the Village of Palmetto Bay serving as the first City Manager since 2002. Mr. Scurr also served in the same capacity for the city of South Miami for four years prior to joining the Village of Palmetto Bay.

As a city manager, Mr. Scurr was responsible for all aspects of the management and operation of the city administration, including overseeing municipal functions such as Public Works, Planning and Zoning, Building, Code Enforcement and Community and Economic Development. He has also served as the president and managing director of the South Florida Super Bowl XXIII and XXXIX Host Committees and as the vice president and chief operating officer for The Lipton Tennis Championships (currently the Sony Ericsson Open) from 1989 – 1994. Additionally, Mr. Scurr has served as an adjunct professor for FIU's College of Health and Urban Affairs.

His responsibilities at the university will include:

- Defining the university's on-campus and off-campus real estate expansion strategy
- Establishing alliances with private and public entities to implement real estate objectives
- Identifying ownership and funding alternatives to effectively execute projects
- Preparing all details of capital and campus plans

One of his first responsibilities will be the master planning, implementation and construction of the new Academic Health Center. He will be taking over for our current Associate Vice President of Real Estate Development, Alexander Zyne, who is retiring in October after 30 years of service for the university.

We are honored and excited to have someone with Mr. Scurr's track record, extensive public administration experience and reputation join the FIU family.

## **COLLEGE OF MEDICINE**

On April 25, 2007, FIU completed and delivered The Medical Education Database and Self Study for Preliminary to the Liaison Committee for Medical Education (LCME). The submission is to be reviewed by the LCME and it is expected that during their June board meeting, an approval for a site visit will be awarded. The LCME site visit has been tentatively scheduled for November 19-21<sup>st</sup>, 2007.

The College of Medicine committees will continue to make refinements to the sections of the self-study in response to revisions coming from the LCME review and in preparation for the up-coming site visit.

The hiring for the College of Medicine staff continues to progress and, since the last update in April, the following leadership positions have been filled:

- Assistant Dean – Community & Clinical Affairs
- Theme Leader – Medicine & Society
- Director of Information Technology
- Associate Director of Finance & Compensation
- Coordinator – Human Resources

A search committee has been formed and is actively interviewing candidates for the position of Executive Associate Dean of Finance and Administration. Vigorous recruiting of faculty for the first two years of the curriculum has begun and it is expected that many of these positions will be filled or offered in time for the LCME site visit in November.

The Public Health Trust (Jackson) voted to give authority to the President of the Jackson Health System to move forward with finalizing the affiliation and operating agreement with FIU during its April board meeting. Discussions are underway with representatives from Jackson and FIU. We anticipate to complete agreements by late fall 2007. Additionally, FIU continues to have discussions with potential private partners in the community.

FIU has selected the firm of Perkins & Will to provide an in depth master plan for the Academic Health Sciences Complex which will be located on the northeast corner of the UP campus and will house the College of Medicine, Nursing and Allied Health, Public Health, and other health sciences buildings. The planning is underway and is expected to be completed by early 2008.

## **INFORMATION TECHNOLOGY**

In our last meeting, we reported on various projects Information Technology is working on to address and improve security. We continue to progress as scheduled with the Enterprise Active Directory, Data Encryption Information Security and Secure Wireless Access and Wireless Network Expansion projects.

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**FLORIDA INTERNATIONAL UNIVERSITY  
(EXCLUDING COMPONENT UNITS)  
STATEMENT OF NET ASSETS**

	Unaudited As of 3/31/2006	Unaudited As of 3/31/2007	Notes
<b>ASSETS</b>			
Current Assets:			
Cash & Cash Equivalents	\$ 1,930,269	\$ 4,689,550	1
Investments	104,447,740	146,741,158	1
Accounts Receivables, Net	35,533,556	26,721,072	2
Loans & Notes Receivables	232,300	297,401	
Due from State and Component Units	110,545,507	115,267,713	3
Inventories	455,759	393,921	
Other Current Assets	1,091,678	927,109	
<b>Total Current Assets</b>	<b>254,236,809</b>	<b>295,037,924</b>	
Noncurrent Assets:			
Restricted Investments	27,525,204	27,361,085	1
Loans & Notes Receivable	1,741,952	1,792,680	
Depreciable Capital Assets	400,073,020	480,433,873	4
Non-Depreciable Capital Assets	137,360,521	88,868,317	5
Other Noncurrent Assets	867,783	963,066	
<b>Total Noncurrent Assets</b>	<b>567,568,480</b>	<b>599,419,021</b>	
<b>TOTAL ASSETS</b>	<b>\$ 821,805,289</b>	<b>\$ 894,456,945</b>	
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable & Accrued Liabilities	\$ 37,095,924	\$ 34,039,898	6
Due to State and Component Units	8,593,369	6,585,198	7
Deferred Revenue	59,067,332	89,137,649	8
Long-Term Liabilities-Current Portion	7,501,452	8,442,652	
<b>Total Current Liabilities</b>	<b>112,258,077</b>	<b>138,205,397</b>	
Noncurrent Liabilities:			
Bonds and Revenue Certificates Payable	138,091,842	132,355,661	9
Capital Leases Payable	2,018,638	1,953,675	
Compensated Absences Payable	24,337,026	24,765,780	10
<b>Total Noncurrent Liabilities</b>	<b>164,447,506</b>	<b>159,075,116</b>	
<b>TOTAL LIABILITIES</b>	<b>276,705,583</b>	<b>297,280,513</b>	
<b>NET ASSETS</b>			11
Invested In Capital Assets, Net of Related Debt	443,915,657	442,711,446	
Restricted for Expendable:			
Debt Service	1,004,843	359,838	
Loans	127,006	3,296,532	
Capital Projects	7,567,827	23,746,354	
Other Restricted Net Assets	1,542,786	17,463,834	
Unrestricted	90,941,587	109,598,428	
<b>TOTAL NET ASSETS</b>	<b>545,099,706</b>	<b>597,176,432</b>	
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 821,805,289</b>	<b>\$ 894,456,945</b>	

**FLORIDA INTERNATIONAL UNIVERSITY  
(EXCLUDING COMPONENT UNITS)  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

	Unaudited Nine months ended 3/31/2006	Unaudited Nine months ended 3/31/2007	
<b>OPERATING REVENUES</b>			<b>21</b>
Student Tuition and Fees	\$ 116,610,139	\$ 130,112,344	<b>12</b>
Scholarship allowance	(39,530,977)	(42,423,544)	
Student Tuition and Fees, net of Allowance	77,079,162	87,688,800	
Federal Grants and Contracts	47,128,233	55,002,719	
State and Local Grants and Contracts	7,744,242	5,621,152	
Nongovernmental Grants and Contracts	4,031,654	3,866,000	
Sales and Services of Auxiliary Enterprises	34,238,217	60,005,825	
Other Operating Revenues	10,663,370	11,644,962	
<b>Operating Revenues</b>	<b>180,884,878</b>	<b>223,829,458</b>	
<b>OTHER REVENUES FROM STATE AND CERTAIN FINANCIAL AID SOURCES</b>			
State Appropriations	145,184,729	159,752,477	<b>13</b>
Financial Aid Nonoperating Revenues	46,149,296	50,549,090	<b>14</b>
<b>Other Revenues</b>	<b>191,334,025</b>	<b>210,301,567</b>	
<b>Total Revenues</b>	<b>372,218,903</b>	<b>434,131,025</b>	
<b>OPERATING EXPENSES</b>			
Compensation and Employee Benefits	223,938,828	242,157,525	<b>15</b>
Other Operating Expenses:			
Scholarships and Fellowships	34,803,749	41,547,968	
Other Operating Expenses	22,785,695	24,214,141	<b>16</b>
Contractual Services	21,754,006	24,458,497	<b>17</b>
Depreciation Expense	19,278,101	24,445,716	
Utilities	12,258,164	13,593,290	
Materials and Supplies	10,759,621	14,002,372	
Repairs and Maintenance	5,878,525	7,919,112	
Travel Expenses	5,215,689	5,860,905	
Insurance Expenses	3,774,342	3,808,807	
Other Operating Expenses	136,507,892	159,850,808	
<b>Total Operating Expenses</b>	<b>360,446,720</b>	<b>402,008,333</b>	
<b>Income before Other Non-operating items</b>	<b>11,772,183</b>	<b>32,122,692</b>	
<b>OTHER NON-OPERATING REVENUES (EXPENSES)</b>			
Capital Appropriations	45,003,659	23,313,275	<b>18</b>
Interest on Asset-Related Debt	(3,422,760)	(3,343,983)	
Investment Income	3,136,237	5,285,582	<b>19</b>
Net Unrealized Gains/(Losses) on Investments	23,274	6,451,927	<b>19</b>
Capital Grants, Contracts and Donations	478,107	630,371	
Other Nonoperating Expenses	(142,884)	(181,269)	
<b>Total Non Operating Revenues (Expenses)</b>	<b>45,075,633</b>	<b>32,155,903</b>	
<b>Increase in Net Assets</b>	<b>56,847,816</b>	<b>64,278,595</b>	
<b>Net Assets, Beginning of the Year</b>	<b>488,251,890</b>	<b>532,897,837</b>	
<b>Net Assets, Nine Months Ended</b>	<b>\$ 545,099,706</b>	<b>\$ 597,176,432</b>	

**FLORIDA INTERNATIONAL UNIVERSITY  
(EXCLUDING COMPONENT UNITS)  
STATEMENT OF CASH FLOWS**

	Unaudited Nine months ended 03/31/2006	Unaudited Nine months ended 03/31/2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and Fees	\$ 81,010,515	\$ 86,713,750
Grants & Contracts	55,746,395	66,456,045
Sales & Services of Auxiliary Enterprises	32,500,518	57,595,762
Sales & Services of Educational Departments	2,460,478	2,314,794
Interest on Loans Receivable	113,594	71,377
Other Operating Receipts	13,037,267	4,431,615
Payments to Employees	(226,752,041)	(244,688,173)
Payments to Suppliers for Goods and Services	(81,783,450)	(94,989,407)
Payments to Students for Scholarships & Fellowships	(34,803,749)	(41,547,968)
Net Loans Issued to Students	611,711	968,633
<b>Net Cash Used by Operating Activities</b>	<b><u>(157,858,762)</u></b>	<b><u>(162,673,572)</u></b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
State Appropriations	145,184,729	159,752,477
Operating Subsidies and Transfers	(1,708,651)	(1,289,115)
Net Change in Funds Held for Others	3,739,568	7,173,327
Other Nonoperating Receipts	46,174,821	50,549,090
Other Nonoperating Expenses	-	(245,494)
<b>Net cash Provided by Noncapital Financing Activities</b>	<b><u>193,390,467</u></b>	<b><u>215,940,285</u></b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Appropriations	48,144,853	62,324,868
Capital Subsidies and Transfers	(3,974,559)	(49,879,983)
Other Receipts for Capital Projects	-	417,871
Capital Gifts and Grants	478,107	501,871
Proceeds from Capital Debt and New Lease Obligations	475,262	1,542,999
Purchases of Capital Assets	(64,776,681)	(56,867,628)
Principal Paid on Capital Debt and Lease	(1,937,823)	(1,274,499)
Interest Paid on Asset Related Debt and Lease	(3,422,760)	(3,343,983)
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b><u>(25,013,601)</u></b>	<b><u>(46,578,484)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investments, Net	(15,785,107)	(13,643,548)
Investment Income	3,307,993	5,215,123
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b><u>(12,477,114)</u></b>	<b><u>(8,428,425)</u></b>
<b>NET INCREASE IN CASH AND EQUIVALENTS</b>	<b>(1,959,010)</b>	<b>(1,740,196)</b>
Cash and Cash Equivalents, Beginning of Year	3,889,279	6,429,746
<b>Cash and Cash Equivalents, Nine Months Ended</b>	<b><u>\$ 1,930,269</u></b>	<b><u>\$ 4,689,550</u></b>

**FLORIDA INTERNATIONAL UNIVERSITY  
(EXCLUDING COMPONENT UNITS)  
STATEMENT OF CASH FLOWS (Continued)**

	<b>Unaudited Nine months ended 03/31/2006</b>	<b>Unaudited Nine months ended 03/31/2007</b>	<b>Notes</b>
<b>Reconciliation of Net Operating Loss to Net Cash used by Operating Activities:</b>			
Operating Loss	(179,561,842)	(178,178,875)	<b>20</b>
Net Operating Loss to Net Cash Used by Operating Activities:			
Depreciation Expense	19,278,101	24,445,716	
Change in Assets and Liabilities:			
Accounts Receivable	5,365,145	(8,060,969)	
Loans & Note Receivable, Net	611,711	966,403	
Contracts and Grants Receivable	(3,157,734)	1,966,175	
Inventories	1,305,091	(156,995)	
Other Assets	(395,018)	(351,732)	
Accounts Payable	(267,480)	(623,557)	
Salaries and Wages Payable	(2,813,212)	(3,299,437)	
Deposits Payable	398,605	(17,600)	
Compensated Absences Payable	-	768,789	
Deferred Revenue	1,377,871	(131,490)	
<b>Net cash used by Operating Activities</b>	<b>\$ (157,858,762)</b>	<b>\$ (162,673,572)</b>	

**FLORIDA INTERNATIONAL UNIVERSITY**  
**NOTES TO THE UNAUDITED MARCH 31, 2007 STATEMENTS**

- 1 Cash and investments are classified as either restricted or non-restricted based on the fund type that contains the balances. Restricted cash totaled \$3.9 million and \$0.9 million at March 31, 2007 and 2006, respectively. The net cash and investment position for the University was \$178.8 million at March 31, 2007 compared to \$133.9 million at March 31, 2006. The \$44.9 million increase is mainly attributed to collection in accounts receivables from contracts and grants and increased sales and services of auxiliaries including revenues from the new Lakeview Housing complex.

Investments, both restricted and unrestricted, are comprised of the following:

	As of 03/31/2006	As of 03/31/2007
<b>Investment Type:</b>		
State Treasury Special Purpose Investment Pool	\$ 95,992,275	\$ 70,855,870
State Board and Administration	955,194	20,900,706
Externally managed funds:		
Fixed Income Grade Core	24,002,200	31,756,261
Bond Mutual Funds and Hedge funds	6,000,000	16,315,278
S&P 500 Index	-	9,833,700
Real Estate Investment Trusts	-	8,942,331
Treasury Inflation-Protected Securities Index	-	8,268,773
Equities	5,023,275	7,229,324
Subtotal of Externally managed funds	35,025,475	82,345,667
<b>Total Investments</b>	<b>\$ 131,972,944</b>	<b>\$ 174,102,243</b>

- 2 Accounts receivable is comprised of the following balances:

	As of 03/31/2006	As of 03/31/2007
<b>Accounts Receivable, Net:</b>		
Accounts Receivable from students and others	\$ 14,187,891	\$ 18,223,021
Contracts & Grants Receivable	29,753,796	17,197,815
Interest Receivable	602,862	671,450
Less: Allowance for Uncollectible accounts	(9,010,993)	(9,371,214)
<b>Accounts Receivable, Net Total</b>	<b>\$ 35,533,556</b>	<b>\$ 26,721,072</b>

The decrease in Contracts and Grants receivables of \$12.6 million is attributable to continuing emphasis on billing and collection activity by the sponsored research office. The number and dollar value of projects with receivable balances greater than 2 years decreased by 84% and 41%, respectively. For the current projects, those due within 3 months or greater, the focus on keeping billings current has reduced the total number of projects with receivable balances by 47%.

The aging of the March 31, 2007 receivables is shown in the following table including the amounts and percentages contained in the allowance for uncollectible accounts:

Type	Aging	%	Allowance	%
<b>Students &amp; others (a):</b>				
Within one year	11,551,709	63.4%	71,134	0.6%
One to two years	1,391,245	7.6%	1,043,434	75.0%
Older than two years	5,280,067	29.0%	5,016,063	95.0%
	<u>\$ 18,223,021</u>		<u>\$ 6,130,631</u>	
<b>Contracts &amp; Grants :</b>				
Active Grants (c)	<u>\$ 12,379,337</u>	72.0%	0	0.0%
3 to 12 months	1,542,736	9.0%	539,958	35.0%
One to two years	2,921,838	17.0%	2,191,378	75.0%
Older than two years	353,904	2.1%	265,428	75.0%
	<u>4,818,478</u>		<u>2,996,764</u>	
	<u>\$ 17,197,815</u>		<u>\$ 2,996,764</u>	
<b>Interest (b):</b>				
Within one year	405,712	60.4%	3,210	0.8%
One to two years	8,024	1.2%	6,018	75.0%
Older than two years	257,714	38.4%	234,591	91.0%
	<u>\$ 671,450</u>		<u>\$ 243,819</u>	

- (a) Aging based on term  
(b) Aging based on interest due date  
(c) Active grants are defined as those grants whose end date is greater than 90 days prior to the reporting date (grant end date of January 2007 or after for this reporting period). No allowance is taken on these grants.
- 3 Due from State and component units is largely comprised of amounts due from the State for construction related projects. The amounts by project name at March 31, 2007 can be found on the attached schedule (page 11).
- 4 Depreciable capital assets is comprised of the following balances:

	As of 03/31/2006	As of 03/31/2007
<b>Depreciable Capital Assets:</b>		
Buildings	\$ 422,639,425	\$ 528,196,534
Furniture & equipment	120,884,248	136,167,484
Library Resources	79,006,224	87,633,858
Property under Cap. Lease & Improvements	11,290,462	6,827,141
Infrastructure & Other Improvements	10,077,528	10,137,757
Other Fixed Assets	2,035,344	2,437,959
Less: Accumulated Depreciation	(245,860,211)	(290,966,860)
<b>Depreciable Capital Assets Total</b>	<u><b>\$ 400,073,020</b></u>	<u><b>\$ 480,433,873</b></u>

Capital assets increased this fiscal year primarily driven by capitalization of completed buildings such as Lakeview Housing Complex for \$39.9 million, Law School Building for \$34.9 million, Marine Biology for \$13.2 million, Recreation Center for \$7.9 million, and additional capitalizations for the Health and Life Sciences Building of \$2.3 million. Accumulated depreciation increased substantially due to a higher asset base and a change in the estimated useful lives of certain building components. Related to the indirect cost proposal, the University changed the estimated useful lives for building components like roofs, building services (HVAC, fire, etc) to 20-30 years from the previous 50 years.

Furthermore, the increase in furniture and equipment is due to additional purchases during the fiscal year and the reclassification of property items under capital lease that have since matured and, as such, are now reflected under furniture and equipment.

- 5 Non-Depreciable capital assets is comprised of the following balances:

	As of 03/31/2006	As of 03/31/2007
<b>Non-Depreciable Capital Assets:</b>		
Land	\$ 28,400,938	\$ 28,389,550
Construction in Progress	106,038,086	57,359,314
Certain works of art & historical treasures	2,921,497	3,119,453
<b>Non-Depreciable Capital Assets Total</b>	<b>\$ 137,360,521</b>	<b>\$ 88,868,317</b>

The most significant decrease in non-depreciable assets was driven by the change in construction work in progress (CIP). The decrease in CIP is primarily related to the completion of several projects including Lakeview Housing, Law School Building, Marine Biology Building, Recreation Center, and the Health and Life Sciences Building. This decrease was offset by related construction of the Graduate School of Business, Patricia & Phillip Art Museum, Central Utility Plant and other major utility projects throughout campus.

- 6 Accounts payable and accrued liabilities is comprised of the following balances:

	As of 03/31/2006	As of 03/31/2007
<b>Accounts Payable &amp; Accrued Liabilities:</b>		
Accrued Salaries & Wages	\$ 6,671,753	\$ 8,081,789
Deposits Payable	14,337,990	12,677,976
Construction Contracts Payable	14,345,212	8,468,733
Accounts Payable	1,740,969	4,811,400
<b>Accounts Payable &amp; Accrued Liabilities Total</b>	<b>\$ 37,095,924</b>	<b>\$ 34,039,898</b>

The decrease in construction contracts payable was due to the completion of the major projects listed in note 5 above that have since been capitalized.

- 7 Due to State and component units primarily includes \$8.0 million and \$6.5 million due to FIU Research Foundation, Inc. as of March 31, 2006 and March 31, 2007, respectively. The balance also includes building and capital improvement fees collected from students and amounts due to the State for unemployment compensation totaling \$128,009 at March 31, 2007. The decrease is attributable to the quarterly payments sent to the Research Foundation for loan payments as well as the remittance of building and capital improvement fees to the State.
- 8 Deferred revenues relate to funding for construction projects due from the State but not yet authorized for spending. Once the spending authority is granted to the University the revenues are recognized. Deferred revenues also consist of grant payments made to FIU in advance of performing the research. As of March 31, 2007, these balances were \$82.9 million and \$6.2 million, respectively. See the attached schedule for a listing of projects which comprise the \$82.9 million.

- 9 Amounts represent the long term portion of local bonds issued for parking and housing complexes and revenue certificates bonds payable issued by the State for construction projects. Interest totaling \$2.7 million was paid related to student housing and parking bonds and \$495,871 related to Academic and Student Services facilities revenue certificate bonds for the first two quarters of the fiscal year. No interest or principal payments were required for the third quarter. Principal payments are made once a year, in June. Interest payments are made in December and June of every year.

<b>Bond Type and Series</b>	<b>Amount of Original Issue</b>	<b>Amount Outstanding (1)</b>	<b>Interest Rates (Percent)</b>	<b>Maturity Date To</b>
<b>Student Housing and Parking:</b>				
1995 Parking Garage I	\$ 7,780,000	\$ 4,851,100	4.90-5.375	2016
1998 Housing II	26,525,000	23,300,080	4.30-6.30	2028
1999 Parking Garage II	7,530,000	5,771,701	4.70-5.625	2019
2000 Housing III	14,605,000	12,928,953	4.50-5.75	2025
2002 Parking Garage III	22,915,000	19,892,269	2.75-4.60	2022
2004 A Lakeview Housing & 1993 Refunding	53,915,000	52,690,083	4.00-5.00	2034
<b>Total Student Housing and Parking Bonds</b>	<b>133,270,000</b>	<b>119,434,186</b>		
<b>Academic and Student Services Facilities:</b>				
1997	2,936,719	89,329	5.10	2007
1997A	4,360,924	3,760,109	4.50-5.00	2016
1998	5,643,367	4,385,817	4.00-5.00	2023
2001	5,566,922	4,867,715	4.00-5.00	2026
2003 A	5,049,124	3,620,575	5.00	2013
2005A	2,257,296	2,081,187	3.625-4.125	2022
<b>Student Services Facilities Bonds</b>	<b>25,814,352</b>	<b>18,804,732</b>		
<b>Total Current and Noncurrent</b>	<b>\$ 159,084,352</b>	<b>\$ 138,238,918</b>		
<b>Current Bonds and Revenue Certificates</b>		\$ 5,883,257		
<b>Noncurrent Bonds and Revenue Certificates</b>		132,355,661		
		<b>\$ 138,238,918</b>		

Note: (1) Amount outstanding includes unamortized bond discounts, premiums, and deferred losses on refunding issues.

- 10 This amount represents the long term portion of the university's compensated absence liability for unused annual and sick leave earned by its employees. The amount shown for March 2006 reflects the liability as of June 30, 2005.
- 11 Total net assets increased by \$52.1 million. The increase resulted mainly from the increases in capital projects and restricted scholarship funds. The unrestricted net asset balance is comprised mainly of net assets for the operating funds such as Educational and General, Auxiliary, Activity and Service, Athletics, and the Unrestricted Sponsored Research funds. Net Assets Invested in Capital Assets, Net of Related Debt is the largest component of net assets which totaled \$442.7 million and consists of capital assets, less accumulated depreciation and is reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction or improvement of these assets. The decrease of \$1.2



million in Net Assets Invested in Capital Assets was due mainly to the accelerated accumulated depreciation related to the change in estimated useful lives for certain building components. The restricted net assets consist of debt service held for the retirement of debt, capital project for the construction, renewal and replacement of net assets restricted loans, scholarships and research funds. The increase of \$34.6 million in Restricted Net Assets is mainly attributable to financial aid for scholarships and loans and the funding of additional capital projects underway.

- 12 Student tuition and fees, net of scholarship allowance, includes undergraduate and graduate tuition for in-state and out of state students, athletic fees, student activity fees and health fees. Student tuition and fees have been earned and recorded while associated expenses for providing services have not been fully incurred. Student tuition and fees is comprised of the following balances:

	Nine months ended 03/31/2006			Nine months ended 03/31/2007	
		%			%
<b>Student Tuition and Fees:</b>					
Undergraduate Studies	\$ 63,706,829	54.6%	\$ 68,884,445	52.9%	
Graduate Studies	20,823,492	17.9%	25,863,080	19.9%	
Law	1,937,764	1.7%	2,539,568	2.0%	
Financial Aid Fees	4,317,200	3.7%	4,860,172	3.7%	
Student Activity Fees	7,778,866	6.7%	8,244,145	6.3%	
Athletic Fees	9,362,459	8.0%	9,916,114	7.6%	
Health Fees	3,614,023	3.1%	4,637,119	3.6%	
Other Registration Fees	4,459,675	3.8%	4,539,699	3.5%	
Other Fees	609,831	0.5%	628,002	0.5%	
<b>Student Tuition and Fees Total</b>	<b>\$ 116,610,139</b>		<b>\$ 130,112,344</b>		

- 13 State appropriations represent revenue received from the State of Florida based on FTE's.
- 14 Financial aid non-operating revenues are associated with the Pell, Bright Futures, FSAG and SEOG financial aid programs. These revenues are required to be classified as non-operating revenues because they represent nonexchange transactions.

- 15 Compensation and employee benefits is comprised of the following:

	Nine months ended 03/31/2006	Nine months ended 03/31/2007
<b>Compensation and Employee Benefits:</b>		
Permanent Salaries	\$ 142,632,730	\$ 156,444,850
Temporary Salaries	42,267,375	42,738,401
Social Security Matching	11,384,725	12,132,330
Retirement Benefits	13,936,014	16,010,416
Employee Benefits	13,426,777	14,525,319
Salary Assessments	291,207	306,209
<b>Compensation and Employee Benefits Total</b>	<b>\$ 223,938,828</b>	<b>\$ 242,157,525</b>

- 16 Other operating expenses are comprised of charges coded to a miscellaneous account, bad debt expense for allowances recorded for uncollectible amounts, food products purchased, auxiliary overhead charges, rental of facilities, certain software licenses, athletic guarantees and equipment purchased below our capitalization threshold.

- 17 Contractual services is comprised of the following:

	Nine months ended 03/31/2006	Nine months ended 03/31/2007
<b>Contractual Services:</b>		
Professional Services	\$ 7,927,699	\$ 8,737,025
Grant subcontracts	5,631,964	7,822,342
Consulting Services	3,854,591	3,165,818
Contractual Services	1,526,381	1,463,727
Promotional and other Advertising	1,078,573	925,477
Construction Services	542,046	879,522
Legal Fees & Services	583,350	623,509
Entertainment Services	175,379	331,865
Employment Advertising	71,217	169,204
Information Tech. Services	139,808	160,656
Other contractual services	222,998	179,352
<b>Contractual Services Total</b>	<b>\$ 21,754,006</b>	<b>\$ 24,458,497</b>

- 18 Capital appropriations are revenues recognized once the State authorizes spending on construction projects. See the attached schedule for a listing of projects which comprise the \$23.3 million.

- 19 Investment income is interest and dividends paid on investments held with the State Treasury, State Board of Administration and outside investment managers. Net unrealized gains/losses on investments represent the change in the fair market value as of March 31, 2007 of investment holdings which are considered long term investments.

- 20 The operating loss shown on the Statement of Cash Flows excludes State appropriations and certain non-operating financial aid revenues as is required by

GAAP which were reclassified for management reporting purposes on the Statement of Revenues, Expenses and Changes in Net Assets.

- 21 Certain balances for March 31, 2006 have been restated from prior reports provided in order to allow for comparability to March 31, 2007.

FLORIDA INTERNATIONAL UNIVERSITY  
DUE FROM STATE, DEFERRED REVENUES AND CAPITAL APPROPRIATIONS  
AS OF MARCH 31, 2007

	A	B	A-B	C	A-C	D	B - D
Project Name	Appropriation	Authorized Encumbrance Cumulative	Deferred Revenues	Receipts	Due From State and Component Units	Authorized Encumbrance Prior Year	Current Year Revenues
College of Law	37,642,234	37,122,126	520,108	35,452,677	2,189,557	31,768,882	5,353,244
Graduate School of Business	27,316,233	22,088,236	5,227,997	16,370,254	10,945,979	21,275,822	812,414
Social Science Building	22,849,971	3,000,000	19,849,971	89,474	22,760,497	3,000,000	-
Molecular Biology, University Park	20,468,243	5,000,000	15,468,243	250,000	20,218,244	5,000,000	-
Graduate Classroom Building	18,619,835	-	18,619,835	-	18,619,835	-	-
Frost Art Museum	15,070,565	12,528,251	2,542,314	11,160,262	3,910,303	12,528,251	-
Marine Biology	12,950,000	12,950,000	-	12,350,000	600,000	12,350,000	600,000
Science Classroom Building	9,000,000	-	9,000,000	-	9,000,000	-	-
Football Stadium Expansion	6,675,000	2,675,000	4,000,000	317,521	6,357,479	-	2,675,000
Recreation Center - Phase I	5,520,106	5,520,106	-	5,520,106	-	3,720,106	1,800,000
Public Safety Building	3,131,025	-	3,131,025	-	3,131,025	-	-
FIU Training Room	1,563,527	1,563,527	-	1,361,565	201,962	-	1,563,527
Coaches Offices	1,425,000	1,425,000	-	-	1,425,000	-	1,425,000
Athletics Academic Support Center	100,000	100,000	-	-	100,000	-	100,000
Utility, infrastructure and capital renovation, roofs	22,000,000	17,500,000	4,500,000	10,930,000	11,070,000	12,000,000	5,500,000
Remodeling, renovation, maintenance and repair, and site improvement	10,443,787	10,443,787	-	5,729,697	4,714,090	6,959,697	3,484,090
<b>Subtotal</b>	<b>214,775,526</b>	<b>131,916,033</b>	<b>82,859,493</b>	<b>99,531,556</b>	<b>115,243,971</b>	<b>108,602,758</b>	<b>23,313,275</b>
<b>Non-construction related amounts</b>			<u>6,278,156</u>		<u>23,742</u>		<u>-</u>
<b>Balance per Financial Statement</b>			<u><b>89,137,649</b></u>		<u><b>115,267,713</b></u>		<u><b>23,313,275</b></u>

**Steps of Construction Funding:**

- A) Step 1: Appropriation - Receive Appropriation authority from the State - ACCOUNTING: Recognize Receivable as Due From State and increase in liabilities as Deferred Revenue.  
B) Step 2: Request authority to spend - President submits request to spend encumbered funds Due From State for the project - ACCOUNTING: Recognize revenue for the project and reduce deferred amount.  
C) Step 3: Drawdown funds - Request funds to be transferred from State to FIU bank account - ACCOUNTING: Increase cash and reduce amount due from State.

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: FIU FOUNDATION REPORT**

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**PROPOSED COMMITTEE ACTION:**

None. Discussion Item.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- FIU FOUNDATION, INC. - PRELIMINARY  
FINANCIAL STATEMENTS RECAP &  
INVESTMENT SUMMARY, APRIL 30, 2007

**FACILITATOR/PRESENTER:**

- RUSSELL DENTON

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**FIU FOUNDATION, INC.**

**PRELIMINARY  
FINANCIAL STATEMENTS RECAP  
& INVESTMENT SUMMARY**

**April 30, 2007**

# Florida International University Foundation, Inc.

## Preliminary Financial Statements Recap

Through Period Ended April 30, 2007

(In Thousands of Dollars)

	2006-07 10-month Actuals	2006-07 10-month Budget	Variance		2006-07 Annual Budget	2005-06 10-month Actuals	2005-06 Total Year Actuals
<b>RECEIPTS:</b>							
<u>Contributions:</u>							
University-Wide Scholarships/Programs	\$469	\$185	\$284	[1]	\$200	\$286	\$331
Endowments	\$4,872	\$17,974	(\$13,102)	[2]	\$18,440	\$3,503	\$4,417
Building Funds	\$2,130	\$11,255	(\$9,125)	[3]	\$11,350	\$3,687	\$3,817
Colleges, Schools, Centers	\$3,199	\$3,200	(\$1)		\$3,700	\$3,634	\$4,422
Athletics Operations	\$334	\$526	(\$192)	[4]	\$670	\$431	\$632
Alumni Membership	\$122	\$102	\$20		\$140	\$127	\$158
Annual Fund	\$590	\$361	\$229	[5]	\$445	\$258	\$319
<b>TOTAL CONTRIBUTIONS</b>	<b>\$11,716</b>	<b>\$33,603</b>	<b>(\$21,887)</b>		<b>\$34,945</b>	<b>\$11,926</b>	<b>\$14,096</b>
<u>Other Revenues:</u>							
MARC Building - Rental Income	\$1,583	\$1,575	\$8		\$1,575	\$1,579	\$1,584
Estimated Investment Returns	\$16,207	\$5,270	\$10,937	[6]	\$8,050	\$11,416	\$8,825
Administrative Fee	\$0	\$0	\$0		\$0	\$0	\$1,815
<b>TOTAL RECEIPTS</b>	<b>\$29,506</b>	<b>\$40,448</b>	<b>(\$10,942)</b>		<b>\$44,570</b>	<b>\$24,921</b>	<b>\$26,320</b>
<b>EXPENSES:</b>							
<u>Operational</u>							
Annual Fund	\$230	\$286	\$56		\$320	\$293	\$351
Administrative Operating Fund	\$1,140	\$1,378	\$238		\$1,565	\$781	\$1,038
<b>Total Operational Expenses</b>	<b>\$1,370</b>	<b>\$1,664</b>	<b>\$294</b>		<b>\$1,885</b>	<b>\$1,074</b>	<b>\$1,389</b>
<u>University Programs</u>							
University-Wide Scholarships/Programs	\$854	\$340	(\$514)	[7]	\$350	\$350	\$380
Building Funds	\$3,546	\$3,545	(\$1)		\$3,545	\$3,373	\$3,373
Colleges, Schools, Centers	\$4,447	\$4,200	(\$247)		\$5,700	\$4,092	\$5,369
MARC Building	\$629	\$740	\$111	[8]	\$840	\$459	\$872
Athletics	\$163	\$271	\$108		\$315	\$457	\$934
Alumni Programs	\$72	\$111	\$39		\$140	\$148	\$183
General Reserve	\$16	\$30	\$14		\$40	\$16	\$19
Administrative Fee	\$0	\$0	\$0		\$0	\$0	\$1,815
<b>Total University Program Expenses</b>	<b>\$9,727</b>	<b>\$9,237</b>	<b>(\$490)</b>		<b>\$10,930</b>	<b>\$8,895</b>	<b>\$12,945</b>
<b>TOTAL EXPENSES</b>	<b>\$11,097</b>	<b>\$10,901</b>	<b>(\$196)</b>		<b>\$12,815</b>	<b>\$9,969</b>	<b>\$14,334</b>
<b>Excess of Receipts over Expenses</b>	<b>\$18,409</b>	<b>\$29,547</b>	<b>(\$11,138)</b>		<b>\$31,755</b>	<b>\$14,952</b>	<b>\$11,986</b>

### NOTES:

- [1] New fund raising efforts for the First Generation Scholarships have generated approximately \$260,000 in donations.
- [2] A \$10 million pledge expected in January in support of endowed scholarships in the College of Medicine has been withdrawn. A \$5 million pledge payment also in support of endowed scholarships in the College of Medicine expected in January has not yet been received. In October, a \$400,000 pledge payment expected last fiscal year was received in support of the Pino Global Entrepreneurship Center. In addition, several new endowed gifts totaling approximately \$1.5 million have been received for various new programs.
- [3] A \$10 million pledge expected in January in support of the College of Medicine building has been withdrawn. In addition, the following donations have been collected in excess of the budgeted amount: \$250,000 for the Business Building; \$350,000 for the International Hurricane Center; and \$300,000 for the Frost Art Museum. A \$200,000 pledge payment expected in the current fiscal year in support of the arena has been deferred upon mutual agreement between the donor and Athletics department.
- [4] Athletics board dues in the amount of \$48,000 were budgeted for receipt in the current fiscal year but were received and posted on June 30, 2006. In addition, revenues associated with merchandise royalties in excess of \$80,000 have not yet been received but are expected on or before June 30, 2007. Note that current year revenues do not include sponsorship revenues whereas 2005-06 revenues include \$220,000 in sponsorship revenues.
- [5] Unrestricted funds from the university were received in support of administrative operations. This was an unbudgeted receipt. In addition, annual giving revenues are under budget by \$115,000, and there is an additional \$39,000 of uncollected board and council dues. An excess of \$18,000 over budgeted amount, however, has been received from merchandise royalties.
- [6] Upon the recommendation of Consulting Services Group, a 7% investment gain was budgeted for fiscal year 2006-07.
- [7] An unbudgeted payment in excess of \$529,000 was made to the university in December for the First Generation Scholarships.
- [8] The university has not yet billed the Foundation for maintenance, utility and custodial expenses related to the MARC building.



**Florida International University Foundation, Inc.**  
**Preliminary Performance Summary as of**  
**April 30, 2007**

<u><i>Fund/Manager/Inception Date</i></u>	<u>Market Value</u>	<u>% Allocation</u>	<u>Target Allocation</u>	<u>Current Month (03/07-04/07)</u>	<u>Calendar YTD 2007 (12/06-04/07)</u>	<u>Fiscal YTD (06/06-04/07)</u>	<u>Trailing 1 Year (04/06-04/07)</u>	<u>Trailing 3 Year (04/04-04/07)</u>	<u>Trailing 5 Year (04/02-04/07)</u>	<u>Since Investment Inception</u>
<b>Total Fund (6/30/00)</b>	<b>\$128,796,122</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.4%</b>	<b>5.2%</b>	<b>14.6%</b>	<b>12.0%</b>	<b>11.6%</b>	<b>8.9%</b>	<b>4.7%</b>
Total Fund Composite				2.0%	3.8%	13.1%	11.2%	10.6%	8.3%	3.3%
+/- Benchmark				0.4%	1.4%	1.4%	0.8%	1.0%	0.5%	1.4%
<b>Total Equity Accounts (6/30/00)</b>	<b>\$66,821,292</b>	<b>51.9%</b>	<b>50.0%</b>	<b>3.7%</b>	<b>6.9%</b>	<b>20.9%</b>	<b>16.0%</b>	<b>16.9%</b>	<b>11.5%</b>	<b>4.6%</b>
Total Equity Composite				3.5%	5.5%	18.7%	14.7%	16.0%	11.0%	1.8%
+/- Benchmark				0.2%	1.4%	2.2%	1.3%	0.9%	0.5%	2.8%
<b>Total Fixed Income Accounts (6/30/00)</b>	<b>\$31,294,542</b>	<b>24.3%</b>	<b>25.0%</b>	<b>0.6%</b>	<b>1.9%</b>	<b>7.1%</b>	<b>6.2%</b>	<b>4.3%</b>	<b>5.6%</b>	<b>6.2%</b>
Total Fixed Income Composite				0.5%	1.9%	5.8%	6.3%	4.1%	4.7%	5.7%
+/- Benchmark				0.1%	0.0%	1.3%	-0.1%	0.2%	0.8%	0.4%
<b>Total Alternative Investments (3/1/02)</b>	<b>\$30,680,288</b>	<b>23.8%</b>	<b>25.0%</b>	<b>1.8%</b>	<b>5.3%</b>	<b>11.6%</b>	<b>10.1%</b>	<b>9.4%</b>	<b>8.9%</b>	<b>8.9%</b>
Total Alternative Composite				1.1%	2.6%	10.0%	9.2%	6.6%	6.1%	5.7%
+/- Benchmark				0.7%	2.6%	1.6%	0.9%	2.8%	2.9%	3.3%

Florida International University Foundation, Inc.  
Preliminary Performance Summary as of  
April 30, 2007

<i>Fund/Manager/Inception Date</i>	Market Value	% Alloc.	Target Alloc.	Current Month (03/07-04/07)	Calendar YTD 2007 (12/06-04/07)	Fiscal YTD (06/06-04/07)	Trailing 1 Year (04/06-04/07)	Trailing 3 Year (04/04-04/07)	Trailing 5 Year (04/02-04/07)	Since Investment Inception
<b><u>Domestic Equity Managed Accounts</u></b>										
Atalanta Sosnoff Large Cap Growth (3/1/06)	\$15,910,065	12.4%	12.5%	4.0%	4.5%	18.4%	13.5%	N/A	N/A	13.4%
Russell 1000 Growth Index				4.7%	6.0%	16.7%	12.3%	9.1%	6.2%	11.7%
Wedge Capital Large Cap Value QVM (12/29/06)	\$16,066,770	12.5%	12.5%	4.6%	8.4%	N/A	N/A	N/A	N/A	8.4%
Russell 1000 Value Index				3.7%	5.0%	20.4%	18.2%	16.8%	11.8%	5.0%
Advisory Research Small Cap Value (6/1/01)	\$9,107,268	7.1%	7.5%	1.0%	3.2%	13.2%	10.1%	20.9%	15.7%	17.0%
Russell 2000 Value				1.0%	2.5%	14.6%	11.2%	16.9%	13.1%	14.3%
IronBridge Small Cap Core Equity (12/2/03)	\$9,018,539	7.0%	7.5%	3.1%	8.3%	17.8%	11.7%	14.9%	N/A	13.6%
Russell 2000 Small Cap Index				1.8%	3.8%	13.5%	7.8%	14.7%	11.1%	13.3%
<b><u>International Equity Managed Accounts</u></b>										
Julius Baer International Equity Fund (12/2/03)	\$8,956,513	7.0%	5.0%	5.0%	10.3%	30.4%	21.9%	27.4%	N/A	26.6%
MSCI EAFE Index				4.5%	8.9%	25.0%	20.3%	23.0%	17.1%	22.7%
ING International Value A (6/1/01)	\$7,762,136	6.0%	5.0%	3.4%	8.3%	25.5%	19.6%	22.1%	17.1%	13.3%
MSCI EAFE Index				4.5%	8.9%	25.0%	20.3%	23.0%	17.1%	12.1%
<b><u>Core Fixed Income Managed Accounts</u></b>										
Seneca Enhanced Core Fixed (6/1/01)	\$9,454,624	7.4%	10.0%	0.5%	1.9%	6.9%	7.2%	4.3%	5.6%	5.6%
Lehman Brothers Aggregate Index				0.5%	2.1%	7.3%	7.4%	4.4%	5.1%	5.5%
Hillswick Asset Management (6/1/01)	\$5,044,813	3.9%	10.0%	0.7%	1.8%	8.0%	8.1%	4.4%	5.8%	6.0%
Lehman Brothers Aggregate Index				0.5%	2.1%	7.3%	7.4%	4.4%	5.1%	5.5%
<b><u>Alternative Investments</u></b>										
Crystal Associates Topaz Fund (3/1/02)	\$11,245,635	8.8%	10.0%	2.0%	4.5%	12.2%	11.1%	9.4%	10.2%	10.3%
Lehman Brothers Aggregate Index				0.5%	2.1%	7.3%	7.4%	4.4%	5.1%	4.9%
Ironwood Partners (03/01/04)	\$8,668,616	6.8%	7.5%	1.4%	5.7%	10.4%	10.2%	9.8%	N/A	9.4%
Lehman Brothers Aggregate Index				0.5%	2.1%	7.3%	7.4%	4.4%	5.1%	0.8%
Ironwood Partners (NDM Gift) (08/01/05)	\$1,518,362	1.2%	N/A	1.4%	5.7%	10.4%	10.2%	N/A	N/A	11.8%
Lehman Brothers Aggregate Index				0.5%	2.1%	7.3%	7.4%	4.4%	5.1%	3.8%
Collins Capital (3/1/07)	\$4,182,238	3.3%	3.8%	2.6%	N/A	N/A	N/A	N/A	N/A	4.6%
Titan Advisors (3/1/07)	\$4,152,626	3.2%	3.8%	1.8%	N/A	N/A	N/A	N/A	N/A	3.8%
50% S&P 500/ 50% Leh Agg				2.5%	3.6%	12.8%	11.3%	8.4%	7.0%	3.1%
DTC Private Equity (\$5 Million Commitment)	\$500,000	0.4%								
Austin Capital All Seasons Fund (3/1/02)	\$412,811	0.3%								
<b><u>Common Fund &amp; Gift Annuity Accounts</u></b>										
Common Fund Short Term Bond (6/1/85)	\$913,110	0.7%	N/A	0.4%	2.4%	5.3%	6.1%	4.3%	3.2%	5.4%
90 Day T-Bills				0.4%	1.7%	4.2%	5.0%	3.5%	2.6%	4.8%
SunTrust Balanced Annuity Account (10/22/03)	\$633,849	0.5%	N/A	1.7%	2.9%	8.3%	4.4%	6.1%	N/A	6.8%
70% Lehman Aggregate / 30% S&P 500				1.7%	3.0%	10.6%	9.7%	6.8%	N/A	6.8%
State of Florida Treasurer Fund (4/1/03)	\$15,248,146	11.9%	5.0%	0.5%	1.6%	4.3%	4.8%	3.8%	N/A	3.8%
90 day T-bill				0.4%	1.7%	4.2%	5.0%	3.5%	2.6%	2.8%
<b>Total Common Fund &amp; Annuity</b>	\$16,795,105									

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: TREASURY REPORT**

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**PROPOSED COMMITTEE ACTION:**

None. Discussion Item.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- TREASURY REPORT - UNIVERSITY INVESTMENT COMMITTEE

**FACILITATOR/PRESENTER:**

- RUSSELL DENTON

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## ***BOARD OF TRUSTEES TREASURY REPORT***

JUNE 19, 2007

### **University Investment Committee Meeting**

The University Investment Committee meeting was held on May 2, to evaluate the quarterly performance for the university's operating fund as of March 31, 2007. The meeting topics included manager performance results for the third quarter, State Treasury and SBA – LGIP investment yields, rebalancing, asset allocation review, and future meetings.

During the meeting, the allocation of the funds in the Working Capital Pool was discussed. It was recommended that the amount of funds in the SBA – LGIP account not exceed 40% of the Working Capital Pool. Investments held in the State Treasury would account for the remaining funds in this pool. Due to the investment strategy of each investment vehicle, this split would keep the pool in compliance with the board approved investment policy.

The committee unanimously approved the termination of two managers within the following asset classes: Fixed Income (investment grade) and Small Cap U.S. Equities. Due to underperformance against their respective benchmarks and changes in the management structure, the services of Lotsoff Capital Management and Weiss, Peck & Greer will no longer be utilized once replacement managers can be selected. At the time of this report's creation, the RFP process was initiated to select appropriate replacement managers.

The committee approved an increase in the amount of funds invested with external managers. This new investment amount was calculated based on a forecasted cash flow model that determined the average total cash and investments balances would meet or exceed \$165.0M over the next six months. This decision increased the investment base by \$35.0M from a previously established base of \$130.0M. A revised cash flow forecast will be produced quarterly with the investment base being adjusted accordingly at the following investment committee meeting.

Finally, the committee was presented with an asset allocation review and recommendations from the Wilshire Consulting Group. The recommendation included the adoption of an alternative asset allocation mix for the Strategic Capital and Reserve Pool as well as a reduction in the allocation to the Working Capital Pool. The changes to the current portfolio are expected to increase the expected return of the portfolio while maintaining the expected volatility.

*Exhibit A* depicts the current portfolio asset allocation and the recommended portfolio asset allocation.

*Exhibit A*

<b><u>Current Portfolio</u></b>	<b>Working Capital Pool</b>	<b>Strategic Capital Pool</b>	<b>Reserve Pool</b>	<b>Total Combined</b>
<b><u>% of Total</u></b>	<b>40%</b>	<b>50%</b>	<b>10%</b>	<b>100%</b>
Cash Equivalents	40.00	0.00	0.00	16.00
Short - Int. Fixed Income	60.00	0.00	0.00	24.00
Fixed Income (Inv. Grade)	0.00	40.00	40.00	24.00
TIPS	0.00	10.00	10.00	6.00
High Yield	0.00	10.00	10.00	6.00
<b><u>Total Fixed Income</u></b>	<b>100.00</b>	<b>60.00</b>	<b>60.00</b>	<b>76.00</b>
<b><u>Absolute Return</u></b>	<b>0.00</b>	<b>10.00</b>	<b>10.00</b>	<b>6.00</b>
<b><u>REITS</u></b>	<b>0.00</b>	<b>10.00</b>	<b>10.00</b>	<b>6.00</b>
U.S. Equity	0.00	15.00	15.00	9.00
International Equity	0.00	5.00	5.00	3.00
<b><u>Total Equity</u></b>	<b>0.00</b>	<b>20.00</b>	<b>20.00</b>	<b>12.00</b>
<b><u>Expected Return</u></b>	3.92	6.59	6.59	5.55
<b><u>Risk (Standard Deviation)</u></b>	2.77	5.93	5.93	4.29

<b><u>Recommended Portfolio</u></b>	<b>Working Capital Pool</b>	<b>Strategic Capital Pool</b>	<b>Reserve Pool</b>	<b>Total Combined</b>
<b><u>% of Total</u></b>	<b>30%</b>	<b>60%</b>	<b>10%</b>	<b>100%</b>
Cash Equivalents	40.00	0.00	0.00	12.00
Short - Int. Fixed Income	60.00	0.00	0.00	18.00
Fixed Income (Inv. Grade)	0.00	30.00	30.00	21.00
TIPS	0.00	20.00	20.00	14.00
High Yield	0.00	5.00	5.00	3.50
<b><u>Total Fixed Income</u></b>	<b>100.00</b>	<b>55.00</b>	<b>55.00</b>	<b>68.50</b>
<b><u>Absolute Return</u></b>	<b>0.00</b>	<b>20.00</b>	<b>20.00</b>	<b>14.00</b>
<b><u>REITS</u></b>	<b>0.00</b>	<b>5.00</b>	<b>5.00</b>	<b>3.50</b>
U.S. Equity	0.00	12.50	12.50	8.75
International Equity	0.00	7.50	7.50	5.25
<b><u>Total Equity</u></b>	<b>0.00</b>	<b>20.00</b>	<b>20.00</b>	<b>14.00</b>
<b><u>Expected Return</u></b>	3.92	6.69	6.69	5.88
<b><u>Risk (Standard Deviation)</u></b>	2.77	5.48	5.48	4.31

## Investment Return Performance March 31, 2007

The following table (*Exhibit B*) depicts the third quarter performance as of March 31, 2007.

### *Exhibit B*

**Florida International University  
Performance Summary as of  
March 31, 2007**

<i>Fund/Manager</i>	<b>Market Value</b>	<b>% Allocation</b>	<b>Target Allocation</b>	<b>Current Month (2/07-3/07)</b>	<b>Trailing 3 Months (12/06-3/07)</b>	<b>Calendar YTD 2007 (12/06-3/07)</b>	<b>Fiscal YTD (6/06-3/07)</b>	<b>Trailing 1 Year (2/06-3/07)</b>	<b>Since Investment Inception</b>
<b>Total Combined Pool</b>	<b>\$173,798,557</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.3%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>6.3%</b>	<b>6.9%</b>	<b>6.7%</b>
Benchmark Index				0.3%	1.8%	1.8%	7.5%	7.9%	7.7%
+/- Benchmark				0.0%	-0.3%	-0.3%	-1.2%	-1.0%	-1.0%
<b>Cash Equivalents / Short Fixed Income</b>	<b>\$91,431,370</b>	<b>52.6%</b>	<b>40.0%</b>	<b>0.5%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>4.0%</b>	<b>5.0%</b>	<b>5.0%</b>
91-Day Treasury Bill				0.4%	1.2%	1.2%	3.9%	5.1%	5.1%
+/- Benchmark				0.0%	-0.1%	-0.1%	0.2%	0.0%	0.0%
<b>Total Combined Pool less Cash Equivalents</b>	<b>\$82,367,187</b>	<b>47.4%</b>	<b>60.0%</b>	<b>0.1%</b>	<b>2.1%</b>	<b>2.1%</b>	<b>10.2%</b>	<b>9.9%</b>	<b>9.9%</b>
Benchmark Index				0.2%	2.2%	2.2%	10.0%	9.8%	9.8%
+/- Benchmark				-0.2%	-0.1%	-0.1%	0.2%	0.1%	0.1%

Florida International University  
Performance Summary as of  
March 31, 2007

<i>Fund/Manager/Inception Date</i>	Market Value	% Allocation	Target Allocation	Current Month (2/07-3/07)	Trailing 3 Months (12/06-3/07)	Calendar YTD 2007 (12/06-3/07)	Fiscal YTD (6/06-3/07)	Trailing 1 Year (2/06-3/07)	Since Investment Inception
<b><u>CASH EQUIVALENTS / SHORT FIXED INC</u></b>	<b>\$91,431,370</b>	<b>52.6%</b>	<b>40.0%</b>	<b>0.5%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>4.0%</b>	<b>5.0%</b>	<b>5.0%</b>
91-Day Treasury Bill				0.4%	1.2%	1.2%	3.9%	5.1%	5.1%
+/- Benchmark				0.0%	-0.1%	-0.1%	0.2%	0.0%	0.0%
<b>SBA-LGIP Account</b>	<b>\$20,561,370</b>	<b>11.8%</b>	<b>--</b>	<b>0.5%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>--</b>	<b>--</b>	<b>3.2%</b>
91-Day Treasury Bill				0.4%	1.2%	1.2%	--	--	3.0%
+/- Benchmark				0.0%	0.1%	0.1%	--	--	0.3%
<b>SPIA Account</b>	<b>\$70,870,000</b>	<b>40.8%</b>	<b>--</b>	<b>0.5%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>4.1%</b>	<b>5.1%</b>	<b>5.1%</b>
91-Day Treasury Bill				0.4%	1.2%	1.2%	3.9%	5.1%	5.1%
+/- Benchmark				0.0%	-0.1%	-0.1%	0.2%	--	0.0%
<b><u>DIVERSIFIED FIXED INCOME COMPOSITE</u></b>	<b>\$48,028,578</b>	<b>27.6%</b>	<b>36.0%</b>	<b>0.0%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>6.9%</b>	<b>6.8%</b>	<b>6.8%</b>
Benchmark Index				0.1%	1.9%	1.9%	7.1%	7.2%	7.2%
+/- Benchmark				-0.1%	0.0%	0.0%	-0.3%	-0.4%	-0.4%
<b>Weiss, Peck &amp; Greer (3/31/06)</b>	<b>\$31,713,299</b>	<b>18.2%</b>	<b>24.0%</b>	<b>-0.1%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>6.1%</b>	<b>5.9%</b>	<b>5.9%</b>
Lehman Brothers Aggregate Index				0.0%	1.5%	1.5%	6.7%	6.6%	6.6%
+/- Benchmark				-0.1%	0.0%	0.0%	-0.5%	-0.7%	-0.7%
<b>BlackRock HY Bond (3/31/06)</b>	<b>\$8,421,592</b>	<b>4.8%</b>	<b>6.0%</b>	<b>0.5%</b>	<b>3.1%</b>	<b>3.1%</b>	<b>11.9%</b>	<b>12.3%</b>	<b>12.3%</b>
ML High Yield Master II				0.2%	2.7%	2.7%	11.4%	11.6%	11.6%
+/- Benchmark				0.3%	0.4%	0.4%	0.5%	0.7%	0.7%
<b>Northern Trust TIPS (6/30/06)</b>	<b>\$7,893,687</b>	<b>4.5%</b>	<b>6.0%</b>	<b>0.2%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>4.7%</b>	<b>--</b>	<b>4.7%</b>
Lehman U.S. TIPS Index				0.2%	2.5%	2.5%	4.8%	--	4.8%
+/- Benchmark				-0.1%	-0.1%	-0.1%	-0.1%	--	-0.1%
<b><u>TOTAL FIXED INCOME</u></b>	<b>\$139,459,948</b>	<b>80.2%</b>	<b>76.0%</b>						
<b><u>HEDGE FUND</u></b>									
<b>Aetos Alternatives Mgmt. (3/31/06)</b>	<b>\$8,363,788</b>	<b>4.8%</b>	<b>6.0%</b>	<b>1.3%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>8.6%</b>	<b>--</b>	<b>8.0%</b>
CPI + 3.25%				1.2%	2.6%	2.6%	3.7%	--	4.9%
+/- Benchmark				0.1%	0.8%	0.8%	4.9%	--	3.1%
<b><u>REIT's</u></b>									
<b>Urdang REIT (6/30/06)</b>	<b>\$8,942,332</b>	<b>5.1%</b>	<b>6.0%</b>	<b>-2.9%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>25.1%</b>	<b>--</b>	<b>25.1%</b>
NAREIT Equity				-2.4%	3.5%	3.5%	23.7%	--	23.7%
+/- Benchmark				-0.5%	1.1%	1.1%	1.4%	--	1.4%
<b><u>DOMESTIC EQUITY COMPOSITE</u></b>	<b>\$12,569,634</b>	<b>7.2%</b>	<b>9.0%</b>	<b>0.6%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>11.1%</b>	<b>3.0%</b>	<b>3.0%</b>
DJ Wilshire 5000				1.1%	1.4%	1.4%	13.6%	11.3%	11.3%
+/- Benchmark				-0.5%	-1.3%	-1.3%	-2.5%	-8.3%	-8.3%
<b>Northern Trust S&amp;P 500 (6/30/06)</b>	<b>\$9,833,700</b>	<b>5.7%</b>	<b>--</b>	<b>1.1%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>13.5%</b>	<b>--</b>	<b>13.5%</b>
S&P 500				1.1%	0.7%	0.7%	13.5%	--	13.5%
+/- Benchmark				0.0%	0.0%	0.0%	0.0%	--	0.0%
<b>Lotsoff Small Cap (3/31/06)</b>	<b>\$2,735,934</b>	<b>1.6%</b>	<b>--</b>	<b>-1.1%</b>	<b>-2.0%</b>	<b>-2.0%</b>	<b>2.2%</b>	<b>-7.2%</b>	<b>-7.2%</b>
Russell 2000				1.1%	2.0%	2.0%	11.5%	5.9%	5.9%
+/- Benchmark				-2.2%	-3.9%	-3.9%	-9.3%	-13.1%	-13.1%
<b><u>INTERNATIONAL EQUITY COMPOSITE</u></b>									
<b>The Boston Company Intl Core (3/31/06)</b>	<b>\$4,462,855</b>	<b>2.6%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>20.0%</b>	<b>20.8%</b>	<b>20.8%</b>
MSCI EAFE Index (N)				2.6%	4.1%	4.1%	19.4%	20.2%	20.2%
+/- Benchmark				0.1%	-1.1%	-1.1%	0.7%	0.6%	0.6%
<b><u>TOTAL COMBINED POOL</u></b>	<b>\$173,798,557</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.3%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>6.3%</b>	<b>6.9%</b>	<b>6.7%</b>
Benchmark Index				0.3%	1.8%	1.8%	7.5%	7.9%	7.7%
+/- Benchmark				0.0%	-0.3%	-0.3%	-1.2%	-1.0%	-1.0%



The next meeting of the University Investment Committee will be held in August to review investment performance for the fourth quarter (ending June 30) of the fiscal year.

**MEMBERSHIP**

ALEXANDER G. ZYNE, ASSOC. VICE PRESIDENT FOR REAL ESTATE DEVELOPMENT ,  
UNIVERSITY INVESTMENT COMMITTEE CHAIR

RUSSELL DENTON, UNIVERSITY TREASURER

KIRK LANDON, CHAIR FOR THE BOT FINANCE & AUDIT COMMITTEE.

VIVIAN A. SANCHEZ, CFO AND SENIOR VICE PRESIDENT FINANCE & ADMINISTRATION

DR. WILLIAM WELCH, DEPARTMENT CHAIR AND PROFESSOR FOR FINANCE,  
COLLEGE OF BUSINESS ADMINISTRATION

**CONSULTANT**

MARC FRIEDBERG, VICE PRESIDENT FOR WILSHIRE CONSULTING GROUP

**OTHER STAFF**

BRIAN WSZOLEK, TREASURY MANAGER

Russell Denton  
University Treasurer

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: ENVIRONMENTAL – REGULATORY AND COMPLIANCE**

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**PROPOSED COMMITTEE ACTION:**

None. Discussion Item.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- ENVIRONMENTAL STATUS REPORT:  
JUNE 2007
- SAFETY COMPLIANCE STATUS REPORT:  
JUNE 2007
- INSURANCE STATUS REPORT: JUNE 2007

**FACILITATOR/PRESENTER:**

- JENNIFER MWAISELA

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Florida International University  
Board of Trustees Environmental Status Report  
June 19, 2007

STRATEGY	GOAL	OBJECTIVE	TASKS	STATUS
	Realize organizational commitment to the environment and fulfill FIU Master Plan policy conditions with respect to the environment	Establish Environmental Policy and facilitate periodic Management Review of EMS	Prepare quarterly status report for BOT Audit Committee identifying compliance concerns and forward looking initiatives	Ongoing
		Provide a staff person to serve as Environmental Coordinator to manage the activities of the Natural Resources and Management Committee ( <i>FIU Campus Master Plan</i> )	In lieu of a permanent hire, partner with academic units to provide two "internships" each fiscal year for graduate students with expertise in specific aspects of environmental compliance/resources management  Due Date: July 30,2007	
	Avoid fines and expensive corrective actions	Maintain all environmental permit conditions as required	Ongoing: DERM inspection of January 18, 2007 identified the following:  The vapor recovery cover at W2 (Motor Pool) must be painted orange for identification purposes.	Corrective actions completed within 30 days and no violations were issued.

			Electronic leak detection system for 3 buildings were past due for annual recertification	
		Achieve consistent compliance with environmental regulations	Annually review all rules, regulations and policies governing environmental compliance  Due Date: December 31, 2006	Internal EH&S program management review completed.
		Conduct Comprehensive Compliance Assessment	In lieu of participating in the <i>EPA Region 4 College and University Compliance Incentive Initiative</i> , which requires submitting findings from a comprehensive self-audit and in so doing become eligible to <u>negotiate</u> fines, EH&S will conduct self-audit and submit findings to FIU Executive Operations Committee to determine most appropriate response.  Due Date: December 31, 2007	Plans to conduct comprehensive self-audit, in accordance with EPA Region 4 standards have been made and will be budgeted for in fiscal year 2007-2008.  Mactec Engineering & Consulting, Inc. has been selected, via an RFQ process, to lead this project beginning June 1, 2007, ending October 19, 2007.
		Conduct Environmental Aspects/Impact Analysis	Update and publicize guidelines  Due Date: December 31, 2007	

	<p>Lower day-to-day impact on environment.</p> <p>Realize efficiencies through environmental initiatives</p>	Standardize Environmental Operational Controls	<p>Establish written procedures for all aspects of environmental program management.</p> <p>Revise and update procedures to address conservation and responsible environmental practices</p> <p>Due Date: December 31, 2007</p>	<p>Completed draft of environmental guidelines for contractors working on campus.</p> <p>Completed draft guidelines for use of pesticides on campus.</p> <p>Business Services is conducting a pilot test to determine which brand/content recycled paper consistently works well with copy machines on campus</p> <p>As part of the contract review process Purchasing Services notifies EH&amp;S of all RFP's and Bids such that appropriate language related to environmental responsibility can be incorporated, to the extent that the exercise of such responsibility is not burdensome to the University.</p>
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	<p>Improve relations with regulatory agencies</p> <p>Enhance image and reputation of institution</p> <p>Establish positive community relationships</p>	<p>Develop "Environmental Respect" Communication plan</p>	<p>Due Date: April 16, 2007</p> <p>Publish quarterly newsletter/article in Beacon</p> <p>Establish Environmental Sustainability website</p> <p>Due Date: April 16, 2007 This is an ongoing effort, which has the full support of the University administration.</p>	<p>Newsletter distributed University-wide</p> <p>Stormwater pollution prevention tips published in The Beacon March 1, 2007</p> <p>Draft of web-site completed and distributed for comments</p> <p>Water conservation tip sheet for residential students completed and provided to Housing</p> <p>"Exercising our respect for the Environment" slide included in New Employee Orientation Presentation delivered by EH&amp;S</p> <p>Student Orientation Guide for 2007 will include information on recycling and conservation on campus</p> <p>PowerPoint presentation developed and made available to Freshman Experience Instructors</p>
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**Florida International University**  
**Board of Trustees Safety Compliance Status Report**  
**June 19, 2007**

On February 27, 2007, a Corrective Action Plan was negotiated with the Florida Department of Health; Bureau of Radiation Control, in response to an item of non-compliance. All corrective actions were completed as scheduled and communicated to the Bureau of Radiation Control in on April 23, 2007. Acknowledgement was received from the Bureau on April 27, 2007. No further action is required at this time.

<b>Action Items</b>	<b>Due Date</b>	<b>Status</b>
Each lab (Authorized User) will be required to conduct a monthly inventory of all radioactive sealed sources in their possession. The RSO will audit this log at random and during scheduled inspections.	February 28, 2007	<u>Completed</u>
A "License Conditions Fact Sheet" will be distributed to the users of devices containing sealed sources.	February 28, 2007	<u>Completed</u>
A policy on security in laboratory with special hazards will be prepared by the RSO and submitted to the University Compliance Office for approval and adoption as a University policy.	March 09, 2007	<u>Completed</u>
The RSO will prepare a guidance document on how to coordinate the movement and relocation of specialized scientific research equipment containing radiation sources. FIU Facilities Management Department project managers will be required to follow the guidance document during any renovation or repair in research labs.	March 30, 2007	<u>Completed</u>
The RSO will prepare a 15-minute awareness presentation for Facilities Management project managers to assure they have full understanding and appreciation of the concerns and regulations that apply to management and control of radioactive material, while managing repair and renovation work in and around radioactive materials and sources.	April 15, 2007	<u>Completed</u>
The RSO will conduct a point-by-point compliance audit pertaining to radioactive materials acquired, used and disposed of by the institution.	April 15, 2007	<u>Completed</u>
The RSO will post DOH correspondence Control Number: INS-07-0202-069, which will remain posted until all action items have been completed.	April 15, 2007	Control Number: INS-07-0202-069 was removed April 17, 2007

**Florida International University**  
**Board of Trustees Insurance Status Report**  
**June 19, 2007**

The following action items resulted from a review of the FIU insurance program by the Chair of the FIU BOT Audit & Finance Committee, Mr. Kirk Landon. **Please see comments column for updates.**

Action Item	Status As of May 18, 2007	Comments
Identify best practice loss control practices and initiatives to benchmark and emulate.	Identified) the Campus Safety Health & Environmental Management Association (CHSEMA ) as resource. CHSEMA is an arm of the National Safety Council.  Determined that four members of the State University System and the University of Miami are members of CHSEMA.  CHSEMA compiles information on best practice loss control initiatives. In addition, it issues best in class program awards annually.	FIU is now a member of CHSEMA & University Risk Managers Association (URMIA)  FIU will participate in annual benchmark survey and attend the annual URMIA conference to be better able to identify and implement best practices.  The first seminar attended by staff on May 8-9, 2007 resulted in the implementation of more comprehensive loss control practices, as such relate to camps held on campus and addressing exclusions that exist in the policies purchased for such events.
Given that the University self-insures for physical damage to automobiles - Determine the collision damage exposure / frequency for University vehicles and determine if viable to contract with a body shop in order to obtain favorable repair rates.	EH&S has made preliminary contact with Vehicle Services Supervisor to determine whether such an agreement already exists.  Preliminary evaluation of records on collision damage to FIU vehicles revealed that there were less than 20 automobile collision incidents within the last three years.	Each department that owns university vehicles is responsible to pay the costs for any physical damage to the vehicle.  No formal agreement exists. A follow-up meeting has been scheduled for the second week of June 2007, at which point the determination will be made to close this item or continue to move forward.
Increase deductibles on commercial policies.	EH&S' Internal insurance placement request forms have been updated to permit departments requesting insurance to identify the deductibles they are willing to accept in order to keep premiums as low as possible.	EH&S issues a standard recommendation to all departments with regard to their responsibility to pay the deductible and the benefits of taking higher deductibles.
Eliminate laptop insurance as a coverage option.	This coverage expires on 5/31/07. All departments that own laptops have been notified that this policy will not be renewed.	This laptop insurance policy will not be renewed. EH&S has received no negative feedback from the policyholders regarding cancellation of this coverage.
Evaluate BOT bylaws to determine need for Directors & Officers insurance.	General Counsel Mendoza has completed review of bylaws.	The premium for the existing policy is "fully earned" – in that, there is no prorated reimbursement of premium paid, if the policy is canceled before the expiration date of 12/15/07.

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE**

**19 JUNE 2007**

**SUBJECT: UNIVERSITY COMPLIANCE PROGRAM REPORT**

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**PROPOSED COMMITTEE ACTION:**

None. Discussion Item.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- UNIVERSITY COMPLIANCE OFFICE  
PROGRAM REPORT , MAY 2007

**FACILITATOR/PRESENTER:**

- LEYDA BENITEZ

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## MEMORANDUM

University Compliance Office

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**To:** The Florida International University  
Board of Trustees Finance and Audit Committee

**From:** Leyda Benitez  
University Compliance Officer

**Subject:** University Compliance Program Report

**Date:** May 23, 2007

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The University Compliance Office submits this report to the Finance and Audit Committee of the Florida International University Board of Trustees on the status of compliance initiatives since my last report to this Committee dated March 23, 2007. The first part of this report focuses on compliance initiatives undertaken since my last report; the second addresses the current status of previously reported initiatives. I thank you for this opportunity to update the Board on these important University matters.

### I. Executive Summary:

1. Recently the University Compliance Office has been involved in two major new initiatives. The first involves the development of an educational campaign for University personnel to better understand the ethical framework we are bound to follow pursuant to the Code of Ethics for Public Officers and Employees, which was adopted by the Florida Legislature as Part III of Chapter 112, Florida Statutes.
2. The second initiative consists of, namely, the tracking of existing and proposed regulations addressing financial aid lender inducements; the reviewing of current University financial aid practices; the reviewing of the University's responses to requests for information by the Florida Board of Governors and the State of Florida Office of the Attorney General; and the providing of assistance in the University's response to several public records requests.
3. A brief summary of the current status of ongoing initiatives concludes this report.

II. Status of institutional compliance initiatives not previously reported:

1. The University Compliance Office is developing an educational campaign to address the ethical framework Florida International University employees must follow as employees of the State. We are in the process of finalizing a reference guide to the most salient State of Florida ethical and legal requirements. We are currently developing presentations for various University audiences with the first such presentation scheduled to take place this coming Friday, May 25, 2007.
2. As many of you may know, the Attorney General for the State of New York commenced an investigation targeting “troubling and possibly illegal” practices of the student lending industry. The investigation focuses on the preferred lender lists commonly in use by financial aid offices. The Higher Education Act of 1965, 20 U.S.C. §1085(d)(5), mandates penalties for lenders that offer “directly or indirectly, points, premiums, payments, or other inducements, to any educational institution or individual in order to secure applicants for loans.” As this investigation has unfolded certain abuses in the lending industry, the Attorney General for the State of Florida and the Chancellor, on behalf of the Florida Board of Governors, have also launched inquiries into this area. The Vice President for Enrollment Management Services, Corinne Webb, Director of Financial Aid Services, Francisco Valines and the Office of the General Counsel and University Compliance Office have worked collaboratively in answering to the inquiries received to date, and in responding to various public records requests.
3. Additional significant work accomplished since my last report involved the review of documentation on a sponsored project to assess compliance with state laws and University policies on conflicts of interest and conducting business with one’s agency.
4. The University Compliance Office also reviewed legal obligations regarding the preservation of public records and criminal and civil laws implicated in the event public records are destroyed.
5. Since my last report, a working group consisting of representatives from the Office of Sponsored Research Administration, Payroll, Human Resources and Compliance have met to discuss, in light of applicable federal guidelines and the implementation of the ADP payroll system, a new procedure within Human Resources that will proportionately allocate sick and vacation leave to those individuals who are paid from sponsored projects.

6. In response to the College of Medicine's inquiry, this office reviewed the applicability of Miami-Dade County occupational license requirements to physicians who are, or will be employed by Florida International University.
7. This Office was also involved in communicating to University Facilities and Environmental Health and Safety specific regulatory requirements regarding the handling and disposal of EXIT signs containing Tritium. The University Radiation and Laser Safety Officer conducted an assessment regarding the location of these signs and developed and communicated a mechanism so that both the purchase and disposal of these signs are coordinated through Environmental Health and Safety.

III. Status of specific compliance initiatives previously reported:

1. Purchasing: As previously reported, a working group consisting of representatives from Purchasing, Office of the General Counsel and Compliance met to discuss and draft a policy addressing the solicitation and receipt of gifts by Florida International University employees. This policy is still undergoing internal review. In the meantime, the ethics education sessions that will commence soon will also cover the ethical framework for the solicitation and receipt of gifts by Florida International University employees.
2. Sponsored Research: As previously reported the University's Conflicts of Interest in Research policy was revised and updated in order to more specifically address compliance requirements for federally funded research. This revised policy is undergoing internal review.
3. Radiation Control: As previously reported, the University Compliance Officer is assisting Environmental Health and Safety in the review of a new policy titled, "Security in Laboratories With Special Hazards," which is one of several affirmative steps the University is taking in order to strengthen its radiation safety program. This policy needs to be presented to the Operations Committee for approval.
4. Conflict of interest disclosure process via a centralized database: Once the revised Conflicts of Interest in Research policy is finalized, the centralized database project will continue to move forward. The framework for the database already exists and consistent data elements from all forms (academic affairs, research and human resources) are being inputted for testing. This project should be completed so that it may be used for conflict of interest disclosures during the 2007 Fall term.
5. Development of IT security policies and procedures: As of the last Operations Committee meeting, the University's IT Security Officer presented the framework

for IT security that will be achieved by the University via the implementation of Active Directory. This implementation will have a positive impact in securing the University's IT environment, as well as serve to facilitate the implementation of technical standards the University needs to have in place for compliance with federal laws such as the Gramm-Leach Bliley Act ("GLBA"), the Family Educational Rights and Privacy Act ("FERPA"), and the Health Insurance Portability and Accountability Act ("HIPAA"). During the next thirty (30) days, it is expected that the following procedures will be presented to the Operations Committee for approval:

- Data Stewardship
  - Sharing Access to IT Resources; Password Management
  - System Application Management
  - Responsibilities for FIU IT Administrators
  - Application Software Purchasing, Licensing and Use
  - Acceptable Use Policy
  - Electronic Mail
  - Revocation of Student Networking Privileges
6. Implementation of the Health Insurance Portability and Accountability Act and related Privacy and Security regulations ("HIPAA") is under way. Since my last report the HIPAA Committee has met on several occasions and has: identified the HIPAA security policies that need to be drafted as well as circulated an initial draft; discussed the structure for compliance with the HIPAA National Provider Identifier Rule for University Health Services; discussed and met with representatives from Enrollment Management Services regarding the student medical withdrawal process in order to ensure that health information which is received outside of University Health Services is minimized.
  7. Policies and procedures for Governmental Relations are still in initial draft form. Associate Director of the Office of Sponsored Research Administration Diana Oliva has drafted an initial set of policies, forms and guidance to address state and federal laws regarding lobbying.
  8. The framework for compliance with the Digital Millenium Copyright Act of 1998 (DMCA) has been developed and will be presented to the Operations Committee at its next meeting.
  9. Development of a whistleblower protection regulation is in progress. Task force to come up with this regulation consists of representatives from Internal Audit, General Counsel and Compliance. This regulation should be completed before the commencement of the 2007 Fall term.



10. There are a number of policies that are in various phases of review and approval from diverse areas including Enrollment Management, Intercollegiate Athletics, Environmental Health and Safety, University Foundation and Business and Finance. The University Compliance Officer works with representatives from these areas in order to complete this process. It is expected that by the end of the current fiscal year, policies and procedures presented to date will have been reviewed and approved for posting to the University's Policies and Procedures Library.

I respectfully submit this report to the Finance and Audit Committee of the Florida International University Board of Trustees in anticipation of the meeting scheduled to take place on June 19, 2007. I welcome your questions, comments and concerns. Thank you.

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