



**Board of
Trustees**

FLORIDA INTERNATIONAL UNIVERSITY

FULL BOARD MEETING

Friday, 11 September 2009

9:00 a.m.

Florida International University

Modesto A. Maidique Campus

Football Stadium Club

Miami, Florida

AGENDA

1. **Call to Order and Chair's Remarks** **Chairman Albert E. Dotson, Sr.**
2. **Foundation Report** **Joseph L. Caruncho**
3. **Public Appearances** **Albert E. Dotson, Sr.**
4. **President's Report** **Mark B. Rosenberg**
5. **Action Items – Consent Agenda** **Albert E. Dotson, Sr.**
 - BT1. Minutes, 12 June 2009
 - FA3. Signature Authority – Authorization to sign checks
 - AP1. Tenure as a Condition of Employment Nominations
 - AP2. Request to Terminate Academic Programs
6. **Action Item/Status Reports, Board Committees and Workgroups**
 - **Finance and Audit Committee Report** **Albert Maury**

Action Item (Tab FA)

 - FA2.** Reimbursement of Certain Costs Relating to Parking Garage V Project
 - FA4.** Refunding of FIU Athletic Finance Corporation's \$35 Million in Outstanding Bonds

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|---------------------------------------|-----------------------|
| ▪ Academic Policy Committee Report | Patricia Frost |
| ▪ External Relations Workgroup Report | Miriam López |
| 7. New Business (<i>If any</i>) | Albert E. Dotson, Sr. |
| 8. Concluding Remarks and Adjournment | Albert E. Dotson, Sr. |

The next Full Board meeting is scheduled for Friday, 20 November 2009

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Call to Order and Chair's Remarks

Proposed Board Action

None. Information only.

Authority for Board Action

N/A

Background Information

Albert E. Dotson, Sr., FIU Board of Trustees Chair, will convene the meeting with opening remarks.

Exhibits/Supporting Documentation:

▪ N/A

Facilitator/Presenter:

▪ Albert E. Dotson, Sr.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Foundation Report

Proposed Board Action

None. Information only.

Authority for Board Action

N/A

Background Information

Joseph L. Caruncho, FIU Foundation, Inc. Board of Directors Chair, will report on the activities of the Foundation Board since the last meeting of the Board of Trustees.

Exhibits/Supporting Documentation:

▪ N/A

Facilitator/Presenter:

▪ Joseph L. Caruncho

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Public Appearances

Proposed Board Action

None. Information only.

Authority for Board Action

N/A

Background Information

Public Comment Period (if timely requested and approved)

Exhibits/Supporting Documentation:

▪ N/A

Facilitator/Presenter:

▪ Albert E. Dotson, Sr.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: President's Report

Proposed Board Action

None. Information only.

Authority for Board Action

N/A

Background Information

Mark B. Rosenberg, President, will provide the University report.

Exhibits/Supporting Documentation:

▪ N/A

Facilitator/Presenter:

▪ Mark B. Rosenberg

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Consent Agenda

Proposed Board Action:

Adopt the following Resolution:

RESOLVED, that the following matters included in the Consent Agenda are hereby approved:

BOARD OF TRUSTEES

BT1. Minutes, 12 June 2009

FINANCE AND AUDIT COMMITTEE

FA3. Signature Authority – Authorization to Sign Checks

ACADEMIC POLICY COMMITTEE

AP1. Tenure as a Condition of Employment Nominations

AP2. Request to Terminate Academic Programs

FURTHER RESOLVED that Exhibits “A,” “B,” and “C” are attached to this Resolution and made part of the minutes for this meeting.

Exhibits/Supporting Documents:

- BT1. Board of Trustees Minutes 6.12.09 –
(Exhibit “C”)
- **Finance and Audit Committee item**
*(Information behind the Finance and Audit
Committee tab)*
- **Academic Policy Committee items**
*(Information behind the Academic Policy
Committee tab)*

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Full Board Meeting Minutes, 12 June 2009

Proposed Board Action:

Adopt the following Resolution:

RESOLVED that the minutes of the meeting of the Florida International University Board of Trustees' Meeting held on 12 June 2009, attached to this Resolution as Exhibit "C," are hereby approved.

Exhibits/Supporting Documents:

- Exhibit "C": 12 June 2009 Full Board meeting minutes

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**BOARD MEETING
MINUTES
12 JUNE 2009**

1. Call to Order and Chair's Remarks

Chairman David Parker convened the meeting of The Florida International University Board of Trustees at 9:02 a.m., on Friday, 12 June 2009, at University Park Campus, Graham Center Ballrooms, Miami, Florida.

The following attendance was recorded:

Present:

David Parker, Chair
Albert Dotson, Vice Chair
Cesar Alvarez
Jorge Arrizurieta
Thomas Breslin
Patricia Frost
Kirk Landon

Albert Maury
Claudia Puig
Anthony Rionda
Modesto Maidique

Excused:

Betsy Atkins
Miriam López

Chairman Parker welcomed all Trustees, University faculty and staff. Chairman Parker also welcomed Foundation Directors Gerald Grant and Larry Kahn.

On behalf of the Board of Trustees, the Chairman extended his gratitude to Arthur "AJ" Meyer for his leadership, commitment and dedication to the Board, to the University and to students. AJ noted that it was a great honor for him to have the privilege to serve the students of the University as well as an honor to serve as a member of the Board.

Chairman Parker noted that R. Alexander Acosta was newly-appointed as the second dean of the University's College of Law. The Chairman added that Dean-Designate Acosta would join the University next month. The Chairman thanked Founding Dean of the College of Law Leonard Strickman for his leadership, hard work and dedication.

Academic Policy Committee Chair Patricia Frost stated that on behalf of the Committee, she wished to recognize Dean Strickman's accomplishments and the success of the College of Law.

After discussion, the Board approved the following Resolution:

WHEREAS, the Florida International University Board of Trustees (the BOT) hereby wishes to recognize the Founding College of Law Dean Leonard Strickman; and

WHEREAS, Dean Leonard P. Strickman came to FIU in January 2001 as a professor and the Founding Dean of the College of Law; and

WHEREAS, under his stewardship, the College of Law opened its doors in August 2002 and received full accreditation by the American Bar Association in December 2006, the shortest time possible under ABA rules, and accreditation by the American Association of Law Schools in 2009;

WHEREAS, Dean Strickman has shaped the FIU College of Law through his leadership and commitment by hiring a world class faculty, admitting talented students, and guiding the construction of a beautiful College of Law building, and

WHEREAS, graduates of the FIU College of Law have passed the Florida Bar Exam at rates exceeding the statewide pass rate and at the most recent examination, in February 2009, FIU graduates passed at the highest rate in the State of Florida.

NOW, THEREFORE, BE IT RESOLVED that the BOT expresses its appreciation to Founding Dean of the College of Law Leonard Strickman and thanks him for his years of service and dedication.

Chairman Parker thanked all of the Trustees for their participation in the 1 June 2009 Board of Trustees Budget Workshop. He noted the importance of the meeting as it provided an interactive forum for Trustees to review and discuss the University's budget. As a follow-up to the Budget Workshop, Provost and Executive VP Douglas Wartzok presented a comparative analysis of the University's expenditures on Faculty and Higher Level Administration.

2. FIU Foundation Report

FIU Foundation Board of Directors Chairman Joseph L. Caruncho presented the Foundation Report, providing an update on the Foundation's finances, investments performance and fundraising efforts. On behalf of the Foundation Board of Directors, Chairman Caruncho, thanked Mr. Jose Valdes-Fauli for his hard work and invaluable contribution during 10 years of service on the Foundation Board. Chairman Caruncho added that in recognition of President Modesto A. Maidique's unyielding and steadfast dedication to the University, the students and the South Florida community, the Foundation Board recognized President Maidique with Director Emeritus status.

3. President's Report

President Maidique presented a report on the University's goals and accomplishments for FY2008-2009, delineating the overarching goals of Student Academic Performance, Academic Excellence, Advancement of the College of Medicine and Financial Stability. He also presented a summary of the University's accomplishment spanning his 23-year tenure as University President. During the presentation, he highlighted areas of unprecedented growth and advancement such as doctoral degree production, degree program growth, contracts and grants expenditures, and Carnegie Classification.

4. Public Appearances

- Jeremy Paulovkin, student, Religious Studies

Mr. Paulovkin addressed the Board, voicing his concerns regarding the proposed closure of the Religious Studies, (B.A.) program.

- Yanery Andreu, FIU Alumna

Ms. Andreu addressed the Board, voicing her concerns regarding the proposed closure of the Religious Studies, (B.A.) program.

- Nathan Katz, FIU Professor/Chairperson of Religious Studies department

Professor Katz addressed the Board, voicing his concerns regarding the proposed closure of the Religious Studies, (B.A.) program.

- Lorna Veraldi, UFF representative and FIU Associate Professor, Journalism and Broadcasting Assoc. Professor Veraldi addressed the Board, voicing her concerns regarding the University's expenditures on Faculty and Higher Level Administration.

- Deborah White, member of the community

Ms. White addressed the Board, voicing her concerns regarding the proposed closure of the Recreation and Sports Management (B.S. & M.S.) programs.

- Sara Tosado, FIU Adjunct Professor; FIU Alumna

Adjunct Professor Tosado addressed the Board, voicing her concerns regarding proposed closure of the Recreation and Sports Management (B.S. & M.S.) programs.

- Marla Alpizar, member of the community – Director of the Educational Department in the City of Hialeah

Ms. Alpizar addressed the Board, voicing her concerns regarding proposed closure of the Recreation and Sports Management (B.S. & M.S.) programs.

Chairman Parker thanked all for their comments and time taken to express their concerns. He noted that the Board is sensitive to the challenging financial situations across the nation and that a resolute commitment to the University's mission and core values was critical going forward.

5. Action Items – Consent Agenda

Chairman Parker noted that the Investment Policy Statement was amended to incorporate revisions by the University's Investment Committee. He also noted that the amendment was approved by the Finance and Audit Committee. The amended Investment Policy Statement was adopted and submitted as part of the consent agenda.

Chairman Parker asked for comments on any items included in the Consent Agenda. Hearing none, the Board adopted the following Resolution:

RESOLVED, that the following matters included in the Consent Agenda are hereby approved:

- BT1. Minutes, 31 March 2009
- BT2. Minutes, 25 April 2009
- AW1. FIU Athletics Finance Corporation Amended And Restated Articles of Incorporation and Amended Bylaws
- EW1. Honorary Alumni Recognition
- CW1. Performance Excellence Process Policy
- CW2. University Equity Reports
- FA3. Signature Authority – Authorization to Sign Checks For the FIU College of Medicine Health Care Network Faculty Group Practice, Inc.
- FA4. Donation of Woman's Club Property from Wolfsonian, Inc. to the FIU Board of Trustees
- FA5. Investment Policy Statement
- AP1. Tenure Nominations
- AP2. Tenure as a Condition of Employment Nominations
- AP5. Golden Panther Enterprises Corporation

6. Action Items/ Status Reports, Board Committees Compensation Workgroup

In the absence of Compensation Workgroup Chair Betsy Atkins, Trustee Albert Maury reported on items heard by the Workgroup.

CW3. University President-Designate Employment Agreement

Chairman Parker presented the University President-Designate Employment Agreement for Board consideration and approval, noting that he felt confident that the Board conducted a thorough and complete review of all matters pertaining to the President-Designate employment agreement and received the highest-quality advice and assistance available. Chairman Parker provided a summary of the key changes to the Board-approved term sheet and provided a review of the key elements comprising the President-Designate employment agreement.

On behalf of the Board, Chairman Parker thanked the FIU Foundation for its continuous support of the University. He noted that without its help, many of the initiatives that the University undertakes would not be possible.

After discussion, the Board approved the following Resolution:

WHEREAS, each board of trustees shall provide for the establishment of the personnel program for all the employees of the university, including the president, which may include but is not limited to: compensation and other conditions of employment; and

WHEREAS, the Florida International University Board of Trustees' Presidential Search Committee approved the term sheet of the employment agreement for president of Florida International University on April 13, 2009; and

WHEREAS, the Florida International University Board of Trustees ("the BOT") selected Dr. Mark B. Rosenberg as the fifth President of Florida International University on April 25, 2009 and the selection was ratified by the Florida Board of Governors on May 7, 2009; and

WHEREAS, the BOT wishes to employ the President-Designate for a five year-term based on the term sheet, attached hereto as Exhibit "W"; and

WHEREAS, the BOT engaged the services of top experts in the field of Salary and Benefits for University Executives and the BOT has extensively studied the reports prepared by these top experts;

THEREFORE, BE IT RESOLVED, that the BOT approves the Employment Agreement for President-Designate Mark B. Rosenberg based on the attached term sheet and incorporated by reference herein and authorizes the Chairman of the Board to execute the Agreement on behalf of the BOT.

CW4. PROPOSED EXTENSION TO THE EMPLOYMENT AGREEMENT FOR PRESIDENT MODESTO A. MAIDIQUE

Chairman Parker presented the Proposed Extension to the Employment Agreement for President Modesto A. Maidique for Board consideration and approval. Chairman Parker noted that he was involved in joint discussions with President Modesto Maidique as well as with President-Designate Mark Rosenberg, adding that after much deliberation, all parties were in agreement that the transition should be approached and handled in a way where the least amount of disruption was caused to the University and the students. Therefore, he noted, it was deemed that the most appropriate date for the presidential transition would be Monday, August 3, 2009.

Trustees Jorge Arrizurieta and Thomas Breslin voted against the Proposed Extension to the Employment Agreement for President Modesto A. Maidique. Trustee Arrizurieta added that as incoming University President, Dr. Rosenberg should be afforded the professional courtesy and space necessary to effectively carry out his duties and responsibilities. Trustee Arrizurieta also noted that perhaps it would be prudent for Dr. Maidique to begin a 6-month sabbatical effective August 4, 2009.

Trustee Patricia Frost inquired as to the formation of a Presidential Transition Committee, which would ensure a transparent, smooth and effective transfer of authority. President Maidique stated that the Committee would be formed immediately, noting that the membership would involve multiple units and individuals.

After discussion, the Board approved the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("the BOT") is the public employer of all employees of the University; and

WHEREAS, the BOT is charged with entering into all agreements on behalf of the University; and

WHEREAS, the current term of the University President's employment agreement, as amended, ends on June 30, 2009; and

WHEREAS, University President Modesto A. Maidique feels that to successfully conclude his tenure as President and to ensure a seamless presidential transition, an extension to his current agreement is necessitated;

THEREFORE BE IT RESOLVED that the Employment Agreement, as amended, between the BOT and University President Modesto A. Maidique, attached hereto as Exhibit "X" is hereby approved.

Finance and Audit Committee

Finance and Audit Committee Chair Kirk Landon reported on items heard by the Committee and introduced the Proposed 2009-2010 Operating Budget with the respective Resolutions and the Legislative Budget Request 2010-2011 – Fixed Capital Outlay for Board consideration and approval.

Trustee Landon recommended that the University administration consider, due to declining state revenues, a review of employee salaries as part of the multi-year plan to lower operational costs. He also recommended 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. He noted that while the Board was sensitive to the current financial crisis impacting the state and the nation, he also recommended that the University administration consider the viability of a strategic plan, which would integrate a non-deficit operation of the Athletics budget.

FA1-a. Proposed 2009-2010 Operating Budget

Chairman Parker requested to postpone the Board's review of the Proposed 2009-2010 Operating Budget until later in the meeting. There were no objections.

FA1-b. University Tuition Fees Regulation FIU 1101-Amendment

Interim CFO John Miller and Assoc. VP for Strategic Development Liane Martinez presented the University Tuition Fees Regulation FIU-1101 for Board review, noting that the Tuition Fees Regulation FIU-1101 was being amended to reflect the changes in tuition and fees for the 2009-10 academic year as authorized by the Florida Board of Governors. Assoc. VP Martinez noted that there was an amendment to the Request for a Tuition Differential, adding that the amended Exhibit was distributed to all Trustees and reviewed by the Finance and Audit Committee.

After discussion, the Board approved the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("the BOT") is authorized to set tuition and fees for the University in accordance with the Board of Governors Regulations and guidelines, and the law;

THEREFORE, BE IT RESOLVED THAT, the BOT approves of the implementation of a differential out-of-state fee in the amount of \$0.00 for nonresident graduate students receiving full fellowships, effective Fall 2009;

BE IT FURTHER RESOLVED, that the BOT approves the 2009-2010 Academic Year tuition and fees as reflected in the amendments to the Tuition Fees Schedule Regulation FIU-1101 attached hereto as Exhibit "B" with the following changes: the Undergraduate Financial Aid Fee is changed from \$4.43 to \$4.42, and the Law Financial Aid Fee is changed from \$16.70 to \$16.69;

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.

AND BE IT FURTHER RESOLVED THAT, the BOT approves the completed "Florida Board of Governors Budget, Finance and Business Operations Committee University Request for a Tuition Differential" form attached hereto as Exhibit "C" for BOG approval.

FA1-c. Activity and Service Fee Increase

Interim CFO Miller and Assoc. VP Martinez presented the Activity and Service Fee Increase for Board review, noting that the increase was proposed in accordance with BOG regulations and would be used to benefit the student body in general, as recommended by the Student Government Association, subject to the University President's approval.

Trustee Anthony Rionda noted that the students felt that in order to preserve and expand existing critical services, the increases were well justified.

After discussion, the Board approved the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("the BOT") has the power to establish a Student Activity and Service (A&S) Fee for the University pursuant to Board of Governors' Regulations 1.001 and 7.003 ; and

WHEREAS, the Activity and Service Fee Committee has approved an increase in the Activity and Service Fee in the amount of \$1.08 per credit hour effective with the Fall term 2009 and their

report is attached hereto as Exhibit "D"; and

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

THEREFORE BE IT RESOLVED that the BOT approves an Activity and Service Fee increase from the current \$10.52 per credit hour to \$11.60 per credit hour effective the Fall term of 2009; and

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

FA1-d. Application Fee and Admissions Deposit FIU-410 Amendment

Interim CFO Miller and Assoc. VP Martinez presented the Application Fee and Admissions Deposit FIU-410 Amendment for Board review, noting that the proposed amendment would reflect the fee that all applicants, including those applying as non-degree seeking students must pay and also to revise the basis for waiving the admission deposit.

After discussion, the Board approved the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("the BOT") is authorized to set the fee for applying to FIU and to determine the circumstances under which FIU will waive the admissions deposit within the limits provided by the Board of Governors and the law;

THEREFORE, BE IT RESOLVED, that the BOT approves the amendments to the Application Fee and Admissions Deposit Regulation FIU-410 attached hereto as Exhibit "E";

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.

FA1-e. Amendment of University Traffic and Parking Regulation

Interim CFO Miller and Assoc. VP Martinez presented the re-adoption of the Revised University Traffic and Parking Regulation for Board review, noting that the University Traffic and Parking Regulation was being amended to reflect a revised FIU Parking and Transportation Lost or Stolen Decal Affidavit, a revised Citation Appeal Form, an increase in the maximum cost per day for metered parking and to add Carpool as a designated parking area.

After discussion, the Board approved 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 University Traffic and Parking Regulation FIU-1105 is revised primarily to include a revised FIU Parking and Transportation Lost or Stolen Decal Affidavit, and a revised Citation Appeal Form, an increase in the maximum cost per day for metered parking, and to add Carpool as a designated parking area and is being presented for adoption;

THEREFORE, BE IT RESOLVED, that the BOT adopts the following amended University Regulation, which is attached hereto as Exhibit "F":

- FIU-1105 – University Traffic and Parking Regulation

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; and

BE IT FURTHER RESOLVED, that the BOT delegates authority to the University President 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.

FA2. Fixed Capital Outlay (FCO) Legislative Budget Request, 2010-2011

Interim CFO Miller and Associate VP for Facilities Management John Cal presented the Fixed Capital Outlay Legislative Budget Request, 2010-2011, for Board review.

After discussion, the Board approved the following Resolution:

WHEREAS, the University must submit to the Board of Governors its Fixed Capital Outlay Legislative Budget Request for 2010-2011;

THEREFORE BE IT RESOLVED that the Florida International University Board of Trustees ("the BOT") hereby approves the Florida International University 2010-2011 Fixed Capital Outlay ("FCO") Legislative Budget Request consisting of the 5-year capital improvement plan ("CIP") for Public Education Capital Outlay ("PECO") projects and Courtelis Facilities Enhancement Challenge Grant program list, and the Appropriations Bill proposed project list prepared pursuant to Sections 1013.64, 1013.79, 1001.74, 1011.40 and 1013.60, Florida Statutes and Board of Governor's Regulation 1.001(6)(a), attached to this Resolution as Exhibit "G";

BE IT FURTHER RESOLVED that the BOT authorizes the University President to finalize the Courtelis Facilities Enhancement Challenge Grant program list as donor contributions are completed, and that the final submitted program list will be reported to the BOT at the next regularly scheduled Board meeting; and

BE IT FURTHER RESOLVED that the BOT authorizes the University President to amend the 2010-2011 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 BOT at the next regularly scheduled Board meeting; and

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

Academic Policy Committee

Academic Policy Committee Chair Patricia Frost reported on items heard by the Committee and introduced the BA in Mathematics with a Major in Mathematics Education and the Request to Terminate Academic Programs for Board consideration and approval.

AP3. BA in Mathematics with a Major in Mathematics Education

Provost and Executive VP Wartzok presented the BA in Mathematics with a Major in Mathematics for Board review, noting that the proposed program would provide majors with a strong, broad background in Mathematics while providing the necessary coursework for teacher certification on Mathematics, grades 6-12. He added that the proposed program also would serve to address the national need for K-12 mathematics and science teachers and that no additional costs would be incurred to implement the program.

After discussion, the Board approved the following Resolution:

RESOLVED that the Florida International University Board of Trustees ("the BOT") hereby approves the Bachelor of Arts in Mathematics with a Major in Mathematics Education , attached to this Resolution as Exhibit "L";

FURTHER RESOLVED, that the BOT authorizes the University President to file the proposal with the Division of Colleges and Universities and take all actions necessary to implement the program.

AP6. Request to Terminate Academic Programs

Provost Wartzok presented the Request to Terminate Academic Programs, noting that he reviewed the recommendations with the advice from the Deans and Faculty Senate. He added that while closing academic degree programs did not affect the students currently in the programs, as these students would be given an opportunity to complete their degrees, it did stand to affect the faculty teaching the programs, the staff supporting program activities, and future students who may have wanted career opportunities in these fields.

Committee Chair Frost noted that the Academic Policy Committee reviewed as a block and unanimously recommended the request to terminate eleven (11) of the proposed Academic Programs. She proposed an amendment to the Resolution to vote on 11 programs as a block and then to consider the Bachelor and Master of Science in Recreation and Sports Management, the Master of Science in Athletic Training Education and the Bachelor of Arts in Religious Studies separately. The Board amended the Resolution. The amendment was unanimously approved.

After discussion, the Board adopted the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("the BOT") has a Program Termination Policy, which specifies the standards required for University program termination and is attached hereto as Exhibit "M";

RESOLVED, that the BOT hereby approves the request for the termination of the following academic degree programs:

- French Education - Bachelor of Science
- Mathematical Sciences - Bachelor of Science
- Occupational Therapy - Bachelor of Science
- Spanish Education - Bachelor of Science
- English Education – Master of Arts in Teaching
- French Education – Master of Arts in Teaching
- Mathematics Education - Master of Arts in Teaching
- Physical Therapy – Master of Science
- Science Education - Master of Arts in Teaching
- Social Studies Education - Master of Arts in Teaching
- Spanish Education - Master of Arts in Teaching

BE IT FURTHER RESOLVED, that the BOT authorizes the University President to take all actions necessary to implement this Resolution in accordance with the Florida Board of Governors regulations.

Committee Chair Frost noted that the Committee agreed to postpone the review of the termination of the following academic degree programs until there was opportunity for public comment and until further information regarding the enrollment, costs and revenues associated with each program was received:

- Recreation and Sports Management – Bachelor of Science
- Recreation and Sports Management – Master of Science
- Athletic Training Education - Master of Science
- Religious Studies – Bachelor of Arts

Provost Wartzok presented an analysis on the operational costs and revenues associated with the Bachelor and Master of Science in Recreation and Sports Management, the Master of Science in Athletic Training Education and the Bachelor of Arts in Religious Studies programs, reporting that each operated in a financial deficit. He noted that the reduction in the appropriated amount from the State of Florida for the next fiscal year resulted in additional losses of University-wide operating

funds. He added that based on the University's multi-year budget-reduction plan, the proposed program closures were recommended to ensure operational excellence while maintaining financial integrity. He stated that all of the proposed budget-reduction recommendations were based on the desire to preserve the University's mission and vision, the strategic initiatives and supporting goals.

Trustee Thomas Breslin stated that the Faculty Senate did not support the recommendations for closure of the Bachelor and Master of Science in Recreation and Sports Management, the Master of Science in Athletic Training Education and the Bachelor of Arts in Religious Studies programs. He lamented that the University has and will continue to lose faculty and that students have not been admitted due to lack of resources.

Trustees voiced their agreement that the Board should delay a decision on the request to terminate the Bachelor and Master of Science in Recreation and Sports Management, the Master of Science in Athletic Training Education and the Bachelor of Arts in Religious Studies programs, until a future Board meeting during which time the Administration could further review the possibility of other funding options for these programs. Chairman Parker noted that the Board also recognized the University's ability to address the students' needs, while safeguarding the strategic initiatives and priorities during these years of declining state revenues. He added that based on the Trustees response, the University's administration was directed to analyze the availability of other possible funding sources or cost-saving options from other academic parts of the University, strategic initiatives or administrative areas that might allow the continuance of these programs while upholding the University's financial integrity. He added that the University's administration should incorporate their findings in a recommendation to the Trustees at a future Board meeting.

After discussion, the Board adopted the following Resolution:

RESOLVED, that the BOT hereby postpones the request for the termination of the following academic degree programs until a future Board meeting:

Recreation and Sports Management - Bachelor of Science
Recreation and Sports Management - Master of Science
Athletic Training Education - Master of Science
Religious Studies - Bachelor of Arts

RESOLVED, that the University's administration is directed to analyze the availability of other possible funding sources or cost-saving options from other academic parts of the University, strategic initiatives or administrative areas that may allow the continuance of these programs while upholding the University's financial integrity;

BE IT FURTHER RESOLVED, that the BOT authorizes the University President to take all actions necessary to implement this Resolution in accordance with the Florida Board of Governors regulations.

FA1-a. Proposed 2009-2010 Operating Budget

Interim CFO John Miller and Assoc. VP Martinez presented the University's 2009-2010 Operating Budget for Committee review, providing a summary by fund and delineated strategic issues.

After discussion, the Board approved the following Resolution:

RESOLVED that the Florida International University Board of Trustees ("the Board") approves the 2009-2010 University Operating Budget and the Self Insurance Program Budget attached hereto in Exhibit "A";

FURTHER RESOLVED that the Board approves the 2009-2010 Operating Budget of the FIU Foundation, Inc., as adopted by the FIU Foundation Inc. Board of Directors on May 27, 2009; the 2009-2010 Operating Budget for the FIU Athletics Finance Corp., as adopted by the FIU Athletics Finance Corp. Board of Directors on April 30, 2009; the 2009-2010 Operating Budget for the FIU Research Foundation, Inc., as adopted by the FIU Research Foundation, Inc. Board of Directors on May 12, 2009; and the 2009-2010 Operating Budget for the FIU College of Medicine Health Care Network Faculty Group Practice, Inc. ("FIUHCN") , as adopted by the FIUHCN Board of Directors on May 6, 2009, each of which is attached hereto in Exhibit "A", and

FURTHER RESOLVED that the Board delegates to the University President the authority to amend the University Operating Budget to adjust to changing circumstances, and

FURTHER RESOLVED that the University President shall keep the Board of Trustees informed of any changes in excess of 2% made to the total approved 2009-2010 Operating Budget during the operating year.

9. Status Reports, Board Workgroups

Athletics Workgroup

Athletics Workgroup Chair Albert Dotson reported on items heard by the Workgroup and provided the Athletics update, noting the exceptional improvement in the Academic Progress Rate (APR).

External Relations Workgroup

External Relations Workgroup Co-Chair Claudia Puig reported on items heard by the Workgroup and provided the External Relations update.

Chairman Parker welcomed Mrs. Perla Tabares Hantman to the meeting. Mrs. Tabares Hantman congratulated President Modesto Maidique on his superior 23-year tenure and thanked him for his unparalleled dedication and hard work. She stated that President Maidique has spearheaded some of the University's most significant accomplishments while navigating the University through some of its most difficult and trying times. She added that at the helm, President Maidique, has been at the forefront of unparalleled innovation and unprecedented growth.

Trustee Claudia Puig stated that during his long tenure as University President, Dr. Maidique presided over dramatic changes that brought FIU unprecedented national esteem and recognition. She noted that for more than two decades, Dr. Maidique has led the transformation of FIU. She added that under President Maidique's leadership, FIU has grown to more than 38,000 students and today ranks among the 25 largest universities in the United States. She also added that

as a Board member, she wished to recognize and honor President Maidique's unsurpassed service to the University and dedication to the students and South Florida community. Trustee Puig made a motion to grant Dr. Maidique President Emeritus status.

Trustee Dotson motioned that the Board grant Dr. Modesto A. Maidique President Emeritus status by acclamation in lieu of a Board Resolution. The motion was moved, seconded and carried.

7. Election of Officers

Chairman Parker opened the floor for nomination of officers to be effective September 1, 2009.

Trustee Maury nominated Trustee Dotson for the office of Chairman. Trustee Landon nominated Trustee Alvarez for the office of Chairman. Trustee Alvarez declined the nomination and Trustee Landon subsequently withdrew the nomination. Trustee Dotson was unanimously elected.

Trustee Arrizurieta nominated Trustee Maury for the office of Vice Chair and he was unanimously elected.

Newly-elected Chairman Dotson thanked the Trustees for their support and noted that he looked forward to continuing to serve the South Florida community.

10. New Business

BT3. Amendment to the Operating Procedures of the Florida International University Board of Trustees

Trustee Cesar Alvarez presented the proposed amendments to the Operating Procedures for Board review and consideration, noting the substantive changes to the document.

After discussion, the Board approved the following Resolution:

WHEREAS, the Operating Procedures of the Florida International University Board of Trustees, Article IV, "Amendment of Operating Procedures," provides that the Operating Procedures may be altered, amended or repealed by a two thirds vote of all members of the Board; and

WHEREAS, changes in the Board operations have necessitated changes to the Operating Procedures;

THEREFORE BE IT RESOLVED that the Board hereby adopts the amendment to the Operating Procedures of the Florida International University Board of Trustees attached to this Resolution as Exhibit "Y."

AW2. NAMING OF THE FIU STADIUM FIELDHOUSE AS THE "R. KIRK LANDON FIELDHOUSE

Athletics Workgroup Chair Albert Dotson noted that in recognition of Trustee Landon's considerable generosity and substantial contribution to support the construction of the FIU Stadium Fieldhouse, the University desired to name the FIU Stadium Fieldhouse as the "R. Kirk Landon Fieldhouse".

After discussion, the Board approved the following Resolution:

WHEREAS, Trustee R. Kirk Landon has made a substantial contribution to support the construction, furnishing, and/or equipping of classrooms at or adjacent to the FIU Stadium Fieldhouse; and

WHEREAS, this contribution meets the threshold of \$1 million for the naming of a University facility, in accordance with the Florida International University Board of Trustees ("The BOT") Policy for Suggested Minimums for Naming Opportunities; and

WHEREAS, in recognition of R. Kirk Landon's substantial commitment, the University desires to name the FIU Stadium Fieldhouse as the "R. Kirk Landon Fieldhouse"; and

WHEREAS, pursuant to Florida Board of Governors Regulation 9.005 and Section 1013.79 of the Florida Statutes, the naming of any university facility after a living person is subject to approval by the Board and requires the approval of the Board of Governors and the Florida Legislature;

THEREFORE BE IT RESOLVED that the BOT approves the naming of the FIU Stadium Fieldhouse as the "R. Kirk Landon Fieldhouse" in accordance with and subject to the provisions of any gift agreement relating thereto;

BE IT FURTHER RESOLVED that the BOT directs the University Administration to take all actions necessary to give effect to this Resolution.

BT4. NAMING OF THE COLLEGE OF MEDICINE AS THE "HERBERT WERTHEIM COLLEGE OF MEDICINE AT FLORIDA INTERNATIONAL UNIVERSITY" AND DESIGNATION OF DR. HERBERT A. WERTHEIM AS TRUSTEE EMERITUS

Chairman Parker requested that Trustee Dotson preside over the meeting, allowing him to present a new business item for Board consideration and approval. He noted that Dr. Herbert Wertheim's continuing support of the University's College of Medicine culminated in a truly transformational gift to endow the College of Medicine. He added that this example of generosity and vision would impact generations of doctors and patients in deep and meaningful ways and that therefore he motioned to Name the College of Medicine as the "Herbert Wertheim College of Medicine at Florida International University" and Designation of Dr. Herbert A. Wertheim as Trustee Emeritus.

After discussion, the Board approved the following Resolution:

WHEREAS, Dr. Herbert A. Wertheim has served as member and Chairman of the Board of Directors of the Florida International University Foundation, co-chair of The Campaign for FIU, and founding member of the Board of Trustees of Florida International University ("Board"); and

WHEREAS, as Chairman of the Board's Committee on Health and Medical Education, Dr. Herbert A. Wertheim played a significant role in garnering community and state support for the establishment of a College of Medicine at Florida International University;

WHEREAS, Dr. Herbert A. Wertheim's continuing support for the College of Medicine has culminated in a truly transformational gift to endow the College of Medicine; and

WHEREAS, this contribution exceeds the minimum threshold of \$10 million for the naming of a University College, in accordance with the Florida International University Board of Trustees ("The BOT") Policy for Suggested Minimums for Naming Opportunities; and

WHEREAS, in recognition of Dr. Wertheim's substantial commitment, the University desires to name the College of Medicine as "the Herbert Wertheim College of Medicine at Florida International University;"

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the naming of the College of Medicine as The "Herbert Wertheim College of Medicine at Florida International University and designates Dr. Wertheim as Trustee Emeritus of this Board; and

BE IT FURTHER RESOLVED that the University Administration take all actions necessary to give effect to this Resolution.

Dr. Herbert Wertheim thanked the Trustees for their support and also expressed his high expectations of continuing to serve the South Florida community with a commitment to public access to higher education. He noted that he remained steadfast in his pledge to the advancement of the College of Medicine.

BT5. NAMING OF THE FIU UNIVERSITY PARK CAMPUS AS THE "MAIDIQUE CAMPUS"

Chairman Parker requested that Trustee Dotson continue to preside over the meeting so that he may present an additional new business item for Board consideration and approval. Chairman Parker stated that Dr. Modesto A. Maidique has served as President of the Florida International University for the past 23 years and has brought to the University nationally-recognized experience in higher education policy and administration. He noted that President Maidique's substantial contributions during his presidency have benefited the University in countless ways. He motioned that a deserving recognition, which expressed the gratitude of the Board, the students and the South Florida Community was the Naming of the FIU University Park Campus as the "Maidique Campus."

After discussion, the Board approved the following Resolution:

WHEREAS, President Modesto A. Maidique has faithfully served as President of the Florida International University since October 1986; and

WHEREAS, for more than two decades, President Maidique has demonstrated his strong and unyielding commitment to the University, leading the University's historic transformation; and

WHEREAS, during President Maidique's tenure, the FIU Carnegie Classification has risen from Comprehensive I to High Research Activity, as the number of research awards has grown by 526% and research funding has grown by 1,200%; and

WHEREAS, during his tenure, the University's Doctoral programs have grown by 288%, doctoral degree production has grown over 6000%, the Masters programs have grown by 96%, the Bachelors programs have grown by 32%, and the University has awarded over 100,000 academic degrees; and

WHEREAS, during his tenure, the University established the College of Medicine, obtained LCME preliminary accreditation, and admitted the opening class of medical students scheduled to begin their medical education on August 3, 2009;

WHEREAS, during his tenure, the University established the College of Law, the School of Architecture, the College of Public Health and Social Work; the Honors College, the School of Journalism and Mass Communication, the School of Computer Science, and others; and

WHEREAS, during his tenure, the School of Hospitality and Tourism Management became one of the highest ranked hospitality management schools in the nation and opened a degree program in Tianjin, China; and

WHEREAS, during his tenure, the University's Intercollegiate Athletics Program has grown in stature, by obtaining the fastest transition to Division 1-A of any Football program in the nation, by transitioning the Men's Basketball program from Division 1-AAA level to Division 1-A; and achieving excellence in other programs, including Women's Volleyball and Women's Tennis; and

WHEREAS, during his tenure, the University completed the construction of the approximately 16,000 seat FIU Football Stadium and the Stadium Field House; and

WHEREAS, during his tenure, the University constructed the College of Law building, the Graduate Business School building, the School of Architecture building, the College of Education building, the Health and Life Sciences buildings I and II, the Ryder Business building, the Chemistry and Physics building, the Frost Art Museum, the Wertheim Performing Arts Center, the Wertheim Conservatory; the College of Nursing building currently under construction; the significant expansion of the Graham Student Center, the residential housing complex at University Park that houses over 2,000 students; Greek housing residential facilities; four parking garages, the Presidential House and other facilities at University Park; the acquisition of the Engineering Campus; and the construction of a number of facilities at the Biscayne Bay Campus such as the Kovens Conference Center and Marine Biology building; and

WHEREAS, during his tenure, the University has raised over \$355 million in cash charitable contributions and state matching funds to support the University's mission and students, and has raised over \$100 million in gifts in-kind, including the donation of The Wolfsonian Museum building and Collection; and

WHEREAS, during his tenure, the University created the International Hurricane Research Center and other academic and research centers and institutes; and

WHEREAS, during his tenure, the University grew from 1,691 employees to 5,157;

NOW, THEREFORE, BE IT RESOLVED that the Florida International University Board of Trustees ("the BOT"), does hereby recognize, commend and express its gratitude to President Modesto A. Maidique for his passion, immeasurable contributions and uncompromising dedication to FIU;

BE IT FURTHER RESOLVED, that the BOT approves the naming of the FIU University Park Campus as the "Maidique Campus," provided, however, that during Dr. Maidique's lifetime, the BOT may reconsider any naming recognition in the same manner as the University has routinely reserved in other occasions where naming rights have been conferred.

BE IT FURTHER RESOLVED that the BOT directs the University Administration to take all actions necessary to give effect to this Resolution.

Chairman Parker resumed presiding over the meeting. Trustee Dotson stated that Chairman David Parker was an inaugural member of the Florida International University Board of Trustees and has served with great distinction. Trustee Dotson added that Chairman Parker has brought to the Board his strong commitment to the University through his service, judgment, ideas and considerable wisdom. He motioned to grant Chairman Parker Chairman Emeritus status, based on the Board-approved criteria to honor Trustees who have provided extraordinary service. The motion was moved, seconded and carried.

Chairman Parker stated that it has been a privilege for him to work with such a distinguished Board.

11. Concluding Remarks and Adjournment:

Since there was no other business, the meeting of the Florida International University Board of Trustees was adjourned on Friday, 12 June 2009, at 12:54 p.m.

<i>Trustee Requests</i>	<i>Follow-up</i>	<i>Completion Date</i>
<i>Chairman Parker directed the University's administration to analyze the availability of other possible funding sources or cost-saving options from other academic parts of the University, strategic initiatives or administrative areas that might allow the continuance of the Bachelor and Master of Science in Recreation and Sports Management, the Master of Science in Athletic Training Education and the Bachelor of Arts in Religious Studies programs, while upholding the University's financial integrity. He added that the University's administration should incorporate their findings in a recommendation to the Trustees at a future Board meeting.</i>	<i>Provost & Executive VP Douglas Wartzok</i>	<i>TBD</i>

Exhibit "C"

The Florida International University
Board of Trustees
Minutes
12 June 2009
Page 19

DRAFT

David Parker
Chairman
FIU Board of Trustees

Modesto A. Maidique
Corporate Secretary
FIU Board of Trustees

MB
6.25.09

Attachments: Exhibits "A," "B," "C," "D," "E," "F," "G," "H," "I," "J," "K," "L," "M," "N," "O," "P," "Q," "R," "S," "T," "U," "V," "W," "X," & "Y"

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Signature Authority – Authorization to Sign Checks

Proposed Board Action:

Adopt the following Resolution:

WHEREAS, the University has depositories at banking institutions at which University funds are deposited; and

WHEREAS, the University pays its legal obligations from said depositories; and

WHEREAS, the Florida International University Board of Trustees must state with particularity the legal name and title of University employees who are authorized to sign checks to pay legal obligations of the University;

BE IT RESOLVED THAT, the following officers and employees of the University are authorized to sign checks to pay legal obligations of the University from any and all designated University depositories:

Kenneth Jessell, Chief Financial Officer and Senior Vice President
Thom Davis, Controller
Izhar Ul Haq, Associate Controller

Background Information:

A. Legal Authority:

Section 1011.42(7), Florida Statutes (2008), University depositories; deposits into and withdrawals from depositories, states in relevant part:

(7) The university board of trustees shall specifically designate and spread upon the minutes of the board the legal name and position title of any university employee authorized to sign checks to pay legal obligations of the university.

B. Explanation for Proposed Board Action

The Board is updating its official records to reflect University officers and employees authorized to sign checks to pay legal obligations on behalf of the University.

Exhibits/Supporting Documents:

▪ N/A

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Tenure as Condition of Employment Nominations

Proposed Board Action:

Adopt the following Resolution:

WHEREAS each board of trustees is authorized to establish the personnel program for all employees of the university including tenure; and

WHEREAS the University President is recommending the granting of Tenure as a Condition of Employment for six (6) nominees listed in Exhibit "A";

THEREFORE BE IT RESOLVED that the Florida International University Board of Trustees ("the BOT") approves the granting of Tenure as a Condition of Employment to the six individuals listed in Exhibit "A" based on the recommendations of the University President.

Background Information:

Statutory Authority:

BOG Regulation 1.001 University Board of Trustees Powers and Duties, provides in subsection (5) (a):

Each board of trustees shall provide for the establishment of the personnel program for all the employees of the university, including the president, which may include but is not limited to: compensation and other conditions of employment, recruitment and selection, nonreappointment, standards for performance and conduct, evaluation, benefits and hours of work, leave policies, recognition and awards, inventions and works, travel, learning opportunities, exchange programs, academic freedom and responsibility, promotion, assignment, demotion, transfer, tenure, and permanent status, ethical obligations and conflicts of interest, restrictive covenants, disciplinary actions, complaints, appeals and grievance procedures, and separation and termination from employment. To the extent allowed by law, university employees shall continue to be able to participate in the state group insurance programs and the state retirement systems.

Background Information:

The Tenure as a Condition of Employment nominees had tenure at their previous institutions.

Exhibits/Supporting Documents:

- Information behind the Academic Policy Committee tab

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Request to Terminate Academic Programs

Proposed Board Action:

Adopt the following Resolution:

WHEREAS, the Florida International University Board of Trustees (“the BOT”) has a Program Termination Policy, which specifies the standards required for University program termination and is attached hereto as Exhibit “B”;

RESOLVED, that the BOT hereby approves the request for the termination of the following academic degree programs. This request shall be effective at the end of the fall 2009 term as these programs are currently inactive:

Chemical Engineering – Bachelor of Science
Home Economics Education – Bachelor of Science
Home Economics Education – Master of Science
Trade and Industrial Education – Bachelor of Science
Trade and Industrial Education – Master of Science
Elementary Education – Master of Science

BE IT FURTHER RESOLVED, that the BOT authorizes the University President to take all actions necessary to implement this Resolution in accordance with the Florida Board of Governors regulations.

Background Information:

Authority:

Florida Board of Governors Regulation 1.001, University Board of Trustees Powers and Duties provides, in pertinent part:

- (4) Academic Programs and Student Affairs.
- (a) Each board of trustees shall adopt university regulations or policies, as appropriate, in areas including, but not limited to:
 - 1. authorization and discontinuance of degree programs;

Florida Board of Governors Regulation 8.012, Academic Program Termination states in part:

- (3) Each University Board of Trustees has the responsibility and authority to approve termination of degree programs at the bachelor’s, master’s, advanced master’s, and specialist level in accordance with BOG Regulation 8.012 (1) and subsection (2). Upon termination of a degree program, the university will notify the Board of Governors, Office of Academic and

Student Affairs within four weeks of the University Board of Trustees decision.

Florida Board of Governors 8.012 subsections (1) and (2) provide:

(1) To ensure the efficient use of state resources and maintain the quality and relevancy of academic programs offered within the State University System, programs may be terminated. Reasons for terminating programs may include but are not limited to the following:

(a) Enrollments are no longer sufficient to justify the cost of instruction, facilities, and equipment; or the program duplicates other offerings at the university.

(b) The program is no longer aligned with the mission or strategic goals of the university, or is no longer aligned with strategic goals of the Board of Governors.

(c) The program no longer meets the needs of the citizens of Florida in providing a viable educational or occupational objective.

(2) Each University Board of Trustees must adopt policies and procedures for degree program termination, with copies provided to the Board of Governors, Office of Academic and Student Affairs. The policies will include at a minimum:

(a) A formal process for determining degree programs that are candidates for termination that includes review by the appropriate curriculum, financial, and administrative councils of the university; and

(b) A plan to accommodate any students or faculty who are currently active in a program that is scheduled to be terminated; and

(c) A process for evaluation and mitigation of any potential negative impact the proposed termination may have on the current representation of females and ethnic minorities within the faculty and students.

The Florida International University Board of Trustees, Policy on Program Termination, approved and effective 15 November 2007, states in pertinent part:

In order to promote and maintain high quality academic programs, the University may over time develop new academic degree programs or discontinue existing programs.

Program discontinuance is the formal termination of a degree program, department or division of instruction, school or college, or other program unit for educational reasons, strategic realignment, resource allocation, budget constraints, or combination of education strategies and financial reasons. A recommendation to discontinue a program, or department, or other academic unit may be made by a department, its chair, the dean, the campus program review committee, the vice president for academic affairs, the provost, the president or the Board of Trustees.

A recommendation for program discontinuance will be reviewed by the provost with advice from the dean and faculty senate and submitted to the President and Board of Trustees.

Exhibits/Supporting Documents:

- Information behind the Academic Policy Committee tab

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Action Item/Status Reports, Board Committees and Workgroups

Proposed Board Action

Information. Action, as necessary.

Authority for Board Action

N/A

Background Information

These Committees met prior to the regular Board meeting: Finance and Audit Committee; Academic Policy Committee. The Committee Chairs will present status reports and bring necessary action items to the Board during the Full Board meeting.

Miriam López, External Relations Workgroup Co-Chair, will provide the External Relations update.

Exhibits/Supporting Documents:

- N/A

Facilitator/Presenter:

- **Albert Maury**, *Finance and Audit Committee Chair*
- **Patricia Frost**, *Academic Policy Committee Chair*
- **Miriam López**, *External Relations Workgroup Co-Chair*

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Reimbursement of Certain Costs Relating to Parking Garage V Project

Proposed Board Action:

Adopt the following Resolution:

WHEREAS, on March 31, 2009, the Florida International University Board of Trustees ("the BOT") authorized the issuance of tax-exempt bonds not to exceed an aggregate principal amount of \$32,000,000 (the "Bonds") through the Division of Bond Finance of the State Board of Administration of Florida (the "Division") for the purpose of financing a portion of the construction of Parking Garage V on the campus of the University (the "Project"); and

WHEREAS, before receipt of the proceeds from the sale of the Bonds, the University will need to use University funds which would then be reimbursed from the bond proceeds, in order to maintain the Project schedule and timely meet the University's needs for additional parking; and

WHEREAS, in order to obtain reimbursement from the bond proceeds, the Internal Revenue Service requires the University to declare its intent to seek reimbursement prior to the sale of the Bonds;

THEREFORE, BE IT RESOLVED THAT the BOT hereby approves the University reimbursing itself from the Bonds for expenses incurred with respect to the construction of the Project, to the maximum extent permitted under Treasury Regulation Section 1.150-2; and

BE IT FURTHER RESOLVED THAT the appropriate officers of the University are hereby authorized to take such actions as may be necessary to carry out the purposes of this Resolution.

Statutory Authority:

This Resolution is being adopted pursuant to the provisions of Section 1010.62, F.S., regarding the issuance of Bonds to finance the construction of the Project. This Resolution is intended as a declaration of official intent under Treasury Regulation 1.150-2.

Exhibits/Supporting Documents: ■ N/A

Facilitator/Presenter: ■ Albert Maury, *Finance and Audit
Committee Chair*

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

**SUBJECT: REFUNDING OF FIU ATHLETIC FINANCE CORPORATION'S \$35 MILLION IN
OUTSTANDING BONDS**

Proposed Board Action:

Adopt the following Resolution:

WHEREAS, in April 2007, the FIU Athletics Finance Corporation (the "Corporation"), a direct-support organization of Florida International University ("University"), issued \$28,000,000 Capital Improvement Revenue Bonds (Football Stadium Project), Series 2007A and \$7,000,000 Taxable Capital Improvement Revenue Bonds (Football Stadium Project), Series 2007B (collectively the "2007 Bonds") to finance the construction of the FIU Football Stadium pursuant to a Trust Indenture by and between the Corporation and Regions Bank, N.A. as Trustee, dated April 1, 2007 (the "2007 Indenture"); and

WHEREAS, as a result of the extreme economic conditions affecting credit markets and the financial industry, the interest cost of the variable rate 2007 Bonds have dramatically increased due to the declining credit quality of Regions Bank, N.A., the bank that issued a letter of credit securing the 2007 Bonds; and

WHEREAS, Regions Bank, N.A. ("Regions") has offered to retire the 2007 Bonds and refinance the Corporation's debt with a \$28,000,000 Bank Qualified, Tax-Exempt Term Loan and a \$7,000,000 Taxable Term Loan (the "Term Loans") as outlined in the Commitment Letter dated August 10, 2009 and attached hereto as Exhibit "D" (the "Commitment Letter"); and

WHEREAS, Wachovia Bank, N.A., a Wells Fargo Company ("Wachovia"), has presented the University with various refinancing options with terms comparable in material respects to those offered by Regions, as set forth in Exhibit "D" attached hereto, and Wachovia is in the process of updating its proposal with additional information recently requested by the University; and

WHEREAS, substantial interest savings would be realized if the University retires 2007 Bonds and completes this refunding transaction through a conduit issuer that would permit a lower interest rate; and

WHEREAS, based on the presentations received from both banks, on or about September 4, 2009, the Board of Directors of the Corporation authorized the University to continue negotiations on the Corporation's behalf with the banks, and delegated the authority to the Chairperson of the Corporation to execute the proposed refunding transaction with the bank that the University President and CFO determine is in the best interest of the Corporation and the University, provided that,

at a minimum, the selected bank meets or exceeds the terms specified in either Exhibit “D” or Exhibit “E”;

THEREFORE, BE IT RESOLVED that the Florida International University Board of Trustees (“the BOT”) authorizes the University CFO to continue negotiations to complete a refunding transaction to retire the 2007 Bonds with Bank Qualified, refunding bonds, or similar debt instrument, consistent with the terms specified in Exhibits “D” or “E”; and

BE IT FURTHER RESOLVED that the BOT delegates to the University and Corporation the authority to execute a refunding transaction and cause the issuance of the refunding bonds through a conduit issuer with the bank that the University President and CFO determine is in the best interest of the Corporation and the University; and

BE IT FURTHER RESOLVED that the BOT authorizes the Corporation to execute any such documents and/or take any such actions as shall be necessary complete the refunding transaction on terms and conditions that meet or exceed those set forth in Exhibits “D” or “E”, to be secured by a lien upon and same pledge of revenues previously granted to the holders of the 2007 Bonds; and

BE IT FURTHER RESOLVED that the Board directs the University CFO to report to the Finance and Audit Committee on the progress of the refunding transaction at its next regularly scheduled meeting.

LEGAL AUTHORITY:

This resolution is adopted pursuant to and in accordance with Section 1010.62(9) of the Florida Statutes and the **April 2006** Board of Governors Debt Management Policy Guidelines, which authorize state universities and their direct-support organizations to enter into “refundings for debt service savings where final maturities are not extended.”

EXHIBITS/SUPPORTING DOCUMENTS:

- Exhibit “D”: Regions Bank, N.A.’s Commitment Letter
- Exhibit “E”: Wachovia Bank, N.A. presentation
- Attachment 8: Resolution - FIU Athletics Finance Corporation Board of Directors
- Attachment 9: \$35 Million refunding FIU Athletics Finance Corp. Timeline

FACILITATOR/PRESENTER:

- Albert Maury, *Finance and Audit Committee Chair*



August 10, 2009

Mr. Tony Vu
Florida International University
Office of Finance and Administration
University Park, PC 522
11200 SW 8th Street
Miami, FL 33199

Re: Regions Bank's Proposed \$35,000,000 Refunding of the Florida International University Athletic Finance Corporation's Tax-Exempt 2007 Series A and Taxable 2007 Series B Variable Rate Demand Notes

Mr. Vu:

Thank you for providing Regions Bank (the "Bank") with the opportunity to provide a refunding solution to the Florida International University Athletic Finance Corporation (the "University") which will effectively retire all outstanding Variable Rate Demand Notes ("VRDN") associated with its Tax-Exempt 2007 Series A and Taxable 2007 Series B VRDN debt issuance.

The Bank is pleased to provide you with this Term Sheet for your review and consideration. Please note that this document outlines our proposed transaction and is intended to provide a basic framework for structure and discussion purposes.

For clarification, there will be two separate loans highlighted:

- 1) \$28,000,000 Bank Qualified, Tax-exempt Term Loan (to replace 2007 Series A VRDN)
- 2) \$ 7,000,000 Taxable Term Loan (to replace 2007 Series B VRDN)

Facility: \$28,000,000 Tax-Exempt Term Loan (the "Tax-Exempt Loan")

Amount: \$28,000,000.00

Structure: The Bank expects the Tax-Exempt Loan to be made under the following structure, subject to agreement by all parties and compliance with Florida law: (a) the Tax-Exempt Loan shall be evidenced by a debt instrument (usually a bond , herein the "Bond") issued by a governmental issuer , such as the Miami-Dade County Industrial Development Authority (the "Issuer") on a non-recourse and tax-exempt basis and containing the terms set forth herein ; (b) the Issuer shall loan the proceeds of the Bond to the University, and the University shall agree to timely pay all amounts due under the Bond for the account of the Issuer ; (c) the Bank and the University shall deliver a Credit Agreement (the "Credit Agreement") providing for (i) the purchase of the Bond by the Bank , (ii) the payment (and purchase as provided herein) of the Bond by the University , and (iii) the representations, warranties , covenants, defaults and remedies required by the Bank ; and (d) the University shall, as security for its obligations under the Credit Agreement, issue to the Bank a Master Note under a Master Trust Indenture.

Term: Twenty-four years *(It is intended that the term of this loan match the outstanding term of the current Series 2007 A VRDN debt)*

Interest Rate: This is a tax exempt transaction. The rate on this borrowing is variable for the duration of the Bond. The rate will be set at closing and will be based upon the following formula: 63.7% of the 3-month libor-swap rate plus 200 bps. As of August 11, 2009, the indicative rate using the above formula is 2.289%. The rate on this borrowing will change each quarter to coincide with payment dates.

Jerry L. Heniser
Public/Institutional/Not-for-Profit Group
2800 Ponce de Leon Boulevard, 9th Floor, Coral Gables, FL 33134
Phone: (305) 648-7013 Fax: (305) 774-5189

Interest Rate Swap: The University currently maintains an interest rate swap to synthetically fix its interest rate on \$21,000,000 of the \$28,000,000 total tax-exempt debt outstanding. The University will continue to maintain a synthetically fixed interest rate on \$21,000,000 of this Tax-Exempt Loan. However, to establish a "perfect hedge" for the University, the Bank will convert the existing swap from a SIFMA-indexed transaction to a 63.7% of 3-month labor-indexed transaction. It is anticipated that the amortization schedule used as the basis for interest calculation will remain consistent with the current swap amortization schedule (no change to currently scheduled principal payments).

Repayment: Quarterly installments of interest over the twenty-four year period. Annual installments of principal as scheduled.

Put Option: The Credit Agreement shall contain the following Section pertaining to the Put Option (as associated with this \$28,000,000 Facility):

"SECTION 3.03 Purchase of Bond by University.

(a) *The University hereby unconditionally and absolutely covenants and agrees that it will:*

(1) *at the option of the Credit Obligor (the Bank), purchase the Bond on the latter of November 1, 2017 or the eighth anniversary of the date of issuance thereof, (the "Initial Purchase Date"), for a purchase price equal to the principal amount thereof and interest accrued thereon to the Initial Purchase Date, payable in immediately available funds;*

(2) *deliver a request in writing to the Credit Obligor on or before May 1, 2017 that the Credit Obligor notify the University on or before July 1, 2017 of whether the Credit Obligor shall tender the Bond for purchase pursuant to Section 3.03(a)(1);*

(3) *in connection with the request by the University pursuant to Section 3.03(a)(2), duly and timely provide the Credit Obligor such financial and other information respecting the University and the operations thereof as the Credit Obligor shall reasonably request; and*

(4) *cause the Bond to be purchased at the option of the Credit Obligor in such principal amounts and on such date or dates, subsequent to the Initial Purchase Date set forth in Section 3.03(a)(1), as the University and the Credit Obligor shall determine and shall so provide by written amendment, duly authorized and executed by the University and the Credit Obligor, to this Credit Agreement. It is expected that following the Initial Purchase Date (8 years), the Credit Obligor option for the University to purchase the Bond shall recur every three years until maturity.*

(b) *If the Credit Obligor shall fail to advise the University by July 1, 2017 of whether the Credit Obligor shall exercise its option to tender the Bond for purchase on the Initial Purchase Date pursuant to Section 3.03(a)(1), such option shall be deemed and treated for all purposes hereof as automatically exercised by the Credit Obligor and the University shall be required to purchase the Bond on the Initial Purchase Date as provided in Section 3.03(a)(1).*

(c) *Upon payment of the purchase price for the Bond, the Credit Obligor shall deliver the Bond duly endorsed for transfer, to, or upon the order of, the University.*

(d) *The University acknowledges and agrees that the determination by the Credit Obligor of whether to require the purchase of the Bond on the Initial Purchase Date set forth in Section 3.03(a)(1) or to require the purchase of the Bond (in whole or in part) on such date or dates, subsequent to the Initial Purchase Date set forth in Section 3.03(a)(1), shall be made by the Credit Obligor in the exercise of its sole discretion.*

(e) *The Credit Obligor covenants and agrees that the Credit Obligor will:*

(1) *if the University shall provide to the Credit Obligor the request and information set forth in Sections 3.03(a)(2) and (a)(3), provide the University with notice of its determination of whether to require the purchase of the Bond on the Initial Purchase Date by the later of (i) sixty (60) days of the receipt by the Credit Obligor of request therefore from the University under Section 3.03(a)(2) above or (ii) fifty-one days after provision to the Credit Obligor of information requested thereby in accordance with Section 3.03(a)(3) above; and*

(2) *if the Credit Obligor shall agree to any extension of a date of purchase in accordance with Section 3.03(a)(4), deliver such amendments in writing to this Credit Agreement as may be required pursuant to Section 3.03(a)(4)."*

Bank Facility Fee: Waived

Security: The Bond shall be secured in the same manner and with the same collateral as the existing VRDN debt.

Reserve Funds & Trustee: It is expected that the Series 2007 A and 2007 B reserve structure and flow of University funds as directed by the Master Trust Indenture and executed by the Trustee shall remain in place for the Tax-Exempt Loan borrowing.

Facility: \$7,000,000 Taxable Loan (the "Taxable Loan")

Amount: \$7,000,000.00

Term: 84 months

Interest Rate: This is a taxable transaction. The rate on this borrowing is variable for the duration of the loan. The rate will be set at closing and will be based upon the following formula: 3-month libor plus 281 bps. As of August 11, 2009, the indicative fixed rate using the above formula is 3.264%. The rate will change quarterly to coincide with the quarterly payment date.

Repayment: Quarterly installments of interest over the eight-four month period. Annual installments of principal as scheduled.

Prepayment: Prepayment is permitted at any time.

Bank Facility Fee: Waived

Security: The Bond shall be secured in the same manner and with the same collateral as the existing VRDN debt.

Reserve Funds & Trustee: It is expected that the Series 2007 A and 2007 B reserve structure and flow of University funds as directed by the Master Trust Indenture and executed by the Trustee shall remain in place for the Taxable Loan borrowing.

General Conditions (*applicable to both loans*):

Additional Depository Balances: In response to reducing the credit spread on the Tax-Exempt Loan, the University shall establish and maintain a new depository relationship of \$2.5 million with the Bank for as long as the University maintains an outstanding Tax-Exempt loan balance with the Bank. These deposits shall be maintained in a Public Funds Premier Money Market account.

Legal Fees: The University agrees to pay all legal fees and expenses of the Bank associated with the drafting, review and closing of this transaction (which costs may be paid with proceeds of the Bond). Documentation not provided by the Bank will be subject to the Bank's review and approval. It is expected that this transaction will utilize where possible, standard Bank documentation in an attempt to minimize cost.

Covenants & Reporting Requirements: All existing covenants and requirements applicable to the University's 2007 Series A and 2007 Series B Debt, as set forth in the Master Trust Indenture, will apply to the Bond, and inure to the benefit of the Bank.

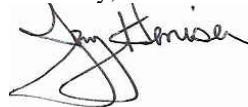
Other: The University will comply with all City, County, State and Federal regulations in regard to all timeframes for reporting of all budgetary, compliance and financial issues. The University's legal counsel will deliver an opinion, which shall be satisfactory to the Bank and its legal counsel, with respect to the enforceability of the financing documents (including the Credit Agreement) against the University . The Bank shall receive an opinion of Bond Counsel as to the validity and tax-exempt status of the Bond.

The Bond is to be governed by and subject to the formal documents setting forth terms and conditions typical and customary in conjunction with the above-described borrowing and consistent with prudent banking practices. Documentation is to be governed by the laws of the State of Florida and the United States.

Acceptance by University: Upon return by the University to the Bank of a fully executed copy of this proposed Term Sheet, by the time set forth below, this document will constitute an agreement of the University to accept the terms and conditions set out above regarding the aforementioned credit facilities. This includes payment of any fees/expenses noted above, regardless of whether any facility is closed. Unless an executed copy of this Term Sheet is received by the Bank by 5:00 p.m. Eastern Daylight Time on Friday, September 18, 2009, this Term Sheet shall, at the Bank's option, be null and void and of no further force and effect. If accepted, this borrowing must close on or before December 30, 2009.

Thank you for providing Regions Bank with this opportunity. We are grateful for your consideration and remain available to promptly respond to any questions that you may have regarding this document. I look forward to hearing from you.

Sincerely,



Jerry Heniser
Vice President

Signed and accepted on this ____ day of _____, 2009.

Florida International University Athletic Finance Corporation

By: _____

Title: _____



Florida International University

September 2, 2009

Together we'll go far

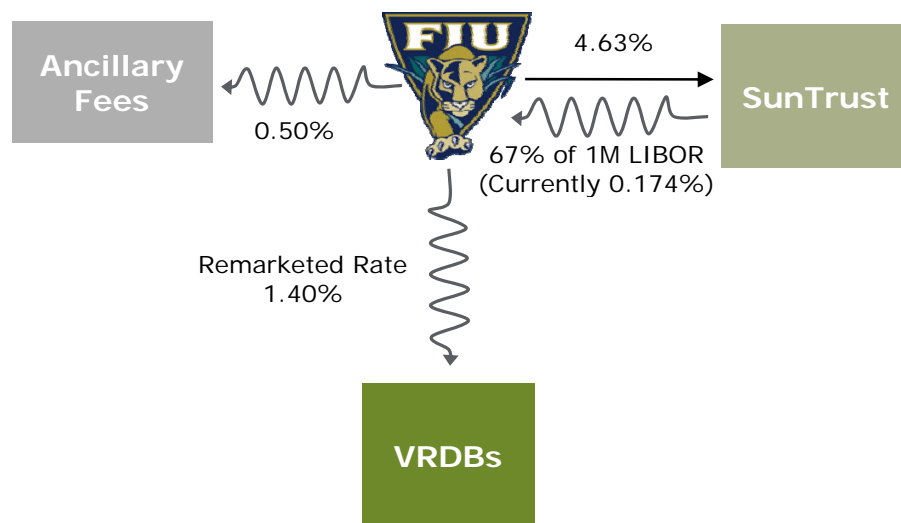


Current Situation

- Florida International University ("FIU") has three series of Variable Rate Demand Bonds ("VRDBs") backed by credit facilities that have recently been downgraded
 - Series 1999: Marc Building - \$9,200,000
 - Series 2007A: Football Stadium Project - \$28,000,000
 - Series 2007B Taxable: Football Stadium Project - \$7,000,000
- In order to hedge a portion of the interest rate risk associated with the tax-exempt VRDBs, FIU entered into floating-to-fixed swaps on the Series 1999 & 2007A Bonds
 - Series 1999 swap (outstanding notional of \$4.925 million): FIU pays 4.630% and receives 67% of 1M LIBOR
 - Series 2007A swap (outstanding notional of \$21 million): FIU pays 4.145% and receives SIFMA
- Over the past 18 months, the decrease in long-term swap rates has created a mark-to-market against FIU. As of close of business on 8/31/09, the mark-to-market values were as follows:
 - Series 1999 swap: \$631,500 against FIU
 - Series 2007A swap: \$2,704,000 against FIU
- While VRDBs are typically remarketed at a rate close to the SIFMA Index, the recent downgrades of Regions and SunTrust have caused FIU's VRDBs to trade at a premium to the market (SIFMA)
 - Series 1999 Bonds: 1.40% (102 bps premium)
 - Series 2007A Bonds: 2.60% (221 bps premium)
 - Series 2007B Bonds: 3.26% (300 bps over 1M LIBOR)
- As an alternative to VRDBs, a Bank Purchased Bond may prove attractive. Under a Bank Purchased structure:
 - The Bank will purchase a bond that has a long-term maturity with a "put" after a stated term
 - Upon expiration of the initial term, the Bank will either:
 - Extend for another term at the same pricing initially provided or by a predetermined formula (there is no ability for the Bank to adjust spreads at the end of the term without triggering a reissuance), or
 - Request that the issuer seek alternative financing arrangements

Existing Swap Structures

Series 1999 Bond/Swap Structure

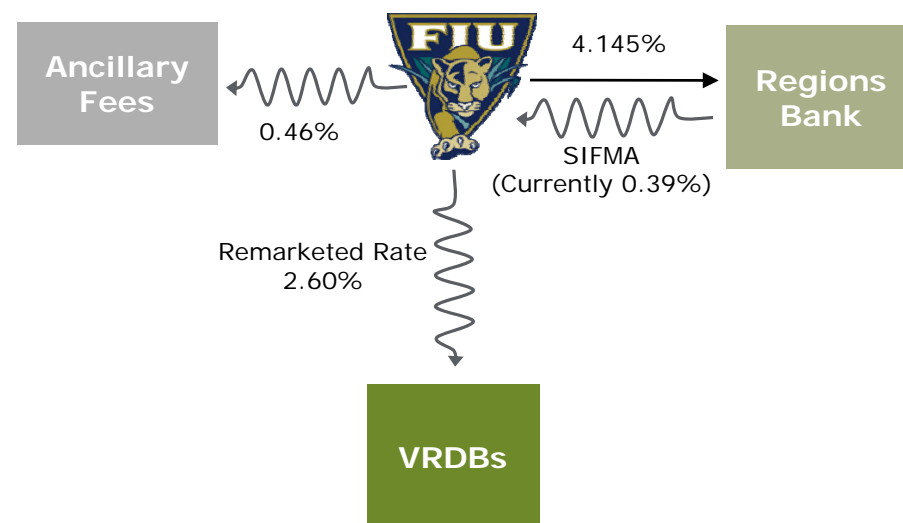


FIU Pays:	Existing Structure ²
Fixed Rate ¹	4.630%
Reset Rate	1.400%
Remarketing Fee	0.100%
Letter of Credit Fee	0.400%
FIU Receives:	
67 % of 1M LIBOR	-0.174%
Net Cost	6.356%

¹ Existing swap relates to a notional amount of \$4,925,000

² As of August 26, 2009

Series 2007A Bond/Swap Structure

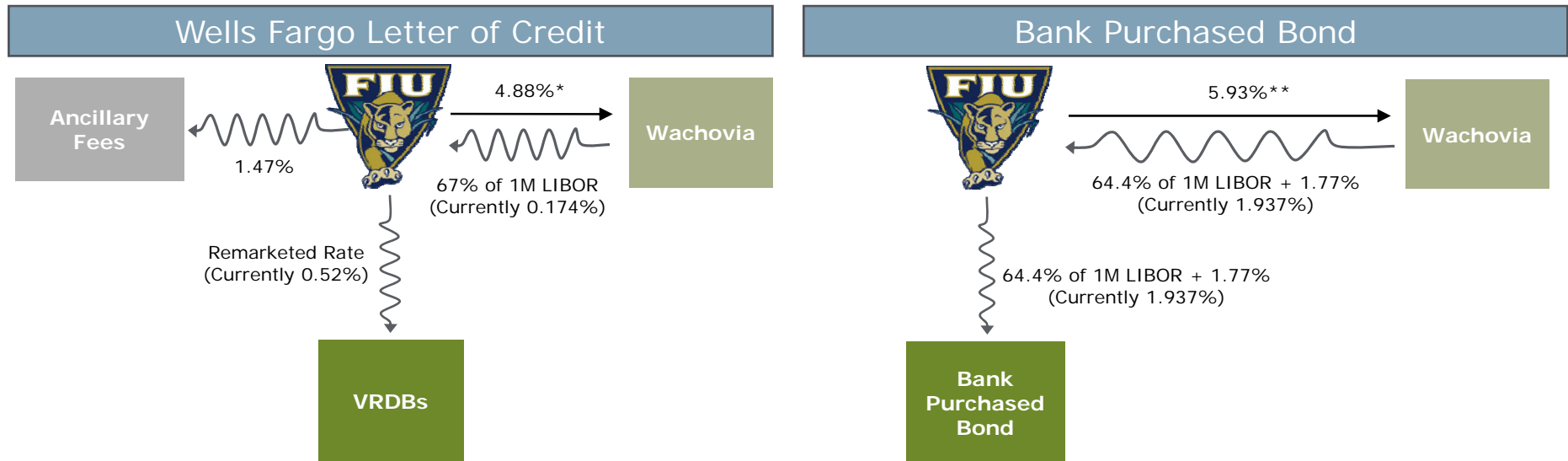


FIU Pays:	Existing Structure ²
Fixed Rate ¹	4.145%
Reset Rate	2.600%
Remarketing Fee	0.100%
Letter of Credit Fee	0.360%
FIU Receives:	
SIFMA	-0.390%
Net Cost	6.815%

¹ Existing swap relates to a notional amount of \$21,000,000

² As of August 26, 2009

Refinancing Options: Series 1999 Bonds



FIU Pays:	Existing Structure	1 Year WF Letter of Credit*	64 Month Bank Loan**
Fixed Rate ¹	4.630%	4.880%	5.930%
Reset Rate ²	1.400%	0.520%	1.937%
Remarketing Fee	0.100%	0.120%	0.000%
Letter of Credit Fee	0.400%	1.350%	0.000%
FIU Receives:			
67% of 1M LIBOR ³	-0.174%	-0.174%	
64.4% of 1M LIBOR + 1.77% ³			-1.937%
Net Cost	6.356%	6.696%	5.930%

¹ Existing swap relates to a notional amount \$4,925,000

² Remarketed rate on August 26, 2009 - WF LOC assumes base rate +20 bps

³ As of September 1, 2009

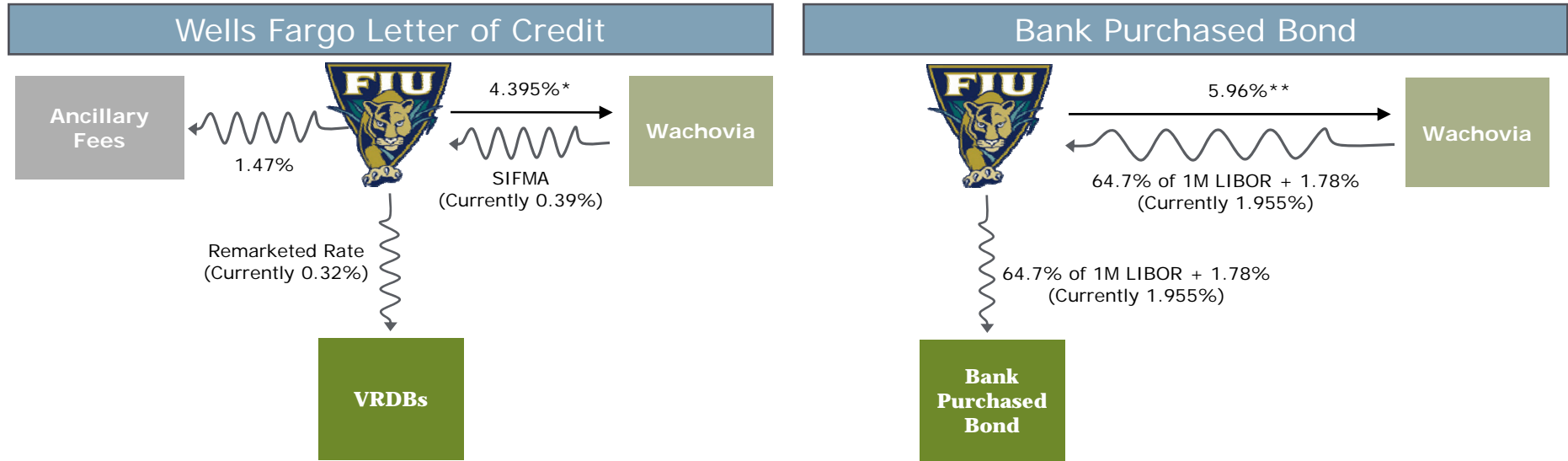
Notes: Net cost does not take into account cost of issuance

* Wells Fargo would charge an indicative 25bps to assume the existing swap

** Assumes existing swap is terminated and a new 5 year swap is entered into for the entire notional amount, swap termination included in new swap rate

Bank purchased scenarios are subject to credit approval

Refinancing Options: Series 2007A Bonds



FIU Pays:	Existing Structure	1 Year WF Letter of Credit*	5 Year Bank Loan**	5 Year Bank Loan***
Fixed Rate ¹	4.145%	4.395%	5.960%	3.750%
Reset Rate ²	2.600%	0.320%	1.955%	1.955%
Remarketing Fee	0.100%	0.120%	0.000%	0.000%
Letter of Credit Fee	0.360%	1.350%	0.000%	0.000%
FIU Receives:				
SIFMA ³	-0.390%	-0.390%		
64.7% of 1M LIBOR + 1.78% ⁴			-1.955%	-1.955%
Net Cost	6.815%	5.795%	5.960%	3.750%

¹ Existing swap relates to a notional amount of \$21,000,000

² Remarketed rate on August 26, 2009 - WF LOC assumes base rate

³ SIFMA as of August 26, 2009

⁴ As of August 26, 2009

Notes: Net cost does not take into account cost of issuance

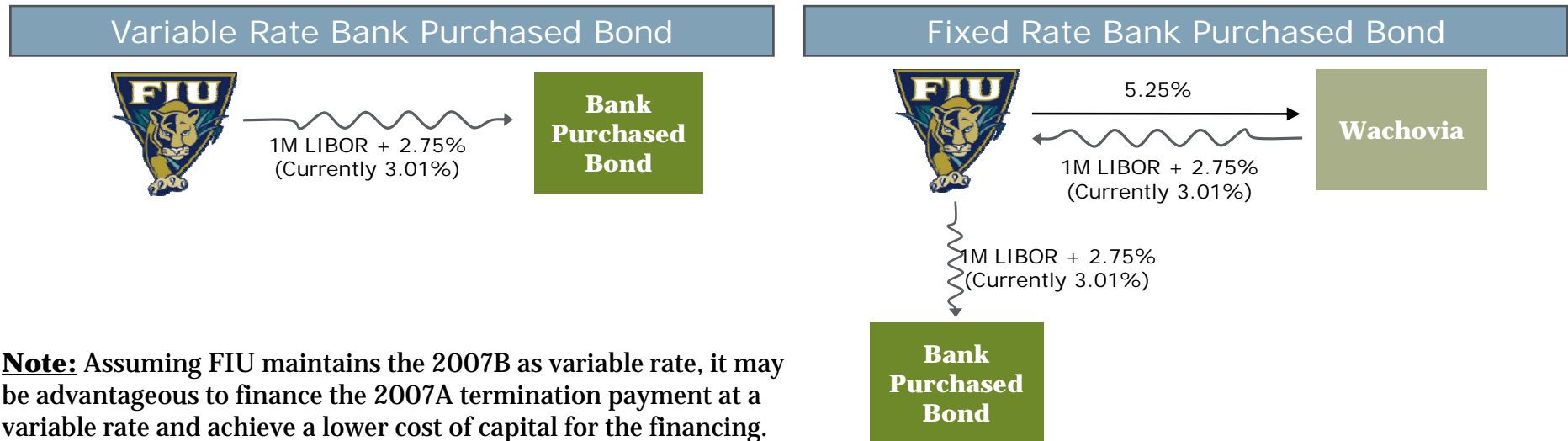
* Wells Fargo would charge an indicative 25bps to assume the existing swap

** Assumes existing swap is terminated and a new 5 year swap is entered into for the entire notional amount, swap termination included in new swap rate

*** Assumes swap termination is paid with the taxable refinancing portion

Bank purchased scenarios are subject to credit approval

Refinancing Options: Series 2007B Bonds – Taxable Portion



		<u>Floating Rate</u> 5 Year Variable Bank Purchased Bond	<u>Fixed Rate</u> 5 Year Fixed Bank Purchased Bond
FIU Pays:	Existing Structure		
Fixed Rate ¹	0.000%	0.000%	5.250%
Reset Rate ²	3.260%	3.010%	3.010%
Remarketing Fee	0.100%	0.000%	0.000%
Letter of Credit Fee	0.360%	0.000%	0.000%
FIU Receives:			
1M LIBOR + 2.75% ³			-3.010%
Net Cost	3.720%	3.020%	5.250%

¹ Assumes a new 5 year swap with Wachovia

² Remarketed rate on August 26, 2009

³ As of September 1, 2009

Note: Net cost does not take into account cost of issuance

Bank purchased scenarios are subject to credit approval

Comparison of Traditional and Synthetic Fixed Rate Structures

Structural Considerations		
Consideration / Risk	LOC VRDN	Bank Purchased Bond
Annual Renewal Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Annual Repricing Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Remarketing Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Covenants	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Bond Reissuance Risk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Drain on Bank Capacity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
No Prepayment Flexibility	<input type="checkbox"/>	<input type="checkbox"/>
Basis Risk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Risk	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Exposure to Bank Credit Profile	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Counterparty Risk	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- The Bank Purchased Bond provides greater stability than a VRDB backed by a letter of credit.
- Bank Purchased Bonds also avoid the risks that have been problematic for FIU including:
 - Remarketing risk
 - Basis risk
 - Exposure to bank credit profile
- While Bank Purchased Bonds avoid these risks, FIU still
 - Retains the risk that the bank “puts” the Bonds
 - Uses bank capacity
 - Is exposed to counterparty risk (the risk that the swap provider is unable to perform on the swap transaction)

Bank Purchased Tax-Exempt Bonds

Benefits	
Description	Explanation
Eliminates Remarketing Risk	The Bank Purchased Bonds are funded and held by the bank, thus eliminating remarketing risk.
Eliminates Renewal Risk	The initial pricing is locked in for the entire 5-year term of the Bank Purchased Bond
Longer Term Financing Solution	FIU has the ability to achieve guaranteed longer term financing compared to a typical VRDB backed by a letter of credit, which in the current market is generally renewed annually.
Prepayment Flexibility	FIU has the flexibility to prepay as long as the Bank Purchased Bond remains in variable rate mode. Termination of an interest rate hedge may subject FIU to either a benefit or a cost.
Efficient Execution	The Bank Purchased Bond structure generally takes less time to close than either VRDBs or fixed rate tax-exempt bonds.
Diversification	Bank Purchased Bonds can diversify FIU's existing debt structuring mix.

Risks	
Description	Explanation
Partial Term Protection	After the bond put date, FIU's source and cost of financing may change.
Mark-to-Market Risk	FIU may need to include mark-to-market valuations in its financial statements. This value fluctuates with market conditions.
Tax Risk / Reissuance Risk	Should the bank exercise its put, FIU will need to reissue the bonds. Alternatives may be more limited depending on the tax law at that time.

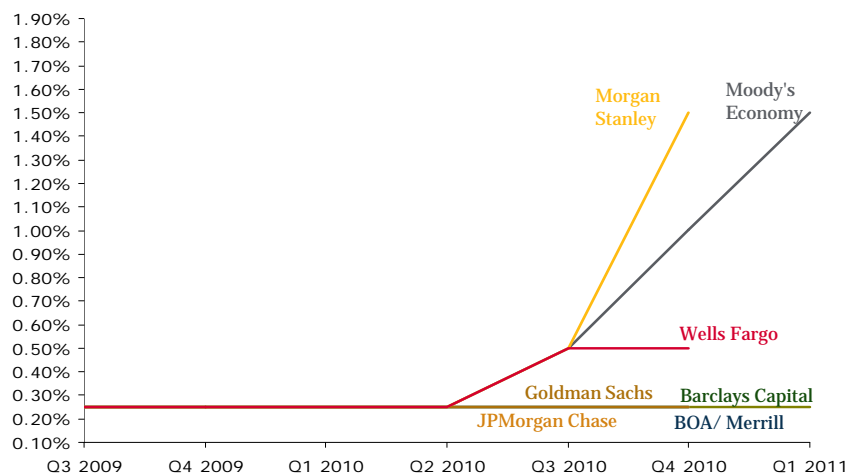
Appendix

Market Outlook

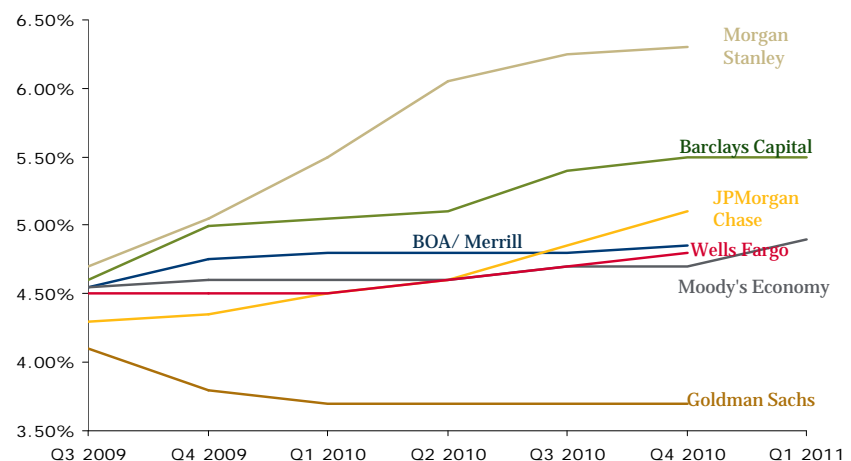
Fiscal Policy is Monetary Policy

- This week's Congressional Budget Office (CBO) mid-year budget outlook highlights the problems inherent in conducting an "independent" monetary policy and an effective exit strategy in a subpar economic recovery. The CBO expects relatively weak real economic growth of 1.7 percent in 2010 and sees the unemployment rate reaching 10.2 percent. Their 10-year Treasury rate forecast is 4.10 percent compared to today's rate of 3.48 percent. The CBO estimates the federal deficit at \$1.38 trillion for 2010. In this context, decision-makers will need to be vigilant in assessing how independent and how effective any exit strategy will be in the year ahead.
- How likely is policy to be independent of both negative economic and political feedbacks? The Fed has indicated a commitment to reduce liquidity and exit the current accommodative stance. This presents a challenge to investors. Any Fed exit strategy will alter the relative returns for all instruments the Fed attempts to sell. This is particularly true for longer maturity instruments such as Treasuries, mortgages and ABS. As interest rates rise, the likely feedback is that the housing sector will witness weaker starts and a weaker recovery in prices. How independent of this feedback will the Federal Reserve be in its pursuit of price stability?
- An effective exit strategy is also likely to coincide with a subpar economic recovery and large Treasury financing needs. Federal revenues will lag the economic recovery. The Fed's exit strategy will make Treasury auctions more difficult to place at the current low interest rates. The upward pressure on yields will likely be amplified. This week's CBO report brings into greater relief the fiscal/monetary policy conflict. Treasury debt will continue to be issued while the Fed will exit its easy policy and overall economic growth remains subpar. This all leaves us quite cautious on the Fed/Treasury being able to walk this tightrope. How will the Fed implement that exit strategy and be willing to accept the political criticism?

Economist Outlook on the Federal Funds Rate



Economist Outlook on the 30-Year Treasury



Wells Fargo Build America Bond Index

Wells Fargo's BABs market index will greatly enhance the transparency and liquidity of the market

Issuers will now be better able to ascertain where their new issue BABs should price by examining a "BABs-only" index

- On August 25th, our firm launched the Wells Fargo Build America Bond Index
 - First index in the country to track the performance of taxable municipal bonds (BABs).
 - Index criteria are as follows:
 - CUSIP sizes greater than \$100 mm
 - Issues with fixed coupons
 - Issue maturities greater than one (1) year
 - Issues with investment grade ratings
- The index is currently composed of 29 distinct borrowers (including 3 higher ed)
 - The index was retroactively synchronized back to May 1st at 100 par value
 - As of August 31st, the index value is 109.3 --- demonstrating how BAB spreads have improved in the secondary trading market
 - The Wells Fargo BABs index is accessible through Bloomberg. It weights the included securities by market value, and determines prices from observed secondary trades.
- Recent market capsule of Build America Bond Index:

No. of Securities	Notional Amt. Outstanding	Wtd. Avg. Coupon	Wtd. Avg. Yield	Average Duration
29	5,297,648,000	6.575%	6.0285	11.46

Wachovia Bank, National Association ("WBNA") acts solely on an arm's length basis in connection with the proposed transaction with the customer. Therefore, in entering into, terminating or taking any other action with respect to any such transaction, the customer must make its own evaluation of the proposed transaction (including its appropriateness for the customer) and the risks involved. Accordingly, since neither WBNA nor any of its affiliates is acting as the customer's agent, broker, advisor, or fiduciary in any respect in connection with the proposed transaction, the customer must rely only upon its own evaluation and upon advice from its own financial, legal, tax, accounting or other advisors. Neither WBNA nor any of its affiliates shall be liable for any loss resulting from reliance on any statement, view, recommendation or opinion provided by WBNA (or any of its affiliates) or any representative or advisor of WBNA (or of any of its affiliates) in connection with the proposed transaction. Any agency, brokerage, advisory or fiduciary services that WBNA (or any of its affiliates) may otherwise provide to the customer (or to any of its affiliates) shall exclude the proposed transaction.

Although this proposal may describe how the customer could use the proposed transaction to hedge against the expense of an existing or future loan or other financing or otherwise reduce its funding costs, the proposed transaction would be a separate and independent obligation of the customer and would not be contingent on whether or not any loan or other financing closes, is outstanding or is repaid, in whole or in part, at any time. In addition, if the customer provides any existing or future collateral or other credit support to secure both the proposed transaction and any exiting or future loan or other financing, then the customer would be entitled to the release of such collateral or credit support only if certain conditions contained in the related collateral agreement or credit support document are completely satisfied for both the proposed transaction and any such loan or other financing.

This presentation is for your information only and is not an offer to sell, or a solicitation to buy, the products or services named or described in this presentation. This proposal is based on information provided to WBNA by the customer and contains other information WBNA believes to be reliable. Nevertheless, WBNA does not guarantee the accuracy or completeness of any such information, and therefore WBNA assumes no liability for any loss resulting from reliance thereon. Terms, prices and structure in this proposal are subject to changing market conditions, are indicative only, and do not constitute an offer or commitment. All final prices are subject to market conditions at deal time, final credit approval and agreement on deal terms. Also, historical data, past trends and past performance do not reflect or guarantee future trends or performance.





**FIU ATHLETICS FINANCE CORPORATION
BOARD OF DIRECTORS**

4 SEPTEMBER 2009

**SUBJECT: REFUNDING OF FIU ATHLETIC FINANCE CORPORATION'S \$35 MILLION IN
OUTSTANDING BONDS**

PROPOSED BOARD ACTION:

Recommend Board Adoption of the following resolution:

WHEREAS, in April 2007, the FIU Athletics Finance Corporation (the "Corporation"), a direct-support organization of Florida International University ("University"), issued \$28,000,000 Capital Improvement Revenue Bonds (Football Stadium Project), Series 2007A and \$7,000,000 Taxable Capital Improvement Revenue Bonds (Football Stadium Project), Series 2007B (collectively the "2007 Bonds") to finance the construction of the FIU Football Stadium pursuant to a Trust Indenture by and between the Corporation and Regions Bank, N.A. as Trustee, dated April 1, 2007 (the "2007 Indenture");

WHEREAS, as a result of the extreme economic conditions affecting credit markets and the financial industry, the interest cost of the variable rate 2007 Bonds have dramatically increased due to the declining credit quality of Regions Bank, N.A., the bank that issued a letter of credit securing the 2007 Bonds;

WHEREAS, Regions Bank, N.A. ("Regions") has offered to retire the 2007 Bonds and refinance the Corporation's debt with a \$28,000,000 Bank Qualified, Tax-Exempt Term Loan and a \$7,000,000 Taxable Term Loan (the "Term Loans") as outlined in the Commitment Letter dated August 10, 2009 and attached hereto as Exhibit A (the "Commitment Letter"); and

WHEREAS, Wachovia Bank, N.A., a Wells Fargo Company ("Wachovia"), has presented the University with various refinancing options with terms comparable in material respects to those offered by Regions, as set forth in Exhibit B attached hereto, and Wachovia is in the process of updating its proposal with additional information recently requested by the University; and

WHEREAS, substantial interest savings would be realized if the University retires 2007 Bonds and completes this refunding transaction through a conduit issuer that would permit the banks to offer a lower interest rate;

THEREFORE, BE IT RESOLVED that the Board of Directors of the Corporation:

- (i) authorizes the University to continue negotiations on the Corporation's behalf with the banks, consistent with the terms set forth in Exhibit A and B, and to cause for the issuance of refunding bonds through a conduit issuer;
- (ii) delegates the authority to the Chairperson of the Corporation to execute the proposed refunding transaction with the bank that the University President and CFO determine is in the best interest of the Corporation and the University, provided that, at a minimum, the selected bank meets or exceeds the terms specified in either Exhibit A or Exhibit B; and
- (iii) delegates to the Chairperson of the Corporation the authority to execute any such documents and/or take any such actions as shall be necessary complete the refunding transaction on terms and conditions that meet or exceed those set forth in Exhibits A or B, to be secured by a lien upon and same pledge of revenues previously granted to the holders of the 2007 Bonds.

BE IT FURTHER RESOLVED that the Board directs the appropriate University staff to report to the Board on the progress of the refunding transaction at its next regularly scheduled meeting.

LEGAL AUTHORITY:

This resolution is adopted pursuant to and in accordance with Section 1010.62(9) of the Florida Statutes and the **April 2006** Board of Governors Debt Management Policy Guidelines, which authorize state universities and their direct-support organizations to enter into "refundings for debt service savings where final maturities are not extended."

EXHIBITS/SUPPORTING DOCUMENTS:

- Exhibit "A" Regions Bank, N.A.'s Commitment Letter
- Exhibit "B" Wachovia Bank, N.A. Presentation

FACILITATOR/PRESENTER:

- Dr. Kenneth Jessell



OFFICE OF FINANCE AND ADMINISTRATION

University Treasurer

Debt Management

Board of Trustees – Finance and Audit Committee

\$35 Million Refunding

FIU Athletic Finance Corporation

May 18, 2009	<p>Moody's Investor Service downgraded Regions Bank to Baa1/P2. At the time, Standard & Poor's maintained Regions rating of A+/A-1 and Fitch at A/F-1 – both with negative outlooks.</p> <p>Since ratings from S&P and Fitch remained unchanged, the variable rate demand bonds issued the FIU Athletic Finance Corp. and backed by a Regions Bank Letter of Credit were still money market eligible.</p>
May 20, 2009	Regions Bank notified FIU of an optional tender for \$28 million of tax exempt bonds issued for the construction of the football stadium.
May 27, 2009	<p>\$28 million was tendered and the remarketing of the bonds failed leading to an Optional Tender Draw on the Letter of Credit and the rate on the bond converted to 3-month LIBOR+2%.</p> <p>The Letter of Credit draw triggered a conversion clause, which would have converted the bonds to a 10 year term loan at 3-month LIBOR+3% on August 27, 2009.</p>
August 10, 2009	Regions Bank offers to refund \$35 million in bonds with a term- and amortization matched term loans, effectively removing AFC from the VRDC market.
August 11, 2009	Regions Bank (Morgan Keegan) successfully re-marketed all \$28 million of the bonds at 3.25% or SIFMA + 280 bps.
August 18, 2009	Regions again successfully re-marketed the bonds at a lower rate, 3.00% or SIFMA + 250 bps.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: New Business

Proposed Board Action

Information. Action, as necessary.

Authority for Board Action

N/A

Background Information

Board members will raise new business, if any.

Exhibits/Supporting Documentation:

▪ N/A

Facilitators/Presenters:

▪ Albert E. Dotson, Sr.

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

11 September 2009

Subject: Concluding Remarks and Adjournment

Proposed Board Action

None. Information only.

Authority for Board Action

N/A

Background Information

Albert E. Dotson, Sr., FIU Board of Trustees Chair, will adjourn the meeting with closing remarks.

Exhibits/Supporting Documentation:

▪ N/A

Facilitators/Presenters:

▪ Albert E. Dotson, Sr.

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