

THE FLORIDA INTERNATIONAL UNIVERSITY



BOARD OF TRUSTEES

FULL BOARD MEETING

17 AUGUST 2007

DAVID PARKER, CHAIR

10:30 A.M.

VIA CONFERENCE CALL

17 AUGUST 2007

THE FLORIDA INTERNATIONAL UNIVERSITY



BOARD OF TRUSTEES

MEMBERS

DAVID PARKER, *CHAIRPERSON*

ALBERT DOTSON, SR., *VICE CHAIR*

KIRK LANDON, *TREASURER*

JORGE ARRIZURIETA

BETSY ATKINS

PATRICIA FROST

ARMANDO GUERRA

MIRIAM LÓPEZ

ALBERT MAURY

CLAUDIA PUIG

ROSA SUGRAÑES

BRUCE HAUPTLI, *FACULTY TRUSTEE*

MARBELY HERNANDEZ, *STUDENT TRUSTEE*

**LARRY KAHN,
*FIU FOUNDATION BOARD OF DIRECTORS' CHAIRPERSON***

**MODESTO A. MAIDIQUE,
*UNIVERSITY PRESIDENT, CORPORATE SECRETARY***

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
FULL BOARD MEETING**

FRIDAY, 17 AUGUST 2007
10:30 A.M.
VIA CONFERENCE CALL

AGENDA

- | | |
|--|---|
| I. CALL TO ORDER | CHAIRMAN DAVID PARKER |
| II. CHAIRMAN'S REMARKS | DAVID PARKER |
| III. ITEMS FOR BOARD REVIEW | DAVID PARKER |
| ○ ACTION ITEMS | |
| 1. FLORIDA INTERNATIONAL UNIVERSITY
FOUNDATION, INC. OPERATING BUDGET,
2007-2008 | LARRY KAHN
NOEL GUILLAMA-ALVAREZ |
| 2. RATIFICATION OF SALARIES ARTICLE FOR 2006-
2007 BETWEEN THE FLORIDA INTERNATIONAL
UNIVERSITY BOARD OF TRUSTEES AND THE
UNITED FACULTY OF FLORIDA (UFF) – FIU
CHAPTER | DAVID PARKER |
| IV. OTHER BUSINESS (IF ANY) | DAVID PARKER |
| V. ADJOURNMENT | DAVID PARKER |

Conference Call information:

- Please call (888) 413-1986, promptly at 10:30 am on Friday, 17 August 2007.
- If you are disconnected, please redial the conference call number.
- If you have any problems with the above, contact the BOT office at 305.348.6495

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Exhibit "A"

Revised 7/24/07

**Florida International University Foundation, Inc.
2007-08 Budget**

<i>(In Thousands of Dollars)</i>	2006-07 Approved Full-Year Budget	2006-07 Full Year Forecast	2006-07 Budget vs 2006-07 Full Year Forecast Variance	2007-08 Recommended Full Year Budget	2006-07 Full Year Forecast vs 2007-08 Budget Variance
Revenues:					
<u>Contributions:</u>					
University-Wide Scholarships & Programs	\$200	\$475	\$275	\$313 [1]	(\$162)
Endowments	\$18,440	\$5,000	(\$13,440)	\$11,287 [2]	\$6,287
Building Funds	\$11,350	\$2,200	(\$9,150)	\$6,649 [3]	\$4,449
College, Schools, Centers	\$3,700	\$3,500	(\$200)	\$3,185 [4]	(\$315)
Athletics Operations	\$670	\$452	(\$218)	\$502 [5]	\$50
Alumni Membership and Programs	\$140	\$135	(\$5)	\$215 [6]	\$80
Annual Fund	\$445	\$670	\$225	\$444	(\$226)
Total Contributions.....	\$34,945	\$12,432	(\$22,513)	\$22,595	\$10,163
<u>Other Revenues:</u>					
MARC Building Rental Income	\$1,575	\$1,583	\$8	\$1,575	(\$8)
Estimated Investment Income/Capital Gains	\$8,050	\$16,096	\$8,046	\$10,083 [7]	(\$6,013)
Total Revenues	\$44,570	\$30,111	(\$14,459)	\$34,253	\$4,142
Expenses:					
<u>Operational</u>					
Annual Fund	\$320	\$288	(\$32)	\$321	\$33
Administrative Operating Fund	\$1,565	\$1,646	\$81	\$1,809	\$163
Total Operational Costs.....	\$1,885	\$1,934	\$49	\$2,130	\$196
<u>University Programs</u>					
University-Wide Scholarships & Programs	\$350	\$880	\$530	\$648 [8]	(\$232)
Building Funds	\$3,545	\$4,546 [9a]	\$1,001	\$2,649 [9b]	(\$1,897)
College, Schools, Centers	\$5,700	\$5,500	(\$200)	\$4,927 [10]	(\$573)
MARC Building	\$840	\$840	\$0	\$884	\$44
Athletics	\$315	\$250	(\$65)	\$400	\$150
Alumni Programs	\$140	\$115	(\$25)	\$162	\$47
Contractual Services (General Reserve)	\$40	\$24	(\$16)	\$30	\$6
Total University Program Costs.....	\$10,930	\$12,155	\$1,225	\$9,700	(\$2,455)
Total Expenses.....	\$12,815	\$14,089	\$1,274	\$11,830	(\$2,259)
Excess Revenues over Expenses.....	<u>\$31,755</u>	<u>\$16,022</u>	<u>(\$15,733)</u>	<u>\$22,423</u>	<u>\$6,401</u>

Florida International University Foundation, Inc.
OPERATIONAL FUNDS
2007-08 Budget

<i>(In Thousands of Dollars)</i>	2006-07 Approved Full-Year Budget	2006-07 Full Year Forecast	2006-07 Budget vs 2006-07 Full Year Forecast Variance	2007-08 Recommended Full Year Budget	2006-07 Full Year Forecast vs 2007-08 Budget Variance
Annual Fund					
Revenues:					
Annual Giving Campaign	\$275	\$165	(\$110)	\$165 [11]	\$0
Board of Directors Dues	\$90	\$75	(\$15)	\$189 [12]	\$114
Council of 100 Dues	\$70	\$35	(\$35)	\$55 [13]	\$20
Merchandise Royalties	\$10	\$30	\$20	\$35	\$5
Other	\$0	\$365	\$365 [14]	\$0	(\$365)
Total Annual Fund Revenues	\$445	\$670	\$225	\$444	(\$226)
Expenses:					
Annual Giving Campaign	\$100	\$100	\$0	\$100 [11]	\$0
Advancement Operations	\$70	\$70	\$0	\$71 [15]	\$1
Faculty Research Grants	\$150	\$118	(\$32)	\$150 [16]	\$32
Total Annual Fund Expenses.....	\$320	\$288	(\$32)	\$321	\$33
Excess of Revenues over Expenses.....	\$125	\$382	\$257	\$123	(\$259)
Administrative Operating Fund					
Expenses:					
Foundation Operations	\$120 [17]	\$110	(\$10)	\$129	\$19
FBOG Assessments	\$35	\$32	(\$3)	\$35	\$3
Capital Campaign/Fundraising/Stewardship	\$220 [18a]	\$220	\$0	\$237 [18b]	\$17
Lobbying Activities	\$180	\$180	\$0	\$212 [19]	\$32
President - Compensation:					
Salary Supplement	\$161	\$161	\$0	\$172 [20]	\$11
Deferred Compensation/Car Allowance	\$86	\$86	\$0	\$88	\$2
Performance Bonus	\$130	\$80	(\$50)	\$50 [21]	(\$30)
Reimbursement of Personal Expenses	\$15	\$10	(\$5)	\$5	(\$5)
Estimated Benefits	\$29	\$29	\$0	\$32	\$3
President - Non-Compensation:					
Entertainment Allowance	\$25	\$25	\$0	\$25	\$0
Special Events Allowance	\$40	\$40	\$0	\$40	\$0
Travel Allowance	\$30	\$30	\$0	\$30	\$0
University Expense Allowance	\$32	\$32	\$0	\$32	\$0
Advancement MARC Building Lease	\$315	\$315	\$0	\$315	\$0
Marketing and Community Relations	\$125	\$250 [22a]	\$125	\$250 [22b]	\$0
Hurricane Loan Default	\$7	\$16	\$9	\$22 [23]	\$6
Total Recurring Admin Operating Expenses.....	\$1,550	\$1,616	\$66	\$1,674	\$58
Non-Recurring Expenses:					
Other	\$15	\$30	\$15	\$135	\$105
Total Non-Recurring Admin Operating Expenses	\$15	\$30	\$15	\$135	\$105
Total Administrative Operating Expenses.....	\$1,565	\$1,646	\$81	\$1,809	\$163

Administrative Reserve					
Estimated Beginning Fund Balance	\$2,876	\$2,876	\$0	\$4,583	\$1,707
Estimated Annual Fund Excess/(Deficit)	\$125	\$382	\$257	\$123	(\$259)
Total Administrative Operating Expenses	(\$1,565)	(\$1,646)	(\$81)	(\$1,809)	(\$163)
Inter-fund Transfers	\$0	(\$365) [14]	(\$365)	\$0	\$365
Estimated Distribution at Year End	\$2,488 [25]	\$3,336 [25]	\$848	\$0 [26]	(\$3,336)
Estimated Ending Fund Balance (6/30).....	\$3,924	\$4,583	\$659	\$2,897 [27]	(\$1,686)

Revised 7/24/07

2007-08 FIU Foundation Budget Notes:

[1] Based on contributions toward university-wide scholarships and programs, including \$98,214 from the Ziff Annuity to pay the Ziff's Life insurance policy, \$20,000 to support of the Badia Spices-Jose Marti Scholarship Program and the Badia Spices Scholarship Program, \$30,000 in License Plate revenue, \$150,000 to support the First Generation Scholarship program, \$13,750 of Council 100 to support scholarships, and various smaller pledged/planned revenue sources.

[2] The variance between the 2006-07 and 2007-08 budgets is due to the rescinded medical school endowment donation of \$10 million. The Endowment budget is based on pledges, gift agreements, pledge payment schedules and other certifiable criteria likely to deliver cash to the foundation. The 2007-08 budget includes endowment gifts of \$400,000 for the Entrepreneurship Center, \$5 million for the College of Medicine, another \$2.5 million for the College of Medicine, \$1 million for the Frost Art Museum, receipt of \$2 million in state match funds, \$100,000 for a Research Endowment, and some various smaller pledged/planned revenue sources.

[3] The variance between the 2006-07 and 2007-08 budgets is due to the rescinded medical school building fund donation of \$10 million. The 2007-08 budget includes building fund gifts of \$200,000 for the College of Law, \$250,000 for Auditorium Building funds, \$400,000 for the Art Museum, \$100,000 for the School of Business, \$5 million for the Tropical Botany Center, and a combined \$800,000 for various building fund donations.

[4] The 2007-08 revenue budget for College, Schools, and Centers was formulated by the individual departments as opposed to previous year budgets where an aggregate budget was computed by the FIU Foundation staff based on historical data. The revenue budget for College, Schools, and Centers includes unrestricted funds to be raised in 2007-08.

[5] A 5 year Football Founders program will be ending in fiscal year 2007-08, resulting in reduction in receipts of \$154,000 for Athletic Operations revenue in 2007-08. Changes in the Athletics Department, such as building a new stadium, hiring a new Athletics Director, new coaches, and new fundraising staff, in addition to adding the new Panther Club and Living Scholars programs, expect to add \$200,000 in revenue in 2007-08 to offset and exceed the \$154,000 loss in revenue of the Football Founders Program.

[6] Alumni Membership revenue of \$80,000 from the Bank of America Affinity Credit Card Program is included in Alumni Membership in 2007-08.

[7] Based on a 1 year projection of a 7.5% annualized gain, as recommended by the FIU Foundation Treasurer, on a \$125 million fund on July 1, 2007, plus projected cash flows throughout the 2007-08 fiscal year. Consulting Services Group recommended an average 8.0% annualized gain based on a 3-5 year investment period.

Exhibit "A"

Revised 7/24/07

[8] Budgeted expenses exceed budgeted revenue projections as a result of endowment expenses related to the previous year's distribution of investment earnings as well as spending of previous years' balances. The budget is based on expenses related to university-wide scholarships and programs, including the First Generation Scholarship (FGS) program, as well as various annuity payments.

[9a] An unbudgeted expense of \$1 million for the football stadium was incurred in April 2007 (funds were transferred to the FIU Athletics Corp). Unlike other building funds, the Courtelis Facilities Program does not provide matching funds for athletics facilities.

[9b] State appropriations of the Courtellis Matching Program funds are expected to be received in 2007-08. The matching funds to be received are \$363,500 for the Art Museum, \$1.1 million for the School of Business, \$212,901 for the College of Law, \$55,000 for the Engineering Structures Lab, \$608,063 for the IHRC Wall of Wind, and \$300,000 for the School of Hospitality and Tourist Management. The appropriation match will be transferred to the university from the state and the foundation will transfer the \$2.6 million of donated funds to the university.

[10] The 2007-08 expense budget for College, Schools, and Centers was formulated by the individual departments as opposed to previous year budgets where an aggregate budget was computed by the FIU Foundation staff based on historical data. Budgeted expenses exceed budgeted revenue projections as a result of endowment expenses related to the previous year's distribution of investment earnings as well as spending of previous years' balances.

[11] Annual Giving is expecting to receive revenues of \$165,000 for the full year 2006-07. Staff turnover and vacancies hindered the effort to raise \$275,000 in 2006-07. Annual Giving has hired staff in June 2007. The Annual Giving expense budget for 2006-07 is \$100,000 which will be spent for 6 months of mail solicitations by year end 2006-07. Annual Giving requested a 2007-08 full year revenue budget of \$176,000 and an expense budget of \$217,000, of which expenses exceed revenue projections as the annual giving campaign is still in a growing phase. Due to prudent recommendations of the Finance and Executive Committees, the Annual Giving Campaign 2007-08 expense budget was reduced to \$100,000, the same as the expense budget for 2006-07, and the Annual Giving Campaign revenue budget was reduced to \$165,000, the same as the revenue budget for 2006-07. The Finance and Executive Committees consider Annual Giving's original requested budget, \$217,000 for expense and \$176,000 for revenue in 2007-08, conditional based on receipt of departmental strategic plans by September 30, 2007. Until the strategic plan is submitted, Annual Giving will be offered the same expense and revenue budget as 2006-07.

[12] Board of Director dues were budgeted based on 42 dues-paying members at the new \$5,000 per member rate and include a 10% rate of uncollectible dues.

Exhibit "A"

Revised 7/24/07

[13] Council of 100 dues were budgeted based on 55 dues-paying members at \$1,000 per member, representing a 28% (\$13,750) growth in membership over 2006-07. The Department is undertaking a strategic 5-Year Plan to increase membership of the Council 100 to 100 or more members by 2012.

[14] Unrestricted funds from the university were received in support of administrative operations. This was an unbudgeted receipt in 2006-07. \$365,000 was transferred from the administrative operations to a University-Wide Scholarship account in support of the First Generation Scholarships.

[15] The Advancement Operations budget allocation is used to fund activities that promote the University and increase fund raising through internal events. The 2007-2008 Advancement Operations budget includes: Board of Trustees Recognition gifts (\$3,000), half of the cost of charter plane for Athletics Booster travel which cannot be paid from university general funds (\$20,000), FIU Day at the Capital (\$20,000), Council of 100 Board Meetings (\$10,000), Marketing and/or Media Relations Events (\$1,000), License Plate Promotion Fees (for new tag applicants) (4,500), Sponsorship of University Events (BEA, MLK, Faculty Convocation, Athletics Hall of Fame Dinner) (\$3,000), Merchandise/Royalty Fees for Licensing company (\$6,000), Reimbursements for meetings with internal constituents re: fund raising, Prospect/Donor Cultivation (meals) (\$3,000), and Coffee Service for VP Office (\$950).

[16] Faculty Research Grants have already been approved in the current fiscal year and expenses related to current year awards (\$150,000) will be incurred in July of the 2007-08 fiscal year. The Academic Committee's work during the fiscal year 2006-07 was based on the assumed \$150,000 funding for the 2007-08 fiscal year.

[17] Note has been removed.

[18a] Note has been removed.

[18b] The 2007-2008 Capital Campaign budget includes: Faculty/Staff Campaign Director to increase private donations by the FIU family (\$55,000), partial cost of charter plane for Athletics (\$20,000), Donor Relations/Stewardship events including Football and College of Business Administration naming and Frost Art Museum mailings (\$68,000), fund raising consultant (\$52,000), sponsorship commitments for major community events (\$30,000), and reimbursable expenses for Development Officers, for prospect/donor cultivation (\$12,000).

[19] Lobbying activities/expenses have increased \$32,000 for the 2007-08 budget due to two lobbyist working for FIU for the full year as opposed to 2006-07 whereas one lobbyist worked 11 out of 12 months (\$5,000/mo.) and another lobbyist worked 8 out of 12 months (\$4,167/mo.). In addition, the lobbyists have a more aggressive agenda for 2008-07 which includes an additional \$10,000 for incidental expenses for meetings pertaining to the development of the campus master plan which includes the building of the football stadium and the development of the College of Medicine. Due to prudent

Exhibit "A"

Revised 7/24/07

recommendations of the Finance and Executive Committees, the total 2007-08 expense budget for Lobbying Activities is conditional based on receipt of the departmental strategic plan by September 30, 2007. Until the strategic plan is submitted, only the department's first 3 months of already submitted forecasted expenses may be spent.

[20] In mid year 2006-07 the President received an increase in salary. The President's salary supplement for 2007-08 includes the prorated increase. Deferred compensation was computed at 20% of the President's salary, and an annual car allowance of \$9,000 was budgeted. In addition, the reimbursement of personal expenses was budgeted at \$5,000 for medical expenses (as per President's contract).

[21] The President's employment contract provides a bonus for the President which is budgeted at \$50,000 for 2007-08. The bonus is subject to a Board of Trustee evaluation of the President which usually occurs in September of each year.

[22a] Marketing and Community Relations was budgeted for \$125,000 of Foundation funds and another \$125,000 of University funds for 2006-07, with the caveat discussed at the Board of Directors meeting in May 2006 that the Foundation would cover the University funded \$125,000 if the Foundation exceeds year end investment earnings expectation. Since the Foundation has outperformed the budgeted 7.0% investment earnings, a total of up to \$250,000 of Foundation funds will be expended for Marketing and Community Relations.

[22b] Due to prudent recommendations of the Finance and Executive Committees, the total 2007-08 expense budget for Marketing and Community Relations is conditional based on receipt of the departmental strategic plan by September 30, 2007. Until the strategic plan is submitted, only the department's first 3 months of already submitted forecasted expenses may be spent.

[23] Calculated based on the 2006-07 hurricane loan default experience and an estimated beginning year 2007-08 old loan outstanding balance of \$250,000 and a forecasted new loan balance of \$500,000 for the 2007 hurricane season.

[24] Note and budget item has been removed.

[25] The Estimated Distribution at Year End for the 2006-07 Full Year Budget is a budgeted earnings distribution transfer of 3% for administrative fee at year end. The Estimated Distribution at Year End for the 2006-07 Full Year Forecast is an estimated earnings distribution of 4.0% for administrative fee charged on June 30, 2007 and based on an estimated annualized rate of return on 14.5% in fiscal year 2006-07.

[26] The estimated distribution for year end 2007-08 has not been determined and has been set at \$0 to clearly indicate the required Administrative Reserve balance required as per reserve fund policy.

Exhibit "A"

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[27] As per reserve fund policy, the Administrative Reserve ending balance, forecasted before the beginning of the new fiscal year, should be at least 2 times the administrative operating expenses budgeted for the new fiscal year which would equate to \$3,618, which is 2 times \$1,809 of administrative operating expenses in 2007-08.

* Please note in addition to Foundation funding in the 2007-08 Foundation budget, the University provides a large commitment of support of \$4.116 million from general university funds that correlate specifically to the fundraising and administration activities for the FIU Foundation, Inc.

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

17 AUGUST 2007

SUBJECT: RATIFICATION OF SALARIES ARTICLE FOR 2006-2007 BETWEEN THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES AND THE UNITED FACULTY OF FLORIDA – FIU CHAPTER

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, the Florida International University Board of Trustees (the BOT) is the public employer of all employees of the University and is obligated to engage in collective bargaining with employees who are represented by a union; and

WHEREAS, certain employees of the University are part of a bargaining unit represented by the United Faculty of Florida – FIU Chapter (the UFF); and

WHEREAS, representatives of the BOT and the UFF have engaged in collective bargaining and have reached agreement on the terms of the Salaries Article for 2006-2007, attached hereto as Exhibit “B”; and

WHEREAS, the majority of the bargaining unit employees represented by the UFF voted in favor of ratification of the Salaries Article on 1-2 August 2007;

THEREFORE BE IT RESOLVED, that the BOT hereby ratifies the Salaries Article for 2006-2007, attached hereto as Exhibit “B”; and

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

BACKGROUND INFORMATION:

LEGAL AUTHORITY:

Resolution of the Florida Board of Governors, dated 7 January 2003. Resolution delegating and delineating powers of local boards of trustees provides in pertinent part:

19. No rule of the Board of Governors shall be considered to in any way contravene the responsibility of each of the university board of trustees to act as the sole public employer with regard to all public employees of its

universities for the purposes of collective bargaining in accordance with chapter 447, Florida Statutes.

BE IT RESOLVED that it is the intent of the Board of Governors that the university boards of trustees shall be the sole public employers with respect to all public employees of the respective state universities as provided in s. 447.203(2) and (10), F.S. for the purpose of collective bargaining, and no rule previously adopted by the Board of Governors shall contravene this intent or shall be in conflict with the boards of trustees adoption of rules in furtherance of their responsibilities as public employers.

Section 447.203, Florida Statutes (2003), Public Employee Relations Act, Definitions, states in relevant part:

(2) "Public employer" or "employer" means the state or any county, municipality, or special district or any subdivision or agency thereof which the commission determines has sufficient legal distinctiveness properly to carry out the functions of a public employer. . . *and the university board of trustees shall be deemed to be the public employer with respect to all public employees of the respective state university.* (emphasis supplied)

Explanation for Proposed Board Action:

Representatives of the BOT and the UFF have met in collective bargaining negotiations to discuss the Salaries Article for employees represented by the UFF. The bargaining teams have reached agreement and the UFF members have ratified the agreement. The Salaries Article is presented to the Board for ratification as required by Chapter 447, Florida Statutes.

EXHIBITS/SUPPORTING DOCUMENTS:

§ EXHIBIT "B": SALARIES ARTICLE FOR 2006-2007

FACILITATOR/PRESENTER:

§ CHAIRMAN DAVID PARKER

ARTICLE 11

SALARIES

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11.1 General Salary Increase.

Effective October 1, 2006 all eligible employees shall receive a three percent (3%) general salary increase to their 9/30/06 base salary. The distribution and eligibility for this salary increase shall be in accordance with the 2006 – 07 General Appropriations Act. In addition to the salary increases provided pursuant to the 2006-2007 General Appropriations Act, all eligible employees shall receive a 2.0% increase to their base salary as of December 14, 2006. Such increases shall be retroactive to December 28, 2006. Such increases shall apply to all nine-month employees who were employed on December 27, 2006, and who remain employees as of August 15, 2007. Such increases shall apply to all twelve-month employees who were employed on December 27, 2006, and who remained employees as of July 1, 2007. Any employee who retired after December 14, 2006, shall be eligible for this increase.

11.2 Promotion Increases. In 2006-2007 employees shall receive promotion

- increases as follows:
- 1) To Assistant Professor and Assistant University Librarian, a nine percent (9%) increase;
 - 2) To Associate Professor, Research Associate, Associate Scholar/Scientist, Associate Engineer and Associate University Librarian, a ten percent (10%) increase;

24 3) To Professor, Scholar/Scientist, Engineer, and University
25 Librarian, a twelve percent (12%) increase.

26 All promotion increases shall be effective the beginning of the 2006-2007
27 Academic Year .

28 **11.3 Notification to Employees.** All employees shall receive notice of their
29 salary increase on the Salary Increase Notification Form attached as an
30 Appendix to this Agreement not later than two weeks prior to implementation of
31 the salary increases described in this article. Upon request, an employee shall
32 have the opportunity to consult with the person or committee that makes the
33 initial recommendation for salary increases.

34 **11.4 Contract and Grant-Funded Employees.**

35 (a) Employees on grants or contracts shall receive salary increases
36 equivalent to similar employees on regular funding, provided that such salary
37 increases are permitted by the terms of the contract or grant and adequate funds
38 are available for this purpose in the grant or contract. In the event such salary
39 increases are not permitted by the terms of the contract or grant, or in the event
40 adequate funds are not provided, the President or representative shall seek to
41 have the contract or grant modified to permit such increases.

42 (b) Nothing contained herein shall prevent employees whose salaries are funded
43 by grant agencies from being allotted raises higher than those provided in this
44 Agreement.

45 **11.5 Discretionary Increases.** During 2006-2007 , the Board or designee
46 may provide additional salary increases and/or one-time awards totaling no more

47 than one percent (1.0%) of the total in-unit employee payroll as of the last full
48 pay period of the 2005 –2006 Academic Year. These increases may be
49 provided for market equity considerations, including verified counteroffers and
50 compression/inversion; increased duties and responsibilities; special
51 achievements (including awards for teaching, research, service, and advising
52 distributed according to the procedures established by the Faculty Senate,
53 awards for Distinguished University Professor, and Summer Faculty Research
54 Awards); litigation/settlements; and similar special situations. No later than four
55 weeks after the last day of classes each semester, the University will provide a
56 listing of the distribution of these funds to the local chapter of UFF. This list will
57 provide the name and department of the employee and the amount of the award.

58 **11.6 Report to UFF.** Except as otherwise provided in this Article 11, no later
59 than four weeks after raises are implemented the University shall make
60 available to the local chapter of the UFF, in machine-readable format, accurately
61 by category, all increases provided pursuant to this Article.

62 **11.7 Type of Payment.**

63 (a) For the academic year, duties and responsibilities assigned by the
64 university to an employee that do not exceed the available established FTE for
65 the position shall be compensated through the payment of Salary, not by OPS.

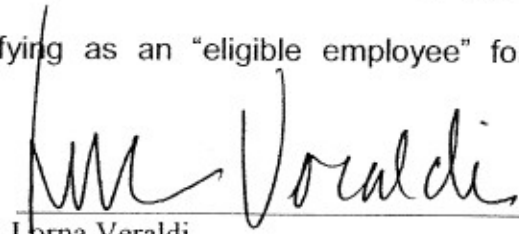
66 (b) For the academic year, duties and responsibilities assigned by the
67 university to an employee that are in addition to the available established FTE for
68 the position shall be compensated through OPS and not Salary.

69 **11.8 Grievability.** The only issues to be addressed in a grievance filed
 70 pursuant to the Article on Grievance Procedure alleging violation of this Article
 71 are whether there is unlawful discrimination under Article 6, or whether there is
 72 an arbitrary and capricious application of the provisions of one or more Sections
 73 of this Article.

74 **11.9 Eligibility.** Except as otherwise specified in this Article, an "eligible
 75 employee" for the purposes of this Article shall be defined as an employee who
 76 has received at least a satisfactory rating overall on his or her most recent annual
 77 evaluation. Where no evaluation was given for assigned responsibilities,
 78 performance is presumed to have been at least satisfactory overall. Employees
 79 on paid or unpaid leave who have not had assigned responsibilities during all or
 80 part of the previous Academic Year will be presumed to have been at least
 81 satisfactory overall for purposes of qualifying as an "eligible employee" for
 82 purposes of this Article.

83 
 84 Kenneth Johnson
 85 Chief Negotiator
 86 Florida International University
 87 Board of Trustees

88
 89 7/12/07
 90 Date
 91


 Lorna Veraldi
 Chief Negotiator
 United Faculty of Florida

7/12/07
 Date

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