

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
FULL BOARD MEETING

FRIDAY, 16 NOVEMBER 2007

9:00 A.M.

FLORIDA INTERNATIONAL UNIVERSITY
UNIVERSITY PARK CAMPUS
COLLEGE OF BUSINESS COMPLEX
SPECIAL EVENTS BALLROOM
MIAMI, FLORIDA

AGENDA

- | | |
|--|------------------------------|
| I. CALL TO ORDER | CHAIRMAN DAVID PARKER |
| II. CHAIRMAN'S REMARKS | DAVID PARKER |
| III. FOUNDATION REPORT | LARRY KAHN |
| IV. REQUESTS TO ADDRESS THE BOARD | DAVID PARKER |
| V. FLORIDA BOARD OF GOVERNORS UPDATE | MODESTO MAIDIQUE |
| VI. ITEMS FOR BOARD REVIEW | |
| A. ACTION ITEMS | |
| 1. CONSENT AGENDA | DAVID PARKER |
| | |
| A. MINUTES, 11 SEPTEMBER 2007 (<i>EXHIBIT "A"</i>) | |
| B. TENURE AS A CONDITION OF EMPLOYMENT NOMINATIONS
(<i>EXHIBIT "B"</i>) | |
| C. NEW DEGREE PROGRAM CRITERIA AND GUIDELINES POLICY
(<i>EXHIBIT "C"</i>) | |
| D. NEW DEGREE PROGRAM PLANNING AND APPROVAL POLICY
(<i>EXHIBIT "D"</i>) | |
| E. PROGRAM TERMINATION POLICY (<i>EXHIBIT "E"</i>) | |
| F. FIU DIRECT SUPPORT ORGANIZATIONS FINANCIAL AUDITS, 2006-2007 | |
| a. FIU FOUNDATION, INC. (<i>EXHIBIT "F"</i>) | |
| b. FIU RESEARCH FOUNDATION, INC.* (<i>EXHIBIT "G"</i>) | |
| c. FIU ATHLETICS FINANCE CORP.* (<i>EXHIBIT "H"</i>) | |

A. ACTION ITEMS (*CONT.*)

2. FACULTY PRACTICE PLAN

KIRK LANDON

- a) BYLAWS
- b) BANK ACCOUNTS

**3. UNIVERSITY TUITION FEES REGULATION –
AMENDMENT SPRING 2007-2008**

KIRK LANDON

4. PRESIDENT’S MANAGEMENT REVIEW, 2006-2007

BETSY ATKINS

**5. UNIVERSITY GOALS & PRESIDENT’S OBJECTIVES
2007-2008**

BETSY ATKINS

B. REPORTS

6. COMMITTEE REPORTS

- FINANCE AND AUDIT
- ACADEMIC POLICY

KIRK LANDON

PATRICIA FROST

7. WORKGROUP REPORTS

VII. OTHER BUSINESS

DAVID PARKER

VIII. ADJOURNMENT

DAVID PARKER

**Subject to respective Board approval*

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

16 NOVEMBER 2007

SUBJECT: CONSENT AGENDA

PROPOSED BOARD ACTION:

ADOPT THE FOLLOWING RESOLUTION:

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

- A. **MINUTES 9.11.07** (EXHIBIT "A")
- B. **TENURE AS A CONDITION OF EMPLOYMENT NOMINATIONS** (EXHIBIT "B")
- C. **NEW DEGREE PROGRAM CRITERIA AND GUIDELINES POLICY** (EXHIBIT "C")
- D. **NEW DEGREE PROGRAM PLANNING AND APPROVAL POLICY** (EXHIBIT "D")
- E. **PROGRAM TERMINATION POLICY** (EXHIBIT "E")
- F. **FIU DIRECT SUPPORT ORGANIZATION FINANCIAL AUDITS, 2006-2007**
 - a. FIU FOUNDATION, INC. (EXHIBIT "F")
 - b. FIU RESEARCH FOUNDATION, INC.* (EXHIBIT "G")
 - c. FIU ATHLETICS FINANCE CORP.* (EXHIBIT "H")

FURTHER RESOLVED that Exhibits "A," "B," "C," "D," "E," "F," "G," and "H" are attached to this Resolution and made part of the minutes for this meeting.

EXHIBITS/SUPPORTING DOCUMENTS:

- Exhibit "A" – Board of Trustees Minutes 9.11.07
- Exhibit "B" - Tenure as a Condition of Employment Nominations
- Exhibit "C" - New Degree Program Criteria and Guidelines Policy
- Exhibit "D" - New Degree Program Planning and Approval Policy
- Exhibit "E" - Program Termination Policy
- Exhibit "F" - FIU Foundation, Inc. Financial Audit, 2006-2007
- Exhibit "G" - FIU Research Foundation, Inc. Financial Audit, 2006-2007*
- Exhibit "H" - FIU Athletics Finance Corp. Financial Audit, 2006-2007*

FACILITATOR/PRESENTER:

- NONE

**Subject to respective Board approval*

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: FULL BOARD MEETING MINUTES, 11 SEPTEMBER 2007

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 11 September 2007, attached to this Resolution as Exhibit "A," are hereby approved.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT "A": 11 SEPTEMBER 2007
FULL BOARD MEETING MINUTES.

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**



**BOARD MEETING
MINUTES
11 SEPTEMBER 2007**

I. Call to Order

Chairman David Parker convened the meeting of The Florida International University Board of Trustees at 9:05 a.m., on Tuesday, 11 September 2007, at University Park Campus, Graham Center Ballrooms, Miami, Florida.

The following attendance was recorded:

Present:

David Parker
Jorge Arrizurieta
Albert Dotson
Patricia Frost
Armando Guerra
Bruce Hauptli
Marbely Hernandez
Kirk Landon

Miriam Lopez
Albert Maury
Claudia Puig
Rosa Sugrañes
Modesto Maidique

Excused:

Betsy Atkins
Larry Kahn,
*Chairman FIU Foundation
Board of Directors*

II. Chairman's Remarks:

Chairman Parker welcomed all Trustees, University faculty and staff. He also recognized Foundation Directors Joan Peven-Smith and Noel Guillama-Alvarez, noting that he would represent the Foundation Board of Director's in Chairman Kahn's absence.

Chairman Parker asked for a minute of silence in remembrance of September 11, 2001.

Chairman Parker noted that as part of the August Board of Trustees meeting, the Board approved the conferral of an honorary Bachelor of Science degree to Kristina Panagos. On behalf of the Board, Chairman Parker congratulated Kristina and introduced a brief video of the degree conferral as filmed by a local news station. He thanked the University's faculty and administration for their hard work in this difficult situation.

Chairman Parker noted that in response to the State's Budget Reduction request, President Maidique has appointed a Budget Stabilization Task Force that will simultaneously analyze and recommend medium to long-term savings initiatives. He added that, given the University's

The Florida International University
Board of Trustees
Minutes
11 September 2007
Page 2

unique mission to the State and the community, the University would proceed toward accreditation for the College of Medicine in spite of the recently announced budget recommendations.

III. FIU Foundation Report

Foundation Treasurer Noel Guillama-Alvarez reported on fundraising efforts and provided an update on Foundation investments as of 30 June 2007. He also reported an increase in Alumni membership, noting upcoming Alumni events.

IV. Requests to Address the Board:

There were no requests to address the Board

V. University Report

President Maidique recognized three outstanding researchers that have garnered world-wide recognition for the University through their successful research endeavors. Vice President for Sponsored Research George Walker introduced Marianna Baum, Robert Malow and Luis Salas, providing a brief description of their respective research achievements.

President Maidique reported on the start of the Fall 2007 semester, restricted enrollment, the new 5-day class schedule and the implementation of multi-term registration. He noted that the University welcomed ninety (90) new faculty members this fall.

President Maidique reported that in August, Univision Radio officials announced that David Rodriguez and Jose Maya, students at the University's School of Journalism and Mass Communication, were this year's recipients of Univision Radio's Journalism Scholarship. He thanked Univision Radio and Trustee Claudia Puig for their continued support of the next generation of journalists.

President Maidique announced a \$5 million gift from the North Dade Medical Foundation to the University's College of Medicine, noting that the gift was eligible for State matching funds, which would translate to a \$10 million endowment to fund scholarships for medical students and the first endowed chairs of the College of Medicine.

President Maidique also announced Alex Zyne's impending retirement in October and thanked him for his work and service to the University for the last 35 years.

President Maidique reported on the first Football games of the season and encouraged all to attend the second meeting of the FIU Golden Panthers and the University of Miami Hurricanes. He thanked Athletic Director Pete Garcia and Coach Mario Cristobal and their staffs for their hard work.

VI. Items for Board Consideration:

A. Action Items

1. Consent Agenda:

The Florida International University
Board of Trustees
Minutes
11 September 2007
Page 3

Chairman Parker noted that the Tuition Waiver Program Policy in the Human Resources Policies was being amended to reflect a combined maximum of seven (7) credit hours of FIU instruction each semester instead of 6 as originally submitted. He also noted that the amendment was approved by the Finance and Audit Committee. The amended Policy 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:

- A. MINUTES, 28 JUNE 2007 (*EXHIBIT "A"*)
- B. MINUTES, 17 AUGUST 2007 (*EXHIBIT "B"*)
- C. INVESTMENT POLICY ASSET ALLOCATION AMENDMENT (*EXHIBITS "C – F"*)
- D. HUMAN RESOURCE POLICIES (*EXHIBITS "G – H"*)
- E. POLICY ON CENTERS AND INSTITUTES (*EXHIBIT "I"*)

2. Committee Status Reports

Finance and Audit Committee Chair Kirk Landon and Academic Policy Committee Chair Patricia Frost reported on items heard by their respective Committees. Chairman Parker thanked the Committees for their work noting that their careful review of university issues was of invaluable service to the entire Board.

VII. Other Business:

Chairman Parker noted that in order to comply with Sunshine Law and current protocol, Trustees should direct their requests to University staff through the Board office, specifically to the Assistant Board Secretary or President Maidique, as Board Secretary. He added that for greater efficiency and to avoid duplications, University staff should likewise contact the Assistant Board Secretary or to President Maidique, as Board Secretary to notify them of Trustee meetings and communications.

Trustee Bruce Hauptli, Co-Chair of the United Way Campaign, added that he encouraged all Trustees and members of the audience to contribute to the United Way campaign.

VIII. Adjournment:

Since there was no other business, the meeting of the Florida International University Board of Trustees was adjourned on Tuesday, 11 September 2007, at 10:59 a.m.

MB
9.18.07

Exhibit "A"

DRAFT

The Florida International University
Board of Trustees
Minutes
11 September 2007
Page 4

David Parker
Chairman
FIU Board of Trustees

Modesto A. Maidique
Corporate Secretary
FIU Board of Trustees

Attachments: Exhibits "A," "B," "C," "D," "E," "F," "G," "H," & "I"

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

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 five (5) nominees listed in Exhibit "B";

THEREFORE, BE IT RESOLVED, that the Florida International University Board of Trustees approves the granting of Tenure as a Condition of Employment to the five individuals listed in Exhibit "B" based on the recommendations of the university president.

BACKGROUND INFORMATION:

STATUTORY AUTHORITY:

Resolution of the Florida Board of Governors, dated January 7, 2003.

Resolution delegating and delineating powers of local boards of trustees, states in part,

(19)(a). Each board of trustees shall establish the personnel program for all employees of the university, including the president, pursuant to the provision of chapter 1012 and, in accordance with rules and guidelines of the Florida Board of Governors, including: compensation and other conditions of employment, recruitment and selection, non-reappointment, 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.

BACKGROUND INFORMATION:

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

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “B” – TENURE AS A CONDITION OF EMPLOYMENT NOMINEES
- ATTACHMENT 1 – TENURE AS A CONDITION OF EMPLOYMENT NOMINEES’ BIOS

Florida International University 2007-2008 TENURE NOMINATIONS (as a Condition of Employment)			
COLLEGE/SCHOOL	PROPOSED		TENURE
NOMINEE NAME	RANK	DEPARTMENT	CIP CODE
ARCHITECTURE AND THE ARTS			
Kathleen L. Wilson	Professor	Music	500901
BUSINESS ADMINISTRATION			
Divesh Sharma	Associate Professor	Accounting	520301
EDUCATION			
Thomas G. Reio, Jr.	Associate Professor	Ed. Leadership & Pol. Studies	131201
SOCIAL WORK, JUSTICE AND PUBLIC AFFAIRS			
Paul Stuart	Professor	Social Work	440701
LAW			
Joelle Moreno	Professor	Law	220101

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

2007-2008

**Tenure as a Condition of Employment
Recommendations
Biographies**

Kathleen L. Wilson, Ed.D.
Professor and Director, School of Music

Kathleen L. Wilson holds degrees in Musicology and Music Education from the University of Arizona. She also has masters and doctoral degrees in vocal pedagogy from Teachers College, Columbia University. Dr. Wilson has performed in the US, Europe, and throughout Latin America as a recitalist, soloist with orchestras, and clinician. As a Fulbright Senior Scholar to Venezuela and a United States Information Agency cultural specialist, she has given master classes and taught vocal pedagogy in Venezuela, Colombia, Ecuador, Panama, Curacao, Bolivia, El Salvador, and the Dominican Republic.

Dr. Wilson has served as the National Association Teachers of Singing (NATS) New England Regional Governor, as editor of *The Journal of Singing*, and was the recipient of the Voice Foundation's Van L. Lawrence Fellowship for excellence in teaching of singing and interest in voice science. She is the author of *The Art Song in Latin America*, published by Pendragon Press in 1998; and has a CD titled *Elán*, which is published by North/South Consonance records and features works by 20th century North and South American composers. Her recent performance of George Crumb's *Ancient Voices of Children* was described by *The Washington Post* as an "exciting, involved account... [that] casts a rapturous spell." Dr. Wilson has been Professor of Voice at the University of New Hampshire, Dean of the Levine School of Music in Washington DC, and Director of the School of Music at the University of Central Oklahoma.

Divesh Sharma, Ph.D.

Associate Professor, School of Accounting, College of Business Administration

Dr. Divesh Sharma holds a PhD (Accounting) from Griffith University, Australia, a Graduate Certificate in Higher Education (Griffith University); a Master of Commerce (Accounting) with Honors and a Bachelor of Commerce (Accounting) (University of Canterbury, New Zealand). He is a qualified chartered accountant of the Institute of Chartered Accountants (Australia). Prior to joining FIU in August 2007, he was a tenured full professor, Director of the Centre for Corporate Governance, and served on the Faculty Research Committee at Auckland University of Technology. He was an associate professor and took a lead role in revamping the accounting curriculum for four years at Nanyang Technological University, Singapore. Dr. Sharma also held academic positions at Bond University and Griffith University in Australia over 10 years. While at Griffith University, he served as Director of the Master of Professional Accounting for several years, and served on the Faculty Research Committee. He currently serves on the editorial boards of *The International Journal of Accounting*, and *Accounting Education*.

Dr. Sharma has published 33 papers in some of the top journals in his discipline. He is a recipient of three manuscript awards; *Decision Sciences* (Western Region) Annual Conference, *British Accounting Review*, and *Accounting Education: an international journal*. His paper in *Accounting Education* pioneered research into approaches to learning and has been widely cited. The Institute of Chartered Accountants in Australia awarded Dr. Sharma their “Award for Teaching Excellence” in 1994. In the professional arena, he has provided consulting and executive education programs to the Big 4 accounting firms, major commercial banks including a top-5 global bank, and to private and publicly listed companies on various auditing, financial and management accounting, and corporate governance issues.

Thomas G. Reio, Jr., Ph.D.
Associate Professor, College of Education

Dr. Thomas G. Reio, Jr. completed both his doctoral degree and certificate of advanced graduate studies in Adult and Continuing Education at Virginia Polytechnic Institute and State University. He has a Masters of Business Administration from Averett University, and a Bachelors degree in Horticulture from the University of Maryland, College Park. His minor was in Evaluation, Measurement, and Statistics. Dr. Reio was runner-up for the first Malcolm S. Knowles Dissertation-of-the-Year Award. He is on the Editorial Board of six scholarly journals, including *Advances in Developing Human Resources*, the *International Journal of Self-Directed Learning*, *New Horizons in Adult Education and Human Resource Development*, and *Contemporary Educational Psychology*.

His research and teaching is informed by 16 years of experience in the for-profit service industry, serving in positions ranging from branch manager to training director to operations manager. In particular, he has extensive experience as a turn-around specialist. He has published a number of journal articles, book chapters, book reviews, and technical reports. He is co-editor of the upcoming *Handbook of Research in Adult Development and Learning*. His research interests include learning motivation-cognitive and sensory curiosity, risk-taking, entrepreneurship and innovation, workplace socialization, and school-to-work transition.

Paul H. Stuart, Ph.D.
Professor and Director, College of Social Work, Justice and Public Affairs

Dr. Stuart earned an A.B. in Psychology from the University of Chicago, an M.S.W. from the University of California-Berkeley, an M.A. in History from the University of Wisconsin-Madison, and a Ph.D. in History and Social Welfare from the University of Wisconsin-Madison. He taught at Augustana College (South Dakota), Sioux Falls College, Washington University (Missouri), the University of Wisconsin-Eau Claire, and the University of Alabama (UA), before coming to FIU.

Dr. Stuart was a member of the faculty at UA for twenty years and a tenured Full Professor at UA since 1991. In addition, he was chair of the BSW Program from 1988-95, and chair of the Ph.D. Program from 1997-2007. Dr. Stuart has been active in service to professional organizations in social work, serving as President of the Social Welfare History Group (1981-85), member of the Steering Committee of the Group for the Advancement of Doctoral Education (GADE) (2003-2008), and chairperson of the GADE Steering Committee (2006-2008). Representing GADE, Stuart participated on the Wingspread Conference on the Unification of the Social Work Profession, held at the Wingspread Conference Center in Racine, Wisconsin, in June 2007.

Dr. Stuart is an active scholar, having published six books and monographs, most recently the *Encyclopedia of Social Welfare History in North America* (Sage Publications, 2005), which he co-edited with John M. Herrick of Michigan State University. He has authored or co-authored seventeen papers published in referred journals, twenty chapters in books, and numerous book reviews. He is an active participant in professional meetings and was invited to deliver the twelfth annual Federico Lecture to the 2006 meeting of the Association of Baccalaureate Social Work Program Directors. More recently, he delivered the opening plenary address to the First Biennial Southern Conference on Doctoral Research in Social Work, sponsored by Jackson State University (September 2007). He has served as a consulting editor of *Children & Youth Services Review*, the *Journal of Baccalaureate Social Work*, and *Social Work*. He later served two terms as a member of the Editorial Board of *Social Work*, the latter as Book Review Editor. He is currently a member of the Editorial Board of the *Journal of Community Practice*.

Joëlle Anne Moreno, J.D.
Professor, College of Law

Professor Joëlle Anne Moreno joins us from Hofstra University School of Law (where she was a Visiting Professor from 2006-2007) and from the New England School of Law (where she was a full-time member of the faculty from 1999-2006 and a tenured Full Professor). Professor Moreno is a graduate of the University of Pennsylvania Law School and Swarthmore College. Before beginning her academic career, she served as a federal prosecutor for the United States Department of Justice in the Litigation Section of the Antitrust Division (1992-1995) and as an Associate at Ross, Dixon & Masback, in Washington D.C. (1989-1992).

Professor Moreno is an experienced teacher of Evidence, Scientific and Forensic Evidence, Criminal Procedure, Criminal Law, Criminal Advocacy, and Alternative Dispute Resolution. She is a prolific scholar whose work has focused primarily on evidence and criminal justice issues. Professor Moreno's most recent theoretical work explores the impact of anti-empiricism on science-based legal controversies. She has also examined problems that include the use and misuse of police officers as expert witnesses and the admissibility of certain types of scientific testimony in child abuse cases.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: NEW DEGREE PROGRAM CRITERIA AND GUIDELINES POLICY

PROPOSED BOARD ACTION:

Adopt the following Resolution:

THEREFORE, BE IT RESOLVED, that the Florida International University Board of Trustees (the BOT) hereby approves, in the form attached hereto as Exhibit “C,” the request to establish criteria and guidelines related to academic programs and offerings.

THEREFORE, BE IT FURTHER RESOLVED, that the BOT authorizes the University President to file this action with the Florida Board of Governors and take all actions necessary to implement the policy.

BACKGROUND INFORMATION:

STATUTORY AUTHORITY:

Resolution of the Florida Board of Governors, 6C-8.011 (5) Academic Program Authorization states in part:

Requires that University Board of Trustees adopt specific policies consistent with applicable accreditation standards for planning and authorization of other types of academic and technical program offerings. The UBOT must adopt policies for:

- Program Majors, Program Minors, Concentrations, Area of Emphasis, Tracks, and College Credit Certificates within a degree program.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “C”: FLORIDA INTERNATIONAL UNIVERSITY NEW DEGREE PROGRAM CRITERIA AND GUIDELINES

This page intentionally left blank

**Florida International University
Board of Trustees
New Degree Program Criteria and Guidelines**

All new academic programs must adhere to the following hierarchical structure and related criteria and guidelines. Academic programs are defined as follows:

Degree Program – An organized curriculum leading to a college degree in an area of study recognized as an academic discipline by the higher education community, as demonstrated by assignment of a Classification of Instructional Programs (CIP) code. Degree Program is the highest level within the academic program structure. Bachelor's degrees require a minimum of 120 credits, Master's degrees a minimum of 30 credits post baccalaureate, and Doctoral degrees a minimum of 75 credits post baccalaureate.

Program Major – An organized curriculum offered as a major area of study that is part of an existing or proposed degree program and does not constitute sufficient distinct coursework, faculty, and instructional resources to be considered a separate degree program. A Major must be reasonably associated with the Degree Program under which it is offered and share a minimum of 15% of common core or prerequisite courses with other Majors within the same degree program. The total number of credit hours required in the Major is the same as required for the Degree Program.

Program Tracks, Specializations, Concentrations, Areas of Emphasis, Etc. - Any organized curriculum that is offered as part of an individual student's degree plan and which enhances or complements the degree to be awarded in a manner that leads to specific educational or occupational goals. In order to establish some uniformity across degree programs, this level of categorization should be termed a Track unless a different terminology is required for accreditation purposes. A Track must be reasonably associated with the Major under which it is offered and share a minimum of 15% of common core or prerequisite courses with other Tracks within the same Major. The total number of credit hours required in the Track is the same as required for the Major.

Program Minors – Minors consist of an organized curriculum offered to students who are not obtaining a degree in the Major of which the Minor is a component. Minors require a minimum of 12 credits.

Certificates – Certificates consist of an organized curriculum offered as a distinct area of study that leads to specific educational or occupational goals. The minimum number of credits for an Undergraduate Certificate is 18 and the minimum for a Graduate Certificate is 15 credits.

Substantive changes to existing degree programs will require a restructuring of the current program in order to comply with above criteria.

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: NEW DEGREE PROGRAM PLANNING AND APPROVAL POLICY

PROPOSED BOARD ACTION:

Adopt the following Resolution:

THEREFORE, BE IT RESOLVED, that the Florida International University Board of Trustees (the BOT) hereby approves, in the form attached hereto as Exhibit “D,” the request for the adoption of a new degree program planning and approval policy; and

THEREFORE, BE IT RESOLVED, that the BOT hereby approves, in the form attached hereto as Exhibit “D,” the request for the adoption of the common SUS degree proposal format for all new degree programs;

THEREFORE, BE IT FURTHER RESOLVED, that the BOT authorizes the University President to file this action with the Florida Board of Governors and take all actions necessary to implement the policy.

BACKGROUND INFORMATION:

STATUTORY AUTHORITY:

Resolution of the Florida Board of Governors, 6C-8.011 (4)(c) Academic Program Authorization states in part:

Requires each UBOT to adopt policies for degree program planning and approval that are consistent with BOG regulation and establish the following minimum requirements:

- Formal process for determining which new programs the university will explore during the strategic plan cycle.
- Formal process for appropriate curriculum, financial, and administrative review of proposed programs by university entities.
- External Consultant to review all Doctoral program proposals.
- UBOT review process that includes consideration of BOG Criteria and costs.
- Adopt a common SUS degree proposal form for all new degree programs to ensure that BOG criteria are adequately addressed.

- A copy of the university policies will be provided to the BOG Office of Academic and Student Affairs.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “D”: FLORIDA INTERNATIONAL UNIVERSITY POLICY ON NEW DEGREE PROGRAM PLANNING AND APPROVAL

**Florida International University
Board of Trustees
New Degree Program Planning and Approval Policy**

PURPOSE

To specify the standards required for university program authorization.

AUTHORITY/SOURCE

Executive Vice President and Provost

POLICY

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 authorization is the formal creation of a degree program, program major, program tracks, specializations, concentrations, areas of emphasis, program minors and/or certificates, as defined.

PROCEDURE

When a School or College determines that there is a need for a new degree program, the dean requests that the new degree be placed on the five year strategic plan for new degree programs. Only degree programs on the five year strategic plan can progress to the following steps:

1. At the time the school or college wishes to formally explore, within its budgetary constraints, a new degree program or doctoral degree program major, the dean submits a Feasibility Study to the Office of the Provost.
2. The Feasibility Study is reviewed by the Office of the Provost and if approved is returned to the college to begin the established collegial governance process.
3. Proposals must utilize the common SUS degree proposal template and tables. Proposals are reviewed by the department and college curriculum committees, dean, and Faculty Senate.
4. Proposals that are endorsed by the Faculty Senate are submitted to the Dean of the University Graduate School (for graduate programs) or to the Dean of Undergraduate Studies (for undergraduate programs). If the program requested is a doctoral program, the Dean of the University Graduate School arranges for an external consultant to conduct a review.
5. Proposals approved by the graduate or undergraduate dean are forwarded to the Office of the Provost.
6. Proposals approved by the Provost are submitted to the Academic Policy Committee of the Board of Trustees for review and recommendation to the Board of Trustees.
7. Proposals approved by the Board of Trustees are forwarded, in accordance with Board of Governors policy, to the Office of the Chancellor.

Exhibit "D"

New program majors at the bachelors and master's level as well as all new program tracks, specializations, concentrations, areas of emphasis, program minors and certificates are approved as follows:

1. Proposals are submitted in university approved format appropriate to the type of request; e.g., major, track, certificate.
2. Proposals are reviewed by the department and college curriculum committees, dean's office, and Faculty Senate.
3. Proposals that are endorsed by the Faculty Senate are submitted to the Dean of the University Graduate School (for graduate programs) or to the Dean of Undergraduate Studies (for undergraduate programs) for review.
4. Proposals approved by the graduate or undergraduate dean are forwarded to the Office of the Provost.
5. Proposals become effective upon approval by the Provost.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: PROGRAM TERMINATION POLICY

PROPOSED BOARD ACTION:

Adopt the following Resolution:

THEREFORE, BE IT RESOLVED that the Florida International University Board of Trustees (the BOT) hereby approves, in the form attached hereto as Exhibit “E,” the request for the adoption of a new policy specifying the standards required for terminating university programs (these include degree programs, departments or divisions of instruction, schools or colleges, or other program units);

THEREFORE, BE IT FURTHER RESOLVED, that the BOT authorizes the University President to file this action with the Florida Board of Governors and take all actions necessary to implement the policy.

BACKGROUND INFORMATION:

STATUTORY AUTHORITY:

Resolution of the Florida Board of Governors, 6C-8.012 Academic Program Termination states in part:

(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 program 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.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “E”: FLORIDA INTERNATIONAL UNIVERSITY PROGRAM TERMINATION POLICY

This page intentionally left blank

**Florida International University
Board of Trustees
Program Termination Policy**

PURPOSE

To specify the standards required for university program termination.

AUTHORITY/SOURCE

Executive Vice President and Provost

POLICY

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.

PROCEDURE

A recommendation to discontinue a program, or department, or other academic unit may be made by a department, its chair, the school or college 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. In considering programs for possible termination, the following items will be evaluated:

1. Relationship of the program to the University Mission.
2. Relationship of the program to University Strategic Objectives
3. (Program FTE)/(Faculty FTE)
4. (Program Expenses)/ (State appropriations plus tuition)
5. Number of graduates
6. Time to degree
7. Percent completing with 4 years, 6 years, and 8 years (the latter only for graduate programs)
8. Faculty scholarly and/or creative productivity

Exhibit "E"

9. Record of Faculty external funding, where appropriate
10. Impact on students in the program
11. Impact on educational opportunities for underrepresented minorities
12. External community financial support.
13. Accredited status of accredited programs.

The trend lines in indicators 3-9 will be of particular importance.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

**SUBJECT: FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. FINANCIAL
AUDIT, 2006-2007**

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, pursuant to the Florida Administrative Code Section 6C8-6.100 (6), the Florida International University Foundation, Inc. (FIU Foundation, Inc.) must submit an independently conducted financial audit of its accounts and records, which has been approved by its governing board and recommended by the University President to the Florida International University Board of Trustees (the BOT) for review and approval; and

WHEREAS, the FIU Foundation, Inc. Board of Directors has approved the FIU Foundation, Inc. Financial Audit for 2006-2007 on 25 October 2007, attached hereto as Exhibit "F," and the University President is recommending its approval;

THEREFORE, BE IT RESOLVED, that the BOT hereby approves the attached FIU Foundation, Inc. Financial Audit for 2006-2007 and authorizes the Executive Director of the FIU Foundation, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

BACKGROUND INFORMATION:

LEGAL AUTHORITY:

Section 6C8-6.100 (6) of the Florida Administrative Code, states in relevant part:

(6) Each DSO shall cause a financial audit of its accounts and records to be conducted by an independent certified public accountant after the close of each fiscal year. The audit report shall be submitted by the President of the University to the Board of Trustees no later than the end of the fourth month following the close of the organization's fiscal year.

ARTICLE 3 Section 2 of the Florida International University Foundation Bylaws, states in relevant part:

(iii) It shall cause an audit to be made by an independent certified public accountant of the books of the Foundation as soon as possible after the close of the fiscal year of the Foundation, and to have the results reported to the Executive Director of the

Foundation immediately, and to the full Board at their next meeting thereafter. The annual audit report shall be submitted by the University President to the Board of Trustees for review no later than the end of the fourth month following the close of the organization's fiscal year.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT "F": FLORIDA
INTERNATIONAL UNIVERSITY
FOUNDATION, INC. FINANCIAL AUDIT
2006-2007

**FLORIDA INTERNATIONAL UNIVERSITY
FOUNDATION, INC. AND SUBSIDIARY**

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

TABLE OF CONTENTS

	<u>PAGE</u>
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1-2
CONSOLIDATED FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7-16
SUPPLEMENTARY INFORMATION (Unaudited)	
Eminent Scholars Chair Program – Schedule of Receipts, Expenditures and Endowment Balances – Schedule I	17-18
Major Gifts Program – Schedule of Receipts, Expenditures and Endowment Balances – Schedule II	19-26
Board of Directors – Dates of Services and Committee Affiliation – Schedule III	27-28
COMPLIANCE REPORT	
Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	29-30



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Members of the Board of Directors and the Finance and Audit Committee
Florida International University Foundation Inc. and Subsidiary
Miami, Florida

We have audited the accompanying consolidated statements of financial position of Florida International University Foundation, Inc and Subsidiary (the Foundation), a component unit of Florida International University, as of June 30, 2007 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from the 2006 consolidated financial statements and, in our report dated September 6, 2006, we expressed an unqualified opinion on those consolidated financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation and its subsidiary as of June 30, 2007, and the changes in their net assets and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 18, 2007 on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

-1-
37



Rachlin Cohen & Holtz LLP

One Southeast Third Avenue ■ Tenth Floor ■ Miami, Florida 33131 ■ Phone 305.377.4228 ■ Fax 305.377.8331 ■ www.rachlin.com

An Independent Member of Baker Tilly International

Members of the Board of Directors and the Finance and Audit Committee
Florida International University Foundation Inc. and Subsidiary
Page Two

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in Schedules I through III is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on them.

Rachlin Cohen & Holtz LLP

Miami, Florida
October 18, 2007

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)

<u>ASSETS</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals</u> <u>2007</u>	<u>2006</u>
Assets:					
Cash and cash equivalents	\$ 2,325,321	\$ 1,252,356	\$ 13,942,566	\$ 17,520,243	\$ 19,730,112
Investments	26,884,280	23,652,213	62,217,070	112,753,563	91,778,721
Contributions receivable, net	-	8,121,406	11,024,052	19,145,458	19,424,184
Grant receivable	-	-	-	-	18,192
Wolfsonian fixed assets, net	782,000	-	-	782,000	790,000
Foundation fixed assets, net	11,506,421	3,200	-	11,509,621	11,836,632
Bond issuance costs, net	119,024	-	-	119,024	127,050
Other assets	134,961	293,291	-	428,252	348,968
Total assets	<u>\$41,752,007</u>	<u>\$33,322,466</u>	<u>\$ 87,183,688</u>	<u>\$ 162,258,161</u>	<u>\$ 144,053,859</u>
 <u>LIABILITIES AND NET ASSETS</u>					
Liabilities:					
Accounts payable and other liabilities	\$ 202,727	\$ -	\$ -	\$ 202,727	\$ 153,985
Due to Florida International University	-	-	-	-	41,934
Annuities payable	-	330,898	-	330,898	352,404
Deferred revenue	528,134	-	-	528,134	393,522
Derivative liability	286,187	-	-	286,187	297,000
Notes payable	10,275,000	-	-	10,275,000	10,745,000
Total liabilities	11,292,048	330,898	-	11,622,946	11,983,845
Net Assets	<u>30,459,959</u>	<u>32,991,568</u>	<u>87,183,688</u>	<u>150,635,215</u>	<u>132,070,014</u>
Total liabilities and net assets	<u>\$41,752,007</u>	<u>\$33,322,466</u>	<u>\$ 87,183,688</u>	<u>\$ 162,258,161</u>	<u>\$ 144,053,859</u>

See notes to consolidated financial statements.

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals 2007</u>	<u>Totals 2006</u>
Revenue, Gains and Other Support:					
Contributions	\$ 2,700,653	\$ 4,590,619	\$ 4,708,571	\$ 11,999,843	\$ 18,121,686
Wolfsonian grant revenue	5,828	-	-	5,828	83,614
Royalty income	259,290	-	-	259,290	242,591
Rental income	1,282,000	-	-	1,282,000	1,284,000
Dues	635,960	-	52,016	687,976	616,963
Support from FIU	364,935	-	-	364,935	-
Investment income	3,339,693	-	-	3,339,693	2,224,176
Unrealized derivative gain	10,813	-	-	10,813	248,000
Net unrealized investment gains	7,073,621	8,130,156	-	15,203,777	6,609,053
Administrative fees	2,702,993	-	-	2,702,993	1,815,340
Other	41,885	10,950	-	52,835	162,839
Net assets released from restrictions	<u>5,560,713</u>	<u>(5,566,424)</u>	<u>5,711</u>	<u>-</u>	<u>-</u>
Total revenue, gains and other support	<u>23,978,384</u>	<u>7,165,301</u>	<u>4,766,298</u>	<u>35,909,983</u>	<u>31,408,262</u>
Expenses:					
Program services	14,410,653	-	-	14,410,653	12,220,429
General and administrative	2,048,549	-	-	2,048,549	1,670,414
Fund raising	<u>640,972</u>	<u>-</u>	<u>-</u>	<u>640,972</u>	<u>657,964</u>
Total expenses	<u>17,100,174</u>	<u>-</u>	<u>-</u>	<u>17,100,174</u>	<u>14,548,807</u>
Change in Net Assets Before Provision for Uncollectible Pledges	6,878,210	7,165,301	4,766,298	18,809,809	16,859,455
Provision for Uncollectible Pledges	<u>-</u>	<u>(244,608)</u>	<u>-</u>	<u>(244,608)</u>	<u>(108,443)</u>
Change in Net Assets	6,878,210	6,920,693	4,766,298	18,565,201	16,751,012
Net Assets, Beginning	<u>23,581,749</u>	<u>26,070,875</u>	<u>82,417,390</u>	<u>132,070,014</u>	<u>115,319,002</u>
Net Assets, Ending	<u>\$ 30,459,959</u>	<u>\$ 32,991,568</u>	<u>\$ 87,183,688</u>	<u>\$ 150,635,215</u>	<u>\$ 132,070,014</u>

See notes to consolidated financial statements.

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Program Services	General and Administrative	Fund Raising	Totals 2007	Totals 2006
Contribution to University Building Program	\$ 4,546,309	\$ -	\$ -	\$ 4,546,309	\$ 3,373,217
College of Business Administration	1,710,125	-	-	1,710,125	1,130,174
College of Engineering and Computing	1,041,889	-	-	1,041,889	1,003,544
University Wide Scholarships and Programs	1,025,913	-	-	1,025,913	451,574
College of Nursing and Health Sciences	828,731	-	-	828,731	982,177
Academic Affairs	753,672	-	-	753,672	911,065
College of Arts and Sciences	707,387	-	-	707,387	745,893
School of Hospitality Management	525,692	-	-	525,692	381,860
Interest	-	449,831	-	449,831	441,007
College of Education	412,124	-	-	412,124	417,410
Stemple School of Public Health	392,847	-	-	392,847	-
President's compensation	-	380,303	-	380,303	219,032
FIU Art Museum	352,588	-	-	352,588	361,141
Depreciation and amortization	-	343,037	-	343,037	343,037
College of Architecture & the Arts	307,868	-	-	307,868	58,198
College of Law	297,296	-	-	297,296	147,070
Wolfsonian Museum	294,867	-	-	294,867	451,193
Utilities and Maintenance	-	267,943	-	267,943	349,159
Marketing fees	-	-	247,320	247,320	223,972
President's Office	233,534	-	-	233,534	46,390
Capital campaign	-	-	217,500	217,500	314,986
Athletics Fund - Golden Panthers	197,734	-	-	197,734	955,395
Advancement operations	-	-	166,166	166,166	89,506
Lobbying	-	147,232	-	147,232	-
FIU Alumni Association	140,618	-	-	140,618	192,480
Faculty Research Awards	118,000	-	-	118,000	-
FIU Libraries	110,715	-	-	110,715	57,265
Business office operations	-	109,649	-	109,649	79,548
Professional fees	-	96,440	-	96,440	89,504
President's allowance	-	94,073	-	94,073	44,931
Honors College	92,506	-	-	92,506	29,649
School of Journalism	92,359	-	-	92,359	79,851
Student Affairs	83,202	-	-	83,202	194,479
College of Social Work, Justice & Public Affairs	59,540	-	-	59,540	45,843
License plates	49,512	-	9,986	59,498	65,268
Other miscellaneous expense	-	45,659	-	45,659	5,536
Florida Board of Governor's Assessment	-	31,665	-	31,665	31,855
FIU Vice President's allowance	-	28,385	-	28,385	20,986
Wolfsonian grant expenses	23,417	-	-	23,417	148,824
Bank and investment fees	-	22,871	-	22,871	19,445
Insurance	-	20,612	-	20,612	15,068
Remarketing fees	-	10,849	-	10,849	11,306
Medical School	10,438	-	-	10,438	4,278
Human Resources	1,770	-	-	1,770	15,441
FIU Film Festival	-	-	-	-	250
Total expenses	<u>\$14,410,653</u>	<u>\$ 2,048,549</u>	<u>\$ 640,972</u>	<u>\$17,100,174</u>	<u>\$14,548,807</u>

See notes to consolidated financial statements.

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2007

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	<u>2007</u>	<u>2006</u>
Cash Flows from Operating Activities:		
Change in net assets before provision for uncollectible pledges	\$ 18,809,809	\$ 16,859,455
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	343,037	343,037
Provision for uncollectible pledges	(244,608)	(108,443)
Net unrealized investment gains	(15,203,777)	(6,609,053)
Changes in assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	296,918	(4,574,242)
Grants receivable	-	(18,192)
Other assets	(79,284)	(32,094)
Increase (decrease) in:		
Accounts payable and other liabilities	48,742	(3,961)
Actuarial liability of annuities payable	(21,506)	(48,252)
Due to University	(41,934)	(299,259)
Deferred revenue	134,612	118,699
Derivative liability	(10,813)	(248,000)
Unrestricted investment earnings	<u>3,339,693</u>	<u>540,303</u>
Net cash provided by operating activities	<u>7,370,889</u>	<u>5,919,998</u>
Cash Flows from Investing Activities:		
Net purchases of investments	<u>(9,110,758)</u>	<u>(2,581,647)</u>
Cash Flows from Financing Activities:		
Principal repayments	(470,000)	(450,000)
Interest and dividends restricted for reinvestment	-	1,683,873
Net cash provided (used) by financing activities	<u>(470,000)</u>	<u>1,233,873</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,209,869)	4,572,224
Cash and Cash Equivalents, Beginning	<u>19,730,112</u>	<u>15,157,888</u>
Cash and Cash Equivalents, Ending	<u>\$ 17,520,243</u>	<u>\$ 19,730,112</u>

See notes to consolidated financial statements.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

Florida International University Foundation, Inc. (the Foundation), a component unit of Florida International University, is organized to encourage, solicit, receive and administer gifts and bequests of property and funds for the advancement of Florida International University (the University) and its objectives. The Foundation is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code.

The Wolfsonian, Inc. was established in 1986 to create and operate a museum and research center in Miami Beach, Florida, and to support a comprehensive program focused on the collection, exhibition, interpretation, preservation, research and publication of the decorative, design and architectural arts. The Wolfsonian, Inc. has been loaned The Mitchell Wolfson, Jr. Collection of nearly 27,000 objects of art and rare books dating from the late nineteenth to the mid-twentieth century. It encompasses furniture, sculptures, paintings, books, graphics and other works of art on paper, as well as archives relating to the period. Through a series of academic study and fellowship programs, national and international traveling exhibitions, and scholarly initiatives, the Wolfsonian, Inc. promotes public education and awareness of the social, historical, technological, political, economic, and artistic material culture of Europe and America in the 1885-1945 period.

As more fully explained in Note 2, the Foundation was party to the gift agreement (the Agreement) on July 1, 1997 with the Wolfsonian, Inc., whereby the Wolfsonian, Inc. agreed to amend its articles of incorporation and bylaws with the intent of transferring control of the Wolfsonian, Inc., all of its assets, interest, and obligations, to the Foundation.

Principles of Consolidation

The consolidated financial statements of the Foundation and its subsidiary for the year ended June 30, 2007, include the accounts of the Foundation and the Wolfsonian, Inc. based on the Foundation's controlling economic interest in the Wolfsonian, Inc. The Foundation's controlling economic interest in the Wolfsonian, Inc. was the result of the gift agreement between the two entities, which became effective on March 26, 1998 (see Note 2).

All significant intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Statement (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Assets are presented according to their nearness of conversion to cash. Liabilities are presented according to the nearness of their maturity and resulting use of cash.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of Accounting

The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets and changes therein are classified and reported as follows:

Unrestricted

Net assets which are free of donor-imposed restrictions; all revenue, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets are classified as unrestricted.

Temporarily Restricted

Net assets whose use is limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled or removed by actions of the Foundation pursuant to those stipulations.

Permanently Restricted

Net assets whose use is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2006 from which the summarized information was derived.

Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. These estimates include assessing the collectibility of contributions receivable. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. Investment income or loss (including gains and losses on investments, interest and dividends) is included in the statement of activities as an increase or decrease in unrestricted net assets unless the income or loss is restricted by donor or law. Restricted gains and investment income, where the restrictions are met in the same reporting period as the income is earned, are recorded as unrestricted support. The total net unrealized investment gains and net investment income, for the years ended June 30, 2007 and 2006 amounted to \$18,543,470 and \$8,833,229, of which, \$13,976,894 and \$6,736,822 were applied to individual endowments.

Contributions

The Organization accounts for contributions in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributed goods and services are recorded as contributions at their estimated fair value at date of receipt.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets.

The Organization records unconditional promises to give at its estimated fair value which is based on prior years' experience and management's analysis of specific promises made. The receivables are further discounted to reflect their present value. Decreases in fair value are recognized as bad debt loss in the period the decrease occurs. Increases in estimated fair value are not recognized unless they represent recoveries of previous bad debt losses incurred; increases are recognized as additional contribution revenue when the promise to give is collected.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Deferred Revenue

Deferred revenue is comprised of advanced licensing and royalty fees. Bank of America has agreed to the fees in exchange for the right to use FIU's logo on credit cards and also to advertise on FIU's home page and athletic home page. In either case, that right extends to print or electronic media. In addition, Bank of America, has the right to solicit for business, FIU students and alumni population, faculty, staff, ticket holders, athletic teams and athletic departments. Deferred revenue at year ended June 30, 2007 amounted to \$528,134.

Wolfsonian, Inc. Land and Building and Foundation Property

Property and equipment are recorded at cost. If contributed, the asset, with the exception of the collection of decorative and propaganda arts, is recorded at the fair market value at the time of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions are recorded as unrestricted support. The Foundation has elected to exercise the option of not capitalizing the items that meet the definition of "collections" as prescribed by accounting principles generally accepted in the United States. Therefore, the fair value of the donated collection of decorative and propaganda arts are not reflected in the accompanying consolidated financial statements. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired, or as temporarily or permanently restricted net assets if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected in the consolidated financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, ranging from five to forty years.

Derivative Financial Instruments

The Foundation entered into an interest rate swap agreement to reduce its exposure to market risks from changing interest rates. For interest rate swaps, the differential to be paid or received is accrued and recognized in interest expense and may change as market interest rates change. The fair value of the swap agreement is presented in the statement of financial position. The change in fair value is presented as an unrealized gain or loss in the statement of activities.

Income Taxes

The Foundation and its subsidiary are not-for-profit corporations, as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal income taxes.

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash in banks, investments, accounts receivable, and promises to give.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Concentrations of Credit Risk (Continued)

The Foundation places substantially all of its cash with high quality financial institutions which the Foundation believes limits this risk. At June 30, 2007, approximately \$1,828,000 was in excess of the Federal Depository Insurance Company (FDIC) limits.

In addition, the Foundation maintains investment accounts with financial institutions which are not insured by the FDIC. These funds may be subject to insurance by Securities Investor Protection Corporation (SIPC), subject to various limitations. At June 30, 2007, approximately \$112,754,000 was held in these accounts. The Foundation believes that the number, diversity and financial strength of the issuers mitigate the credit risks associated with all investments.

NOTE 2. GIFT AGREEMENT

On July 1, 1997, the Foundation entered into a gift agreement (the Agreement) with Mitchell Wolfson, Jr., the Wolfsonian, Inc. and the University, whereby Mitchell Wolfson, Jr. agreed to donate all rights, title and interest in and to all objects constituting The Mitchell Wolfson, Jr. Collection of Decorative and Propaganda Arts (the Collection) to the FIU Foundation, subject to a loan agreement made and entered into by the Wolfsonian, Inc. and Mr. Wolfson, Jr., dated July 29, 1991. The Loan Agreement was extended in July 2001 for ten years to July 2011.

As a result of the Agreement, the Wolfsonian, Inc. has amended its articles of incorporation and bylaws to provide that all of its directors be appointed and removed at any time with or without cause by the Foundation, with the intention to effect a transfer of complete control of all of the assets, interests and obligations of the Wolfsonian, Inc. to the Foundation. On May 26, 1999, the Foundation passed a revision to the bylaws of the Wolfsonian, Inc. to make the Foundation the sole voting member of the Wolfsonian, Inc.

The gifts are conditional upon the provisions outlined in the Agreement, including but not limited to the Foundation continuing the museum and educational activities and operations that were conducted by the Wolfsonian, Inc. As a result of the Agreement, the University and the Foundation have assumed all administrative functions and operating costs of the Wolfsonian-FIU.

In order for the Foundation to be able to maintain the rights to the Collection, the University is to provide the Wolfsonian-FIU with the same financial support from its general budget, as provided to other departments, in order to continue the museum and educational activities and operations of the Wolfsonian-FIU. The University provides support for the Wolfsonian-FIU expenses which included the insurance premium for the art collection, salaries, equipment, administrative expenses, and building security. In addition, the University provides support for utilities, repairs and maintenance expenses for buildings used by the Wolfsonian-FIU.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 3. INVESTMENTS

	<u>2007</u>	<u>2006</u>
Common stock and mutual funds	\$ 98,414,241	\$63,009,831
Short Term Investments	1,046,025	
Limited partnerships	-	17,881,617
U.S. Government and municipal securities	7,168,271	7,377,536
Corporate bonds	5,937,977	3,323,865
	<u>112,566,514</u>	<u>91,592,849</u>
Plus accrued interest	187,049	185,872
Total investments	<u>\$ 112,753,563</u>	<u>\$91,778,721</u>

NOTE 4. CONTRIBUTIONS RECEIVABLE

Unconditional promises to give, recorded at its estimated fair value and discounted to present value, are expected to be realized in the following periods:

	<u>2007</u>	<u>2006</u>
Receivable in less than one year	\$ 7,671,955	\$13,642,639
Receivable in one to five years	11,393,475	6,344,093
Receivable in more than five years	1,737,872	2,163,712
	<u>20,803,302</u>	<u>22,150,444</u>
Less adjustment for fair value	(169,572)	(233,828)
Estimated fair value	20,633,730	21,916,616
Less discount at 6%	(1,488,272)	(2,492,432)
Promises to give, net	<u>\$19,145,458</u>	<u>\$19,424,184</u>

NOTE 5. WOLFSONIAN, INC. FIXED ASSETS

	<u>2007</u>	<u>2006</u>
Land	\$ 700,000	\$ 700,000
Women's Club building	160,000	160,000
	<u>860,000</u>	<u>860,000</u>
Less accumulated depreciation	78,000	70,000
Fixed assets, net	<u>\$ 782,000</u>	<u>\$ 790,000</u>

Depreciation expense was \$8,000 for the years ended June 30, 2007 and 2006, respectively.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 6. FOUNDATION FIXED ASSETS

	<u>2007</u>	<u>2006</u>
MARC Building	\$13,080,435	\$13,080,435
Land	2,500	2,500
Time share	3,200	3,200
	<u>13,086,135</u>	<u>13,086,135</u>
Less accumulated depreciation	<u>1,576,514</u>	<u>1,249,503</u>
Fixed assets, net	<u>\$11,509,621</u>	<u>\$11,836,632</u>

Depreciation expense was \$327,011 for the years ended June 30, 2007 and 2006, respectively.

NOTE 7. BOND ISSUANCE COSTS

As of June 30, 2007, issuance costs related to the tax-exempt bonds (Florida International University Foundation Project – Series 1999) issued by the Miami-Dade County Educational Facilities Authority, as described in Note 9. The issuance costs will be amortized over the term of the bonds which mature in 2022.

	<u>2007</u>	<u>2006</u>
Bond issuance costs	\$ 178,772	\$ 178,772
Less accumulated amortization	<u>59,748</u>	<u>51,722</u>
Bond issuance costs, net	<u>\$ 119,024</u>	<u>\$ 127,050</u>

NOTE 8. ANNUITIES PAYABLE

The Foundation has received, as of June 30, 2007, \$700,000 in gifts under charitable remainder annuity trust agreements. The Foundation recognized the contributions received as revenue during the period that the trust was established. The amount of the contribution was the fair value of the trust assets less the fair value of the estimated annuity payments to be paid annually over the expected life of the annuities. The Foundation recorded the present value of the annuities, plus an additional 10 percent of that amount, as required by Florida Statute Section 627.481, as the liability of annuities payable totaling \$330,898.

NOTE 9. NOTES PAYABLE

On January 20, 2000, the Miami-Dade County Educational Facilities Authority (the Authority) issued \$13,000,000 tax-exempt revenue bonds (Florida International University Foundation Project – Series 1999). These bonds are payable from and secured by a pledge of payments to be made to the Authority under a loan agreement dated December 1, 1999, between the Foundation

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 9. NOTES PAYABLE (Continued)

and the Authority. The Bonds will also be payable from an irrevocable letter of credit issued by a commercial bank as described below. The Foundation will finance the payments to the Authority under the loan agreement with lease payments received from the University under an operating lease (see Note 14). The \$13,000,000 original principal amount was issued under a variable rate structure with a final maturity date of May 1, 2022. The variable rate on fifty percent of the original issue, \$6,500,000, has been synthetically fixed at 4.63 percent through February 1, 2015, by way of an interest rate swap agreement with a commercial bank (see Note 10). For the year ended June 30, 2007, total interest paid was \$449,831. The bond proceeds were used to acquire, construct and equip the multi-function support complex located on the University campus in Miami-Dade County and to pay issuance costs. As of June 30, 2007, the outstanding principal balance due under this note payable amounted to \$10,275,000. As of June 30, 2007, the fair value of the FIU Foundation's liability under the swap agreement was \$286,187.

On December 1, 1999, the Foundation entered into a letter of credit agreement with a commercial bank that permitted the Foundation to borrow up to \$13,000,000 through December 15, 2004, bearing interest at the prime rate plus 2 percent. On November 29, 2004, this agreement was extended, with the same terms and conditions, through December 15, 2009. The Foundation must pay an annual commitment fee of 0.45 percent on the unused portion of the commitment. Borrowings under the financing agreement mature 90 days after the date of the borrowing.

Under the letter of credit agreement and loan agreement noted above, the Foundation is obligated under certain debt covenants to which they are in compliance with.

The aggregate maturities of the notes payable as of June 30, 2007 are as follows:

Year ending June 30:	
2008	\$ 495,000
2009	525,000
2010	550,000
2011	575,000
2012	605,000
Thereafter	7,525,000
	<u>\$10,275,000</u>

NOTE 10. DERIVATIVE FINANCIAL INSTRUMENTS

On February 1, 2000, the Foundation entered into an interest rate swap agreement (the Swap Agreement) with a commercial bank on a notional amount of \$6,500,000 which represents 50 percent of the principal amount of the bond issue, as described in Note 9. Under the original swap agreement, the Foundation agreed to pay a fixed rate of 5.03 percent per annum and receive variable rates based on 67 percent of the U.S. Dollar – LIBOR – BBA. Effective October 1, 2005, the Foundation renegotiated the swap agreement reducing the interest rate swap to 4.63 percent per annum. The renegotiated swap agreement expires on February 1, 2015.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 11. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets of \$32,991,568 at June 30, 2007 were available for scholarships and other program specific expenses. Permanently restricted net assets of \$87,183,688 at June 30, 2007 consisted of endowment funds. Investment income earned by endowment funds are available for spending based on the Foundation's spending policy. The spending rate is determined by the Foundation's Board at its annual board meeting. The spending rate for year ending June 30, 2007 was 5.5%. The spendable earnings are recorded as either temporarily restricted or unrestricted assets, as stipulated by the donor.

NOTE 12. CONTRIBUTIONS TO UNIVERSITY BUILDING PROGRAM

Contributions are received by the Foundation to support construction projects of the University. These projects are handled by the University, are on University property and become assets of the University upon completion. These funds may be further matched by a state matching program for construction. Prior to the request of matching funds and the commencement of the construction project, the Foundation transfers these contributions to the University.

During the year ended June 30, 2007, the Foundation transferred \$4,546,309 to support numerous construction projects, as follows:

Art museum building	\$1,271,157
A. Chapman Graduate School building	2,015,098
Law School building	260,054
University Football Stadium	<u>1,000,000</u>
	<u>\$4,546,309</u>

NOTE 13. COMMITMENTS AND CONTINGENCIES

Loan Guarantees

The Foundation guarantees amounts on construction projects on FIU's South Campus and hurricane relief loans as follows:

- up to the outstanding loan amount of \$1,168,298 for the Pi Kappa Alpha Kappa Gamma Greek Housing facility
- the repayment of principal and interest on each hurricane relief loan made by the University credit union to existing credit union members and to Foundation-approved University employees. As of June 30, 2007, \$243,165 of loans were outstanding.

Because almost all guarantees are expected to retire without being funded, these transactions are not expected to significantly impact operations or future cash flows.

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTE 14. RELATED PARTY TRANSACTIONS

On December 1, 1999, the Foundation entered into a ground lease agreement with the Board of Regents of the State University System of the State of Florida for and on behalf of the University. Under this agreement, the Foundation, the lessee, has leased the grounds on which the multi-functional support complex was built, as described in Note 9. The consideration required to be paid by the Foundation is \$10 annually. The lease will expire on December 31, 2024 or the final payment date under the letter of credit agreement, as described in Note 9.

On December 1, 1999, the Foundation also entered into an operating lease with the Board of Regents on behalf of the University to lease the 75,000 square foot multi-function support complex to the University. The financing of the payments under the letter of credit agreement and the loan agreement, as described in Note 9, will be secured by the pledged leased payments from the University. The University has agreed to pay the Foundation, as lessor, rent in the amount equal to all amounts due and payable by the Foundation under the letter of credit agreement, if any, and the loan agreement. The payments also include any costs of operating and maintaining the multi-functional support complex, in addition to amounts necessary to pay any unanticipated and extraordinary costs. The lease commenced during August 2002 when the multi-function support complex became operational. The lease expires on May 1, 2022 which is the date of maturity of the loan agreement. The cost of the leased asset is approximately \$13,000,000 and the net book value is approximately \$11,500,000 at June 30, 2007. Minimum future rentals as of June 30, 2007 are approximately as follows:

Year ending June 30:

2008	\$ 1,260,000
2009	1,260,000
2010	1,260,000
2011	1,260,000
2012	1,260,000
Thereafter	<u>12,600,000</u>
	<u>\$18,900,000</u>

SUPPLEMENTARY INFORMATION
(Unaudited)

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

EMINENT SCHOLARS CHAIR PROGRAM

SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE I

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	Contribution Amount	Received	Interest and Investment Gains	Expenses	Ending Balance June 30, 2007
1117030 Edna Gene & Jordan Davidson Endowed Chair						
Permanently restricted	\$1,000,000					\$1,000,000
Unrestricted	\$763,867			\$252,715	\$85,564	\$931,018
1139070 George C. Barley Endowed Chair						
Permanently restricted	\$1,080,000					\$1,080,000
Unrestricted	\$339,956			\$198,632	\$65,943	\$472,645
1200220 James L. Knight Endowed Chair in MIS						
Permanently restricted	\$1,031,794					\$1,031,794
Unrestricted	\$590,569	\$100	Oct-06	\$242,808	\$97,434	\$736,043
1270040 Knight Ridder Chair in Global Management						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$212,560			\$184,662	\$110,384	\$286,838
1270050 Knight Ridder Chair in International Management						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$217,932			\$184,662	\$109,576	\$293,018
1270060 Byron Harless Chair in Management Development						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$169,378			\$184,662	\$116,840	\$237,200
1270070 James K. Batten Chair in Strategic Management						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$229,284			\$184,662	\$79,650	\$334,296
1270080 Alvah Chapman Endowed Chair in Management						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$152,605			\$181,876	\$103,587	\$230,894
1280060 Ryder Chair in Management Information Systems						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$185,859			\$179,487	\$93,015	\$272,331
1280070 Ryder Chair Business Leadership						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$120,158			\$183,071	\$87,189	\$216,040
1280080 Ryder Chair in Decision Sciences						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$120,023			\$183,071	\$86,995	\$216,099
1280090 Ryder Global						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$180,882			\$183,071	\$50,167	\$313,786
1410020 JLK Chair in Education Reform & Innovation						
Permanently restricted	\$1,022,170					\$1,022,170
Unrestricted	\$154,730			\$186,048	\$67,132	\$273,646
1410030 JLK Chair in Education & Technology						
Permanently restricted	\$1,022,171					\$1,022,171
Unrestricted	\$143,124			\$186,048	\$50,094	\$279,078
1410040 JLK Chair in Urban Education, Non College Bound						
Permanently restricted	\$1,022,171					\$1,022,171
Unrestricted	\$157,075			\$186,048	\$63,028	\$280,095
1410050 JLK Chair in Urban Education Issues						
Permanently restricted	\$1,022,171					\$1,022,171
Unrestricted	\$152,694			\$186,048	\$33,539	\$305,203

(Continued)

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

EMINENT SCHOLARS CHAIR PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE I
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	Contribution Amount	Received	Interest and Investment Gains	Expenses	Ending Balance June 30, 2007
1600170 Coulter Biomedical Eminent Chair						
Permanently restricted	\$2,000,000					\$2,000,000
Unrestricted	\$309,441			\$367,744	\$100,000	\$577,185
1700090 Paul L. Cejas Endowed Scholarship Chair						
Permanently restricted	\$600,003	\$419,997	Sep-06			\$1,020,000
Unrestricted	\$44,047			\$172,569	\$71,357	\$145,259
4100190 We Will Rebuild Chair in Hurricane Studies						
Permanently restricted	\$1,050,000					\$1,050,000
Unrestricted	\$451,986			\$224,241	\$70,833	\$605,394
	-	-		-	-	-
	<u>\$24,726,650</u>	<u>\$420,097</u>		<u>\$3,852,125</u>	<u>\$1,542,327</u>	<u>\$27,456,545</u>
B. Encumbered	-	-		-	-	-
C. Priority List						
Paul Cejas Eminent Scholars Endowed Chair	\$420,004	(\$420,004)				\$0
	-	-		-	-	-
	<u>\$ 420,004</u>	<u>\$(420,004)</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	<u>Contribution</u>		Interest and Investment Gains	Expenses	Ending Balance June 30, 2007
		<u>Amount</u>	<u>Received</u>			
1000030 Madeline Kitts Scholarship:						
Permanently restricted	\$457,093					\$457,093
Temporarily restricted	\$325,078			\$105,843	\$57,866	\$373,055
1000060 Patricia and Phillip Frost Endowed Professorship:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$161,811			\$38,293	\$22,095	\$178,009
1000140 Perlman Family Faculty Grant Endowment						
Permanently restricted	\$102,270	\$50,906	Sep-06			\$153,176
Unrestricted	\$18,401			\$26,793	\$6,422	\$38,772
1000420 Perry Graduate Scholarship:						
Permanently restricted	\$254,552					\$254,552
Temporarily restricted	\$51,965			\$46,210	\$21,074	\$77,101
1000460 Aventura Marketing:						
Permanently restricted	\$207,517					\$207,517
Temporarily restricted	\$36,297			\$36,505	\$15,383	\$57,419
1000510 Garcia-Zamor Haitian American Endowment:						
Permanently restricted	\$300,000					\$300,000
Temporarily restricted	\$32,834			\$52,054	\$20,975	\$63,913
1000570 Bank of America Scholarship Endowment:						
Permanently restricted	\$175,000					\$175,000
Temporarily restricted	\$44,754			\$32,537	\$17,798	\$59,493
1000610 Lucille E. Snaith Memorial Scholarship Endowment						
Permanently restricted	\$152,500					\$152,500
Temporarily restricted	\$17,538			\$26,604	\$7,376	\$36,766
1000650 Manuel and Mercedes Mosteiro Scholarship Endow						
Permanently restricted	\$151,763	\$75,882	Sep-06			\$227,645
Temporarily restricted	\$6,566			\$38,332	\$9,186	\$35,712
1000710 Sedanos Family First Generation Scholarship						
Permanently restricted		\$100,000	Dec-06			\$100,000
Temporarily restricted				\$12,518	\$3,000	\$9,518
1100090 Judith Evans Parker						
Permanently restricted	\$100,000					\$100,000
Temporarily restricted	\$23,365			\$18,281	\$16,131	\$25,515
1111110 Barnes & Noble Creative Writing Endowment:						
Permanently restricted	\$350,000	\$50,000	Sep-06			\$400,000
Unrestricted	\$44,442			\$70,424	\$21,696	\$93,170
1119050 Helen J. Dunnick:						
Permanently restricted	\$224,521					\$224,521
Unrestricted	\$29,075			\$39,112	\$12,839	\$55,348
1119070 Sephardic Oriental Jewish Endowment:						
Permanently restricted	\$1,020,000					\$1,020,000
Temporarily restricted	\$132,727	\$1,000	Jun-07	\$176,985	\$70,520	\$240,192
1131050 Stanley Glaser Endowed Professorship in Biological Science						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$99,698			\$37,907	\$22,916	\$114,689
1131100 Kelly Tropical Botany Scholarship Endowment						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$28,269			\$27,268	\$23,264	\$32,273
1139040 S.E. Environmental:						
Permanently restricted	\$1,029,000					\$1,029,000
Unrestricted	\$90,853			\$177,015	\$89,571	\$178,297
1139080 Miccosukee Indians Everglades Endowment						
Permanently restricted	\$1,620,000					\$1,620,000
Unrestricted	\$301,982			\$285,614	\$128,476	\$459,120

(Continued)

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	<u>Contribution</u>		Interest and Investment Gains	Expenses	Ending Balance June 30, 2007
		<u>Amount</u>	<u>Received</u>			
1139110 JM Hibbard Memorial Lectures						
Permanently restricted	\$100,000	\$50,000	Sep-06			\$150,000
Unrestricted	\$7,341			\$25,423	\$7,780	\$24,984
1200040 Business Men's Insurance Marketing Professorship:						
Permanently restricted	\$134,600					\$134,600
Unrestricted	\$96,315			\$35,309	\$22,808	\$108,816
1200070 Macy's Professorship:						
Permanently restricted	\$225,000					\$225,000
Unrestricted	\$30,381			\$39,041	\$9,356	\$60,066
1200100 Deloitte & Touche Accounting Scholarship Endowment						
Permanently restricted	\$137,556					\$137,556
Temporarily restricted	\$32,694			\$24,955	\$8,481	\$49,168
1200110 Drexel Burnham Lambert Endowed Scholarship in CBA						
Permanently restricted	\$142,500					\$142,500
Temporarily Restricted	\$105,783			\$36,410	\$20,726	\$121,467
1200140 FIBA Professorship:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$30,380			\$27,162	\$24,153	\$33,389
1200150 Wachovia Business Ethics Scholarship						
Permanently restricted	\$300,000					\$300,000
Temporarily restricted	\$61,015			\$54,322	\$19,019	\$96,318
1200180 Herbert Wertheim Professorship in College of Business						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$78,061			\$31,757	\$23,196	\$86,622
1200190 Ingersoll-Rand Professorship Endowment						
Permanently restricted		\$100,001	Jul-06			\$100,001
Unrestricted		\$12,150	Jul-06	\$17,977	\$8,750	\$21,377
1200250 Bank America Business Ethics Scholarship:						
Permanently restricted	\$300,000					\$300,000
Temporarily restricted	\$70,033			\$54,842	\$22,643	\$102,232
1200260 Union Planters National Bank:						
Permanently restricted	\$487,500					\$487,500
Temporarily restricted	\$97,442			\$87,541	\$22,479	\$162,504
1200280 SunTrust Professorship:						
Permanently restricted	\$225,000					\$225,000
Unrestricted	\$32,636			\$39,911	\$10,598	\$61,949
1200290 AXA Foundation Business Ethics Scholarship:						
Permanently restricted	\$210,275					\$210,275
Temporarily restricted	\$41,343			\$37,481	\$8,983	\$69,841
1200330 David Parker:						
Permanently restricted	\$100,000					\$100,000
Temporarily restricted	\$17,965			\$18,281	\$12,821	\$23,425
1260020 Jerome Bain Endowed Scholarship:						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$133,067			\$34,552	\$28,280	\$139,339
1260030 Jerome Bain Real Estate Institution:						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$234,704	\$2,716	Oct-06	\$183,436	\$107,222	\$313,634
1270030 Knight Ridder Center Endowment:						
Permanently restricted	\$548,707					\$548,707
Unrestricted	\$54,699			\$94,148	\$25,257	\$123,590

(Continued)

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, <u>2006</u>	<u>Contribution</u> <u>Amount</u> <u>Received</u>		Interest and Investment <u>Gains</u>	<u>Expenses</u>	Ending Balance June 30, <u>2007</u>
1280040 Ryder Center for Business Logistics:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$86,032			\$35,314	\$9,619	\$111,727
1280050 Ryder System Endowed Professorship:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$98,010			\$35,180	\$39,538	\$93,652
1300030 Henry Milander:						
Permanently restricted	\$524,399					\$524,399
Temporarily restricted	\$307,088			\$110,391	\$26,455	\$391,024
1300100 Bank of America Scholarship Endowment (CUPA):						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$31,079			\$26,950	\$6,457	\$51,572
1400040 Patricia and Phillip Endowed Professorship in Education:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$79,062			\$36,671	\$18,595	\$97,138
1400140 Bellsouth Scholarship Endowment:						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$39,931			\$27,893	\$12,686	\$55,138
1400150 Pat Tornillo Scholarship Endowment:						
Permanently restricted	\$370,000					\$370,000
Temporarily restricted	\$69,064			\$65,441	\$15,682	\$118,823
1400180 Mark Blum Memorial Scholarship Endowment:						
Permanently restricted	\$160,000	\$67,996	Nov-07			\$227,996
Temporarily restricted	\$18,344			\$36,230	\$10,681	\$43,893
1400200 Robert R. Bellany Scholarship Endowment:						
Permanently restricted	\$580,000	\$102,500	Sep-06			\$682,500
Temporarily restricted	\$82,307			\$119,930	\$32,742	\$169,495
1500030 Hospitality Management Minority Endowment:						
Permanently restricted	\$441,496					\$441,496
Temporarily restricted	\$53,908			\$76,373	\$22,501	\$107,780
1500040 N.A.C. Professorship in Hospitality Management:						
Permanently restricted	\$155,000					\$155,000
Unrestricted	\$126,113			\$39,242	\$9,405	\$155,950
1500100 Coca Cola Professorship:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$80,327			\$35,148	\$17,589	\$97,886
1500140 James Bruce Wallace/R. Tuesday Scholarship Fund:						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$74,153			\$35,096	\$17,679	\$91,570
1500160 Ernest R. Graham Endowed Professorship:						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$109,973			\$38,944	\$16,407	\$132,510
1500180 Metromedia Restaurants Endowed Scholarships:						
Permanently restricted	\$170,000					\$170,000
Temporarily restricted	\$52,133			\$32,539	\$15,298	\$69,374
1500190 Beverage Management Endowment:						
Permanently restricted	\$454,819					\$454,819
Unrestricted	\$56,845			\$80,137	\$49,156	\$87,826
1500210 FIU Hospitality Review:						
Permanently restricted	\$187,500					\$187,500
Temporarily restricted	\$46,856			\$36,797	\$14,709	\$68,944

(Continued)

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	Contribution		Interest and Investment Gains	Expenses	Ending Balance June 30, 2007
		Amount	Received			
1500220 Hospitality Management Program:						
Permanently restricted	\$213,152					\$213,152
Unrestricted	\$62,633			\$38,567	\$9,243	\$91,957
1500230 John Kluge Endowed Scholarship:						
Permanently restricted	\$710,000					\$710,000
Temporarily restricted	\$154,407			\$130,143	\$43,515	\$241,035
1500240 Hospitality Computer Endowment:						
Permanently restricted	\$175,637					\$175,637
Temporarily restricted	\$40,853			\$31,922	\$7,650	\$65,125
1500290 Michael Hurst Lectures & Scholarships						
Permanently restricted	\$155,469					\$155,469
Temporarily restricted	\$33,028	\$16,000	Apr-07	\$27,858	\$8,777	\$68,109
1500300 H.R. Chaplin Beverage Management Chair						
Permanently restricted	\$1,020,000					\$1,020,000
Temporarily restricted	\$223,986			\$186,776	\$52,367	\$358,395
1500370 Marriott Scholarship Endowment						
Permanently restricted	\$100,000	\$150,000	Dec-06			\$250,000
Temporarily restricted	\$4,330			\$37,776	\$12,053	\$30,053
1500410 Ocean Waters Hospitality Scholarship						
Permanently restricted		\$100,000	Jan-07			\$100,000
Temporarily restricted		\$5,000	Jan-07	\$8,345	\$3,000	\$10,345
1600020 Endowed Scholarships in Engineering:						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$24,830	\$9,586	Dec-06	\$27,421	\$15,433	\$46,404
1600030 Endowed Professorship in Engineering:						
Permanently restricted	\$100,000					\$100,000
Unrestricted	\$76,919			\$21,202	\$9,776	\$88,345
1600140 Norman Wseldon Biomedical:						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$19,340			\$27,195	\$12,921	\$33,614
1600180 Bioinstrumentation/Biomeasurement Professorship						
Permanently restricted	\$1,000,000					\$1,000,000
Temporarily restricted	\$194,483			\$182,174	\$100,000	\$276,657
1600190 Biomedical Engineering Excellence Endowment:						
Permanently restricted	\$2,000,000					\$2,000,000
Unrestricted	\$268,875			\$361,285	\$98,508	\$531,652
1600210 Cardiovascular Engineering Center:						
Permanently restricted	\$500,000					\$500,000
Unrestricted	\$67,218			\$90,321	\$25,000	\$132,539
1600220 Lucent Technology CALA Dist. Professorship:						
Permanently restricted	\$450,000					\$450,000
Unrestricted	\$65,509			\$78,081	\$18,713	\$124,877
1600240 Biomedical Engineering Research Institute:						
Permanently restricted	\$1,000,000					\$1,000,000
Unrestricted	\$134,438			\$180,642	\$50,000	\$265,080
1600250 WH Coulter Graduate Fellowships in Biomedical Engineering						
Permanently restricted	\$1,000,000					\$1,000,000
Unrestricted	\$134,438			\$180,642	\$50,000	\$265,080
1600260 WH Coulter Biomedical Scholarships Endowment:						
Permanently restricted	\$500,000					\$500,000
Unrestricted	\$67,218			\$90,321	\$25,000	\$132,539

(Continued)

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	<u>Contribution</u>		Interest and Investment Gains	Expenses	Ending Balance June 30, 2007
		<u>Amount</u>	<u>Received</u>			
1600270 Coulter Young Inventor Award Endowment						
Permanently restricted	\$1,500,000					\$1,500,000
Temporarily Restricted	\$250,942			\$278,812	\$75,000	\$454,754
1600280 Coulter Biomedical Lecture Series						
Permanently restricted	\$500,000					\$500,000
Temporarily Restricted	\$69,718			\$90,321	\$23,912	\$136,127
1600330 Ware Professorship						
Permanently restricted	\$150,000					\$150,000
Unrestricted	\$25,340			\$26,803	\$6,423	\$45,720
1600450 Ware Foundation Research						
Permanently restricted	\$200,000	\$200,000	Jan-07			\$400,000
Unrestricted	\$9,796	\$67,000	Jan-07	\$59,044	\$87,193	\$48,647
1600480 Kelly Foundation Construction & Engineering						
Permanently restricted		\$100,000	Dec-Jan 07			\$100,000
Unrestricted				\$10,432	\$2,500	\$7,932
1700080 Paul L. Cejas Architecture Endowment						
Permanently restricted	\$400,002	\$330,007	Sep-06			\$730,009
Unrestricted	\$29,366			\$123,393	\$39,572	\$113,187
1740040 Evelyn Spitalny Endowment in Music						
Permanently restricted	\$153,181					\$153,181
Unrestricted	\$43,499			\$30,458	\$14,321	\$59,636
1740060 Wertheim Performing Arts Scholarship						
Permanently restricted	\$1,020,000					\$1,020,000
Unrestricted	\$200,173			\$193,427	\$62,946	\$330,654
1800150 Dresnick Scholars Endowment:						
Permanently restricted	\$152,297					\$152,297
Temporarily restricted	\$25,079			\$28,484	\$13,036	\$40,527
1800170 A. Friedman Health & Nursing Endowment:						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$33,938			\$26,728	\$16,611	\$44,055
1810040 School of Nursing Endowment I:						
Permanently restricted	\$786,152	\$500,000	Dec-06			\$1,286,152
Unrestricted	\$183,403	\$5,000	Mar-07	\$218,974	\$88,973	\$318,404
1810050 Betty Florman Nursing Scholarship						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$17,874			\$26,854	\$13,420	\$31,308
1810110 BC/BS Nursing Scholarship Endowment						
Permanently restricted	\$100,000	\$50,000	Sep-06			\$150,000
Temporarily restricted	\$11,909			\$26,317	\$10,507	\$27,719
1810130 North Dade Medical Nursing Lab Equipment						
Permanently restricted	\$250,000	\$187,500	Sep-06			\$437,500
Temporarily restricted	\$25,058			\$62,851	\$12,689	\$75,220
1810140 North Dade Medical Nursing Scholars Endowment						
Permanently restricted	\$1,000,000	\$750,000	Sep-06			\$1,750,000
Temporarily restricted	\$100,230			\$251,405	\$58,670	\$292,965
1900050 Janet Chusmir Endowment Scholarship in School of Journalism and Mass Communication						
Permanently restricted	\$313,210					\$313,210
Temporarily restricted	\$217,743			\$75,998	\$23,838	\$269,903

(Continued)

Exhibit "F"

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	Contribution		Interest and Investment Gains(1)	Expenses	Ending Balance June 30, 2007
		Amount	Received			
1900060 W.R. Hearst Professorship						
Permanently restricted	\$300,000					\$300,000
Temporarily restricted	\$120,705	\$3,400	Nov-06	\$61,688	\$20,998	\$164,795
2000050 Judge Thomas Britton Scholarship Endowment						
Permanently restricted	\$225,000	\$20,000	Dec-06			\$245,000
Unrestricted	\$32,630			\$42,279	\$10,132	\$64,777
2000070 Cuban American Bar Scholarship Endowment						
Permanently restricted		\$100,000	2006-2007			\$100,000
Unrestricted		\$3,243	2006-2007	\$12,898	\$3,091	\$13,050
2000120 Law Professorship Endowment						
Permanently restricted	\$750,000					\$750,000
Unrestricted	\$0			\$125,181	\$30,000	\$95,181
2100030 Endowed Professorship in Computer Sciences #1						
Permanently restricted	\$153,360					\$153,360
Unrestricted	\$139,409			\$38,749	\$9,286	\$168,872
2100040 Endowed Professorship in Computer Sciences #2						
Permanently restricted	\$153,360					\$153,360
Unrestricted	\$152,655			\$38,749	\$20,051	\$171,353
2100050 Endowed Graduate Fellowship in Comp Science #1						
Permanently restricted	\$153,360	\$50	Feb-07			\$153,410
Unrestricted	\$110,881			\$38,753	\$14,517	\$135,117
2100060 Endowed Graduate Fellowship in Comp Science #2						
Permanently restricted	\$153,360					\$153,360
Temporarily restricted	\$169,817			\$38,749	\$9,286	\$199,280
2100070 Ryder System Endowed Professorship in Computer Science						
Permanently restricted	\$150,000					\$150,000
Temporarily restricted	\$210,783			\$37,031	\$8,875	\$238,939
2200030 General Library Purchase Endowment						
Permanently restricted	\$619,968	\$2,198	2006-2007			\$622,166
Temporarily restricted	\$184,994			\$113,108	\$27,107	\$270,995
2200040 Green Library Endowment						
Permanently restricted	\$800,000					\$800,000
Temporarily restricted	\$125,543			\$143,209	\$78,004	\$190,748
2300030 Honors College General Endowment						
Permanently restricted		\$104,669	2006-2007			\$104,669
Temporarily restricted		\$39,000	2006-2007	\$18,513	\$14,508	\$43,005
2300060 Harvey L. Young Family Scholarship						
Permanently restricted	\$150,000	\$800	Dec-06			\$150,800
Temporarily restricted	\$27,305	\$1,000	Dec-06	\$27,501	\$12,591	\$43,215
2300070 Lucille E. Snaith Memorial Scholarship Endowment						
Permanently restricted	\$500,000					\$500,000
Unrestricted	\$82,634			\$89,704	\$46,498	\$125,840
2500030 R. Stempel Public Health Scholarship Endowment						
Permanently restricted	\$3,298,411					\$3,298,411
Temporarily restricted	\$612,244	\$26,513	Jan-07	\$592,826	\$231,840	\$999,743
2500060 CV Starr Scholarship						
Permanently restricted	\$2,542,172	\$391,864	Sept-Jan 07			\$2,934,036
Unrestricted	\$354,331			\$505,313	\$157,448	\$702,196
3000080 Dorothea and Steven Green Endowment						
Permanently restricted	\$3,200,010					\$3,200,010
Temporarily restricted	\$521,616			\$572,837	\$181,899	\$912,554

(Continued)

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

(Unaudited)

MAJOR GIFTS PROGRAM
 SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II
 (Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, 2006	<u>Contribution</u>		Interest and Investment Gains(1)	Expenses	Ending Balance June 30, 2007
		<u>Amount</u>	<u>Received</u>			
3100100 Wolfsonian Program Endowment						
Permanently restricted	\$275,339	\$1,000	Mar-07			\$276,339
Temporarily restricted	\$31,866			\$46,392	\$11,118	\$67,140
4020150 Michael Felsber Scholarship						
Permanently restricted		\$100,400	July-Nov 06			\$100,400
Temporarily restricted		\$3,822		\$14,816	\$3,551	\$15,087
4100030 City of Homestead Campus						
Permanently restricted	\$250,000					\$250,000
Temporarily restricted	\$245,102			\$57,792	\$13,850	\$289,044
4100200 Hurricane Center Endowment						
Permanently restricted	\$700,008					\$700,008
Temporarily restricted	\$394,037			\$155,739	\$69,873	\$479,903
4100290 Global Entrepreneurship Center						
Permanently restricted	\$800,000	\$600,000	Sept-Oct 2006			\$1,400,000
Temporarily restricted	\$96,497	\$10,300	Aug-May 2007	\$220,510	\$68,845	\$258,462
4200070 ER & C Gross Scholarship Endowment						
Permanently restricted	\$254,755					\$254,755
Temporarily restricted	\$42,949			\$46,153	\$11,061	\$78,041
4410020 CAMP for Justice Scholarship Endowment						
Permanently restricted	\$100,000	\$50,000	Sep-06			\$150,000
Temporarily restricted	\$5,898			\$25,349	\$6,075	\$25,172
	<u>\$57,255,979</u>	<u>\$4,541,503</u>		<u>\$9,253,930</u>	<u>\$3,436,410</u>	<u>\$67,615,002</u>

FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY

MAJOR GIFTS PROGRAM

SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES - SCHEDULE II

(Continued)

YEAR ENDED JUNE 30, 2007

	Beginning Balance July 1, <u>2006</u>	<u>State Match</u> <u>Presented</u>	<u>State Match</u> <u>Received</u>	Ending Balance June 30, <u>2007</u>
B. Encumbered				
Honors College General Endowment	\$ 22,500	\$ 29,150	\$ -	\$ 51,650
C.V. Starr Scholarship Program Endowment	-	125,000	-	125,000
Cuban American Bar Scholarship Endowment	-	50,050	-	50,050
Ware Foundation Research Endowment	-	50,000	-	50,000
Kelly Foundation Construction & Engineering	-	50,000	-	50,000
C. Priority List				
Law Professorship	525,000	-	-	525,000
CV Starr Scholarship Program Endowment	125,000	-	125,000	-
The Ware Foundation Research Endowment	50,000	-	50,000	-
School of Nursing Program Endowment	50,000	-	-	50,000
Pino Global Entrepreneurship Center Endowment	360,000	-	-	360,000
Wolfsonian Program Endowment	142,117	(2,568)	-	139,549
Robert R. Bellamy Memorial	55,000	47,500	102,500	-
Barnes & Noble Creative Writing	50,000	-	50,000	-
Pino Global Entrepreneurship Center Endowment	200,000	340,000	200,000	340,000
Blue Cross Blue Shield	50,000	-	50,000	-
C.V. Starr Scholarship Endowment	125,000	-	25,299	99,701
Ware Foundation	50,000	-	50,000	-
Jean M. Hibbard Memorial Endowment	50,000	-	50,000	-
Manuel and Mercedes Mosteiro Charitable Trust	75,875	7	75,882	-
North Dade Medical Foundation Nursing Scholarship	937,500	-	937,500	-
Rita and David Perlman	50,524	382	50,906	-
Marriot Scholars Endowment	50,000	-	50,000	-
CAMP for Justice Human Rights Scholarship	50,000	-	50,000	-
Paul Cejas Eminent Scholars Endowed Chair	330,000	420,004	750,004	-
Marriot Scholars Endowment	-	50,001	-	50,001
Ingersoll-Rand Professorship	-	50,000	-	50,000
School of Nursing Program Endowment-Perez	-	125,000	-	125,000
Michael Felsber Scholarship	-	50,465	-	50,465
School of Nursing Program Endowment-Dasburg	-	125,000	-	125,000
Oceans Waters Hospitality Mnmgt Scholarships	-	50,000	-	50,000
Sedanos Family First Generation Scholarships	-	50,000	-	50,000
	<u>\$3,348,516</u>	<u>\$1,609,991</u>	<u>\$2,617,091</u>	<u>\$2,341,416</u>



FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.
BOARD OF DIRECTORS

OFFICERS AND EXECUTIVE COMMITTEE

Fiscal Year

July 1, 2006 - June 30, 2007

S. LAWRENCE KAHN, III, Chairperson for the Board of Directors

Dates of Service: 3.28.01 – Present

Committee Affiliations:

- > Executive Committee, *Chairperson*
- > Ex-Officio Member of all Committees

ROBERT H. DICKINSON, Vice Chairperson for the Board of Directors

Date of Service: 4.24.02 – 4.1.07

Committee Affiliations:

- > Executive Committee, *Vice Chairperson*
- > Development Committees
- > Marketing Committee

T. GENE PRESCOTT, Treasurer for the Board of Directors

Dates of Service: 3.26.03 – Present

Committee Affiliations:

- > Executive Committee
- > Finance Committee, *Chairperson*
- > Investment Sub-Committee
- > Nominating and Membership Committee

JOHN M. HOGAN, Secretary for the Board of Directors

Dates of Service: 11.28.01 – Present

Committee Affiliations:

- > Bylaws Special Committee, *Chairperson*
- > Executive Committee
- > Finance Committee

MICHAEL M. ADLER

Dates of Service: 3.24.04 – Present

Committee Affiliations:

- > Executive Committee
- > Development Committee, *Chairperson*
- > Nominating and Membership Committee

JESUS DIAZ, JR.

Dates of Service: 9.24.03 – 6.13.07

Committee Affiliations:

- > Executive Committee
- > Audit Committee, *Chairperson*

PATRICIA FROST, Member-at-Large

Dates of Service: 5.15.85 – Present

Committee Affiliations:

- > Executive Committee
- > Nominating and Membership Committee, *Vice Chairperson*

OFFICERS AND EXECUTIVE COMMITTEE

Fiscal Year
July 1, 2006 - June 30, 2007
(Continued)

NOEL GUILLAMA-ALVAREZ

Dates of Service: 11.27.02 – Present

Committee Affiliations:

- > Executive Committee
- > Academic Committee, *Chairperson*
- > Audit Committee

RONALD A. SHUFFIELD

Dates of Service: 11.28.01– Present

Committee Affiliations:

- > Executive Committee
- > Development Committee
- > Nominating and Membership Committee, *Chairperson*

ROSA L. JONES, Presidential Designee

Dates of Service: 9.27.06 - Present

Committee Affiliations:

- > Executive Committee
- > Ex-Officio Member of all Committees

JIM MANDICH

Dates of Service: 4.24.02 – Present

Committee Affiliations:

- > Executive Committee
- > Athletic Committee, *Chairperson*
- > Nominating and Membership Committee

RAY E. MARCHMAN

Dates of Service: 3.29.00 – Present

Committee Affiliations:

- > Executive Committee
- > Development Committee
- > Marketing Committee, *Chairperson*

THEODORE SPAK

Dates of Service: 5.23.84 – Present

Committee Affiliations:

- > Executive Committee
- > Finance Committee
- > Investment Sub-Committee, *Chairperson*

JOSE VALDES-FAULI

Dates of Service: 1.27.99 – Present

Committee Affiliations:

- > Executive Committee
- > Alumni Committee, *Chairperson*

COMPLIANCE REPORT



Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Members of the Board of Directors and the Finance and Audit Committee
Florida International University Foundation, Inc. and Subsidiary
Miami, Florida

We have audited the consolidated financial statements of Florida International University Foundation, Inc. and Subsidiary (the Foundation) as of and for the year ended June 30, 2007 and have issued our report thereon dated October 18, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing the assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Foundation's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Foundation's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

-29-
67



Rachlin Cohen & Holtz LLP

One Southeast Third Avenue ■ Tenth Floor ■ Miami, Florida 33131 ■ Phone 305.377.4228 ■ Fax 305.377.8331 ■ www.rachlin.com

An Independent Member of Baker Tilly International

Members of the Board of Directors and the Finance and Audit Committee
Florida International University Foundation, Inc. and Subsidiary
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, the finance and audit committees, management, the State University System of Florida, the Florida Board of Education, and the Board of Trustees of the University and is not intended to be and should not be used by anyone other than these specified parties.

Rachlin Cohen & Holtz LLP

Miami, Florida
October 18, 2007

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

**SUBJECT: FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
FINANCIAL AUDIT, 2006-2007**

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, pursuant to the Florida Administrative Code Section 6C8-6.100 (6), the Florida International University Research Foundation, Inc. (FIU Research Foundation, Inc.) must submit an independently conducted financial audit of its accounts and records, which has been approved by its governing board and recommended by the University President to the Florida International University Board of Trustees (the BOT) for review and approval; and

WHEREAS, the FIU Research Foundation, Inc. Financial Audit for 2006-2007, attached hereto as Exhibit "G," has been submitted and the University President is recommending its approval, pending the approval of the FIU Research Foundation, Inc. Board of Directors;

THEREFORE, BE IT RESOLVED, that the BOT hereby approves the attached FIU Research Foundation, Inc. Financial Audit for 2006-2007 and authorizes the Executive Director of the FIU Research Foundation, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

BACKGROUND INFORMATION:

LEGAL AUTHORITY:

Section 6C8-6.100 (6) of the Florida Administrative Code, states in relevant part:

(6) Each DSO shall cause a financial audit of its accounts and records to be conducted by an independent certified public accountant after the close of each fiscal year. The audit report shall be submitted by the President of the University to the Board of Trustees no later than the end of the fourth month following the close of the organization's fiscal year.

ARTICLE 3 Section 3 of the Florida International University Research Foundation, Inc. Bylaws, states in relevant part:

(d) To cause an annual independent audit of the corporation's books and records to be made for transmittal directly to the Board of Directors.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “G”: FLORIDA
INTERNATIONAL UNIVERSITY
RESEARCH FOUNDATION, INC.
FINANCIAL AUDIT 2006-2007

DRAFT

FLORIDA INTERNATIONAL UNIVERSITY
RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

FINANCIAL STATEMENTS

JUNE 30, 2007

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

DRAFT

TABLE OF CONTENTS

	<u>PAGE</u>
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1-2
BASIC FINANCIAL STATEMENTS	
Statement of Net Assets	3
Statement of Revenues, Expenses and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6-9
COMPLIANCE SECTION	
Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	10-11

DRAFT

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Members of the Board of Directors and the Assistant Treasurer & Business Manager
Florida International University Research Foundation, Inc.
Miami, Florida

We have audited the accompanying statement of net assets of Florida International University Research Foundation, Inc. (the Research Foundation), a direct support organization and component unit of Florida International University, as of June 30, 2007 and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Research Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Research Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Research Foundation as of June 30, 2007, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued a report dated 12/20/07, 2007 on our consideration of the Research Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the Board of Directors and the Assistant Treasurer & Business Manager
Florida International University Research Foundation, Inc.
Page Two

DRAFT

The Foundation has not represented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of the financial statements.

Miami, Florida
September, 2007

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.

(A Direct Support Organization)

STATEMENT OF NET ASSETS

JUNE 30, 2007

DRAFTASSETS

Current Assets:

Cash	\$ 786,412
Grant receivable	301,071
Derivative asset	74,281

Noncurrent Assets:

Due from FIU	<u>5,955,000</u>
Total assets	<u>7,116,764</u>

LIABILITIES

Current Liabilities:

Accounts Payable	174,841
Accrued interest payable	51,206
Current portion of notes payable	1,910,000
Due to FIU	<u>337,538</u>
Total current liabilities	2,473,585

Noncurrent Liabilities:

Notes payable	<u>4,515,000</u>
Total liabilities	<u>6,988,585</u>

NET ASSETS

Unrestricted Net Assets	<u>\$ 128,179</u>
-------------------------	-------------------

See notes to financial statements.

Exhibit "G"

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007

DRAFT

Operating revenues:	
Federal grants and contracts	\$ 301,071
Operating expenses:	
Operating expenses	<u>315,766</u>
Operating loss	<u>(14,695)</u>
Non-operating revenues (expenses):	
Non-operating revenues	255,000
Interest expense	(227,751)
Unrealized gain on derivative instrument	<u>74,281</u>
Total non-operating revenues	101,530
Change in net assets	86,835
Net assets, beginning	<u>41,344</u>
Net assets, ending	<u>\$ 128,179</u>

See notes to financial statements.

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.

(A Direct Support Organization)

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2007

DRAFT

Cash flows from operating activities:	
Cash received from FIU	\$ 337,538
Cash paid for program activities	<u>(140,925)</u>
Net cash provided by operating activities:	<u>196,613</u>
Cash flows from non-capital financing activities:	
Receipts from FIU	2,120,000
Interest paid	(243,613)
Repayment of note payable	<u>(1,822,811)</u>
Net cash provided by non-capital financing activities	<u>53,576</u>
Increase in Cash	250,189
Cash, Beginning	<u>536,223</u>
Cash, Ending	<u>\$ 786,412</u>
Non-cash investing and financing activities:	
Unrealized gain on derivative instrument	<u>\$ 74,281</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (14,695)
Changes in assets and liabilities:	
(Increase) decrease in:	
Due to FIU	337,538
C & G receivables	(301,071)
Increase in:	
Accounts payable	<u>174,841</u>
Net cash provided by operating activities:	<u>\$ 196,613</u>

See notes to financial statements.

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

DRAFT

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Florida International University Research Foundation, Inc. (the Research Foundation), a Florida not-for-profit corporation, is a direct support organization and a component unit of Florida International University and was organized in the State of Florida on November 25, 1997 for educational and scientific purposes. The articles of incorporation were amended and restated on June 28, 2005.

The Research Foundation is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code. The Research Foundation provides direct support to Florida International University (FIU or the University) in matters pertaining to research, and has been designated by the FIU Board of Trustees as a University Direct Support Organization pursuant to §1004.28, Florida Statutes.

Basis of Presentation

The financial statements of the Research Foundation have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Research Foundation reports under the GASB standards because it meets the criteria regarding the popular election of officers or appointment of a controlling majority of the members of the Organization's governing body by one or more state or local governments and because it is a direct support organization. Therefore, the Research Foundation is reported as a governmental entity.

In accordance with GASB Statement No. 34, the Research Foundation met the criteria to use enterprise fund accounting and financial reporting. Accordingly, the financial statements are reported using the economic resources measurement focus and accrual basis of accounting, which recognizes revenue when earned and expenses when a liability is incurred, regardless of timing of the related cash flow.

In accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the Foundation applies all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

DRAFT

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Derivative Financial Instrument

The Research Foundation entered into an interest rate swap agreement to reduce its exposure to market risks from changing interest rates. For interest rate swaps, the differential to be paid or received is accrued and recognized in interest expense and may change as market interest rates change. The fair value of the swap agreement is presented in the statement of financial position. The change in the fair value is presented as an unrealized gain or loss in the statement of activities.

Long-Term Debt

Long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Issuance costs are not material and are not presented in the financial statements.

Flow Assumption for Restricted Assets

If both restricted and unrestricted assets are available for use for a certain purpose, it is the Research Foundation's policy to use restricted assets first, then use unrestricted assets as needed.

NOTE 2. CONCENTRATION OF CREDIT RISK

Cash

The Research Foundation maintains deposit balances with financial institutions that, from time to time, may exceed federally insured limits. At June 30, 2007, the Research Foundation had \$486,412 that was in excess of federally insured limits. In addition, the Research Foundation maintains a deposit balance in Columbia, South America, to manage its operations pertaining to the US-AID grant activities in Columbia. The balance in this account of \$200,000 as of June 30, 2007 is not FDIC insured and is subject to foreign exchange risk. The Research Foundation maintains its cash balances with high quality financial institutions, which the Research Foundation believes limits these risks.

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

DRAFT

NOTE 3. RELATED PARTY TRANSACTIONS

On February 10, 2005, FIU Board of Trustees approved a settlement agreement with various agencies of the United States government, including the Department of Justice related to the Hemispheric Center for Environmental Technology whereby all audit claims were settled and the University agreed to pay \$11,500,000 to the Federal Government.

On May 3, 2005, the University entered into an agreement with the FIU Research Foundation, Inc. whereas the Research Foundation authorized the issuance of a promissory note in an aggregate principal amount not to exceed \$10,000,000, plus interest, to finance the payment of amounts due under the Settlement Agreement dated February 10, 2005 and certain costs relating to the financing.

To assist the University, the Research Foundation issued on June 30, 2005 two series of notes, one for \$7,955,000 (tax exempt) and one for \$1,670,000 (taxable) for a total of \$9,625,000, and forwarded \$9,591,096 to the Federal Government (see Note 4).

The University is obligated to fund both the principal and interest and issuance costs on the obligations to the Research Foundation. The Research Foundation made principal payments on the notes in the amount of \$1,822,811 during the year.

NOTE 4. LONG-TERM DEBT

The debt activity for the year ended June 30, 2007 is as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending</u> <u>Balance</u>
Tax Exempt Note	\$7,955,000	\$ -	\$1,530,000	\$6,425,000
Taxable Note	292,811	-	292,811	-
	<u>\$8,247,811</u>	<u>\$ -</u>	<u>\$1,822,811</u>	<u>\$6,425,000</u>

\$7,955,000 Florida International University Research Foundation, Inc. Tax-Exempt Note, Series 2005, dated June 30, 2005; interest at 65% of three month LIBOR plus 39.23 basis points; interest and principal payable on a quarterly basis with principal ranging from \$135,000 on July 1, 2006 to a final principal payment of \$515,000 on July 1, 2010.

\$1,670,000 Florida International University Research Foundation, Inc. Taxable Note, Series 2005; interest at three month LIBOR rate plus 15 basis points; interest and principal payable on a quarterly basis with principal ranging from \$445,00 on October 1, 2005 to a final payment of \$292,811 which was paid on October 1, 2006.

FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

DRAFT

NOTE 4. LONG-TERM DEBT (Continued)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2008	\$ 1,910,000	\$ 183,024	\$ 2,093,024
2009	1,970,000	120,869	2,090,869
2010	2,030,000	57,235	2,087,235
2011	<u>515,000</u>	<u>4,100</u>	<u>519,100</u>
	<u>\$ 6,425,000</u>	<u>\$ 365,228</u>	<u>\$ 6,790,228</u>

NOTE 5. DERIVATIVE FINANCIAL INSTRUMENTS

On May 5, 2005, the Research Foundation entered into an interest rate swap agreement with a commercial bank on a notional amount of \$7,955,000. Under the swap agreement, the Research Foundation agrees to pay a fixed rate of 3.15% and receive a variable rate based on 65% of 3 month LIBOR rate plus 0.3923%. As of June 30, 2007, the Research Foundation reported a derivative asset of \$74,281 in the statement of net assets and an unrealized gain of \$74,281 in the statement of revenues, expenses and changes in net assets. The swap agreement has a maturity date of July 1, 2010.

DRAFT

COMPLIANCE SECTION

Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

DRAFT

Members of the Board of Directors and the Assistant Treasurer & Business Manager
Florida International University Research Foundation, Inc.
Miami, Florida

We have audited the financial statements of Florida International University Research Foundation, Inc. (the Research Foundation) as of and for the year ended June 30, 2007, and have issued our report thereon dated , 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Research Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing the assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Research Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Foundation's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Research Foundation's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Exhibit "G"

Members of the Board of Directors and the Assistant Treasurer & Business Manager
Florida International University Research Foundation, Inc.
Page Two

DRAFT

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Research Foundation's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, the State University System of Florida and the Florida Board of Education and the Board of Trustees of Florida International University and is not intended to be and should not be used by anyone other than these specified parties.

Miami, Florida
February 1, 2007

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

**SUBJECT: FLORIDA INTERNATIONAL UNIVERSITY ATHLETICS FINANCE
CORPORATION, FINANCIAL AUDIT, 2006-2007**

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, pursuant to the Florida Administrative Code Section 6C8-6.100 (6), the Florida International University Athletics Finance Corporation (FIU Athletics Finance Corp.) must submit an independently conducted financial audit of its accounts and records, which has been approved by its governing board and recommended by the University President to the Florida International University Board of Trustees (the BOT) for review and approval; and

WHEREAS, the FIU Athletics Finance Corp. Financial Audit for 2006-2007, attached hereto as Exhibit "H," has been submitted and the University President is recommending its approval, pending the approval of the FIU Athletics Finance Corp. Board of Directors;

THEREFORE, BE IT RESOLVED, that the BOT hereby approves the attached FIU Athletics Finance Corp. Financial Audit for 2006-2007 and authorizes the Executive Director of the FIU Athletics Finance Corp. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

BACKGROUND INFORMATION:

LEGAL AUTHORITY:

Section 6C8-6.100 (6) of the Florida Administrative Code, states in relevant part:

(6) Each DSO shall cause a financial audit of its accounts and records to be conducted by an independent certified public accountant after the close of each fiscal year. The audit report shall be submitted by the President of the University to the Board of Trustees no later than the end of the fourth month following the close of the organization's fiscal year.

ARTICLE 5 Section 4 of the Florida International University Athletics Finance Corp, Inc. Bylaws, states in relevant part:

(d) To cause an annual audit to be made by an independent certified public accountant of the Corporation's books and records as soon as possible after the close of the fiscal year of the Corporation and to have the results reported to the Chairperson of the Corporation immediately and to the full Board at its next meeting thereafter. The annual audit report shall be submitted by the President of FIU to the Board of Trustees for review no later than the end of the fourth month following the close of the Corporation's fiscal year. The annual audit report also shall be submitted to the Auditor General and to the State Board of Education no later than nine (9) months after the close of the Corporation's fiscal year. The audit shall be conducted in accordance with rules promulgated by the Board of Trustees of FIU and with policies adopted by the Auditor General; and

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT "H": FLORIDA
INTERNATIONAL UNIVERSITY
ATHLETICS FINANCE CORPORATION,
FINANCIAL AUDIT 2006-2007

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

FINANCIAL STATEMENTS

JUNE 30, 2007

TENTATIVE
FOR DISCUSSION PURPOSES ONLY
NOT FOR DISTRIBUTION

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

TABLE OF CONTENTS

	<u>PAGE</u>
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1-2
BASIC FINANCIAL STATEMENTS	
Statement of Net Assets	3
Statement of Revenues, Expenses and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6-10
COMPLIANCE SECTION	
Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	11-12

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Members of the Board of Directors and the Assistant Treasurer & Business Manager
FIU Athletics Finance Corporation
Miami, Florida

We have audited the accompanying statement of net assets of FIU Athletics Finance Corporation (the Athletics Finance Corporation), a direct support organization and component unit of Florida International University, as of June 30, 2007 and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Athletics Finance Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Athletics Finance Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Athletics Finance Corporation as of June 30, 2007, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2007, 2007 on our consideration of the Athletics Finance Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the Board of Directors and the Assistant Treasurer & Business Manager
FIU Athletics Finance Corporation
Page Two

The Athletics Finance Corporation has not represented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of the financial statements.

Miami, Florida
_____, 2007

TENTATIVE
FOR DISCUSSION PURPOSES ONLY
NOT FOR DISTRIBUTION

FIU ATHLETICS FINANCE CORPORATION*(A Direct Support Organization)*

STATEMENT OF NET ASSETS

JUNE 30, 2007

ASSETS

Current Assets:

Cash	\$3,532,103
Investments	34,574,780
Derivative asset	90,174

Noncurrent Assets:

Bond issuance costs	<u>553,037</u>
Total assets	<u>38,750,094</u>

LIABILITIES

Current Liabilities:

Accrued bond issuance costs	89,561
Accrued interest payable	134,110
Due to FIU	<u>3,500,000</u>
Total current liabilities	3,723,671

Noncurrent Liabilities:

Bond payable	<u>35,000,000</u>
Total liabilities	<u>38,723,671</u>

NET ASSETS

Unrestricted Net Assets	<u>\$ 26,423</u>
-------------------------	------------------

See notes to financial statements.

FIU ATHLETICS FINANCE CORPORATION*(A Direct Support Organization)*

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007

Non-operating revenues (expenses):	
Interest and dividends	\$ 247,331
Interest expense and fiscal charges	(304,172)
Amortization of bond issuance costs	(7,110)
Unrealized gain on derivative instrument	<u>90,174</u>
Total non-operating revenues	<u>26,223</u>
Income before transfers	26,223
Transfer in	<u>200</u>
Change in net assets	26,423
Net assets, beginning	<u>-</u>
Net assets, ending	<u>\$ 26,423</u>

TENTATIVE
FOR DISCUSSION PURPOSES ONLY
NOT FOR DISTRIBUTION

See notes to financial statements.

FIU ATHLETICS FINANCE CORPORATION*(A Direct Support Organization)*

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2007

Cash flows from capital and related financing activities:

Cash received from FIU	\$ 3,500,000
Proceeds from bonds	34,529,415
Interest paid	(170,063)
Interest earned	<u>247,331</u>
Net cash provided by capital and related financing activities:	<u>38,106,683</u>

Cash flows from investing activities:

Purchase of investments	<u>(34,574,780)</u>
Net cash used by investing activities	<u>(34,574,780)</u>

Cash flows from non-capital financing activities:

Transfer in	<u>200</u>
Net cash provided by non-capital financing activities	<u>200</u>

Increase in Cash	3,532,103
------------------	-----------

Cash, Beginning	<u>-</u>
-----------------	----------

Cash, Ending	<u>\$ 3,532,103</u>
--------------	---------------------

Non-cash investing and financing activities:

Unrealized gain on derivative instrument	<u>\$ 90,174</u>
--	------------------

See notes to financial statements.

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The FIU Athletics Finance Corporation (the Athletics Finance Corporation), a Florida not-for-profit corporation, is a direct support organization and a component unit of Florida International University and was organized in the State of Florida on November 20, 2006 to facilitate the financing of projects related to the FIU football stadium.

The Athletics Finance Corporation is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code. The Athletics Finance Corporation provides direct support to Florida International University (FIU or the University) in matters pertaining to initially the financing of the FIU football stadium and subsequently the managing and operating of the facility and has been designated by the FIU Board of Trustees as a University Direct Support Organization pursuant to §1004.28, Florida Statutes.

Basis of Presentation

The financial statements of the Athletics Finance Corporation have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Foundation reports under the GASB standards because it meets the criteria regarding the popular election of officers or appointment of a controlling majority of the members of the Organization's governing body by one or more state or local governments and because it is a direct support organization. Therefore, the Athletics Finance Corporation is reported as a governmental entity.

In accordance with GASB Statement No. 34, the Athletics Finance Corporation met the criteria to use enterprise fund accounting and financial reporting. Accordingly, the financial statements are reported using the economic resources measurement focus and accrual basis of accounting, which recognizes revenue when earned and expenses when a liability is incurred, regardless of timing of the related cash flow.

In accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the Athletics Finance Corporation applies all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Investments

The Athletics Finance Corporation participates in investment pools through the State Board of Administration in accordance with the provisions of §17.61 and §215.49, Florida Statutes. These investment pools operate under investment guidelines established by §215.47, Florida Statutes. The Athletics Finance Corporation's investments in these pools are reported at market value.

Derivative Financial Instrument

The Athletics Finance Corporation entered into an interest rate swap agreement to reduce its exposure to market risks from changing interest rates. For interest rate swaps, the differential to be paid or received is accrued and recognized in interest expense and may change as market interest rates change. The fair value of the swap agreement is presented in the statement of financial position. The change in the fair value is presented as an unrealized gain or loss in the statement of activities.

Long-Term Debt

Long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Issuance costs are presented in the financial statements as a noncurrent asset and is being amortized over the life of the bonds.

Flow Assumption for Restricted Assets

If both restricted and unrestricted assets are available for use for a certain purpose, it is the Athletics Finance Corporation's policy to use restricted assets first, then use unrestricted assets as needed.

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 2. CONCENTRATION OF CREDIT RISK

Cash and Investments

Financial instruments that potentially subject the Athletics Finance Corporation to concentrations of credit risk consist principally of cash in banks and investments. The Athletics Finance Corporation places substantially all of its cash with high quality financial institutions which the Athletics Finance Corporation believes limits these risks. At June 30, 2007, \$3,431,963 was in excess of the Federal Depository Insurance Company (FDIC) limits.

In addition, the Athletics Finance Corporation maintains investment accounts with financial institutions that are not insured by the FDIC. These funds may be subject to insurance by Securities Investor Protection Corporation (SIPC), subject to various limitations. At June 30, 2007, \$34,574,780 was held in these accounts. The Athletics Finance Corporation believes that the number, diversity and financial strength of the issuers mitigate the credit risks associated with all investments.

NOTE 3. INVESTMENTS

Investments are made in accordance with the trust indenture dated April 1, 2007. The Athletic Finance Corporation is authorized to invest in the State Board of Administration Investment Pool (SBA). The State Board of Administration is part of the Florida Local Government Surplus Funds Trust Fund and is governed by Ch. 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Florida Local Government Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The Florida Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the board has adopted operating procedures consistent with the requirements for a 2a-7 fund. The SBA has reported that the Local Government Surplus Funds Trust Fund is a "2a-7 like" pool and, therefore, these investments are valued using the pooled share price.

Credit Risk

The Athletic Finance Corporation is authorized to invest surplus funds in the Florida State Board of Administration (SBA). The SBA does not have a rating from a NRSRO.

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 4. BOND ISSUANCE COSTS

As of June 30, 2007, issuance costs related to both the tax exempt and taxable bonds (FIU Athletics Finance Corporation Capital Improvement Revenue Bonds Series 2007A and 2007B) totaled \$553,037, net of amortization. The bond costs will be amortized over the term of the bonds which mature in March 2033.

Bond issuance costs	\$ 560,147
Less accumulated amortization	<u>7,110</u>
Bond issuance costs, net	<u>\$ 553,037</u>

NOTE 5. LONG-TERM DEBT

The debt activity for the year ended June 30, 2007 is as follows:

	Beginning Balance	Additions	Payments	Ending Balance
Tax Exempt Capital Improve- ment Revenue Bonds	\$ -	\$ 28,000,000	\$ -	\$ 28,000,000
Taxable Capital Improvement Revenue Bonds	-	<u>7,000,000</u>	-	<u>7,000,000</u>
	<u>\$ -</u>	<u>\$ 35,000,000</u>	<u>\$ -</u>	<u>\$ 35,000,000</u>

On April 20, 2007, the Athletics Finance Corporation issued \$28,000,000 of its Capital Improvement Revenue Bonds (Football Stadium Project) Series 2007A and \$7,000,000 of its Taxable Capital Improvement Revenue Bonds (Football Stadium Project) Series 2007B. These bonds were issued and secured under and pursuant to a Trust Indenture, dated April 1, 2007, between the Athletics Finance Corporation and a commercial bank, as trustee, and shall be payable from pledged revenues. The bond proceeds will be used to (i) finance certain football stadium improvements, (ii) fund capitalized interest through March 1, 2009, (iii) fund a deposit to a debt service reserve fund, and (iv) pay costs related to the issuance of the bonds. The bonds shall be secured by operating and non-operating revenues of the facility and of the University athletic fees.

The interest rate on these bonds are both fixed and variable and are subject to a hedge agreement that was entered into to try to reduce the exposure to market risks from changing interest rates. Interest is computed on the basis of the actual number of days elapsed over a year of 365 or 366 days.

FIU ATHLETICS FINANCE CORPORATION
(A Direct Support Organization)

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 5. LONG-TERM DEBT (Continued)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2008	\$ -	\$ 1,631,165	\$ 1,631,165
2009	-	1,724,069	1,724,069
2010	730,000	1,713,848	2,443,848
2011	775,000	1,666,571	2,441,571
2012	825,000	1,618,779	2,443,779
2013-2017	5,020,000	7,204,440	12,224,440
2018-2022	6,595,000	5,664,882	12,259,882
2023-2027	8,280,000	3,989,136	12,269,136
2028-2032	10,390,000	1,885,810	12,275,810
2033	<u>2,385,000</u>	<u>79,246</u>	<u>2,464,246</u>
Totals	<u>\$35,000,000</u>	<u>\$27,177,946</u>	<u>\$62,177,946</u>

NOTE 6. DERIVATIVE FINANCIAL INSTRUMENTS

On May 30, 2007, Athletics Finance Corporation entered into an interest rate swap agreement with a commercial bank on a notational amount of \$21,000,000 which represents the fixed portion of the bonds payable mentioned in Note 4 above. Under the swap agreement, the Athletics Finance Corporation agrees to pay a fixed rate of 4.1451% and receive a variable rate based on the BMA index (current yields for high yield variable demand bonds maintained by the Bond Marker Association). As of June 30, 2007, the Athletics Finance Corporation reported a derivative asset of \$90,174 in the statement of net assets and an unrealized gain on derivative instrument of \$90,174 in the statement of revenues, expenses and changes in net assets. The swap agreement has a maturity date of March 1, 2033.

NOTE 7. LETTER OF CREDIT AGREEMENT

On April 1, 2007, Regions Bank, as Trustee for the \$35,000,000 Series 2007A and 2007B Bonds for the construction of the FIU Football Stadium Project, issued a letter of credit to serve as security for the payments of the bonds. The Letter of Credit will be in effect until April 15, 2012, and will automatically extend equal to the remaining balance of the bonds payable for a period of one year, but not to extend beyond April 15, 2033. Should a drawing against the Letter of Credit be necessary, Athletics Finance Corporation agrees to repay the draw plus annual interest equal to the Three Month LIBOR plus two percent (2%).

COMPLIANCE SECTION

TELETYPE
FOR DISCUSSION PURPOSES ONLY
NOT FOR DISTRIBUTION

Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Members of the Board of Directors and the Assistant Treasurer & Business Manager
FIU Athletics Finance Corporation
Miami, Florida

We have audited the financial statements of FIU Athletics Finance Corporation (the Athletics Finance Corporation) as of and for the year ended June 30, 2007, and have issued our report thereon dated [REDACTED], 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Athletics Finance Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Athletics Finance Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing the assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Athletics Finance Corporation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Athletics Finance Corporation's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Athletics Finance Corporation's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Exhibit "H"

Members of the Board of Directors and the Assistant Treasurer & Business Manager

FIU Athletics Finance Corporation

Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Athletics Finance Corporation's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, the State University System of Florida and the Florida Board of Education and the Board of Trustees of Florida International University and is not intended to be and should not be used by anyone other than these specified parties.

Miami, Florida
██████████, 2007

TENTATIVE
FOR DISCUSSION PURPOSES ONLY
NOT FOR DISTRIBUTION

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

**SUBJECT: THE FLORIDA INTERNATIONAL UNIVERSITY COLLEGE OF MEDICINE
HEALTH CARE NETWORK FACULTY GROUP PRACTICE**

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, in order to provide educationally oriented clinical practice settings and opportunities that are essential in the training of medical students; and

WHEREAS, these clinical practice activities by faculty generate income through fees collected and these fees must be regulated and processes developed for the orderly collection and distribution of such fees; and

WHEREAS, Florida universities, pursuant to Board of Regents Rule 6C-9.017 adopted by the Board of Governors in January, 2003, have been authorized to establish not-for-profit corporations for the handling of such fees; and

WHEREAS, the Florida International University College of Medicine Health Care Network Faculty Group Practice meets all of the requirements set forth in Rule 6C-9.017 for a Faculty Practice Plan;

NOW, THEREFORE, BE IT RESOLVED as follows:

The Florida International University Board of Trustees hereby (i) approves the formation of the Florida International University College of Medicine Health Care Network Faculty Group Practice (the "Corporation"); (ii) approves the Bylaws of the Corporation, in the form attached as Exhibit "I"; and (iii) instructs the President to submit the Bylaws for approval at the next regularly scheduled Board of Governors meeting and to take all steps necessary to carry out the purpose of this Resolution.

BACKGROUND INFORMATION:

In order to undertake faculty practice activities, the University has been authorized to establish the Florida International University College of Medicine Health Care Network Faculty Group Practice pursuant to Chapter 617, Florida Statutes.

STATUTORY AUTHORITY:

This resolution is being adopted pursuant to the provisions of Florida Board of Regents Rule 6C-9.017. adopted by the Board of Governors in January, 2003.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “T”: BYLAWS OF FIU COLLEGE OF MEDICINE HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.

PRESENTER:

- KIRK LANDON

BYLAWS of
The Florida International University College of Medicine
Health Care Network Faculty Group Practice, Inc.
(A Non-Profit Corporation)

ARTICLE I
PURPOSE

General Purpose. The Florida International University College of Medicine Health Care Network Faculty Group Practice, Inc. shall be known as The Florida International University College of Medicine Health Care Network (FIUHN) and shall exist exclusively to support the mission of Florida International University (FIU) to improve and support medical education at the Florida International University College of Medicine (FIUCOM). It is organized as a not-for-profit corporation under Chapter 617, Florida Statutes.

ARTICLE II
FISCAL YEAR

The fiscal year of the FIUHN shall begin on the first day of July and end on the last day of June in each year.

ARTICLE III
MEMBERS

The membership of the FIUHN shall consist of all clinical faculty members of the FIUCOM who are actively involved in the clinical practice of medicine and who are not adjunct faculty members. When any member ceases to be employed by FIUCOM, his/her membership in the FIUHN shall be deemed automatically terminated.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. Powers and Duties of the Board of Directors. Except as otherwise provided in the Articles of Incorporation and these Bylaws, the direction and management of the affairs of the FIUHN and the control and disposition of its assets shall be vested in the Board of Directors ("Board") which shall be comprised of nine (9) directors.

The Board shall have the power to hold and to invest and reinvest any monies it receives

and to hold any property, to sell or exchange the same, and to invest and reinvest the proceeds of any sale or other conversion of any such property, for the purpose of earning income, which income less operating expenses of the FIUHN shall be used for such specific purpose in accord with the FIUHN's aims and the policies of the University and its Board of Trustees.

The FIUHN shall have the power and authority to borrow money by issuing long or short-term notes, bonds, or debentures and to pledge, mortgage, or otherwise encumber its assets within the discretion of the Board and the policies of the University and its Board of Trustees.

Section 2. Membership. The nine (9) members of the Board shall be:

- (a) A designee of the FIUBOT.
- (b) The Dean and Senior Vice President of Medical Affairs of the FIUCOM.
- (c) The Executive Associate Dean of Clinical Affairs of the FIUCOM.
- (d) The Provost of FIU or his/her Designee.
- (e) The CFO of FIU or his/her Designee.
- (f) One (1) FIUCOM Non-Chairman Group Faculty Member selected by the Clinical Faculty.
- (g) One (1) FIUCOM Chairman Group Faculty Member selected by the Clinical Chairs.
- (h) Two (2) Community Members who shall not be employees of FIU and who are nominated either by the Committee on Nominations or any member of the Board and elected by a majority vote of the Board (hereinafter "Community Member"). One (1) of the Community Members must have the financial skills to be designated as the Financial Expert pursuant to the criteria of Sarbanes-Oxley.

Section 3. Term of Office. The Dean and Senior Vice President of Medical Affairs of the FIUCOM, the Executive Associate Dean of Clinical Affairs of FIU, the Provost of FIU if he/she does not name a Designee, the CFO of FIU if he/she does not name a Designee shall serve as directors of the FIUHN for such time as they shall continue to serve respectively as Dean and Senior Vice President of Medical Affairs of the FIUCOM, Executive Associate Dean of Clinical Affairs of FIU, Provost of FIU and CFO of FIU. Should the Provost or the CFO choose Designees to serve as Board members, then those Designees shall serve as Board members for as long as the Provost or the CFO shall determine. For elected members the term of office will be

three (3) years. The initial terms will be staggered with the faculty representative serving one (1) year, the chairman representative serving two (2) years and the two (2) Community Members serving staggered terms of two (2) and three (3) year term.

Section 4. Election. Any elected director whose term of office shall have expired may be elected to another term to a maximum of two (2) consecutive terms. Nothing in the Bylaws or the Articles of Incorporation shall prohibit any elected Board member from being re-elected after two (2) terms so long as such Board member does not serve on the Board for at least one (1) year between terms.

Section 5. Resignation. A director may resign at any time upon written notice to the President or Secretary/Treasurer of the FIUHN. Unless otherwise specified in the notice, the resignation shall take effect upon receipt. The acceptance of a resignation shall not be necessary to make it effective.

Section 6. Vacancy. A vacancy shall exist on the Board upon the death, resignation, or removal of a director, upon the disability of a director that renders him or her permanently incapacitated or unable to serve, or when a director is no longer qualified to serve as a director. A director may be removed from the Board by the affirmative vote of a majority of the remaining directors at a properly called meeting of the Board. Whenever any vacancy occurs in the Board, it shall be filled without undue delay. A vacancy shall be filled by a majority vote of the remaining members of the Board at a special meeting, which shall be called for that purpose. The person so chosen shall hold office for the duration of the previous director's term.

ARTICLE V OFFICERS OF THE BOARD

Section 1. Number and Method of Election. The Officers of the Board shall be President, Vice President, and Secretary/Treasurer. The President shall be the Dean and Senior Vice President of Medical Affairs of the FIUCOM . The Vice President and Secretary/Treasurer will be nominated by the Committee on Nominations from the membership of the Board. Election will require a majority vote of the Board. An elected officer shall serve a term of one (1) year. Officers are eligible for election for consecutive terms.

Section 2. Duties of Officers. The duties and powers of the officers of the FIUHN shall be as follows:

Dean and Senior Vice President of Medical Affairs of the FIUCOM. The Dean and Senior Vice President of Medical Affairs of the FIUCOM shall serve as President. The President shall preside at the meetings of the Board, and shall be an ex officio member of all committees, with no voting power. He/she shall also, at the annual meeting of the FIUHN and such other times as he/she deems proper, communicate to the FIUHN or to the Board such matters and make such suggestions as may in his/her opinion tend to promote the prosperity and welfare and increase the usefulness of the FIUHN and shall perform such other duties as are necessarily incident to the office of the President. The President shall sign all certificates, bonds, deeds, mortgages, leases, and contracts of the FIUHN as approved by the Board. The President shall perform all duties, as the Board shall designate. The President may delegate certain duties with the Board's approval.

Vice President. In case of the death or absence of the President, or of his/her inability from any cause to act, the Vice President shall perform the duties of the President.

Secretary/Treasurer. It shall be the duty of the Secretary/Treasurer to give notice of and attend all meetings of the FIUHN and all committees and keep a record of their doings; to conduct all correspondence and to carry into execution all orders, votes, and resolutions not otherwise committed; to keep a list of the members of the FIUHN; to notify the officers and members of the FIUHN of their election; to notify members of the FIUHN of their appointment on committees; to furnish the chairman of each committee with the results of the vote under which the committee is appointed, and at his/her request give notice of the meetings of the committee; and generally to devote his/her best efforts to forwarding the business and advancing the interests of the FIUHN. The Secretary/Treasurer shall have the care and custody of the money, funds, valuable paper and documents of the FIUHN. The Secretary/Treasurer shall keep accurate books of accounts of the FIUHN's transactions, which shall be the property of the FIUHN, and shall render financial reports and statements of condition of the FIUHN when so requested by the Board or President. In case of absence or disability of the Secretary/Treasurer, the Board shall appoint a Secretary/Treasurer pro tem. The Secretary/Treasurer shall be the keeper of the corporate seal.

Section 3. Bond of Secretary/Treasurer. The Secretary/Treasurer shall give to the FIUHN such security for the faithful discharge of his/her duties as the Board may direct.

Section 4. Vacancies. All vacancies in any office shall be filled by the Board without

undue delay, at any regular meeting, or at a meeting specially called for that purpose.

Section 5. Compensation of Officers. The officers shall receive such salary or compensation as the Board may determine, pursuant to the policies and regulations of the University and its Board of Trustees.

ARTICLE VI POWERS OF THE UNIVERSITY'S PRESIDENT

The President of the University shall have the following powers and duties: (1) Monitor and control the use of university resources by the FIUHN; (2) Control the use of the university name by the FIUHN; (3) Monitor compliance of the FIUHN with state and federal laws and regulations; (4) Recommend to the Board of Trustees an annual budget; (5) Approve salary supplements and other compensation or benefits paid to university faculty and staff from the FIUHN assets, consistent with Board of Trustees' policies; (6) Ensure that the FIUHN enacts a policy on ethics and conflicts of interest; and (7) Ratify all nominees to the Board and all appointments to Board Committees.

ARTICLE VII COMMITTEES

Section 1. Standing Committees. At the first meeting of the Board after its election, or as soon thereafter as practicable, the President of the FIUHN shall, subject to the Board's approval, appoint such committees as he/she may deem necessary and advisable to assist in the conduct of the FIUHN's affairs.

There shall be two (2) standing committees of the Board; the Finance and Audit Committee, and the Committee on Nominations.

Section 2. Special Committees. The President of the FIUHN may, at any time, appoint other committees to deal with specific issues, for which there is no Standing Committee. Special Committees shall be discharged by the President upon completion of the task for which they are established.

Section 3. Committee Quorum. A majority of any committee of the FIUHN shall constitute a quorum for the transaction of business, unless any such committee shall, by a majority of its entire membership, decide otherwise.

Section 4. Committee Vacancies. The authority, which originally appointed a

committee, shall have the power to fill any vacancy on the committee.

Section 5. Committees of the Board

5.1 The Finance and Audit Committee. The Committee on Nominations shall annually recommend to the Board for election to the Finance and Audit Committee one (1) member who is independent of management and not a member of the Faculty Practice Plan. Two (2) additional members shall be members of the Board. Members can be appointed for two (2) successive terms and re-elected after two (2) terms so long as such Committee member does not serve on the Committee for at least one (1) year between terms. A majority of the members of the Committee will constitute a quorum for the transaction of business. An audit shall be conducted annually by outside public accountants and presented to the Finance and Audit Committee, which shall in turn present the report of audit, including the scope of the examination, to the members of the FIUHN at their next meeting with such recommendations as the Finance and Audit Committee shall deem appropriate. Thereafter, the annual audit report shall be submitted by the University President to the Board of Trustees for review no later than the end of the fourth month following the close of the organization's fiscal year. It shall address and oversee financial and administrative policy matters for the FIUHN. The Committee shall, subject to overall guidance by the Board, establish the fees for services. It shall, subject to guidance from the Board, establish a billing and collection policy. The Finance and Audit Committee shall be responsible for the periodic review and approval of the FIUHN's annual budget, which shall be prepared before the beginning of the FIUHN's fiscal year, approved by the Board and recommended by the University President to the Board of Trustees each year no later than sixty (60) days following the beginning of the FIUHN's fiscal year. The Board of Trustees must approve the FIUHN's budget before it can be enacted.

The Executive Associate Dean for Finance shall be an ex officio non-voting member of the Finance Committee. The Committee shall keep a record of its proceedings and may appoint the Secretary/Treasurer for that purpose.

5.2 Committee on Nominations. Prior to the Annual Meeting, the Board shall appoint a Committee of Nominations of five (5) members, none of whom shall be a member of the Board, whose duty it shall be to nominate candidates to fill vacancies in the Board Public Member position and officers of the FIUHN. The Board shall name the Chair of the Committee who shall be a Board member. The nominee representing the Clinical Chair Advisory Group

shall be selected from the recommendations of the Clinical Chair Advisory Group. The nominee representing the Clinical Faculty Advisory Group shall be selected from the recommendations made by the Clinical Faculty Advisory Group. The slate of nominations will be presented at the annual meeting of the FIUHN.

Section 6. Composition of Committees. Individuals other than Directors shall be eligible to serve on committees. However, the Chairperson of the Committees shall be a Director.

ARTICLE VIII MEETINGS OF THE FIUHN

Section 1. Annual Meeting of the FIUHN. There shall be an annual meeting for receiving the annual reports of officers, directors and committees, and the transaction of other business. Notice of the meeting, signed by the Secretary/Treasurer, shall be mailed by U.S. Mail or delivered electronically, except as herein or by statute otherwise provided, to the last recorded physical or electronic address of each member at least ten (10) days and not more than fifty (50) days before the time appointed for the meeting. All notices of meetings shall set forth the place, date, time and purpose of the meeting.

Section 2. Regular Meetings. Regular meetings of the Board shall be held no less often than quarterly. Notice of the meeting, signed by the Secretary/Treasurer, shall be mailed by U.S. Mail or delivered electronically, except as herein or by statute otherwise provided, to the last recorded physical or electronic address of each member at least ten (10) days and not more than fifty (50) days before the time appointed for the meeting. The purpose of regular meetings shall be for the transaction of such business as may lawfully come before each meeting. The Secretary/Treasurer of the FIUHN shall provide the directors with a schedule of the regular meetings.

Section 3. Special Meetings. The President of FIUHN, the President of FIU or any two (2) Board members may call special meetings of the Board. No business other than that specified in the notice of meeting shall be transacted at any special meeting of the Board.

Section 4. Telephone Meetings. The Board and Committee meetings may be conducted by telephone conference or similar communications facilities if the President or the Chairperson of the Committee determines it is appropriate and if all persons participating in such meetings are able to hear each other as if the meeting were held in person.

Section 5. Waiver. Any Member, Officer or Director may waive, in writing, any notice required to be given by law or under these Bylaws, whether before or after the time stated therein. Notwithstanding the provisions of any of the foregoing sections, a meeting of the Directors of this FIUHN may be held at any time and at any place within or without the State of Florida, and any action may be taken thereat, if notice is waived in writing by every member having the right to vote at the meeting. Attendance of any Board or Committee member at any meeting shall be deemed a waiver of notice of such meeting.

5.1 Notice of a meeting properly called for the purpose of amending either the Articles or Bylaws of the FIUHN may not be waived.

Section 6. Quorum. The presence in person, or telephonically, if Chairperson has permitted participation by telephone, of a majority of the Directors of the FIUHN entitled to vote shall be necessary to constitute a quorum for the transaction of business.

Section 7. Voting. If the manner of deciding any question has not otherwise been prescribed, it shall be decided by a majority of the votes cast at a meeting at which a quorum is present.

Section 8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board or of any committee designated by the Board may be taken without a meeting if consent in writing, setting forth the action to be taken, shall be signed by all Member(s) of the Board or of such committee. The consent shall have the same force and effect as a unanimous vote of a meeting. Action by written consent shall not be taken to amend the Articles or Bylaws except at a meeting properly called for that purpose.

Section 9. Order of Business. Roberts Rules or Order will be followed at all the meetings of the FIUHN and the Board.

The Chair without debate shall decide any question as to priority of business.

This order of business may be altered or suspended at any meeting by a majority vote of the members present.

Section 10. Agenda and Minutes. A written agenda of the matters to be considered at a Board or committee meeting shall be delivered to members thereof prior to such meeting.

Written minutes of the proceedings of the Board and committees shall be maintained and all actions taken at Board and committee meetings shall be properly recorded in the minutes.

**ARTICLE IX
ADMINISTRATION POLICIES**

Section 1. Officer of Corporation. The Executive Associate Dean of Clinical Affairs shall be the President of the FIUHN for as long as he/she serves in that position. As President, he/she shall oversee all day-to-day affairs of the FIUHN and shall serve as Chairman of the Executive Committee of the FIUHN.

Section 2. Affairs and Operations. Notwithstanding any other provision of these Bylaws to the contrary, the affairs and operations of the FIUHN shall be conducted in strict compliance with the policy and regulations of the Florida Board of Governors and the University concerning the faculty practice plan for the FIUCOM, approved at the _____ meeting, as it may hereafter be amended.

Section 3. Financial Audits and Reports. All financial records of the FIUHN shall be available to the appropriate personnel of the University from time to time as determined by the Dean of the FIUCOM. The Board shall engage an independent certified public accountant (CPA) to perform an annual audit of the organization's financial statements, with the objective being to render an opinion on the financial statements. The cost of the audit shall be borne by the FIUHN as an operating expense. Copies of each annual audited financial report shall be promptly provided to the President of the University and the Dean of the FIUCOM for their review.

Section 4. Distribution of Net Receipts. The accumulation, expenditure and distribution of all funds of FIUHN shall be exclusively for the improvement and support of medical education at FIUCOM and shall be made only after approval by the Dean of FIUCOM or his/her designee. The distribution of Net Receipts shall be made pursuant to the terms of the Operation Agreement between FIU and FIUCOM.

**ARTICLE X
SEAL**

The seal of the FIUHN shall be as more particularly shown in the following impression.

ARTICLE XI COMMITMENT TO COMPLIANCE

The FIUHN is a tax-exempt organization dedicated to providing quality clinical services to the South Florida community. The FIUHN is committed to meeting the highest ethical standards in all of its operations and clinical services. It is committed to compliance with the laws, rules and regulations that govern its operations and committed to establishing a compliance program that will provide the FIUHN employees with tools to understand and comply with such laws.

ARTICLE XII AMENDMENTS

The Bylaws of the FIUHN shall be made, altered or rescinded by a two-thirds vote of all members of the Board at any regular or at any special meeting called for that purpose; provided, however, that no bylaw may be adopted, amended or rescinded without the prior written approval of the President of FIU.

ARTICLE XIII INDEMNIFICATION

The indemnification of any director, officer or employee of the FIUHN shall be as provided by law.

ARTICLE XIV DISSOLUTION

In the event that the FIUHN shall dissolve or otherwise terminate its corporate existence, subject to the provisions of Chapter 617, Florida Statutes, the FIUHN shall distribute all its existing assets as provided in the Article of Incorporation.

This page intentionally left blank

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

16 NOVEMBER 2007

**SUBJECT: THE FLORIDA INTERNATIONAL UNIVERSITY COLLEGE OF MEDICINE
HEALTH CARE NETWORK FACULTY GROUP PRACTICE BANK ACCOUNT**

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, the Florida International University College of Medicine Health Care Network Faculty Group Practice (the “Corporation”) must designate the depositories at which its funds may be deposited and the signatories for accounts;

THEREFORE BE IT RESOLVED THAT, the following banking institution is hereby designated as the depository for the Corporation’s funds;

- Bank of America, a national banking association located in Miami, Florida (“Bank”); and

BE IT FURTHER RESOLVED THAT, the Senior Vice President for Medical Affairs and Dean of the College of Medicine, the Chief Financial Officer, and their respective designees, are each individually authorized to take all actions necessary to open or close bank accounts at the designated depository; and

BE IT FURTHER RESOLVED THAT, any of the following persons are authorized to sign any and all checks, drafts and orders against any funds or accounts at any time of the Corporation at the Bank of America within the limits established by the Board of Trustees and the University President. However, all expenditures authorizations, regardless of type of transaction, will require the approval of any two of the individuals listed below, one of which shall be a University officer.

- Provost
- Chief Financial Officer
- Executive Associate Dean of Finance and Administration
- President of the Board of the Corporation
- Assistant Vice President of Support Organizations

BACKGROUND INFORMATION:

A. STATUTORY AUTHORITY:

Section 1011.42, Florida Statutes (2004), University depositories; deposits into and withdrawals from depositories, states in relevant part:

(1) The board of trustees of each university shall designate the depositories in which any university funds may be deposited. No bank shall be designated unless it is a qualified depository as provided by Florida Statutes.

B. EXPLANATION FOR PROPOSED BOARD ACTION:

The Board must designate the banking institutions that may serve as depositories of University funds and the persons authorized to sign on such account.

EXHIBITS/SUPPORTING DOCUMENTS:

■ NONE

FACILITATOR/PRESENTER:

■ KIRK LANDON

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

**SUBJECT: University Tuition Fees Schedule Regulation FIU-1101 – Amendment
Spring 2007-2008**

PROPOSED BOARD ACTION:

Adopt the following Resolution:

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

WHEREAS, at the September 27, 2007 Board of Governors Meeting, the Florida Board of Governors voted to raise Undergraduate Tuition effective Spring 2008, by five percent (5%);

AND WHEREAS, the Legislature has required that by November 21, 2007, each state university must submit a plan to the Board of Governors “specifying the amount and percent of the funds generated by the 5-percent tuition increase in the Spring 2008 term which will be used for need-based financial aid for Florida residents.”

THEREFORE, BE IT RESOLVED THAT, the BOT approves the revised Tuition Fees Schedule FIU-1101 regulation attached as Exhibit “J” which reflects the increase in the Spring 2008 tuition and fees; ;

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;

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 delegates authority to the University President to submit the Plan related to the need-based financial aid for Florida residents attached as Exhibit “K” to the Board of Governors for approval

and to approve any subsequent amendments that are based on comments to the Plan received from the Board of Governors, and to report to the BOT at its next regularly scheduled meeting.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT “J”: TUITION FEES SCHEDULE, FIU-1101
- EXHIBIT “K”: PLAN FOR NEED-BASED FINANCIAL AID FOR FLORIDA RESIDENTS

FACILITATOR/PRESENTER:

- KIRK LONDON

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

FIU-1101 Tuition Fees Schedule

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

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

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

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

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

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

Exhibit "J"

(3) A student is liable for tuition associated with all courses for which the student is registered. The fee payment deadline shall be as determined by the University.

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

~~FALL~~ SPRING 2007 2008

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

(5) (a) For those new students enrolled in graduate classes in the Fall 2006, or thereafter, in addition to the tuition and fees set forth in paragraph (4) above, the University shall levy and collect an additional Resident Fee of \$10.57 per credit hour and

an additional Student Financial Aid Fee of \$0.52 per credit hour. The additional fees authorized by this paragraph (5)(a) shall not apply to a graduate student who was enrolled in a graduate program prior to Fall 2006, and such student's enrollment has not lapsed in four terms before re-enrolling in the same graduate program.

(b) For those new students enrolled in the law school in the Fall 2006, or thereafter, in addition to the tuition and fees set forth in paragraph (4) above, the University shall levy and collect an additional Resident Fee of \$12.02 per credit hour and an additional Student Financial Aid Fee of \$0.60 per credit hour. The additional fees authorized by this paragraph (5)(b) shall not apply to a law school student who was enrolled in law school prior to Fall 2006, and such student's enrollment has not lapsed for four terms before re-enroll in the same program.

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

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

Exhibit "J"

FALL 2007

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

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

(9) Optional fees.

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

Authority: Resolution of the Florida Board of Governors dated January 7, 2003; Fla. Stat. sections 1001.74(11) and 1009.24, 2007-08 General Appropriations Act, Section 156, History-New 11-3-02, Amended 9-3-03, 8-22-04- 9-1-05, Formerly 6C8-6.010, Amended 6-13-06, 7-20-07, Amended_____.

**Florida International University
Board of Trustees
Plan for Need-Based Financial Aid for Florida Residents**

Florida International University plans to use 30% of the tuition revenue generated by the 5% tuition increase as need-based financial aid for Florida residents.

Based on Fall 2007 enrollment and traditional fall-to-spring enrollment patterns, it is projected that the additional tuition revenue will be \$1,192,000 of which \$358,000 (30%) will be devoted to need-based financial aid.

This financial aid will be distributed to all Pell Grant eligible students who are enrolled at the start of the Spring 2008 semester in the amount of \$3.00 per credit hour.

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: PRESIDENT’S MANAGEMENT REVIEW, 2006-2007

PROPOSED BOARD ACTION:

Adopt the following Resolution:

WHEREAS, the Florida International University Board of Trustees (the BOT) has been statutorily charged with annually evaluating the University President; and

WHEREAS, the BOT conducted the performance evaluation of President Modesto A. Maidique for the 2006-2007 fiscal year; and

WHEREAS, the BOT must submit the evaluation to the Florida Board of Governors for review;

THEREFORE, BE IT RESOLVED, that the BOT grants a “_____” Performance rating to President Modesto A. Maidique in his leadership of Florida International University during fiscal year 2006-2007, including the achievement of the employment equity program goals as established by F.S. 1012.95 and the accountability goals established pursuant to F.S. 1008.46;

BE IT FURTHER RESOLVED, that the BOT authorizes the Senior Vice President for Administration to submit the evaluation of the President to the Florida Board of Governors;

BE IT FURTHER RESOLVED, that the Senior Vice President for Administration is authorized to take all actions necessary to give effect to this Resolution.

BACKGROUND INFORMATION:

STATUTORY AUTHORITY:

Section 6C-4.002 (3) of the Florida Administrative Code, adopted by the Florida Board of Governors in January, 2003, provides in pertinent part:

(3) An evaluation of each president shall be done annually by the Board and the Chancellor. This evaluation shall be based on program goals that have been set jointly by the Board, the Chancellor and the president.

EXPLANATION FOR PROPOSED BOARD ACTION

The annual evaluation of the President required by statute has been completed at this Board meeting. Since the Board must file its evaluation with the Florida Board of Governors, the Board authorizes, Vivian A.Sanchez, CFO and Senior Vice President for Administration, to submit the evaluation to the BOG for review.

EXHIBITS/SUPPORTING DOCUMENTS:

- MANAGEMENT REPORT, 2006-2007
- EXECUTIVE PERFORMANCE RATINGS

FACILITATOR/PRESENTER:

- COMPENSATION WORKGROUP CHAIR
BETSY ATKINS



FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES

Modesto A. Maidique Annual Report Performance Goals Outcomes Fiscal Year 2006-2007

EXECUTIVE SUMMARY

The President's FY06-07 objectives were aligned with the strategic mission of the institution and are in accordance with the Millennium plan currently in effect. A target date of 2008 was established to ensure that these are longer term objectives where solely the numbers to be achieved change but not the metric itself. These objectives aim to measure how successful FIU is in reaching the vision of being a Top Ten Urban Public Research University.

During FY06-07, the university made significant strides in advancing its strategic vision. Increases in academic excellence specifically demonstrated by advances in high quality research and growth in granting doctoral degrees are evidence of FIU's progress. This growth did not come at the expense of weakening our financial position. Rather, FIU generated a higher indirect cost recovery rate, that is only expected to continue increasing as more strategic research projects are awarded and the federal rate is renegotiated.

The College of Medicine made great progress in FY06-07. **We gained approval for first year planning funds of \$5.5 million, recruited a world-class leadership team, submitted LCME accreditation documents that resulted in granting FIU a site visit for November 2007 and signed an affiliation agreement with Jackson Memorial Hospital.** All of these are critical building blocks for the creation of a high quality College of Medicine.

During the year, FIU filled eight critical executive positions that will help guide the institution to greatness. The most vital positions filled that will pave a new strategic direction in academics and research are the Executive Vice President, Provost and Chief Operating Officer, Dr. Ronald Berkman; Dean of the College of Medicine, Dr. John Rock; and Vice President for Research & Dean of Graduate Studies, Dr. George Walker. Athletics plays a strong role in our student life and alumni affinity. As such, high

investments were made in this area, specifically with the hiring of a new Athletics Director Pete Garcia and a new football coach Mario Cristobal. Finally, we also strengthened the operations filling position in operating functions that will enhance our academic performance, increase our role in the community, and ensure FIU's long term sustainability. These include the Vice President for Academic Affairs, Dr. Douglas Wartzok, the Vice President for External Affairs, Sandra Gonzalez-Levy and the Vice President of Information Technology and Chief Information Officer, Dr. Min Yao.

The University had a banner year in obtaining legislative operating funds totaling \$33.5 million, including legislative budget requests of \$17.8 million, and Public Education Capital Outlay of \$75.9 million. **Overall, we achieved a 15.5% increase in state operating funds, our best year to date.** Key projects endorsed included the College of Medicine, Research and Life Sciences. Though budget cuts were announced, FIU continued to protect key projects and a significant amount of the additional core funding.

Though the university continued strengthening its financial sustainability through legislative funding, greater returns on research, higher auxiliary sales and improved assets utilization (classroom), one aspect, our advancement efforts, fell short of expectations. Though the year was short of our goal, it still represented one of the best three years ever in fundraising. It is clear that for the university to reach its ultimate goal of being a great academic institution, advancement efforts must be strengthened. We are committed to accomplishing this goal in FY07-08.

Finally, the second major disappointment for the fiscal year emanated from our compliance capabilities. Though we strengthened compliance effort throughout the institution through new policies, training and enhanced communications, Athletics lagged behind and we did not meet NCAA requirements. FIU continues reinforcing its compliance operations, specifically in Athletics through the hiring of specialized compliance personnel and greater academic advising support for student athletes.

As we enter next year, FIU will build on its many accomplishments of FY06-07 continuing to build one of the Top Ten Urban Public Research Institutions in the country.



FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES

Annual Report Performance Goals Outcomes Fiscal Year 2006-2007

The President's FY06-07 objectives are aligned with the strategic mission of the institution and are in accordance with the Millennium plan currently in effect. A target date of 2008 was established to ensure that these are longer term objectives where solely the numbers to be achieved change but not the metric itself. These objectives should measure how successful FIU is in reaching the vision of being a Top Urban Public Research University.

We are focusing our efforts at achieving four overarching goals:

- growth,
- academic excellence,
- local development and
- financial stability

GROWTH

1. Increase Degree Production:

- **Exceed six-year Board of Trustees approved graduation rate target set at 50%**

Results: Partially Achieved. When assessing the entire 2000/2001 Full-time FTIC cohort, the university realized a 47.7% six-year graduation rate. The six-year graduation results for the 2001/2002 cohort will be available next year. However, in an effort to increase graduation rates, the university recently developed a new communication and outreach strategy to track students' progression to their degree. This new system was first applied to a cohort of 1,297 full-time, first-time-in-college students who entered in Fall 2001 with the expectation of graduating 48% of the students within six years. With the help of this new outreach program, the university

graduated 637, or 49.1%, of these students exceeding expectations and moving closer to achieving a 50% six-year graduation rate.

Though this goal of undergraduate graduation was only partially achieved, FIU demonstrated strong performance in doctoral degree production. The goal of increasing doctoral degrees from 86 to 93 was surpassed achieving 100 awarded degrees, our goal for next year.

➤ **Increase athletes' Graduation Success Rate (GRS) from 57% to 60% based on the new NCAA GSR standard**

Results: Achieved. The Student-Athlete Graduation Success Rate (GRS) improved from 57% (based on 1998-99 Freshman Cohort) to 62% (based on 1999-00 Freshman Cohort).

Note: The GSR measures graduation rates at Division 1 institutions and includes students transferring into the institutions. The GSR also allows institutions to subtract student athletes who leave their institutions prior to graduation as long as they would have been academically eligible to compete had they remained.

➤ **Maintain national ranking in top five for granting baccalaureate degrees to minority students**

Results: Achieved. The university maintained its national prominence in granting baccalaureate degrees to minority students. According to the most recent graduation statistics for 2005/06, *Hispanic Outlook* reported FIU ranked 1st in the nation for awarding baccalaureate degrees to Hispanic students and *Diverse: Issues in Higher Education* reported FIU ranked 3rd in the nation for awarding baccalaureate degrees to minority students.

➤ **# of Doctoral degrees increase from 86 to 93 to continue the path for the university to reach 100 by the 2007-08 academic year.**

Results: Achieved. The university surpassed their goal of awarding 93 doctoral degrees in 2006-07. The actual number of doctoral degrees awarded was 100, reaching our three year target one year earlier than projected.

2. Enhance State Leadership:

- **Maintain statewide competitive position by enrolling at least 12.5% of total State University System FTE enrollment in Fall 2006**

Results: Virtually Achieved. The university earned 12.4% of the total State University System (SUS) FTE during Fall 06. During this same period, enrollment reached a historic high at 38,537 student headcount representing 13.1% of the SUS total enrollment of 294,016 students

Note: these are FTE's generated in Education & General and excludes all FTE's found in Auxiliary Enterprises.

- **Meet state funded enrollment target of 23,995 FTE**

Results: Achieved. The university generated 24,530 FTEs in FY06-07 exceeding its 23,995 FTE target by 2.2%.

2. Improve Student Retention and Affinity:

- **Enhance residential life by expanding student housing facilities**

Results: Achieved. Lakeview Housing project was completed August 2006 providing the University with an additional 825 bed spaces. The University now has the capacity to house over 3,000 students. The housing system maintained an overall occupancy rate for the Fall 06 and Spring 07 term of 94%.

- **Perform a housing demand analysis and complete a Building Program Statement by Spring 2007**

Results: Achieved. A University Housing Committee has submitted a Building Program Statement for the President's approval for the construction of 600-800 additional bed spaces at the University Park campus. The project is being planned for completion in the fall of 2010. This Building Program Statement addresses Phase I of the housing goal, representing the first of possibly three to four phases.

Phase II of the housing goal will focus on Biscayne Bay Campus. A University Housing Committee is being established to draft a Building Program Statement for Biscayne Bay Campus, which is scheduled to be developed by the end of Fall 2007.

- **Increase opportunity for student engagements through the following:**

- **Complete the expansion of the Wolfe University Center (WUC) by May 2007, which will provide an additional 21,482 square feet of student support service space at the BBC.**

Results: Achieved. The WUC construction project was completed on schedule. The new fitness center is being fitted with equipment and is scheduled to open this September. The new cafeteria construction is complete and the build-out of the food court is in design.

- **Complete the construction of new student Recreation Field on the University Park campus June 2007. This artificial turf field will more than double the outdoor recreation space available to our students.**

Results: Achieved. The new student Recreation Field was completed on schedule and is currently being utilized by our students. The football team is currently using the field for preseason practice (football camp).

- **Increase alumni participation by 20% through paid membership in the FIU Alumni Association from 6,943 to 8,370 total alumni.**

Results: Achieved. Paid alumni memberships in the FIU Alumni Association for the FY06-07 was 9,726. This result is 16% above the 2006-2007 annual goal and represents a 40% increase over the alumni membership in the previous fiscal year.

- **Enhance student life and strengthen affinity to the university by increasing student attendance at athletics events by 10% from 13,232 to 14,500.**

Results: Achieved. Student life was enhanced by increasing student attendance at all Athletic home ticketed events from 13,232 (FY05-06) to 16,493 (FY06-07) or an increase of 24.6%.

2. ACADEMIC EXCELLENCE

➤ Strengthen National Research Ranking:

- **Increase the number of applications in strategic areas for funding and grow total research revenue to \$83 million**

Results: Achieved. Research revenue for the fiscal year slightly surpassed the goal of \$83 million with \$81.1 million recorded by the University research office and \$2 million by the FIU Foundations to 83.1 million.

The University has significantly increased the number of applications in strategic areas of funding for the fiscal year ending 2007. The strategic areas for funding growth, health care research, engineering, technology and environment, are represented by the colleges and centers listed below.

The key areas where applications for funding have increased are:

- College of Engineering and Computer Science, 32% increase
- College of Nursing and Health Sciences, 16% increase
- School of Public Health, 52% increase
- *College of Medicine, \$5.5 million in first time applications
- **International Hurricane Research Center

Note:

**Initial year for funding request*

***Applied for state funded Center of Excellence*

- **Create partnerships designed to increase sponsored research applications and grants**

Results: Achieved. Collaborative partnerships with other institutions, agencies, and industry are necessary to contribute to the development and implementation of a strong, coherent, and united research agenda. FIU has demonstrated its ability to seize opportunities to collaborate with public and private entities for enhancing research applications and sponsorships. **Highlights** that exemplify accomplishments for FY06-07 in terms of meeting this objective are:

1. Assistant Professor Evelyn Gaiser, College of Arts and Sciences, Southeast Environmental Research Center in collaboration with Biological Sciences, the School of Social Work,

Environmental Studies, Sociology, and Anthropology. (12/1/06 to 1/14/12) \$4.92 million. Funding from the National Science Foundation allows FIU to be a part of the Florida Coastal Everglades Long Term Ecological Research (LTER), an excellent laboratory for understanding how coastal ecosystem dynamics respond to and influence human activities. The LTER Network is a collaborative effort involving more than 1,800 scientists and students investigating ecological processes over long temporal and broad spatial scales. FIU LTER collaborates with partners at the College of William and Mary, Louisiana State University, Florida Agricultural and Mechanical University.

2. Assistant Professor Kathleen Rein, College of Arts & Sciences, Department of Chemistry in collaboration with Biological Sciences, Environmental Studies, and the School of Public Health. (9/18/06 to 8/31/11) \$3.73 million. The Advanced Research Cooperation in Environmental Health (ARCH) program focuses on establishing research partnerships between investigators at Research Intensive Universities (RIUs) with significant environmental health sciences research and investigators at Minority-Serving Institutions (MSIs) with a strong interest in such research. Funding from the National Institutes of Health for the Advanced Research Cooperation in Environmental Health Research (ARCH) to FIU are shared with the University of Miami as a key contributor in the research theme of Algal Toxins and will expand the research into Trace Metals in the environment. Other key collaborators are Wright State University, University of California, University of Michigan, and University of North Carolina.

➤ **Achieve National Ranking Recognition:**

- **Maintain national ranking recognition through 5 programs**

Results: Achieved. We are proud to have once again achieved this objective. There are five Ph.D. programs that have been ranked above the national research university norm in the most recent national ranking by Academic Analytics.

Social Work
History
Physics
Spanish
Management

Business: The International Business Program was ranked by *US News and World Report* as the 7th best for undergraduate programs and 23rd best for graduate programs. Amongst accredited business schools, *US – Business Week* ranks FIU's in the top 15%.

FIU Executive MBA program ranked 78th in the world by the prestigious *Financial Times* annual study, the highest ranked Executive MBA program in Florida.

Criminal Justice: In the latest ranking from the *Journal of Criminal Justice*, our Criminal Justice program is rated 10th nationally.

College of Law: #1 in the state for the February 2007 Florida Bar Exam pass rate. In addition, the College of Law received full accreditation by the American Bar Association.

Robert Stempel School of Public Health: Received accreditation by the Council on Education for Public Health (CEPH). Accreditation is for a period of five years which is the maximum initial accreditation time for a new school of public health. Besides the University of South Florida, FIU's is the only other accredited school in Florida.

In addition to these schools and programs that received recognition in FY06-07, we continue to demonstrate national stature in our ***School of Hospitality.***

College of Medicine: The accrediting arm of the American Association of Medical Colleges (AAMC) is the Liaison Committee on Medical Education (LCME). The planning self-study and preliminary medical education database submitted by FIU in April 2007 to the LCME in June 2007 resulted in authorization of an on-site survey of the College of Medicine scheduled to take place November 18-20, 2007.

- **Achieve 10 students and faculty members receiving national recognition**

Results: Achieved.

Students: FIU's students gained recognition beyond the established objective in key areas through both team efforts and individual drive. Two team achievements are noteworthy.

- FIU’s Materials Advantage Chapter in the College of Engineering were team winners of the first ever “Materials Bowl” in the Annual Minerals, Metals & Materials Society Bowl Tournament.
- “Team FIU”, consisting of four Professional MBA program students, chosen as one of six finalists to compete in the National Society of Hispanic MBAs Dell/Microsoft case competition.

Our students gained recognition from distinguished institutions in diverse disciplines from History to Mechanical & Materials Engineering. The awards received are listed below and additional information can be found in Addendum A:

- **Anthony Atwood**, \$1 million grant recipient to help establish a naval museum in South Florida
- **Kantesh Balani**, David Merchant International Student Achievement Award
- **Tiffany Brannon**, Ford Foundation Predoctoral Fellowship Award, one of 62 from over 1,500 applicants
- **Monica Cabrera**, First place prize winner at the Phi Alpha Theta Florida Conference
- **Zoila Clark**, American Association of Teachers of Spanish and Portuguese First-Time Attendee Award for 2007 sole winner
- **Erika Edwards**, Fulbright Dissertation Fellowship
- **Magda Gomez**, Dissertation research prize winner at annual meeting of the Latin America and Caribbean Section of the Southern Historical Association
- **Krystel Ramos**, Association of Latino Professionals in Finance and Accounting (ALPFA) National Student of the Year
- **Jenay Robert**, Annual Biomedical Research Conference for Minority Students poster award winner
- **Michelle Zapiain**, Pamela Harriman Foreign Service Fellowship and Thomas Pickering Foreign Affairs Fellowship.

Faculty: We are proud at the achievements of our faculty and the breadth of academic expertise demonstrated by the following award recipients. More details are provided in Addendum B.

- **Associate Professor Dr. Wonbong Choi**, Material Research Society (MRS) Medal winner.
- **Dean Joyce Elam**, International Dean of the Year 2007 from the Fellows of the Academy of International Business.
- **Professor Jean-Claude Garcia-Zamor**, Fulbright Scholar grant recipient to Poland from the J. William Fulbright Foreign Scholarship Board.
- **Professor Golam Kibria**, Featured as rising star of Statistics Department in *AMSTAT News* article Membership Magazine of the American Statistical Association.
- **Dr. Robert Moses**, *U.S. News & World Report* “America’s Best Leaders” honoree.
- **Professor Meredith Newman**, Recipient of the Presidential Citation of Merit by the American Society for Public Administration (ASPA).
- **Dean Vish Prasad**, 2007 University Educator award from the Hispanic Engineer National Achievement Awards Conference (HENAAC).
- **Associate Professor Wolfgang F. Rogge**, featured as a highly cited researcher in the *ISI HighlyCited.com* database.
- **Professor Surendra Saxena**, recipient of Rudbeck Medal by Uppsala University in Sweden.
- **Associate Professor Hugh Willoughby**, selected fellow in the American Association for the Advancement of Science (AAAS).
- **Advance academic infrastructure by completing Frost Art Museum by June 2007 and Graduate School of Business building by August 2007.**

Result. Partially achieved.

Graduate School of Business: The project is on track for student occupancy for the Spring 2008 semester.

Frost Art Museum: During FY06-07, FIU had under construction two landmark projects. The Frost Art Museum experienced numerous changes to the building exterior, floor finishes, and additional State Fire Marshall unplanned directives. In addition, design issues discovered during the on-going punch/close-out process were encountered regarding the decorative steel structure. The actual occupancy date depends on the architectural assessment and is currently being determined by the contractor.

➤ **Improve Athletics Academic Performance:**

- **Maintain overall NCAA Academic Performance Rating (APR) for the institution above the official standard of 925**

Results: Not achieved. The cumulative NCAA Academic Performance Rating for the last period reported 2005/06 is 905 (based on years 2003/04, 2004/05, 2005/06) which is below the goal of 925. In response, we have allocated incremental funds to hire academic advisors, technology infrastructure, and compliance officers.

NOTE: APR is based on four years of data and could change based on consultant's investigation and re-certification of eligibility if required.

3. LOCAL DEVELOPMENT

➤ **Increase access to health care for our community by advancing the College of Medicine Initiative**

- **Conclude partnership agreements with local community health care providers**

Results: Achieved. Jackson Health Systems and FIU signed an affiliation agreement in July 2007, which will allow FIU medical students to undertake their clinical rotations at Jackson. The affiliation agreement calls for an annual operating agreement which is currently being negotiated.

We prioritized our efforts at completing the Jackson affiliation that would establish a sound base for accreditation. Furthermore, we continue making progress with private hospital affiliations and based on our plan expect to complete those in FY07-08.

In addition, the FIU College of Medicine partnered with Mercy Hospital as joint co-sponsors of the annual Cuban Medical Congress event that took place at the end of June 2007. During this week-long medical congress that was attended by over 600 doctors, the FIU College of Medicine was prominently featured and well received by this mostly local group of medical doctors.

Efforts continue with the University of Miami (UM) to find opportunities for mutual collaboration and shared infrastructure. The clearest evidence of this partnership is the recent agreement that our students will be using UM's medical library until FIU's is completed.

- **Obtain \$5.5 million recurring funds for Planning Phase as indicated in the Legislative Budget Request (LBR)**

Results: Achieved. In the 2007 legislative session, the full amount asked for the College of Medicine, \$5.5M, was authorized as recurring funds.

- **Prepare preliminary accreditation documentation for submission to Liaison Committee on Medical Education (LCME) by Fall 2007**

Results: Achieved. On April 25, 2007, FIU completed and delivered The Medical Education Database and Self Study for Preliminary Accreditation to the Liaison Committee for Medical Education (LCME).

On June 12, 2007 FIU received excellent news from the Liaison Committee for Medical Education (LCME) board that a site visit was approved for November 18-20th, 2007. This site visit, along with the final submission of the Medical Education Database and Self Study due in October, 2007, is pivotal in determining FIU's outcome for provisional accreditation. The LCME board will make their final recommendation for provisional accreditation at the February 2008 meeting.

➤ **Expand community presence**

- **Leverage university and private sector assets through five strategic partnerships to increase local competitiveness and job growth**

Results: Achieved.

Hospital Corporation of America. The Foreign Educated Physician to Nursing program, a revolutionary education initiative pioneered by FIU expanded from the Biscayne Bay Campus (BBC) to Florida's Tampa Bay Region supported by a collaborative agreement with the Hospital Corporation of America-West Florida. This corporation is funding faculty, scholarships, and long distance technology equipment for real time video conferencing delivery of the program from BBC to St Petersburg Largo Medical Center Kids Clinic.

The E.W. Scripps Company. A partnership between the Scripps Howard Foundation and FIU's School of Journalism and Mass Communication (SJMC) includes Scripps Howard internships awarded to FIU students and a donation of \$150,000 from the foundation to fund a writing center for the school's students. The result has been the development of innovative methods for teaching journalism and expanded opportunities for SJMC students.

Kinetic Kids, Inc. A new partnership was completed for an onsite clinic providing occupational and physical therapy to children with Autism. This on site clinic provides research opportunities for faculty and students as well as clinical observation for all College of Nursing & Health Sciences' students. The site will make a difference in improving the quality of life of children with autism and the lives of their families. It will be the site of a multidisciplinary research venture that will involve our students and faculty alike. This partnership highlights the importance of on-campus clinical partnerships that support the education of students and the mission of the university.

South Miami Hospital. Occupational Therapy students experience virtual clinical patient treatment education at a hospital without ever leaving the classroom. Through a joint venture with South Miami Hospital Occupational Therapy, FIU students experience Tele- Medicine, a collaborative learning platform that allows televised live feeds to FIU labs from the OT Department at South Miami Hospital where patients are treated daily.

Athletic Training Program. Athletic Training Post Professional Master's students provide athletic training health care for athletes in selected Miami Dade and Broward County High Schools which allows them a platform to utilize their advanced educational training and help the school athletes simultaneously. Some of the high schools represented are Belen Jesuit, Bay Point, Coral Springs Academy, North Broward Prep, Miami Christian, Miami Country Day and Doral Academy.

- **Continue to work with Miami Dade County government to bring Metrorail to both University Park and Engineering campuses**

Result: Achieved. The Vice President of Government Relations, Steve Sauls, has been appointed to represent FIU on the East-West Corridor Citizens and Business Advisory Committee (CBAC). Participation on the CBAC allows FIU to provide input to guide the outcome of the project. The first meeting is not anticipated to take place until January 2008.

Additionally, Associate Vice President for Real Estate Development and Planning, Charles Scurr, and Director of Planning, Robert Griffith, are working with Miami-Dade County staff and consultants on planning and design working groups.

- **Continue the implementation process developed in last year's charrette with the City of Sweetwater**

Results: Achieved. The President and Senior Administration staff have convened a series of meetings with elected leaders from Miami-Dade County and Sweetwater to continue and advance not only the "College Town Charrette", but also to explore a range of collaboration ideas. This has included meetings with Miami-Dade Mayor Carlos Alvarez, Commission Chair Bruno Barreiro, Commissioners Joe Martinez and Pepe Diaz, and Sweetwater Mayor Manny Marono.

The Metropolitan Center continues to work closely with the City in implementing the Charrette. The next step in the process is for the City to file an update to their Comprehensive Development Master Plan which is being prepared by the Metropolitan Center. The Center is also working with the City and the Florida Department of Transportation to explore improvements to the 107th Avenue corridor.

The newly established Real Estate Development and Planning Department is also working closely with the City to implement the Charrette and to develop additional collaborative opportunities. Meetings are ongoing with Sweetwater officials to identify and implement these collaborative ventures.

4. FINANCIAL STABILITY

➤ **Increase Fiscal Self-Sufficiency**

- **Achieve advancement funding goal of \$30.7 million including increased support to tap into new State matching initiatives***

Results: Not Achieved. The University raised **\$17.6 million** in the FY06-07 (57% of goal).

**Note: Fundraising reporting was adjusted in the 2006-2007 fiscal year to ensure alignment with the Council for Advancement and Support of Education (CASE) standards of reporting.*

- **Grow Auxiliary revenue to \$100 million, 10.6% growth**

Results: Achieved. Auxiliary revenue reached \$113.9 million or \$13.9 million over objective. The 26% growth in auxiliary revenue from last year's \$90.4 million was primarily driven by \$10 million in Treasury Operations and \$5.7 million in housing. The housing increase was due to the opening of Lakeview Housing. The housing system maintained an overall occupancy rate for the Fall and Spring term of 94%.

- **Attain congressional line item funding of \$7 million as well as the authorization of \$1 million for the establishment of a FIU/SOUTHCOT Security Analysis Center.**

Results: Achieved. FIU obtained \$7.7 million total, including \$1 million for the FIU/SOUTHCOT Security Exchange Analysis Center. The breakdown is as follows:

- \$3.2 million in Department of Defense (DOD) projects earmarked for FIU including \$1 million for the FIU/SOUTHCOT Security Exchange Analysis Center.
- \$4.0 million in Department of Energy discretionary funding achieved by Governmental Relations and Applied Research Center ARC for a minority/Environmental Management program.
- \$500,000 from the Department of Commerce/National Oceanic & Atmospheric Administrations (NOAA)/National Weather Service for the Florida Mitigation Alliance, a consortium of Florida public universities lead by the FIU International Hurricane Research Center (IHRC).

- **Increase Average Indirect Cost from contracts and grants by 10%, from 15.7% to 17.3% of total awards**

Results: Achieved. An increase in the effective indirect cost rate provides the University with increased cost recovery to reimburse for overhead expenses. The large increase from 15.7% to 20.8% in the effective rate of recovery is partially due to a thorough examination of expenses that allowed us to bill for historical money due. The extraordinary recovery reached \$1.5 million. The results would still remain favorable even if we subtract this one time recovery. FIU would still have collected \$12.5 million of indirect cost resulting in the effective rate of 18.6%, exceeding the target rate of 17.3%.

➤ **Increase Revenue**

- **Change mix: 2.5% growth in non-resident student FTEs**

Result: Achieved. FIU continues to successfully reverse the trend by increasing non-resident students. Actual non-resident student FTEs of 2,068 represents a 12.8% increase from prior year, six times the 2.5% growth target. The ratio of non-resident FTE to total FTE was 8.4% in 2006-2007 compared to 7.9% in 2005-06.

➤ **Increase Classroom Utilization**

- **Increase the utilization rate from the current 42% to 50% within two years, targeting 48% in FY06-07**

Result: Achieved. The classroom utilization rate, using the OPPAGA (Office of Program Policy Analysis and Government Accountability) methodology, for Spring 2007 is 50%.

GENERAL MANAGEMENT

➤ Fill Leadership positions

- **Fill Provost, Senior Vice President Medical Affairs and Dean of the College of Medicine, Dean of the College of Arts & Sciences, Dean of the College of Education, Executive Director of Libraries, Vice President Research and Dean of Graduate Studies, Vice President Information Technology and Chief Information Officer, Vice President for Human Resources, Vice President for Advancement, Associate Vice President Government Relations and Associate Vice President Media**

Result: Largely Achieved. Of the eleven positions, nine were filled and one is in its final stage. One of the filled positions, Vice President for Advancement, once again became vacant with the resignation of the appointed executive.

Executive Vice President, Provost and Chief Operating Officer – Filled. This position was filled internally with the appointment of Dr. Ronald Berkman who had served as interim provost since November 2005. With more than 25 years of academic administrative experience, his candidacy was overwhelming endorsed by the search and screen committee. His record of leadership and achievement while serving in an acting capacity has been remarkable. Dr. Berkman began his career with FIU in 1997 as dean of the College of Public Affairs. Prior to joining FIU, Dr. Berkman served as University Dean of Academic Affairs at City University of New York.

Dean of the College of Medicine and Senior Vice President for Medical Affairs – Filled. Dr. John Rock, assumed his new duties in January 2007. Dr. Rock most recently held the titles of chancellor emeritus and professor of obstetrics and gynecology, pediatrics and public health at Louisiana State University (LSU). During his tenure at LSU he served as chancellor of the Health Sciences Center and had management oversight of Louisiana's statewide Charity Hospital System. Dr. Rock is former director of the Division of Reproductive Endocrinology and the Department of Gynecology and Obstetrics at Johns Hopkins Medical Institutions. In addition, he served as chairman and director of residency training programs in the Department of Gynecology and Obstetrics at Emory University School of Medicine.

Dean of the College of Education – Filled. Dr. Luis Miron, Ph.D., came to FIU from the University of Illinois (UI) at Urbana-Champaign having served as program chair in the College of Education's Department of Educational Policy Studies since 2005. Before UI, Dr. Miron served as Chair of the Department of Education at UC-Irvine for 5 years.

He has taught at UC-Berkeley, Loyola University, Tulane University, University of New Orleans, and Vanderbilt University. Dr. Miron's research has earned more than \$1.6 million in funded grants and contracts.

Executive Director of Libraries – Filled. This position was initially expected to be filled by the end of the 2006 Fall Semester; however, the candidate that was extended an offer subsequently declined. The position will now be filled as **Dean of University Libraries** with the appointment of Ms. Laura Probst, effective October 1, 2007. Ms. Probst has served as Head of Public Services and Associate Librarian at Pennsylvania State University since 2000. Prior to her current position, she served at the University of Minnesota as the Head of the Music Library and Coordinator of Arts and Humanities Collections.

Vice President Research and Dean of Graduate Studies – Filled. Dr. George Walker joined FIU September 1, 2006. Dr. George Walker is one of the nation's leading research administrators, active in the leadership of many national organizations related to graduate education and research management. Dr. Walker most recently served as Vice President for Research & Dean of the University Graduate School at Indiana University and as Senior Scholar and Director of the Carnegie Initiative on the Doctorate at The Carnegie Foundation for the Advancement of Teaching. Dr. Walker holds his Ph.D. in Physics from Case Institute of Technology (currently Case Western Reserve University) and he is also an accomplished scientist.

Vice President Information Technology and Chief Information Officer – Filled. Prior to arriving at FIU, Dr. Min Yao served as Chief Information Technology Officer and Associate Vice President of Information Technology at California State University Dominguez Hills. With a doctorate degree in Educational Psychology and a doctor of education degree in Educational Administration, he has over 15 years of experience in the Information Technology industry and has spent the majority of his career in higher education institutions.

Associate Vice President Government Relations – Filled. The position of Associate Vice President Government Relations was filled as **Vice President Government Relations** with fifteen year veteran of FIU Governmental Relations, Mr. Steve Sauls. Mr. Sauls held various positions of increasing responsibility in the areas of public and government relations at FIU from 1990 to 2005. In August 2005, Mr. Sauls resigned from Florida International University to pursue a career in the private sector. After approximately one year of managing corporate, community, and governmental relations for a Fortune 150 global corporation, he requested to return to the university. Mr. Sauls returned to FIU in 2006 bringing with him more than 34 years experience in the public sector as a senior political advisor, lobbyist, legislative strategist, fund-raiser, manager of Washington offices for elected officials, and University Vice President.

Associate Vice President Media – Restructured. This position was not recruited but rather funds were used to promote specific members of existing staff and fund other critical positions in University & Community Relations. The role of **Vice President of University and Community Relations** was filled with the appointment of **Sandra B. Gonzalez-Levy**. Ms. Gonzalez-Levy most recently served as Senior Vice President for Corporate Communications at Terremark Worldwide, Inc. Prior to joining Terremark, she was President and Chief Executive Officer of the Miami-Dade Community College Foundation, Inc., the direct support organization of Miami-Dade College.

Vice President for Advancement – Filled (Partial Year). This position was filled with the appointment of Mr. Marcos Perez. Mr. Perez occupied the position until June 2007, when he submitted his resignation. The President immediately reconstituted the Search & Screen Committee which is actively working with one of the most renowned executive search professionals in higher education, Mr. William Funk. Currently, Vice President for University and Community Relations, Ms. Sandra B. Gonzalez-Levy is overseeing Advancement and Alumni Relations as Interim Vice President for Advancement.

Vice President for Human Resources – Pending. The search and screen committee, initially formed in August of 2006, was placed on hold due to the reorganization. As a result of the new organizational structure, the committee was reconstituted earlier this year and has been moving forward with the search process to fill the position of Vice President for Human Resources. The two finalists identified were interviewed. However, based on feedback

received from the interviewers, the search committee will reconvene to explore additional candidates.

Dean of the College of Arts and Sciences – Pending. This position was to be filled by March 31, 2007. An offer was extended to a candidate but was declined to accept an offer at the University of Nebraska. As the search continues, the position is targeted to be filled by January 2008.

Additional filled Leadership Positions

It is worthy to note that though not included as an objective, the following critical positions were filled:

Vice President for Academic Affairs. Dr. Douglas Wartzok, Executive Vice Provost, was appointed Vice President for Academic Affairs. Dr. Wartzok served 15 years as Dean of the Graduate School at FIU and the University of Missouri-St. Louis. He was also the Associate Vice Chancellor for Research in Missouri and served as the Interim Vice President for Research at FIU. Dr. Wartzok is Editor Emeritus of *Marine Mammal Science*, maintains a research program in marine biology, and is a member of the Committee of Scientific Advisors of the US Marine Mammal Commission.

Associate Vice President Real Estate Planning and Development. Mr. Charles Scurr will be taking over for our current Associate Vice President of Real Estate Development, Alexander Zyne, who is retiring in October after 30 years of service for the university. Mr. Scurr most recently served as the inaugural City Manager of the Village of Palmetto Bay. Prior to that, he served in the same capacity for the city of South Miami. Mr. Scurr brings extensive public administration experience to FIU and has also served as the president and managing director of the South Florida Super Bowl XXIII and XXXIX Host Committees and as the vice president and chief operating officer for The Lipton Tennis Championships (currently the Sony Ericsson Open) from 1989 – 1994.

FIU Athletic Director. Mr. Pete Garcia joined FIU from the University of Miami, where he most recently served as senior associate director for External Operations. He brings to FIU years of experience in sports management and recruitment from the University of Miami and the NFL's Cleveland Browns.

Football Coach. Mr. Mario Cristobal, the former offensive line coach for the University of Miami, was named head coach of the

Golden Panthers football team becoming the second head coach in FIU's football history. Mr. Cristobal is regarded as one of the top recruiters and coaches in college football, the first Cuban-American head coach in Division 1-A and the second youngest behind Northwestern's coach.

➤ **Strengthen Compliance**

- **Continue implementation of an Institutional Compliance Program that will have functioning compliance-related education, training and initiatives throughout the University**

Result: Achieved. The institutional compliance program at Florida International University has been implemented and continues to gain strength. This is evidenced by the numerous initiatives aimed at strengthening the infrastructure to support regulatory compliance at the University, including strengthening the infrastructure that is in place for compliance with NCAA rules.

The concept for university-wide compliance training came to fruition with the integration of a compliance presentation in the New Employee Experience orientation program. From November of 2006 through June of 2007, 450 FIU employees received compliance education and training. Additional compliance and education training opportunities were offered by the University Compliance Office, Office of General Counsel, Office of Sponsored Research Administration, IT Security Office, and University Technology Services.

➤ **Ensure Succession Planning**

- **All Vice Presidents will have completed succession plan for key leadership positions at the Director level and above**

Result: Not Achieved. Each Vice President undertook a capabilities assessment and needs analysis for each of their Directors and above positions last fiscal year. The Provost determined that the title of Director was not the appropriate level for succession planning within Academic Affairs. The levels of Dean and Department Chair are the appropriate levels within Academic Affairs. The succession plan was completed for Deans. Across the schools and colleges department chairs are either elected or appointed. Working within the constitutions of the different schools and colleges, the Provost appointed a group of Chairs to better define the role of the Chair. This working group is expected to have a document prepared for discussion with the Deans and the Provost in Fall 2007. Succession planning in the absence of a better definition of the critical role of the Chair would be meaningless.

➤ **Achieve the employment equity program goals and the accountability measures**

Result: Partially Achieved. The Employment Equity Program Goals were presented and approved at the Board of Trustees' meeting in June 2007. For reference, the main goals for the Employment Equity Program pertaining to instruction are presented in Addendum C.

The 2006 FIU Accountability Report pertaining to instruction, such as graduation rates, degrees awarded, etc. is submitted pursuant to the requirements of Section 1008.46, Florida Statutes, by the State Board of Education and provides a means for the systematic, ongoing evaluation of quality and effectiveness of state universities. The Accountability Report provides information on the implementation of performance measures and standards for the eleven institutions of the State University System. The academic accountability measures for the State University System are grouped in seven areas:

- 1) Graduation rates;
- 2) Degrees awarded;
- 3) Degree production in targeted areas, meeting statewide professional and workforce needs;
- 4) Students from underserved populations who enroll in and earn degrees;
- 5) Licensure and certification exam pass rates;
- 6) Academic learning compacts; and
- 7) Building world-class academic research programs

PERSONAL DEVELOPMENT

- **Develop Abstract and Outline for new Research Project, “The Imperfect Leader”**

Results: Achieved. The abstract was completed in August 2007.

- **Revise “The Leadership Dance” article and prepare for submission to publish**

Results: In-process. The metaphor has been revised and the President is currently working with a colleague to finalize the new matrix.

- **Attend leadership development program at the Gallup Institute for Leadership.**

Results: Not accomplished. Due to university priorities, there was a need to reschedule. The President was tentatively scheduled to attend a leadership development program at the Gallup Institute in October of 2007, the first available opening. However, the Sun Belt conference meeting is scheduled to be held in Mobile, Alabama in October. Sun Belt Conference Commissioner, Wright Waters has requested that all University Presidents attend. All University Presidents are confirmed to attend. Therefore, the President has rescheduled his attendance at the Gallup Institute for 2008. He is anticipated to attend the Jack Welch Management Program in November of 2007.

It is important to note that the President designed and delivered three leadership development workshops on Vision and Management Philosophy for University Administrators.

ADDENDUM A

FIU Students Recognitions

- **Anthony Atwood**, History Department, doctoral student, secured a major grant [\$1 million] to help establish a naval museum in south Florida. The grant will, among other things, help provide for the training of students interested in Museum Studies.
- **Kantesh Balani**, College of Engineering, Department of Mechanical & Materials Engineering, recipient of the David Merchant International Student Achievement Award by the Phi Beta Delta Honor Society. This award is given to students who are members of Phi Beta Delta and have demonstrated great interest and involvement in international activities and superior scholastic achievement.
- **Tiffany Brannon**, awarded a Ford Foundation Predoctoral Fellowship and a full scholarship to Stanford University. Tiffany will be continuing her undergraduate research psychology honors thesis on African-American identity. Brannon, a summa cum laude Honors graduate, aims to pursue a Ph.D. at Stanford University on a full, 5-year scholarship - in addition to her Ford Foundation Fellowship. The Ford Foundation award provides three years of support for individuals engaged in graduate study leading to a Doctor of Philosophy (Ph.D.) or Doctor of Science (Sc.D.). The Ford Foundation awarded 62 fellowships this year from among over 1,500 applicants. Tiffany, a psychology major, is an exemplary student who participated fully in Honors College life including undergraduate research activities. “As an undergraduate researcher, the notion that a foundation is willing to invest more than \$60,000 in support of my graduate studies is immensely humbling,” Tiffany said. “For their generous support and encouragement, I proudly share my academic success with the Honors College and Florida International University.”
- **Monica Cabrera**, History Department, graduating senior won a first place prize in the American history area competition at the Florida conference meeting of the national history honorary society, Phi Alpha Theta.
- **Zoila Clark**, Modern Languages, (Ph.D. student and Teaching Assistant) received the "AATSP First-Time Attendee Award for 2007". This award, based on an outstanding teacher application, is given by the American Association of Teachers of Spanish and Portuguese, the most prestigious Spanish association in the U.S. to attend their annual meeting. With only one award given, it is an extremely competitive process as there are hundreds of applications from teachers, teacher assistants and professors from all over the country.
- **Erika Edwards**, History Department, has been awarded a Fulbright Dissertation Fellowship for research in Argentina for 2008. Her director is Dr. Mark Szuchman.

- **Magda Gomez**, History Department doctoral candidate, won a prize at the annual meeting of the Latin American and Caribbean Section of the Southern Historical Association for a paper stemming from her dissertation research.
- Business major, **Krystel Ramos**, past President of Association of Latino Professionals in Finance and Accounting (ALPFA) FIU and current Student Representative on the ALPFA Miami Board, was recognized as the ALPFA National Student of the Year. She is the second ALPFA Miami student to be recognized with this award. Krystel will also continue the six (6) year streak of FIU students receiving the South Region Student of the Year. She competed against very talented student leaders from across the country. The criteria for the award was based on GPA, leadership activity, commitment, passion, and contributions to ALPFA. She was a unanimous selection by the ALPFA National Awards Committee. She has been an active advocate of ALPFA at FIU, in the South Florida community, and with other University chapters across the country. Some of her key contributions were the launch of the ALPFA Honors Society (the first Hispanic honors society to recognize academic excellence in Finance and Accounting); the formalization of a Corporate Advisory Board to serve the student chapter; and the training of other ALPFA students on best practices from ALPFA FIU. Krystel received her award in front of nearly 2,500 attendees at the 2007 ALPFA National Convention, held August 3 - 8 in Orlando, Florida at the Disney Contemporary Resort.
- **Jenay Robert**, chemistry student, received an award for her poster at the Annual Biomedical Research Conference for Minority Students (ABRCMS). She is starting her Ph.D in chemistry at Penn State.
- **Michelle Zapiain**: A summa cum laude graduate with a dual degree in international relations and economics, Michelle has been awarded the Pamela Harriman Foreign Service Fellowship. As a recipient of the award, she will be working in the office of the Secretary of State. Michelle also received the Thomas R. Pickering Foreign Affairs Fellowship, another prestigious award that has allowed her to work in Washington this summer. The Honors College graduate plans to continue her research into the Iranian nuclear program and eventually pursue a career in the Foreign Service.
- “Team FIU,” **Mahendran K. Jawaharlal, Tatiana Lopez, Martin Fernández, and Ruben Salazar**, was selected as one of the six finalists for the National Society of Hispanic MBAs (NSHMBA) Dell/Microsoft case competition, which will take place at the NSHMBA National Conference in October, 2007. The team, comprised of four Professional MBA program students, was one of 44 teams nationwide who competed.
- The Materials Advantage Chapter at FIU, College of Engineering, Department of Mechanical & Materials Engineering, was team winner of the first ever “Materials Bowl” and awarded a \$2500 cash prize by the Annual TMS (The Minerals, Metals & Materials Society) Materials Bowl Tournament. In addition, FIU’s Materials Advantage Chapter also won the “Chapter of Excellence Award” for the third

consecutive year as well as the “World Materials Day Award”. The awards were presented at the Materials Science & Technology 2006 Conference held in Cincinnati, Ohio. The Chapters of Excellence Program rewards and recognizes Student Chapters for consistently good performance in areas deemed by the 4 leading material science societies, “TMS, AcerS, AIST and ASM”, as beneficial to students and the community as a whole. The “World Materials Day Award” is intended to promote the wider knowledge of materials and their importance in everyday life to the benefit of young people.

- For the fourth time in seven years, the **Institute of Transportation Engineers (ITE) FIU Chapter** has been selected as the Best Student Chapter internationally. The Chapter now has four titles and ties with Purdue University for this honor. Only Texas A&M University has more, with five titles (see <http://www.ite.org/awards/StudentChapter.asp>).
- The College of Business Administration’s American Marketing Association (AMA) chapter received the “Distinguished Chapter” award at the 29th Annual International AMA Collegiate Conference in New Orleans in late March, 2007. This award keeps the chapter in the Top 8 within the collegiate division (more than 300 strong) and it has been in the Top 10 for the past five consecutive years. Because the chapter was named “Collegiate Chapter of the Year” in the United States in 2007, the members were the hosts at this year’s conference. In this role, they organized a networking session, led seminars, designed the conference t-shirt (which was distributed to over 1,100 students), and introduced every guest speaker.
- The Financial Management Association International honored the College of Business Administration’s Financial Management Association (FMA) and the Finance Honor Society (FHS) chapter for their effective efforts to increase membership. Only eight FMA chapters and only ten FHS chapters out of about 200 received the bronze award this year. It was the second consecutive year FMA earned a bronze award for its recruitment success.

ADDENDUM B

FIU Faculty Recognitions

- **Associate Professor Dr. Wonbong Choi**, Mechanical & Materials Engineering, received the Material Research Society Medal from the Materials Research Society. The MRS Medal is intended to offer public and professional recognition of an exceptional recent achievement in materials research.
- **Dean Joyce Elam**, College of Business Administration was awarded International Dean of the Year for 2007 from the Fellows of the Academy of International Business.
- **Professor Jean-Claude Garcia-Zamor**, College of Social Work, Justice, and Public Affairs in Public Administration was awarded a Fulbright Scholar Grantee to Poland by the J. William Fulbright Foreign Scholarship Board.
- **Professor Golam Kibria**, Statistics in the College of Arts & Sciences, recently received tenure and is an elected fellow of the Royal Statistical Society. He was featured in an article in AMSTAT News as a rising star in the department.
- **Dr. Robert Moses**, Eminent Scholar in Urban Education, was awarded “Americas Best Leaders” from the *U.S. News & World Report*. "America's Best Leaders" is a collaboration between *U.S. News & World Report* and the Center for Public Leadership at Harvard University's John F. Kennedy School of Government. The honorees were selected by a committee of government, community, and private-sector leaders convened by the center.
- **Professor Meredith Newman**, College of Social Work, Justice, and Public Affairs in Public Administration was awarded the Presidential Citation of Merit for outstanding service above and beyond the call of duty as 68th Annual Conference Co-Chair 2006-2007 by the American Society for Public Administration (ASPA). The Presidential Citation of Merit is awarded for distinguished contribution. ASPA is committed to the advancement of excellence in public service.
- **Dean Vish Prasad**, Executive Dean for the College of Engineering & Computing, has been selected to receive the prestigious Education Award for 2007 from the Hispanic Engineer National Achievement Awards Conference (HENAAC).
- **Associate Professor Wolfgang F. Rogge**, Civil & Environmental Engineering in the College of Engineering, was featured as a highly cited researcher in the *ISIHighlyCited.com* database. This database includes the publication and achievement records of 250 preeminent researchers in each of 21 categories including life sciences, medicine, physical sciences, engineering, and social sciences.

- **Professor Surendra Saxena**, Mechanical & Materials Engineering was the recipient of the Rudbeck Medal given by Uppsala University at the January 26, 2007 Conferment Ceremony. The award acknowledges a career of innovative research into high-pressure phenomena and high-pressure materials related to the Earth's core.
- **Associate Professor Hugh Willoughby**, Earth Sciences in the College of Arts & Sciences, was selected fellow in the American Association for the Advancement of Science. He is currently working on the creation of a meteorology program.

ADDENDUM C
EMPLOYMENT EQUITY GOALS & INSTRUCTIONAL
ACCOUNTABILITY MEASURES RESULTS

Achieve the employment equity program goals and the accountability measures

Employment Equity Goals and Instructional Accountability Measures Result

The results of this objective were presented to the BOT in the Annual Equity Act Report and approved in our last Board meeting in June. Six of the fifteen targeted hiring goals were achieved. Three Females, two African-Americans, and one Other Minority were hired or promoted into the targeted areas as indicated in the table below. Although the university was not successful in achieving specific goals, the overall hiring of minorities and females was quite successful. Overall, 59 females and 64 minorities were hired for a total of 123, which far exceeded the projected goal of 15 hires.

2006-2007 University Employee Goals Assessment

Goals 2006-07	Females	African Americans	Hispanics	Other Minority*	Total
Goals – Hires & Promotions (targeted areas)	8	4	2	1	15
Results	3	2	0	1	6

Overall 2006-07	Females	African Americans	Hispanics	Other Minority*	Total
Overall – Hires & Promotions (targeted and non-targeted areas)	59	21	12	31	123

*Other Minorities includes: Asians, Pacific Islanders, American Indians, and Alaskan Natives.

Undergraduate Student Enrollment Goal

The goal related to undergraduate student enrollment involved increasing the enrollment rate for Black and Hispanic students by 1% - 2%. The enrollment rate for Black students increased by 1% and by 0.4% for Hispanic students. Even though we did not achieve the goal for Hispanic students, the University's rate of 63.7% far exceeds the SUS rate of 18.6% as reported in the 2006 IPEDS data.

GROUP	FALL 2005 % of Total FTIC*	FALL 2006 % of Total FTIC*	Point Difference
Black	10.8%	11.8%	1.0
Hispanic	63.3%	63.7%	0.4

*FTIC = First Time-In-College

Undergraduate Student Retention Goal

The goal entailed increasing retention rates for all student groups, with an emphasis on Black students. The University's retention rate for Black students increased from 77.4% to 78%. The American College Testing (ACT) 2006 Report indicates a public four-year university national average of 77.3% for students who return for the second year. FIU's retention rate for Black students is above the national student retention rate.

GROUP	FALL 2005 (2004 Entrants)	FALL 2006 (2005 Entrants)	Point Difference
Black	77.4%	78.0%	0.6

Undergraduate graduate rate

The goal was to increase the graduation rates for Black students by 3%. The graduation rate for Black students remained the same in the 05-06 AY compared to the 04-05 AY. As result, the University will hire additional enrollment services professionals, implement a new tracking and communication program along with other strategies that will assist with monitoring and managing academic progress as well as increase the graduation rate for all students.

GROUP	% of Total Student Population for 04-05 AY*	% of Total Student Population for 05-06 AY*	Percent Change
Black	42.5%	42.5%	No Change

*AY = Academic Year

Graduate enrollment rate

The goal entailed increasing Hispanic graduate student enrollment at the rate of increase for the total graduate student population and increasing Black student enrollment by 2% faster than the general growth rate for the graduate student population. Result: The University surpassed its enrollment goals for Black and Hispanic students. Black students increased from 12.9% of the total student body to 13.2%, or a 2.3% change while Hispanic students represented a 39% to 40.5%, or a 3.8% change in the percent represented. If we simply look at the difference in the percentages, Black student representation grew by 0.3% point and Hispanics by 0.7% points.

GROUP	FALL 2005	FALL 2006	Percent Difference	Percent Change
Black	12.9%	13.2%	0.3%	2.3%
Hispanic	39.0%	40.5%	0.7%	3.8%

Graduate completion rate

The goal entailed increasing the completion rates for under-represented groups. The goal was achieved for Black and Hispanic students. Other Minorities remained unchanged. However, the completion rate for Females declined by 6.7%. The University will assess the availability and accessibility of academic resources with regard to female students. Based on the findings, the University will enhance and/or expand resources that can help increase the completion rate for the female student population.

GROUP	% of Total Student Population for 04-05 AY*	% of Total Student Population for 05-06 AY*	Percent Change
Black	10.1%	10.4%	3%
Hispanic	39.9%	41.3%	3.5%
Other Minority	4.1%	4.1%	0%
Female	59.9%	55.9%	-6.7%

*AY = Academic Year

The university made progress towards decreasing the gap between percentage of female athletes and percentage of female enrollment.

Women Athletes	2005-06 AY*	2006-07 AY*
% of Enrollment	56.78%	56.90%
% of Participation	42.25%	42.90%
Gap Variance	-14.53%	-14.0%

*AY = Academic Year

Executive Performance Ratings

Performance Rating
Superior
Good
Commendable
Fair
Unsatisfactory

PERFORMANCE RATINGS

Determined relative to approved performance goals

Superior Performance - Surpasses most expectations.

- Leads the way and succeeds in major, novel challenges and initiatives.
- Constantly anticipates and/or responds effectively to changing situations and University needs.
- Demonstrates a constant commitment to the continuous excellence of academic programs and research.

Good Performance - Exceeds several performance expectations.

- Actively supports changing situations and challenges.
- Regularly develops new approaches and implements new programs.
- Produces outstanding work quality and productivity beyond required standards.

Commendable Performance - Achieves expectations.

- Proactively improves the University's visibility locally as well as nationally.
- Performance is of high quality in significant areas of responsibility.

Fair Performance - Achieves some expectations.

- Work performance does not meet all expectations.
- Performance needs to be improved and specific goals achieved that demonstrate a clear commitment to excellence.

Unsatisfactory Performance - Fails to meet expectations.

- Work performance fails to adequately meet any of the expectations.
- Does not demonstrate the ability to work effectively in an academic and research environment.

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: UNIVERSITY GOALS AND PRESIDENT'S OBJECTIVES FOR 2007-2008

PROPOSED BOARD ACTION:

Adopt the following Resolution:

BE IT RESOLVED, that the Florida International University Board of Trustees (the BOT) approves the University Goals for the 2007-2008 fiscal year as presented by President Maidique and attached hereto as Exhibit "L;" and

BE IT FURTHER RESOLVED, that the BOT approves the President's Objectives as presented by President Maidique. These approved objectives will be one component of the President's Performance Review by the Board for 2007-2008.

EXHIBITS/SUPPORTING DOCUMENTS:

- EXHIBIT "L": UNIVERSITY GOALS FOR THE FISCAL YEAR 2007-2008*
**Additional University Goals developed as a result of the Compensation Workgroup meeting and will be distributed at the Full Board meeting*

FACILITATOR/PRESENTER:

- BETSY ATKINS

This page intentionally left blank



FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES

Modesto A. Maidique University Goals and President's Objectives Fiscal Year 2007-2008

EXECUTIVE SUMMARY

We are focusing our efforts at achieving four overarching objectives:

- student academic performance,
- academic and research excellence,
- local development and
- financial stability

One goal specifically within each overarching objective will be the main focus of the President's efforts. During FY07-08, the four are as follows:

Student Academic Performance: Number of Doctoral degrees

Increase the number of doctoral degrees to reach 106 in FY07-08. The target goal is to reach 200 by year 2015, the university's 50th anniversary.

Academic and Research Excellence: Strengthen National Research Ranking

Increase the number of applications in strategic areas for funding and grow total research expenditures to \$100 million in the next three years.

Local Development: Increase access to health care for our community by advancing the College of Medicine Initiative

Obtain Liaison Committee on Medical Education (LCME) preliminary accreditation for College of Medicine and second year planning funds of \$9.7 million.

Financial Stability: Increase Fiscal Self-Sufficiency

Achieve advancement funding goal of \$30 million, an increase of 15% from our historically highest level.

Modesto A. Maidique
University Goals and President's Objectives
Fiscal Year 2007-2008

The following provides a complete list of all goals falling within each of the objectives for FY07-08.

1. STUDENT ACADEMIC PERFORMANCE

➤ **Increase Degree Production**

- **Increase the number of doctoral degrees to reach 106 in FY07-08. The target goal is to reach 200 by year 2015, the university's 50th anniversary.**
- **Increase retention rate from 86% to 88% for FTIC (First Time in College) students into their second year.**
- **Review all Ph.D. programs in a five year period to improve academic quality and financial efficiency.**
- **Maintain national ranking in top five for granting baccalaureate degrees to minority students.**

➤ **Improve Student Retention and Affinity**

- **Enhance residential life by expanding student housing facilities through continuation of a housing demand analysis. Phase II of the housing goal will focus on Biscayne Bay Campus (BBC), which entails completing a Building Program Statement for BBC by the end of Fall 2007.**
- **Complete the first phase of the Student Support Complex by opening the FIU Athletics Stadium by first home game.**
- **Increase alumni participation by 20% through paid membership in the FIU Alumni Association from 9,726 to 11,700 total alumni.**

Note: This number equals 11% participation, which is the average percent participation of the top four Florida State Universities of dues paying members to total alumni.

- **Increase athletic department season ticket sales by 40%.**

2. ACADEMIC & RESEARCH EXCELLENCE

➤ Strengthen National Research Ranking

- Increase the number of applications in strategic areas for funding and grow total research expenditures to \$100 million in the next three years.
- Create two partnerships designed to increase sponsored research applications and grants.

➤ Achieve National Ranking Recognition and Improve Academic Infrastructure

- Maintain national ranking recognition through 5 programs.
- Achieve 10 students and faculty members receiving national recognition.
- Complete student occupancy of Graduate School of Business by Spring 2008.
- Complete occupancy of the Frost Art Museum by Spring 2008.

➤ Improve Athletics Academic Performance

- Achieve overall student-athlete GPA of 2.8, the same level as the general student population.

3. LOCAL DEVELOPMENT

➤ **Increase access to health care for our community by advancing the College of Medicine Initiative**

- Obtain Liaison Committee on Medical Education (LCME) preliminary accreditation for College of Medicine.
- Obtain additional recurring funds of \$9.7 million for year 2 of Planning Phase.
- Conclude at least two partnership agreements with local community health care providers (public and private).
- Obtain approval of and implement the Faculty Practice Plan.

➤ **Expand community presence**

- Develop and launch a comprehensive, qualitative research study among several constituencies to measure current perceptions, specifically through quarterly surveys and attitude studies.
- Develop and launch a clarified FIU brand. Leverage existing communications in expanding awareness about FIU, specifically:
 - a. Use the results of an internal brand survey to develop a brand message for approval and acceptance.
 - b. Develop creative tools necessary to support, educate and reinforce correct and consistent use of the FIU brand. The tools will include a style guide, brand manual, templates and policies regarding usage.
 - c. Develop a plan for the supporting creative internal and external rollout of the FIU brand.

4. FINANCIAL STABILITY

➤ **Increase Fiscal Self-Sufficiency**

- Achieve advancement funding goal of \$30 million, an increase of 15% from our historically highest level.
- Maintain auxiliary revenue in excess of \$100 million.
- With Congressional support, obtain federal funding of at least \$7 million in congressional funding and Office of Government Relations-assisted federal grants, including support for hurricane research.
- Increase Average Indirect Cost from contracts and grants by 10%, from 20.8% to 22.9% of total awards by FY07-08 and renegotiate the federal rate from the current 40% to 45%.

➤ **Increase Revenue**

- Increase the classroom utilization rate to at least the State University System average of 54% for FY07-08.
- Modify differential tuition statute to allow university to strengthen academic quality, unless statute is rendered moot by court ruling.
- Complete a plan with Budget Stabilization Task Force including Centers and Institutes and Best Practices of operational efficiencies.

GENERAL MANAGEMENT

➤ Fill Leadership positions

- Vice President for Advancement
- Vice President for Human Resources
- Treasurer
- Dean of the College of Arts & Sciences
- Interim Dean appointment of the College of Engineering & Computing
- Dean of Hospitality Management
- Dean of the Stempel School of Public Health
- Vice Provost of FIU Online

➤ Strengthen Compliance

- Maintain and strengthen the institutional compliance program to provide education and training regarding the ethical obligations of university employees under the State of Florida Code of Ethics for Public Officers and Employees.
- Implement a “compliance helpline” that will allow the university community to report, on an anonymous basis, instances of known or suspected non-compliance with applicable law or university policy.
- Ensure the university’s compliance with all applicable NCAA bylaws, rules and regulations in all intercollegiate athletics programs by:
 - a. Hiring three new athletics compliance positions, to strengthen all aspects of the athletics compliance program.
 - b. Developing all policies, procedures, timelines, and assignments of responsibilities for all components of the athletics compliance program, such as recruiting, eligibility, and financial aid.
 - c. Conducting extensive training to all relevant university staff and athletes on all aspects of NCAA regulations.

➤ Achieve the employment equity program goals and demonstrate progress on the accountability measures

PERSONAL DEVELOPMENT

- **Teach Leadership Seminar Fall 2007 College of Business MBAs**
- **Continue work on two leadership research projects**
- **Attend Management Program – “Two Days with Jack Welch”**

This page intentionally left blank

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

16 NOVEMBER 2007

SUBJECT: COMMITTEE & WORKGROUP REPORTS

PROPOSED BOARD ACTION:

None. Discussion Items.

COMMITTEES

- FINANCE AND AUDIT COMMITTEE REPORT
CHAIR KIRK LANDON
- ACADEMIC POLICY COMMITTEE REPORT
CHAIR PATRICIA FROST

WORKGROUP REPORTS

EXHIBITS/SUPPORTING DOCUMENTS:

- PRIORITIES FOR THE 2008 LEGISLATIVE SESSION
- 2007-08 LEGISLATIVE CONFERENCE COMMITTEE AGREEMENT

FACILITATOR/PRESENTER:

- KIRK LANDON
- PATRICIA FROST

This page intentionally left blank



FIU

FLORIDA INTERNATIONAL UNIVERSITY

Miami's public research university

Priorities for the 2008 Legislative Session

March 4 – May 2, 2008

OPERATING BUDGET PRIORITIES

This past summer, the general revenue estimating conference reduced the 2007/2008 state revenue estimates by approximately \$1 billion.

This was a result of slower-than-expected general sales tax collections and corporate income tax. Thus, there were fewer funds available for the 2007/2008 budget year. Therefore, the State University System, including FIU, received a 3.6 percent recurring reduction off their base with a .55 percent non-recurring add-back.

State economists are expecting another \$1 billion shortfall for the next fiscal year. Therefore, the Board of Governors is recommending a consolidated system enhancement request that reflects BOG's current strategic initiatives.

I. FIU MEDICAL SCHOOL

On March 23, 2006, the Board of Governors approved the implementation of a new medical school at FIU. The Legislature followed suit during the 2006 Session by authorizing the Board approved College of Medicine at FIU with the passage of HB 1237. Within the BOG's SUS Medical Education Initiative for 2008-2009, \$9.8 million is requested specifically for Year 2 planning to implement the FIU Medical School. FIU urges the Legislature to continue its support.

II. FACULTY AND STAFF SALARIES

FIU competes nationally to attract quality faculty to our campus. The University must face regional competition to retain qualified staff. Faculty and staff salaries continue to be one of the highest priorities for the BOG. The BOG and the state's universities have pledged to work together with the Florida Legislature to provide the funds that will allow FIU and the other state universities to compensate their faculty and staff on a competitive basis. The 2007 Legislature included university faculty and staff in the state pay package, but provided only a one-time \$1,000 bonus. FIU urges the Legislature to not let our

faculty/staff miss a pay raise two years in a row. FIU supports policies and funding that will ensure FIU's faculty and staff are compensated appropriately.

III. ENHANCEMENT FUNDS TO SUPPORT THE BOG STRATEGIC PLAN

The BOG budget request for enhancement funds for university initiatives was presented in a different way this year. Rather than identifying individual university priorities by line-item, the BOG budget request was consolidated to reflect system goals. Such goals are as follows:

1. Performance Incentive Funding - \$20 million
2. Student Success Programs - \$113.5 million
3. Meeting Statewide Needs in Engineering - \$4 million
4. Access/Support for Current Students - \$102 million
5. Financial/HR Management Systems - \$23.6 million
6. Operational Cost Increases for Libraries, Technologies - \$22 million
7. FL Center for Library Automation - \$4.15 million

FIU supports these system priorities.

FIXED CAPITAL OUTLAY PRIORITIES

The Board of Governors has requested \$394 million from the Public Education Capital Outlay (PECO) Trust Fund for university projects. Of that, \$35.5 million is allocated to FIU for the following projects: \$10.5 million for Utilities/Infrastructure/Capital Renewal/Roofs, \$12 million for the Science/Classroom Complex, \$7 million for the Health Science Laboratory and \$6 million for the Satellite Chiller Plant.

FIU is seeking legislative approval for these projects, and will seek funding for additional capital priorities should funds become available.

MAJOR GIFTS MATCHING PROGRAM

FIU asks the Legislature to support the Board of Governors request of \$55 million to fund the matching gifts program. The Matching Gifts program is a powerful incentive that FIU has been able to use to encourage large donations which enhance the universities' ability to attract recognized scholars, provide scholarships, and enable the improvement of our libraries. The Challenge and Courtelis Grant programs will help leverage potential donors to raise funds for existing university programs and is particularly important for the success of our medical school.

2007-08 Legislative Conference Committee Agreement
General Revenue (GR) Budget Reductions
17-Oct-07

Conference Agreement				
	Reduction	Non-recurring Addback	Recurring Addback	Net Reduction
FIU				
E&G	(\$7,544,731)	\$1,355,910		(\$6,188,821)
FIU-Medical School	(\$196,660)	\$196,660		\$0
Performance Based Funding*		\$368,000		\$368,000
Student Financial Assistance	(\$45,157)			(\$45,157)
Fall Tuition Addback**		\$1,248,657		\$1,248,657
5% Spring Tuition Increase***			\$1,248,657	\$1,248,657
Total	(\$7,786,548)	\$3,169,227	\$1,248,657	(\$3,368,664)

* Originally vetoed by Governor in May, re-enacted at a lower amount by the Legislature in Special Session

**The Legislature appropriated \$1,248,657 in Non-Recurring GR to compensate for the Governor's tuition veto which affected fall semester. That appropriation was in CS-SB 8C, which also included an authorization for a technology fee of up to 5% of in-state tuition to become effective in the 2009-10 academic year. This technology fee will be outside of the Bright Futures Scholarships award.

***Originally vetoed but was re-enacted by the Legislature in 2007 Special Session. The 5% undergraduate resident tuition increase will become effective January 1, 2008 assuming the Governor does not veto.

This page intentionally left blank