



# FLORIDA INTERNATIONAL UNIVERSITY

## BOARD OF TRUSTEES

### FINANCE AND AUDIT COMMITTEE

Wednesday August 17, 2011

9:45 am

Florida International University

Modesto A. Maidique Campus

Charles Perry/Primera Casa (PC), room 521

#### **Committee Membership:**

Sukrit Agrawal, *Chair*; Michael M. Adler, *Vice Chair*; Cesar L. Alvarez; Thomas A. Breslin; Mayi de la Vega

#### **Liaison:**

Richard Brilliant, *Foundation Board of Directors*

## AGENDA

1. Call to Order and Chair's Remarks Sukrit Agrawal
2. Approval of Minutes Sukrit Agrawal
3. Discussion Items (*No Action Required*)
  - 3.1 Office of Internal Audit Status Report Allen Vann
  - 3.2 FY 10-11 Financial Performance Review Kenneth A. Jessell
  - 3.3 Foundation Report Richard Brilliant
  - 3.4 Capital Campaign Update Howard R. Lipman
4. Reports (*For Information Only*)
  - 4.1 Treasury Report Tony Vu
  - 4.2 Athletics Update Pete Garcia
  - 4.3 University Compliance Report Leyda Benitez
  - 4.4 Division of Research Report Andres G. Gil
  - 4.5 Construction Status Update John Cal
  - 4.6 Safety and Environmental Compliance Report William Youngblut
  - 4.7 Business Services Update Liane Martinez

**5. New Business**

**Sukrit Agrawal**

**5.1 Senior Management Discussion of Audit Processes**

**Sukrit Agrawal**

**6. Concluding Remarks and Adjournment**

*Next Finance and Audit Committee Meeting  
is scheduled for Tuesday, November 8, 2011*

**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Approval of Minutes of the Meeting held June 20, 2011**

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**Proposed Committee Action:**

Approval of Minutes of the Finance and Audit Committee meeting held on Monday, June 20, 2011, at the Modesto A. Maidique Campus, College of Business Complex, Special Events Center, room 232.

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**Background Information:**

Committee members will review and approve the Minutes of the Finance and Audit meeting held on Monday, June 20, 2011, at the Modesto A. Maidique Campus, College of Business Complex, Special Events Center, room 232.

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**Supporting Documentation:** Finance and Audit Committee Meeting Minutes: June 20, 2011

**Facilitator/Presenter:** Committee Chair Sukrit Agrawal

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**FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE  
MINUTES  
JUNE 20, 2011**

**1. Call to Order and Chair's Remarks**

The Florida International University Board of Trustees' Finance and Audit Committee meeting was called to order by Committee Chair Sukrit Agrawal at 9:05 am on Monday, June 20, 2011, at the Modesto A. Maidique Campus, College of Business Complex, Special Events Center, room 232.

The following attendance was recorded:

***Present***

Sukrit Agrawal, *Chair*

Michael M. Adler, *Vice Chair*

Cesar L. Alvarez

Thomas A. Breslin

Mayi de la Vega

Trustee Jorge L. Arrizurieta and President Mark B. Rosenberg were also in attendance.

Committee Chair Agrawal welcomed all Trustees, faculty and staff. He also welcomed Trustees Cesar L. Alvarez and Mayi de la Vega and thanked them for agreeing to serve as members of the Committee, noting that their respective expertise will prove to be invaluable to the Committee.

Committee Chair Agrawal noted that he looked forward to his service as Chair of the Board's Finance and Audit Committee. He added that the Finance and Audit Committee promotes open communication among and between Senior Management, the Office of Internal Audit, the Auditor General, and the Board of Trustees.

**2. Approval of Minutes**

Committee Chair Agrawal asked that the Committee approve the Minutes of the Meeting held on March 15, 2011. A motion was made and passed to approve the Minutes of the Finance and Audit Committee Meeting held on Tuesday, March 15, 2011.

### **3. Action Items**

#### **FA1. Proposed 2011-2012 Operating Budget**

Committee Chair Agrawal introduced the proposed 2011-2012 Operating Budget, noting that Senior Vice president of Finance and Administration and Chief Financial Officer Kenneth A. Jessell would provide a comprehensive review of all of the components, including the proposed fees. Committee Chair Agrawal recommended that all of the action items included within the 2011-12 Operating Budget be voted on in one (1) motion. There were no objections.

##### **A. University and Direct Support Organizations (DSO) Operating Budgets**

Sr. VP and CFO Jessell presented the University and DSO Operating Budgets for Committee review, providing a detailed summary of key aspects of each budget. He reported that for the first time in FIU history the University's proposed 2011-12 operating budget exceeded \$1 billion. He also reported that the University incurred \$11.7 million in State revenue reductions in addition to the elimination of FY2010-11 stimulus funding of \$14 million. He added that despite State funding reductions, the University has continued to invest in high priority areas that are consistent with the FIU Worlds Ahead Strategic Plan. He noted that key components of the operating budget included in-state tuition increases as well as an increase in the student athletic fee.

##### **B. University Tuition Fee**

Sr. VP and CFO Jessell presented the proposed amendments to the University Tuition Fees Regulation FIU-1101 for Committee review, noting that the Regulation was being amended to reflect the changes in tuition and fees for the 2011-12 academic year as authorized by the Florida State Legislature and the Florida Board of Governors. He noted that seventy (70) percent of the proposed tuition differential increase would be applied towards enhancing and maintaining quality undergraduate education, while thirty (30) percent would be directed toward need-based financial aid assistance. He also reviewed the estimated 2011-12 national university tuition average, noting that even after the inclusion of the proposed increase, the University's tuition was still significantly lower than the average for public four-year and doctoral-granting institutions.

##### **C. Athletics Fee**

Sr. VP and CFO Jessell presented the proposed increase in the Student Athletic Fee for Committee review, noting that the University Fee Committee recommends an increase in the FIU Athletic Fee from the current \$14.51 per student credit hour to \$15.56 per student credit hour effective the Fall term of 2011. He noted that the fee increase was unanimously recommended by the University Fee Committee, which is comprised of fifty (50) percent students and fifty (50) percent Faculty/Staff. He stated that the fee increase will fund capital improvements, Title IX initiatives, Sand Volleyball as a new female varsity sport, scholarships for student athletes, and funding assistance for the Band. He further noted that the proposed increase was one of the amendments to the University Tuition Fees Regulation FIU-1101.

**D. Amendment of University Traffic and Parking Regulation**

Sr. VP and CFO Jessell presented the proposed amendments to the University Traffic and Parking Regulation FIU-1105 for Committee review, noting that the amendments reflect various changes that include an increase in the permit fees charged for temporary permits and vendor and contractor permits, removal of the “head in parking only” restriction and corresponding fine, requirement for disabled employees and students to obtain/purchase and display a current FIU Registered Disabled sticker, and lowering of the minimum towing or immobilization charge.

**E. Tuition for Market Rate Programs**

Sr. VP and CFO Jessell presented the request to establish Market Rate Tuition for the Masters in Mass Communications and the Masters in Engineering Management for Committee review, noting that the programs would be offered through the University’s continuing education program beginning academic year 2012/13. He further noted that market rate tuition programs receive no state funding and must cover all costs of program delivery.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees’ approval the proposed 2011-2012 University and DSO Operating Budgets, request to establish market rate tuition rates and proposed amendments to existing regulations concerning tuition and other fees:

- A. University and DSO Operating Budgets
- B. University Tuition Fee
- C. Athletics Fee
- D. Amendment of University Traffic and Parking Regulation
- E. Tuition for Market Rate Programs

Trustee Cesar L. Alvarez inquired as to the process used for developing the University’s operating budget. Sr. VP and CFO Jessell noted that it is a deliberate process that spans many months, adding that each unit/area is responsible for submitting proposals for budget reductions as well as the use of new funds that may become available. He further noted that budget reductions and new allocations are arrived at in a strategic manner in order to maintain and enhance the education and learning experiences for students.

**FA2. Proposed 2011-2012 - Fixed Capital Outlay Budget**

Sr. VP and CFO Jessell presented the University’s 2011-2012 Capital Outlay Budget for Committee review, noting that the Capital Outlay Budget governs the University’s capital expenditures during the year. He further noted that the 2011-2012 Capital Outlay Budget Request totaled approximately \$1.7 million, adding that the request was amended to reflect the State of Florida Governor’s veto of the Satellite Chiller Plant Expansion. He added that the capital outlay budget was part of the University’s annual budget approval process and consistent with the University’s five year capital improvement plan.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the proposed 2011-2012 - Fixed Capital Outlay Budget.

**FA3. Internal Audit Plan for 2011-2012**

Internal Audit Director Allen Vann presented the Internal Audit Plan for fiscal year 2011-2012 for Committee review and approval, noting that the plan was developed using a systematic approach that aids in the determination of the audits that need to be performed, while also considering the most appropriate allocation of limited resources to maximize productivity.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee approve the Internal Audit Plan for fiscal year 2011-2012.

**FA4. Request for Approval of Florida International University's 2012-2013 Fixed Capital Outlay Legislative Budget Request, consisting of the 5-year Capital Improvement Plan (CIP)**

Sr. VP and CFO Jessell presented the Request for Approval of Florida International University's 2012-2013 Fixed Capital Outlay Legislative Budget Request, consisting of the 5-year CIP for Committee review, noting that the Fixed Capital Outlay Budget Request sets forth the University's proposed capital expenditures during the next five years. He noted that the Legislative Budget Request included the total Public Education Capital Outlay (PECO) and Challenge Grant requests. He added that PECO funds are exclusively for construction.

Committee Chair Agrawal requested that Sr. VP and CFO Jessell delineate key issues relating to PECO funding. Sr. VP and CFO Jessell noted that the PECO projects that were approved by the Legislature must be signed or vetoed by the Governor. He further noted that institutions within the State University System are competing for limited and declining State capital revenues. He added that as the University continues on its current growth trajectory, the limited amount of PECO funds creates a shortfall of actual space versus needed space.

Trustee Michael M. Adler noted that it is important for the Board members and University community to advocate in support of PECO funding. He added that it is critical that the University community continue to provide the Governor's Office with information that supports the University's PECO projects that have been approved by the Legislature. He added that these projects represent the physical tools needed to build an innovation and knowledge economy for the future while stimulating the economy with the immediate creation of jobs.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the University's 2012-2013 Fixed Capital Outlay Legislative Budget Request, consisting of the 5-year CIP.



#### **FA5. Approval of the Amendment to the Bylaws of the Florida International University Foundation Inc.**

Senior Vice President for University Advancement and President and CEO of the FIU Foundation, Inc. Howard R. Lipman presented the Amendment to the Bylaws of the Florida International University Foundation Inc. for Committee review, noting that on May 25, 2011, the FIU Foundation Inc. Board of Directors approved amendments to the Foundation's Bylaws. He added that key revisions to the Bylaws consisted of changing the name and title of the Recruitment Committee to the Membership and Board Management Committee in addition to a change in the process used for noticing public meetings

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the Amendment to the Bylaws of the Florida International University Foundation, Inc.

### **4. Discussion Items**

#### **4.1 Office of Internal Audit Status Report**

Director of Internal Audit Allen Vann presented the Internal Audit Report, providing updates on recently completed investigations.

#### **4.2 Budget Variance Analysis – Third Quarter 2010**

Sr. VP and CFO Jessell presented the Budget Variance Analysis for the third quarter of 2010. He provided an update on University revenues and expenditures. In terms of operating revenues, he noted that the University is experiencing a positive variance of approximately \$48 million (8 percent) mainly due to an increase of non-resident undergraduate enrollment and differential tuition. Also, he added that Auxiliary Enterprises continue to drive revenue growth, noting that this may be attributed to factors such as new academic programs and on-line enrollment growth. He reported that operational expenses are below estimates by \$18 million (3 percent) mainly due to savings from vacant positions and timing of spending on critical investments and lower utilities.

#### **4.3 Accounts Receivable Report**

Sr. VP and CFO Jessell provided the Accounts Receivable Report, noting that write-offs of uncollectable accounts for 2010-11 totaled \$6.75 million. He added that the write-offs would remove the accounts receivable as a reported asset, as required under GASB and NACUBO guidelines. He further noted that the write-off would not equate to debt forgiveness, stating that students indebted to the University with a sum of \$200 or more would not be able to register for the semester.

## **5. Reports**

Committee Chair Agrawal requested that the Treasury Report, Environmental – Regulatory & Compliance Report, Athletics Update, Emergency Management Report, Foundation Report, University Compliance Report, Division of Research Report and Construction Status Update be accepted as written. There were no objections.

## **6. New Business**

Committee Chair Agrawal requested that Sr. VP and CFO Jessell present the new business items for Committee review. Committee Chair Agrawal recommended that the new business items be voted on in one (1) motion. There were no objections.

### **FA6. Florida International University Executive Deferred Compensation Plan**

Sr. VP and CFO Jessell presented the FIU Executive Deferred Compensation Plan for Committee review, noting that as is stipulated in the Board-approved employment agreement for University President Mark B. Rosenberg, funds are to be credited annually to a non-qualified deferred compensation plan. He added that while this commitment is the financial responsibility of the Foundation, the FIU Board of Trustees must officially adopt the University's Deferred Compensation Plan.

### **FA7. Approval of Resolution Requesting an Amendment to the Employment Agreement for University President Mark B. Rosenberg**

Sr. VP and CFO Jessell presented the Amendment to the Employment Agreement for University President Mark B. Rosenberg for Committee review, noting that the proposed amendment clarifies that amounts credited to the University's Executive Deferred Compensation Plan may be invested in any investments permitted under the Plan and described various investments that are permitted under the Plan.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the Florida International University Executive Deferred Compensation Plan and the Resolution Requesting an Amendment to the Employment Agreement for University President Mark B. Rosenberg.

## **7. Concluding Remarks and Adjournment**

With no other business, Committee Chair Sukrit Agrawal adjourned the meeting at 10:47 am.

*MB*  
*6.29.11*

**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Office of Internal Audit Status Report**

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**Proposed Committee Action:**

None. Discussion item.

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**Background Information:**

The Office of Internal Audit Report provides an update on the status of audits since the Finance and Audit Committee last met on June 20, 2011.

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**Supporting Documentation:** Office of Internal Audit Status Report

**Facilitator/Presenter:** Allen Vann

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# **Office of Internal Audit Status Report**

**BOARD OF TRUSTEES**

**August 17, 2011**

**Date:** August 17, 2011

**To:** Board of Trustees and Finance and Audit Committee

**From:** Allen Vann, Audit Director

**Subject:** OFFICE OF INTERNAL AUDIT STATUS REPORT

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I am pleased to provide an update on the status of our office's work activities. Our last update to you was on June 20, 2011.

## **AUDITS**

**PantherCard Financial, Operational and Information Systems Controls** – The PantherCARD is a computerized identification card system that uses photo imaging technology and an encoded magnetic strip that allows cardholders to open a debit account, for use at various on campus vendors to purchase food, books, and other goods and services. The card is also used for access into buildings and admittance to FIU football games. As of December 31, 2010, there were over 184,000 accounts consisting of almost \$2.3 million. PantherCARD processed \$4.5 million in deposits, net of refunds, and paid out \$4.2 million to vendors during the audit period. On April 15, 2011, the University announced the FIU One Card program, which would replace the PantherCARD and offers a variety of benefits to students, faculty and staff. The One Card will continue to offer an FIU debit account for internal campus usage, as well as the option to link the card to a Wells Fargo checking account.

Overall, our review of PantherCARD's financial controls disclosed some areas of concern, including the accounting for transactions, procedures allowing for the immediate availability of funds to cardholders without first securing the funds, procedures for dormant accounts, and excessive access to sensitive student banking data.

We focused our audit of Operational Controls on card stock physical security and inventory, card lifecycle, from creation to deactivation, and the cards use for building access. With the exception of card lifecycle processes, the operational controls over PantherCARDS identified areas in need of improvement, particularly in the use of temporary PantherCARDS; the need for electronic backup of inventory logs; and the accessibility to the Inventory Log File. With regard to the use of the PantherCARDS to control access to certain buildings, floors, and rooms during and after working hours, controls are in place that assure identification of actual card use for that purpose. However, how card access is assigned and later withdrawn, which is critically important, needs improvement.

We focused our information systems audit on account management, identity management, access privileges, workstation security, continuous service, and network security. It is not evident that user accounts were being properly managed. Unnecessary application privileges were granted to individual and vendor accounts, which resulted in providing greater privileges than needed for the individuals to perform their related job functions. We also found deficiencies in workstation security, which could potentially allow the installation of malicious software thereby increasing the risk of data loss or network disruption. To its credit, the Network Management Services department provides adequate network security.

The audit resulted in forty-nine recommendations. Management agreed to implement all of our recommendations.

**Disbursement Controls Over FIU Foundation Cash and Investment Accounts** – The primary objective of our audit was to determine whether the approval process and related controls over the handling of the Foundation's Cash and Investment Accounts were adequate and in accordance with policies, procedures, practices, and guidelines as approved by the FIU Foundation Board of Directors.

Overall, our audit disclosed that the Foundation's disbursement approval process and related controls were adequate and in accordance with policies, procedures, practices, and guidelines as approved by the Foundation Board of Directors. There were a number of areas where controls and procedures need to be aligned with the Foundation's Board policies and directions.

The audit resulted in five recommendations, which management agreed to implement.

**Fuel Inventory Controls** – Parking and Transportation provides oversight and maintenance for approximately 440 University owned vehicles and other mobile equipment that require fuel. It is also responsible for the related procurement, storage and distribution of fuel. Approximately \$300,000 in various types of fuel are purchased annually not including relatively static fuel inventories maintained by other operating units used mainly for backup generators.

We found significant weaknesses in the internal controls over fuel inventory monitoring and distribution resulting in a large amount of missing and/or unaccounted for fuel. Significant improvements need to be made in recordkeeping, fuel distribution procedures and other operational aspects of managing vehicle fueling.

The audit resulted in thirteen recommendations. Management agreed to implement all of our recommendations.

## Work In Progress

Audits	Status
Grants (College of Engineering and Computing)	Draft Report Issued
Cash and Investment Controls (University)	Fieldwork in Progress
Marriott Tianjin China Program (Hospitality and Tourism Management)	Fieldwork in Progress
Repairs & Maintenance (Facilities Management)	Fieldwork in Progress
Student Technology Fee	Fieldwork in Progress
Construction Costs (Facilities Management)	Fieldwork in Progress

## OTHER ACTIVITIES

We are actively consulting and/or assisting Management on several of their initiatives:

1. Grant Proposal - I recently assisted the Office of Sponsored Research Administration in their preparation of an NIH application for a \$25 million grant. We provided the required certification of certain University financial data, which will be included as part of the grant application.
2. PeopleSoft HR Implementation Project - The University is transitioning its entire payroll, time and attendance, and HR system from ADP to an in-house PeopleSoft solution. The project is scheduled to "go live" January 1, 2012. I will serve on the Steering Committee as an advisory non-voting participant.

At our last meeting the Finance and Audit Committee approved a post implementation audit of the new payroll system. We will initiate the survey phase of this audit early and will perform additional agreed upon procedures as may be deemed necessary in order to ensure the effectiveness of system testing, validation methodology, risk management and internal controls are in place during the current project production phase.

3. Chart of Accounts Redesign - This project will entirely update the University's financial account structure. I continue to serve on the Steering Committee as an advisory non-voting participant.
4. Finance Managers - On June 29<sup>th</sup>, 2011, I provided the University's Finance Managers with an overview of the audit process and on our office's approved audit plan for FY 2012.



**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: FY 10-11 Financial Performance Review**

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**Proposed Committee Action:**  
None. Discussion item.

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**Background Information:**

The Financial Performance Review provides an overview of the University's financial summary for the fiscal year 2010-11.

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**Supporting Documentation:** Financial Summary Overview, FY2010-11

**Facilitator/Presenter:** Kenneth A. Jessell

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**Florida International University**  
**Financial Summary Overview <sup>1</sup>**  
**FY 2010-11**

	Year To Date June 2011			
	Budget	Current Year Actual	Variance	
			\$	%
(\$ in millions)				
<b>Revenue / Receipts</b>				
<b>University</b>				
Educational and General (net) <sup>2</sup>	371.2	386.3	15.0	4%
University	329.2	344.1	14.9	5%
College of Medicine	27.6	27.7	0.1	1%
State Fiscal Stabilization Fund <sup>3</sup>	14.5	14.5	0.0	0%
FIU Self-Insurance Program	0.1	0.0	(0.1)	-97%
Auxiliary Enterprises	127.1	145.7	18.7	15%
Intercollegiate Athletics	19.4	21.3	1.9	10%
Activities and Service	12.4	13.7	1.3	10%
Technology Fee	6.6	7.0	0.4	6%
Contracts and Grants	92.8	87.9	(4.9)	-5%
Student Financial Aid	116.1	141.3	25.2	22%
Concessions	0.5	0.4	(0.1)	-26%
<b>Direct Support Organizations</b>				
FIU Athletic Finance Corp	3.4	3.7	0.3	9%
FIU Foundation Inc *	26.3	43.0	16.7	63%
FIU Health Care Network	0.1	0.0	(0.1)	-76%
FIU Research Foundation	0.1	0.1	(0.0)	-16%
Interfund Adjustments <sup>4</sup>	(10.2)	(10.2)	(0.0)	0%
<b>Total Operating Revenues</b>	<b>766.0</b>	<b>840.3</b>	<b>74.3</b>	<b>10%</b>
University Treasury (net)	10.6	23.7	13.1	124%
FIU Foundation Inc *	6.4	26.3	19.9	310%
<b>Total Investment Revenues</b>	<b>17.0</b>	<b>50.0</b>	<b>33.0</b>	<b>194%</b>
<b>Total Revenues / Receipts</b>	<b>783.0</b>	<b>890.3</b>	<b>107.3</b>	<b>14%</b>
<b>Expenses</b>				
<b>University</b>				
Educational and General (net)	376.6	351.3	25.3	7%
University	334.6	312.5	22.0	7%
College of Medicine	27.6	24.3	3.2	12%
State Fiscal Stabilization Fund <sup>3</sup>	14.5	14.5	0.0	0%
FIU Self-Insurance Program	0.1	0.0	0.1	98%
Auxiliary Enterprises	111.5	120.0	(8.5)	-8%
Intercollegiate Athletics	19.5	19.8	(0.3)	-1%
Activities and Service	12.4	12.5	0.0	0%
Technology Fee	8.1	6.7	1.4	17%
Contracts and Grants	92.1	81.7	10.4	11%
Student Financial Aid	116.7	144.6	(28.0)	-24%
Concessions	0.6	0.5	0.1	12%
<b>Direct Support Organizations</b>				
FIU Athletic Finance Corp <sup>6</sup>	2.3	3.4	(1.2)	-52%
FIU Foundation Inc *	12.0	10.6	1.4	12%
FIU Health Care Network	0.1	0.0	0.1	61%
FIU Research Foundation	0.1	0.1	0.0	10%
Interfund Adjustments	(10.2)	(10.2)	0.0	0%
<b>Total Expenses</b>	<b>742.0</b>	<b>741.2</b>	<b>0.8</b>	<b>0%</b>
Principal Payment of Debt <sup>5 6</sup>	8.3	7.0	1.2	15%
<b>Change in Net Assets (incl. Investments)</b>	<b>32.8</b>	<b>142.1</b>	<b>109.3</b>	<b>334%</b>
<b>Change in Net Assets (excl. Investments)</b>	<b>15.8</b>	<b>92.1</b>	<b>76.3</b>	<b>484%</b>

\* FIU Foundation Inc results are preliminary as of July 22, 2011

**Notes:**

- <sup>1</sup> *The financials presented above reflects the state budgeting methodology which differs from full accrual Financial Statements. The following have the most significant impact:*
  - *Depreciation of Assets: For budgeting purposes equipment purchases are fully expensed in their acquisition year, therefore depreciation is not included in the budget.*
  - *Payables: The E&G budget expenses include year end commitments (encumbrances) even though they have not yet been invoiced.*
  - *Unrealized gains and losses: The investment results are recognized as revenues in the budget however GASB accounting principles require that it be recorded as an expense.*
- <sup>2</sup> *E&G revenues include State Funding and Tuition and are net of waivers, uncollectible amounts and 30% Financial Aid need-based amounts per BOG regulation. The difference between E&G Revenues and Expenses will be funded from prior years carry forward.*
- <sup>3</sup> *State Fiscal Stabilization Fund is appropriated as follows: University \$13.5M, College of Medicine \$0.9M.*
- <sup>4</sup> *Interfund transfers have been included resulting in higher revenue and expenses by fund allowing for an individual fund performance analysis. The interfund adjustments above eliminate this double counting. However, interfund transactions such as tuition funded by scholarships and auxiliary services provided to other units have not been eliminated. Since revenues and expenses are equal, the interfund adjustments are the same for both.*
- <sup>5</sup> *Principal payment of debt reflected above per BOG requirement that debt service payments be shown on a cash basis.*
- <sup>6</sup> *FIU Athletic Finance Corp: Original budget included \$2.1M under Principal Payment of Debt. This figure has been adjusted to correctly reflect Principal Payment of Debt \$0.6M and Debt Service Interest (Expense) \$1.5M.*

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Audit Committee**

August 17, 2011

**Subject: Foundation Report**

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**Proposed Committee Action:**  
None. Discussion item.

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**Background Information:**

The FIU Foundation, Inc. Report contains the Preliminary Financial Statements Recap and General Reserve Analysis as of June 30, 2011.

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**Supporting Documentation:** FIU FOUNDATION, INC. – Financial Statements Recap and General Reserve Analysis, June 30, 2011

**Facilitator/Presenter:** Richard Brilliant, *Treasurer, FIU Foundation Inc., Board of Directors*

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**FIU FOUNDATION, INC.**

**PRELIMINARY  
FINANCIAL STATEMENTS RECAP  
& GENERAL RESERVE ANALYSIS**

**June 30, 2011**

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**FIU FOUNDATION, INC.**  
**Preliminary Recap of Statement of Activities**  
**For the Period Ended June 30, 2011**

*(In Thousands of Dollars)*

	<b>2010-11 12-Month <u>Budget</u></b>	<b>2010-11 12-Month <u>Actuals</u></b>	<b><u>Variance</u></b>		<b>2009-10 12-Month <u>Actuals</u></b>
<b>REVENUES:</b>					
<u>Contributions:</u>					
Endowments	\$ 15,962	\$ 27,438	\$ 11,476	[1]	\$ 9,206
Non-Endowed Funds:					
Scholarship & Programs	\$ 4,867	\$ 7,962	\$ 3,095	[2]	\$ 7,302
Building Funds	\$ 855	\$ 2,672	\$ 1,817	[3]	\$ 2,249
Annual Giving	\$ 415	\$ 289	\$ (126)	[4]	\$ 404
Pledged Revenue	\$ -	\$ 1,775	\$ 1,775	[5]	\$ (509)
<b>TOTAL CONTRIBUTIONS</b>	<b>\$ 22,099</b>	<b>\$ 40,137</b>	<b>\$ 18,038</b>		<b>\$ 18,653</b>
<u>Other Revenues:</u>					
MARC Building	\$ 1,624	\$ 1,641	\$ 17		\$ 1,310
Estimated Investment Returns	\$ 6,412	\$26,309	\$ 19,897	[6]	\$ 10,945
Administrative Reserve	\$ 2,612	\$ 1,254	\$ (1,358)	[7]	\$ 724
<b>TOTAL OTHER REVENUES</b>	<b>\$ 10,648</b>	<b>\$ 29,204</b>	<b>\$ 18,556</b>		<b>\$ 12,979</b>
<b>TOTAL REVENUES</b>	<b>\$ 32,746</b>	<b>\$ 69,341</b>	<b>\$ 36,594</b>		<b>\$ 31,632</b>
<b>EXPENSES:</b>					
<u>University Programs:</u>					
Scholarships & Programs	\$ 6,499	\$ 6,259	\$ 240	[8]	\$ 7,252
Building Funds	\$ -	\$ 7	\$ (7)		\$ 1,826
Annual Giving	\$ 327	\$ 312	\$ 15		\$ 201
<b>TOTAL UNIVERSITY PROGRAMS EXPENSES</b>	<b>\$ 6,826</b>	<b>\$ 6,577</b>	<b>\$ 249</b>		<b>\$ 9,279</b>
<u>Operational:</u>					
MARC Building	\$ 727	\$ 1,042	\$ (28)	[9]	\$ 740
Administrative Reserve	\$ 3,088	\$ 1,646	\$ 1,443	[7]	\$ 1,320
General Reserve	\$ 1,394	\$ 1,340	\$ 54	[10]	\$ 1,693
Administrative Fee	\$ -	\$ 33	\$ (33)	[11]	\$ 359
<b>TOTAL OPERATIONAL EXPENSES</b>	<b>\$ 5,209</b>	<b>\$ 4,061</b>	<b>\$ 1,435</b>		<b>\$ 4,112</b>
<b>TOTAL EXPENSES</b>	<b>\$ 12,035</b>	<b>\$ 10,638</b>	<b>\$ 1,684</b>		<b>\$ 13,391</b>
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>\$ 20,711</b>	<b>\$ 58,703</b>	<b>\$ 38,279</b>		<b>\$ 18,241</b>

*\*These financial statements recaps reflect revenues and expenses on a modified accrual basis.*

*\*\*Please refer to Appendix A for detailed variance notes.*

**Preliminary Variance Notes:**

*\*Please note that the enclosed financial statements recaps and notes as of June 30, 2011 are preliminary. The Foundation is still awaiting final June investment statements from its alternative investment managers as well as invoices for expenses pertaining to this fiscal year that need to be recorded as of June 30, 2011. Once all investment manager statements are received, the final investment returns will be computed and the annual distribution of investment income to endowments (including the administrative fee) will be recorded.*

[1] The positive variance of \$11.5 million for endowed revenues is a result of the early collection of a \$5 million gift as well as the receipt of an additional \$5 million pledge payment pertaining to the previous fiscal year, both in support of the College of Medicine. In addition, a new gift for \$1 million in support of University College for online learning was received.

[2] The positive variance of \$3.1 million for Scholarship and Program revenues is mainly a result of new gifts made in support of the First Generation Scholarship Program, College of Business Administration, College of Medicine and Wolfsonian Museum.

[3] The positive variance of \$1.8 million for Building Funds revenues is a result of a new \$1.5 million gift in support of the Mixed Use Auxiliary Building in the College of Business Administration.

[4] The negative variance of \$126,000 for Annual Giving revenues is due a result of the following: (1) scheduling and leadership changes in the Annual Giving Program; (2) member resignations and write-offs on the Board of Directors and President's Council; and (3) a redirection of revenues derived from merchandise royalties from the Foundation's Annual Fund to the University's Auxiliary Trust Fund.

[5] The Board of Directors agreed to not budget the change in contributions receivable for FY 2010-11 since it relates primarily to gift requests and agreements under negotiations. The actual change in contributions receivable for the 11-month period ended June 30, 2011 totaled \$1.8 million, which represents an excess of new signed gift agreements over pledged payments.

Below is an aging schedule of all Foundation contributions receivable as of June 30, 2011:

	<b>CURRENT YEAR</b>	<b>1 - 2 YEARS</b>	<b>3 - 4 YEARS</b>	<b>5+ YEARS</b>	<b>TOTAL</b>
<b>NON-ENDOWED*</b>	\$3,288,587	\$3,749,705	\$1,148,769	\$695,000	<b>\$8,882,061</b>
<b>ENDOWED*</b>	\$5,020,587	\$16,972,506	\$10,620,685	\$20,309,263	<b>\$52,923,040</b>
<b>TOTAL*</b>	<b>\$8,309,174</b>	<b>\$20,722,211</b>	<b>\$11,769,454</b>	<b>\$21,004,263</b>	<b>\$61,805,101</b>

*\* Receivables on the statement of financial position total \$57.8 million, which include an allowance for doubtful accounts of \$680,000 and are discounted by \$3.9 million to their present value. The total also includes other receivables such as dues receivables, workman's compensation claim reimbursements, and an intercompany receivable from the College of Nursing and Health Sciences totaling \$533,196.*

[6] Investment returns for fiscal year 2010-11 were projected at 5% or \$6.4 million, based on a beginning balance of \$125 million and assuming conservative yields on equities, fixed income and alternative investments. The monthly budgeted returns were forecasted based on our asset allocation and the historical performance of indexes for each asset class. Total year returns totaled 21.0%, or \$26.3 million, a historic high for the Foundation. The biggest contributor to these returns were equities delivering annual returns of 30.5%, followed by alternative and fixed income investments at 14.3% and 8.6%, respectively.

[7] Capital Campaign fund raising strategies for unrestricted revenues were reassessed, and solicitation efforts for unrestricted gifts were redirected to assist the colleges' and units' fundraising efforts. Related budgeted expenses have, in turn, also not been incurred, thereby creating the positive variance for Administrative Reserve expenses.

[8] The positive expense variance of \$240,000 for scholarships and programs represent savings related to salary reimbursements in the Biomedical Program budgeted at \$282,689 for this fiscal year but transferred out to the University last fiscal year.

[9] The negative variance of \$28,000 for MARC building expenses is a result of unbudgeted fees and interest expense related to the refinancing of the MARC building loan. Additional unbudgeted expenses of approximately \$287,000 related to the exterior caulking and repairs of the building are anticipated to be incurred by the end of the fiscal year. Initially, these expenses were thought to be capitalized and therefore excluded from the original budget. After further consideration and due diligence, the scope of the required repairs is not as significant as originally expected, thus will not be capitalized.

[10] The positive expense variance of \$54,000 for General Reserve expenses is a result of \$80,000 in budgeted transfers to the Administrative Reserve that were not transferred due to savings. The positive variance was offset by greater than expected banking fees, which were the result of increased credit card transactions and higher investment consulting fees.

[11] Distribution of investment income for FY 2009-10 was recalculated for an endowment in the College of Medicine that was split into 2 separate projects. As a result, one of the projects was no longer underwater, and it was given the Board-approved 4% distribution for spending totaling \$66,910 and charged the approved 2% administrative fee totaling \$33,455. The administrative fee will increase significantly once the Board-approved 3% fee is charged to endowments for the fiscal year ended June 30, 2011. Please note that the 2% of the fee will be used to fund administrative expenses and the remaining 1% is to build the Administrative Reserve.

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**Florida International University Foundation, Inc.**  
**Performance Summary**  
**Ending June 30, 2011**

<u><i>Fund/Manager/Inception Date</i></u>	<u>Market Value</u>	<u>% Allocation</u>	<u>Target Allocation</u>	<u>Current Month</u> 5/31/2011 6/30/2011	<u>Trailing 3 Months</u> 3/31/2011 6/30/2011	<u>Calendar YTD 2011</u> 12/31/2010 6/30/2011	<u>Fiscal YTD</u> 6/30/2010 6/30/2011	<u>Trailing 3 Year</u> 6/30/2008 6/30/2011	<u>Trailing 5 Year</u> 6/30/2006 6/30/2011	<u>Since Investment Inception</u>
<b>Total Fund (6/30/00)</b>	<b>\$165,264,343</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.1%</b>	<b>0.4%</b>	<b>4.9%</b>	<b>21.0%</b>	<b>2.0%</b>	<b>3.6%</b>	<b>3.3%</b>
Total Fund Composite				-1.2%	0.7%	4.3%	20.2%	2.8%	3.2%	2.5%
<b>Total Equity Accounts (6/30/00)</b>	<b>\$89,386,906</b>	<b>54.1%</b>	<b>55.0%</b>	<b>-1.6%</b>	<b>-0.7%</b>	<b>5.5%</b>	<b>30.5%</b>	<b>1.7%</b>	<b>2.9%</b>	<b>2.4%</b>
Total Equity Composite				-1.7%	0.1%	5.5%	30.4%	2.1%	1.9%	0.4%
<b>Total Fixed Income Accounts (6/30/00)</b>	<b>\$30,103,325</b>	<b>18.2%</b>	<b>22.0%</b>	<b>-0.8%</b>	<b>2.2%</b>	<b>3.6%</b>	<b>8.6%</b>	<b>9.3%</b>	<b>7.8%</b>	<b>6.7%</b>
Total Fixed Income Composite				-0.2%	2.6%	3.1%	6.8%	7.3%	6.4%	5.9%
<b>Total Alternative Investments (3/1/02)</b>	<b>\$36,667,428</b>	<b>22.2%</b>	<b>23.0%</b>	<b>-0.4%</b>	<b>1.9%</b>	<b>5.2%</b>	<b>14.3%</b>	<b>-1.8%</b>	<b>2.2%</b>	<b>4.9%</b>
Total Alternative Composite				-0.9%	0.7%	2.9%	11.0%	-2.0%	1.3%	3.2%
<b>Total Cash &amp; Equivalents Investments (6/30/10)</b>	<b>\$9,106,684</b>	<b>5.5%</b>	<b>N/A</b>	<b>0.2%</b>	<b>0.8%</b>	<b>1.2%</b>	<b>2.1%</b>	<b>N/A</b>	<b>N/A</b>	<b>2.1%</b>
90 Day Treasury Bills				0.0%	0.0%	0.0%	0.1%	0.3%	1.7%	0.1%

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Florida International University Foundation, Inc.  
Preliminary Performance Summary  
Ending June 30, 2011

<i>Fund/Manager/Inception Date</i>	Market Value	% Alloc.	Target Alloc.	Current Month 5/31/2011 6/30/2011	Trailing 3 Months 3/31/2011 6/30/2011	Calendar YTD 2011 12/31/2010 6/30/2011	Fiscal YTD 6/30/2010 6/30/2011	Trailing 3 Year 6/30/2008 6/30/2011	Trailing 5 Year 6/30/2006 6/30/2011	Since Investment Inception
<b><u>Domestic Equity Managed Accounts</u></b>										
Atalanta Sosnoff Large Cap Growth (3/1/06)	\$18,613,951	11.3%	12.5%	-2.0%	-2.5%	1.3%	19.8%	1.7%	3.3%	2.6%
Russell 1000 Growth Index				-1.4%	0.8%	6.8%	35.0%	5.0%	5.3%	4.5%
Wedge Capital Large Cap Value QVM (12/29/06)	\$20,551,002	12.4%	12.5%	-0.7%	2.3%	10.8%	38.6%	3.7%	N/A	0.4%
Russell 1000 Value Index				-2.1%	-0.5%	5.9%	28.9%	2.3%	1.2%	-1.8%
Advisory Research Small Cap Value (6/1/01)	\$10,125,927	6.1%	5.0%	-2.0%	-1.4%	6.3%	37.6%	4.2%	3.3%	10.1%
Russell 2000 Value Index				-2.5%	-2.7%	3.8%	31.4%	7.1%	2.2%	7.9%
IronBridge Small Cap Core Equity (12/2/03)	\$8,682,707	5.3%	5.0%	-1.0%	-1.1%	7.7%	36.3%	5.5%	6.2%	7.8%
Russell 2000 Small Cap Index				-2.3%	-1.6%	6.2%	37.4%	7.8%	4.1%	6.8%
Student Investment Management Fund (3/31/09)	\$212,598	0.1%	N/A	-0.8%	0.4%	6.4%	6.1%	N/A	N/A	2.8%
<b><u>International Equity Managed Accounts</u></b>										
Artio International Equity Fund (12/2/03)	\$13,882,948	8.4%	10.0%	-1.4%	-0.7%	1.6%	24.7%	-4.6%	1.6%	7.8%
MSCI EAFE Index				-1.3%	1.6%	5.0%	30.4%	-1.8%	1.5%	6.6%
Wentworth Hauser & Violich (3/31/10)	\$9,360,399	5.7%	5.0%	-2.6%	-4.7%	2.4%	36.7%	N/A	N/A	10.8%
MSCI EAFE Index				-1.3%	1.6%	5.0%	30.4%	-1.8%	1.5%	9.6%
Thornburg International Equity (1/31/11)	\$7,957,374	4.8%	5.0%	-1.9%	0.7%	N/A	N/A	N/A	N/A	4.3%
MSCI EAFE Index				-1.3%	1.6%	5.0%	30.4%	-1.8%	1.5%	2.6%
<b>TOTAL EQUITY INVESTMENTS</b>	<b>\$89,386,906</b>	<b>54.1%</b>	<b>55.0%</b>							
<b><u>Core Fixed Income Managed Accounts</u></b>										
SCM Advisors Enhanced Core Fixed (6/1/01)	\$12,377,723	7.5%	9.0%	-0.9%	1.9%	3.5%	10.7%	10.9%	8.7%	6.9%
Barclays Custom Index				-0.9%	2.3%	3.2%	6.3%	9.3%	8.2%	6.6%
Hillswick Asset Management (6/1/01)	\$9,631,393	5.8%	8.0%	-0.6%	2.4%	2.5%	3.1%	8.0%	8.3%	6.8%
Barclays Aggregate Index				-0.3%	2.3%	2.7%	3.9%	6.5%	6.5%	5.7%
Brandywine Global Opp Bond (1/1/08)	\$7,594,426	4.6%	5.0%	-1.0%	2.7%	5.0%	14.2%	8.5%	N/A	7.8%
Citigroup World Gov't Bond Index				0.2%	3.3%	4.0%	10.5%	5.8%	7.3%	6.4%
SunTrust Balanced Annuity Account (10/22/03)	\$499,783	0.3%	N/A	-0.8%	0.9%	4.1%	19.2%	8.4%	6.1%	6.0%
70% Barclays Aggregate / 30% S&P 500				-0.3%	2.3%	2.7%	3.9%	6.5%	6.5%	5.2%
<b>TOTAL FIXED INCOME INVESTMENTS</b>	<b>\$30,103,325</b>	<b>18.2%</b>	<b>22.0%</b>							
<b><u>Cash &amp; Cash Equivalents</u></b>										
State of Florida Treasury Fund (7/01/10)	\$9,106,684	5.5%	N/A	0.3%	0.7%	1.1%	2.0%	N/A	N/A	2.0%
90 Day Treasury Bills				0.0%	0.0%	0.0%	0.1%	0.3%	1.7%	0.1%
<b>TOTAL CASH &amp; EQUIVALENTS INVESTMENTS</b>	<b>\$9,106,684</b>	<b>5.5%</b>								
<b><u>Alternative Investments</u></b>										
Ironwood Partners (3/1/04)	\$6,462,236	3.9%	4.0%	-0.4%	1.0%	4.7%	11.9%	-1.6%	1.6%	3.8%
HFR FOF: Conservative				-1.1%	-0.9%	0.2%	5.1%	-2.2%	0.8%	2.3%
Ironwood Partners (NDM Gift) (8/1/05)	\$2,148,641	1.3%	1.0%	-0.4%	1.0%	4.7%	12.4%	-1.5%	1.7%	3.1%
HFR FOF: Conservative				-1.1%	-0.9%	0.2%	5.1%	-2.2%	0.8%	2.0%
Titan Advisors (3/1/07)	\$7,438,727	4.5%	4.0%	-0.4%	1.2%	2.6%	6.8%	1.8%	N/A	4.6%
HFR FOF: Diversified				-1.5%	-1.3%	-0.2%	6.3%	-1.7%	1.6%	-0.1%
Archstone Offshore (5/1/10)	\$7,140,751	4.3%	4.0%	-1.0%	-0.5%	1.3%	9.4%	N/A	N/A	4.2%
HFR FOF: Diversified				-1.5%	-1.3%	-0.2%	6.3%	-1.7%	1.6%	2.4%
Cohen and Steers Realty (12/16/08)	\$3,711,311	2.2%	2.5%	-3.1%	3.8%	11.2%	35.7%	N/A	N/A	28.8%
NAREIT US RETT Index				-3.1%	2.9%	10.6%	34.1%	5.4%	2.6%	26.8%
Deutsche Bank Liquid Comm. Fund (1/1/08)	\$3,327,543	2.0%	2.5%	-4.2%	-5.0%	5.1%	33.8%	-14.2%	N/A	-4.0%
DTC Private Equity II (\$5 Million) <sup>1</sup> (12/15/05)	\$4,013,420	2.4%	5.0%				19.0%			5.6%
DTC Private Equity III (\$2.5 Million) <sup>1</sup> (07/10/08)	\$682,448	0.4%					1.6%			-5.3%
Greenspring Global Partners IV (\$2.5 Million) <sup>1</sup> (8/8/08)	\$1,159,157	0.7%					15.6%			4.9%
Foundation Enterprise Holdings I (3/31/11)	\$428,000	0.3%					N/A			N/A
Collins Capital (3/1/07) - Awaiting redemption proceeds	\$155,194	0.1%								
<b>TOTAL ALTERNATIVE INVESTMENTS</b>	<b>\$36,667,428</b>	<b>22.2%</b>	<b>23.0%</b>							
<b>TOTAL FUND</b>	<b>\$165,264,343</b>	<b>100.0%</b>	<b>100.0%</b>							

<sup>\*</sup>These are short-term liquid funds.

<sup>1</sup> Since Inception return represents the internal rate of return since the initial capital call of the investment.

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Capital Campaign Update**

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**Proposed Committee Action:**

None. Discussion item.

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**Background Information:**

Senior Vice President, University Advancement and President and CEO, the FIU, Foundation, Inc. Howard R. Lipman will provide an update on the Capital Campaign.

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**Supporting Documentation:** N/A

**Facilitator/Presenter:** Howard R. Lipman

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Treasury Report**

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**Proposed Committee Action:**

None. For information only.

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**Background Information:**

The Treasury Report provides an update on Investment Portfolio Performance for the Quarter ending June 30, 2011 and Composition for the fourth Quarter of the 2011 Fiscal Year.

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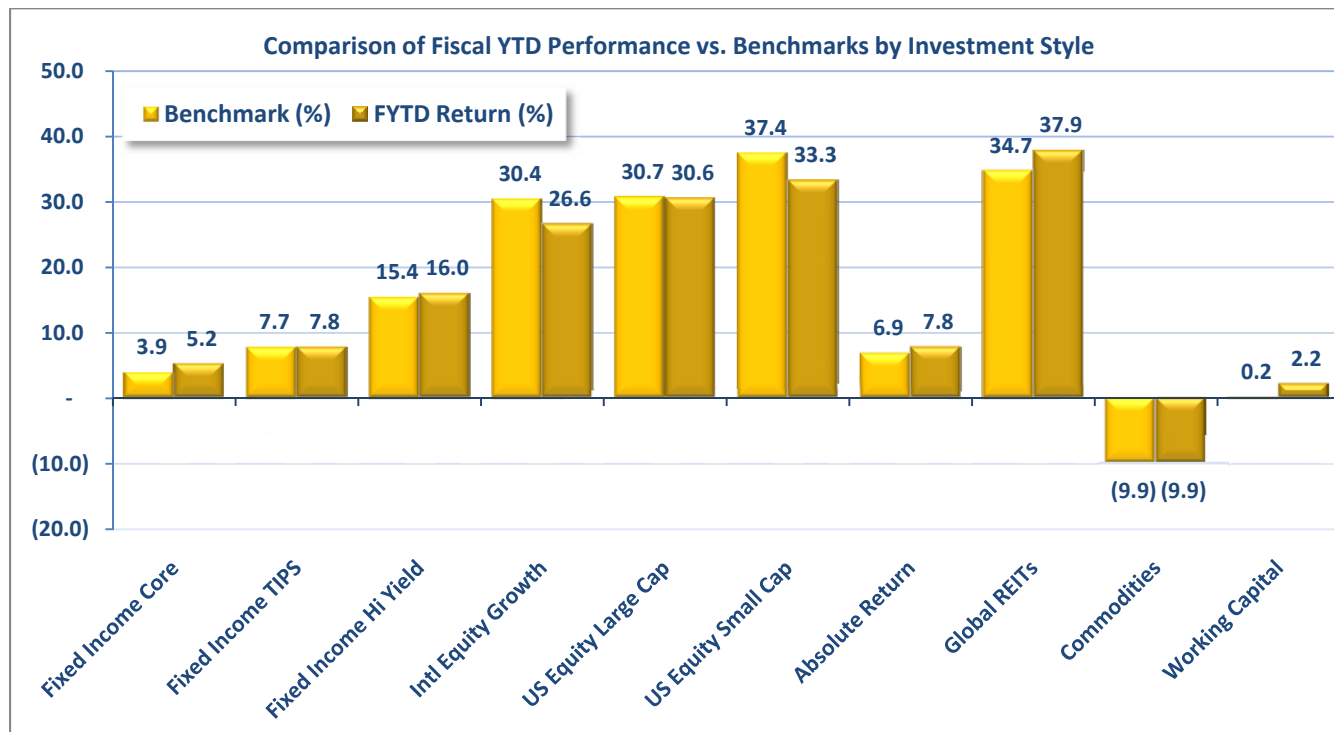
**Supporting Documentation:** Treasury Report

**Facilitator/Presenter:** Tony Vu

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### Performance

Every asset class in the University's investment portfolio experienced positive performance in FY 2011 with the exception of commodities, which were added in April. Overall, return for the portfolio was **8.6 percent**. The Strategic/Reserve Pools gained **13.6 percent** and the Working Capital Pool gained **2.2 percent** for FY 2011. The following chart details the returns by asset class. Returns from the State Treasury's Special Purpose Investment Account (SPIA) totaled **2.8 percent** during the same period.



As shown above, most of the investment managers met or exceeded benchmarks for the period. The International Equity manager (26.6 percent versus 30.4 percent benchmark) and the US Equity Small Cap Manager (33.3 percent versus 37.4 percent benchmark) both lagged against the benchmark.

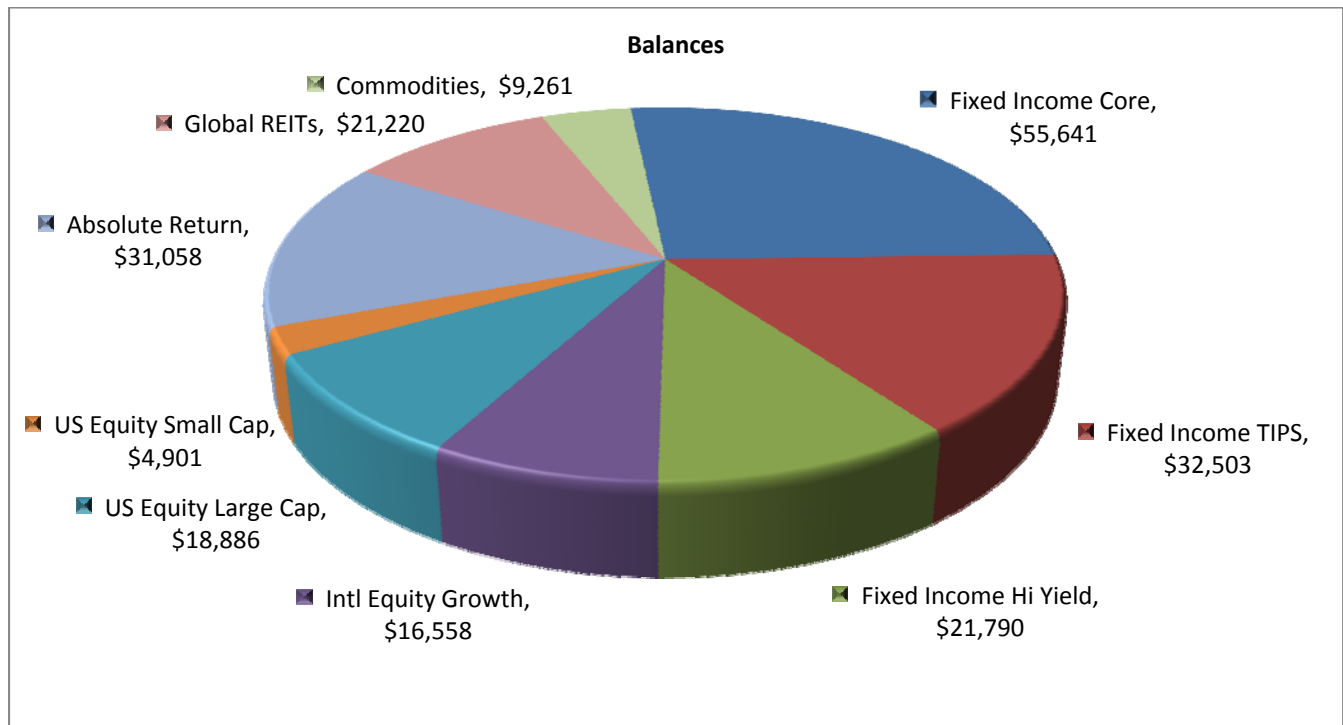
A detailed schedule of the portfolio's performance overall and versus benchmarks, for the month and fiscal year to date is attached at the end of this report.

### Composition

Asset allocations at the end of FY 2011 remained within policy guidelines, with the exception of Global REITs, which, has performed significantly better than expected. Appropriate rebalancing action will be reviewed at the next Investment Committee Meeting. The University recently replaced its International Equity manager and funded its new manager, Thomas White International Ltd., in July.

The year-end market value of the University's operating investment portfolio totaled \$277.0 million. This balance reflects a decrease of \$25.7 million (8.5 percent) from the ending balance of the previous quarter. The quarterly decrease was entirely due to seasonal draw downs within the Working Capital Pool. The University's year-end market value of total operating investment portfolio increased \$23.4 million (9.2 percent) over the ending balance of FY 2010.

The following chart details the allocation of investments within the University's operating investment portfolio.



### ***Meetings***

The Investment Committee last met on May 26, 2011 and a tentative meeting has been scheduled for August 25, 2011 to review investment performance and discuss portfolio rebalancing. The Investment Committee consists of:

#### **Membership**

Sukrit Agrawal  
Member, Finance and Audit Committee  
FIU Board of Trustees

Chun-Hao Chang, Ph.D.  
Department Chair, Finance and Real Estate  
College of Business Administration

Tony Vu (Chair)  
University Treasurer  
Office of the Treasurer

William Welch, Ph.D.  
Retired  
College of Business Administration

Kenneth Jessell, Ph.D.  
SVP & CFO  
Office of Finance & Administration

#### **Consultant**

Bill Bensusan  
Vice President  
Wilshire & Associates

**Performance Summary as of  
June 30, 2011**

<b>OPERATING FUNDS PORTFOLIO</b>								
Fund / Manager (Inception Date)	<u>Market Value</u>	<u>Allocation</u>	<u>Current</u>	<u>Fiscal</u>		<u>Trailing</u>		<u>Since</u>
<i>Benchmark</i>	<i>(000's)</i>	<i>(%)</i>	<i>Month</i>	<i>YTD</i>	<i>1 Year</i>	<i>2 Years</i>	<i>3 Years</i>	<i>Inception</i>
<b>Working Capital Pool (03/31/06)</b>	\$ 65,218	24%	0.2%	2.2%	2.2%	2.1%	2.0%	3.1%
<i>91-Day Treasury Bill</i>		30%	0.0%	0.2%	0.2%	0.2%	0.4%	2.1%
<b>Strategic / Reserve Capital Pool (03/31/06)</b>	211,818	76%	-1.0%	13.6%	13.6%	14.5%	6.5%	5.9%
<i>Weighted Average Benchmark Index</i>		70%	-0.8%	12.5%	12.5%	13.3%	6.5%	6.2%
<b>TOTAL COMBINED POOL (03/31/06)</b>	\$ 277,035	100%	-0.7%	8.6%	8.6%	9.0%	5.0%	4.8%
<i>Weighted Average Benchmark Index</i>		100%	-0.5%	8.7%	8.7%	9.2%	4.7%	4.9%

<b>WORKING CAPITAL POOL</b>								
Fund / Manager (Inception Date)	<u>Market Value</u>	<u>Allocation</u>	<u>Current</u>	<u>Fiscal</u>		<u>Trailing</u>		<u>Since</u>
<i>Benchmark</i>	<i>(000's)</i>	<i>(%)</i>	<i>Month</i>	<i>YTD</i>	<i>1 Year</i>	<i>2 Years</i>	<i>3 Years</i>	<i>Inception</i>
<b>WORKING CAPITAL POOL</b>								
<b>SPIA Account (03/31/06)</b>	40,132	14%	0.3%	2.8%	2.8%	2.7%	2.4%	3.4%
<i>91-Day Treasury Bill</i>			0.0%	0.2%	0.2%	0.2%	0.4%	2.1%
<b>SBA-LGIP Account</b>	11	0%	0.0%	0.2%	0.2%	0.1%	0.2%	1.6%
<i>91-Day Treasury Bill</i>			0.0%	0.2%	0.2%	0.2%	0.4%	1.9%
<b>MS Institutional Liquid Funds Account (08/31/09)</b>	20,060	7%	0.0%	0.2%	0.2%	0.0%	0.0%	0.2%
<i>91-Day Treasury Bill</i>			0.0%	0.2%	0.2%	0.0%	0.0%	0.2%
<b>Regions Account (12/31/09)</b>	5,015	2%	0.0%	0.2%	0.2%	0.0%	0.0%	0.2%
<i>91-Day Treasury Bill</i>			0.0%	0.2%	0.2%	0.0%	0.0%	0.1%
<b>WORKING CAPITAL POOL COMPOSITE (3/31/06)</b>	65,218	24%	0.2%	2.2%	2.2%	2.1%	2.0%	3.1%
<i>Target Allocation / 91-Day Treasury Bill</i>		30%	0.0%	0.2%	0.2%	0.2%	0.4%	2.1%
<b>STRATEGIC / RESERVE CAPITAL POOL</b>								
<b>Prudential Core Fixed (11/30/07)</b>	55,641	26%	-0.4%	5.2%	5.2%	9.0%	7.8%	6.8%
<i>Barclays Aggregate</i>		28%	-0.3%	3.9%	3.9%	6.7%	6.5%	5.8%
<b>BlackRock HY Bond (3/31/06)</b>	21,790	10%	-1.4%	16.0%	16.0%	24.3%	11.4%	8.5%
<i>ML High Yield Master II</i>		10%	-1.0%	15.4%	15.4%	21.3%	12.4%	8.8%
<b>FIXED INCOME COMPOSITE (3/31/06)</b>	77,431	37%	-0.7%	7.4%	7.4%	11.3%	7.7%	7.0%
<i>Fixed Income Benchmark Index</i>		38%	-0.5%	6.4%	6.4%	9.4%	7.2%	7.0%
<b>Northern Trust S&amp;P 500 (6/30/06)</b>	18,886	9%	-1.7%	30.6%	30.6%	22.4%	3.4%	3.0%
<i>S&amp;P 500</i>		8%	-1.7%	30.7%	30.7%	22.3%	3.3%	2.9%
<b>CS McKee Small Cap (6/30/08)</b>	4,901	2%	-2.5%	33.3%	33.3%	27.9%	10.7%	10.7%
<i>Russell 2000</i>		2%	-2.3%	37.4%	37.4%	29.2%	7.8%	7.8%
<b>Alliance Bernstein (6/30/08)</b>	16,558	8%	-1.4%	26.6%	26.6%	14.7%	-4.3%	-4.3%
<i>MSCI EAFE Index (N)</i>		8%	-1.3%	30.4%	30.4%	17.5%	-1.8%	-1.8%
<b>TOTAL EQUITY COMPOSITE (3/31/06)</b>	40,345	19%	-1.6%	28.9%	28.9%	19.7%	0.3%	3.0%
<i>Policy Index</i>		18%	-1.5%	31.4%	31.4%	21.1%	1.7%	2.5%
<b>Urdang REIT (6/30/06)</b>	21,220	10%	-2.4%	37.9%	37.9%	49.5%	10.4%	6.3%
<i>Blended Policy Index</i>		8%	-2.5%	34.7%	34.7%	44.0%	5.5%	2.7%
<b>Northern Trust TIPS (6/30/06)</b>	32,503	15%	0.8%	7.8%	7.8%	9.2%	5.3%	7.0%
<i>Barclays U.S. TIPS</i>		18%	0.8%	7.7%	7.7%	8.6%	5.3%	6.9%
<b>SSGA Commodities (4/30/11)</b>	9,261	4%	-5.1%	0.0%	0.0%	0.0%	0.0%	-9.9%
<i>DJ UBS Commodities Index</i>		5%	-5.0%	0.0%	0.0%	0.0%	0.0%	-9.9%
<b>REAL ASSETS COMPOSITE (3/31/11)</b>	62,984	30%	-1.1%	14.6%	14.6%	0.0%	0.0%	14.6%
<i>Policy Index</i>		30%	-1.0%	12.8%	12.8%	0.0%	0.0%	12.8%
<b>Aetos Alternatives Mgmt. (4/30/06)</b>	31,058	15%	-0.7%	7.8%	7.8%	8.4%	1.3%	3.2%
<i>CPI + 3.25%</i>		15%	0.2%	6.9%	6.9%	5.6%	4.3%	5.6%

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Athletics Update**

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**Proposed Committee Action:**

None. For information only.

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**Background Information:**

The Athletics Update provides a fundraising report and financial highlights since the Finance and Audit Committee last met on June 20, 2011.

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**Supporting Documentation:** Athletics Update

**Facilitator/Presenter:** Pete Garcia

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**ATHLETICS UPDATE**  
**August 17, 2011**

**Reports** (*For Information Only – no action required*)

Pete Garcia, Athletics Director

**Fundraising Report**

**FIU Foundation, Inc.**  
**Preliminary Recap of Statement of Activities**  
**Through the Period Ended June 30, 2011 (in thousands)**

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Revenues	\$784	\$853	(\$69)

This variance is driven by:

- In-kind donation deferred to next fiscal year \$15,000
- Bank of America Affinity Card revenues which are unfavorable by \$17,567 to budget on a year-to-date basis
- Donor decisions to defer pledge payments to the following fiscal year, \$36,000

**Financial Highlights**

Based on Athletics Finance Corporation, Unaudited Preliminary Recap through the period ended June 30, 2011

- June year-to-date Net Income excluding debt service was \$2.98 million and favorable \$323 thousand vs. budget
  - Primary drivers include:
    - Favorable unrealized investment gains of \$254,610
    - Favorable ticket revenue of \$121,564
    - Favorable sky suite revenue of \$73,036
    - Favorable concession and catering revenue of \$28,466
    - Offset by unfavorable stadium naming of \$159,000
- The debt coverage covenant requirement has been met

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: University Compliance Report**

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**Proposed Committee Action:**

None. For information only.

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**Background Information:**

The University Compliance Program Report provides an update on the status of compliance initiatives since the last report dated May 3, 2011.

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**Supporting Documentation:** University Compliance Program Report

**Facilitator/Presenter:** Leyda Benitez

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## MEMORANDUM

University Compliance Office

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

**From:** Leyda Benitez  
University Compliance Officer

**Subject:** University Compliance Program Report

**Date:** July 22, 2011

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The University Compliance Office respectfully submits this report to the Finance and Audit Committee of the Florida International University Board of Trustees on the status of compliance initiatives since the last report dated May 3, 2011.

### Executive Summary

Since the last report to this Committee, significant efforts have been dedicated to the implementation of new U.S. Department of Education regulations aimed at improving program integrity in the Title IV federal student aid programs. The Identity Theft Prevention Committee met, and discussed the status of the University's Identity Theft Prevention Program and necessary revisions to it. In addition, significant efforts have been dedicated to strengthening the infrastructure that is in place to support information privacy and security in connection with research conducted at the Herbert Wertheim College of Medicine.

### Description and current status of institutional compliance initiatives and activities undertaken by, or with the assistance of, the University Compliance Office:

1. U.S. Department of Education Program Integrity Rules: Work continues on the implementation of these regulations at the University. These regulations apply to all institutions that are recipients of Title IV federal student aid funds and are far-reaching, impacting areas such as: admissions, advertising, compensation, distance learning, financial aid, inter-institutional agreements and registrar's office. The work group will present the status of the implementation efforts to the University's Operations Committee in August, followed by a more comprehensive report to this Committee in the next report.

2. Herbert Wertheim College of Medicine Information Technology Security and Privacy Matters: During the months of May through July, the University Compliance Officer has worked with key personnel from the Herbert Wertheim College of Medicine and the IT Security Officer in addressing IT security infrastructure. Separate, yet related, key representatives from these areas have met to address, and develop appropriate corrective action plans, as a result of two security incidents: the first involving the theft of hard copy research data and the second involving the theft of a laptop also containing research data. A number of corrective action steps have already been implemented and, as a result, the infrastructure to safeguard the privacy and security of research data is now stronger.
3. Identity Theft Prevention Program: Members of the Identity Theft Prevention Committee met on several occasions during the months of May and June, with a meeting of the full Committee taking place on June 6, 2011. The Committee's discussions regarding necessary changes to the Identity Theft Prevention Program primarily centered on the new FIU One Card which is in effect this month, replacing the Panther CARD. Several aspects of the One Card were discussed and vetted through the Committee including the policies and procedures to support the operation, training requirements for One Card personnel, and card issuance procedural safeguards. At this time, the Identity Theft Prevention Committee has decided to meet on a quarterly basis in order to ensure that the Program is working appropriately. The updated Identity Theft Prevention Program will be presented to the Florida International University Finance and Audit Committee of the Board of Trustees at its next regularly scheduled meeting.
4. Alcohol and Drug-Free Workplace and Campus Policy: A work group consisting of senior leadership and representatives from the Divisions of Student Affairs and Human Resources convened to discuss necessary revisions to this important University policy. A revised draft has been circulated for review and input by senior leadership. Once all input on this policy has been received, the revised policy will be posted to the University Policies and Procedures Library.
5. Clinical Trials Office Work Group: A small group of College of Medicine and Research representatives are working to establish the operational framework for the conduct of clinical trials. Once the operational plan is finalized, the compliance infrastructure will be developed. The University Compliance Officer awaits information regarding this group's recommendations and findings.
6. Compliance Education and Training: Since May 3, 2011, the University Compliance Office's education and training efforts include:



- a. Compliance and Ethics Education and Training for New Employees: The University Compliance Office continues to provide education and training on compliance and ethics to new employees during orientation. Since the beginning of fiscal year 2010-2011, 604 new employees have received this training. The University Compliance Office developed a new version of the New Employee Experience presentation, and is currently updating the University Compliance Office brochure. The brochure will serve to prominently feature the University's ethics and compliance hotline offered through EthicsPoint.
  - b. Export Controls: On June 29, 2011, the Division of Research and Office of the General Counsel offered a comprehensive Export Controls training which was well-attended by University representatives from diverse areas. This presentation complements the online education and training modules offered through the Division of Research. The principal investigator and all key research personnel who are involved in a research project at the University that raises export control considerations are required to complete the online training or attend an in-person training session.
  - c. Health Insurance Portability and Accountability Act (HIPAA) Education and Training: HIPAA education was offered on May 6, and July 11, 2011. The HIPAA training sessions scheduled for Fall 2011 will include live web cast to employees at the Biscayne Bay Campus.
  - d. Identity Theft Prevention: Education and training on identity theft prevention and compliance with the Payment Card Industry Data Security Standards (PCI DSS), offered through the University IT Security Office and University Compliance Office, took place on June 6, June 13 and July 11, with the next session scheduled to take place on July 26, 2011. University vendors were invited to attend the June 13, 2011 education and training session.
7. Health Insurance Portability and Accountability Act (HIPAA):
- a. Policies, Procedures and Forms: There are ten additional HIPAA policies which are in the process of review. These policies provide the framework for compliance with HIPAA for the use and disclosure of personally identifiable health information in the conduct of research and also serve to comply with new requirements under the Health Information Technology for Economic and Clinical Health Act, referred to as the HITECH Act, effective February 18, 2009. These policies will be presented to senior leadership for approval by the end of this calendar year.

- b. Business Associate Agreements: The University Compliance Officer is leading a work group's efforts to develop the necessary infrastructure that will permit the identification and tracking of those individuals/entities that are business associates of the University. Under HIPAA, the University may not disclose protected health information to these outside individuals/entities that provide support services (not treatment) without having an agreement in place wherein they assure the University that they will protect the privacy and security of this information and notify us in the event of any breach. There have been two meetings of the overall work group, with separate follow up meetings with representatives from various impacted areas throughout the University. This is an ongoing effort, with an anticipated completion date of the end of this calendar year.
8. University Policies and Procedures Library/University Compliance Office Web Site:
- a. Since the last report to this Committee, the following areas have added new policies or had existing policies or procedures revised or transitioned and posted to the University's Policies and Procedures Library:
    - i. Finance & Administration
      - Team Recruiting and Administrative Travel Procedure
    - ii. Division of Research
      - Research Misconduct Policy
    - iii. Division of Human Resources
      - Tuition Waiver Policies (5 - Non-bargaining and Bargaining Units)
  - b. The University Compliance Office is working with FIU's Enterprise Web Services team to update and redesign the University Compliance Office's Web site. The updated Web site will be more interactive and user friendly and allow the University community to more easily access compliance-related education and resource materials. In addition, the Web site will include several new features such as compliance alerts, electronic newsletters and a spotlight announcing new policies and procedures.

The Florida International University  
Board of Trustees Finance and Audit Committee  
July 22, 2011  
Page 5

I respectfully submit this report to the Finance and Audit Committee of the Florida International University Board of Trustees in anticipation of the meeting scheduled to take place on August 17, 2011. As always, I welcome your questions, comments and concerns.

Thank you for your kind attention and consideration.

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Division of Research Report, *Fiscal Year 2010-2011***

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**Proposed Committee Action:**

None. For information only.

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**Background Information:**

The Division of Research Report presents data for Fiscal Year 2010-2011 and focuses on two areas. The Report provides an overview of performance regarding research awards, facilities and administrative costs, and research grant applications. The Report also provides an update and summary of several key initiatives that represent ongoing efforts aimed at improving research support to faculty and addressing needs associated with the growing breadth and quality of the research enterprise at FIU.

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**Supporting Documentation:** Division of Research Report, *Fiscal Year 2010-2011*

**Facilitator/Presenter:** Andres G. Gil

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

## DIVISION OF RESEARCH

### FISCAL YEAR 2010-2011 REPORT

#### I. Introduction

This document presents Division of Research (DoR) data for Fiscal Year 2010-2011 (FY 2011) and focuses on two areas. In [Section II](#), we present an overview of performance regarding research awards, facilities and administrative costs (F&A), and research grant applications. In [Section III](#), we provide an update and summary of several key DoR initiatives that represent ongoing efforts aimed at improving research support to faculty and addressing needs associated with the growing breadth and quality of the research enterprise at FIU.

#### II. Overview of Awards, Applications, and F&A

The data presented in [Table 1](#) compares awards received during FY 2009-2010 (FY 2010) with those received in FY 2011 by unit (academic and/or administrative). The total amount received in grants during FY 2011 totaled \$104.56 million. This amount represents a 4% increase from last fiscal year, and once again, we exceeded \$100 million in sponsored research awards. Notable academic increases include the Herbert Wertheim College of Medicine (showing a 27.02% increase), and the College of Arts and Sciences (26.61% increase, with over \$12.5M from USAID, over \$5M from the Department of Health and Human Services, and over \$1M from the NSF). The Herbert Wertheim College of Medicine has the 4<sup>th</sup> highest level of research awards among colleges, and the combined funding of the Herbert Wertheim College of Medicine, the Robert Stempel College of Public Health & Social Work, and the College of Nursing and Health Sciences ranks second in terms of research awards to the College of Arts & Sciences, despite significant declines for the Robert Stempel College of Public Health & Social Work.

It is important to note that in the context of increasingly competitive research funding, and shrinking budgets for state and federal agencies, FY 2011 represents the third consecutive year of increases in research awards obtained by our faculty. The increases for FY 2009, FY 2010, and FY 2011 have been 22%, 11% and 4% respectively. The just concluded FY 2011 was particularly unpredictable with almost all grant awards receiving a minimum of 10% cuts. Additionally, many federal grant awards that were slated to be awarded during FY 2011 were delayed. For example, a \$4M grant that was expected during April 2011 was received during the first week of July; thus, it is not included in FY 2011.

[Figure 1](#) presents the changes in new awards for each of the colleges. Overall, awards for colleges/schools increased by 2.6%, from \$91.56M in FY 2010 to \$94M in FY 2011.

[Figure 2](#) presents the average award F&A rate (overhead) by college or school. The overall F&A rate for all awards received remained within the range we have targeted of 20% to 22.5%, at 21%. As expected, given the larger proportion of grants funded by the National Institutes of Health (which are more likely to fund grants at FIU's full F&A rate of 45%), the F&A for the Herbert Wertheim College of Medicine (38.5%), and the Robert Stempel College of Public Health & Social Work (29.5%) were the highest rates.

Awards received by Centers, Institutes and Museums are presented by unit in [Table 2](#). Overall, Centers, Institutes and Museums experienced a 16.04% growth in awards, as well as an increase in the F&A rate (from 21.8% in FY 2010 to 24.4% in FY 2011). The Center for Internet Augmented Research and Assessment – CIARA – received \$1.18M in funds from the National Science Foundation, reflecting a 445.52% increase. The International Forensic Research Institute (IFRI) increased their funds by 228.09%, with over \$1.3M in funds from several federal agencies and private industry. It is also important to note that IFRI has produced several patents, and that we are in the process of creating a spin-off company from IFRI. The other centers with notable increases in research awards, especially since they are the two largest centers, were the Applied Research Center (ARC), with an increase of 29%, and the Southeast Environmental Research Center (SERC), with an increase of 23%.

[Table 3](#) illustrates the distribution of new research awards by three categories: Federal, State, and Private/Other. While the funds received from federal sources remained almost the same (81% and 80% for FY 2010 and FY 2011, respectively), the percentage of state and local government funds decreased slightly, but the percentage of private/other sources increased somewhat.

[Table 4](#) presents the funding value of applications submitted by colleges. The total value of applications submitted during FY 2011 decreased by 33.8%, from \$496M to \$328M. This decline in the amount of funding requested is related to two interrelated factors: (1) during FY 2010 there were opportunities for applications for an unusual number of grants, as well as larger grants, all related to ARRA-funded opportunities, and (2) for FY 2011 ARRA opportunities were no longer available, and there was also a reduction of funding opportunities as a result of the ongoing federal budget crisis. Finally, it is important to note that our trend in grant applications from FY 2009 to FY 2011 is positive, having increased by 22% in the value of funding being requested (from \$269.4M to \$328M).



[Table 5](#) presents the same information on applications submitted by Centers, Institutes, and Museums.

### III. Initiatives Update

As reported in the last BOT Division of Research Report, the Division continues with the implementation of several initiatives that have the goal of improving support for the faculty in its endeavors to conduct cutting-edge research, and grow the breadth and quality of the research enterprise at FIU. Some of these initiatives are nearing completion of full implementation, while others will be completed during the new fiscal year. Below, we briefly report on some of the key initiatives and highlight new specific initiatives for the next year.

#### Initiatives in Completion Stages

- **New Electronic Effort Reporting System.** The implementation of a new electronic system for effort reporting (Ecrt) has been completed, and will be used for the first time at the end of the summer semesters and going forward. Effort reporting is an essential compliance and regulatory requirement for the expenditure of grant dollars. This new system is very sophisticated and easy to use. In addition to fulfilling regulatory requirements, it will be a tool that will make it much easier for our researchers and grant administrators throughout the University to track the status of the budgets in their grants and contracts.
- **New Electronic System for Grant Applications.** The implementation of an electronic system for the submission of grant applications has been completed. We are now in the stage of training Division of Research personnel and grant administrators in the colleges on the new system. We have also hired new personnel that will be deployed throughout the colleges to provide services for research faculty using the new system. This new system and the use of trained personnel will allow research faculty to dedicate more time to the technical and scientific portion of grant applications, and thus ease the process of submitting grant applications to external funding agencies.
- **New Graduate Grants Center (GGC).** In collaboration with the University Graduate School, we have established a Graduate Grants Center, which will assist graduate students with applications for external support for their research endeavors. This unit will work closely with the Dean of the Graduate School, and with the Research Development team being assembled within the Division of Research. A national search for a coordinator of the Center was successfully completed, and the new coordinator joined FIU in July. One of the major objectives of the GGC will be to work closely with faculty mentors to identify opportunities and assist in applications for graduate student stipends and fellowships.

Initiatives Expected to be Completed During the Current Fiscal Year

- **Mentoring of Junior Faculty.** The Division of Research has been working with senior faculty researchers to implement a new mentoring program to assist junior faculty in the preparation of competitive grant applications to major federal programs at the NSF, NIH, and other agencies. This is part of the efforts, previously reported to the BOT, to enhance the quality and quantity of grant applications at a time of shrinking budgets for the funding agencies. This program will begin with internal funding support for junior faculty and mentors, as well as the creation of mentoring committees of FIU faculty members that have received NSF CAREER Awards and NIH K-Awards. These faculty members will mentor junior colleagues in submitting applications to these programs.
- **Application for New Facilities and Administrative (F&A) Negotiations with the Federal Government.** The last negotiations with the federal government increased FIU'S overhead from 40% to the current 45%. As part of the last negotiations, the federal government agreed to new negotiations for 2012. The F&A proposal is due December 30, 2011 and we are currently working on it. The timeline for negotiations, including a site visit by the federal agency responsible for establishing F&A rates, is to be concluded during the spring of 2012.
- **Electronic System for the Institutional Review Board (IRB), the Institutional Animal Care and Use Committee (IACUC), the Animal Care Facility (ACF), and the Institutional Biosafety Committee (IBC).** We have been working on the implementation of a new electronic system for IRB, IACUC, ACF, and IBC, and expect complete implementation by the fall of 2011. The IRB, IACUC, ACF, and IBC are fundamental needs for the regulatory conduct of bio-behavioral research. Implementation of this electronic system is critical for the support of FIU's research growth trajectory.
- **Application for Accreditation of the Animal Care Facility (ACF).** The application for accreditation for the ACF is dependent on the implementation of the electronic system described above. We plan to submit the accreditation application by the April 2012 deadline, and expect to successfully receive accreditation by the fall of 2012—just prior to the opening of the new ACF in the spring of 2013.

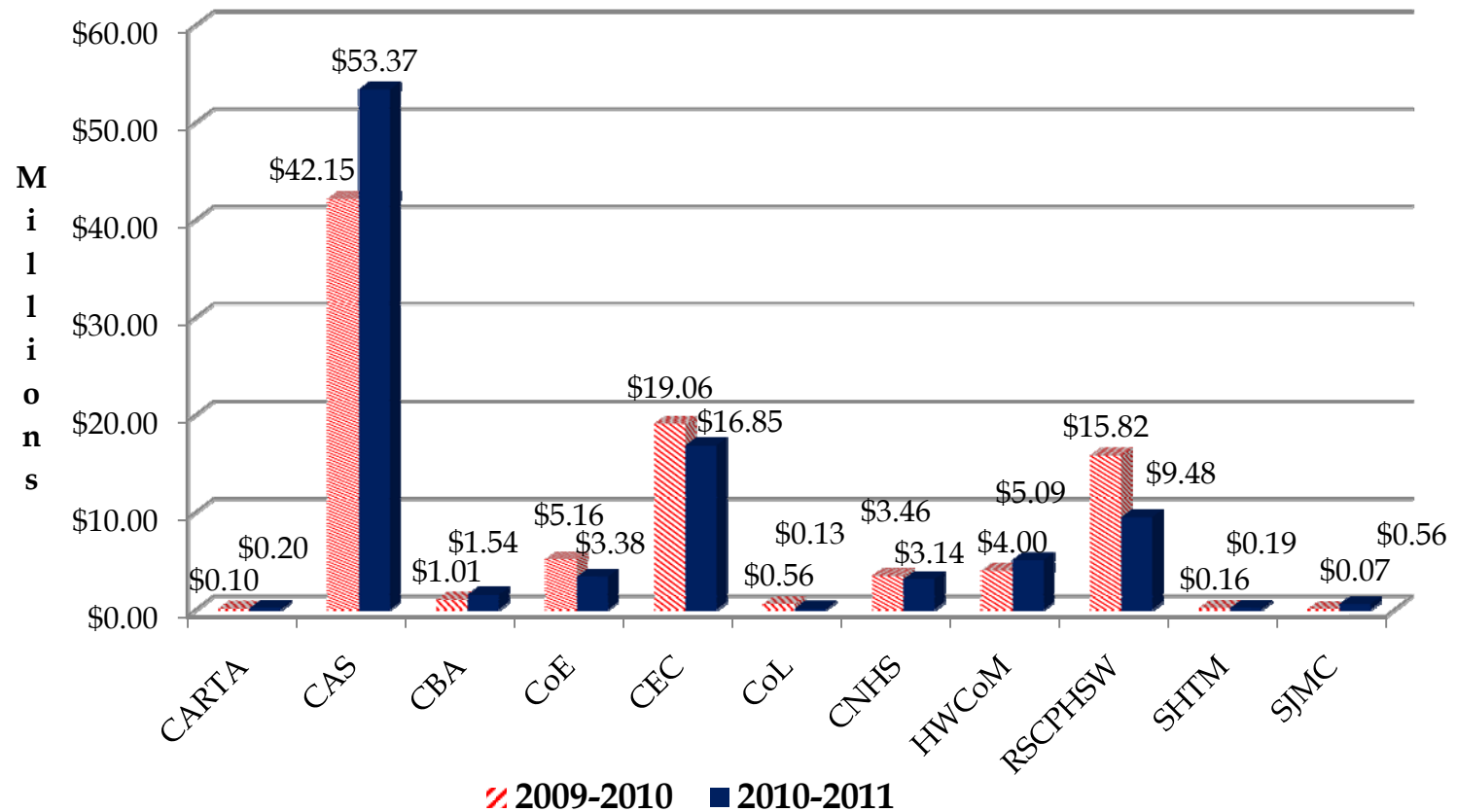
**Table 1: Comparison of Awards Received**

College/Division	July 2009 - June 2010			July 2010 - June 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Academic Affairs (AA)	\$8,260,573	\$1,830,139	\$10,090,712	\$8,149,060	\$2,723,864	\$10,872,924	7.75%
College of Architecture & the Arts (CARTA)	\$101,155	\$0	\$101,155	\$202,051	\$450	\$202,501	100.19%
College of Arts & Sciences (CAS) *	\$35,021,981	\$7,132,132	\$42,154,113	\$44,743,898	\$8,627,621	\$53,371,519	26.61%
College of Business Administration (CBA) *	\$885,122	\$126,065	\$1,011,187	\$1,380,551	\$159,390	\$1,539,941	52.29%
College of Education (CoE)	\$4,802,841	\$355,380	\$5,158,221	\$3,213,225	\$166,089	\$3,379,314	-34.49%
College of Engineering & Computing (CEC)	\$15,762,864	\$3,293,034	\$19,055,898	\$14,049,674	\$2,796,857	\$16,846,531	-11.59%
College of Law (CoL)	\$564,050	\$0	\$564,050	\$127,280	\$0	\$127,280	-77.43%
College of Nursing & Health Sciences (CNHS)	\$3,131,331	\$327,589	\$3,458,920	\$2,895,683	\$248,491	\$3,144,174	-9.10%
Division of Student Affairs (SA)	\$1,497,708	\$113,836	\$1,611,544	\$1,398,422	\$123,681	\$1,522,103	-5.55%
Herbert Wertheim College of Medicine (HWCoM)	\$2,910,678	\$1,095,636	\$4,006,314	\$3,675,462	\$1,413,349	\$5,088,811	27.02%
Robert Stempel College of Public Health & Social Work (RSCPHSW) *	\$12,292,566	\$3,530,317	\$15,822,883	\$7,315,771	\$2,156,645	\$9,472,416	-40.13%
School of Hospitality & Tourism Management (SHTM)	\$158,537	\$0	\$158,537	\$193,215	\$0	\$193,215	21.87%
School of Journalism & Mass Communication (SJMC)	\$53,812	\$11,386	\$65,198	\$466,433	\$100,207	\$566,640	769.11%
UTS/CIARA	\$393,647	\$74,699	\$468,346	\$1,170,461	\$93,811	\$1,264,272	169.94%
<b>TOTAL</b>	<b>\$83,341,011</b>	<b>\$17,181,530</b>	<b>\$100,522,541</b>	<b>\$86,384,634</b>	<b>\$18,172,959</b>	<b>\$104,557,593</b>	<b>4.01%</b>
<b>The effective/average F&amp;A rate</b>	<b>20.62%</b>			<b>21.04%</b>			

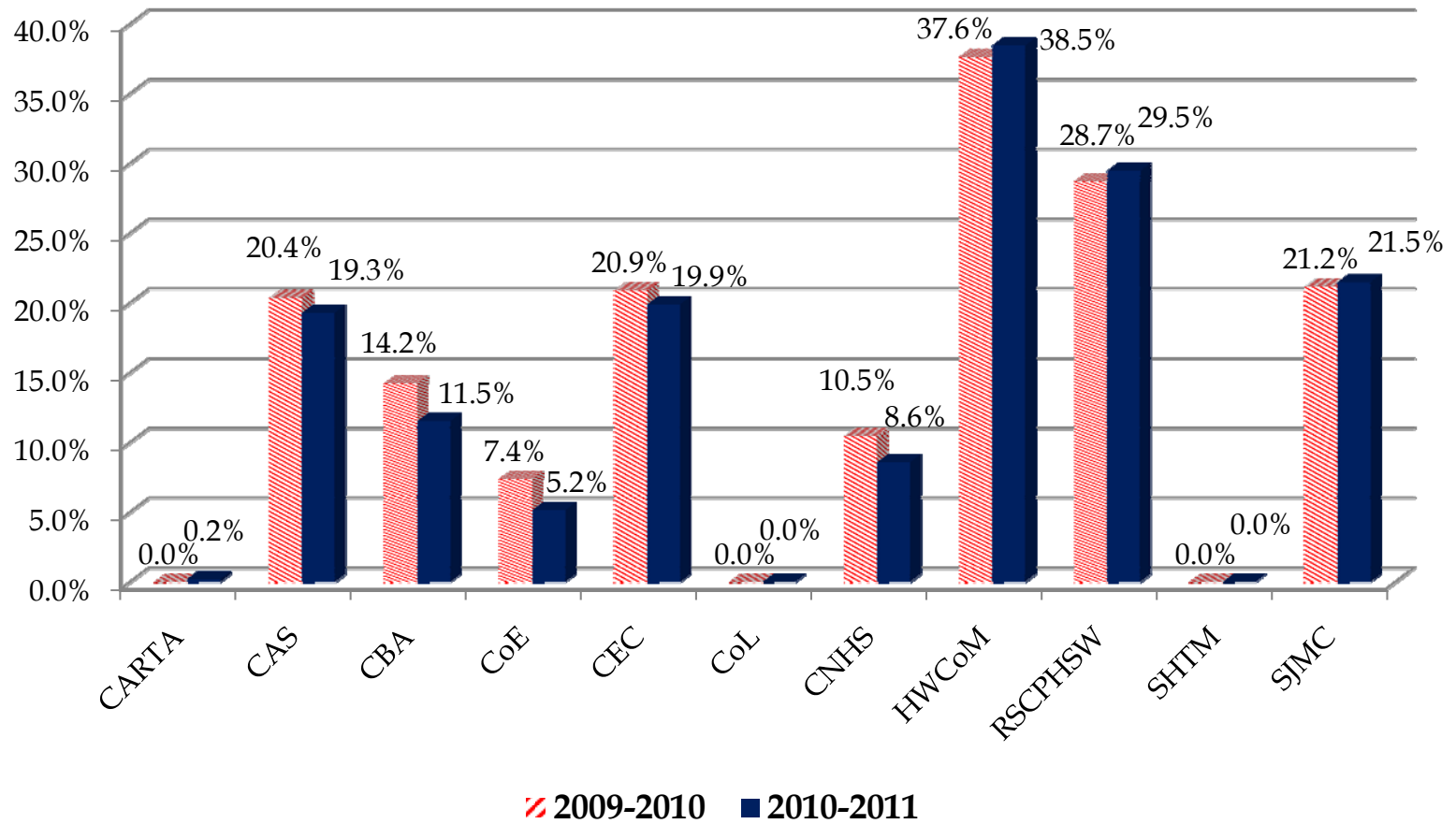
\* The following are **NOT** reflected in the “TOTAL” above, but are included in the respective colleges, thus “double counted.”

	FY 2009-2010 Total	FY 2010-2011 Total
Included in AA (IHRC) <b>and</b> CAS	\$984,789	\$749,274
Included in AA (IHRC) <b>and</b> CBA	\$506,010	\$464,781
Included in AA (IHRC) <b>and</b> CEC	\$65,671	\$987,000
Included in AA (CRUSADA) <b>and</b> RSCPHSW	\$1,648,067	\$832,993

**Figure 1: Comparison of Awards Received by College/School (\$M)**



**Figure 2: Average Award F&A Rate by College/School**



**Table 2: Comparison of Awards Received by Centers, Institutes, Museums**

College/Division	July 2009 - June 2010			July 2010 - June 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Academic Affairs							
Applied Research Center (ARC)	\$4,059,772	\$1,074,785	\$5,134,557	\$4,439,549	\$2,201,181	\$6,640,730	29.33%
CRUSADA*	\$3,363,675	\$1,143,614	\$4,507,289	\$680,254	\$251,674	\$931,928	-79.32%
Int'l Hurricane Research Center (IHRC)	\$1,263,531	\$292,939	\$1,556,470	\$1,986,966	\$214,089	\$2,201,055	41.41%
Wolfsonian	\$912,256	\$15,000	\$927,256	\$414,738	\$15,988	\$430,726	-53.55%
College of Architecture + the Arts							
Frost Art Museum	\$142,133	\$0	\$142,133	\$150,158	\$0	\$150,158	5.65%
College of Arts & Sciences							
Center for Administration of Justice (CAJ)	\$1,711,882	\$342,746	\$2,054,628	\$824,981	\$130,946	\$955,927	-53.47%
Center for Children and Families (CCF)	\$437,502	\$195,103	\$632,605	\$1,467,324	\$591,702	\$2,059,026	225.48%
Center for Labor Research and Studies (CLRS)	\$337,644	\$28,844	\$366,488	\$184,315	\$8,435	\$192,750	-47.41%
Center for Transnational & Comparative Studies (CTCS)	\$131,046	\$9,173	\$140,219	\$0	\$0	\$0	n/a
Institute for Asian Studies (IAS)	\$0	\$0	\$0	\$41,647	\$0	\$41,647	n/a
Institute for Public Management and Community Service	\$310,337	\$28,187	\$338,524	\$81,411	\$10,052	\$91,463	-72.98%
International Forensic Research Institute (IFRI)	\$301,343	\$104,583	\$405,926	\$1,220,777	\$111,028	\$1,331,805	228.09%
Jack D. Gordon Institute for Public Policy & Citizenship Studies	\$139,654	\$10,080	\$149,734	\$471,483	\$27,238	\$498,721	233.07%
Latin American and Caribbean Center (LACC)	\$2,911,619	\$384,417	\$3,296,036	\$4,428,853	\$486,510	\$4,915,363	49.13%
Metropolitan Center	\$200,883	\$43,969	\$244,852	\$83,382	\$13,684	\$97,066	-60.36%
Southeast Environmental Research Center (SERC)	\$7,105,167	\$1,494,938	\$8,600,105	\$8,202,117	\$2,409,175	\$10,611,292	23.39%
Women's Studies Center	\$0	\$0	\$0	\$211,134	\$21,114	\$232,248	n/a

<b>Table 2: Comparison of Awards Received by Centers, Institutes, Museums</b>							
College/Division	July 2009 - June 2010			July 2010 - June 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
<b>College of Business</b>							
Center for International Business Education & Research	\$0	\$0	\$0	\$362,074	\$28,726	\$390,800	n/a
Eugenio Pino & Global Entrepreneurship Center	\$0	\$0	\$0	\$129,012	\$0	\$129,012	n/a
<b>College of Education</b>							
Center for Urban Education and Innovation (CUEI)	\$126,133	\$32,164	\$158,297	\$0	\$0	\$0	n/a
<b>College of Engineering &amp; Computing</b>							
Center for Diversity in Engineering & Computing	\$828,119	\$82,159	\$910,278	\$802,111	\$60,285	\$862,396	-5.26%
<b>Division of Student Affairs</b>							
Children's Creative Learning Center (CCLC)	\$0	\$0	\$0	\$273,166	\$21,511	\$294,677	n/a
<b>School of Journalism &amp; Mass Communication</b>							
Institute for Public Opinion Research (IPOR)	\$48,261	\$9,943	\$58,204	\$46,830	\$2,810	\$49,640	-14.71%
International Media Center (IMC)	\$5,551	\$1,443	\$6,994	\$374,603	\$97,397	\$472,000	6648.64%
<b>University Technology Services</b>							
CIARA: Center for Internet Augmented Research	\$162,574	\$54,517	\$217,091	\$1,090,461	\$93,811	\$1,184,272	445.52%
<b>Total</b>	<b>\$24,499,082</b>	<b>\$5,348,604</b>	<b>\$29,847,686</b>	<b>\$27,838,334</b>	<b>\$6,797,356</b>	<b>\$34,635,690</b>	<b>16.04%</b>
<b>Effective F&amp;A rate</b>	<b>21.8%</b>			<b>24.4%</b>			

\* Includes \$2,859,222 and \$98,935 credited to the School of Social Work for FY 2009-2010 and 2010-2011, respectively.

<b>Table 3: Awards by Sponsor Type</b>				
<b>July 2009 - June 2010</b>				
<b>Funding Source</b>	<b>Awarded Direct Costs</b>	<b>Awarded F&amp;A</b>	<b>Awarded Total</b>	<b>Percent</b>
Federal Government	\$66,145,335	\$15,144,506	\$81,289,841	80.9%
State & Local Government	\$8,183,941	\$1,119,609	\$9,303,550	9.3%
Private / Other Sources	\$9,011,735	\$917,415	\$9,929,150	9.9%
<b>TOTAL</b>	<b>\$83,341,011</b>	<b>\$17,181,530</b>	<b>\$100,522,541</b>	<b>100.0%</b>
<b>July 2010 - June 2011</b>				
Federal Government	\$68,193,631	\$15,319,300	\$83,512,931	79.9%
State & Local Government	\$8,335,129	\$969,281	\$9,304,410	8.9%
Private / Other Sources	\$9,855,874	\$1,884,378	\$11,740,252	11.2%
<b>TOTAL</b>	<b>\$86,384,634</b>	<b>\$18,172,959</b>	<b>\$104,557,593</b>	<b>100.0%</b>



<b>Table 4: Comparison of Applications Submitted by Colleges</b>							
<b>College/School/Center/Division</b>	<b>July 2009 - June 2010</b>			<b>July 2010 - June 2011</b>			<b>% change</b>
	<b>Direct</b>	<b>F&amp;A</b>	<b>Total</b>	<b>Direct</b>	<b>F&amp;A</b>	<b>Total</b>	
Academic Affairs	\$69,935,826	\$15,774,011	\$85,709,837	\$42,785,097	\$12,126,239	\$54,911,336	-35.9%
College of Architecture & the Arts	\$304,199	\$19,603	\$323,802	\$1,020,000	\$260,000	\$1,280,000	295.3%
College of Arts & Sciences	\$110,170,529	\$21,340,374	\$131,510,903	\$88,348,563	\$21,167,549	\$109,516,112	-16.7%
College of Business Administration	\$2,141,727	\$336,578	\$2,478,305	\$626,136	\$58,225	\$684,361	-72.4%
College of Education	\$15,560,299	\$1,865,696	\$17,425,995	\$11,155,628	\$1,440,735	\$12,596,363	-27.7%
College of Engineering & Computing	\$114,894,740	\$27,774,438	\$142,669,178	\$57,720,358	\$16,622,749	\$74,343,107	-47.9%
College of Law	\$614,751	\$0	\$614,751	\$186,804	\$0	\$186,804	-69.6%
College of Nursing & Health Sciences	\$7,396,229	\$1,973,922	\$9,370,151	\$9,271,114	\$1,642,083	\$10,913,197	16.5%
Division of Finance & Administration	\$0	\$0	\$0	\$53,308	\$14,393	\$67,701	N/A
Division of Student Affairs	\$2,722,126	\$430,050	\$3,152,176	\$517,629	\$17,037	\$534,666	-83.0%
Herbert Wertheim College of Medicine	\$10,009,828	\$3,583,358	\$13,593,186	\$11,601,893	\$4,466,383	\$16,068,276	18.2%
Robert Stempel College of Public Health & Social Work	\$53,123,537	\$17,755,275	\$70,878,812	\$33,140,753	\$11,386,073	\$44,526,826	-37.2%
School of Hospitality & Tourism Management	\$84,000	\$0	\$84,000	\$256,261	\$0	\$256,261	205.1%
School of Journalism & Mass Communication	\$6,637,754	\$1,560,078	\$8,197,832	\$917,799	\$223,027	\$1,140,826	-86.1%
UTS/CIARA	\$8,865,092	\$972,739	\$9,837,831	\$805,578	\$263,280	\$1,068,858	-89.1%
<b>TOTAL</b>	<b>\$402,460,637</b>	<b>\$93,386,122</b>	<b>\$495,846,759</b>	<b>\$258,406,921</b>	<b>\$69,687,773</b>	<b>\$328,094,694</b>	<b>-33.8%</b>
<b>Effective/average F&amp;A rate</b>	<b>23.2%</b>			<b>27.0%</b>			

**Table 5: Comparison of Applications Submitted by Centers, Institutes, Museums**

College/Division	July 2009 - June 2010			July 2010 - June 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Academic Affairs							
Applied Research Center (ARC)	\$34,156,070	\$12,413,459	\$46,569,529	\$16,837,825	\$5,558,123	\$22,395,948	-51.9%
CRUSADA: Center for Research on US Latino AIDS/HIV/Drug Abuse	\$5,971,013	\$2,135,916	\$8,106,929	\$16,714,186	\$5,627,692	\$22,341,878	175.6%
International Hurricane Research Center (IHRC)	\$4,759,755	\$707,751	\$5,467,506	\$73,806	\$151,288	\$1,014,779	-81.4%
The Wolfsonian	\$1,071,231	\$65,544	\$1,136,775	\$368,464	\$0	\$368,464	-67.6%
College of Architecture + the Arts							
Frost Museum	\$375,875	\$13,858	\$389,733	\$16,837,825	\$6,467	\$80,273	-79.4%
College of Arts & Sciences							
Center for Administration of Justice	\$6,684,497	\$956,821	\$7,641,318	\$3,356,938	\$781,088	\$4,138,026	-45.8%
Center for Children and Families (CCF)	\$1,909,058	\$857,277	\$2,766,335	\$2,173,641	\$822,880	\$2,996,521	8.3%
Center for Labor Research and Studies (CLRS)	\$400,755	\$22,923	\$423,678	\$194,489	\$11,161	\$205,650	-51.5%
Infant Development Research Center (IDRC)	\$0	\$0	\$0	\$99,908	\$44,958	\$144,866	n/a
Institute for Asian Studies (IAS)	\$173,483	\$13,184	\$186,667	\$0	\$0	\$0	n/a
Institute for Public Management and Community Service	\$308,856	\$28,068	\$336,924	\$81,411	\$10,052	\$91,463	-72.9%
International Forensic Research Institute (IFRI)	\$1,375,429	\$394,061	\$1,769,490	\$4,519,194	\$546,064	\$5,065,258	186.3%
Jack D. Gordon Institute for Public Policy & Citizenship Studies	\$940,698	\$77,507	\$1,018,205	\$983,601	\$220,003	\$1,203,604	18.2%
Latin American and Caribbean Center (LACC)	\$2,907,808	\$54,898	\$2,962,706	\$167,100	\$12,900	\$180,000	-93.9%
Metropolitan Center	\$924,214	\$283,300	\$1,207,514	\$1,488,182	\$206,789	\$1,694,971	40.4%
Southeast Environmental Research Center (SERC)	\$9,528,066	\$1,912,282	\$11,440,348	\$7,709,655	\$2,235,215	\$9,944,870	-13.1%
Women’s Study Center	\$2,399,968	\$566,710	\$2,966,678	\$2,262,071	\$365,038	\$2,627,109	-11.4%

Table 5: Comparison of Applications Submitted by Centers, Institutes, Museums							
College/Division	July 2009 - June 2010			July 2010 - June 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
College of Business Administration							
Center for International Business Education & Research	\$1,482,075	\$117,925	\$1,600,000	\$0	\$0	\$0	n/a
Eugenio Pino & Global Entrepreneurship Center	\$0	\$0	\$0	\$129,012	\$0	\$129,012	n/a
College of Engineering & Computing							
Center for Diversity in Engineering & Computing	\$5,058,596	\$872,037	\$5,930,633	\$2,191,788	\$263,305	\$2,455,093	-58.6%
School of Journalism & Mass Communication							
Institute for Public Opinion Research (IPOR)	\$5,273,619	\$1,410,937	\$6,684,556	\$162,430	\$36,567	\$198,997	-97.0%
International Media Center (IMC)	\$682,317	\$80,959	\$763,276	\$872,799	\$223,027	\$1,095,826	43.6%
UTS							
CIARA: Center for Internet Augmented Research	\$8,865,092	\$972,739	\$9,837,831	\$805,578	\$263,280	\$1,068,858	-89.1%
Total	\$95,248,475	\$23,958,156	\$119,206,631	\$78,029,903	\$17,385,897	\$79,441,466	-33.4%
Effective F&A rate	25.2%			22.3%			

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Construction Status Report**

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**Proposed Committee Action:**

None. For information only.

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**Background Information:**

The Facilities and Construction Update provides an overview and the status of University projects.

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**Supporting Documentation:** Facilities and Construction Update, *July 2011*

**Facilitator/Presenter:** John Cal

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## **Facilities and Construction Update, July 2011**

### **Completed Projects**

- **AHC 3 - College of Nursing and Health Sciences (CNHS) (BT-833)** - \$46.9M (PECO) project cost. A/E – HOK; CM - Skanska. FIU achieved the goal of LEED Silver Certification for the AHC3 (CNHS) building with notification received July 11, 2011. This is now the university's first LEED certified building. Building is officially completed.

### **Bonded Projects under Construction**

- **Parking Garage 5/Public Safety/Retail/Health Care Network (BT-865/875)** - \$52.2M (multiple sources) project budget. A/E – PGAL; CM – Turner. PG-5/Market Station received the NACUBO Innovation Award in July at the NACUBO annual convention. FIU was one of only four universities nation-wide to be so recognized. To recap, the parking garage opened on schedule and the retail areas ahead of schedule in August 2010. Parking & Transportation occupied new offices in October 2010. Public Safety with the exception of the Dispatch Unit, began occupying its new station in April 2011. With all Dispatch Unit computer testing completed, a move-in date for Dispatch has been set for August 2. The Healthcare Network (College of Medicine) Clinic obtained substantial completion July 8<sup>th</sup> and will open August 8<sup>th</sup>. The Emergency Management offices have also been completed and move-in began July 18<sup>th</sup>. Final inspections and close-out are now in-process. Internal Audit has notified FMD that IA will conduct an audit of this project.

### **Projects Under Construction**

- **Wolfe University Center (WUC) Improvements (BT-819)** - \$1.5M - CITF. A/E – MC Harry; CM – Stobs Bros. Final Fire Marshal inspection is anticipated for the end of July. Furniture and AV equipment will start arriving the last week of July 2011. Space will be operational by August 23, in time for the Fall 2011 semester.
- **U.S. Century Bank Arena (USCB) (BT-837)** - \$7.4M (multiple sources) project budget. A/E – Gould Evans; CM – Arellano. Construction is on schedule.

December 2011 graduation will be held in the new expanded building. The arena will remain fully operational during construction. Target completion date: November 30, 2011.

### **PECO Projects in Design**

- **Science Classroom Complex (BT-876)** - \$57.7M project budget. A/E - Perkins + Will; CM - DPR. 100% Construction Documents (CD's) will be completed by the end of August. The GMP was successfully negotiated with DPR based on 50% CD's; the project will break ground August 2011. Construction site fencing and pedestrian traffic modifications will be in place before August 22 start of classes. Construction will be phased to mitigate time lost due to program modifications and re-design. Anticipated delivery date: February 2013.
- **Stocker Astrophysics Center (BT-814)** - \$2.4M project budget. A/E - SKA; CM - Biltmore. The underground utility study is complete; the final plan and cost for utilities relocation is now being determined. Groundbreaking target is December 2011 with anticipated delivery in December 2012
- **Student Academic Support Center (SASC) (BT-882)** - \$30.9M project budget/\$20.1M funded to date. A/E - Gould Evans; CM - Balfour Beatty pending contract. A/E contract was finalized June 2009. Project site southeast of GC has been approved. Construction Manager's pre-construction services proposal is currently under review and negotiation meeting is anticipated for mid-July. Program re-validation is on hold. Design will start once program has been re-validated. Establishing the delivery date is contingent on program re-validation.
- **Satellite Chiller Plant (SCP) (BT-834)** - \$14.1M project budget/\$7.1M funded to date. E/A - SGM Engineering; CM - Poole & Kent. The site on the northeast quadrant has been finalized. Design and construction is proceeding based on the \$7.1MM of allocated funds. Responding to the veto of \$6.0M, the University will build the full building shell and outfit the facility with two cooling towers and two chillers. The emergency generator and additional equipment will be procured as funds are available. Pre-procurement of equipment is scheduled for hard bid in early September 2011. 100% Construction documents are anticipated November 2011. Expected delivery date: October 2012.



### **Auxiliary Projects in Design**

- **Hospitality Management (HM) Dining & Kitchen Expansion Improvements (BT-855)** - \$2.0M (Auxiliary/SoBe proceeds). A/E – MC Harry w/Echeverria as specialty consultant; CM – Pirtle. Phase I (Dining Expansion) GMP was delivered early June 2011. Target construction Notice to Proceed (NTP) is August 2011. Phase II (Kitchen Expansion) drawings are 90% complete and will be completed by end of July with the GMP to be submitted by September 2011. Anticipate demolition to begin immediately after summer semester. Total project completion targeted for May/June 2012.

### **PECO Projects in Planning Stage**

- **Stempel/IHRC Complex (BT-877/895)** - \$43.1M (multiple sources) project cost. A/E – Perkins + Will; CM – Skanska. PECO funding for the Robert Stempel College of Public Health and Social Work (\$23.3M) and for the International Hurricane Research Center (IHRC) (\$15.0M) is in place. Additional funds (\$4.8M) have been identified to add a large (200 capacity) multi-purpose “Active Learning Room,” research wet labs, and a behavioral sciences lab. The A/E will begin design on the revised project August 2011. Projected completion is July 2013 with a goal of shortening the schedule to April 2013.

### **Auxiliary / Bonded Projects in Planning**

- **Ambulatory Care Center (ACC) (BT-870)** - \$10.0M project cost. A/E – AECOM; CM – Klewin. The ACC will be built as a stand-alone facility, the first module of a series of future clinical/medical facilities on campus. The concept for the ACC is a two-story, approximately 20,000 gsf facility to handle primary and specialty office visits, minor diagnostic procedures and diagnostic imaging. Funding is in place for design and construction; the College of Medicine is responsible for funding the equipment. The program is in the program validation and site analysis stage. Projected completion: Spring 2013.
- **Housing 2013 (BT-889)** - \$45M project cost. A/E – HADP/HKS Joint Venture; CM selection pending. BOG approved project for \$47.5M in bonding July 2011; request now requires State’s Division of Bond Finance action. Program has been reviewed and approved for Phase I (620 undergraduate beds). Living units will consist of 4 single bedrooms with 2 bathrooms and a shared common kitchen/living area. CM final interviews are scheduled for August 18<sup>th</sup>. Two locations are being studied for

presentation to FIU leadership in late July. Design will be contingent on the final site selection. Target delivery date is July 2013.

- **Parking Garage 6 (BT-868)** – \$37M project cost. BOG approved project for \$33.5M in bonding July 2011; request now requires State’s Division of Bond Finance action. Specific site location still under review in conjunction with decision on housing site. Target delivery date of August 2013 is dependent on delivery method.
- **Mixed use College of Business Building (BT-886)** – Initial estimate of \$52.4M project cost for a full program of 147,837 gsf, including an 18,000 gsf consolidated university data center. This full program represents a significant increase over the preliminary requirement of 83,748 gsf. Project would be self-funded and would not require bonding. A formal cost and program review is ongoing to refine the project scope and initial cost estimate. Delivery date TBD in 2013.

**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Safety and Environmental Compliance Report**

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**Proposed Committee Action:**  
None. For information only.

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**Background Information:**  
The Safety and Environmental Compliance Report provides the status of compliance issues.

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**Supporting Documentation:** Safety and Environmental Compliance Status Report

**Facilitator/Presenter:** William Youngblut

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**FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Audit Committee  
July 2011 Update**

**Safety and Environmental Compliance Status Report**

**Issue:** Assessment of Elevated Chromium Levels in Groundwater near Green Library

**Agency:** Miami Dade County Department of Environmental Resources Management (DERM)

**Status:** As previously reported to you, quarterly ground water sampling for the assessment of the chromium levels in the soil west of the lake in front of the Green Library is underway and is anticipated to continue for one (1) year. The first ground water sample was taken on April 28, 2011. A quarterly groundwater report was submitted to and approved by DERM in June 2011. The second groundwater sample was taken on July 11, 2011. Laboratory analytical data from both samples indicates that the chromium concentrations are below the groundwater and freshwater clean-up target levels. The final sample collection will be taken in October 2011.

**Issue:** Bureau of Radiation Control Inspection

**Agency:** Florida Department of Health (FDOH)

**Status:** On July 11, 2011, the Florida Department of Health, Bureau of Radiation Control inspected the X-ray machines registered under the Modesto A. Maidique Campus registration. No violations were observed.

**Issue:** PG-5 Location for FIU College of Medicine (COM) Family Medical Practice

**Agency:** Florida Department of Health (FDOH) Miami Dade County Department of Environmental Resources Management (DERM)

**Status:** EH&S is working with the FIU COM Health Care Network to ensure the new location and staff of the FIU Family Medical Practice are in compliance with pertinent state and federal regulations. EH&S will provide safety consultation on proper signage,

medical gas use, hands-on safety training, compliance inspections, and waste storage and disposal.

**Issue: Annual Life Safety Code Compliance Inspections**

**Agency:** State Fire Marshal

**Status:** As of July 2011, EH&S has completed all annual Life Safety Code inspections with the State Fire Marshal at Biscayne Bay and Modesto A. Maidique Campuses for the 2010-11 fiscal year. The 2011-12 annual Life Safety Code inspections are scheduled to commence on August 15, 2011.

**Issue: Generator Testing for Designated Research Buildings**

**Agency:** National Fire Protection Association (NFPA) State Fire Marshal

**Status:** EH&S will assist in the oversight of planned power-outages in FIU buildings where research and/or teaching labs are located. The outages will test generator power and load as required by NFPA-110, Chapter 8. The following locations will be included: OE, AHC I and II, VH, Marine Sciences Building, ECS, PC, and Engineering Center. The first planned power-outage was successfully completed on July 28, 2011 at 10 AM in the OE building.

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Audit Committee**

August 17, 2011

**Subject: Business Services Update**

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**Proposed Committee Action:**

None. For information only.

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**Background Information:**

The Office of Business Services Update provides information on services, sales and venues.

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**Supporting Documentation:** Office of Business Services Update, *July 2011*

**Facilitator/Presenter:** Liane Martinez

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**FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Audit Committee  
July 22, 2011 Update**

**OFFICE OF BUSINESS SERVICES UPDATE**

In late February the Student ID program, along with the ID office was transferred to Business Services. Since that time, Business Services has embarked on an aggressive plan to upgrade the software, enhance services, expand features, improve efficiencies and strengthen policies and procedures. The newly rebranded FIU One card went live mid-July. Its launch coincided with the grand opening of the new ID office and the Wells Fargo branch, which are both located in the PG-1 Gold Garage. The new card office is awash in FIU colors and murals and offers four self-service kiosks, four photo stations, two cash windows and one automated revalue machine.



There will be a university wide re-carding effort beginning mid-August through Spring 2012. Students will be segmented for re-carding alphabetically and by class level on a weekly basis during the fall semester. A mobile carding station will also be set up for faculty/staff re-carding and will be scheduled by campus neighborhoods. In addition, there will be re-carding efforts targeting housing students during move-in weekend and at most major events including Welcome Week and Homecoming.

The Wells Fargo logo, consisting of the words "WELLS FARGO" in a yellow, serif font, set against a solid red square background.

This past year the Office of Business Services successfully concluded a competitive solicitation for retail bank services with the signing of a 10-year agreement with Wells Fargo. Total value of this contract, presuming a 35% penetration rate, is estimated at \$2.465M over ten years. Wells Fargo offers a complete line of accounts and services to students, faculty and staff that are conveniently integrated with the FIU One Card. Student accounts will not have a monthly service fee if they are "linked" to the new FIU One Card. In addition, Wells Fargo has opened a new full service banking center on the Modesto Maidique campus located in PG-1 Gold

Garage adjacent to the new One Card office. They offer 2 full service ATM's on MMC and 1 full service ATM on the BBC. Wells Fargo also has 4 locations within 2.6 miles of BBC including a branch adjacent to the main entrance of the campus.

The new multi-use facility, PG-5 Market Station, has proved to be an immediate success on campus. The retail mall is at 100% occupancy with the FIU Health Care Network leasing the remaining 6,000 square feet of space. The rotunda/food court overflows with patrons both inside and out, and the parking garage is at capacity almost daily. The classroom traffic for the first year averages over 12,000 students each week and there are over 6,000 cars passing through the parking garage daily. The food retail venues in PG-5 Market Station average 1,780 transactions daily. The resulting sales have surpassed the preliminary projection of \$1.1M, hitting a staggering \$1.7M for FIU's 2010-11 fiscal year.

In fact, PG-5 Market Station has proven to be the model for new development not only in Florida, but abroad as well. The Florida Board of Governors recently showcased the new facility at their board meeting and pronounced it the model for multi-use facilities in our state. FIU was also recently visited by representatives of the University of the West Indies, who are looking at replicating FIU's model at home. In addition, the facility has received an award from NACUBO for innovation, designation as the best food court in Miami from the Miami New Times, and recognition from the Florida Parking Association.

The Office of Business Services recently launched a new website designed to be more customer-centric. With the help of FIU Web Communications, the entire site was revamped and our services were rebranded as *shop.FIU.edu*. *Shop.FIU.edu* is designed to be a key customer service resource for the community, providing relevant information to enhance the daily campus experience. The re-vamp of our website, as well as the branding of the *shop.FIU.edu*, are part of a more holistic marketing strategy aimed at engaging students, building awareness and increasing our virtual presence.

With the planned growth of the university over the next 10 years, Business Services continues to explore how best to provide additional on-campus food service and retail university wide. A wide array of studies have been undertaken to develop our office's long-term strategic plan for additional development.

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