



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

Monday, June 20, 2011

9:00 am

Florida International University
Modesto A. Maidique Campus
College of Business Complex
Special Events Center, room 232

Committee Membership:

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

AGENDA

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|---|--------------------|
| 1. Call to Order and Chair's Remarks | Sukrit Agrawal |
| 2. Approval of Minutes | Sukrit Agrawal |
| 3. Action Items | |
| FA1. Proposed 2011-2012 Operating Budget | Kenneth A. Jessell |
| 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 | |
| FA2. Proposed 2011-2012 Fixed Capital Outlay Budget | Kenneth A. Jessell |
| FA3. Internal Audit Plan for 2011-2012 | Allen Vann |
| 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 | Kenneth A. Jessell |
| FA5. Approval of the Amendment to the Bylaws of the
 Florida International University Foundation, Inc. | Richard Brilliant |

4. Discussion Items *(No Action Required)*

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| 4.1 Office of Internal Audit Status Report | Allen Vann |
| 4.2 Budget Variance Analysis – Third Quarter 2010 | Kenneth A. Jessell |
| 4.3 Accounts Receivable Report | Kenneth A. Jessell |

5. Reports *(For Information Only)*

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| 5.1 Treasury Report | Tony Vu |
| 5.2 Environmental – Regulatory & Compliance | William Youngblut |
| 5.3 Athletics Update | Pete Garcia |
| 5.4 Emergency Management Report | Amy B. Aiken |
| 5.5 Foundation Report | Richard Brilliant |
| 5.6 University Compliance Report | Leyda Benitez |
| 5.7 Division of Research Report | Andres G. Gil |
| 5.8 Construction Status Update | John Cal |

6. New Business <i>(If Any)</i>	Sukrit Agrawal
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7. Concluding Remarks and Adjournment	Sukrit Agrawal
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*Next Finance and Audit Committee Meeting
is scheduled for Wednesday, August 17, 2011*

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

June 20, 2011

Subject: Approval of Minutes of the Meeting held March 15, 2011

Proposed Committee Action:

Approval of Minutes of the Finance and Audit Committee meeting held on Tuesday, March 15, 2011, at the Modesto A. Maidique Campus, Graham Center Ballrooms.

Background Information:

Committee members will review and approve the Minutes of the Finance and Audit meeting held on Tuesday, March 15, 2011, at the Modesto A. Maidique Campus, Graham Center Ballrooms.

Supporting Documentation: Finance and Audit Committee Meeting Minutes:
March 15, 2011

Facilitator/Presenter: Committee Chair Sukrit Agrawal

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**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND AUDIT COMMITTEE
MINUTES
MARCH 15, 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 Albert Maury at 9:03 am on Tuesday, March 15, 2011, at the Modesto A. Maidique Campus, Graham Center Ballrooms.

The following attendance was recorded:

Present

Albert Maury, *Chair*
Michael M. Adler
Sukrit Agrawal
Thomas A. Breslin

President Mark B. Rosenberg was also in attendance.

Committee Chair Maury welcomed all Trustees, faculty and staff. Chair Maury noted that Mrs. Miriam Lopez concluded her service as a Trustee on January 2011. On behalf of the Committee, Chair Maury thanked Mrs. Lopez for her service as Vice Chair of the Finance and Audit Committee and her years of service on the FIU Board of Trustees, noting that she was an inaugural member of the Board.

2. Approval of Minutes

Committee Chair Maury asked that the Committee approve the Minutes of the Meeting held on December 2, 2010. A motion was made and passed to approve the Minutes of the Finance and Audit Committee Meeting held on Thursday, December 2, 2010.

3. Follow-up to Items from Previous Meetings

Committee Chair Maury noted that in response to Trustee requests for follow-up from the December 2, 2010 Committee meeting, an executive summary and subsequent reports were

provided in the Committee agenda packets. He requested that the responses and reports be accepted as written. There were no objections.

4. Action Items

FA1. Approval of the Amendment to the Bylaws of the Florida International University Foundation Inc., as Amended and Restated on the 26th day of January 2011

Senior Vice President for Finance and Administration and Chief Financial Officer Kenneth A. Jessell presented the Approval of the Amendment to the Bylaws of the Florida International University Foundation Inc. for Committee review, noting that on January 26, 2011, the FIU Foundation Inc. Board of Directors approved amendments to the Foundation's Bylaws. He added that the revision to the Bylaws consisted of changing the title of "Executive Director" to "President and CEO" of the Foundation. He further noted that the FIU Board of Trustees must approve any amendments to the FIU Foundation, Inc. Bylaws before their becoming effective.

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., as Amended and Restated on the 26th day of January 2011.

FA2. Authorization for the Issuance of Debt to Finance the Construction of a Student Residence Facility at the University's Modesto A. Maidique Campus

Sr. VP and CFO Jessell presented the Authorization for the Issuance of Debt to Finance the Construction of a Student Residence Facility at the University's Modesto A. Maidique Campus for Committee review, noting that the project would be constructed as a suite-style residence hall with 620 beds and include approximately 300 parking spaces to be available to the residents and some ancillary space to service the residents. He added that the Project is consistent with the University's Campus Master Plan and is expected to have a construction cost of approximately \$45 million. He stated that request from the Board of Governors to the Division of Bond Finance would consist of the issuance of up to \$47,500,000 of fixed rate, revenue bonds to finance the construction of the Project, finance capitalized interest, fund a debt service reserve fund and pay costs of issuing the Bonds.

Trustee Michael M. Adler suggested that Committee Chair Maury analyze opportunities for an inclusive approach for Board leadership that integrates Board members in the development of items that will require Board review and action. Trustee Adler further expressed that Board members are eager to lend their far-reaching knowledge and expertise for the benefit and advancement of the University. Committee Chair Maury advised that Trustee Adler's recommendation will be evaluated and that the resulting review will be discussed at the next regularly scheduled Finance and Audit Committee Meeting.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval, and request the Board of Governors to approve, the

issuance of revenue bonds to finance construction of a student residence facility on the Modesto A. Maidique campus of the University.

FA3. Authorization for the Issuance of Debt to Finance the Construction of Parking Garage 6 at the University's Modesto A. Maidique Campus

Sr. VP and CFO Jessell presented the Authorization for the Issuance of Debt to Finance the Construction of Parking Garage 6 at the University's Modesto A. Maidique Campus for Committee review, noting that the Project would be constructed as a multi-story structure with approximately 2,000 parking spaces. He added that the Project is consistent with the University's Campus Master Plan and that construction costs are expected to be approximately \$37 million. He stated that the request from the Board of Governors to the Division of Bond Finance would consist of the issuance of up to \$33,500,000 of fixed rate, revenue bonds to finance the construction of the Project, finance capitalized interest, fund a debt service reserve fund and pay costs of issuing the Bonds.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval, and request the Board of Governors to approve, the issuance of revenue bonds to finance construction of a parking garage on the Modesto A. Maidique campus of the University.

FA4. Mixed-Use Auxiliary Building

Sr. VP and CFO Jessell presented the construction of a Mixed-Use Auxiliary Building for Committee review, noting that the request did not require Board of Governor's approval as it does not involve the issuance of debt to construct. He noted that the mixed-use building, if approved, would be located on the west side of the FIU Modesto A. Maidique Campus and will combine offices, classrooms, food venues and dining space. He stated that the projected completion date is in 2013, at an approximate cost of \$22,280,000 and will be funded with auxiliary fund balances of the units that will occupy the building.

Trustee Adler suggested the consideration of public-private partnerships when planning on the construction of additional University buildings.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the construction of a mixed-use building on the west side of the FIU Modesto A. Maidique Campus that will combine offices, classrooms, food venues and dining space.

FA5-A Signature Authority – Depositories

Sr. VP and CFO Jessell presented the request for additional banking institutions that may serve as depositories of University funds for Committee review, noting that the action was necessitated in

order to carry out the following international water programs that have each been funded by the U.S. Agency for International Development (USAID):

1. Integrated Natural Resource Management in Watersheds of Georgia (INRMW) with USAID funding of \$6,514,913; and
2. Rwanda Integrated Water Security Program (RIWSP) with USAID funding of \$28 million; and
3. West African Water, Sanitation Hygiene Program (WA-WASH), with USAID funding of \$22 million.

Sr. VP and CFO Jessell added that in order to perform the Programs, local bank accounts must be opened and maintained so that local purchases may be made and payroll met for local employees and consultants. He stated that the banks have been investigated and that access to the bank accounts by local Program staff will be kept to the minimum people necessary to effectively perform the Programs.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the following banking institutions as designated depositories at which University funds may be deposited:

TBC Bank
Tbilisi, Republic of Georgia

Bank of Kigali
Kigali, Rwanda

Societe Generale
Burkina Faso

Bank of Africa -Mali (BoA) (Correspondent Bank to Societe Generale)
Bamako, Mali

Furthermore, the Finance and Audit Committee recommends for Board of Trustees' approval that the University President, the Senior Vice President for Finance and Administration and Chief Financial Officer, and University Treasurer, are each individually authorized to take all actions necessary to open or close bank accounts at any of the designated depositories. Additionally, the following person is also authorized to take all actions necessary to open or close bank accounts in the above-referenced banks: Luis Salas, Associate Vice President for Research.

Committee Chair Maury requested that the appropriate internal controls be put in place prior to the start of international research projects.

FA5-B Signature Authority – Authorization to Sign Checks for Certain Foreign Research Program Accounts

Sr. VP and CFO Jessell presented the Authorization to Sign Checks for Certain Foreign Research Program Accounts for Committee review, noting that the FIU Board of Trustees is updating its official records to reflect University officers and employees authorized to sign checks to pay legal obligations on behalf of the University.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' approval the following officers and employees of the University as authorized to sign checks to pay legal obligations of the University from the designated University depositories related to the following projects: (1) Integrated Natural Resource Management in Watersheds of the Republic of Georgia (INRMW) Program (the "Georgia Program"); (2) Rwanda Integrated Water Security Program (the "Rwanda Program"); and (3) West African Water, Sanitation Hygiene Program (the "West Africa Program"):

Kenneth A. Jessell, Senior Vice President for Finance and Administration
and Chief Financial Officer

Cecilia Hamilton, Associate Vice President and University Controller

Luis Salas, Associate Vice President for Research
(authorized for the Georgia, Rwanda and West Africa Programs)

Mariam Shotadze, Program Director of the Georgia Program,
(authorized only for the Georgia Program)

Eliso Barnovi, Deputy Georgia Program Director
(authorized only for the Georgia Program)

Nino Darchiashvili, Office Administrator for the Georgia Program
(authorized only for the Georgia Program)

Lakhdar Boukerrou, West Africa Program Director
(authorized only for the West Africa Program)

Emeline Bereziat, Deputy West Africa Program Director
(authorized only for the West Africa Program)

Salimata Marico, Mali Program Coordinator for West Africa Program
(authorized only for the West Africa Program)

FA6. Report of Legal Action against T & G Corporation d/b/a and f/k/a T & G Constructors, Inc. and Request for Ratification

General Counsel M. Kristina Raattama presented the Report of Legal Action against T & G Corporation d/b/a and f/k/a T & G Constructors, Inc. and Request for Ratification for Committee review, noting that the University entered into a contract with T & G Corporation d/b/a and f/k/a T&G Constructors (T&G) to construct the FIU Recreation Center located on the Modesto A. Maidique Campus that was completed on or about August 2005. She added that in April/May 2007, the University experienced major water damage and serious water intrusion problems. She further noted that T&G failed to investigate and/or remedy the problems. She stated that the University undertook its own investigation and as a result a number of latent defects in the aluminum framed storefront window, door and curtain wall systems of the Recreation Center as it was constructed by T&G were discovered. She reported that the University undertook extensive efforts to resolve the issues with T&G informally throughout the investigation and remediation process, adding that T&G failed to provide any meaningful response to the University. She further noted that it is currently estimated that the costs, including consultant fees, to address the latent defect issues at the Recreation Center will be between \$700,000 to 750,000, adding that the estimate is subject to change if latent defects are discovered during the remediation process or other unforeseen costs arise.

A motion was made and passed that the FIU Board of Trustees Finance and Audit Committee recommend for Board of Trustees' ratification of the lawsuit filed on February 25, 2011 against the Contractor, T & G Corporation d/b/a and f/k/a T&G Constructors, for breach of contract and latent defects at the FIU Recreation Center located on the Modesto A. Maidique Campus.

5. Discussion Items

5.1 Office of Internal Audit Status Report

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

5.2 Budget Variance Analysis – Second Quarter 2010

Sr. VP and CFO Jessell presented the Budget Variance Analysis for the second quarter of 2010. He provided an update on University revenues and expenditures. In terms of E&G revenues, he noted that the University is experiencing a positive variance of approximately \$29 million (6 percent) due to an increase of non-resident undergraduate enrollment and differential tuition. Also, he added that Auxiliaries 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 10 million (3 percent) mainly due to vacant positions and timing of spending on critical investments and lower utilities. He further noted that student financial aid is above estimates by 16 million with revenues up by 14 million due to timing issues.

5.3 State Budget Update

Sr. VP and CFO Jessell provided the State budget update, indicating that the State projects a general revenue shortfall of approximately 3.6 billion or 16 percent for 2011-2012 if all critical and high priority needs are funded. He reported that a General Revenue Estimating Conference has been scheduled for Friday March 18, noting that it will provide better clarity with regards to State projections. He stated that a summary of the Conference will be provided at the next regularly scheduled Board of Trustees meeting.

6. Reports

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

Committee Chair Maury requested that President Mark B. Rosenberg provide remarks on recent University news and events. President Rosenberg reported on upcoming events, noting that the 10th annual Torch Awards Gala will honor and recognize the most outstanding alumni and members of the FIU faculty for contributions to their fields, the community and their alma mater. He also reported on another upcoming event where FIU experts will form a panel for a Teach-in to discuss the disaster in Japan since an earthquake and subsequent tsunami struck the nation, further noting that the panel will offer their perspectives on the multitude of challenges ahead for the nation.

President Rosenberg provided an update on the accreditation for the Herbert Wertheim College of Medicine at FIU, adding that Preliminary Accreditation status has been awarded and noted that the fourth step in the accreditation process is anticipated in June 2011. He also noted that a six-month study of FIU's athletics program is nearing completion, adding that the self-study that is part of the NCAA Division I re-certification process has been undertaken by several teams of FIU faculty, administrators, students and community leaders.

President Rosenberg discussed the University's ongoing community engagement efforts, noting that Miami-Dade County Public Schools and FIU have formed a taskforce to identify and leverage each organization's strengths for the benefit of students and families throughout Miami-Dade County. He further noted that senior teams meet every three months to review, plan and implement strategies, adding that work groups have been formed to carry out results-oriented initiatives in eight areas, including articulation and pre-collegiate preparation, dual enrollment and clinical internships. He announced that FPL and FIU opened the first-ever student-staffed customer care center, noting that the unique partnership offers local students paid employment and real-life work experience.

7. New Business

Committee Chair Maury noted that as is stipulated in the Finance and Audit Committee Charter, Senior Management is excused from the conversation with the Office of Internal Audit. He announced that it was not obligatory for members of the public to exit the meeting, noting that it

was acceptable for anyone to remain present for the discussion. Members of the Finance and Audit Committee inquired as to adequacy of the Office of Internal Audit's staffing and budget. The Committee confirmed that there are no scope limitations imposed by management that would impair the internal audit work. The Committee also discussed with the Director of Internal Audit, the control risks and the alignment of future internal audit plans and the internal audit resource needed to address those risks.

8. Concluding Remarks and Adjournment

With no other business, Committee Chair Albert Maury adjourned the meeting at 10:14 am.

<i>Trustee Requests</i>	<i>Follow-up</i>	<i>Completion Date</i>
<i>1. Trustee Michael M. Adler suggested that Committee Chair Maury analyze opportunities for an inclusive approach for Board leadership that integrates Board members in the development of items that will require Board review and action. He also, suggested the consideration of public-private partnerships when planning on the construction of additional University buildings.</i>	<i>Office of Finance and Administration</i>	<i>ongoing</i>
<i>2. Committee Chair Maury requested that the appropriate internal controls be put in place prior to the start of international research projects.</i>	<i>Office of Internal Audit</i>	<i>ongoing</i>

MB
4.12.11

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

Finance and Audit Committee

June 20, 2011

Subject: Proposed 2011-2012 University and Direct Support Organizations Operating Budgets

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the FIU 2011-12 University and Direct Support Organizations (DSO) Operating Budgets and authorize the University President to amend the budget consistent with Legislative, Board of Governors' and Board of Trustees' directives and guidelines.

Background Information:

The BOT is required to adopt an annual budget for the general operation of the University prior to submission to the Florida Board of Governors. The FY 2011-12 Proposed Operating Budget for the University is due to the Florida Board of Governors on June 24, 2011.

Authority for the University President to amend the budget is necessary to accommodate changes in circumstances.

The DSOs (FIU Athletics Finance Corp., FIU Foundation, Inc., and FIU Research Foundation, Inc.) and other component units of the University have prepared their annual budgets for review and approval by the BOT, pursuant to Florida Statutes and regulations of the Board of Governors and the University.

The following funding groups are included:

- A. 2011-2012 Budget Overview
- B. Educational and General (E&G)
- C. Auxiliary Enterprises Proposed Budget Allocation
- D. Intercollegiate Athletics Proposed Budget Allocation
- E. Activity and Service Proposed Budget Allocation
- F. Technology Fee Proposed Budget Allocation
- G. Contracts and Grants Proposed Budget Allocation
- H. Student Financial Aid Proposed Budget Allocation
- I. Concessions Proposed Budget Allocation
- J. FIU Athletics Finance Corp
- K. FIU Foundation, Inc.
- L. FIU Health Care Network
- M. FIU Self-Insurance Program
- N. FIU Research Foundation, Inc.
- O. University Treasury Operations
- P. Fixed Capital Outlay

The University President shall keep the BOT informed of any changes in excess of 2% made to the total approved 2011-2012 Operating Budget during the operating year.

Florida Statute 1011.40(2) provides that “each university board of trustees shall adopt an operating budget for the operation of the university as prescribed by law and rules of the Board of Governors.” The University has prepared the proposed 2011-2012 Operating Budget in accordance with the requirements set forth in Florida Board of Governors Regulations 9.007 and 9.011.

Supporting Documentation: 2011-2012 Proposed University and DSO Operating Budgets

Facilitator/Presenter: Kenneth A. Jessell

**Florida International University
Board of Trustees Financial Summary
2011-12 Budget**

	Overview ¹				
	Final Budget ²	Forecast	Forecast vs.	Requested Budget	Forecast vs.
(In millions of dollars)	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Revenue / Receipts					
Operating					
University					
Educational and General (net) ³	\$371.2	\$383.4	\$12.2	\$373.8	(\$9.6)
University	329.2	341.2	12.1	342.2	1.0
College of Medicine	27.6	27.7	0.1	31.6	3.9
State Fiscal Stabilization Fund ⁴	14.5	14.5	0.0	0.0	(14.5)
FIU Self-Insurance Program	0.1	0.2	0.1	0.3	0.1
Auxiliary Enterprises	127.1	142.6	15.5	149.3	6.7
Intercollegiate Athletics	19.4	20.6	1.2	21.1	0.5
Activities and Service	12.4	12.8	0.4	13.4	0.6
Technology Fee	6.6	6.8	0.2	8.3	1.5
Contracts and Grants	92.7	93.3	0.6	89.1	(4.2)
Student Financial Aid	116.1	132.1	16.0	139.8	7.7
Concessions	0.5	0.5	0.0	0.6	0.1
Direct Support Organizations / Component Units					
FIU Athletics Finance Corp	3.4	3.4	0.0	3.6	0.2
FIU Foundation Inc.	24.9	41.6	16.7	28.7	(12.9)
FIU Health Care Network	0.1	0.0	(0.1)	1.1	1.1
FIU Research Foundation Inc.	0.1	0.1	0.0	0.3	0.2
Interfund Adjustments ⁵	(10.2)	(10.2)	0.0	(10.4)	(0.2)
Total Operating Revenues	764.4	827.2	62.8	819.0	(8.2)
Investment					
University (net)	10.5	22.1	11.6	12.3	(9.8)
FIU Foundation Inc.	6.4	22.7	16.3	10.7	(12.0)
Total Investment Revenues	16.9	44.8	27.9	23.0	(21.8)
Student Loans ⁶	192.6	220.8	28.2	260.6	39.8
Total Revenues / Receipts	973.9	1,092.8	118.9	1,102.6	9.8
Expenses					
Operating					
University					
Educational and General	376.7	357.5	(19.2)	384.0	26.5
University	334.6	317.7	(16.9)	353.0	35.3
College of Medicine	27.6	25.3	(2.3)	31.0	5.7
State Fiscal Stabilization Fund ⁴	14.5	14.5	0.0	0.0	(14.5)
FIU Self-Insurance Program	0.1	0.2	0.1	0.3	0.1
Auxiliary Enterprises	111.6	116.6	5.0	132.0	15.4
Intercollegiate Athletics	19.5	19.5	0.0	21.1	1.6
Activities and Service	12.4	11.7	(0.7)	13.5	1.8
Technology Fee	8.1	8.3	0.2	8.5	0.2
Contracts and Grants	92.1	92.6	0.5	86.3	(6.3)
Student Financial Aid	117.5	135.3	17.8	143.0	7.7
Concessions	0.5	0.5	0.0	0.6	0.1
Direct Support Organizations / Component Units					
FIU Athletics Finance Corp	2.3	2.5	0.2	2.4	(0.1)
FIU Foundation Inc.	10.5	14.3	3.8	13.9	(0.4)
FIU Health Care Network	0.1	0.1	0.0	1.2	1.1
FIU Research Foundation Inc.	0.1	0.0	(0.1)	0.0	0.0
Interfund Adjustments ⁵	(10.2)	(10.2)	0.0	(10.4)	(0.2)
Total Operating Expenses	741.3	748.9	7.6	796.4	47.5
Principal Payment of Debt ⁷	8.3	7.6	(0.7)	7.6	0.0
Student Loans ⁶	192.6	220.8	28.2	260.6	39.8
Total Expenses	942.2	977.3	35.1	1,064.6	87.3
Change in Net Assets (incl. Investments)	\$31.7	\$115.5	\$83.8	\$38.0	(\$77.5)
Change in Net Assets (excl. Investments)	\$14.8	\$70.7	\$55.9	\$15.0	(\$55.7)

**Florida International University
Board of Trustees Financial Summary
2011-12 Budget**

Notes:

¹ 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:* Investment results are recognized as revenues in the budget, however GASB accounting principles require that it be recorded as an expense.

² Final Budget FY 2010-11 contains adjustments to Original Budget in FIU Foundation to include a \$1.2M transfer from the General Reserve to the Administrative Reserve to cover budgeted expenses, and FIU Athletics Finance Corp to reclassify a Debt Service Interest (Expense) of \$1.5M originally reported as Principal Payment of Debt.

³ E&G revenues include State Funding and Tuition and are net of waivers (\$21.5M for FY 2011-12), uncollectible amounts and 30% Financial Aid need-based amounts per BOG regulation. \$10.7M of the difference between E&G Revenues and Expenses will be funded from prior years carry forward; the remaining \$0.5M represents positive change in net assets related to the College of Medicine.

⁴ Funding from State Fiscal Stabilization Fund ended in FY 2010-11.

⁵ Interfund adjustments 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.

⁶ As of FY 2006-07 the University no longer budgets student loans since it represents a pass through for the university.

⁷ Principal payment of debt is reflected above per BOG requirement that debt service payments be shown on a cash basis.

Florida International University
Financial Summary
2011-12 E&G Revenue Growth

	General Revenue	Educational Enhancement (Lottery)	Total State Funding ¹	Student Fee (net)	State Fiscal Stabil. Fund	Total
<i>(In thousands of dollars)</i>						
<u>I. University (ex-Legislative Items: Risk Management & Financial Aid)</u>						
2010 - 11 Adjusted Base Budget	\$159,656	\$24,187	\$183,843	\$146,348	\$13,636	\$343,827
Agency Payall Elim., Health & Life Insurance Adj.	792		792			792
Non-Recurring / Discretionary (Stimulus)	(2,497)		(2,497)			(2,497)
2010 - 11 Adjusted Recurring Base Budget	\$157,951	\$24,187	\$182,139	\$146,348	\$13,636	\$342,122
2011 - 12 Incremental Changes						
• Tuition ²				27,171		
• Infrastructure: Phased - In Space	834		834			834
• Employee Compensation & Benefits	607		607			607
• Legislative Line Items						
Florida Retirement System Adjustment ³	(5,676)		(5,676)			(5,676)
Reduction of State Funding for Salaries of Presidents & Administrative Employees	(373)		(373)			(373)
• Budget Reduction	(17,732)		(17,732)		(13,636)	(31,367)
• Restoration of non-recurring	3,612	2,764	6,376			6,376
Total Incremental Changes	(18,728)	2,764	(15,964)	27,171	(13,636)	(2,428)
2011 - 12 Base Budget	\$139,224	\$26,951	\$166,174	\$173,520	\$0	\$339,694

II. University (Legislative Items: Risk Management & Financial Aid)

2010 - 11 Adjusted Base Budget	\$2,679		\$2,679			\$2,679
Technical Adjustments - Casualty Insurance Prem.	596		596			596
2010 - 11 Adjusted Recurring Base Budget	\$3,276		\$3,276			\$3,276
2011 - 12 Incremental Changes						
• Legislative Line Items						
Transfer to Florida Student Assistance Grant	(541)		(541)			(541)
Align Student Fin Aid Appropriation with Revenue	(191)		(191)			(191)
Total Incremental Changes	(731)		(731)			(731)
2011 - 12 Base Budget	\$2,544		\$2,544			\$2,544

I. & II. University

2010 - 11 Adjusted Base Budget	\$162,336	\$24,187	\$186,523	\$146,348	\$13,636	\$346,507
Adjustments to Base Budget	(\$1,109)		(\$1,109)			(\$1,109)
2010 - 11 Adjusted Recurring Base Budget	\$161,227	\$24,187	\$185,414	\$146,348	\$13,636	\$345,398
Total Incremental Changes	(\$19,459)	\$2,764	(\$16,696)	\$27,171	(\$13,636)	(\$3,160)
2011 - 12 Base Budget	\$141,768	\$26,951	\$168,719	\$173,520	\$0	\$342,238

III. College of Medicine

2010 - 11 Adjusted Base Budget	\$25,173		\$25,173	\$2,379	\$859	\$28,411
Agency Payall Elim., Health & Life Insurance Adj.	37		\$37			37
Non-Recurring / Discretionary (Stimulus)	(1,000)		(\$1,000)			(1,000)
2010 - 11 Adjusted Recurring Base Budget	\$24,210		\$24,210	\$2,379	\$859	\$27,448
2011 - 12 Incremental Changes						
• Tuition ²				2,921		
• Employee Compensation & Benefits	28		28			28
• Legislative Line Item						
Medical School Phase-in of Students	2,055		2,055			2,055
Florida Retirement System Adjustment ³						
• Budget Reduction					(859)	(859)
Total Incremental Changes	2,083		2,083	2,921	(859)	4,144
2011 - 12 Base Budget	\$26,293		\$26,293	\$5,299	\$0	\$31,592

¹ At the time of this report, the amounts reported as state appropriations were based on the appropriations bill approved by the legislature (HB 5001). The bill is still pending to be signed by the Governor.

² Tuition revenues are net of waivers (\$21.5M for FY 2011-12), uncollectible amounts and 30% Financial Aid need based amounts per BOG regulation.

³ Florida Retirement System adjustment is being held centrally in the University; distribution to the College of Medicine will be considered with the next pooled fringe benefit rate update (FY 2012-13).

Florida International University
Financial Summary
E&G Summary

	Final Budget ¹	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In millions of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Revenues ²					
General Revenues - University ²	\$160.1	\$162.4	\$2.3	\$141.8	(\$20.7)
General Revenues - Legislative Line Item	2.3	2.3	0.0	0.0	(2.3)
General Revenues - College of Medicine	25.2	25.2	0.0	26.3	1.1
Educational Enhancement (Lottery) ²	24.2	24.2	(0.0)	27.0	2.8
State Fiscal Stabilization Fund	14.5	14.5	0.0	0.0	(14.5)
 Tuition	 152.1	 159.0	 6.9	 182.5	 23.5
Tuition College of Medicine	2.4	2.5	0.1	5.3	2.8
Financial Aid (30%)	(5.7)	(6.7)	(1.0)	(9.0)	(2.3)
Net tuition ³	148.7	154.8	6.1	178.8	24.0
 State Appropriations Contingency	 (3.7)	 0.0	 3.7	 0.0	 0.0
Total Revenue Available	\$371.2	\$383.4	\$12.1	\$373.8	(\$9.5)
Expenditures					
University	334.6	317.7	(16.9)	353.0	35.3
College of Medicine	27.6	25.3	(2.3)	31.0	5.7
Total Expenditures	362.1	343.0	(19.2)	384.0	41.0
 State Fiscal Stabilization Fund	 14.5	 14.5	 0.0	 0.0	 (14.5)
Total Operating Expenses	\$376.7	\$357.5	(\$19.2)	\$384.0	\$26.5
 Net Assets	 (\$5.4)	 \$25.9	 \$31.3	 (\$10.2)	 (\$36.0)
GAP Mitigation					
Carry forward	5.4	0.0	(5.4)	10.7	10.7
Net GAP after Non-recurring funds	(\$0.0)	\$25.9	\$25.9	\$0.6	(\$25.3)

Notes:

¹ The amounts reported as state appropriations are based on the appropriations bill approved by the legislature (HB 5001). The bill is still pending to be signed by the Governor.

² Total FY 2011-12 General Revenue and Lotto base reduction, excluding College of Medicine, is (\$17.7M). This was slightly offset by the following adjustments: additional non-recurring add back of \$6.4M, passthroughs e.g. PO&M of \$0.8M, Employee Compensation & Benefit Adjustments for Health and Life Insurance \$0.6M, reduction in Retirement due to pension reform -\$5.7M and decrease in state funded salaries -\$0.4M.

³ Tuition net of waivers (\$21.5M for FY 2011-12), uncollectible amounts and 30% need based Financial Aid per BOG recommendations.

Florida International University
Financial Summary
E&G Summary

(In millions of dollars)

Carry Forward ¹

FY 2010 - 11 Beginning Balance	\$86.7
Expenditure Forecast 2010-11	(21.8)
Ongoing Commitments:	(30.1)
• Legislatively Earmarked Funds	(6.9)
• Minor Construction & Repairs	(0.3)
• Information Technology Projects	(2.2)
• Faculty / Instructional Cost Requirements	(1.0)
• Other Commitments	(2.2)
• Critical Investments - Construction projects	(14.0)
• Critical Investments - Others	(3.6)
FY 2010-11 Statutory Reserve (5%)	(16.7)
FY 2010 - 11 Balance after Commitments	\$18.1
Estimated Unused FY 2010-11 Current Year Funds	5.0
FY 2010 - 11 Estimated Ending Balance	\$23.1
FY 2011-12 Commitments:	(14.2)
• FY 2011-12 E&G Funding GAP	(10.7)
• Institutional Reserve Contingency	(3.5)
FY 2011 - 12 Available Balance	\$8.9

Notes:

¹ The Carry Forward information presented above includes university centrally controlled funds and excludes departmentally allocated funds.

Florida International University
Financial Summary
Total Auxiliary Enterprises

<i>(In thousands of dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
Operating Revenues ¹	127,064	142,649	15,584	149,257	6,609
<u>Expenditures</u>					
Salaries and Benefits	42,750	42,625	(126)	53,567	10,942
OPS	14,236	14,186	(50)	15,776	1,590
Expense	46,094	48,754	2,660	52,843	4,089
OCO	2,608	5,150	2,543	4,248	(902)
Debt Service Interest	5,906	5,886	(20)	5,606	(280)
Total Operating Expenses	111,594	116,601	5,007	132,040	15,439
Net Operating Income	15,470	26,048	10,578	17,217	(8,830)
Investment Revenues	169	116	(53)	118	2
Principal Payment of Debt	(7,141)	(7,048)	93	(7,004)	44
Operational Transfers	-	(0)	(0)	(0)	0
Change in Net Assets	8,498	19,116	10,618	10,331	(8,785)
<u>Fund Balance</u>					
Beginning Fund Balance	100,767	111,433		118,172	
Change in Net Assets	8,498	19,116		10,331	
Capital Expenditures	(11,726)	(14,649)		(5,736)	
Third Party Transfers	0	(40)		500	
Institutional Transfers	605	2,313		(65)	
Ending Fund Balance	\$98,143	\$118,172		\$123,202	

Notes

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

¹ A&S Transfers to Student Centers (PCS 72), Extracurricular activities (PCS 87) and Children's Center (PCS 76) have been reclassified to revenues.

Financial Highlights

FY 2010-11 revenues are higher than budgeted due primarily to growth in academic revenues for Online and College of Business programs. Other increases in revenue relate to the downstream effect of continued enrollment growth, including greater revenue from business services units, higher housing occupancy, and more services provided by internal auxiliary units to support growth.

Revenue increases in FY 2011-12 continue to be driven primarily by growth in academic programs. As a result, expenses are projected to increase primarily from the academic auxiliaries. The shifting of programs to market rate programs also adds revenue previously classified as E&G, but this revenue is off-set by corresponding expenses planned to be paid out of auxiliaries. As enrollment fee revenue increases, operating expenses for Housing, Parking, the Student Health Center, and other auxiliaries are expected to increase as well.

Capital expenditures represent the remaining expenses for Parking Garage V as well as new initiatives by Business Services.

**Florida International University
Financial Summary
Academic Auxiliaries**

<i>(In thousands of dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
Operating Revenues	\$45,313	\$54,973	\$9,660	\$59,164	\$4,191
<u>Expenditures</u>					
Salaries and Benefits	17,209	17,680	472	22,937	5,257
OPS	9,543	9,332	(211)	10,137	805
Expense	18,285	18,520	234	21,129	2,610
OCO	364	869	505	998	129
Debt Service Interest	-	-	-	-	-
Total Operating Expenses	45,401	46,401	1,000	55,201	8,800
Net Operating Income	(89)	8,571	8,660	3,962	(4,609)
Investment Revenues	28	24	(4)	25	1
Principal Payment of Debt	-	-	-	-	-
Operational Transfers	617	597	(20)	782	186
Change in Net Assets	556	9,192	8,636	4,770	(4,423)

Fund Balance

Beginning Fund balance	38,245	38,370		47,509	
Change in Net Assets	556	9,192		4,770	
Capital Expenditures	-	-		-	
Third Party Transfers	-	-		-	
Institutional Transfers	100	(52)		-	
Total Fund Balance	\$38,900	\$47,509		\$52,279	

Financial Highlights

Academic Auxiliary programs are comprised primarily of market rate programs, web based courses, conferences, labs, recharge centers and distance learning programs. The revenues generated serve to support the actual programs and their growth.

During FY 2010-11, continued growth in the College of Business' established programs contributed an additional \$5.4M in revenues of which \$1.3M is due to growth in the Corporate MBA program. The College of Business also introduced a new program (Health Care Management MBA) which generated \$1.2M in incremental revenues. Additional course offerings and instances of enrollment in FIU Online generated additional \$2.4M of revenue for the year.

Operating expenses have generally increased to support the significant growth in academic units. Operating capital outlay has increased due to unplanned investments in College of Business, College of Nursing and Health Sciences and FIU Online.

In FY 2011-12, additional program revenue of \$3.0M is expected from the College of Business due to moving existing tuition-plus programs to market rate programs, as well as having the full year effect of the Health Care Management MBA. Additional revenue is also expected from the College of Arts and Sciences due to the new Master in Global Governance program starting in Fall 2011 and continued growth in other academic units, offset in part by the reduction of the online fee from \$199 to \$174 starting in Fall 2011.

Salaries are projected to increase by \$2.3M in the College of Business and FIU Online as a result of new personnel needed to support the expected increase in course offerings. Increased use of student assistants and administrative resources to support programs also results in higher personnel costs, in addition to the increase in fringe benefit costs. Operating expenses are increasing in order to support growth in academic auxiliaries along with properly aligning expenses to these auxiliary businesses.

During FY 2010-11, FIU's Board of Trustees approved the construction of a new 84,000 square feet mixed-use building mainly to house FIU Online and College of Business programs, which will require an estimated \$15.0M cash contribution from existing academic auxiliary reserves in FY 2012-13.

**Florida International University
Financial Summary
Housing**

<i>(In thousands of dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
Operating Revenues	\$23,288	25,099	\$1,811	24,987	(\$112)
<u>Expenditures</u>					
Salaries and Benefits	3,638	3,578	(61)	4,061	484
OPS	1,141	1,019	(122)	1,100	81
Expense	9,476	9,801	326	10,341	539
OCO	75	184	109	75	(109)
Debt Service Interest	3,542	3,542	(0)	3,364	(178)
Total Operating Expenses	17,872	18,124	252	18,941	817
Net Operating Income	5,416	6,975	1,559	6,046	(929)
Investment Revenues	34	24	(10)	24	0
Principal Payment of Debt	(3,786)	(3,786)	-	(3,765)	21
Operational Transfers	-	34	34	34	0
Change in Net Assets	1,664	3,248	1,584	2,340	(908)

Fund Balance

Beginning Fund balance	15,211	15,521		18,691	
Change in Net Assets	1,664	3,248		2,340	
Capital Expenditures	(1,079)	(77)		(1,550)	
Third Party Transfers	-	-		-	
Institutional Transfers	-	(0)		-	
Total Fund Balance	\$15,796	\$18,691		\$19,481	

Financial Highlights

The Housing Auxiliary generates revenues in the form of rental income from students seeking housing facilities on campus and from summer conference housing.

Occupancies in FY 2010-11 averaged 98% at the Modesto Maidique Campus (MMC) and 83% at the Biscayne Bay campus (BBC). The aggregate FY 2010-11 blended occupancy rate was 96% compared to a budget of 92%, resulting in higher revenues. Operating expense variances were mostly attributable to higher meal plan expenses due to higher than expected occupancy rates, offset by lower than budgeted utility costs.

Expected occupancy in FY 2011-12 is projected at 98% at MMC and 82% at BBC, resulting in an expected blended occupancy rate of 95%. The slightly lower budgeted occupancy is due to projected vacancies of several rooms being renovated during the year. This decrease is mostly offset by increases in the meal plan rate to cover expected increases in food costs.

Higher operating costs are expected to result from additional custodial services, higher meal plan expenses, replacing old furnishings, and budgeting an increase in utilities expense. Capital expenditures in FY 2011-12 represent investments in building improvements required at University Park Apartments, Everglades and Panther Halls as well as expansion of the Housing Office.

Housing continues to have sufficient operating revenues to cover the debt service payment and meet required debt service ratios. The fund balance is held as a reserve for major repairs and capital replacement, and for future expansion of Housing facilities. During FY 2010-11, FIU's Board of Trustees approved the construction of a new 620 bed hall at the MMC campus, which will require an estimated \$5.0M cash contribution from existing housing reserves in FY 2012-13.

Florida International University
Financial Summary
Parking and Transportation

<i>(In thousands of dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
Operating Revenues	\$12,067	\$11,679	(\$389)	\$12,837	\$1,158
<u>Expenditures</u>					
Salaries and Benefits	2,088	2,155	67	2,275	120
OPS	339	420	81	679	259
Expense	3,298	3,451	154	3,848	397
OCO	129	116	(12)	80	(36)
Debt Service Interest	2,316	2,296	(20)	2,222	(74)
Total Operating Expenses	8,169	8,438	269	9,104	666
Net Operating Income	3,899	3,241	(658)	3,733	492
Investment Revenues	25	14	(11)	13	(1)
Principal Payment of Debt	(2,615)	(2,615)	-	(2,710)	(95)
Operational Transfers	-	90	90	165	76
Change in Net Assets	1,309	730	(579)	1,202	472
<u>Fund Balance</u>					
Beginning Fund balance	13,612	13,270		9,001	
Change in Net Assets	1,309	730		1,202	
Capital Expenditures	(5,530)	(5,218)		(2,000)	
Third Party Transfers	-	-		-	
Institutional Transfers	25	220		-	
Total Fund Balance	\$9,416	\$9,001		\$8,203	

Financial Highlights

The Parking and Transportation auxiliary operating revenues are primarily generated from parking decals and fees charged to students, faculty, staff and visitors. There are currently 5 garages and 53 parking lots in operation totaling 14,685 parking spaces. In addition, this auxiliary also services all vehicles owned by the University.

Operations for Parking Garage V Market Station (PGV) began in Fall 2010, providing an additional 2,000 spaces, offers 30,000 sq ft of retail space, 3 large capacity classrooms and houses the Public Safety and Parking and Transportation department offices.

In FY 2010-11, less citations issued upon the opening of PGV resulted in lower than expected revenues.

Operating revenues are projected to be higher in FY 2011-12 due to an increase in parking fee revenue resulting from expected enrollment growth, an increase in the fee charged for student shuttle services, increase in rent revenue from leasing previously occupied office space to other units in the University, and an increase in event revenue. Higher operating expenses are mostly due to maintenance required for the new parking garage and additional compliance support personnel.

Parking continues to have sufficient operating revenues to cover the debt service payment and meet required debt service ratios. The fund balance is held as a reserve for major repairs and capital replacement, and for future expansion of parking facilities. During FY 2010-11, FIU's Board of Trustees approved the construction of a new 2,000 space parking garage at the MMC campus, which will require an estimated \$4.5M cash contribution from existing parking and transportation reserves in both FY 2012-13 and FY 2013-14.

**Florida International University
Financial Summary
Student Health Services**

<i>(In thousands of dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
Operating Revenues	\$9,248	\$9,324	\$75	\$9,685	\$361
<u>Expenditures</u>					
Salaries and Benefits	5,698	5,056	(641)	6,340	1,284
OPS	1,030	893	(137)	1,072	179
Expense	1,765	1,815	50	2,036	222
OCO	215	549	334	115	(433)
Debt Service Interest	-	-	-	-	0
Total Operating Expenses	8,707	8,313	(395)	9,564	1,251
Net Operating Income	541	1,011	470	121	(889)
Investment Revenues	-	-	-	-	-
Principal Payment of Debt	-	-	-	-	-
Operational Transfers	-	-	-	-	-
Change in Net Assets	541	1,011	470	121	(889)

Fund Balance

Beginning Fund balance	3,379	3,455		4,466	
Change in Net Assets	541	1,011		121	
Capital Expenditures	-	-		-	
Third Party Transfers	-	-		-	
Institutional Transfers	-	-		-	
Total Fund Balance	\$3,920	\$4,466		\$4,587	

Financial Highlights

The Student Health Centers at MMC and BBC provide health, wellness, and mental health care services to students, who fund the operations through a health fee paid each semester. Services provided at no additional cost include routine medical exams, certain screenings, medical education and counseling. Other clinical services, such as laboratory tests, immunization and pharmacy, are available for a nominal fee.

Operating revenues for FY 2010-11 are virtually flat vs. original budget with the exception of a slight increase in the health fee revenue attributed to additional enrollment growth. Savings in operating expenses are due to unfilled positions. There is an increase in spending on operating capital outlay due to certain upgrades and improvements to the Health Center.

Health fee revenues for FY 2011-12 are increasing due to enrollment growth; operating expenses are increasing due to all vacant positions that will be filled, new positions needed in order to expand operating hours at the MMC center and the fringe benefit increase.

Florida International University
Financial Summary
Other Auxiliaries

<i>(In thousands of dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
Operating Revenues	\$37,148	\$41,574	\$4,426	\$42,585	\$1,011
<u>Expenditures</u>					
Salaries and Benefits	14,118	14,156	38	17,953	3,798
OPS	2,182	2,521	339	2,788	267
Expense	13,270	15,167	1,897	15,489	321
OCO	1,825	3,432	1,607	2,979	(453)
Debt Service Interest	49	48	(0)	20	(28)
Total Operating Expenses	31,445	35,325	3,880	39,230	3,905
Net Operating Income	5,703	6,249	546	3,355	(2,894)
Investment Revenues	82	54	(28)	55	1
Principal Payment of Debt	(740)	(647)	93	(529)	118
Operational Transfers	(617)	(721)	(104)	(982)	(262)
Change in Net Assets	4,428	4,935	507	1,899	(3,036)
<u>Fund Balance</u>					
Beginning Fund balance	30,321	40,817		38,505	
Change in Net Assets	4,428	4,935		1,899	
Capital Expenditures	(5,118)	(9,353)		(2,186)	
Third Party Transfers	-	(40)		500	
Institutional Transfers	480	2,145		(65)	
Total Fund Balance	\$30,111	\$38,505		\$38,652	

Financial Highlights

Other auxiliaries include the remaining activities which have revenues essentially derived from the following:

- Commission and rental earnings from food service, bookstore and retail operations managed by the office of Business Services
- Support from the student activity and service (A&S) fee for student and recreational centers
- Interdepartmental services such as duplicating, information technology and telecom, construction service reimbursement charges and the auxiliary management fee
- Other auxiliary enterprises support marketing and sponsorship activities, such as the operations of the South Beach Wine and Food Festival, along with alumni activities and miscellaneous university-wide initiatives
- University support for a component unit (Health Care Network)

Revenues in FY 2010-11 were higher than expected from business service and self-supporting internal units. Food services and bookstore increases were driven by higher enrollment and new offerings. More services were provided by self-supporting units such as University Technology Services (UTS) and construction project management for infrastructure projects, resulting in higher revenues. South Beach Wine and Food Festival also contributed to the increase in revenue.

Variance in expenses for FY 2010-11 are a result of increased marketing costs for the South Beach Wine and Food Festival due to their 10th year anniversary, unbudgeted expenses in UTS related to unplanned housing wireless installations, information technology installations at the newly leased space by College of Business in downtown Miami, and an unbudgeted software and hardware upgrade for the debit card office. The increase in operating capital outlay cost is mostly driven by the Health Care Network facility buildout.

Capital expenditures include construction expenses related to PGV and other various construction projects being funded by Business Services and Student Affairs.

Revenues for FY 2011-12 are planned to increase as UTS will be providing information technology services on the new Graduate and Research Complex building, as well as additional revenue in auxiliary management fees caused by increased expenses in auxiliaries. The management fee funds the pro-rata share of university-wide services indirectly benefiting auxiliary businesses (such as functions performed by legal, finance, human resources, etc) along with funding special non-recurring projects (such as upgrading enterprise resource planning systems). FIU auxiliary management fees continues to be in line with the state university system.

Salaries and benefits expenses in FY 2011-12 are expected to increase due to new positions being funded by UTS, new administrative and operating salaries for the Health Care Network, additional expenses in the construction project management auxiliary and the fringe benefit increase.

**Florida International University
Financial Summary
Intercollegiate Athletics**

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$19,406	\$20,646	\$1,241	\$21,128	\$482
<u>Expenditures</u>					
Salaries and Benefits	7,276	7,136	(140)	7,715	580
OPS	527	512	(15)	520	8
Expense	6,760	7,241	481	7,734	493
Scholarships	4,951	4,577	(374)	5,082	504
OCO	10	15	5	54	39
Total Operating Expenses	19,525	19,482	(43)	21,105	1,624
Net Operating Income	(119)	1,165	1,284	23	(1,142)
			0		
Investment Revenues	0	2	2	2	(0)
Operational Transfers	1,900	1,900	-	1,400	(500)
			0		
Change in Net Assets	1,781	3,067	1,286	1,425	(1,642)
<u>Fund Balance</u>					
Beginning Fund Balance	1,013	205		809	
Change in Net Assets	1,781	3,067		1,425	
Capital Expenditures	-	(1,269)		(150)	
Institutional Transfers	(1,290)	(1,194)		(1,290)	
Total Fund Balance	\$1,504	\$809		\$794	

Financial Highlights

Intercollegiate Athletics is the functional area of the University responsible for team sports and their support activities. The Athletics Stadium operations and its associated bonds are reflected in the Athletics Finance Corp., a Direct Support Organization (DSO) within FIU.

FY 2010-11 ends favorable to budget, primarily due to increased revenues in student athletic fees, bowl revenue, game guarantees and NCAA distributions. Expense savings are driven primarily in scholarships due to some student-athletes receiving tuition grants offset by higher than expected insurance and operating costs.

In FY 2011-12, revenues are projected to increase due to a combination of a 3% increase of the per-credit athletic fee and higher enrollment. This is offset by a reduction in game guarantees caused by playing one less away game next football season. Expenses are increasing 8%, due to higher salaries for coaching and management positions resulting from contractual obligations, higher expected game guarantees expense and higher game management expenses. Increase in scholarships is a result of higher tuition.

Institutional Transfers primarily consist of payments to the Athletics Finance Corporation of pledged revenues applied towards the payment of Stadium debt service payments. Capital expenditures in FY 2010-11 consist of new scoreboards for the U.S. Century Bank Arena and the Baseball Stadium.

In FY 2010-11, Treasury Operations entered into a working capital agreement with Athletics in which four annual disbursements will be made totaling \$5.0M. The first and second disbursements will be made in June 2011 and June 2012 in the amounts of \$1.9M and \$1.4M respectively.

Florida International University
Financial Summary
Activity and Service

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
(In thousands of dollars)	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$12,393	\$12,816	\$424	\$13,436	\$619
Expenditures					
Salaries and Benefits	1,924	1,808	(116)	2,074	266
OPS	867	723	(144)	834	111
Expense	9,641	9,144	(497)	10,608	1,464
OCO	10	38	29	1	(37)
Total Operating Expenses	12,442	11,713	(729)	13,517	1,804
Net Operating Income	(50)	1,103	1,153	(82)	(1,185)
Investment Revenues	-	-	-	-	-
Change in Net Assets	(50)	1,103	1,153	(82)	(1,185)
Fund Balance					
Beginning Fund Balance	10,187	8,114		9,054	
Institutional Transfers	30	(163)		55	
Change in Net Assets	(50)	1,103		(82)	
Total Fund Balance	\$10,167	\$9,054		\$9,027	

Financial Highlights

The Activity and Service Fee fund is the student life component of the University which supports clubs, organizations, student centers and recreational sports for all campuses. The purpose of this activity is to enhance and balance the academic experience with social real world interactions amongst students.

The principle funding source for this activity fee is a per credit hour fee charged to all students. The FY 2011-12 fee was calculated on a per credit hour fee of \$11.60. 74% of the budget supports student programs and infrastructure such as the Recreation Center, Graham Center and Wolfe Center, with the remaining 26% supporting student activities and student services groups.

Expense savings in FY 2010-11 are driven primarily by conservative SGA operational expenditures.

In FY 2011-12, the projected revenue increase is driven by increased enrollment. The increase in expenditures is due to planned increase in student center infrastructure investments.

**Florida International University
Financial Summary
Technology Fee**

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$6,640	\$6,808	\$168	\$8,267	\$1,459
Expenditures					
Salaries and Benefits	1,463	715	(749)	751	36
OPS	365	528	162	902	375
Expense	3,670	4,529	859	4,263	(266)
OCO	2,612	2,480	(132)	2,593	114
Total Operating Expenses	8,110	8,251	141	8,509	258
Net Operating Income	(1,470)	(1,443)	28	(242)	1,201
Investment Revenues	-	-	-	-	-
Change in Net Assets	(1,470)	(1,443)	28	(242)	1,201
Fund Balance					
Beginning Fund Balance	1,470	2,284		396	
Change in Net Assets	(1,470)	(1,443)		(242)	
Capital Expenditures	-	(445)		-	
Institutional Transfers	-	-		-	
Total Fund Balance	\$0	\$396		\$155	

Financial Highlights

The Technology Fee fund monitors the revenues and resulting expenses related to the Technology Fee. The fee revenues are used to enhance instructional technology resources for students and faculty. Project proposals are reviewed by the Technology Fee Committee which makes investment recommendations to the President for final approval. The Committee is composed of 12 members (6 students & 6 Faculty / Staff) from across the University.

Current projects include renovation of classrooms with up-to-date audio visual equipment, investments in course capturing technologies, Adobe Connect for virtual tutoring and advising and a computer lab in Pines Center.

Increases in the technology fee revenues are driven by increases in the technology fee (5% of base tuition) and enrollment growth. Projected increases in expenditures are due to higher revenues and a reduction of the FY 2010-11 Carry Forward Balance.

**Florida International University
Financial Summary
Total Contracts and Grants**

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$92,709	\$93,287	\$578	\$89,081	(\$4,205)
<u>Expenditures</u>					
Salaries and Benefits	31,463	36,192	4,729	35,900	(292)
OPS	15,650	15,893	242	14,953	(940)
Expense	41,455	36,911	(4,544)	31,893	(5,018)
OCO	3,560	3,632	72	3,587	(45)
Total Operating Expenses	92,129	92,627	499	86,333	(6,295)
Net Operating Income	580	660	79	2,749	2,089
Investment Revenues	-	-	-	-	-
Change in Net Assets	580	660	79	2,749	2,089
<u>Fund Balance</u>					
Beginning Fund Balance	(7,538)	(1,280)		(2,914)	
Change in Net Assets	580	660		2,749	
Institutional Transfers	(500)	(2,293)		-	
Total Fund Balance	(\$7,458)	(\$2,914)		(\$165)	

Financial Highlights

Total Contracts and Grants includes funding of contracts and grants in support of research, public service and training, and payments from Jackson Health System for non-research related FIU physicians at their North Miami facility. Contracts and Grants revenues are derived from Federal, State, Local and Private sources to support the sponsored programs of the University. These funds are restricted to the specific purpose for which they are awarded. The total grant allocated is comprised of Direct Costs and Facility and administrative Costs. Direct Costs are those costs directly related to research projects such as salaries and benefits of researchers and supplies while facility and administrative costs represent the University's overhead such as administrative support, utilities, etc.

The federally negotiated facility and administrative (F&A) cost reimbursement rate is currently 45%. The University will be submitting a new proposal in late 2011 and it is anticipated the rate will increase. Since not all sponsors reimburse at the federally negotiated rate, the awarded actual recovery rate is currently at 21%. For FY 2011-12 the actual recovery rate is expected to rise to 23%.

Research-related Contracts and Grants actual revenue for FY 2010-11 is made up of a shortfall in federal awards and Local & Other grants due to the national economic climate offset by a better than budgeted performance in State award funding. Budgeted revenues are lower than forecast by \$4.2M due to expiration of ARRA awards and the depressed national economic environment is expected to continue through FY 2011-2012 accounting for \$2.8M, unbudgeted cash-based external contracts of \$1.0M and lower revenues on Jackson contracts of \$0.2M.

The fund balance includes the \$4.4M loan from the Auxiliary Trust Fund less any payments made. At the end of FY 2010-11 the outstanding principal will be \$1.9M

Florida International University
Financial Summary
Division of Research (DoR) ¹
Indirect Costs (Overhead)

	Final Budget 2	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$15,000	\$15,062	\$62	\$15,125	\$63
<u>Expenditures</u>					
Salaries and Benefits	4,972	4,252	(720)	6,121	1,869
OPS	116	136	20	168	32
Expense	4,391	4,837	446	2,562	(2,276)
IDC return to departments	4,962	4,652	(310)	3,550	(1,102)
OCO	59	72	13	42	(30)
Total Operating Expenses	14,500	13,949	(551)	12,443	(1,507)
Net Operating Income	500	1,113	613	2,682	1,570
Investment Revenues	-	-	-	-	-
Change in Net Assets	500	1,113	613	2,682	1,570
<u>Fund Balance</u>					
Beginning Fund Balance	(2,602)	(1,462)		(350)	
Change in Net Assets	500	1,113		2,682	
Institutional Transfers	(500)				
Total Fund Balance	(\$2,602)	(\$350)		\$2,333	

¹ The amounts for Division of Research are reflected in Total Contracts and Grants.

Financial Highlights

Revenues for the Division of Research administration are directly related to the university's research expenditures and the associated facility and administrative cost rates. Facility and administrative costs derived from sponsored projects supports the administrative costs of Sponsored Research and provides funding to deans, department chairs and faculty in support of research.

The federally negotiated facility and administrative cost reimbursement rate is currently 45%. The University will be submitting a new proposal in late 2011 and it is anticipated the rate will increase. Since not all sponsors reimburse at the federally negotiated rate, the awarded actual recovery rate is currently at 21%. For FY 2011-12 the actual recovery rate is expected to rise to 23%.

The general operating expenses for DoR are budgeted lower in FY 2011-12. The Division of Research currently uses 9% of the F&A return to support administrative offices of the University including positions in the Controller's Office, EH&S, Human Resources, Audit and the University Graduate School.

Net Operating income reflects a planned reserve to be used for future construction.

Florida International University
Financial Summary
Total Student Financial Aid

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
(In thousands of dollars)	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$116,114	\$132,084	\$15,970	\$139,787	\$7,703
<u>Expenditures</u>					
Salaries and Benefits	1,573	1,557	(16)	1,623	67
OPS	1,265	1,079	(187)	1,147	69
Expense	114,630	132,683	18,053	140,241	7,557
OCO	-	4	4	-	(4)
Total Operating Expenses	117,468	135,323	17,854	143,011	7,689
Net Operating Income	(1,355)	(3,238)	(1,884)	(3,224)	14
Investment Revenues	56	42	(14)	36	(6)
Change in Net Assets	(1,298)	(3,196)	(1,898)	(3,188)	8
<u>Fund Balance</u>					
Beginning Fund Balance	10,513	13,413		10,216	
Change in Net Assets	(1,298)	(3,196)		(3,188)	
Total Fund Balance	\$9,214	10,216		\$7,029	

Financial Highlights

The FY 2011-12 budget increase vs. forecast is mostly due to the projected increase in Pell Grants \$9.9M and Bright Futures \$1.6M, offset by two Federal Grants which will be ending in FY 2010-11 (national SMART and Academic Competitiveness Grant (ACG)).

FY 2011-12 projected revenue increases are mainly driven by higher student eligibility in Pell Grants and Bright Futures, \$11.5M and increased Institutional Aid mostly due to higher tuition differential increases, \$2.2M. These increases will be somewhat offset by a decrease in general revenue financial aid appropriation allocation (\$0.7M) and the closure of the National Smart (\$2.5M) and ACG (\$1.5M) programs.

Expenses are higher than forecast mainly due to Pell Grants, Bright Futures, Institutional Grants and the projected spend down of the institutional fund balance. OPS expense includes "authorized" Work Study and administrative expenses.

The fund balances at year-end are carried forward to fund need-based and merit type scholarships in future years. A five-year plan has been prepared to manage the spend down of the fund balance.

Financial Aid Student Loans

Based on Board of Governors guidelines, the University does not budget for student loans since the University acts as an agent with respect to these funds. The FY 2011-12 Student Loans are projected to increase from \$220.8M to \$260.6M.

**Florida International University
Financial Summary
Institutional Financial Aid ¹**

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Total Revenues	\$17,523	\$19,376	\$1,853	\$20,875	\$1,499
<u>Expenditures</u>					
Expense	18,526	20,181	1,655	23,825	3,644
Total Operating Expenses	18,526	20,181	1,655	23,825	3,644
Net Operating Income	(1,002)	(805)	198	(2,950)	(2,146)
Investment Revenues	56	42	(14)	36	(6)
Change in Net Assets	(946)	(763)	184	(2,914)	(2,151)

Fund Balance

Beginning Fund Balance	7,220	10,725		9,962	
Change in Net Assets	(946)	(763)		(2,914)	
Total Fund Balance	\$6,273	\$9,962		\$7,048	

¹ The Institutional Financial Aid amounts are reflected in the Student Financial Aid totals.

Financial Highlights

Institutional revenues are derived from Financial Aid Fees to Students (net of administrative costs), allocation from Tuition Differential Fee (30% of fees collected) and E&G Tuition Allocation.

FY 2011-12 budgeted revenue is projected to increase by \$1.5M. The increase is mainly driven by higher tuition differential fees \$2.2M, offset by a decrease in general revenue financial aid appropriation allocation (\$0.7M).

Expenditures are expected to exceed revenues by \$3.6M in order to continue to reduce the overall fund balance. A five-year plan has been prepared to manage the spend down of the fund balance.

Florida International University
Financial Summary
Concessions

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Operating Revenues	\$505	\$482	(\$23)	\$598	\$117
<u>Expenditures</u>					
Salaries and Benefits	-	-	-	-	-
OPS	-	-	-	-	-
Expense	505	490	(14)	598	108
OCO	-	-	-	-	-
Total Operating Expenses	505	490	(14)	598	108
Net Operating Income	0	(9)	(9)	-	9
Investment Revenues	0	-	-	-	-
Change in Net Assets	0	(9)	(9)	0	9
<u>Fund Balance</u>					
Beginning Fund Balance	425	361		352	(9)
Change in Net Assets	0	(9)		(0)	9
Total Fund Balance	\$425	\$352		\$352	(\$0)

Financial Highlights

This activity contains all the commission based revenues from beverage and pouring, snack vending as well as student housing washing machines. The commission revenues in the concession fund are used to support the purchase of food and refreshment items at University wide events, e.g., holiday party, faculty and staff recruitment, commencements, training, lecture series, board of trustees, student housing socials and convocation events.

The beverage pouring and vending contract with Pepsi provides an annual amount for sponsorship in addition to commission on product sales. Pepsi will provide an annual tiered sponsorship for exclusive pouring rights valued at \$5.0M over the life of the contract. The University received \$425k in sponsorship dollars in FY 2010-11 and \$300K was allotted to FIU Athletics Finance Corp. The remaining \$125K is included in the forecasted revenue for FY 2010-11. The University will receive \$525K for sponsorship in FY 2011-12, \$300K will be once again be allotted to FIU Athletic Finance Corp and the remaining \$225K is reflected in FY 2011-12 Concessions Revenue.

Concessions revenue for FY 2010-11 (excluding sponsorship) is slightly higher vs. forecast due to the new beverage contract with Pepsi.

Florida International University
Financial Summary
FIU Athletics Finance Corp

	Final Budget ¹	Forecast	Forecast vs.	Requested Budget	Forecast vs.
(In thousands of dollars)	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Total Revenues	\$3,410	\$3,377	(\$33)	\$3,570	(\$43)
<u>Expenditures</u>					
Salaries	-	-	-	-	-
OPS	-	-	-	-	-
Expense	754	833	79	775	(58)
OCO	-	-	-	10	10
Net Unrealized Investment Loss	-	174	174	-	(174)
Debt Service Interest	1,502	1,516	14	1,583	67
Total Operating Expenses	2,256	2,524	268	2,368	(155)
Net Operating Income	1,154	854	(301)	1,202	112
Principal Payment of Debt ¹	(600)	(600)	0	(618)	(18)
Change in Net Assets	555	254	(301)	584	330
<u>Net Assets</u>					
Beginning Net Assets	718	2,137		2,391	
Change in Net Assets	554	254		584	
Total Net Assets	\$1,273	\$2,391		\$2,975	

¹ FY 2010-2011 Original budget included \$2.1M under Principal Payment of Debt. Final Budget has been adjusted to correctly reflect Principal Payment of Debt \$0.6M and Debt Service Interest (Expense) \$1.5M.

Financial Highlights

The Athletics Finance Corp serves as the entity to finance and operate the FIU Football Stadium. Primary sources of revenues are transferred into the AFC from the university's Athletics Department and include beverage vending and pouring contract support, naming rights, premium suite and ticket revenues and a percentage of athletic student fees (per statute 1010.62). These revenue streams are pledged to the annual debt service associated with the stadium's construction cost and are estimated at \$2.2M for FY 2011-12.

FY 2010-11 forecasted revenue is lower than budgeted mainly due to lower revenue from stadium naming rights and special events which were partially offset by an increase in football ticket sales and premium seating revenue.

The FY 2011-12 budget revenue reflects an increase in expected ticket sales, specials events and revenues from naming rights.

FY 2010-2011 Operating expenses exceeded budget due to an unexpected increase in professional services offset by savings in utilities and general administration. Budgeted expenses for FY2011-12 are similar to those of FY 2010-11 with an increase in game day costs.

Florida International University
Financial Summary
FIU Foundation Inc.

<i>(In Thousands of Dollars)</i>	Final Budget 2010-11	Forecast 2010-11	Forecast vs. Final Budget	Requested Budget 2011-12	Forecast vs. Requested Budget
REVENUES:					
<u>Contributions:</u>					
Endowments	\$15,962	\$16,484	\$522	\$14,661	-\$1,823
Scholarships & Programs (Non-Endowed)	4,866	7,085	2,219	8,496	1,411
Building Funds	855	1,167	312	775	(392)
Annual Fund	415	616	201	716	100
Pledged Revenue	-	11,078	11,078	-	(11,078)
Total Contributions	22,098	36,430	14,332	24,648	(11,782)
<u>Other Revenues:</u>					
MARC Building - Rental Income	1,624	1,635	11	1,711	76
Foundation Enterprise Holdings	-	25		244	
Estimated Investment Returns	6,412	22,652	16,240	10,746	(11,906)
Administrative Fee	1,182	3,551	2,369	2,055	(1,496)
Total Other revenues	9,218	27,863	18,645	14,756	(13,107)
Total Revenues	31,316	64,293	32,977	39,404	(24,889)
EXPENDITURES:					
<u>University Programs:</u>					
Scholarships & Programs	6,499	6,753	254	8,108	1,355
Building Funds	-	57	57	-	(57)
Annual Fund	327	651	324	802	151
Total University programs	6,826	7,461	635	8,910	1,449
<u>Operational:</u>					
MARC Building	727	983	256	997	14
Foundation Enterprise Holdings	-	106		151	
Administrative Reserve	1,583	1,393	(190)	1,575	182
General Reserve	1,394	1,926	532	185	(1,741)
Administrative Fee	-	2,447	2,447	2,055	(392)
Total Operational Expenditures	3,704	6,855	3,151	4,963	(1,892)
Total Operating Expenses	10,530	14,316	3,786	13,873	(443)
Net Operating Income	\$20,786	\$49,977	\$29,191	\$25,531	(\$24,446)

Financial Highlights

Revenues:

The endowment revenue budget is based on pledges, gift agreements, and other certifiable criteria likely to deliver cash. The FY 2011-12 endowment budget is primarily driven by anticipated pledge payments and gifts to the College of Medicine of \$12.3M. State matching dollars have not been included in the budget since there has not been an appropriation from the Major Gifts Challenge Grant Program since 2007.

The board has determined not to budget for the change in pledged receivables. These consist of anticipated gifts that have not yet been signed, offset by the payments of current signed gifts. Cash for contributions received during the fiscal year will continue to be categorized as endowments, scholarships, building funds and annual fund.

The MARC building is currently at 100% occupancy. Rental income for FY 2011-12 is increasing by 2.68% (CPI).

The Foundation Enterprise Holding I, LLC is a wholly-owned subsidiary of the Foundation currently holding commercial real-estate located next to FIU Wolfsonian Museum. Revenues represent rental income.

Investment returns for FY 2011-12 are projected at 6.5% or \$10.7M and is based on a fundamental analysis of each asset class, a \$155M fund value and projected cash flows throughout the year.

Expenses:

Budgeted MARC building expenses are slightly higher than previous year's budget due to upgrades (re-tiling and exterior painting) and higher loan interest payments. The budget excludes the payment for the principal portion of the note payable due during FY 2011-12 of \$605k. The balance in the MARC reserve as of April 30, 2011 is \$4.4M.

Foundation Enterprise Holdings I, LLC expenses include customary costs related to owning commercial real-estate (property taxes, utilities, insurance, management fees and replacement reserve).

Administrative operations in any given year are funded by the Administrative Fee from the previous year. As such, the FY 2010-11 Administrative Fee is funding operations in FY 2011-12 and is based on an 18% investment return and a 3% fee charged to endowments. The Administrative Fee for FY 2011-12 is based on an 6.5% investment return and 2% fee on \$14.7M of endowments.

Florida International University
Financial Summary
FIU Health Care Network

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Total Revenues	\$82	\$13	(69)	\$1,066	\$1,053
<u>Expenditures</u>					
Salaries	-	-	-	-	-
OPS	35	29	(7)	-	(29)
Expense	86	42	(44)	1,190	1,148
OCO	-	-	-	28	
Debt Service Interest	2	3	1	29	26
Total Operating Expenses	123	73	(50)	1,247	1,145
Net Operating Income	(42)	(61)	(19)	(181)	(120)
Change in Net Assets	(42)	(61)	(19)	(181)	(120)
<u>Net Assets</u>					
Beginning Net Assets	59	17		(39)	
Third Party Transfers	-	5		-	
Change in Net Assets	(42)	(61)		(181)	
Total Net Assets	18	(39)		(219)	

Financial Highlights

The FIU College of Medicine Health Care Network (FIU-HCN) serves as the entity for the collection and administration of income generated from the university's clinical operations. The FIU College of Medicine Faculty Group Practice opens in July 2011 for its first full year of operations in the new location PGV Market Station. The practice offers primary care and select specialty care to faculty and staff. Dependent care will be offered by the end of FY 2011-2012.

Anticipated revenues are approximately \$1.1M based on patient volumes associated with a new location and expanded hours.

Expenses cover practice personnel, incremental startup costs and practice operations.

Change in Net Assets of approximately (\$166k) due to a later start date of July 2011 than originally planned of March 2011. As a result expenses to this amount will be funded by start up loan proceeds. The negative beginning fund balance reflects an encumbrance of \$51K for loan repayments which begin in 2012. The associated cash remains in the accounts of the HCN and when included reflect a positive fund balance.

Florida International University
Financial Summary
FIU Self-Insurance Program

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
(In thousands of dollars)	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Total Revenues	\$79	\$247	\$168	\$260	\$13
<u>Expenditures</u>					
Salaries	-	-	-	-	-
OPS	-	-	-	-	-
Expense (Administrative & Overhead)	50	246	196	260	14
OCO	-	-	-	-	-
Incurred But Not Reported - Contingent Liability Expense	29	-	(29)	-	-
Total Operating Expenses	79	246	167	260	14
Net Operating Income	-	1	1	-	(1)
Change in Net Assets	-	1	1	-	(1)
<u>Fund Balance</u>					
Beginning Fund Balance	291	215		1,216	
Change in Net Assets	-	1		-	
Institutional Transfer	1,000	1,000		-	
Total Fund Balance	\$1,291	\$1,216		\$1,216	

Financial Highlights

The Self-Insurance Program has been established by the Florida Board of Governors regulation 10.001 to provide professional liability protection to the Florida Board of Governors, the FIU Board of Trustees and other authorized entities and individuals. The Self-Insurance Program (SIP) entity serves to record the activities associated with the Self-Insurance Program and is subject to oversight by the SIP Council.

The Self-Insurance Program includes coverage for the clinical activities of the Colleges of Medicine and Nursing, and the University Health Service. Revenues include initial funding and the expenditures covering the cost of Risk / Claims management, annual audit and annual actuarial report.

Florida International University
Financial Summary
FIU Research Foundation, Inc.

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
(In thousands of dollars)	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Total Revenues	\$104	\$84	(\$21)	\$260	\$177
Expenditures					
Expense	66	14	(52)	17	3
Debt Service Interest	4	0	(4)	0	0
Total Expenditures	70	14	(56)	17	3
Net Operating Income	34	69	35	243	174
Principal Payment of Debt	(515)	-	515	-	-
Unrealized Gains & Losses	-	0	0	-	-
Change in Net Assets	(481)	69	550	243	174
Net Assets					
Beginning Net Assets	132	119		188	
Change in Net Assets	(481)	69		243	
Institutional Transfers	515	0		0	
Total Net Assets	\$166	\$188		\$431	

Financial Highlights

Total Revenues represents a transfer from RUGS (Research and University Graduate School) overhead to cover minor transactional and audit expenses and a transfer from RUGS Royalties. Revenues in FY 2010-11 include \$50K of non-operating revenue from royalties and \$34K from Division of Research (DoR) for audit and tax fees. In FY 2011-12, \$260K will be transferred into the Research Foundation from DoR's operating department for Venture Capital start up activity and audit fees.

The last payment of the HCET loan was made late in FY 2009-10 and as such it is not reflected in FY 2010-11 forecast. As of July 1st, 2010, the outstanding loan balance was \$0. The cash transfer to meet this obligation derived from Treasury Operations is in the Auxiliary Trust Fund.

Operating Expenses in FY 2011-12 include \$17K for audit and accounting fees. The FIU Research Foundation serves as an agent with respect to the USAID Tanzania Grant awarded to the University. This activity and the entire amount of the grant is recognized by FIU in the Sponsored Research Development Trust Fund and is not in the budget above.

**Florida International University
Financial Summary
University Treasury Operations**

	Final Budget	Forecast	Forecast vs.	Requested Budget	Forecast vs.
<i>(In thousands of dollars)</i>	2010-11	2010-11	Final Budget	2011-12	Requested Budget
Investment Revenues	\$11,307	\$22,821	\$11,514	\$12,900	(\$9,921)
Operating Expenditures	(\$758)	(\$678)	\$80	(\$648)	\$31
Net Revenues	\$10,549	\$22,142	\$11,594	\$12,252	(\$9,890)
Net Operating Income	10,549	22,142	11,594	12,252	(9,890)
Investment Earnings Distribution	(854)	(862)	(8)	(715)	147
Operational Transfers	(1,900)	(1,900)	-	(1,400)	500
Change in Net Assets	7,794	19,380	11,586	10,137	(9,243)

Institutional Transfers	(515)	0	0
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Financial Highlights

Treasury Operations revenue consists of earnings from the University's investment portfolio. Earnings include interest income, realized gains (which are reinvested each month) and unrealized gains / losses.

Market returns in FY 2010-11 were higher than average, as a result of the continued recovery in the capital markets. The portfolio experienced increases in all asset classes with a forecasted return of 7.5% vs. a budget of 4%. Treasury is projecting a normalized pattern of investment earnings for FY 2011-12 with a 4% return for the portfolio; 5.2% return from the Strategic Capital Pool and 1.5% return from the Working Capital Pool.

Distribution of Investments Earnings includes distributions to E&G (Carry-forward), Auxiliary Enterprises and Financial Aid - Unrestricted.

The last payment of the HCET settlement loan was made in FY 2010-11 in the amount of \$0.5M. In FY 2010-11 Treasury Operations entered into a working capital loan agreement with Athletics in which four annual disbursements will be made totaling \$5.0M. The first and second disbursements will be made in June 2011 and June 2012 in the amounts of \$1.9M and \$1.4M respectively.

Florida International University
Financial Summary
Fixed Capital Outlay

STATE UNIVERSITY SYSTEM PROJECTS
2011-12

PUBLIC EDUCATION CAPITAL OUTLAY

Utilities / Infrastructure / Capital Renewal / Roofs	\$1,676,584
Satellite Chiller Plant Expansion	\$6,000,000 Vetoed
TOTAL	<u><u>\$1,676,584</u></u>

MAINTENANCE REPAIR RENOVATION AND REMODELING ¹

(From Public Education Capital Outlay and Debt Service Trust Fund)

Florida International University	<u><u>\$1,114,764</u></u>
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Notes:

- Capital Improvement Trust Fund (CITF): Capital Improvement and Building Fees are authorized by Florida Statutes; generally, an appropriation is requested every two or three years based on availability of funds.
- Alec P. Courtelis Facility Enhancement Challenge Grant Program: no funds have been allocated to the University in FY 2011-12 for this program.

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Tuition and Fee Recommendations for the 2011/12 academic year

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the Amended Regulation FIU-1101 Tuition Fees Schedule and delegate authority to the University President to approve any subsequent amendments that are based on comments to the Regulation received from the Board of Governors as a result of the regulation-making process.

Background Information:

The Florida State Legislature has included the following language in the HB 5001 (General Appropriations Act):

Beginning with the Fall 2011 semester, undergraduate tuition is established at \$103.32 per credit hour for the 2011-2012 fiscal year. Consistent with section 1009.24(4)(b), Florida Statutes, if the tuition increase provided herein becomes law, the statutory increase for inflation will not be made.

In accordance with 2011 HB 5001, Florida Statutes section 1009.24, and the Board of Governors Regulations 1.001, 7.001, and 7.003, recommendations are presented with regard to (a) changing tuition levels effective academic year 2011-12, (b) increasing the tuition differential for undergraduate students enrolling in Fall 2007 or later, (c) increasing the financial aid fee, technology fee, and athletic fee, (d) memorializing the charge for replacement identification cards and for the convenience fee, and establishing the new test preparation fee for students in their last year of law school, and (e) authorizing the University President/designee to approve the amount of the charge when charge is at cost.

In accordance with Florida Statutes §1009.24, and the authority granted to the BOT by the Board of Governors', recommendations are presented with regard to (a) changing tuition levels for AY 2011-12, and (b) implementing the AY 2011-12 Tuition Differential Proposal for undergraduate students enrolling in Fall 2007 or later.

The Regulation includes information on fees and therefore, in accordance with the Florida Board of Governors' Regulation Development Procedure, the University Administration is required to submit the Regulation to the Florida Board of Governors for approval. The University President will report to the BOT at its next regularly scheduled meeting on any substantive change requested or made to the Regulation as a result of comments received from the Board of Governors as part of the regulation-making process

Supporting Documentation: Notice of Change in Proposed Regulation, FIU-1101
Tuition and Fees Schedule 2011-12

Facilitator/Presenter: Kenneth A. Jessell

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**THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES
FLORIDA BOARD OF GOVERNORS
NOTICE OF AMENDMENT OF REGULATION**

REGULATION TITLE: Tuition Fees Schedule

REGULATION NO.: FIU-1101

SUMMARY OF THE REGULATION: The regulation provides the tuition and associated fees charged to students attending FIU. The major revisions to the regulation include increasing the tuition, tuition differential, financial aid fee, technology fee, and athletic fee; memorializing the charge for replacement identification cards and for the convenience fee, and establishing the new test preparation fee for students in their last year of law school.

TEXT OF REGULATION: The full text of the Amended Regulation can be viewed below and on the website of The Florida International University Board of Trustees, <http://bot.fiu.edu/regulations/>. If you would like a copy of the Amended Regulation, please contact Eli Deville, Coordinator, Administrative Services, Office of the General Counsel, (305) 348-2103.

AUTHORITY: Board of Governors Regulations 1.001, 7.001, and 7.003 and the 2011 General Appropriations Act.

NAME OF PERSON INITIATING PROPOSED REGULATION: Kenneth Jessell, CFO and Senior Vice President

ANY PERSON SEEKING TO COMMENT ON THE PROPOSED REGULATION MUST SUBMIT COMMENTS IN WRITING TO THE CONTACT PERSON LISTED BELOW. ALL WRITTEN COMMENTS MUST BE RECEIVED BY THE CONTACT PERSON WITHIN 14 CALENDAR DAYS OF THE DATE OF PUBLICATION OF THIS NOTICE.

THE CONTACT PERSON REGARDING THIS REGULATION IS: Eli Deville, Coordinator, Administrative Services, Office of the General Counsel, Florida International University, 11200 SW 8th Street, PC 511, Miami, FL 33199. Email: devillee@fiu.edu. Fax: (305) 348-3272. Phone: 305-348-2103.

DATE OF PUBLICATION: May 16, 2011

THE FULL TEXT OF THE PROPOSED AMENDED REGULATION IS PROVIDED BELOW:

**THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES
FLORIDA BOARD OF GOVERNORS
NOTICE OF CHANGE IN PROPOSED REGULATION**

REGULATION TITLE: Tuition Fees Schedule
REGULATION NO.: FIU-1101

SUMMARY OF CHANGES: Florida International University, upon review during the comment period concerning the above regulation, has changed (12) to read as follows:

(~~44~~12) For students who enter a community college or university for the first time in the 2009-2010 academic year or the 2010-2011 academic year~~and thereafter~~, the University shall require the student to pay an excess hour surcharge equal to 50 percent of the tuition rate for each credit hour in excess of 120 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.

TEXT OF REGULATION: The full text of the Amended Regulation can be viewed below and on the website of The Florida International University Board of Trustees, <http://bot.fiu.edu/regulations/>. If you would like a copy of the Amended Regulation, please contact Eli Deville, Coordinator, Administrative Services, Office of the General Counsel, (305) 348-2103.

THE CONTACT PERSON REGARDING THIS REGULATION IS: Eli Deville, Coordinator, Administrative Services, Office of the General Counsel, Florida International University, 11200 SW 8th Street, PC 511, Miami, FL 33199. Email: devillee@fiu.edu. Fax: (305) 348-3272. Phone: 305-348-2103.

DATE OF PUBLICATION: May 26, 2011

THE FULL TEXT OF THE CHANGE IN PROPOSED REGULATION IS HIGHLIGHTED IN YELLOW BELOW:

FIU 1101 Tuition Fees Schedule

(1) Tuition is defined as the basic fee charged to a student for enrollment in credit courses provided by the Florida International University and the out-of-state fee assessed to non-residents. Tuition and associated fees consists of the following:

1. Tuition (basic fee);
2. Student Financial Aid Fee;
3. Capital Improvement Trust Fund Fee;
4. Building Fee;
5. Health Fee;
6. Athletic Fee;
7. Activity and Service Fee; and
8. Tuition Differential Fee (Undergraduates); and
9. Technology Fee.

In addition to the fees set forth in 1.-9. above, a non- resident student, as defined by the Florida Board of Governors², will pay the Out-of-State Fee and the Non-Resident Student Financial Aid Fee.

(2) Registration is defined as consisting of two components:

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

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

(3) A student is liable for tuition associated with all courses for which the student is registered at the end of the drop/add period. The fee payment deadline shall be as determined by the University.

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

(a) Undergraduate – Fall ~~2010~~ 2011

Fee - Per Credit Hour	Undergraduate			
	Resident		Non Resident	
Tuition	\$95.67	\$103.32	\$95.67	\$103.32
* Tuition Differential ⁽¹⁾	\$22.00	\$32.00	\$22.00	\$32.00
Out of State fee			\$393.62	
Financial Aid	\$4.78	\$5.16	\$4.78	\$5.16
Out of State Financial Aid			\$19.68	
Capital Improvement Trust Fund	\$2.44		\$2.44	
Building	\$2.32		\$2.32	
Activity & Service	\$11.60		\$11.60	
Athletic	\$14.51	\$15.56	\$14.51	\$15.56
Technology Fee	\$4.78	\$5.16	\$4.78	\$5.16

(b) Graduate – Fall ~~2010~~ 2011 ⁽²⁾

Fee - Per Credit Hour	Graduate			
	Students enrolled prior to Fall 2006			
	Resident		Non Resident	
Tuition	\$295.75	\$319.41	\$295.75	\$319.41
Out of State fee			\$480.08	
Financial Aid	\$14.78	\$15.97	\$14.78	\$15.97
Out of State Financial Aid			\$24.00	
Capital Improvement Trust Fund	\$2.44		\$2.44	
Building	\$2.32		\$2.32	
Activity & Service	\$11.60		\$11.60	
Athletic	\$14.51	\$15.56	\$14.51	\$15.56
Technology Fee	\$14.78	\$15.97	\$14.78	\$15.97

Fee - Per Credit Hour	Graduate			
	Student enrolled in the Fall 06 or thereafter			
	Resident		Non Resident	
Tuition	\$309.81	\$334.59	\$309.81	\$334.59
Out of State fee			\$480.08	
Financial Aid	\$15.49	\$16.72	\$15.49	\$16.72
Out of State Financial Aid			\$24.00	
Capital Improvement Trust Fund	\$2.44		\$2.44	
Building	\$2.32		\$2.32	
Activity & Service	\$11.60		\$11.60	
Athletic	\$14.51	\$15.56	\$14.51	\$15.56
Technology Fee	\$15.49	\$16.72	\$15.49	\$16.72

(c) Law – Fall ~~2010~~ 2011 ⁽³⁾

Fee - Per Credit Hour	Law			
	Students enrolled prior to Fall 2006			
	Resident		Non Resident	
Tuition	\$384.07	\$441.68	\$384.07	\$441.68
Out of State fee			\$437.61	
Financial Aid	\$19.20	\$22.08	\$19.20	\$22.08
Out of State Financial Aid			\$21.88	
Capital Improvement Trust Fund	\$2.44		\$2.44	

Building	\$2.32		\$2.32	
Activity & Service	\$11.60		\$11.60	
Athletic	\$14.51	\$15.56	\$14.51	\$15.56
Technology Fee	\$19.20	\$22.08	\$19.20	\$22.08

Law
Student enrolled in the
Fall 2006 or thereafter

	Resident		Non Resident	
Fee - Per Credit Hour				
Tuition	\$402.35	\$462.70	\$402.35	\$462.70
Out of State fee			\$437.61	
Financial Aid	\$20.11	\$23.13	\$20.11	\$23.13
Out of State Financial Aid			\$21.88	
Capital Improvement Trust Fund	\$2.44		\$2.44	
Building	\$2.32		\$2.32	
Activity & Service	\$11.60		\$11.60	
Athletic	\$14.51	\$15.56	\$14.51	\$15.56
Technology Fee	\$20.11	\$23.13	\$20.11	\$23.13

*(1) Tuition Differential fee shall not be charged to students who are beneficiaries of prepaid tuition contracts and exempt under the requirements as described in Florida Statutes section 1009.24 or to any student who was in attendance at FIU before July 1, 2007, and who maintains *continuous enrollment.*

*(2) The additional Graduate fees for students enrolled in Graduate programs in the Fall 2006 or thereafter shall not apply to a graduate student who was enrolled in a graduate program prior to Fall 2006, and such student's enrollment has not lapsed in four terms before re-enrolling in the same graduate program. Effective Spring term 2009, the additional fees for students enrolled in the fall 2006 or thereafter shall not apply to a graduate student who was enrolled in a graduate program prior to Fall 2006, provided such student maintains *continuous enrollment.*

*(3) The additional Law fees for students enrolled in the law school in the Fall 2006, or thereafter, shall not apply to a law school student who was enrolled in a law program prior to Fall 2006, and such student's enrollment has not lapsed in four terms before re-enrolling in the same law program. Effective Spring term 2009, the additional fees for students enrolled in the fall 2006, or thereafter, shall not apply to a law school student who was enrolled in a law program prior to Fall 2006, provided such student maintains *continuous enrollment.*

**For purposes of the Tuition Differential fee, the Graduate fees, and the Law fees, "continuous enrollment" means the student has not been absent from the University for two (2) or more consecutive terms (excluding summer terms and military withdrawals.)*

(5) The following College of Medicine tuition and associated fees shall be levied and collected on an academic year basis, effective the fall semester indicated for each student regularly enrolled, unless provided otherwise by law, or Board of Governor or University regulation.

College of Medicine - Fall ~~2010~~ 2011

Fee - Per Academic Year	College of Medicine			
	Resident		Non Resident	
Tuition	\$24,150.00	\$27,772.50	\$24,150.00	\$27,772.50
Out of State Fee			\$30,000.00	
Financial Aid	\$1,207.50	\$1,388.62	\$1,207.50	\$1,388.62
Out of State Financial Aid			\$1,500.00	
Capital Improvement Trust Fund	\$122.00		\$122.00	
Building	\$116.00		\$116.00	
A&S	\$580.00		\$580.00	
Athletic	\$755.50	\$808.00	\$755.50	\$808.00
Technology Fee	\$1,207.50	\$1,388.62	\$1,207.50	\$1,388.62
Health	\$249.57		\$249.57	
Total	\$28,388.07	\$32,425.31	\$59,888.07	\$63,925.31

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

(7) Effective the Fall 2009 term, during any semester in which a graduate nonresident is receiving a full fellowship, the Out-of-State fee for the student shall be \$0.00 per credit hour.

(8) The following fees shall be levied and collected on a per semester basis, effective the fall semester indicated for each student regularly enrolled (excluding College of Medicine students, whose fees are charged on an annual basis), unless provided otherwise by law, or Board of Governors or University regulation.

Fall ~~2010~~ 2011

	Resident	Non-Resident
Fee – Per Semester		
Health	\$83.19	\$83.19
Athletic	\$10.00	\$10.00

(9) Effective the Fall Semester 2009, each student enrolled in the same undergraduate course more than twice shall be assessed an additional sum to cover 100 percent of the full cost of

instruction as established by the Board of Governors for each such course in addition to the tuition and associated fees set forth above.

(10) Students in their last year of Law School shall pay a test preparation fee, at cost, to cover test preparation programs offered as part of the law school program of instruction, including a Florida Bar examination preparation course.

~~(4011)~~ Optional fees.

Orientation fee	\$ 35.00
Tuition Installment Service Charge	\$ 15.00
Identification Card <u>(annually)</u> —	\$ 10.00
<u>Replacement</u>	<u>\$ 15.00</u>
Fee for Transcript	\$ 10.00
Fee for Diploma replacement	\$ 10.00
Late Payment fee	\$100.00
Late Registration fee	\$100.00
Off-Campus Fee	cost
Distance Learning Fee	cost
Fingerprinting	cost
Materials and Supplies fee	cost
Equipment Use Fee	cost
<u>Convenience Fee</u>	<u>cost</u>
Library Fines and Penalties	varies

~~(412)~~ For students who enter a community college or university for the first time in the 2009-2010 academic year or the 2010-2011 academic year, and thereafter, the University shall require the student to pay an excess hour surcharge equal to 50 percent of the tuition rate for each credit hour in excess of 120 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.

(13) For students who enter a community college or university for the first time in the 2011-2012 academic year and thereafter, the University shall require the student to pay an excess hour surcharge equal to 100 percent of the tuition rate for each credit hour in excess of 115 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.

~~(12143)~~ Throughout the FIU Regulations where the University is charging a fee or service based on cost, the University President / Designee has the authority to approve the amount of the charge.

Authority: Florida Board of Governors Regulations 1.001,7.001, and 7.003 and the ~~2010~~ 2011 General Appropriations Act , History- New 11-3-02, Amended 9-3-03, 8-22-04- 9-1-05, Formerly 6C8-6.010, Amended 6-20-06, 7-20-07,11-20-07, 6-25-08, 9-29-08, 7-14-09, 8-10-10,

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

Finance and Audit Committee

June 20, 2011

Subject: Student Athletic Fee

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the proposed Florida International University Athletic Fee increase from the current \$14.51 per student credit hour to \$15.56 per student credit hour effective the Fall term of 2011 for academic year 2011-2012.

Background Information:

The University Fee Committee has approved an increase in the Athletic Fee in the amount of \$1.05 per student credit hour effective with the Fall term 2011. The University President has approved the fee increase after consultation with the Student Government presidents.

The proposed increase will raise the Athletic Fee from \$14.51 per student credit hour to \$15.56 per student credit hour. In accordance with Florida Statutes §1009.24(12) and Board of Governors' Regulation 7.003 Fees, Fines and Penalties, the increase was decided by a fee committee comprised of 50% (4) students and 50% (4) faculty/staff of which one served as chairperson. The following procedure was used by the committee:

1. Two public hearings were advertised (through posters, electronic messaging and the student newspaper) and held at the Modesto A. Maidique campus and Biscayne Bay campus to hear comments and address concerns from the University community.
2. Following the hearings, the fee committee convened to discuss and vote on the proposal. A vote was held by the fee committee, which unanimously approved the increase.
3. The recommendation was forwarded to and approved by the University President.

This increase will be reflected, along with any other changes, in a revised FIU-1101 Tuition Fees Schedule Regulation which will be presented to the BOT for approval. The approved Regulation will then be forwarded to the Board of Governors for its approval.

Supporting Documentation: Fee Committee Recommendations to University President
University Fee Committee, 2010-2011 Summary of Meetings and Activities
Calculation of Fee Cap and allowable 5% Increase

Facilitator/Presenter: Kenneth A. Jessell

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FLORIDA
INTERNATIONAL
UNIVERSITY

Undergraduate Education

April 21, 2011

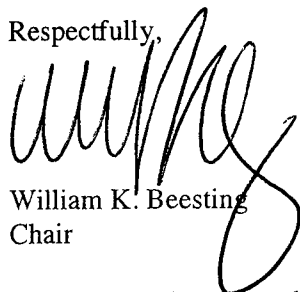
Dear Dr. Jones:

As chair of the University Fees Committee this year, I am pleased to forward our recommendations for student fees for the 2011-12 year. Specifically, the committee has recommended that the student Athletic Fee be increased by three (3) percent, which amounts to \$1.05 per student credit hour. This will increase the per student credit hour athletic fee from \$14.51 to \$15.56, and if approved by the University Board of Trustees, will become effective in the Fall 2011 term.

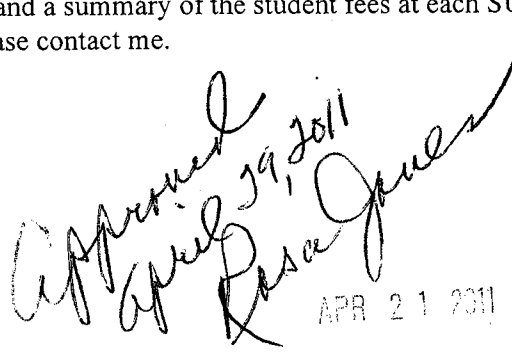
The additional revenue from the recommended fee increase will be approximately \$1.4 million for 2011-12. The committee members recognized a strong concern from students about the rising cost of education, in particular, student tuition, especially with the possible changes in the Pell Grant and Bright Futures programs. However, students did validate the need to improve Title IX compliance; hence, the determination of the 3% increase.

The committee held a total of four meetings, which included two days for an open forum public hearing at each campus. The hearings were publicized two days in the Beacon, and advertised via placards placed at strategic points in the Graham Center, Green Library, and Wolfe Center, and the hearings were announced through the new LCD displays in the Graham Center, the Wolfe Center and the academic buildings around campus. All eight committee members were present at the initial meeting and at the final meeting, and at least two-thirds of the committee members attended each public hearing. The vote of the committee on the fee increase was eight in favor, none opposed. I attach copies of the Fee Committee membership, the Florida Statute dealing with fees, the calculation of the allowable fee increase, and a summary of the student fees at each SUS institution in 2010. If you have any questions, please contact me.

Respectfully,


William K. Beesting
Chair

c: President Rosenberg
Matilde Gramling
Fee Committee Members


Approved
April 19, 2011
Rosa Jones
APR 21 2011

Office of the Associate Dean of Undergraduate Education

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**University Fee Committee, 2010-11
Summary of Meetings and Activities
April 15, 2011**

The University Fee Committee was appointed by President Rosenberg's designee, Vice President Rosa Jones, in consultation with the Student Government Association in March of 2011. The four student voting members were Helena Ramirez, SGA President MMC and Christin Battle, SGA President BBC, Kevin Gonzalez, Comptroller MMC and Shana Kaplan, Comptroller BBC. The four Faculty/staff voting members were Eric Arneson, Dr. Consuelo Boronat, Dr. Gisela Casines and Dr. William Beesting who was also Chairperson. Other interested parties attending meetings included Silvana Rogelis, Matilde Gramling, and personnel from the Athletics area: Pete Garcia, Julie Berg, Alex Duque and Heath Glick. Dr. Rosa Jones attended the first meeting and gave the opening charge to the committee.

Two meetings were held by the committee, plus two public hearings:

April 1, 2011 – Committee Meeting

Dr. Jones thanked members for agreeing to serve on this committee. She charged the committee with looking at the potential for an Athletic Fee increase. The committee is to make a recommendation that complies with the Florida Statute limiting the maximum increase to five (5) percent. She further explained the University's rotation cycle for consideration of fee increases. FIU rotates the fee increases so that only one of the three areas involved, Athletics, Activity and Service (A&S), and Health fees, is considered at a time and that the Athletic fee, under normal rotation, would not be eligible for consideration of another fee increase for another 3 years. Dr. Jones also explained the time frame by which the committee is request to submit a recommendation.

Relevant information needed for decision-making of the fee increase was provided to the Committee members during this first meeting. This information included: the Committee members roster for 2011, Florida Statute 1009.24 (2010) relating to increasing local fees (Athletics fee, A&S Fee and Health fee), a comparison of FIU local fees to the other State university local fees, and a worksheet showing the calculation of the fee cap and 5% limit which is prescribed in law. The sum of the local fees at FIU when put on a per credit hour basis (we have both credit hour fees

University Fee Committee, 2010-11
Summary of Meetings and Activities
April 15, 2011
Page 2

and per student or headcount fees) is \$35.17. Included in that amount is a \$2.00 per credit hour increase passed by the Legislature in 2004 for moving from Div.IIA to Div. IA in football. This special \$2 increase is, by law, excluded from the fee cap calculation and therefore for comparison purposes the amount representing the FIU total local fees on a credit hour basis is \$33.17. The cap, which is 40% of the undergraduate matriculation fee is \$38.26 ($\$95.67 * 40\%$), which provides \$5.09 of leeway to reach the cap. The allowable increase, however, is only \$1.75 per credit hour or \$17.99 per student head count since we are limited to the lesser of 5% of the existing fees or the cap, whichever is lower. The Athletic Fee at FIU is considered on a per credit hour basis.

As the Chair distributed the Florida Statute pertaining to student fees, the composition of the Committee (4 staff, 4 students) and the SUS comparison of fees, he discussed each item. The Chair explained that the process going forward would include two public hearings on the proposed fee increase, one at MMC and another at BBC, and a final meeting where the committee vote would be recorded.

The Chair then invited the Athletic Director and members of his staff into the meeting. The Director, Mr. Pete Garcia and Ms. Julie Berg, Sr. Associate Athletic Director were the presenters of the Athletics fee increase request. Also in the room and providing information as needed were: Ms. Alex Duque, Associate Vice President and Heath Glick, Chief of Staff for Intercollegiate Athletics.

Mr. Garcia provided a summary of notable events in Athletics. He further elaborated on the recent Athletic Self Study for NCAA, which Athletics is currently undergoing. He further explained the challenges which were noted as a result of the self-assessment. He elaborated that Athletics will need to continue to focus on Title IX compliance. He then presented the summary of the budget request and went through the document to expand on the major reasons for the requested amount. The major items which were noted for the increase were: Capital Improvement (i.e., a multi-purpose track around the soccer field); Title IX initiatives which include hiring 3 new full-time women's coaching staff members and adding Sand Volleyball as a new female varsity sport; Scholarships for student athletes, Cheerleaders; and funds to provide assistance for the Band.

University Fee Committee, 2010-11
Summary of Meetings and Activities
April 15, 2011
Page 3

The committee was then given the opportunity to ask the Athletic representatives further questions. Mr. Garcia summarized that to be in compliance with Title IX, the items noted were the proportionality of men to women's (athletes) sports and the additional opportunity for women's participation as well as the University having shown a history of adding women's sports. Funding questions included: the amount of the total Athletics budget (including the funding sources of the various funding streams), the amount of revenue made from ticket sales and the amount of funding received from football making it to the Sun Belt Championship. The question was raised as to what would happen if the fee was not increased and how it would affect Athletics as well as what would be the effect of a fee increase that is less than the 5% maximum allowable. The Athletics representatives were asked about the additional cost for adding Sand Volleyball. Furthermore, a clarification was requested for the need for increased scholarship money. The committee requested to know the standing of FIU in the Sun Belt Conference in regards to revenues made and expenses paid.

Miscellaneous questions ranged from questions about Athletics plans for sports or events at the BBC campus, the Athletics marketing strategy, and questions regarding the cheerleaders.

The Committee discussed the Athletics Title IX compliance issues, as well as the amount of the fee increase which could be used by all students and not necessarily be restricted to student athletes since the biggest "donor" of their funding are the students. Some of the committee members noted that the Athletics department does not have a good reputation of working well with the various general student groups.

Public Hearings:

The Public Hearings were publicized 2 days in the Beacon, advertised via placards placed at strategic points in the Graham Center, Green Library and Wolfe Center. Electronic announcements of the Hearings were also announced through the LCD displays in the Graham Center, the Wolfe Center and the academic buildings around campus.

University Fee Committee, 2010-11
Summary of Meetings and Activities
April 15, 2011
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April 12, 2011: Biscayne Bay Campus Public Hearing

The first public hearing was held at Biscayne Bay Campus in WUC 157. Eighteen individuals attended the hearing, which commenced at 11:45 a.m. and ended at 12:40 p.m.

The chairperson opened the hearing, introduced the committee members present and introduced the request for an increase of \$1.75 per-student credit hour for Athletics, to be effective in Fall of 2011. He explained the process and opened the floor to questions from the audience. The audience asked where the funds from the increase would be used and questions about Title IX. Questions were asked pertaining to what improvements the University has made to meet Title IX compliance. Mr. Pete Garcia answered questions regarding the location of the track and its total cost. Furthermore, students asked what they could get out of the increase that would impact students at large. One of the student leaders asked the audience how they felt about the proposed increase in relation to the economy. One student in the audience responded that since she was not involved with sports, she just wanted to know why the increases always come from the students. Another student responded that intuitively, he would not want another increase but considering the needs, it warrants consideration. The students asked why Athletics doesn't fund raise more to external benefactors. Further discussion revolved around the issue that this fee increase would benefit MMC students more than BBC students. The response of this question was that the BBC SGA President would work with Athletics about a shuttle to bring BBC students to MMC games. The students questioned if there could be a rowing team at BBC or even having the Sand Volleyball at BBC. The chairperson concluded the meeting with a statement asking the audience to e-mail the Fee Committee panel with any questions/concerns they might still have.

April 13, 2011: Modesto A. Maidique Campus Public Hearing

The second public hearing was held at the MMC in the GC East Ballroom. Thirty two individuals attended the hearing which commenced at 12:15 p.m. and ending at 1:20 p.m. The chairperson introduced the committee members present and introduced the request for the Athletic fee increase. The chairperson explained the process and Mr. Pete Garcia summarized the proposed fee increase and answered questions and listened to comments.

University Fee Committee, 2010-11
Summary of Meetings and Activities
April 15, 2011
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In these public hearings, some students expressed their dissatisfaction with the responsiveness of personnel in the Athletic area. They felt that questions of facility usage by the various student groups were, in general, dismissed, and, when they were able to use the facility, they were assessed usage charges on top of the current fees. They also expressed dissatisfaction in the manner that the general student body is given the lowest consideration for usage of facilities, with student athletes and outside-paying community given first consideration.

Some students also raised questions about how perhaps Athletics could provide opportunities for students to work there in an effort to show how the Athletic fee could assist more than just the athletes. A student asked where other universities received their sources of Athletic funding.

One student expressed that he “did not agree with an increase at all” when they have an arena that can’t be filled. Many students agreed that they are not in favor of an Athletic fee increase when the cost of tuition is going up and the future of Financial Aid to students seems to be diminishing.

In both public hearings, the students in attendance expressed concern that the process of a Fee Increase appeared to be a “done deal.” In general, students expressed that although Athletics has made general valid points to support the fee increase, they were concerned with the increasing cost of getting a college education and the cuts they experience with the economy and financial aid. Furthermore, the accessibility of athletics for BBC students and the general responsiveness of Athletics to general use of facilities did not produce student support of the requested increase.

April 14, 2011 Committee Meeting

This meeting was called for the purpose to vote on the proposed increase. Prior to the vote, the floor was opened for discussion and any remaining questions. The Chair then asked each member to state their opinions about the need for a fee increase. Each member expressed his/her view. The committee felt that although the fee increase request seemed to be generally justified, Athletics could have presented a more detailed request inasmuch as the requested amount is to net an estimated \$2.2 million (without enrollment increases) and that approximately 70% of the Athletic budget was paid from student fees. The committee felt that although they were willing to support an increase, the 5% maximum could not be justified after hearing the discussions and questions from the students in the public forums.

The committee reviewed the dollar amounts at various percentage increases such as at 1%, 2%, 2.5%, 3%, 3.5%, 4%, and 4.5%. The committee discussed the pros and cons of various levels of increases but not at the maximum allowed. A motion for a 2.5% increase did not receive a second. Further discussion entailed. A second motion was presented for a 3% increase and received serious discussion and debate. Each committee member presented their comfort level with the various percentages. Dr. Boronat moved that the proposed fee be increased by 3%. Dr. Casines and Eric Arneson simultaneously seconded the motion. The vote was passed with all in favor, none opposed with the recommendation that interaction with students be documented and used as a reference for future increases. The committee emphasized that they would like Mr. Garcia and the Athletic department to know that students are their largest stakeholder and their satisfaction is crucial for support of future funding.

The Chairperson thanked the committee for their hard work.

FLORIDA INTERNATIONAL UNIVERSITY
CALCULATION OF FEE CAP AND ALLOWABLE FEE INCREASE
FY 2011-12

Draft as of 1.25.2011
Page 1 of 2

Assuming 5% Tuition increase cap

PER STUDENT CREDIT HOUR

Fall

Spring (E)

Fees per SCH

PER STUDENT HEADCOUNT*

Fall

Spring

Fees per HC

Total Fee Revenue

TOTAL CREDIT HOUR EQUIVALENT FEE (*Total Fee Revenue / Total SCH*)

*Adjust for \$2.00 Legislative Increase not part of Cap***

ADJ. TOTAL CREDIT HOUR EQUIVALENT FEE

40% CAP**

Enrollment Undergraduate Matriculation

40% of Undergraduate Matriculation

Room under the 40% Cap

TUITION INCREASE CAP**

5 % per year or the % increase in undergrad base tuition, whichever is higher

Room under Tuition Increase Cap

MAX FEE INCREASE

Allowable Increase per Credit Hour

Allowable Increase per Headcount

2010-11				
Enrollment	Athletics	Activity and Service Fee	Health Fee	Total Revenues
432,155	\$14.51	\$11.60		
428,288	\$14.51	\$11.60		
860,443	\$12,485,028	\$9,981,139	\$0	\$22,466,167
42,048	\$10.00		\$83.19	
41,645	\$10.00		\$83.19	
83,693	\$836,930		\$6,962,421	\$7,799,351
				\$30,265,517
				\$35.17
				-\$2.00
				\$33.17
				\$95.67
				\$38.26
				<u>\$5.09</u>
			5%	<u>\$1.75</u>
				<u><u>\$1.75</u></u>
				<u><u>\$17.99</u></u>

* Reflects actual headcount, excluding dual enrollment students

** BOG Regulation

7.003 Fees, Fines and Penalties.

"...(4) (b) The sum of the activity and service, health, and athletic fees a student is required to pay to register for a course shall not exceed 40 percent of the tuition. Within the 40 percent cap, universities may not increase the aggregate sum of activity and service, health, and athletic fees more than 5 percent per year or the same percentage increase in tuition, whichever is higher.

(c) A university may increase its athletic fee to defray the costs associated with changing National Collegiate Athletic Association divisions. Any such increase in the athletic fee may exceed both the 40 percent cap and the 5 percent cap imposed by this subsection. Any such increase must be approved by the athletic fee committee in the process outlined in subparagraph (4)(d) and cannot exceed \$2 per credit hour..."

FLORIDA INTERNATIONAL UNIVERSITY
 CALCULATION OF FEE CAP AND ALLOWABLE FEE INCREASE
 FY 2011-12

Draft as of 1.25.2011
 Page 2 of 2

Assuming 5% Tution increase cap

	FY 2010-11	FY 2011-12	Proposed Increase	% Increase
Athletics Credit Hour fee	\$14.51	\$16.26	\$1.75	12.06%
Athletics Headcount Fee	\$10.00	\$10.00	\$0.00	0.00%

INCREMENTAL REVENUES

	2010-11**			2011-12***			Estimated Increase		
	Enrollment	Athletics Fee	Estimated Revenue	Enrollment	Athletics Fee	Estimated Revenue	Due to Enrollment	Due to Fee increase	Total Increase
PER STUDENT CREDIT HOUR									
Fall	432,155	\$14.51	\$6,270,569	449,211	\$16.26	\$7,304,171	\$247,483	\$786,119	\$1,033,602
Spring	428,288	\$14.51	\$6,214,459	427,285	\$16.26	\$6,947,654	-\$14,554	\$747,749	\$733,195
Summer	194,180	\$14.51	\$2,817,552	200,463	\$16.26	\$3,259,528	\$91,166	\$350,810	\$441,977
			\$15,302,580			\$17,511,353	\$324,095	\$1,884,678	\$2,208,774
PER STUDENT HEADCOUNT*									
Fall	42,048	\$10.00	\$420,480	44,028	\$10.00	\$440,280	\$19,800	\$0	\$19,800.00
Spring	41,645	\$10.00	\$416,450	43,057	\$10.00	\$430,570	\$14,120	\$0	\$14,120
Summer	30,972	\$10.00	\$309,720	32,011	\$10.00	\$320,110	\$10,390	\$0	\$10,390
			\$1,146,650			\$1,190,960	\$44,310	\$0	\$44,310
Total Estimated Revenue			\$16,449,230			\$18,702,313	\$368,405	\$1,884,678	\$2,253,084
Bad Debt			-\$246,738			-\$280,535	-\$5,526	-\$28,270	-\$33,796
Net Estimated Revenue			\$16,202,491			\$18,421,779	\$362,879	\$1,856,408	\$2,219,287

* Reflects actual headcount, excluding dual enrollment students

** 2010-11 Revenues are estimated based on Actual enrollment figures for Fall 2010 and estimated enrollment for Spring 2011 and Summer 2011

*** 2011-12 Revenues represent a preliminary estimate; budget assumptions are still pending to be determined.

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Amendment of University Traffic and Parking Regulation

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the Amendment of the University Traffic and Parking Regulation FIU-1105 and delegate authority to the University President to approve any subsequent amendments that are based on comments to the Regulation received from the Florida Board of Governors and as a result of the regulation-making process.

Background Information:

The University Traffic and Parking Regulation FIU-1105 is being amended to reflect various changes, including: an increase in the Permit Fees charged for temporary permits and vendor and contractor permits; removal of “head in parking only” restriction and corresponding fine; additional 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.

Florida Board of Governors Regulation 1.001(3)(k) provides that each board of trustees may govern traffic on the grounds of the university and in other areas in accordance with law and any mutual aid agreements entered into with other law enforcement agencies.

Florida Board of Governors Regulation 7.003(9) provides that each university board of trustees shall establish charges for parking decals, permits and parking fines.

The Regulation includes information on fees and therefore, in accordance with the Florida Board of Governors’ Regulation Development Procedure, the University Administration is required to submit the proposed amendments to the University Traffic and Parking Regulation FIU-1105 to the Florida Board of Governors for approval.

The University President will report to the BOT at its next regularly scheduled meeting on any substantive change requested or made to the Regulation as a result of comments received from the Board of Governors pursuant to the regulation-making process.

Supporting Documentation: Proposed Amendment, University Traffic and Parking Regulation, FIU-1105

Facilitator/Presenter: Kenneth A. Jessell

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

NOTICE OF PROPOSED AMENDMENT

REGULATION NO.: FIU-1105

REGULATION TITLE: University Traffic and Parking Regulation

SUMMARY: This Regulation is being amended to reflect various changes including an increase in the Permit Fees charged for temporary permits and vendor and contractor permits; deleted “head in parking only” restriction and corresponding fine; additional requirement for disabled employees and students to get an FIU Registered Disabled sticker; and lowering of the minimum towing or immobilization charge.

TEXT OF REGULATION: The full text of the Proposed Amended Regulation can be viewed below and on the website of The Florida International University Board of Trustees, <http://bot.fiu.edu/regulations/>. If you would like a copy of the Proposed Amended Regulation, please contact Eli Deville, Coordinator, Administrative Services, Office of the General Counsel, (305) 348-2103.

AUTHORITY: BOG Regulation 1.001(3)(k) and 1001.74(2)(j) and (6), 1006.66 FS.

NAME OF PERSON INITIATING PROPOSED REGULATION: Kenneth Jessell, Chief Financial Officer and Senior Vice President.

ANY PERSON SEEKING TO COMMENT ON THE PROPOSED AMENDED REGULATION MUST SUBMIT COMMENTS IN WRITING TO THE CONTACT PERSON LISTED BELOW. ALL WRITTEN COMMENTS MUST BE RECEIVED BY THE CONTACT PERSON WITHIN 14 CALENDAR DAYS OF THE DATE OF PUBLICATION OF THIS NOTICE.

CONTACT PERSON REGARDING THE PROPOSED AMENDED REGULATION: Eli Deville, Coordinator, Administrative Services, Office of the General Counsel, Florida International University, 11200 SW 8th Street, PC 511, Miami, FL 33199. Email: devillee@fiu.edu Fax: (305) 348-3272. Phone: 305-348-2103.

DATE OF PUBLICATION: April 21, 2011

THE FULL TEXT OF THE PROPOSED AMENDED REGULATION IS PROVIDED BELOW:

FIU-1105 University Traffic and Parking Regulation.

(1) General. This regulation is applicable to all persons who operate or park a motor vehicle on the campuses of Florida International University. All Miami-Dade County traffic and parking ordinances which are not in conflict or inconsistent with University regulations and all provisions of Chapter 316, Florida Statutes, shall extend and be applicable to the University's campuses. The Department of Parking and Transportation is authorized and empowered to enforce all ~~University parking and university~~ traffic ~~and parking~~ regulations as per Florida Statutes Section 1006.66. The University ~~Public Safety Police~~ Department is authorized and empowered to enforce University regulations, all county ordinances and state laws. Copies of the University parking and traffic regulations are available from the Department of Parking and Transportation, the University Police Department ~~of Public Safety~~, the Visitor Information Center and through the Florida International University web site URL <http://parking.fiu.edu>. The University assumes no liability for vehicles parked or operated on University property. The issuance of a decal or permit does not guarantee a place to park.

(2) Registration of Motor Vehicles. Vehicles used by members of the faculty, staff, students, (full or part-time), concessionaire employees and others who regularly operate a vehicle on campus must be registered with the Department of Parking and Transportation during the first day the vehicle is on campus. ~~Vehicle registrations expire on the expiration date indicated on decal or permit. The registration expiration date for a vehicle registered with the Department of Parking and Transportation corresponds with the expiration date of the decal or permit associated with that vehicle.~~ All visitors must use parking meters unless a parking permit has been provided by a University representative. Any motor vehicle parked on University property must display a valid University parking decal or parking permit. Use of a motor vehicle on University property is a privilege, not a right and is made available only under this regulation (FIU-1105).

(a) Decals.

1. Employees: A parking decal must be obtained for each vehicle which is, or may be, parked on the University's campuses. Decals are issued according to the classifications contained in these regulations. A decal will be issued by the Department of Parking and Transportation, upon the following conditions:

- a. The owner or driver registers the vehicle with the Department of Parking and Transportation.
- b. The owner or driver, unless otherwise exempt, pays the appropriate fee and provides proof of the decal classification to which he or she is entitled.
- c. The owner or driver settles all outstanding parking and traffic fines and fees before a current decal or permit will be issued.
- d. When two or more persons who are employed by the University reside in the same household and register more than one vehicle, each is required to purchase a separate original decal; duplicate decals will not be issued for either person except upon proof of replacement of the originally registered vehicle. If two or more persons travel together in one vehicle, only one decal is required but a duplicate decal cannot be purchased except upon proof of replacement of the originally registered vehicle.

2. Students: Students will pay a Transportation Access Fee per semester. A student decal will be issued by the Department of Parking and Transportation to each student under the following conditions, and it is the students' responsibility to properly display the current decal in accordance with this regulation.

- a. The student must be currently enrolled at the University.

b. The student must provide a valid vehicle registration for the vehicle on which the decal will be placed.

c. The student must settle all outstanding parking and traffic fines and fees.

3. Decal Classifications: The issuance of decals is restricted to the classifications specified in these regulations. The following decal classifications are in effect:

a. Faculty/Staff -- An “F/S” decal is available to persons currently employed as regular or adjunct faculty; administrative and professional staff; support staff and other ~~personal~~ personnel services employees. Individuals who are currently employed by vendors or contractors with the University, or who are otherwise required by contract to obtain a decal, are also entitled to obtain a decal in this classification. A one semester or two semester decal is available during an academic school year to employees who do not wish to purchase an annual decal.

b. Student -- An “S” decal will be issued to those persons who are currently enrolled as students. For purposes of this regulation, a person shall be considered a student regardless of the number of hours or courses for which he or she is enrolled at the University. Students residing in the University’s housing complexes are required to display a current semester housing sticker in addition to the current student decal. Students employed at the University ~~at least 15 hours a week~~ may elect to purchase a faculty/staff decal at an additional cost.

c. Alumni -- An “ALUM” decal is available to FIU graduates who are not currently enrolled at the University and entitles the holder to park in spaces designated for student parking.

d. Administrative -- An “A” decal is available to only those employees who desire a higher level of parking service or have special parking needs based upon work requirements. A one semester or two semester decal is available during an academic school year to employees who do not wish to purchase an annual decal.

e. Executive -- An “E” decal is available to only those employees who desire the highest level of parking service or convenience. A one semester or two semester decal is available during an academic school year to employees who do not wish to purchase an annual decal.

f. Duplicate/Replacement Decal -- A Duplicate/Replacement decal is available to persons who have purchased an original decal for that semester or academic year. This category is for additionally owned vehicles used alternately and for situations where the original decal must be replaced due to an accident, the re-painting of the vehicle, stolen vehicles, etc. The address on the vehicle registration for the second vehicle must be the same as that on the registration of the vehicle listed on the original decal application. A vehicle with a duplicate decal is not permitted on campus at the same time as the vehicle with the original decal.

4. Decal Registration Fees:

a. The following are the annual registration fees, exclusive of sales tax, for each decal classification:

	Original	Duplicate/ Replacement
Executive	\$884.00	\$30.00
Administrative	\$406.00	\$20.00
Faculty/Staff (Annual base pay over \$45,000)	\$231.00	\$15.00

Faculty/Staff		
(Annual base pay over \$35,000)	\$206.00	\$15.00
Faculty/Staff		
(Annual base pay over \$25,000)	\$141.00	\$15.00
Faculty/Staff		
(Annual base pay \$25,000 and under)	\$121.00	\$15.00
Alumni	\$236.00	\$15.00
Student	Fall -	N/A
	Spring -	N/A
	Summer A, B, or C -	N/A

b. The following are the one semester registration fees, exclusive of sales tax, for each decal classification:

Executive	\$560.00	\$30.00
Administrative	\$260.00	\$20.00
Faculty/Staff		
(Annual base pay over \$45,000)	\$127.00	\$15.00
Faculty/Staff		
(Annual base pay over \$35,000)	\$113.00	\$15.00
Faculty/Staff		
(Annual base pay over \$25,000)	\$ 91.00	\$15.00
Faculty/Staff		
(Annual base pay \$25,000 and under)	\$ 76.00	\$15.00
Alumni	N/A	N/A
Student	Fall -	N/A
	Spring -	N/A
	Summer A, B, or C -	N/A

c. The following are the two semester registration fees, exclusive of sales tax, for each decal classification:

Executive	\$722.00	\$30.00
Administrative	\$333.00	\$20.00
Faculty/Staff		
(Annual base pay over \$45,000)	\$179.00	\$15.00
Faculty/Staff		
(Annual base pay over \$35,000)	\$160.00	\$15.00
Faculty/Staff		
(Annual base pay over \$25,000)	\$116.00	\$15.00
Faculty/Staff		
(Annual base pay \$25,000 and under)	\$ 98.00	\$15.00
Alumni	N/A	N/A
Student	Fall -	N/A
	Spring -	N/A
	Summer A, B, or C -	N/A

d. ~~Duplicate/Replacement~~ Lost or Stolen Decals. If a decal has been lost or stolen, the incident shall be reported to the Department of Parking and Transportation, and a replacement decal shall be purchased. An “FIU Parking and Transportation Lost or Stolen Decal Affidavit”, form PT #11, Revised 06/2010, which is incorporated by reference into this regulation, must be filled out.

e. Change in Decal Status. Any employee requesting an upgrade-change in decal classification shall pay the difference between the fee appropriate to the classification currently in effect and that being requested. The old decal or identifiable parts, including numbers, must be returned to the Department of Parking and Transportation for auditing purposes.

f. Non-Refundable Fees. All fees paid for decal registration shall be non-refundable except for instances where a person has mistakenly made a double payment and the request for refund is made within the same academic year in which the payment was made. The Transportation Access Fee paid by the students is only refunded in the same manner as other University -student fees are refunded.

(b) Permits and Permit Fees.

1. Temporary permits are issued only by the Department of Parking and Transportation to those persons who require temporary parking authorization and who are not otherwise required by these regulations or contract to obtain a decal. Permits must be applied for and are issued for durations that are commensurate with their purposes. Permits may or may not include the payment of parking fees as provided below.

2. The circumstances under which a permit rather than a decal shall be issued include but are not limited to use of a temporary vehicle; parking on the University's campuses for occasional business-related purposes; parking on the University's campuses for attendance at conferences and meetings; and visitors who are not otherwise required to obtain a decal. Any person who has a current decal and needs to use temporary transportation must obtain a temporary parking permit. These temporary parking permits are issued, free of charge, for a maximum of thirty (30) consecutive days.

3. Temporary 30, 60, and 90-day permits are available to persons not otherwise required by these regulations or contract to obtain a parking decal. The following are the permit fees, **exclusive of sales tax**:

30-day permit \$~~22.00~~27.00
60-day permit \$~~40.00~~45.00
90-day permit \$~~60.00~~65.00

4. Specific visitor, vendor and contractor, and volunteer permits will be issued by the Department of Parking and Transportation upon payment of a fee as follows:

a. Visitor fees. Metered parking is available throughout the University at a cost of 25 cents per 15 minutes except in PC Loading which are 50 cents per 15 minutes. Visitors can also park at the multi-space meters for \$1.00 per hour with a maximum of \$ 8.00 per day. University departments hosting an event can purchase garage visitor permits in advance.

b. Vendors and Contractors fees. All vendors and contractors conducting business on campus are required to purchase a contractor permit. The following are the permit fees, **exclusive of sales taxes**:

30-day permit \$~~22.00~~27.00
60-day permit \$~~40.00~~45.00
90-day permit \$~~60.00~~65.00

c. Volunteers' fees. Upon verification, individuals outside the University who volunteer their time at either campus can purchase a volunteer permit for the following fees **exclusive of sales tax**:

30-day permit \$ 5.00

60-day permit \$10.00

90-day permit \$15.00

(c) Vehicle Registration Exemptions. The following persons shall not be required to register their vehicles with the Department of Parking & Transportation:

1. Representatives of news media on official business.

2. Members of the Florida International University Board of Trustees who are on campus to attend meetings and functions of the Board of Trustees. Trustees shall be issued ~~identification-a decal or hang tag~~ which shall be prominently displayed in their vehicles.

3. Members of the FIU Foundation Board of Directors who are on campus to attend meetings and functions of the Foundation. Directors shall be issued ~~identification-a decal or hang tag~~ which shall be prominently displayed in their vehicles.

(3) Decal, Traffic and Parking Regulations, Golf Cart and Garage Parking.

(a) Decal Regulations.

1. Display of Decal. Each driver who regularly parks a vehicle on campus shall display a valid decal or permit. It is the responsibility of the driver to properly display a decal or permit so it is easily visible and readable. Failure to display it correctly may result in a violation for not having a valid decal or permit.

2. Decals shall be permanently affixed to the outside of the vehicle on the left side either on the rear bumper, or the outside of the rear window. Decals must be permanently affixed and not altered. For unusually constructed vehicles, decals shall also be permanently affixed in the manner directed by the Department of Parking and Transportation. Housing stickers shall be permanently affixed adjacent to the current student decal.

3. The entire decal or permit must be displayed unaltered.

4. It is a violation of these regulations to transfer a decal or permit from one vehicle to another; alter a decal or permit, falsify documents to obtain a decal or permit or otherwise obtain or display a decal or permit in violation of the University rules and regulations. Any such act shall constitute decal fraud and will cause the decal or permit to be revoked.

(b) Traffic Regulations:

1. Speed Limit. The speed limit on University property is 25 miles per hour on main roads unless otherwise posted. The speed limit inside the garage is 5 mph. Speed limit inside surface lots is as posted.

2. Right-of-Way. Pedestrians and wildlife have the right-of-way over motor vehicles, including golf-carts. Pedestrians must use crosswalks when crossing a roadway.

3. Barriers. Barriers may be placed by the University at any point deemed necessary for specific temporary use. Except as required for the passage of emergency vehicles, removal of any such barrier without permission is prohibited.

4. Enforcement Directives. A directive given by a police officer or parking patroller or designee supersedes the regulations posted by sign or signal.

(c) Golf-Carts:

1. Golf-carts are restricted by the Florida Department of Highway Safety and Motor Vehicles and Florida International University for use on facility premises only. Golf-carts are used primarily for the ~~T~~ransportation of persons or cargo, are designed and regulated to be

operated at speeds of less than 25 miles per hour, and are generally recognizable as a passenger or utility type cart, vehicle, club car or conveyance.

2. Any person who operates a golf-cart on University premises is deemed, by so doing, to have the knowledge, training and skill to safely operate such vehicle and shall be fully accountable for their actions and the consequences thereof.

3. Golf-cart Enforcement. Golf-carts shall be operated in accordance with the following specific regulations:

a. Golf-carts shall not be parked within 6-8 feet of the entrance or exit of any building, except at loading docks or approved designated golf-cart parking spaces.

b. Operators shall stop golf-carts at all blind intersections and sound their horns before proceeding.

c. Golf-carts shall not be parked or operated in any manner likely to obstruct or interfere with the flow of pedestrian or vehicular traffic in heavily traveled areas.

d. Operators shall not stop for any extended period of time in the middle of roads and walkways. Golf-carts shall not be parked on pedestrian crosswalks.

e. Safety precautions shall be taken while driving golf-carts through parking lots.

f. Golf-carts shall not be driven through buildings except: 1) under circumstances of police or medical emergency, 2) in order to service that specific building wherein equipment and supplies, but not people, are being transported to the work site, or 3) in order to make a delivery of materials which cannot be otherwise transported to a specific location in a building.

g. Where circumstances warrant operation of a golf-cart in or through any University building, as described in "f." above, operators shall take the most unobtrusive route and shall follow all other operating requirements.

(d) Parking Regulations for Surface and Garage Parking.

1. Posted signs, bumper blocks, and other markings designate the various parking areas on campus. Parking areas may be restricted by decal classification, time or purpose.

Parking areas restricted by decal classification, time or purpose shall be considered no parking zones to those individuals who do not fall within the restriction of the decal classification.

Individuals parking in areas so restricted require a decal, hang tag, or permit. The following parking restrictions are found in areas on the University's campuses:

a. Executive

b. Administrative

c. Faculty/Staff

d. Student

e. Meters

f. Disabled

g. Motorcycle/Motorbike/Moped

h. State Vehicles

i. Time Limit Parking

j. Housing Parking

k. Loading Zone

l. Garage Visitors

~~m. Head-In Parking Only~~

~~n. Golf-Cart~~

~~o. Carpool~~

2. Metered parking is for visitors and is enforced daily, from 7:00 a.m. to 10:00 p.m. including weekends and holidays. If a meter is malfunctioning, parking in that space is prohibited. A current FIU parking- decal or permit does not entitle the driver to park in a metered parking space without paying the appropriate fee, unless otherwise specified on the permit.

3. Use of parking areas designated as Faculty/Staff shall be enforced between the hours of 6:00 a.m. to 7:00 p.m., Monday through Friday, unless otherwise indicated by signage.

Parking in all other areas, including Executive and Administrative, shall be observed and enforced at all times.

4. Changes in designated parking areas shall become effective at such time as signage or other identifying markings are posted.

5. No motor vehicles, other than police, emergency, or golf-carts may be operated or parked at any time on the walkways, grass, service areas, driveways or other prohibited zones, except where specifically permitted by signage. No motor vehicle, motorcycle or other type of vehicle, including a bicycle, shall be parked in such a way as to create a hazard or obstruction to traffic or access. Temporary parking areas may be designated in grass areas by the placement of delineating signs, bumper blocks or other identifying marks. Parking adjacent to any University building shall be prohibited except as identified by authorized signs.

6. No person, other than a current housing resident whose vehicle is left in a housing lot, shall leave a vehicle overnight on University property without notifying the ~~Public Safety~~ University Police Department and the Department of Parking and Transportation. Vehicles that are inoperable shall be reported immediately to the ~~Public Safety-University Police~~ University Police Department and the Department of Parking and Transportation. Vehicles left for more than three (3) consecutive days and nights, without prior approval, or which are apparently abandoned shall be subject to towing, impoundment, and disposal at the owner's expense. The University does not assume any responsibility for motor vehicles or their contents while they are parked on campus. Vehicles registered to current housing residents may be left in housing lots during session breaks but in no event for more than three weeks, except with permission from University housing.

7. Major repairs to vehicles shall not be performed on either campus.

8. Double-parking is not allowed at any time.

9. The fact that a person may park or observe others parked in violation of the regulations without receiving a citation does not mean that the regulation is no longer in effect. Observing others illegally parked is not a valid excuse.

10. Parking on lawns, landscaped areas, sidewalks, or other areas not specifically designated by signs or curb markings as parking areas is a violation. The absence of a "No Parking" sign does not mean parking is permissible in an area.

11. Residents of housing shall abide by the parking regulations.

12. Parking a vehicle on campus following failure to pay or appeal any citation for a university traffic infraction within the time provided, or parking on campus with a revoked decal shall be considered illegal parking and is subject to towing.

13. Parking areas designated as disabled are enforced at all times and a current state issued disabled placard/hang-tag or license plate must be visible and properly displayed. In addition, Aall disabled Eemployees and students of the University must obtain/purchase and display a current decal in addition to the disabled placard/hang-tag or license plate and FIU Registered Disabled at FIU sticker.

(e) Garage Parking:

1. A current FIU parking decal is required to park in the garages ~~at no additional cost as restricted by decal classification.~~

2. ~~Current FIU decal holders cannot park in a visitor space without paying the additional fee- A current FIU parking decal or permit does not entitle the driver to park in a metered parking space without paying the appropriate fee, unless otherwise specified on the permit.~~

3. Garage hours: Gold and PG5 Market Station Garages

Open 24 hours a day, 7 days per week

Blue, Red and Panther Garages

6:00 a.m. - 2:00 a.m. Mondays – Fridays

Closed weekends and holidays except for Special Events

4. No overnight parking. Vehicles must be removed from the garage prior to posted closing hours of the facilitygarage. Any vehicle left in the garage after hours will be ticketed and is the vehicle is subject to towing at vehicle owner's expense.

5. Head-in parking only.

5. Garage speed limit is 5 mph. Garage speed is radar-enforced.

6. No sSkateboarding and rollerblading are prohibited in the garages.

(4) Enforcement.

(a) Violations. Failure to abide by any of the provisions of these regulations shall be considered a university parking infraction. The University may enforce university parking infractions through use of warnings, citations and fines, vehicle immobilization, towing and any other means authorized by statute.

(b) Citations. The Public Safety-University Police- Department and the Department of Parking and Transportation are authorized to issue written citations to persons who violate the this university traffic and parking and Transportation regulations. The Public Safety-University Police Department is also empowered to issue citations for violation of Chapter 316, Florida Statutes, and county ordinances. Only one citation per calendar day will be issued for each violation in the same location on the same vehicle.

1. Schedule of Fines. The schedule below establishes fines for the various categories of violations which are considered to be university parking infractions:

No Decal	\$ 20.00
Parking on the Grass	\$ 20.00
Hazardous Parking	\$ 25.00
Overtime Parking (meter)	\$ 20.00
All Moving Violations	\$ 25.00
Restricted/Improper Parking	\$ 25.00
Overtime Parking (garage)	\$ 25.00
Unlawfully Parked in Disabled Space	\$250.00
Decal Fraud	\$100.00
<u>Head-In Parking Only</u>	<u>\$ 15.00</u>
Radar/Speeding Violation	\$ 25.00
Restricted "E" or "A"	\$ 30.00
Golf-Cart	\$ 25.00
Decal/Permit-Improper <u>ly</u> Display <u>ed</u>	\$ 20.00

a. Impoundment and vehicle immobilization charges vary according to type of vehicle, and/or type of tow or immobilization needed for the vehicle, at a minimum \$65.0050.00. If a third party towing company is used, the charge will be as determined by the third party towing company.

b. Any vehicle which remains in violation of the same regulation for more than one calendar day is subject to additional citations. Violations of Chapter 316, Florida Statutes,

and county ordinances are returnable to the Miami-Dade County Court and may carry higher fines or other penalties.

2. Late Charges. If a university citation is not paid or appealed in the time provided by this regulation, a \$5.00 late charge shall be assessed in addition to the fine established for the violation. The assessment of the late charge shall not preclude the University from enforcing these regulations through alternative means such as preventing registration, withholding transcripts, receiving your diploma and/or towing, or immobilizing the vehicle. Finally, the outstanding balance will be sent to a collection agency and additional fees will be assessed.

3. Remedies for Failure to Pay Fines. In addition to the assessment of a late charge fee, and other penalties as provided in this regulation, the following remedies are available to the University:

a. Revoke parking and driving privileges on University property. A person whose parking privileges are revoked may not be issued a new parking decal until all prior outstanding citations are satisfied.

b. Prevent the person from registering as a student.

c. Withhold issuance of transcripts or degrees.

d. Use vehicle immobilizer.

e. Tow and impound the person's car.

f. Take other action as necessary to collect the outstanding fines as delinquent accounts owed to the University such as the use of a collection agency.

4. Responsibility for Citations. The person who registers a motor vehicle with the Department of Parking and Transportation assumes responsibility for all citations issued to that vehicle. If the motor vehicle has not been registered with the Department of Parking and Transportation then the person(s) in whose name the motor vehicle is registered with the State Department of Highway Safety and Motor Vehicles shall be held responsible for citations issued to the vehicle. Employees of FIU operating state university vehicles and golf-carts shall be responsible for citations issued to such vehicle(s).

(c) Procedures for Payment of Fines and Appeals. A person to whom a citation has been issued shall have ten (10) business days from the date of issuance to respond to the citation either by paying the fine or by filing an appeal. If payment or request for an appeal is not received within the allotted time, a late fee shall be assessed, and the University may take any authorized action to enforce the penalty.

1. Payment of Fines. Fines may be paid by credit card through the Florida International University web site URL <http://parking.fiu.edu> or in person at the Department of Parking and Transportation by check, money order, cash payment, the FIU Panther debit card, or credit card. Alternatively, payments may be mailed to the Department of Parking and Transportation located on Modesto Maidique Campus; however, late fees shall be applied in the event payment is not received by the Department of Parking and Transportation within the time provided by these regulations. All payments sent by mail should include the payee's Panther ID number and citation number.

2. Appeals Process and Procedures. Appeals of citations for university parking infractions and towing/vehicle immobilization procedures and charges may be instituted by filing a written appeal through the Florida International University web site URL <http://parking.fiu.edu> or at the Department of Parking and Transportation on the "Florida International University Department of Parking and Transportation CITATION APPEAL FORM", Form PT #04 Appeal Form RVSD. 04/2009, according to the instructions provided on the form. The form is

incorporated by reference into this regulation. County citations are not open to appeal through the University appeal process. County citations must be processed through the Miami-Dade County Court system. The Citation Appeal Form PT #04 may be obtained at the Department of Parking and Transportation, the web site and at other locations throughout the University, such as the Visitor Information Center and ~~Public Safety~~ University Police Department at both campuses. Inability to locate parking spaces or the failure of others to observe these regulations shall not be considered to be valid defenses. The completed Citation Appeal Form must include a current and accurate mailing address or email address where notices can be sent to and received by the Appellant. Complete Citation Appeal Forms will be forwarded by the Department of Parking and Transportation to an Appeal Hearing Officer for review and decision.

a. Appeal Hearing Officers. There shall be appointed on each campus a University Appeal Hearing Officer or Officers who shall be responsible to resolve appeals of citations for university parking infractions and/or towed or immobilized vehicles. The Appeal Hearing Officer(s) of each campus shall be appointed, by the appropriate vice president, to serve a two-year term, and may be appointed for additional terms. It is intended that Appeal Hearing Officers will be members of the University Community.

b. Appeal Hearing Officer Procedures. Appeal Hearing Officers will receive and evaluate written appeals. They will be guided by the Parking Regulations and shall consider any relevant circumstances, as articulated in the written appeal, in making their decision(s). Appeal Hearing Officers may request further information or interview the appellant, witnesses or the citing officer. Appeals will be reviewed and appellants notified by mail.

c. Appeal Hearing Officer Decisions. Following consideration of the grounds for an appeal, the Appeal Hearing Officer shall decide on the appeal. The Appeal Hearing Officer's decision shall contain findings of fact and be reduced to writing and a copy shall be furnished to the appellant by the Department of Parking and Transportation. The decision of the Appeal Hearing Officer is final without further right of review. Upon denial of an appeal, the fine assessed shall be paid within ten (10) business days of the date of notification to the appellant or a late fee will be assessed.

(d) Immobilization, Towing and Impoundment-Appeals. The University may immobilize, tow and/or impound any vehicle which is found to be parked illegally or in violation of these regulations. Parking after failing to pay a parking citation(s) within the allotted time constitutes illegal parking. A person whose vehicle has been immobilized, towed and/or impounded may appeal the tow or immobilization by filing a written appeal within ten (10) business days from the date of the impoundment. An Appeal Hearing Officer shall review the appeal within seventy-two (72) hours of receipt of the written appeal. The appellant shall receive notification of the appeal decision through the mail. If the immobilization or tow appeal is granted, the University shall refund the amount charged for the immobilization or tow. In lieu of the appeal, or pending such appeal, or if the appeal is denied, the owner of the vehicle or his/her authorized agent may obtain release of the vehicle by paying the citation(s), the immobilization and/or towing charges and any applicable delinquent fines.

(e) University Departmental Events. All departments hosting an event, which will require additional visitor parking for guests, will require visitor permits for each vehicle per day. Pre-purchased parking spaces are available by contacting the Department of Parking and Transportation no later than three (3) business days, but preferably five (5) business days before the date of the event. Departments are encouraged to post directional signs for each event.

Specific Authority- BOG Regulation 1.001(3)(k) and 1001.74(2)(j) and (6), 1006.66 FS. Law Implemented 1001.74 (2)(j) and (6), 1006.66 FS. History--Formerly 6P-5.06, 10-1-75, Repromulgated 12-23-76, Amended 1-15-80, 8-20-81, 4-24-83, 8-12-85, Formerly 6C8-5.06, Amended 7-6-86, 8-31-89, 7-17-90, 7-21-91, 8-25-93, 10-26-93, 8-17-94, 8-20-95, 8-11-96, 6-12-97, 7-08-99, 5-16-00, 5-24-01, 7-25-02, 12-2-02, 8-11-03, 6-1-04, 6-1-05, Formerly 6C8-5.006, Amended 6-2-06, 7-12-07, 8-11-08, 6-29-09, 8-10-10,_____.

APPEAL DATE: _____

Florida International University

Department of Parking & Transportation

APPEAL# _____

CITATION APPEAL FORM

VALID DECAL: YES ☐ or NO ☐

DATE ISSUED: _____

AN APPEAL HEARING OFFICER WILL REVIEW THIS APPEAL.

APPELLANTS DO NOT HAVE THE OPTION TO APPEAR IN PERSON.

THIS APPEAL FORM MUST BE SUBMITTED NO LATER THAN 10 BUSINESS DAYS FROM THE DATE OF CITATION

() STUDENT () FACULTY/STAFF () VISITOR () VENDOR/CONTRACTOR

PLEASE PRINT

PANTHER ID #: _____

CITATION #: _____

NAME: _____

DATE OF CITATION: _____

ADDRESS: _____

VEHICLE PLATE #: _____

CITY: _____ ST: _____ ZIP: _____

VIOLATION CODE: _____

HOME PHONE #: _____

VIOLATION DESC. : _____

ALTERNATE PHONE #: _____

LOT #/UNIT #/TIME: _____

E-MAIL: _____

I wish to appeal for the following reason (s): _____

I certify that the statements made above are true and correct to the best of my knowledge and belief. **I understand that the decision of the appeal-hearing officer is final without further right of review.** Once I receive my appeal results, whether denied or reduced, I agree to pay the amount due within 10 business days after receiving the appeal results. If payment is not received within the allotted time, a late fee will be assessed. If appeal status notification has not been received within 2 weeks from signature date, it is the appellant's responsibility to conduct a follow up by calling any of our Parking & Transportation offices at UP Campus (305) 348-3615 or BBC (305) 919-5558.

SIGNATURE: _____

DATE: _____

() DENIED () GRANTED () WARNING: NO FINE ISSUED () REDUCED FINE TO \$ _____

APPEAL HEARING OFFICER COMMENTS: _____

APPEAL HEARING OFFICER: _____ DATE: _____



Parking & Transportation

Lost or Stolen Decal Affidavit

The Department of Parking & Transportation has adopted the following policy to deal with situations where a decal is lost in the mail, stolen off of a vehicle, or lost by its recipient. If lost or stolen, the person must purchase a duplicate decal to replace the missing one. Person claiming decal was lost/stolen needs to file a report with FIU Police and bring a copy of the police report to attach to this affidavit.

When the decal is stolen off of a vehicle and is subsequently recovered, the applicant is allowed to apply for a refund for the price paid for the duplicate decal (subject to verification by Parking & Transportation within 30 days of decal purchase.)

In instances where the decal is mailed out, but never received by the applicant, it is considered lost/stolen once an affidavit is filled out. Another decal of the same category will be issued at no charge. (Subject to verification by Parking & Transportation and within 30 days of decal purchase/ordered. After this period a duplicate must be purchased). If the applicant later has possession of the decal, the applicant must report the recovery to the Department of Parking & Transportation. The decal must be returned to Parking & Transportation.

Persons wishing to file a lost or stolen decal report must fill out the affidavit swearing the information contained in the report is true. Furthermore, the person is thus informed that providing false misleading information may result in impoundment of the vehicle, fines totaling \$100.00 or more, and a referral to the University authorities for disciplinary action.

PLEASE PRINT:

_____	_____	_____
Last Name,	First Name	Panther ID

Local Mailing Address		

_____	_____	_____
City	State	Zip Code

		Telephone

Provide a brief explanation: _____

My signature, below, indicates that I have read and understand this Department of Parking & Transportation Lost or Stolen Decal Affidavit.

_____	_____
Signature	Date

FOR OFFICE USE ONLY	
CLERK _____	POLICE REPORT ATTACHED _____
PREVIOUS DECAL # _____	NEW DECAL # _____
LOST IN MAIL _____	STOLEN _____
LOST BY APPLICANT _____	

PT#11 Revised 06/2010

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Tuition for Market Rate Programs, 2012/13 academic year

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees approval of the market rate tuition for the Masters in Mass Communications and the Masters in Engineering Management programs offered through continuing education beginning academic year 2012/13.

Background Information:

According to Florida Statutes §(15)(a):

The Board of Governors may approve:

3. A proposal from a university board of trustees to implement flexible tuition policies, such as ... market tuition rates for graduate-level online courses or graduate-level courses offered through a university's continuing education program...

(b) A proposal developed pursuant to paragraph (a) shall be submitted in accordance with guidelines established by the Board of Governors. Approval by the Board of Governors of such proposal must be made in accordance with the provisions of this subsection.

Pursuant to BOG Regulation 7.001(15) university boards of trustees may submit proposals for market tuition rates for graduate-level courses offered online or through the university's continuing education unit. The proposals must be submitted to the Board of Governors for consideration by the budget committee during the November meeting.

Supporting Documentation:	Proposal for Masters in Mass Communications Program Proposal for Masters in Engineering Management Program
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Facilitator/Presenter:	Kenneth A. Jessell
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**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

University: Florida International University

Date																			
University Board of Trustees approval date:	June 21, 2011																		
Proposed Implementation Date (month/year):	August 2012																		
Description																			
<p>Describe the program in which market tuition is being requested. Has the program been approved pursuant to Regulation 8.011? Does the program lead to initial licensing or certification? Is the program identified as a state critical workforce need? Are the program's admission and graduation requirements the same as other similar programs?</p> <p>The Masters in Mass Communication – Global Strategic Communications track (36 Credits) has been approved pursuant to Regulation 8.011. The program has not been identified as a state critical workforce need and does not lead to initial licensing or certification. The program's admission and graduation requirements are the same as other similar programs and combines traditional courses in mass communications with courses in global communications and strategic decision making. This program will be fully offered on-line.</p>																			
Market Tuition Rate and Process																			
<p>What is the market tuition rate to be charged for each of the next three years? What is the current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).</p> <p>The market tuition rate to be charged is \$30,000 plus up to a 15% increase for each of the years. The market tuition rate was determined by benchmarking against other similar programs. The tuition rates of five other programs are:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d9e1f2;"> <th style="text-align: left;">University</th> <th style="text-align: center;">In State</th> <th style="text-align: center;">Out of State</th> </tr> </thead> <tbody> <tr> <td>George Washington University</td> <td style="text-align: center;">\$49,460</td> <td style="text-align: center;">\$49,460</td> </tr> <tr> <td>Drexel University</td> <td style="text-align: center;">\$40,320</td> <td style="text-align: center;">\$40,320</td> </tr> <tr> <td>Seton Hall</td> <td style="text-align: center;">\$35,748</td> <td style="text-align: center;">\$35,748</td> </tr> <tr> <td>Marists University</td> <td style="text-align: center;">\$25,020</td> <td style="text-align: center;">\$25,020</td> </tr> <tr> <td>North Dakota</td> <td style="text-align: center;">\$13,170</td> <td style="text-align: center;">\$21,461</td> </tr> </tbody> </table>		University	In State	Out of State	George Washington University	\$49,460	\$49,460	Drexel University	\$40,320	\$40,320	Seton Hall	\$35,748	\$35,748	Marists University	\$25,020	\$25,020	North Dakota	\$13,170	\$21,461
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**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

Similar Program(s) Offered by Other State Universities

Describe any similar programs offered by another state university system institution:

There are no similar programs offered in the state of Florida.

Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The market rate tuition will enable the program to provide career services, greater student support, greater number of master research project supervisors, and professional development for faculty enhancing FIU's commitment to providing quality learning, state of the art research and creative activity, and problem-solving engagement.

Declaratory Statement

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation:

The policy will not increase the state's fiscal liability or obligation for this program.

Differentiation Between Resident and Non-resident Students

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program:

There will not be a differentiation in market tuition rates between a resident and non-resident student enrolled in the program.

Restrictions / Limitations

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:

There are not any proposed restrictions, limitations or conditions on the policy.

**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

Accountability Measures

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

The university will monitor success of the policy using two metrics: 1) Increase in the number of students enrolled and 2) Increase student satisfaction levels. Retention and graduation rates are currently accountability measures for all programs. The EBI Survey will be used to measure student satisfaction.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

The program will be managed in a lock-step cohort format which will ensure that sufficient courses are available to meet student demand and facilitate completion of the program. All instruction and program administration will be performed by University faculty and staff.

Baseline Enrollments

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses.

The program currently has 210 students enrolled in the regular track, of which 170 are resident and 40 are non-resident students. While a few of the current students may prefer the fully on-line offering, it will be attractive to professionals and students who do not have access to such a program locally.

Economic Impact

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

This proposal will allow the University to offer the program and provide a needed service to the community. It is expected that the program will generate \$600,000 during the 18 month program. The revenue will be spent to cover the direct and indirect instructional costs, program administration, enhance student, career and academic services, marketing, professional development, facility rental, and support university and college initiatives. No private vendors will be used and the funds will be budgeted in the auxiliary enterprise.

**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

Other Information

**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

University: Florida International University

Date																												
University Board of Trustees approval date:	June 21, 2011																											
Proposed Implementation Date (month/year):	August 2012																											
Description																												
<p>Describe the program in which market tuition is being requested. Has the program been approved pursuant to Regulation 8.011? Does the program lead to initial licensing or certification? Is the program identified as a state critical workforce need? Are the program's admission and graduation requirements the same as other similar programs?</p> <p>The Master of Science in Engineering Management (30 credits) has been approved pursuant to Regulation 8.011. The program does not lead to initial licensing or certification. This program has not been identified as a state critical workforce need. The program's admission and graduation requirements are the same as other similar programs.</p>																												
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<p>What is the market tuition rate to be charged for each of the next three years? What is the current tuition rate? Explain the process used to determine market tuition. Provide tuition rates from at least five other institutions (private and public).</p> <p>The market tuition rate to be charged, plus up to 15% increase for each of the years, will be based on the location as stated below:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="text-align: left;">Program:</th> <th style="text-align: center;">Total In-State:</th> <th style="text-align: center;">Total Out-of-State:</th> </tr> </thead> <tbody> <tr> <td>Jamaica</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">\$18,000</td> </tr> <tr> <td>Professional</td> <td style="text-align: center;">\$35,000</td> <td style="text-align: center;">\$35,000</td> </tr> </tbody> </table> <p>The market tuition was determined by benchmarking against other professional management programs nationally and throughout the State of Florida and incorporating all associated costs of managing this program. Approximate tuition rates for other institutions are the following:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="text-align: left;">Degree, School, University</th> <th style="text-align: center;">In State</th> <th style="text-align: center;">Out of State</th> </tr> </thead> <tbody> <tr> <td>Penn State University</td> <td style="text-align: center;">\$ 31,020</td> <td style="text-align: center;">\$ 31,020</td> </tr> <tr> <td>University of Miami</td> <td style="text-align: center;">\$ 46,000</td> <td style="text-align: center;">\$ 46,000</td> </tr> <tr> <td>Florida Institute of Technology</td> <td style="text-align: center;">\$ 31,200</td> <td style="text-align: center;">\$ 31,200</td> </tr> <tr> <td>Purdue University</td> <td style="text-align: center;">\$ 32,230</td> <td style="text-align: center;">\$ 32,230</td> </tr> <tr> <td>University of Florida</td> <td style="text-align: center;">\$ 27,520</td> <td style="text-align: center;">\$ 27,520</td> </tr> </tbody> </table>		Program:	Total In-State:	Total Out-of-State:	Jamaica	N/A	\$18,000	Professional	\$35,000	\$35,000	Degree, School, University	In State	Out of State	Penn State University	\$ 31,020	\$ 31,020	University of Miami	\$ 46,000	\$ 46,000	Florida Institute of Technology	\$ 31,200	\$ 31,200	Purdue University	\$ 32,230	\$ 32,230	University of Florida	\$ 27,520	\$ 27,520
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**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates - Regulation 7.001(15)**

Similar Program(s) Offered by Other State Universities

Describe any similar programs offered by another state university system institution:

Below is the only similar program offered by other state university system institution in FL.

University:	Credits:	Duration:
University of Florida	32	24 Months

Mission Alignment

Describe how offering the proposed program at market tuition aligns with the mission of the university and the Board strategic plan:

The market rate tuition will enable the MSEM program to provide the students with better support such as career services, greater number of graduate teaching assistants, and professional development for faculty enhancing FIU's commitment to providing quality learning, state-of-the-art research and creative activity, and problem-solving engagement.

Declaratory Statement

Provide a declaratory statement that the policy will not increase the state's fiscal liability or obligation:

The policy will not increase the state's fiscal liability or obligation for this program.

Differentiation Between Resident and Non-resident Students

Explain if there will be a differentiation in market tuition rates between a resident and a non-resident student enrolled in the program:

There will not be a differentiation in market tuition rates between a resident and non-resident student enrolled in the program.

Restrictions / Limitations

Identify any proposed restrictions, limitations, or conditions to be placed on the policy:

There are not any proposed restrictions, limitations or conditions on the policy.

**State University System
Florida Board of Governors
Request to Establish Market Tuition Rates – Regulation 7.001(15)**

Accountability Measures

Indicate how the university will monitor the success of the policy. Provide specific metrics that will be used.

The university will monitor success of the policy using two metrics: 1) Increase in the number of students enrolled and 2) Increase student satisfaction levels. Retention and graduation rates are currently accountability measures for all programs. The EBI Survey will be used to measure student satisfaction.

Course Availability

Explain how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.

The program will be managed in a lock-step cohort format which will ensure that sufficient courses are available to meet student demand and facilitate completion of the program. All instruction and program administration will be performed by University faculty and staff.

Baseline Enrollments

Provide current enrollments, including a breakout of resident and non-resident enrollment, in the program being submitted for consideration and similar state-funded courses.

The program currently has 15 students enrolled, of which 14 are resident and 1 is non-resident.

Economic Impact

Provide economic impact that this proposal will have on the university and the student, anticipated revenue collection, how the revenue will be spent, whether any private vendors will be used, and which budget entity the funds will be budgeted.

This proposal will allow the University to offer the program and provide a needed service to the community. It is expected that the program will generate \$420,000 during the one year program. The revenue will be spent to cover the direct and indirect instructional costs, program administration, enhance student, career and academic services, marketing, professional development, facility rental, and support university and college initiatives. The funds will be budgeted between in the auxiliary enterprise.

Other Information

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THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Proposed 2011-2012 - Fixed Capital Outlay Budget

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the University's 2011-2012 Fixed Capital Outlay Budget and authorize the University President to amend the budget as necessary, consistent with Florida Board of Governors and BOT directives and guidelines.

Background Information:

Section 1013.61, Florida Statutes, requires that the BOT adopt a capital outlay budget for the ensuing year in order that the capital outlay needs of the Board for the entire year may be well understood by the public.

Florida Board of Governors Regulation 1.001(6)(a) provides, in relevant part, that each board of trustees shall submit an institutional budget request, including a request for fixed capital outlay to the Board of Governors for approval in accordance with the guidelines established by the Board of Governors.

The capital outlay budget is part of the annual budget and shall be based upon and in harmony with the Board's capital outlay plan. The budget shall designate the proposed capital outlay expenditures by project for 2011-2012 from all fund sources, as amended.

The Capital Outlay Budget governs the University's capital expenditures during the year. The budget is required to be approved by the BOT prior to July 1, 2011.

Supporting Documentation: 2011-2012 Capital Outlay Budget Request for Florida International University

Facilitator/Presenter: Kenneth A. Jessell

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PUBLIC EDUCATION CAPITAL OUTLAY PROJECTS (PECO)

Utilities / Infrastructure / Capital Renewal / Roofs (P, C, E)	\$1,676,584
Satellite Chiller Plant Expansion (P, C, E) - Partially Restores Veto	\$6,000,000 Vetoed by Governor
TOTAL 2011-2012 CAPITAL OUTLAY BUDGET	\$1,676,584

P = Planning
C = Construction
E = Equipment

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THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Internal Audit Plan, 2011-2012

Proposed Committee Action:

Approve the University Internal Audit Plan for Fiscal Year 2011-2012.

Background Information:

The Florida International University Board of Trustees Finance and Audit Committee Charter mandates approval of the audit plan for the upcoming fiscal year.

The Florida International University Board of Trustees Operating Procedures, Finance and Audit Committee Charter, Specific Responsibilities: The Office of Internal Audit, states in relevant part:

The Finance Committee shall... Review and approve the Office of Internal Audit's annual audit plan (and any subsequent changes thereto), considering the University-wide risk assessment and the degree of coordination with the Auditor General's Office for an effective, efficient, non-redundant use of audit resources.

Supporting Documentation: Internal Audit Plan, Fiscal Year 2011-2012

Facilitator/Presenter: Allen Vann

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June 7, 2011

M E M O R A N D U M

To: Chairman and Members of the Finance and Audit Committee

From: Allen Vann, Audit Director

Subject: Internal Audit Plan for Fiscal Year 2012

I am pleased to present our proposed audit plan for fiscal year 2012 for your review and approval. The development of the plan was shaped using a systematic approach to help us decide what audits need to be performed. The planning process helps us develop the theme for our audits and identify an appropriate mix of various types of audits. The audit plan considers how we can best allocate our resources.

Internal Audit Resources:

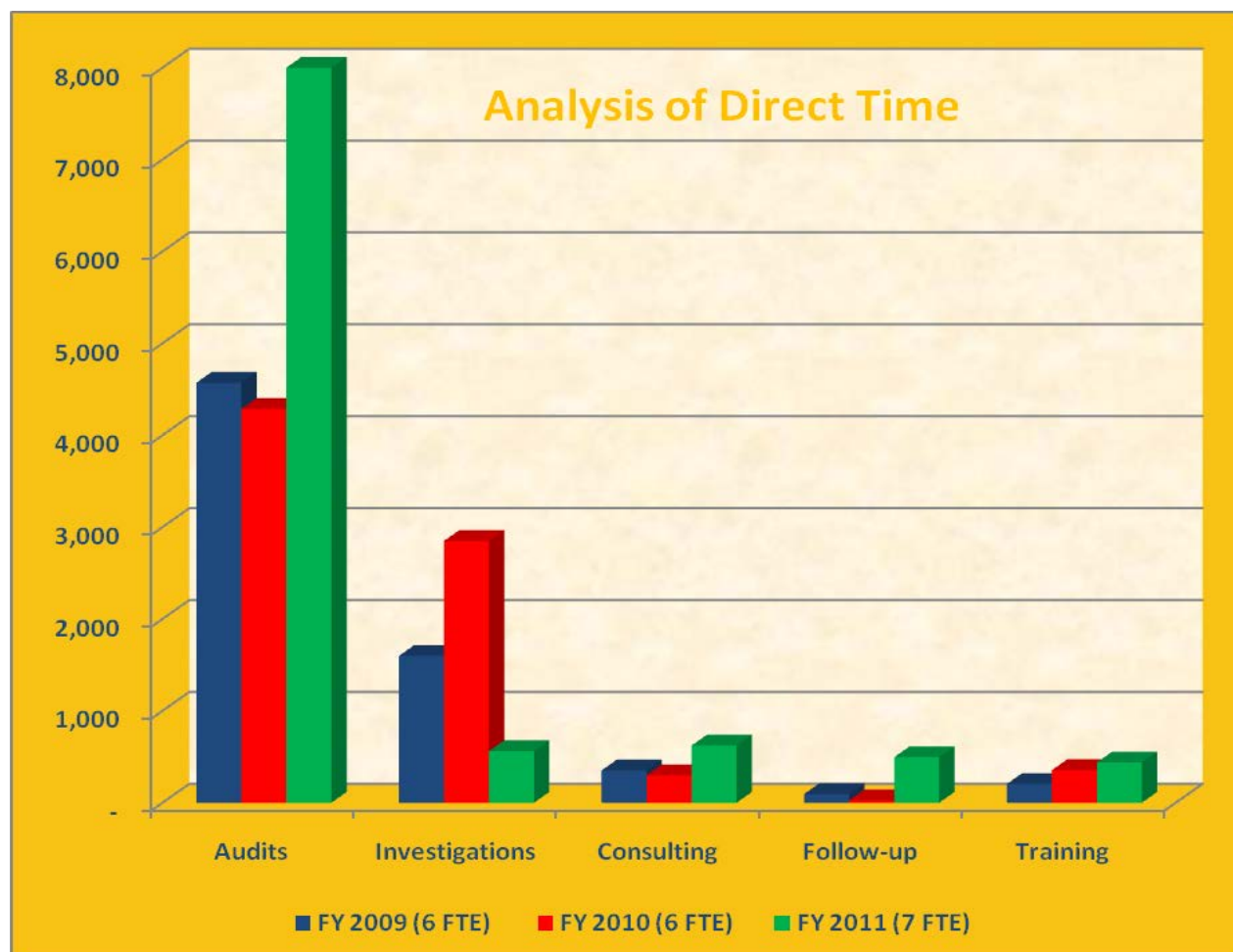
One of the responsibilities of the Finance and Audit Committee is to “Assess the staffing of the Office of Internal Audit, including the annual budget.”¹ During fiscal year 2011, we added an additional audit professional to meet the growing needs of the University. The composition of our office includes seven professional auditors and an office manager.

On March 15th, at our last Finance and Audit Committee meeting, as requested we presented to you on the results of a benchmarking study on *Rightsizing Internal Audit Activities*. Our study concluded that we currently have a sufficient and appropriate mix of resources needed to conduct internal audit activities. As FIU's Strategic Plan unfolds we will revisit and adjust the University's internal audit needs accordingly.

While our audit staff is effectively deployed, our workload is often difficult to predict. Investigations and other unplanned work affect our ability to complete all of the planned audit projects. This fiscal year, however, we were able to spend much more time completing our planned audits.

The following graph compares how the Office of Internal Audit's direct staff time was spent during the past three fiscal years:

¹ FIU Board of Trustees Operating Procedures, page 15.



Note: FY 2011 data was annualized.

During FY 2010, the high volume of investigative work, particularly as it relates to procurement card abuse, resulted in our spending less than half of our time performing planned audits. During this fiscal year almost 80% of our direct time has been devoted to our planned audits. In addition we performed a follow-up of our past recommendations where we tested the reported implementation of past recommendations. It should also be noted that we have steadily increased the time spent on professional development and achieved our required continuing professional education requirements for the entire staff.

Risk Assessment:

Previously prepared risk assessments were completely updated. Actual expenditures and budgets for FY 2010 and FY 2011 were reviewed and compared. In performing our risk assessment we took a quantitative approach, which considers risk factors against assigned values based on the likelihood of occurrence and impact on the University. The cumulative value is then ranked using a scoring formula to determine

Internal Audit Plan for FY 2012

June 7, 2011

Page 3 of 4

whether audit work should be considered in a particular area. The five factors we considered in our University-wide risk assessment are: 1) materiality; 2) past audit coverage; 3) internal risks; 4) external risks; and 5) information risks.

We found that the most ubiquitous risks to the FIU mission continue to revolve around relatively new programs and start-up operations. To address this type of risk we will audit our China Program and perform a post-implementation review of Human Resources' implementation of PantherSoft. Likewise, previously unaudited organizations and activities like the FIU's Libraries and the South Beach Wine and Food Festival will be audited. Some activities pose intrinsic risks, for example, are provided to our students. Certain activities like construction and repairs and maintenance represent high risk due to the magnitude of the financial resources consumed and the known risks associated with these activities.

Audit Plan:

After completing the risk assessment and reviewing it with management, we determined the type and objectives of audits for each given area. The following table outlines our audit plan for FY 2012:

Audit Title	Department
Carryover (In-Process) Audits:	
Panther Card Controls	Student Affairs
Grant Expenditures	College of Engineering & Computing
Fuel Inventory Controls	Parking & Transportation
Banking & Investment Controls	FIU Foundation
Banking & Investment Controls	University Treasurer
Proposed New Audits:	
Marriott Tianjin China Program	School of Hospitality and Tourism Mgmt.
Repairs & Maintenance	Facilities Management
Construction Costs	Facilities Management
Research & Grants	College of Medicine
Information Systems Controls	College of Medicine
South Beach Wine & Food Festival	Athletics Department
NCAA Football Attendance	Athletics Department
Student Athlete Eligibility	Office of the Registrar
Student Technology Fee	University Technology Services
Children's Creative Learning Center	Student Affairs
Libraries	Academic Affairs
Wolfsonian Museum	Provost
PantherSoft Post Implementation – Time and Attendance/Payroll	Human Resources
IT Governance (IT)	University-wide

Audit Title	Department
Other Activities:	
Investigations	University-wide
Consulting	University-wide
Recommendations Follow-Up	University-wide
Training	N/A

Attached to this memo is a five year plan reflecting how we plan to provide internal audit coverage to the entire University.

Conclusion:

By arraying the pattern of past audit coverage of University activities/programs and respective expenditures/budgets, we were able to combine our knowledge of potential audit areas from our assessment of risk, and professional judgment to arrive at a list of proposed new audits for FY 2012 and beyond. We plan to continue to optimize our resources and capitalize on our individual strengths.

I would be happy to answer any questions or provide any additional details that you may require. I can be reached at (305) 348-2465.

Attachment

C Chairman of the FIU Board of Trustees
University President
Provost
Chief Financial Officer

Internal Audit Five Year Plan						
Organizational Units		Fiscal Year				
		2012	2013	2014	2015	2016
OFFICE OF THE PRESIDENT	Athletics	x	x	x	x	x
	South Beach Wine & Food Festival	x				
	Office of Internal Audit				QA	
GENERAL COUNSEL	General Counsel					
	Environmental Health & Safety					
	Compliance					
EXTERNAL_RELATIONS	ALUMNI			x		
FIU FOUNDATION	Business Office	x				
	FIU Foundation, Inc.	CPA	CPA	CPA	CPA	CPA
	FIU Research Foundation, Inc.	CPA	CPA			CPA
	FIU Athletics Finance Corporation	CPA	CPA			CPA
	FIU Medical Health Care Network	CPA	CPA			CPA
Office of Finance & Administration						
Facilities Management	CONSTRUCTION (Capital)	x	x	x	x	x
	Maintenance	x				
	Custodial Services				x	
	Grounds Services			x		
	Utility Services					x
Office of the Controller	Accounting and Reporting Services	AG	AG	AG	AG	AG
	Financial Systems and Support Services	AG	AG	AG	AG	AG
	Tax Compliance	AG	AG	AG	AG	AG
	Student Financial Services	AG	AG	AG	AG	AG
	Purchasing and Asset Management			x		
	Payment Services		x			
Treasury Management	Investment Management	AG	AG	AG	AG	AG
	Debt Management	AG	AG	AG	AG	AG
Division of Human Resources	Payroll, Benefits, Recruitment, etc.	x	x			
Office of Business & Finance	Financial Planning and Auxiliary & Enterprise Development					
	Parking & Transportation				x	
	Business Services		x			
Academic Affairs	Provost Office					
	Frost Art Museum					x
	The Wolfsonian Museum	x				
	Research/OSRA		x			
	International Hurricane Center					x
	ARC : Applied Research Center			x		
	Faculty Senate				x	
	Engagement					
	Planning & Inst. Effectiveness					
	Enrollment Services/Registrar	AG	AG	AG	AG	AG
	Library	x				
	School of Architecture & The Arts		x			

Internal Audit Five Year Plan						
Organizational Units		Fiscal Year				
		2012	2013	2014	2015	2016
Academic Affairs (Cont.)	College of Arts & Sciences			x		
	College of Business Administration				x	
	University College (Continuing Education & Online Programs)		x			
	School of Hospitality Management					
	Tianjin/FIU	x				
	Kovens Conference Center			x		
	Undergraduate Studies				x	
	Graduate School					x
	Honors College				x	
	College of Medicine					
	College of Nursing & Health Sciences	x	x	x	x	x
Robert Stemple School of Public Health						
Student Affairs	Assessment and Evaluation					
	Campus Life, UP					
	Campus Life, BBC					
	Career Services					
	Center for Leadership and Service					
	Children's Creative Learning Center	x				
	Counseling & Psychological Services					
	Disability Resource Center					
	Graham University Center				x	
	Housing & Residential Life			x		
	International Student & Scholar Services					
	Multicultural Programs & Services					
	Office of Employee Assistance					
	Ombudsman					
	Orientation & Commuter Student Services					
	Pre-Collegiate Programs & Grants					
	Public Safety					x
	Recreation Services					
	Student Affairs Technology Center					
	Student Conduct & Conflict Resolution					
	Student Media					
	University Health Services				x	
	Victim Advocacy Center					
	Wolfe University Center		x			
	Student Government			x		
	Women's Center					
IT Security Office	x					
University Technology		x	x	x	x	x

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Request for Approval of Florida International University's 2012-2013 Fixed Capital Outlay Legislative Budget Request, consisting of the 5-year Capital Improvement Plan

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of FIU's 2012-2013 Fixed Capital Outlay Legislative Budget Request, consisting of the 5-year Capital Improvement Plan (CIP) and authorize the University President to amend the Legislative Budget Request as necessary, consistent with Florida Board of Governors and BOT directives and guidelines.

Background Information:

Section 1013.64(4)(a), Florida Statutes, requires the BOT to update annually its fixed capital outlay budget request. In addition to Public Education Capital Outlay (PECO) projects, the capital request will include projects under the Courtelis Facilities Enhancement Challenge Grant Program. It is anticipated that Florida International University will have the opportunity to submit a revised Fixed Capital Outlay Budget Request to the Florida Board of Governors in December 2011.

The Fixed Capital Outlay Budget Request governs the University's proposed capital expenditures during the next five years. The Fixed Capital Outlay Budget Request must be approved annually by the BOT.

Supporting Documentation: 2012-2013 Fixed Capital Outlay Budget Request for FIU

Facilitator/Presenter: Kenneth A. Jessell

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Priority Number	Project	2012-13	2013-14	2014-15	2015-16	2016-17	Total
1	FACILITIES INFRASTRUCTURE /CAPITAL RENEWAL - UW (P,C,E)	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$52,500,000
2	STUDENT ACADEMIC SUPPORT CENTER - MMC, BT-882 (C,E)	\$10,740,450					\$10,740,450
3	STRATEGIC LAND ACQUISITION - UW (A)	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$10,000,000
4	SATELLITE CHILLER PLANT EXPANSION - MMC (P,C,E)	\$7,000,000					\$7,000,000
5	HUMANITIES CTR., (ARTS & SCIENCES) - MMC (P,C)(P,C,E)	\$24,008,221	\$12,144,779				\$36,153,000
6	REMODEL./RENOV. OF EXIST. EDUC. SPACE - MMC (P,C,E)(P,C,E)		\$20,515,000	\$19,647,331			\$40,162,331
7	GREEN LIBRARY EXPANSION - MMC (P)(C)(E)		\$13,000,000	\$21,000,000	\$4,800,000		\$38,800,000
8	CLASSROOM/OFFICE, (ACADEMIC III) - BBC (P,C)(C,E)		\$4,038,393	\$20,000,000	\$7,835,608		\$31,874,000
9	GRADUATE SCHOOL OF BUSINESS, Phase II - MMC (P,C)(C,E)(C,E)		\$3,298,097	\$21,430,731	\$10,000,000	\$6,264,319	\$40,993,147
10	SCIENCE LABORATORY COMPLEX - MMC (P,C)(C)(C,E)				\$29,461,453	\$32,945,115	\$62,406,568
11	REMODEL./RENOV. OF STUDENT ACADEMIC SUPPORT - BBC (P,C,E)(P,C,E)				\$24,565,000	\$5,009,571	\$29,574,571
12	REMODEL./RENOV. OF ACADEMIC DATA CENTER - MMC (P,C,E)(P,C,E)				\$12,775,000	\$7,557,500	\$20,332,500
13	ENGINEERING BUILDING - EC (P,C)(C,E)				\$1,081,164	\$13,543,227	\$14,624,391
14	TRAINING COMPLEX - MMC (P,C)(P,C,E)				\$1,513,248	\$16,968,899	\$18,482,147
15	HONORS COLLEGE - MMC (P,C)(C,E)				\$2,018,860	\$18,583,362	\$20,602,222
16	SOCIAL SCIENCE, Phase II - MMC (P,C)(C,E)				\$11,062,331	\$18,224,145	\$29,286,476
	TOTAL PECO REQUEST	\$54,248,671	\$65,496,269	\$94,578,062	\$117,612,663	\$131,596,137	\$463,531,803

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Priority Number	Project	2012-13	2013-14	2014-15	2015-16	2016-17	Total
17	STADIUM/STUDENT ACADEMIC MEETING ROOMS, MMC (C,E)	\$1,026,240					\$1,026,240
18	COLLEGE OF LAW BT-832, MMC (E)	\$304,444					\$304,444
19	IHRC- WALL OF WIND TESTING FACILITY- PH. II, MMC (E)	\$100,000					\$100,000
20	COLLEGE OF NURSING & HEALTH SCIENCES (MOLECULAR BIOLOGY)/HEALTH SCIENCES LABORATORY CLINIC, MMC (E)	\$163,618					\$163,618
21	HOSPITALITY MANAGEMENT - CARNIVAL STUDENT CENTER, BBC (P,C,E)	\$500,000					\$500,000
22	ENGINEERING CENTER- LAB REMODELING AND EXPANSION, MMC (E)	\$25,000					\$25,000
23	HOSPITALITY MANAGEMENT - BEVERAGE MANAGEMENT CENTER, BBC (P,C,E)	\$1,782,318					\$1,782,318
24	GRADUATE SCHOOL OF BUSINESS- PHASE I, MMC (E)	\$411,406					\$411,406
25	PATRICIA AND PHILLIP FROST ART MUSEUM, MMC, BT-839 (E)	\$97,000					\$97,000
26	BROAD AUDITORIUM, SOCIAL SCIENCES - Phase I - MMC (P,C,E)	\$258,601					\$258,601
27	STOCKER ASTROPHYSICS CENTER, MMC, BT-814 (P,C,E)	\$800,000					\$800,000
TOTAL CHALLENGE GRANT REQUEST		\$5,468,627					\$5,468,627

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THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Approval of the Amendment to the Bylaws of the Florida International University Foundation Inc.

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the Florida International University Foundation Inc. Bylaws as amended and restated on May 25, 2011 and authorize the President and CEO of the Foundation to take all actions necessary pertaining to these amended Bylaws.

Background Information:

On May 25, 2011, the Florida International University Foundation Inc. Board of Directors approved amendments to the Foundation's Bylaws.

The BOT must approve any amendments to the FIU Foundation, Inc. Bylaws before their becoming effective.

Regulation FIU – 1502 Direct Support Organizations(2)(a) provides that any amendments to the Articles of Incorporation or Bylaws must be submitted by the President of the University to the BOT for approval prior to becoming effective.

Article 9, Section 1 of the Florida International University Foundation Inc. Bylaws provides that any amendment to the Bylaws, approved by the Board, shall be submitted by the University President to the BOT for approval prior to its effective date.

Supporting Documentation: Florida International University Foundation, Inc. Bylaws as Amended and Restated on the 25th day of May 2011

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

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FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION INC.
A Florida Not For Profit Corporation
(The "Foundation")

BYLAWS

As Amended and Restated the 25th day of May 2011.

ARTICLE 1. BOARD OF DIRECTORS.

Section 1. Governance. In accordance with Article 5 of the Articles of Incorporation of the Foundation, the affairs of the Foundation shall be managed by and under the direction of the Board of Directors (the "Board") and by various Officers and committees thereof as powers may be delegated to such Officers and committees by these Bylaws or by Resolution of the Directors. Members of the Board shall be the sole voting members of the Foundation and shall be called "Directors."

Section 2. Number and Qualifications of Directors. The Directors shall include three categories of members:

(i) Elected Members. The Directors shall elect from the nominations of the ~~Recruitment~~ Membership & Board Management Committee, or from nominations made from the floor, a total of not less than twenty-eight (28) and not more than fifty (50) members in accordance with the nomination and election procedures specified by these Bylaws. Each Director shall have demonstrated outstanding qualities of leadership and managerial ability and a serious personal intention to promote the advancement of higher education and Florida International University ("the University") through dedicated service to the Foundation. Each Director should set an example of charitable interest in the University and the Foundation which alumni and other friends of the University may emulate. To that end, each elected member of the Board shall contribute to the Foundation, at a minimum, an annual membership gift, the amount of which shall be recommended by the Executive Committee and approved by the Board at the Annual Meeting, and which shall be paid to the Foundation by each Director during the first quarter of each fiscal year of membership. In addition, each Director shall either make a donation, or get others to make donations, annually in the amount established by the Board at its Annual Meeting. Directors shall be expected to participate in University functions and events whenever reasonable and practicable and act as an emissary to promote and advance the goals of the University.

(ii) Officers. The Directors shall elect a Chairperson of the Board ("Chairperson"), Vice Chairperson, Secretary and Treasurer from among its membership. The

Chairperson may appoint an Assistant Secretary and Assistant Treasurer to provide administrative support.

(iii) Designated Ex Officio Members. The Directors shall include among their members the persons who hold the following offices during the time they hold such offices: the President of the University or his designee, a Faculty representative from the Faculty Senate recommended by the President after consultation with the Faculty Senate Chairperson, the President of the Student Government Council who is not serving on the Board of Trustees, the President of the Alumni Association, the Chairperson of the Florida International University Council of 100, and others who may be designated by the Directors from time to time. The Chairperson of the University Board of Trustees may appoint a representative to the Board and the Executive Committee. Ex Officio members shall have the right to vote and shall be counted towards quorum.

Section 3. Terms of Service. A newly elected Director, who has not previously been a Director, shall be elected to serve for one ~~initial~~ Board calendar year, ~~or part thereof if not less than 6 months. If the initial term of service is less than 6 months of the Board calendar year, the Director must be elected to shall continue to serve during the next calendar year before a one year term before being eligible elected to any for a subsequent terms.~~ Following the initial year, he/she may be elected for a two year term, followed by two three year terms before having to rotate off the Board for a minimum of one year. Current Directors shall be considered newly elected Directors when their current term is concluded and shall be eligible to serve for nine (9) years before having to rotate off the Board for one (1) year. Terms of service shall begin immediately after election.

Section 4. Election. The Board shall elect new members to fill expiring and vacant terms at the Annual Meeting of the Directors to be held in May or June of each year. Directors may elect additional members at any other regular or special meeting of the Directors, as provided in these Bylaws. Nominations for Directors shall be made by the ~~Recruitment~~ Membership & Board Management Committee, as described in Article 3 of the Bylaws.

Section 5. Vacancies. Vacancies occurring during a term may be filled by the Directors at any regular or special meeting of the Directors, as provided in Section 4 of Article 1 of these Bylaws.

Section 6. Meetings. Regular meetings of the Board shall be held at least three times a year. One such meeting shall be held in May or June of each year and such meeting shall be the Annual Meeting of the Directors when new Directors and Officers shall be elected and take office, subject to other provisions of these Bylaws. Notice to the public of Regular meetings, Committee meetings, and Special meetings of the Board will be

given by posting on the Foundation's website at <http://foundation.fiu.edu/> ~~and faxing such notice and agenda to a newspaper of general circulation~~ not less than seven (7) days before the meeting and will include a statement of the general subject matters to be considered. Notice ~~and notice~~ to each Director shall be emailed or faxed to each Director not less than seven (7) days prior to each meeting, ~~along with all materials needed for the meeting~~. Special meetings may be called by the Chairperson, the President of the University or his designee, or by any three (3) Directors ~~with at least seven (7) days written notice provided to all of the Directors. The~~ and the agenda for special meetings shall be limited to matters listed in the written notice of the special meeting.

Emergency Meetings: An emergency meeting of the Board may be called by the Chairperson or the Vice Chairperson in the Chairperson's absence, upon as much notice as is reasonably possible but not less than ~~forty-eight~~twenty-four (24) hours notice whenever, in the opinion of the Chairperson or Vice Chairperson, an issue requires immediate Board action. Whenever such emergency meeting is called, the Chairperson will notify the Secretary. The Secretary will immediately serve either verbal or written notice upon each member of the Board, and shall provide notice to the public, by any procedure that is fair under the circumstances, stating the date, hour and place of the meeting and the purpose for which the meeting has been called. No other business will be transacted at the meeting unless additional emergency matters are agreed to by a majority of those Board members in attendance. The minutes of each emergency meeting will show the manner and method by which notice of such emergency meeting was given to each member of the Board and to the public.

Executive Session: The Legislature has provided limited exemptions from the Sunshine law for certain meetings because of the confidential material that must be discussed. When the Board decides to avail itself of any such exemption, it will do so by convening an executive session of the Board.

A. Pending Litigation:

Meetings to discuss pending litigation in which the Board is presently a party before a court or administrative agency may be held in executive session outside the Sunshine, provided the following procedures and conditions are met.

1. Counsel for the Board must advise the Board at a public meeting that he or she desires an executive session and must state the basis therefore.
2. Only Board members, the Board's attorney(s) and the President of the University may attend a closed executive session to discuss pending litigation. Staff members or consultants are not permitted to attend. The Board must give advance public notice, pursuant to its procedures,

of the time and date of the executive session, and must identify the names of the persons who will be attending the closed session.

3. The session must commence with an open meeting at which the Chairperson or his/her designee shall announce the commencement of the meeting, the estimated length of the closed executive session, and the names of the persons attending. At that point, the meeting is closed to all except those whose names have been announced. The executive session may then commence. At the conclusion of the executive session, the meeting must be reopened to the public and the person chairing the meeting shall announce the termination of the closed executive session.

4. A certified court reporter must record the entire executive session. The reporter must record the times of commencement and termination of the executive session; all discussions and proceedings; the names of all persons present at any time; and the names of all persons speaking. No portion of any executive session may be held off the record. The Board must have the court reporter's notes fully transcribed, and the transcript filed with its records custodian. The transcript is exempt from Florida's public records law, and is not to be disclosed until the litigation concludes. Upon the conclusion of the litigation, the transcript becomes part of the public record.

5. The subject matter of the closed session must be confined to settlement negotiations or strategy sessions related to litigation expenditures. The Board may not go beyond these strict parameters. No final action, no vote, and no decisive action may be taken during the closed session. Any final decision to settle a lawsuit, for a certain amount of money, or under certain conditions, is a decision that must be voted upon in a public meeting.

Section 7. Quorum. A quorum of the Directors shall be one-third of the voting Directors holding office at the time of the vote. A quorum must be present to transact the business of the Foundation at a meeting.

Section 8. Voting. Each Director shall have one vote. When a quorum is present at the meeting, all questions shall be decided by majority vote of the voting Directors present, except as otherwise provided in these Bylaws.

Section 9. Proxies. Proxies, general or special, shall not be accepted for any purpose in the meetings of the Directors or committees.

Section 10. Telephonic Meetings. Meetings of the Directors and of committees may be conducted by conference telephone or similar communications facilities, in the same manner as if the meeting were held in person, if the Chairperson or the Chairperson of the Committee determines it is appropriate and is in full compliance with all requirements of the Sunshine Law. The notice of any meeting conducted by means of telephone or similar communication facilities will state where and how members of the public may gain access to the meeting.

Section 11. Resignation or Removal. A Director may resign at any time by giving written notice to the Chairperson, the President and CEO of the Foundation or the Secretary of the Foundation. Any such resignation shall take effect at the time specified therein or, if no time is specified therein, upon its acceptance by the Board. Any Director who is not present for three (3) regular meetings of the Board during a fiscal year, or who ~~otherwise fails to meaningfully participate as a Director in accordance with the provisions of these Bylaws, pay the annual established membership fee or who fails to give or obtain the donation established by the Board by the end of the fiscal year~~ shall be placed on probation. The Recruitment Committee, in consultation with the Chairperson and the President and CEO of the Foundation, shall determine whether to remove the Director from the Board or continue his/her probationary period. In addition any Director may be removed from office by a two-thirds vote of all of the Directors present or no less than fifteen (15) members, effective as of the date of such vote.

ARTICLE 2. OFFICERS.

Section 1. Titles. The Officers of the Foundation, who also serve as Officers of the Board of the Foundation, shall be: a Chairperson, a Vice Chairperson, a Secretary, a Treasurer, and such other officers as the Board may determine.

Section 2. Election. The Chairperson, Vice Chairperson, Treasurer and Secretary shall be elected at the Annual Meeting of the Directors from nominations submitted to the Directors by the Recruitment Committee, or from nominations from the floor. No Officer may hold more than one Foundation office concurrently.

Section 3. Term of Service. Each Officer shall be elected for a term of one year and shall be eligible to succeed himself/herself for no more than two (2) additional terms. In the event any officer is elected to fill a vacancy at any regular meeting other than the Annual Meeting of the Directors, the term for filling that vacancy shall not be counted towards the term limits set forth herein.

Section 4. Vacancies. In case any vacancy occurs in an elected office, an election shall be held at the first regular or special meeting of the Directors after such vacancy occurs and nominations may be received directly from the floor to fill such vacant positions. Notice of such vacancy and scheduled election must be given in the same manner as notice for regular or special meetings.

Section 5. Resignation and Removal. An Officer of the Foundation may resign at any time by giving written notice to the Board, the Chairperson or the Secretary of the Foundation. Any such resignation shall take effect at the time specified therein or, if no time is specified therein, upon its acceptance by the Board. Any Officer may be removed from office by a two-thirds vote of all of the Directors present or no less than fifteen (15) members, effective as of the date of such vote.

Section 6. Powers and Duties.

(i) Chairperson of the Board. The Chairperson shall preside at all meetings of the Board and Executive Committee, and perform all other duties as may from time to time be assigned by the Directors or the Executive Committee. Among the Chairperson's powers and duties, without limitation, are to appoint the members and Chairpersons of all Standing Committees established by the Directors, except when members or Chairpersons may be designated by these Bylaws; name Special Committees and appoint their members and Chairpersons; appoint, a person to serve as Registered Agent for the Foundation; represent the Foundation at official functions of the University and elsewhere as he/she may determine proper; and present a report of the activities of the Foundation and the conduct of his/her office at the Annual Meeting which occurs when his/her term of office expires. The Chairperson shall report to the Board and the University President.

(ii) Vice Chairperson. The Vice Chairperson shall be responsible for assisting the Chairperson in any way so designated by the Chairperson and shall serve as temporary Chairperson in the Chairperson's absence. He/she shall perform such other duties as may from time to time be assigned to him/her by the Chairperson, the Directors or the Executive Committee.

(iii) Secretary. The Secretary shall be responsible for the maintenance and management of the Foundation's activities as may be required by the Chairperson, the Directors or the Executive Committee. He/she shall have charge of the Foundation's corporate records and corporate seal; record the minutes of all meetings of the Directors, Executive Committee and other committees; give and serve notice of meetings as required by these Bylaws; and perform such other duties as may be assigned to him/her by the Chairperson, the Board or the Executive Committee. The Secretary may delegate part of his/her duties to an Assistant Secretary as set forth in Article 5 below.

(iv) Treasurer. The Treasurer shall serve as Chairperson for the Finance and Audit Committee; approve all day-to-day disbursements by the Foundation; have custody of all of the funds and financial records of the Foundation; disburse funds upon instruction of the Directors or the Executive Committee; keep full and accurate accounts of all funds, together with the report of the annual audit; present a financial report for the Foundation at each meeting of the Directors and an annual financial report at the Annual Meeting; file all financial reports required by Federal and Florida law, regulation, rule or established procedure; and perform such other duties as may be assigned to him/her by the Chairperson, the Board or the Executive Committee. The Treasurer may delegate part of his/her duties to an Assistant Treasurer as set forth in Article 5 below.

ARTICLE 3. COMMITTEES.

Section 1. Designation and Appointment of Committees. Committees of the Board shall either be Standing Committees, as designated by these Bylaws, or Special Committees, as established by the Chairperson. Standing Committees or Special Committees shall have the power to establish Sub-Committees. The Chairperson of the Foundation shall appoint the members of all committees and designate their chairpersons, except as otherwise specified by these Bylaws. A majority of the members of Standing Committees, Special Committees and of any sub-committees must be Directors. All members of the committees shall have voting rights. One-third of the voting members of any Committee, except the Executive Committee as provided for below in these bylaws, shall constitute a quorum and a majority vote of the voting members of the Committee present, after a quorum has been declared, shall be required to enact business of the Committee. The actions of any committee shall be subject to review and approval by the Executive Committee, and to confirmation by the Board at its next ensuing meeting, except when the power to act is specifically granted to a committee by these Bylaws or by action of the Directors or Executive Committee. Each committee shall keep approved minutes and submit them to the Directors for review. Committees shall present an annual plan at the first meeting of the Board for the Foundation's calendar year.

Section 2. Standing Committees. The Directors shall have the following Standing Committees:

(i) Executive Committee. The Executive Committee of the Directors of the Foundation shall have and may exercise all powers and authority of the Board when the Directors are not in session, subject only to such restrictions or limitations as the Directors may from time to time specify, except that the Executive Committee shall

have no authority to alter, amend, or repeal the Articles of Incorporation or Bylaws of the Foundation, to remove Directors or Officers or to elect Directors or Officers. The Executive Committee shall meet at the call of the Chairperson of the Directors. A majority of the voting members of the Executive Committee shall constitute a quorum and a majority vote of the voting members of the Committee present, after a quorum has been declared, shall be required to enact business of the Executive Committee. When urgency precludes a formal meeting, matters may be handled by telephone in accordance with provisions of these Bylaws and the requirements of Florida law regarding meetings of the Directors. All actions of the Executive Committee shall be reported to the Directors at the next ensuing meeting of the Board, or when deemed sufficiently important by the Chairperson and the University President, such actions shall be reported to the Directors within thirty (30) days after such action is taken, or at a meeting of the Directors if a meeting is held within that period of time. All actions of the Executive Committee shall ~~be ratified by the Board and shall~~ be included in the minutes of the Board. Members of the Executive Committee shall be the Chairperson, Vice Chairperson, Treasurer and Secretary of the Foundation, the President of the University or his designee, the Chairpersons of each standing committee, and two (2) additional members as may be designated by the Chairperson.

(ii) Development Committee. The Development Committee shall review, approve and recommend to the Directors all major fundraising initiatives and campaigns undertaken by the Foundation or the University and each of its components; carry out a regular fundraising program; prepare policies and strategies for the solicitation, receipt, acknowledgment, stewardship and recognition of financial support; and prepare standards for gift recognition including, without limitation, endowed chairs, endowed professorships, endowed lectureships, endowed scholarships, the naming of colleges, schools, centers, buildings, areas and other significant facilities and activities of the University, recognizing, however, that only the Board of Trustees has the ability to recommend that state buildings and facilities be named after donors. The Development Committee shall coordinate all fundraising activities of the University, including those conducted by auxiliary groups which wish to use the Foundation's Certificate of Registration from the State of Florida or the University's trademarks.

(iii) Finance and Audit Committee. The Finance and Audit Committee shall be responsible for the preparation and periodic review of the Foundation's annual budget, which shall be prepared before the beginning of the University's fiscal year, approved by the Directors and recommended by the University President to the Board of Trustees each year no later than sixty (60) days following the beginning of the Foundation's fiscal year. The Board of Trustees must approve the Foundation budget before it can be enacted. It shall approve or reject gifts or bequests which impose unusual conditions on the Foundation or the University, subject to review and approval by the Executive Committee and the Directors. It shall monitor the work of the Foundation's Assistant

Treasurer and shall review and report to the Board on the Foundation's Financial Statements and ensure that all financial reports are filed in a timely manner. The Finance and Audit Committee shall recommend to the Board investment policies relating to endowment funds, annuity funds, and short-term investments, charitable remainder trusts, engagement or termination of investment counselors and custodians and the basis of such engagement. It shall also appraise the performance of investment counselors and custodians and make periodic reports to the Board on investment performance and other important matters. It shall cause an audit to be made by an independent certified public accountant of the books of the Foundation as soon as possible after the close of the fiscal year of the Foundation, and to have the results reported to the President and CEO of the Foundation immediately, and to the full Board at their next meeting thereafter. The annual audit report shall be submitted by the University President to the Board of Trustees for review no later than the end of the fourth month following the close of the organization's fiscal year. The annual audit report shall also be submitted to the Auditor General and to the Board of Governors no later than nine (9) months after the close of the Foundation's fiscal year. The audit shall be conducted in accordance with rules promulgated by the Board of Trustees and with the policies adopted by the Auditor General. The Finance and Audit Committee also shall ensure that the financial records of the Foundation are maintained in accordance with generally accepted accounting principles, that consistent and reliable financial practices are followed and that the current financial status of the Foundation is reported to the Executive Committee and the Directors regularly. The Finance and Audit Committee shall comply with all requirements set forth in the Audit Charter attached hereto as Exhibit "A" to these Bylaws and incorporated by reference herein.

(iv) Recruitment-Membership & Board Management Committee. The Recruitment Membership & Board Management Committee shall receive recommendations for nominees to the Board and as Officers, evaluate such recommendations, and present nominations for open positions to the Board at least seven (7) days prior to the Annual Meeting, or any meeting where new Directors will be chosen. The Recruitment Membership & Board Management Committee shall advise new Directors of the responsibilities of membership; nominate individuals for special recognition as members of the Foundation; and monitor the attendance, participation and activity of Foundation members and Directors.

(v) University and Community Relations Committee. The University and Community Relations Committee shall coordinate with, and render assistance to the Vice President for External Relations or the Chairperson's designee in building awareness and support

for FIU within the community by advocating for the University with external constituencies and assisting with university events and activities.

Section 3. Special Committees. The Chairperson of the Directors may establish Special Committees from time to time to assist the Directors in carrying out the purposes of the Foundation. The Chairperson shall report the establishment of all Special Committees and the names of their chairpersons and members to the Executive Committee and the Directors at the next ensuing regular meetings of the Executive Committee and Directors.

ARTICLE 4. SPECIAL MEMBERS OF THE FOUNDATION.

Section 1. Purpose of Special Members. The Directors may from time to time, acting by majority vote, establish special categories of membership in the Foundation for the purpose of honoring persons for contributions, service or achievement. The qualifications for special membership for each category shall be determined by the Directors as they deem necessary for the benefit of the Foundation and the University. Special members shall have no vote in meetings of the Foundation's members or Directors except as specifically provided in these bylaws.

Section 2. Special Member Categories. The Foundation shall have the following special member categories for honorary and recognition purposes:

- (i) Chairperson Emeritus. This category honors the Chief Executive Officers of the Foundation who have rendered extraordinary service to the Foundation. The Directors may elect a former Chairperson, after his/her term of office shall have expired, as Chairperson Emeritus of the Foundation. The Chairperson Emeritus shall be elected by a two-thirds vote of the Directors present.
- (ii) Director Emeritus. The Directors may elect a former Director, after his/her term of office shall have expired, as a Director Emeritus to honor those who have given distinguished service as members of the Board. The Director Emeritus shall be elected by a two-thirds vote of the Directors present.

ARTICLE 5. EXECUTIVE AND ADMINISTRATIVE SUPPORT

There shall be a President and CEO of the Foundation. The President of the University shall approve and recommend to the Board a person to serve as President and CEO of the Foundation. After duly considering the recommendation of the University President, the Board shall appoint, by majority vote, the President and CEO of the Foundation, whose primary responsibilities are to manage the corporate affairs of the Foundation on a day-to-day basis, in accordance with policies established by the

Directors, and to carry out the functions and duties of the position as prescribed by the Directors in consultation with the University President. The President and CEO shall report to the Board and the University President.

There may be an Assistant Secretary and an Assistant Treasurer to whom the Secretary or Treasurer may delegate part of their duties. The Assistant Secretary and Assistant Treasurer shall report to the Secretary and Treasurer respectively. Neither the President and CEO of the Foundation, the Assistant Secretary nor the Assistant Treasurer shall be considered members or officers of the Foundation nor shall they have voting rights.

ARTICLE 6. FUNDS.

Section 1. Fund Categories. The assets of the Foundation shall be held in various Funds as established in these Bylaws or as the Directors shall designate, with as many subfunds and accounts within these groupings as shall be necessary or desirable to achieve the purposes of the Foundation and to comply with the terms of gifts to the Foundation. The Foundation's Finance and Audit Committee shall review these fund categories at least annually and will recommend changes needed to the Executive Committee and the Directors. "Funds" include General Funds, Designated Funds (including Building Funds), Endowment Funds and other special fund categories.

Section 2. General Funds. General Funds are funds which may be used for the general purposes of the Foundation, including administration of the Foundation's affairs, or funds with restrictions which do not seriously inhibit their use for general Foundation purposes. All donations to the Foundation shall be credited to the General Funds when received, including all principal and income from properties donated to, disposed of, or held by the Foundation, unless the terms of the gift shall require the Foundation to credit such donations or the income of principal from such properties to a specific Designated Fund, as described in the Bylaws, or to a specific use or purpose inconsistent with the general unrestricted use by the Foundation of such donation or the income therefrom.

Section 3. Designated Funds. Designated Funds of the Foundation will be established for each major academic and administrative unit of the University to receive donations to the Foundation which are designated for such purposes. Additional Designated Funds for other specific purposes may be established by the Executive Committee or Directors. The principal of all designated Donations shall be credited to such Designated Fund. Interest income from designated funds shall be credited to the Foundation's General Funds to offset additional university fundraising and support activities unless the terms of the gift specify otherwise.

Section 4. Building Funds. The Board may, from time to time, establish Building Funds for specifically designated capital projects. They shall be administered as Designated Funds.

Section 5. Endowment Funds. Endowment Funds, or Permanently Restricted net assets, are contributions including state matching that must be held and invested in perpetuity as stipulated by the Donor. Only the earnings generated by these investments may be expended and only in accordance with the donor's intent and the gift agreement. All endowment funds are pooled and invested as directed by the Board. Investment earnings/losses are distributed to each endowment on a yearly basis based on its pro-rated share of earnings/losses generated by the permanently restricted net assets. Unless stipulated by the donor, earnings shall not be permanently restricted. The Board will determine the percentage of yearly earnings to be distributed for spending and the percentage to be held in reserve as added principal. The added principal is available for future spending and although it is temporarily restricted, it may be used to calculate the endowment's average balance from which future distributions are based. Losses attributable to permanently restricted net assets must first reduce any added principal held in reserve prior to reducing the corpus of the endowment. Any permanently restricted net asset which has been reduced by losses must be reinstated to its original corpus before any future investment earnings are distributed for spending. No corpus including state matching may be reduced for spending. An administration fee, as approved by the Board, may be charged to endowments. This fee will be covered by the endowment's investment earnings, but may not reduce an endowment's corpus.

Section 6. Ownership and Use of Funds.

(i) All Funds described herein shall be the property of the Foundation and shall be owned by the Foundation as defined in and limited by its Articles of Incorporation, Bylaws, and applicable Florida and Federal law and regulations. In such capacity, the Foundation shall have the ultimate authority and control over all property in the Funds, and the income derived there from, for the general purposes of the Foundation.

(ii) The assets and income of any Fund may be commingled with those of other unrestricted funds of the Foundation, or may be invested in units of a common investment fund which may be established or utilized by the Foundation, unless otherwise restricted by the terms of gift. The Foundation shall not have an obligation to commingle the assets for investment purposes and may, in its discretion, retain any assets received or hold the assets of a Fund as a separate unit for investment purposes. Any investment or reinvestment of assets shall be made only in such investments as are appropriate for a prudent fiduciary.

(iii) Specific expenses necessary or desirable for the proper administration of each Fund and subfund shall be charged to that Fund or subfund. General operational and administrative expenses shall be charged to each Fund or subfund in accordance with a formula approved by the Directors unless inconsistent with the terms of the gift or otherwise legally improper. Such charges shall be paid into the General Funds where they may be disbursed to pay such expenses. In the event such charges are inconsistent with the terms of the gift or otherwise legally improper, the Directors shall determine which Funds may be used to pay for such expenses.

(iv) These provisions shall not limit in any way the power and ability of the Directors to accept special gifts from donors which may be used for purposes specified by the donors, if such purposes fall within the Foundation's broad general purposes, and which may be subject to such ownership, income and distribution characteristics and restrictions as the Directors of the Foundation and the donors of such gifts may agree, but no characteristic or restriction shall jeopardize the Foundation's tax exempt status or its corporate charter. The Directors intend that all donations will be administratively grouped as a part of one or more of the Funds specified above or as may be established.

(v) Upon the voluntary or involuntary dissolution of the Foundation, or decertification of the Foundation by the Board of Trustees, the Directors shall, after paying or providing for all debts and obligations of the Foundation, transfer the assets of the Foundation to the University, subject to the conditions, restrictions and limitations to which the assets were subject when they were assets of the Foundation.

Section 7. Checks and Depositories. Except as may otherwise be specified in these Bylaws, the Directors shall provide by Resolution which Officers, Directors, or their designees are authorized to draw checks on the Funds of the Foundation and may impose any reasonable terms, conditions or limitation on such authority. Checks or drafts on the Funds of the Foundation shall be signed by any two of the Officers, Directors, or their designees authorized to do so by the Directors or by these Bylaws. Funds of the Foundation shall be deposited to the credit of the Foundation only in institutions approved by the Directors by resolution and only in financial institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

Section 8. Fiscal Year. The fiscal year of the Foundation shall be consistent with the fiscal year of the University.

ARTICLE 7. CODE OF ETHICS.

Code of Ethics – Conflict of Interest

Directors stand in a fiduciary relationship to the University and the Foundation. Therefore, Directors shall act in good faith, with due regard to the interests of the University and the Foundation, and shall comply with the fiduciary principles and law set forth in the Code of Ethics for Public Officers and Employees, Chapter 112, Part III, Florida Statutes. Directors shall comport themselves in accord with the statutory Code of Ethics and the Conflict of Interest Policy attached to these Bylaws as Appendix "B". Each Director shall annually complete and sign a disclosure form as required by said policy.

The Foundation shall maintain the highest ethical standards in all of its operations in order to protect and preserve the Foundation's good name, business interests, and relationships with donors, beneficiaries, and the community at large, and shall adhere to the requirements of the Florida Whistle-blower's Act, Sections 112.3187 - 112.31895, Florida Statutes.

ARTICLE 8. MISCELLANEOUS PROVISIONS

Indemnification

The Board shall, to the extent legally permissible, indemnify and defend each of its Directors, officers, employees, volunteers and other agents against all liabilities and expenses incurred in the connection with the disposition or defense of any action, suit or other proceeding, whether civil or criminal, in which such person may be involved by reason of Foundation service, except with respect to any matter in which such person shall have been adjudicated in any proceeding not to have acted in good faith; and further provided that no settlement shall be entered into without the prior consultation and approval of a duly authorized representative of the Board.

Service of Process

Service of process may be made on the Office of the University's General Counsel.

Fiscal Year

The fiscal year of the Foundation shall commence on July 1 of each year and end on June 30.

Foundation Records and Sunshine Laws

Public access to Board records will be governed by the provisions of Chapter 1004.28(5), Florida Statutes. Board meetings shall be governed by the provisions of the Open Meetings Law, Chapter 286, Florida Statutes. The Foundation shall maintain and/or dispose of all records made or received in connection with Foundation business in accordance with a document retention schedule as the Board may adopt from time to time.

ARTICLE 9. AMENDMENTS.

Section 1. Amendments to Bylaws. These Bylaws may be altered, amended, rescinded, or repealed at any regular or special meeting of the voting Directors by the affirmative vote of two-thirds of the voting Directors present. Any amendment to the Bylaws, approved by the Board, shall be submitted by the University President to the Board of Trustees for approval prior to its effective date.

Section 2. Amendments to Articles of Incorporation. Articles of Incorporation of the Foundation may be altered or amended at any regular or special meeting of the Board by resolution approved by the affirmative vote of two-thirds of the voting Directors present, subject to approval by the Secretary of State of Florida as required by law and subject to any approval which may be required by the Board of Trustees. Written notice of any proposed amendment of the Articles of Incorporation shall be mailed to each Director not less than fifteen (15) days prior to any meeting at which such proposed amendment is to be considered.

Section 3. Requirements of Florida Law. All amendments to the Bylaws and Articles of Incorporation of the Foundation shall comply with Florida law and appropriate state rules and policies.

ARTICLE 10. OFFICE.

The office of the Foundation shall be located at the University.

ARTICLE 11. EMPLOYEES OF THE FOUNDATION

Any person employed by the Foundation shall not be considered to be an employee of the State of Florida by virtue of such employment. Any employee of the State of Florida who is assigned to work on Foundation matters shall not be considered an employee of the Foundation.

ARTICLE 12. SEAL.

The corporate seal of the Foundation shall bear the words "FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC." and "MIAMI, FLORIDA" and the date "1969". The corporate seal shall be used only in connection with the transaction of business of the Board and of the University. The Secretary may affix the seal on any document signed on behalf of the corporation. Permission may be granted by the Secretary for use of the seal in the decoration of any University building or in other special circumstances. The seal of the Board shall be consistent with the following form and design:

ARTICLE 13. PARLIAMENTARY PROCEDURE.

Where not addressed by these Bylaws, the Articles of Incorporation, or Florida law, all matters of procedure shall be governed by Roberts Rules of Order (latest edition).

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Office of Internal Audit Status Report

Proposed Committee Action:

None. Discussion item.

Background Information:

The Office of Internal Audit Report provides the status of audits and investigations since the Finance and Audit Committee last met on March 15, 2011.

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

June 20, 2011

Date: June 20, 2011

To: Board of Trustees and Finance and Audit Committee

From: Allen Vann, Audit Director

Subject: OFFICE OF INTERNAL AUDIT STATUS REPORT

I am pleased to provide an update on the status of our office's work activities. Our last update to you was on March 15, 2011.

AUDITS

Audit of the College of Business Administration Auxiliary Funds – The primary objective of our audit was to determine whether the auxiliary revenue and expenditure streams were properly accounted for and were operated in accordance with established University policies and procedures, applicable laws, rules and regulations.

Overall, our audit disclosed that the CBA's expenditures were appropriate, allowable, and in accordance with applicable laws, rules and regulations, and University policies and procedures. We also found that the auxiliary funds were spent for their intended purpose. Nevertheless, our audit identified some areas in need of improvement, particularly the manner in which program costs are accounted for and fee structure documentation.

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

Audit of the Parking and Transportation Department Revenue Collections – The primary objective of our audit was to determine whether the established financial controls and procedures over the recording of revenue and the collection of funds were adequate, effective and efficient; were being adhered to; and were in compliance with University policies and procedures, applicable laws, rules and regulations. We also verified that sufficient revenue was generated to meet bond indebtedness.

During the period covered by our audit, we found significant weaknesses in internal controls over duplicate decals, temporary permits, fee assessment, citations/fines and parking management system resulting in revenue losses and wide spread employee abuse.

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

Audit of Major Construction Projects – Selection Process of Architects/Engineers, Construction Managers and General Contractors – The primary objective of this audit was to determine whether: internal controls over the A/E and CM selection process for major projects were adequate and effective; the selection process was fair and competitive and in accordance with applicable State laws and regulations, and University policies and procedures; and fees schedules for A/E and CM were fair and properly negotiated. For this audit we also examined how funds provided to the Facilities Management Department under the American Reinvestment and Recovery Act (ARRA) were spent with a view towards ensuring compliance with Federal ARRA specific criteria.

Overall, our audit disclosed that the Department's internal controls were functioning as designed. The selection process was fair and competitive and conducted in accordance with applicable State laws and regulations, and University policies and procedures. Also, fee schedules for A/E and CM were fair and properly negotiated. Nevertheless, we found areas where the selection process can be strengthened.

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

AUDIT WORK IN PROGRESS

Audits Status	
Grants (College of Engineering and Computer Sciences)	Fieldwork in Progress
Review of Fuel Inventory Controls	Fieldwork in Progress
PantherCard Services Financial Information Systems Control	Fieldwork in Progress
Cash and Investment Controls (Foundation)	Fieldwork in Progress
Cash and Investment Controls (University)	Fieldwork in Progress
Marriott Tianjin China Program (School of Hospitality and Tourism Mgmt.)	Planning Phase
Repairs & Maintenance (Facilities Management)	Planning Phase

INVESTIGATIONS

Fraud Complaint – As previously reported, we received a complaint from a member of the public alleging job related fraudulent behavior on the part of an FIU employee. The employee resigned and we are investigating the complaint further.

OTHER MATTERS

1. On March 31st I met with the chief audit executives of the other Florida State Universities to exchange information and techniques for internal audit activities. We also reviewed current and proposed Federal and State legislation affecting our programs and activities.
2. In April the State of Florida Auditor General released the results of his audit of the Florida Bright Futures Program at the State's 11 Universities and 28 colleges. For 12 of the institutions there were audit findings and recommendations. The State Auditors had no reportable issues with regard to FIU's management of \$22.6 in program advances/disbursements during F.Y. 2010.
3. In April, pursuant to an invitation by Board Member Thomas Breslin, I made a presentation to the Faculty Senate on the operations of the Office of Internal Audit.

FOLLOW-UP STATUS REPORTS

Management is primarily responsible for addressing audit recommendations. The Office of Internal Audit periodically surveys cognizant University officials for a status report on recommendations due for implementation in their areas.

As of April 30, 2011, there were 146 outstanding recommendations, 15 of which are not due for implementation. Of the remaining 131 recommendations, management indicated that they implemented 113 recommendations (86%), 12 recommendations (9%) are partially implemented and 6 not implemented (5%). Revised target dates were provided for the remaining recommendations. (See Attachment – *Follow-up Status Report - Internal Audits and Management Responses to Past Due Recommendations with Revised Target Dates* for further details)

**FLORIDA INTERNATIONAL UNIVERSITY
OFFICE OF INTERNAL AUDIT
FOLLOW-UP STATUS REPORT - INTERNAL AUDITS
AS OF APRIL 2011**

Areas Audited	Implemented	Partially Implemented	Not Implemented	Total Due for Implementation	Not Due For Implementation
Division of Information Technology	33 3			36	6
College of Medicine	27	4	2	33	
Athletics Department	17		2	19	4
Housing & Residential Life	15	1		16	1
Office of the Controller	12 2			14	
Department of Emergency Management		1	2	3	
University Health Services	3			3	
Human Resources					2
Office of Sponsored Research Administration					2
Arts & Sciences Environmental Studies		1		1	
College of Law	1			1	
Counseling Services & Psychological Center	1			1	
Enrollment Information Services	1			1	
Frost Art Museum	1			1	
Risk Management and Environmental Health and Safety	1			1	
The Metropolitan Center	1			1	
Total 113		12	6	131	15
Percentage	86%	9%	5%	100%	

Details for Partially/Not Implemented Columns:

Division of Information Technology - 3 Partially Implemented Recommendations:

1. Audit of the Information Systems Continuity Plan (July 2010)

Recommendation #2.1 - In consultation with the Office of Emergency Management routinely perform a Business Impact Analysis and update the Disaster Recovery Plan accordingly.

Action Plan to Complete:

The Division of IT has developed a Business Impact Analysis (BIA) Form. This form has been shared with the newly hired Director of the Department of Emergency Management Services and they are currently reviewing it. Upon finalizing the Business Impact Analysis, the Division of IT will engage the assistance of the university to communicate and help ensure that the various departments within FIU complete the Business Impact Analysis.

Original Target Date: December 31, 2010

New Target Date: December 31, 2011

Recommendation #4.3 - Include IT Continuity and Disaster Recovery Planning as part of the yearly IT Security awareness training.

Action Plan to Complete:

The Division of IT has finalized development of the Disaster Recovery training. This training is being shared with the newly hired Director of the Department of Emergency Management (DEM) and they are currently reviewing it. Upon finalizing the training materials, we will work with DEM to determine the best presentation method.

Original Target Date: December 31, 2010

New Target Date: December 31, 2011

2. Audit of University Implementation of Prior Years' Recommendations (October 2010)

Recommendation #2.1 - UTS should implement a Web Application Firewall to protect the PeopleSoft web application interface from prominent web based attacks.

Action Plan to Complete:

The Division of IT has concluded the analysis of effectiveness and cost benefit on the implementation of a Web Application Firewall for FIU enterprise environments. We contacted other SU S institutions and found that most have not yet implemented except for their medical facilities. We also evaluated product and found similar price ranges and identified tools that would function and be appropriate for our environment. Given all of the information, we have concluded that given FIU's growth plans it would be consistent with our service and security commitment to implement the WAF. The Division of IT has identified funding, is currently finalizing the ITB process and reviewing all proposals.

Original Target Date: February 28, 2011

New Target Date: December 31, 2011

College of Medicine - 4 Partially Implemented & 2 Not Implemented Recommendations:

3. Audit of the Herbert Wertheim College of Medicine (September 2010)

Recommendation #1.2 - Develop, disseminate, and periodically update an operations manual giving due consideration to relevant University policies and procedures.

Action Plan to Complete:

An outline of the College of Medicine Policy & Procedure is in draft form. This effort had to be delayed due to the pending accreditation site visit and the preparation thereof by the same people who are working on the Policy & Procedure Manual

Original Target Date: December 31, 2010

New Target Date: August 31, 2011

Recommendation #7.1 - Work with Asset Management to follow-up on all unaccounted for property items and adjust incorrect location of property items in University property records.

Action Plan to Complete:

We will work with Asset Management to account for all property and correct all records.

Original Target Date: December 31, 2010

New Target Date: August 31, 2011

Recommendation #7.2 - Re-tag those property items where FIU tag is missing or removed.

Action Plan to Complete:

We will work with Asset Management to ensure all items are properly tagged.

Original Target Date: December 31, 2010

New Target Date: August 31, 2011

Recommendation #7.3 - Complete and submit off campus form to University Asset Management when property items are used off campus.

Action Plan to Complete:

We will work with Asset Management to complete and submit off campus form when property items are used off campus.

Original Target Date: December 31, 2010

New Target Date: August 31, 2011

Recommendation #7.4 - Notify the University's Police department of any lost or stolen property. The notification should be confirmed by memorandum to Asset Management, as required by University Property Control Manual.

Action Plan to Complete:

With respect to the stolen tablet for one of our faculty members, the College of Medicine will work with Asset Management to file the police report.

Original Target Date: December 31, 2010

New Target Date: August 31, 2011

Recommendation #7.5 - Strengthen its procedures to ensure that the IT property records are complete and accurate.

Action Plan to Complete:

To coordinate with Asset Management the procedures to implement.

Original Target Date: December 31, 2010

New Target Date: August 31, 2011

Athletics Department - 2 Not Implemented Recommendations:

4. Audit of the Controls Over Athletics Ticket Revenue (February 2011)

Recommendation #14.1 - Work with the Information Technology Security Office to coordinate with the software application vendor a documented controlled penetration test on an annual basis to ensure the online ticket sales website's security controls are adequately protecting the confidentiality, integrity, and availability of its information resources. The controlled penetration test report results should include proof of mission risks; indicate the level of effort an adversary would need to expend in order to cause harm to the University; define threat sources; document all activities performed during the test, including all exploited vulnerabilities and how the vulnerabilities were combined into attacks; ensure the effectiveness of existing security controls, such as firewalls, intrusion detection and prevention systems; and provide actionable results with information about possible remediation measures for the successful attacks performed.

Action Plan to Complete:

After obtaining initial information, Athletics will do a cost benefit analysis. Athletics received an initial cost estimate of \$10,000 per year (recurring) for this test. We will continue working to see if the same end goal can be accomplished at a reduced cost. Athletics will provide a progress update in two months.

Original Target Date: March 31, 2011

New Target Date: June 30, 2011

Recommendation #14.2 - Coordinate with the software application vendor to strengthen password and account lock-out parameters to mitigate the risk of unauthorized access and of a "brute force" attack.

Action Plan to Complete:

Management is communicating with the vendor and waiting on an update.

Original Target Date: March 31, 2011

New Target Date: June 30, 2011

Housing & Residential Life - 1 Partially Implemented Recommendation:

5. Audit of University Housing & Residential Life (November 2010)

Recommendation #3.4 - Ensure that non-affiliated renters have adequate insurance coverage before housing space is rented.

Action Plan to Complete:

Summer Conference Agreement finalized by General Counsel on March 18, 2011. Agreements to be sent to non-affiliated groups by April 8, 2011. Due dates for agreement, deposit, insurance certificate & policy endorsement will vary between May and June. As insurance certificates are provided to Housing, the two-tier review for adequate coverage will occur.

Original Target Date: April 30, 2011

New Target Date: June 30, 2011

Office of the Controller - 2 Partially Implemented Recommendations:

6. Audit of Accounts Receivables (July 2009)

Recommendation #4 - On an annual basis, the Controller's Office, in consultation with other departments, should identify uncollectible accounts and write them off (with BOT approval).

Action Plan to Complete:

The write off of uncollected accounts is in process. We expect to present the resolution for BOT approval at their June meeting. A University Policy for managing uncollectible accounts is in the final stage of approval.

Original Target Date: September 30, 2010

New Target Date: June 30, 2011

7. Audit of ProCard/Credit Card Solutions Program: Better Controls & Administrative Practices Needed (April 2010)

Recommendation #2.2 - Ensure that all card holders and reviewers/approvers are periodically retrained with an emphasis on the key risks identified.

Action Plan to Complete:

Due to the impending conversion, the retraining was postponed. We continue to send reminders to Approvers and Cardholders via the role specific listserve that highlights key areas of concern. Additionally, at the time the monthly transactions load into the PantherSoft System, Approvers are sent a reminder notification containing program deadlines and highlights of their responsibilities. Retraining for all Cardholders and Approvers will take place during the card program conversion from Bank of America to JP Morgan Chase as needed and a program of continued retraining will be implemented (upon expiration of the card and as necessary). The revised due date is dependent on the new program implementation timeline.

Original Target Date: December 31, 2010

New Target Date: July 31, 2011

Department of Emergency Management - 1 Partially Implemented & 2 Not Implemented Recommendations:

8. Audit of the Information Systems Continuity Plan (July 2010)

Recommendation #1.1 - Consult with the Division of IT and develop a comprehensive, all-inclusive IT continuity framework.

Action Plan to Complete:

The Department of Emergency Management (DEM) and the Division of IT are currently developing an IT continuity framework. In March, FIU hired a new Director of EM, Amy Aiken. While the position was vacant, the Division of IT has been developing the IT Continuity Framework and is now working with the Department of Emergency Management to finalize it and incorporate it.

Original Target Date: December 31, 2010

New Target Date: December 31, 2011

Recommendation #1.2 - Ensure that all campus units implement the IT continuity framework.

Action Plan to Complete:

Once the IT continuity framework is finalized, the Department of Emergency Management (DEM) will work with all vice presidential areas to communicate the importance of and ensure compliance with implementing the IT business continuity framework among the various campus units.

Original Target Date: January 31, 2011

New Target Date: January 31, 2012

Recommendation #4.4 - Train its staff on Business Continuity.

Action Plan to Complete:

The Department of Emergency Management (DEM) will develop and implement Continuity of Operations Plan (COOP) training to be delivered to the Emergency Management Group (EMG). Ongoing assessment and recommendations for any applicable training will be conducted by the DEM.

Original Target Date: December 31, 2010

New Target Date: June 30, 2011

Arts & Sciences Environmental Studies - 1 Partially Implemented Recommendation:

9. Audit of University Implementation of Prior Years' Recommendations (October 2010)

Recommendation #7.2 - Environmental Studies should establish procedures for tracking its tangible assets.

Action Plan to Complete:

The Earth & Environment Department's procedures for tracking tangible assets were established and carried out before the current due date. Recording and updating of the status of property by FIU asset management was not completed. The Earth & Environment Department office manager, lab manager, CAS financial officer and FIU asset management have since worked to complete the update. Currently, two items have not been updated. For these, paperwork submitted to following the 2008 audit of the former Environmental Studies Department were lost en-route to asset management and have been refilled.

Original Target Date: October 31, 2010

New Target Date: June 30, 2011

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Budget Variance Analysis – Third Quarter 2010

Proposed Committee Action:
None. Discussion item.

Background Information:

The Financial Summary Overview for Fiscal Year 2010-2011 provides the Third Quarter 2010 Budget Variance Analysis.

Supporting Documentation: Financial Summary Overview, FY2010-11

Facilitator/Presenter: Kenneth A. Jessell

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Florida International University
Financial Summary Overview ¹
FY 2010-11

	Year To Date March 2011			
	Budget	Current Year Actual	Variance	
			\$	%
(\$ in millions)				
Revenue / Receipts				
University				
Educational and General (net) ²	282.1	283.4	1.3	0%
University	250.9	257.5	6.6	3%
College of Medicine	21.3	21.4	0.2	1%
State Fiscal Stabilization Fund ³	10.0	4.5	(5.5)	-55%
FIU Self-Insurance Program	0.0	0.0	0.0	0%
Auxiliary Enterprises	100.9	111.9	11.0	11%
Intercollegiate Athletics	16.1	17.0	0.9	6%
Activities and Service	10.1	10.6	0.5	5%
Technology Fee	5.4	5.6	0.2	3%
Contracts and Grants	67.0	65.1	(1.8)	-3%
Student Financial Aid	106.5	128.1	21.6	20%
Concessions	0.4	0.4	0.0	3%
Direct Support Organizations				
FIU Athletic Finance Corp	2.9	3.6	0.7	24%
FIU Foundation Inc	20.1	33.9	13.8	68%
FIU Health Care Network	0.1	0.0	(0.1)	-84%
FIU Research Foundation	0.1	0.1	0.0	12%
Interfund Adjustments ⁴	(9.2)	(9.3)	(0.0)	0%
Total Operating Revenues	602.4	650.5	48.1	8%
University Treasury (net)	7.9	20.2	12.3	156%
FIU Foundation Inc	3.9	25.8	21.9	556%
Total Investment Revenues	11.9	46.0	34.2	289%
Total Revenues / Receipts	614.3	696.5	82.2	13%
Expenses				
University				
Educational and General (net)	287.9	255.2	32.7	11%
University	256.9	231.7	25.2	10%
College of Medicine	19.8	17.0	2.8	14%
State Fiscal Stabilization Fund ³	11.2	6.6	4.6	41%
FIU Self-Insurance Program	0.0	0.0	0.0	0%
Auxiliary Enterprises	83.0	83.9	(1.0)	-1%
Intercollegiate Athletics	16.0	16.9	(0.9)	-6%
Activities and Service	10.9	10.2	0.7	6%
Technology Fee	7.7	4.0	3.6	47%
Contracts and Grants	63.9	59.5	4.4	7%
Student Financial Aid	109.9	132.8	(23.0)	-21%
Concessions	0.5	0.3	0.1	27%
Direct Support Organizations				
FIU Athletic Finance Corp ⁶	1.7	2.6	(0.9)	-53%
FIU Foundation Inc	9.6	7.4	2.2	23%
FIU Health Care Network	0.1	0.0	0.1	68%
FIU Research Foundation	0.1	0.0	0.0	77%
Interfund Adjustments	(9.2)	(9.3)	0.0	0%
Total Expenses	581.8	563.8	18.0	3%
Principal Payment of Debt ^{5 6}	1.7	1.3	0.4	24%
Change in Net Assets (incl. Investments)	30.8	131.4	100.7	327%
Change in Net Assets (excl. Investments)	18.9	85.4	66.5	351%

Notes:

- ¹ *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*
- ² *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.*
- ³ *State Fiscal Stabilization Fund is appropriated as follows: University \$13.5M, College of Medicine \$0.9M*
- ⁴ *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.*
- ⁵ *Principal payment of debt reflected above per BOG requirement that debt service payments be shown on a cash basis.*
- ⁶ *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

June 20, 2011

Subject: Accounts Receivable Report

Proposed Committee Action:

None. Discussion item.

Background Information:

The Accounts Receivable Report provides the current status of receivables, write-offs for 2010-11 and current collection practices. The Report also presents additional collection activities planned or being considered.

Supporting Documentation: Accounts Receivable Report, *June 2011*

Facilitator/Presenter: Kenneth A. Jessell

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Accounts Receivable Report – June 2011

CURRENT STATUS OF RECEIVABLES

- As of March 31, 2011 \$51.1 million in receivables with \$21.6 million in reserve
 - \$12.1 million are Contracts and Grants related
 - \$38.3 million are Student related
 - \$700 thousand are other accounts receivable
- \$7.2 million are currently placed with collection agencies

WRITE-OFFS FOR 2010-11

- \$3.7 million of student tuition and fees. These accounts were fully reserved in the previous fiscal year.
- \$2 million of contracts and grants. These were also fully reserved.
- \$900 thousand for parking citation receivables
- \$150 thousand for housing receivables

CURRENT COLLECTION PRACTICES

- Weekly emails are sent to students with past-due balances
- Students with balances in excess of \$201 are not permitted to register for new classes
- A payment plan has been made available to students (Approximately 4,000 students enroll in a payment plan each semester)
- Reserves are estimated at .6% of student-related revenues and are analyzed at year-end for sufficiency. Reserves for Contracts and Grants are based on analysis of specific accounts.

ADDITIONAL COLLECTION ACTIVITIES PLANNED OR BEING CONSIDERED

- Contracting with additional collection agencies for student accounts
 - \$1.1 million has been resolved by the current agency over 15 months

- Uncollected balances will be placed with second collection agency after 1 year. Uncollectible balances (after two collection agencies have attempted to collect) will be written-off.
- Contracting with 3rd party payment plans to increase flexibility for students
- Allowing the use of VISA cards for tuition payment

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Treasury Report

Proposed Committee Action:

None. For information only.

Background Information:

The Treasury Report provides an update on Investment Portfolio Performance for the Quarter ending March 31, 2011 and Composition for the third Quarter of the 2011 Fiscal Year.

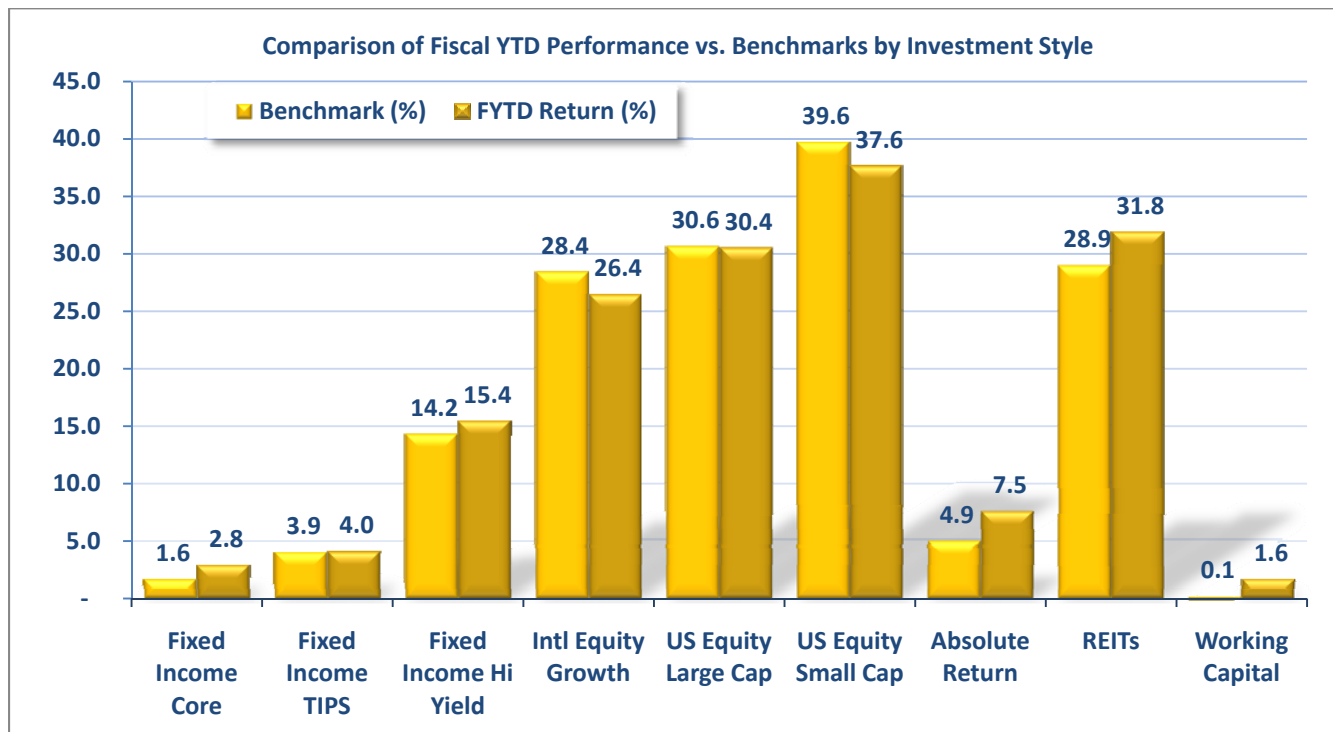
Supporting Documentation: Treasury Report

Facilitator/Presenter: Tony Vu

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Fiscal YTD Performance

Every asset class in the University's investment portfolio experienced positive performance in fiscal Q3. Overall, fiscal YTD return for the portfolio was **7.5 percent**. The Strategic/Reserve Pools gained **12.1 percent** and the Working Capital Pool gained **1.6 percent** for the fiscal Q3. The following chart details the fiscal year to date returns by investment class. Returns from the State Treasury's Special Purpose Investment Account (SPIA) have totaled **2.1 percent** during the same period.



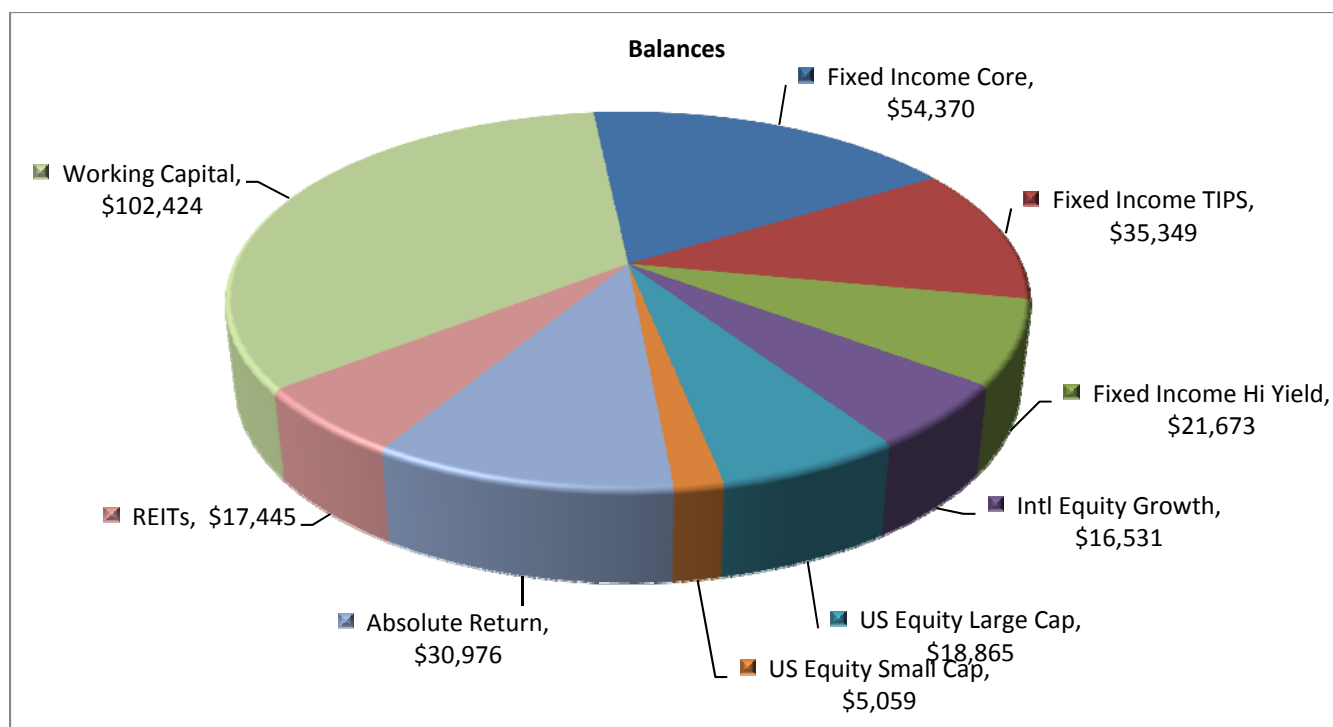
As shown above, most of the investment managers met or exceeded benchmarks for the period. The International Equity Growth manager (26.4 percent gain versus 28.4 percent benchmark) and the US Equity Small Cap Manager (37.6 percent gain versus 39.6 percent benchmark) both lagged against the benchmark.

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.

Quarter Ending Composition

Asset allocations at the end of the 3rd Quarter FY 2011 remained within policy guidelines with the exception of Commodities allocation. The University finalized the commodities fund manager agreement and funded the investment on April 15, 2011. The quarter end market value of the University's operating investment portfolio totaled \$302.7 million. This balance reflects an increase of \$27.9 million (10 percent) over the previous quarter balance and an increase of \$36.4 million (13.7 percent) over 3Q FY2009-10 period ending balance.

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



Investment Committee Meeting

The Investment Committee met on May 26, 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

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

Dr. Kenneth A. Jessell
SVP & CFO
Office of Finance & Administration

Tony Vu – Committee Chair
University Treasurer
Office of the Treasurer

Dr. William Welch
Retired
College of Business Administration

Consultant

Bill Bensur
Vice President
Wilshire & Associates

**Performance Summary as of
March 31, 2011**

OPERATING FUNDS PORTFOLIO								
Fund / Manager (Inception Date) Benchmark	<u>Market Value</u> (000's)	<u>Allocation</u> (%)	<u>Current</u> <u>Month</u>	<u>Fiscal</u> <u>YTD</u>	<u>1 Year</u>	<u>Trailing</u> <u>2 Years</u>	<u>3 Years</u>	<u>Since</u> <u>Inception</u>
Working Capital Pool (03/31/06) <i>91-Day Treasury Bill</i>	\$ 102,424	34% 30%	0.1% 0.0%	1.6% 0.1%	2.2% 0.2%	2.0% 0.2%	2.0% 0.5%	3.1% 2.2%
Strategic / Reserve Capital Pool (03/31/06) <i>Weighted Average Benchmark Index</i>	200,268	66% 70%	-0.3% 0.2%	12.1% 10.6%	10.5% 10.0%	17.8% 16.5%	5.9% 5.8%	5.9% 6.1%
TOTAL COMBINED POOL (03/31/06) <i>Weighted Average Benchmark Index</i>	\$ 302,692	100% 100%	-0.1% 0.2%	7.5% 7.4%	6.9% 7.0%	10.1% 11.4%	4.8% 4.3%	4.8% 4.9%

WORKING CAPITAL POOL								
Fund / Manager (Inception Date) Benchmark	<u>Market Value</u> (000's)	<u>Allocation</u> (%)	<u>Current</u> <u>Month</u>	<u>Fiscal</u> <u>YTD</u>	<u>1 Year</u>	<u>Trailing</u> <u>2 Years</u>	<u>3 Years</u>	<u>Since</u> <u>Inception</u>
WORKING CAPITAL POOL								
SPIA Account (03/31/06) <i>91-Day Treasury Bill</i>	\$ 77,346	26% 26%	0.2% 0.0%	2.1% 0.1%	2.7% 0.2%	2.5% 0.2%	2.3% 0.5%	3.4% 2.2%
SBA-LGIP Account <i>91-Day Treasury Bill</i>	11	0% 0%	0.0% 0.0%	0.1% 0.1%	0.2% 0.2%	0.1% 0.2%	0.2% 0.5%	1.7% 2.0%
MS Institutional Liquid Funds Account (08/07/09) <i>91-Day Treasury Bill</i>	20,054	7% 7%	0.0% 0.0%	0.2% 0.1%	0.2% 0.2%	0.0% 0.0%	0.0% 0.0%	0.2% 0.2%
Regions Account (12/15/09) <i>91-Day Treasury Bill</i>	5,013	2% 2%	0.0% 0.0%	0.2% 0.1%	0.2% 0.2%	0.0% 0.0%	0.0% 0.0%	0.2% 0.1%
WORKING CAPITAL POOL COMPOSITE (3/31/06) <i>Target Allocation / 91-Day Treasury Bill</i>	\$ 102,424	34% 30%	0.1% 0.0%	1.6% 0.1%	2.2% 0.2%	2.0% 0.2%	2.0% 0.5%	3.1% 2.2%

STRATEGIC / RESERVE CAPITAL POOL								
Prudential Core Fixed (11/30/07) <i>Barclays Aggregate</i>	\$ 54,370	27% 28%	0.0% 0.1%	2.8% 1.6%	6.2% 5.1%	10.1% 6.4%	6.7% 5.3%	6.6% 5.5%
BlackRock HY Bond (3/31/06) <i>ML High Yield Master II</i>	21,673	11% 10%	0.2% 0.4%	15.4% 14.2%	15.0% 14.2%	34.2% 34.0%	12.5% 12.7%	8.8% 9.0%
FIXED INCOME COMPOSITE (3/31/06) <i>Fixed Income Benchmark Index</i>	76,043	38% 38%	0.4% 0.4%	5.5% 4.4%	8.4% 7.6%	12.7% 10.1%	6.9% 6.3%	7.0% 7.0%
Northern Trust S&P 500 (6/30/06) <i>S&P 500</i>	18,865	9% 8%	0.0% 0.0%	30.4% 30.6%	15.6% 15.6%	31.7% 31.6%	2.4% 2.4%	3.2% 3.1%
CS McKee Small Cap (6/30/08) <i>Russell 2000</i>	5,059	3% 2%	3.2% 2.6%	37.6% 39.6%	30.0% 25.8%	43.7% 43.1%	0.0% 0.0%	13.0% 9.1%
U.S. EQUITY COMPOSITE (3/31/06) <i>Wilshire 5000</i>	23,924	12% 10%	0.7% 0.4%	31.9% 32.1%	19.1% 17.3%	34.5% 33.6%	4.5% 3.5%	1.4% 3.0%
Alliance Bernstein (6/30/08) <i>MSCI EAFE Index (N)</i>	16,531	8% 8%	-4.7% -2.2%	26.4% 28.4%	4.7% 10.4%	29.0% 30.6%	0.0% 0.0%	-4.7% -2.5%
INTERNATIONAL EQUITY COMPOSITE (3/31/06) <i>MSCI EAFE Index (N)</i>	16,531	8% 8%	-4.7% -2.2%	26.4% 28.4%	4.7% 10.4%	29.0% 30.6%	-6.3% -3.0%	-1.2% 1.3%
TOTAL EQUITY COMPOSITE (3/31/06) <i>Policy Index</i>	40,455	20% 18%	-1.6% 0.0%	29.3% 0.0%	12.9% 0.0%	30.9% 0.0%	-0.3% 0.0%	3.2% 0.0%
Urdang REIT (6/30/06) <i>NAREIT Equity</i>	17,445	9% 8%	-1.5% -1.6%	31.8% 28.9%	26.7% 23.7%	66.4% 59.9%	7.1% 2.3%	5.6% 1.9%
Northern Trust TIPS (6/30/06) <i>Barclays U.S. TIPS</i>	35,349	18% 18%	1.0% 1.0%	4.0% 3.9%	8.0% 7.9%	7.5% 7.0%	4.0% 3.9%	6.6% 6.5%
SSGA Commodities (12/31/10) <i>DJ UBS Commodities Index</i>	-	0% 5%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%	0.0% 0.0%
REAL ASSETS COMPOSITE (6/30/06) <i>Policy Index</i>	\$ 52,794	26% 30%	0.2% 0.0%	12.0% 0.0%	13.6% 0.0%	18.2% 0.0%	6.8% 0.0%	8.2% 0.0%
Aetos Alternatives Mgmt. (4/31/06) <i>CPI + 3.25%</i>	30,976	15% 15%	-0.1% 1.3%	7.5% 4.9%	5.2% 6.0%	10.0% 5.8%	2.0% 4.8%	3.3% 5.5%
ABSOLUTE RETURN COMPOSITE (3/31/06) <i>CPI + 3.25%</i>	30,976	15% 15%	-0.1% 1.3%	7.5% 4.9%	5.2% 6.0%	10.0% 5.8%	2.0% 4.8%	3.3% 5.5%

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THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Environmental – Regulatory & Compliance

Proposed Committee Action:

None. For information only.

Background Information:

The Safety and Environmental Compliance Report provides the status of compliance issues.

Supporting Documentation: Safety and Environmental Compliance Status Report

Facilitator/Presenter: William Youngblut

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Finance and Audit Committee

SAFETY AND ENVIRONMENTAL COMPLIANCE STATUS REPORT **May 3, 2011 Update**

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, a review by DERM of the analytical results of soil from the Green Library associated with an assessment of a petroleum discharge (a leak of diesel fuel was detected from underground piping connecting an above ground tank to the emergency generator in the Green Library) in April 2008 indicated that the concentration of Chromium for soil samples exceeds the Freshwater Leachability cleanup target level. Quarterly ground water sampling for the assessment of the chromium is underway and is currently anticipated to continue for one (1) year.

Issue: Application for DEA Controlled Substances Permit for Research

Agency: Drug Enforcement Administration (DEA)

Status: EH&S is working with an FIU faculty member on an application for a license from the DEA permitting use of a Schedule I controlled substance in the faculty member's research.

Issue: Annual Life Safety Code Compliance Inspections

Agency: State Fire Marshal

Status: As of April 2011, EH&S has completed all annual Life Safety Code inspections with the State Fire Marshall at Biscayne Bay Campus. The annual Life Safety Code inspections at MMC are currently scheduled for completion by July 2011. Inspections have also been completed for a large School of Nursing simulation lab remodel.

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THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Athletics Update

Proposed Committee Action:

None. For information only.

Background Information:

The Athletics Update provides a fundraising report and financial highlights since the Finance and Audit Committee last met on March 15, 2011.

Supporting Documentation: Athletics Update

Facilitator/Presenter: Pete Garcia

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ATHLETICS UPDATE
June 7, 2011

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

Pete Garcia, Athletics Director

Fundraising Report

FIU Foundation, Inc.

Fundraising revenues are favorable \$38,000 on a year-to-date basis as of March 31, 2011.

- This variance is primarily driven by timing of donations versus budget
- Bank of America Affinity Card revenues are unfavorable \$15,725 to budget as of March 31, 2011

FIU Foundation, Inc. Preliminary Recap of Statement of Activities Through the Period Ended March 31, 2011 (in thousands)			
	Actual	Budget	Variance
Revenues	\$724	\$686	\$38

Financial Highlights

Athletics Finance Corporation (AFC) Report

- March year-to-date net income before debt service excluding gain/loss on investments was \$2.7 million and favorable \$373,000 vs. budget
 - Ticket sales favorable \$83,000
 - Suite sales favorable \$108,000
 - Favorable timing of conference and athletics fees revenue net of other expenses \$182,000
- Full year forecasted net income before debt service excluding gain/loss on investments is \$2.65 million vs. Budget of \$2.67 million for the period ending June 30, 2011, meeting debt covenant requirements.

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THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Emergency Management Status Report

Proposed Committee Action:

None. For information only.

Background Information:

The Office of Emergency Management Status Report provides updates on staffing, community engagement and the FIU Emergency Alert and Notification System. The Report also provides follow-up to the Fall 2010 FIU commencement ceremonies Emergency Management Review.

Supporting Documentation: Emergency Management Status Report

Facilitator/Presenter: Amy B. Aiken

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FIU | FLORIDA INTERNATIONAL UNIVERSITY

Emergency Management

DATE: June 20, 2011

TO: Board of Trustees Finance and Audit Committee

FROM: Amy B. Aiken, Director
Department of Emergency Management

SUBJECT: Emergency Management Status Report

Staffing

On March 7, 2011, Amy B. Aiken was hired as Director of the Department of Emergency Management. Amy spent the last 2 ½ years as Director of Emergency Management for the City of Fort Lauderdale. Prior to that, she spent 15 ½ years in progressively responsible roles in Miami-Dade County including Assistant Director of the Department of Emergency Management during the 2005 hurricane season, which remains the busiest season to date.

Robin Yang, Program Assistant, was promoted to Emergency Management Coordinator on April 12, 2011. Robin successfully maintained the Department's functions throughout the time the director position was vacant and brings a strong technology background to the Department.

FIU Emergency Alert and Notification System

The Department of Emergency Management (DEM) continually strives to enhance the emergency alert and notification system at FIU and works closely with Public Safety and University Technology Services (UTS) to do so. Since fall 2010, students are required to subscribe to the system during the registration process which resulted in a 54% increase in number of subscribers. Additionally, DEM will conduct scenario based training for additional members of the Public Safety staff as well as work with the vendor to continually improve the system.

Three (3) notification enhancement projects submitted by UTS as part of the FY 2011-12 critical infrastructure budget process were approved. UTS will manage the projects with input from DEM. A brief description of each project is listed below:

- Emergency Communication System Expansion (\$276,000). This project will expand the number of speakers and/or emergency telephones in large open congregation areas.

- Emergency Communication System Enhanced 911 (\$150,000). This project will provide specific location information to the County's 911 dispatch center as well as notify FIU's Public Safety Department, thereby enhancing the response time of our first responders.
- Cable TV (CaTV) Emergency Alert System (\$107,500). This project provides a redundant system of communication by relaying Emergency Alert System (EAS) messages via FIU's cable TV system by blocking current programming to display the emergency message.

Follow Up to Fall 2010 FIU Commencement Ceremonies Emergency Management Review

At the request of The Office of the Provost, the Department of Emergency Management (DEM), met with the commencement committee, conducted a walkthrough of the facilities, attended each fall 2010 ceremony and made recommendations to the committee to identify potential safety issues and suggest possible improvements for subsequent commencement ceremonies. Of particular concern was the construction in front of the venue during the spring 2011 commencements. A copy of DEM's report was submitted to the Audit and Finance Committee in the March 15, 2011 meeting packet. The majority of recommendations were implemented and the spring 2011 commencement ceremonies were conducted with no incidents.

Community Engagement

The Department of Emergency Management participated in the following events:

April 16, 2011	Weather Forecast Office (WFO) Miami/National Hurricane Center (NHC) Open House
May 2 & 3, 2011	Spring 2011 Commencement
May 11, 2011	Meeting with FL Division of Emergency Management (FDEM) and the state universities to introduce FL's new Emergency Management Director
May 19, 2011	Tabletop Exercise with University Senior Leadership
May 15-20, 2011	Governor's Hurricane Conference
May 21, 2011	International Hurricane Research Center (IHRC) Wall of Wind Mitigation Contest for High School Students

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Foundation Report

Proposed Committee Action:

None. For information only.

Background Information:

The FIU Foundation, Inc. Report contains the Financial Statements Recap and Investment Summaries as of March 31, 2011.

Supporting Documentation: FIU FOUNDATION, INC. – Financial Statements Recap & Investment Summaries, March 31, 2011

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

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FIU FOUNDATION, INC.

**FINANCIAL STATEMENTS RECAP
& INVESTMENT SUMMARIES**

March 31, 2011

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FIU FOUNDATION, INC.
Recap of Statement of Activities
For the Period Ended March 31, 2011

(In Thousands of Dollars)

	2010-11	2010-11		2010-11	2009-10	2009-10
	9-Month	9-Month		Annual	9-Month	Total Year
	<u>Budget</u>	<u>Actuals</u>	<u>Variance</u>	<u>Budget</u>	<u>Actuals</u>	<u>Actuals</u>
REVENUES:						
<u>Contributions:</u>						
Endowments	\$ 12,249	\$ 11,670	\$ (579) [1]	\$ 15,962	\$ 8,425	\$ 9,206
Non-Endowed Funds:						
Scholarship & Programs	\$ 3,551	\$ 5,583	\$ 2,032 [2]	\$ 4,867	\$ 6,107	\$ 7,302
Building Funds	\$ 848	\$ 288	\$ (560) [3]	\$ 855	\$ 348	\$ 2,249
Annual Giving	\$ 321	\$ 224	\$ (97) [4]	\$ 415	\$ 324	\$ 404
Pledged Revenue	\$ -	\$ 14,290	\$ 14,290 [5]	\$ -	\$ (4,279)	\$ (509)
TOTAL CONTRIBUTIONS	\$ 16,968	\$ 32,055	\$ 15,087	\$ 22,099	\$ 10,925	\$ 18,653
<u>Other Revenues:</u>						
MARC Building	\$ 1,218	\$ 1,206	\$ (12)	\$ 1,624	\$ 969	\$ 1,310
Estimated Investment Returns	\$ 3,941	\$ 25,799	\$ 21,858 [6]	\$ 6,412	\$ 18,826	\$ 10,945
Administrative Reserve	\$ 1,961	\$ 668	\$ (1,293) [7]	\$ 2,612	\$ -	\$ 724
TOTAL OTHER REVENUES	\$ 7,120	\$ 27,673	\$ 20,553	\$ 10,648	\$ 19,795	\$ 12,979
TOTAL REVENUES	\$ 24,088	\$ 59,728	\$ 35,640	\$ 32,746	\$ 30,720	\$ 31,632
EXPENSES:						
<u>University Programs:</u>						
Scholarships & Programs	\$ 5,548	\$ 4,754	\$ 794 [8]	\$ 6,499	\$ 4,883	\$ 7,252
Building Funds	\$ -	\$ 7	\$ (7)	\$ -	\$ 1,349	\$ 1,826
Annual Giving	\$ 280	\$ 141	\$ 139 [9]	\$ 327	\$ 139	\$ 201
TOTAL UNIVERSITY PROGRAMS EXPENSES	\$ 5,828	\$ 4,902	\$ 927	\$ 6,826	\$ 6,370	\$ 9,279
<u>Operational:</u>						
MARC Building	\$ 548	\$ 567	\$ (19) [10]	\$ 727	\$ 554	\$ 740
Administrative Reserve	\$ 1,839	\$ 1,127	\$ 712 [7]	\$ 3,088	\$ 914	\$ 1,320
General Reserve	\$ 1,382	\$ 826	\$ 555 [11]	\$ 1,394	\$ 648	\$ 1,693
Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 359
TOTAL OPERATIONAL EXPENSES	\$ 3,769	\$ 2,520	\$ 1,248	\$ 5,209	\$ 2,117	\$ 4,112
TOTAL EXPENSES	\$ 9,597	\$ 7,422	\$ 2,175	\$ 12,035	\$ 8,487	\$ 13,391
EXCESS REVENUES OVER EXPENSES	\$ 14,491	\$ 52,306	\$ 37,815	\$ 20,711	\$ 22,233	\$ 18,241

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

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

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Variance Notes:

[1] The negative variance of \$579,000 for endowed revenues is a result of timing. Approximately \$3 million in budgeted new endowed gifts in support of the College of Medicine are expected to be collected by June 30, 2011.

[2] The positive variance of \$2.0 million for Scholarship and Program revenues is mainly a result of new gifts made to the College of Business Administration and First Generation Scholarship Program as well as the early collection of receipts across numerous units university-wide.

[3] The negative variance of \$560,000 for building fund revenues is a timing issue. Revenues from the South Beach Wine & Food Festival in support of the Hospitality Management Dining Facility were budgeted at \$600,000 for receipt in the third quarter, however \$893,440 were collected and will be transferred to the Foundation by June 2011.

[4] The negative variance of \$97,000 for Annual Giving revenues is due a result of the following: (1) recent Board of Directors resignations will result in \$15,000 in expected membership dues that will not be collected; (2) \$25,000 in revenues derived from merchandise royalties that were budgeted for deposit in the Annual Fund have been redirected to the University's Auxiliary Trust Fund; and (3) scheduling changes to the Annual Giving Program have resulted in an ongoing lag of Annual Giving revenues and will ultimately result in an estimated \$35,000 of the revenues budgeted for receipt in the current year to be collected early next fiscal year.

[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 9-month period ended March 31, 2011 totaled \$14.3 million, which represents an excess of new gift agreements versus pledged receipts.

Below is an aging schedule of all Foundation contributions receivable as of 3/31/11:

	Current Year	1-2 years	3-4 years	5+ years	TOTAL
ENDOWED*	\$ 23,675,491	\$ 32,900,973	\$ 9,319,580	\$ 1,715,167	\$ 67,611,211
NON-ENDOWED*	\$ 4,011,988	\$ 2,356,301	\$ 788,955	\$ 345,000	\$ 7,502,244
TOTAL*	\$ 27,687,479	\$ 35,257,274	\$ 10,108,535	\$ 2,060,167	\$ 75,113,455

** Receivables on the statement of financial position total \$70.3 million, which include an allowance for doubtful accounts of \$3.1 million and are discounted by \$2.3 million to their present value. The total also includes other receives such as dues receivables, workman's compensation claim reimbursements, and an intercompany receivable from the College of Nursing and Health Sciences totaling \$515,773.*

[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. Current fiscal year-to-date gains total approximately 20.4%, or \$25.8 million, which exceed expected returns. The biggest contributor to these returns were equities delivering fiscal year-to-date returns of 31.5%, followed by alternative and fixed income investments at 11.9% and 6.3%, respectively. An additional \$126,370 in realized gains from the sale of gifted stock and investment income made on the Foundation's operating bank account has also been included.

[7] Capital Campaign fund raising strategies for unrestricted revenues are being analyzed and reassessed, and some solicitations for unrestricted gifts have been redirected toward the Foundation's endowment at the college level. Related budgeted expenses have, in turn, also not been incurred, thereby creating the positive variance for Administrative Reserve expenses.

[8] There is a positive expense variance of \$794,000 for Scholarships and Programs which is due to timing of expenses incurred primarily in the College of Engineering and Computing and Athletics. Of that variance, \$282,689 will be realized savings related to salary reimbursements in the Biomedical Program budgeted for this fiscal year but transferred out to the University in June 2010.

[9] The positive variance of \$109,000 for Annual Giving expenses is related to the changes made to the Annual Fund program schedule, which resulted in a lag of revenues and expenses compared to the budgeted amount.

[10] The negative variance of \$19,000 for MARC building expenses is related to unbudgeted fees and interest expense related to the refinancing of the MARC building loan.

[11] The positive expense variance of \$555,000 for General Reserve expenses is due to the timing of budgeted transfers to the Administrative Reserve, which are expected to be made over the next two months.

Florida International University Foundation, Inc.
Performance Summary
Ending March 31, 2011

<i><u>Fund/Manager/Inception Date</u></i>	Market Value	% Allocation	Target Allocation	Current Month 2/28/2011 3/31/2011	Calendar YTD 2011 12/31/2010 3/31/2011	Fiscal YTD 6/30/2010 3/31/2011	Trailing 1 Year 3/31/2010 3/31/2011	Trailing 3 Year 3/30/2008 3/31/2011	Trailing 5 Year 3/31/2006 3/31/2011	Since Investment Inception
Total Fund (6/30/00)	\$157,932,419	100.0%	100.0%	0.7%	4.4%	20.4%	12.4%	2.2%	3.3%	3.3%
Total Fund Composite				-0.1%	3.6%	19.4%	11.4%	2.3%	2.9%	3.0%
Total Equity Accounts (6/30/00)	\$88,090,912	55.8%	55.0%	1.1%	6.2%	31.5%	14.9%	2.0%	2.6%	2.5%
Total Equity Composite				-0.2%	5.4%	30.2%	13.9%	1.3%	1.6%	1.0%
Total Fixed Income Accounts (6/30/00)	\$29,464,575	18.7%	22.0%	0.2%	1.3%	6.3%	10.0%	8.3%	7.3%	6.7%
Total Fixed Income Composite				0.1%	0.5%	4.1%	7.0%	6.1%	6.0%	6.0%
Total Alternative Investments (3/1/02)	\$35,795,636	22.7%	23.0%	0.3%	3.1%	11.9%	10.0%	-1.4%	1.8%	4.8%
Total Alternative Composite				0.0%	2.2%	10.3%	7.6%	-1.7%	1.2%	3.4%
Total Cash & Equivalents Investments (6/30/10)	\$4,581,296	2.9%	N/A	0.1%	0.4%	1.3%	N/A	N/A	N/A	1.3%
90 Day Treasury Bills				0.0%	0.0%	0.1%	0.1%	0.4%	2.0%	0.1%

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Florida International University Foundation, Inc.
Preliminary Performance Summary
Ending March 31, 2011

<u>Fund/Manager/Inception Date</u>	Market Value	% Alloc.	Target Alloc.	Current Month 2/28/2011 3/31/2011	Calendar YTD 2011 12/31/2010 3/31/2011	Fiscal YTD 6/30/2010 2/28/2011	Trailing 1 Year 3/31/2010 3/31/2011	Trailing 3 Year 3/30/2008 3/31/2011	Trailing 5 Year 3/31/2006 3/31/2011	Since Investment Inception
<u>Domestic Equity Managed Accounts</u>										
Atalanta Sosnoff Large Cap Growth (3/1/06)	\$19,101,759	12.1%	12.5%	0.1%	3.9%	23.0%	5.5%	3.3%	3.1%	3.3%
Russell 1000 Growth Index				0.1%	6.0%	34.0%	18.3%	5.2%	4.3%	4.6%
Wedge Capital Large Cap Value QVM (12/29/06)	\$20,101,750	12.7%	12.5%	1.7%	8.4%	35.5%	20.6%	2.6%	N/A	-0.2%
Russell 1000 Value Index				0.4%	6.5%	29.6%	15.2%	0.6%	1.4%	-1.8%
Advisory Research Small Cap Value (6/1/01)	\$10,269,993	6.5%	5.0%	3.0%	7.8%	39.6%	22.8%	4.9%	3.3%	10.5%
Russell 2000 Value Index				1.4%	6.6%	34.9%	20.6%	6.8%	2.2%	8.4%
IronBridge Small Cap Core Equity (12/2/03)	\$8,782,273	5.6%	5.0%	2.8%	9.0%	37.8%	25.3%	7.4%	5.5%	8.3%
Russell 2000 Small Cap Index				2.6%	7.9%	39.7%	25.8%	8.6%	3.4%	7.3%
Student Investment Management Fund (3/31/09)	\$211,850	0.1%	N/A	2.0%	6.0%	5.7%	2.0%	N/A	N/A	2.9%
<u>International Equity Managed Accounts</u>										
Artio International Equity Fund (12/2/03)	\$13,982,721	8.9%	10.0%	0.8%	2.3%	25.6%	9.4%	-5.1%	1.5%	8.1%
MSCI EAFE Index				-2.2%	3.4%	28.4%	10.4%	-3.0%	1.3%	6.6%
Wentworth Hauser & Violitch (3/31/10)	\$7,741,066	4.9%	5.0%	-0.6%	7.5%	43.5%	19.4%	N/A	N/A	19.4%
MSCI EAFE Index				-2.2%	3.4%	28.4%	10.4%	-3.0%	1.3%	10.4%
Thornburg International Equity (1/31/11)	\$7,899,500	5.0%	5.0%	-0.1%	N/A	N/A	N/A	N/A	N/A	3.5%
MSCI EAFE Index				-2.2%	3.4%	28.4%	10.4%	-3.0%	1.3%	1.0%
TOTAL EQUITY INVESTMENTS	\$88,090,912	55.8%	55.0%							
<u>Core Fixed Income Managed Accounts</u>										
SCM Advisors Enhanced Core Fixed (6/1/01)	\$12,147,827	7.7%	9.0%	0.0%	1.6%	8.6%	11.8%	9.9%	8.3%	6.9%
Barclays Custom Index				-0.1%	0.9%	3.9%	7.5%	8.1%	7.7%	6.5%
Hillswick Asset Management (6/1/01)	\$9,415,478	6.0%	8.0%	0.1%	0.1%	0.7%	6.8%	6.5%	7.5%	6.7%
Barclays Aggregate Index				0.1%	0.4%	1.6%	5.1%	5.3%	6.0%	5.6%
Brandywine Global Opp Bond (1/1/08)	\$7,395,399	4.7%	5.0%	0.7%	2.2%	11.3%	12.7%	7.6%	N/A	7.6%
Citigroup World Gov't Bond Index				0.3%	0.7%	7.0%	7.3%	3.2%	7.3%	5.9%
SunTrust Balanced Annuity Account (10/22/03)	\$505,871	0.3%	N/A	0.4%	3.1%	18.1%	10.7%	7.7%	5.3%	6.1%
70% Barclays Aggregate / 30% S&P 500				0.1%	0.4%	1.6%	5.1%	5.3%	6.0%	5.0%
TOTAL FIXED INCOME INVESTMENTS	\$29,464,575	18.7%	22.0%							
<u>Cash & Cash Equivalents</u>										
State of Florida Treasury Fund (7/01/10)	\$4,581,296	2.9%	N/A	0.1%	0.4%	1.3%	N/A	N/A	N/A	1.3%
90 Day Treasury Bills				0.0%	0.0%	0.1%	0.1%	0.4%	2.0%	0.1%
TOTAL CASH & EQUIVALENTS INVESTMENTS	\$4,581,296	2.9%								
<u>Alternative Investments</u>										
Ironwood Partners (3/1/04)	\$6,371,917	4.0%	4.0%	0.6%	3.3%	10.4%	9.5%	-1.4%	1.7%	3.7%
HFR FOF: Conservative				0.0%	1.4%	6.3%	4.7%	-1.2%	1.2%	2.6%
Ironwood Partners (NDM Gift) (8/1/05)	\$2,118,959	1.3%	1.0%	0.6%	3.3%	10.8%	9.9%	-1.3%	1.7%	3.0%
HFR FOF: Conservative				0.0%	1.4%	6.3%	4.7%	-1.2%	1.2%	2.3%
Titan Advisors (3/1/07)	\$7,348,419	4.7%	4.0%	-0.1%	1.4%	5.5%	3.8%	2.9%	N/A	4.6%
HFR FOF: Diversified				-0.4%	0.8%	7.3%	4.6%	-0.7%	1.6%	0.2%
Archstone Offshore (5/1/10)	\$7,175,413	4.5%	4.0%	0.1%	1.8%	10.0%	N/A	N/A	N/A	5.5%
HFR FOF: Diversified				-0.4%	0.8%	7.3%	4.6%	-0.7%	1.6%	3.7%
Cohen and Steers Realty (12/16/08)	\$3,575,954	2.3%	2.5%	-1.4%	7.1%	30.7%	24.6%	N/A	N/A	30.3%
NAREIT US REIT Index				-1.3%	7.5%	30.3%	25.0%	2.6%	1.7%	28.6%
Deutsche Bank Liquid Comm. Fund (1/1/08)	\$3,504,002	2.2%	2.5%	2.6%	10.6%	40.9%	29.4%	-5.9%	N/A	-2.7%
DTC Private Equity II (\$5 Million) ¹ (12/15/05)	\$3,464,879	2.2%	5.0%							0.7%
DTC Private Equity III (\$2.5 Million) ¹ (07/10/08)	\$532,405	0.3%								-6.6%
Greenspring Global Partners IV (\$2.5 Million) ¹ (8/8/08)	\$1,007,416	0.6%								0.3%
Foundation Enterprise Holdings I (3/31/11)	\$386,000	0.2%								N/A
Collins Capital (3/1/07) - Awaiting redemption proceeds	\$310,272	0.2%								
TOTAL ALTERNATIVE INVESTMENTS	\$35,795,636	22.7%	23.0%							
TOTAL FUND	\$157,932,419	100.0%	100.0%							

¹These are short-term liquid funds

¹ 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

June 20, 2011

Subject: University Compliance Report

Proposed Committee Action:

None. For information only.

Background Information:

The University Compliance Program Report provides an update on the status of compliance initiatives since the last report dated February 16, 2011.

Supporting Documentation: University Compliance Program Report

Facilitator/Presenter: Leyda Benitez

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MEMORANDUM

University Compliance Office

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

From: Leyda Benitez
University Compliance Officer

Subject: University Compliance Program Report

Date: May 3, 2011

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 February 16, 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. In addition, efforts have been dedicated to conflict of interest disclosure and management. On March 21, 2011, the electronic portal for reporting outside activities and conflicts of interest was launched to the University community.

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: A work group of University representatives led by the Office of the Provost and the University Compliance Office are implementing these new regulatory requirements. 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 majority of the requirements must be implemented by July 1, 2011, with some not due until July 1, 2012 and thereafter. The next report to this Committee will include a more comprehensive report regarding the University's implementation efforts.

2. 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. It is expected that this policy, as revised, will be finalized by the end of the current fiscal year.
3. NCAA Self-Study: The NCAA Self-Study Steering Committee completed a draft of the University's report for submission to the NCAA. The Committee's Co-Chairs, Dr. Rosa Jones and Dr. Elizabeth Bejar, presented the most salient aspects of the Self-Study during two open forum meetings held at the Modesto A. Maidique and Biscayne Bay campuses during the month of March, 2011.
4. Student-Athlete Travel Policy and Procedure: This procedure, the need for which was identified by the University's NCAA Self-Study Steering Committee, was presented to, and approved by, the Operations Committee.
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 February 16, 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, 458 new employees have received this training. The University Compliance Office is developing a new version of the New Employee Experience presentation, as well as an updated University Compliance Office brochure that will prominently feature the University's ethics and compliance hotline offered through EthicsPoint.
 - b. Health Insurance Portability and Accountability Act (HIPAA) Education and Training: HIPAA education was offered on March 4, 2011 and is scheduled to take place on Friday, May 6, 2011.

- c. 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, took place on March 14, 2011 and April 12 and April 26, 2011.
7. University Compliance Office Web Site and Education Materials: 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, several new features will be included such as compliance alerts, electronic newsletters and a spotlight announcing new policies and procedures. In addition, the Web site will more prominently feature the University's ethics and compliance hotline offered through EthicsPoint.
8. Conflict of Interest Electronic Disclosure Process: All University faculty and staff will now use the electronic portal, launched on March 21, 2011, to report outside activities that may pose an actual or perceived conflict of interest within the context of employment, commitment, or research. The electronic portal will facilitate the University's compliance efforts with state and federal laws that require the timely and appropriate resolution and management of conflicts of interest. In connection with this portal,
 - a. The University Compliance Officer worked on the development of three education modules that are housed within the electronic portal to provide a better understanding to faculty and staff regarding their disclosure obligations. The modules address: 1. The "Nuts and Bolts" on how to use the system; 2. Disclosure obligations under the State of Florida Code for Public Officers and Employees; and 3. Disclosure obligations in connection with the design, conduct and reporting of federally funded research.
 - b. Since its launch, the portal has been presented to the leadership of the United Faculty of Florida as well as to the Chairs Advisory Council. In both of these presentations, a panel consisting of representatives from the Office of the Provost, the Office of Research, and the University Compliance Office addressed questions, comments and concerns regarding conflict of interest disclosure obligations and the portal itself.
9. Health Insurance Portability and Accountability Act (HIPAA) 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 fiscal year.

10. University Policies and Procedures Library:

- a. The Wolfsonian-FIU Museum's policies and procedures are undergoing review by the Office of the General Counsel and the University Compliance Office.
- b. The University Compliance Office continues to proactively reach out to various University areas to ensure that their policies, procedures, and on-line forms are up-to-date. In addition, 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
 - 1. University Vehicles – Record Keeping/Review and Operating Requirement Procedure
 - ii. Information Technology
 - 1. Information Technology Security for Non-Bargaining Unit
 - iii. Division of Research
 - 1. Inventions and Patents

I respectfully submit this report to the Finance and Audit Committee of the Florida International University Board of Trustees in anticipation of the meeting scheduled to take place on June 20, 2011. As always, I welcome your questions, comments and concerns.

Thank you for your kind attention and consideration.

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Division of Research Report, *July 2010 – March 2011*

Proposed Committee Action:

None. For information only.

Background Information:

The Division of Research Report presents data for the first three quarters of fiscal year 2011 and compares the information for the same period during fiscal year 2010. The Report provides an overview of performance regarding research awards, facilities and administrative costs, Intellectual Property & Technology Transfer, 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.

Supporting Documentation: Division of Research Report, *July 2010 – March 2011*

Facilitator/Presenter: Andres G. Gil

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THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES FINANCE AND AUDIT COMMITTEE

DIVISION OF RESEARCH

JULY 2010 TO MARCH 2011 REPORT

I. Introduction

This document presents Division of Research data for the first three quarters of fiscal year 2011 (FY 2011), and compares the information for the same period during fiscal year 2010 (FY2010). In [Section II](#), we present an overview of performance regarding research awards, facilities and administrative costs (F&A), Intellectual Property & Technology Transfer (IP/TT), and research grant applications. In [Section III](#), we provide 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.

II. Overview of Awards, Applications, F&A, and Intellectual Property

The “flow” of grant awards has fluctuated sharply throughout the fiscal year due to the uncertainties with the federal budget. For example, the NIH did not distribute any new grants between October 2010 and the end of February 2011. Therefore, it is difficult to predict what our performance will be by the end of the fiscal year. We remain optimistic that we will surpass our goal for grant awards. As shown on [Table 1](#), awards for this period reflect a 6.9% increase when compared to the same period last year. We received several significant federal grants during the third quarter of FY 2010-2011. For instance, we received \$4.8M from USAID related to the Tanzania projects, which we had anticipated receiving in November 2010. We also received \$3.27M this quarter from NIH for the Department of Psychology (\$1.6M), the Department of Health Promotion and Disease Prevention (\$690,090, and \$3.1M over five years), the Community Based Intervention Research Group – C-BIRG (\$628,100), and CRUSADA – Center for Research on US Latino AIDS/HIV/Drug Abuse (\$355,110). These grants are all associated with ongoing strategic research areas. For example, the Tanzania grant is part of the GLOWS project, which addresses global water sustainability and involves the recruitment of faculty across disciplines with expertise in water sustainability policy (College of Law), water sanitation (College of Public Health), and environmental sustainability (Department of Earth & Environment). Similarly, the grant received by C-BIRG focuses on addressing substance abuse problems among Native American youth in Oklahoma.

[Figure 1](#) presents the changes in new awards for each of the colleges. During the first half of FY 2010-2011, the colleges/schools had experienced a modest 1.7% increase in awards. Through the end March 2011, awards to colleges increased by 5.61%, from \$66.8M to \$70.6M.

[Figure 2](#) presents the average award F&A rate by college or school. The F&A rate on awards averaged 21.3% during this reporting period. The Herbert Wertheim College of Medicine (HWCoM) continues to have the highest F&A rate – 40.41%. Although the College of Nursing and Health Sciences experienced a decline in awards, their F&A rate increased from 10.48% to 15.75% when compared with the same period last year.

Awards received by Centers, Institutes and Museums are presented by unit in [Table 2](#). Three key centers show significant increases. The Applied Research Center (ARC), the Latin American and Caribbean Center (LACC), and the Southeast Environmental Research Center (SERC) received awards of over \$4.9M, \$4.0M, and \$8.8M, respectively, through March 2011.

[Table 3](#) illustrates the distribution of new research awards by three funding categories: Federal, State, and Private/Other. The increase in the percentage of funding received from “private/other” is partly due to a large grant received by SERC.

The value of applications submitted by colleges and schools is presented in [Table 4](#). Overall, the value of applications submitted declined by 48.32%. These declines are due to the unique increases in grant applications that resulted from the unusual funding opportunities presented by ARRA last year. Thus, last fiscal year we experienced an increase of 44% over the previous year.

[Table 5](#) presents information on applications submitted for centers and institutes. The funding values of applications decreased by 48.21%, almost the same as the value for the University (48.32% – see [Table 4](#)).

Finally, thus far this fiscal year four (4) patents were issued for FIU, and we expect three more within the next two to six months. This is twice as many patents as were issued for FIU during the prior five years combined. Additionally, we are currently negotiating the licensing of several new patents and the spin-off of one company by FIU faculty.

III. Initiatives Update

The Division of Research has been steadily implementing several initiatives to support faculty and research at FIU. Below is an update on the initiatives reported in the prior BOT report:

- We recently conducted the third annual Customer Satisfaction Survey for the Division of Research. Preliminary results indicate continued improvement in all areas of service provided by the Division of Research. A detailed summary of the survey results will be provided in the final fiscal year report to the BOT this coming fall.
- As of April 1, 2011, the previous single panel Institutional Review Board (IRB) at FIU has been replaced by a dual panel IRB structure that includes a Social and Behavioral Panel (SB-IRB) and a Health Sciences Panel (HS-IRB). The implementation process included appointing a Chair of the HS-IRB, recruitment and appointment of new members to both panels, a mentorship and training program for new IRB panel members, modification of current policies and procedures to accommodate the new two-panel IRB structure, and completing the registration process for new members with the appropriate federal regulatory agency. All of these goals are now complete and the new IRB panels are fully functional and operating to review the human subjects' research conducted by FIU faculty, staff, and students. These changes were necessary in order to accommodate the research generated by the College of Medicine and the Academic Health Center.
- The creation of a center to facilitate and support research collaboration between FIU and Miami-Dade County Public Schools (M-DCPS) is being explored, along with opportunities to obtain funding for evaluation of collaborative initiatives between FIU and M-DCPS.
- In the Division's efforts to "build an excellent physical and technological infrastructure that is appropriate to FIU's size and aspirations to research excellence,"¹ twelve research labs/facilities have been modernized through the end of March 2011, with 29 more under renovation. Efforts to date include 33 labs renovated in 2009, and 21 in 2010, with a value of \$8M.
- The search for a coordinator of the planned Graduate Grants Center is nearly complete. Three well-qualified candidates were interviewed during March and April 2011. The name of a top candidate has been forwarded to Human Resources to complete the hiring process. We hope to conclude the hiring process shortly.

¹ FIU Worlds Ahead 2010-2015 Strategic Plan

Table 1: Comparison of Awards Received

College/Division	July 2009 - March 2010			July 2010 - March 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Academic Affairs	\$5,612,269	\$1,479,326	\$7,091,595	\$6,571,671	\$2,085,881	\$8,657,552	22.1%
College of Architecture and the Arts (CARTA)	\$52,152	\$0	\$52,152	\$50,000	\$0	\$50,000	-4.1%
College of Arts and Sciences (CAS) *	\$28,575,281	\$5,390,419	\$33,965,700	\$33,196,694	\$6,493,360	\$39,690,054	16.9%
College of Business Administration (CBA) *	\$885,122	\$126,065	\$1,011,187	\$904,196	\$94,697	\$998,893	-1.2%
College of Education (CoE)	\$4,149,564	\$318,671	\$4,468,235	\$3,003,661	\$159,473	\$3,163,134	-29.2%
College of Engineering and Computing (CEC) *	\$9,864,856	\$1,926,291	\$11,791,147	\$10,035,553	\$1,932,426	\$11,967,979	1.5%
College of Law (CoL)	\$275,000	\$0	\$275,000	\$23,141	\$0	\$23,141	-91.6%
College of Nursing and Health Sciences (CNHS)	\$1,967,491	\$206,230	\$2,173,721	\$1,263,131	\$198,952	\$1,462,083	-32.7%
Division of Student Affairs	\$866,620	\$50,190	\$916,810	\$1,210,720	\$97,489	\$1,308,209	42.7%
Herbert Wertheim College of Medicine (HWCōM) *	\$2,267,797	\$821,173	\$3,088,970	\$4,253,114	\$1,718,818	\$5,971,932	93.3%
Robert Stempel College of Public Health and Social Work (RSCPHSW) *	\$7,470,146	\$2,363,173	\$9,833,319	\$4,899,342	\$1,463,019	\$6,362,361	-35.3%
School of Hospitality and Tourism Management (SHTM)	\$158,537	\$0	\$158,537	\$183,215	\$0	\$183,215	15.6%
School of Journalism and Mass Communication (SJMC)	\$5,551	\$1,443	\$6,994	\$466,433	\$100,207	\$566,640	8001.8%
University Technology Services	\$288,742	\$41,081	\$329,823	\$1,017,069	\$72,203	\$1,089,272	230.3%
TOTAL	\$59,814,193	\$11,921,165	\$71,735,358	\$63,179,437	\$13,484,833	\$76,664,270	6.9%
The effective/average F&A rate	19.9%			21.3%			

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

	July 2009-March 2010 Total	July 2010-March 2011 Total
Included in AA (IHRC) and CAS	\$887,421	\$583,745
Included in AA (IHRC) and CBA	\$506,010	\$464,781
Included in AA (IHRC) and CEC	\$65,671	\$987,000
Included in AA (CRUSADA) and RSCPHSW	\$1,968,730	\$1,372,970
Included in CAS (CCF) and HWCōM	\$0	\$1,421,699

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

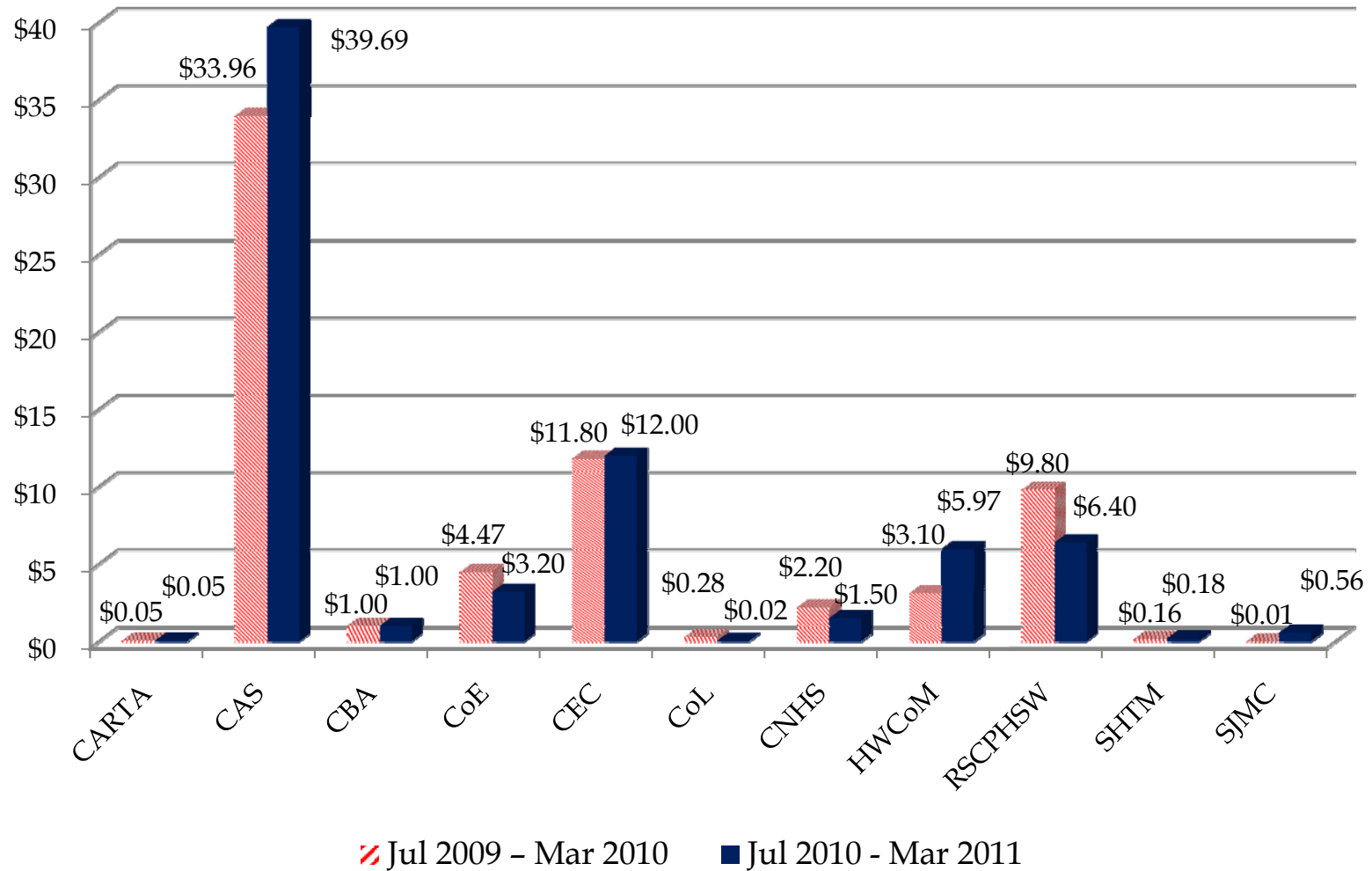


Figure 2: Average Award F&A Rate by College/School

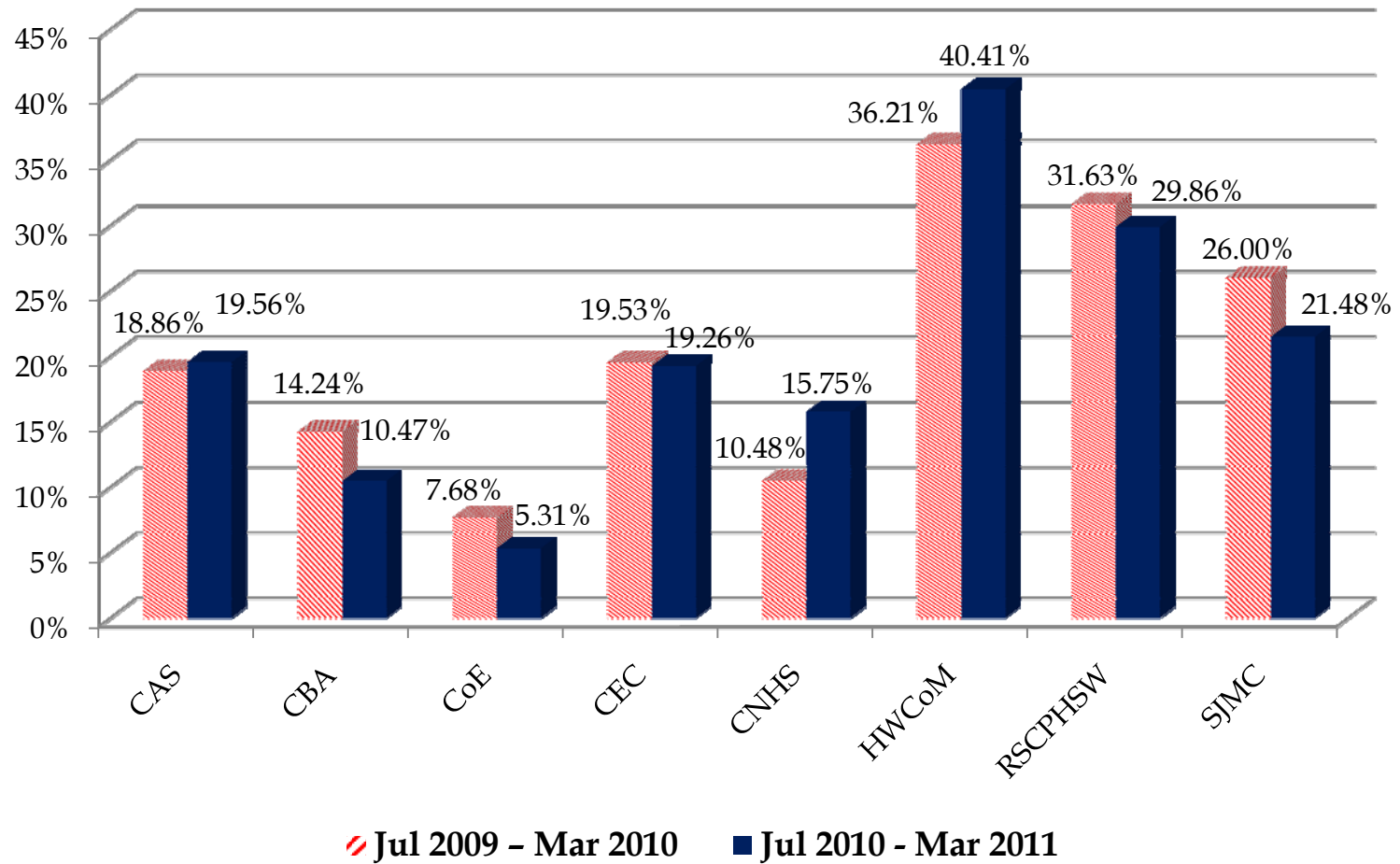


Table 2: Comparison of Awards Received by Centers, Institutes, Museums

College/Division	July 2009 - March 2010			July 2010 - March 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Academic Affairs							
Applied Research Center (ARC)	\$2,775,269	\$914,070	\$3,689,339	\$3,232,268	\$1,677,767	\$4,910,035	33.09%
CRUSADA: Center for Research on US Latino AIDS/HIV/Drug Abuse *	\$715,053	\$269,312	\$984,365	\$506,864	\$179,621	\$686,485	-30.26%
International Hurricane Research Center (IHRC)	\$1,194,829	\$264,273	\$1,459,102	\$1,868,260	\$167,266	\$2,035,526	39.51%
The Wolfsonian	\$307,456	\$0	\$307,456	\$414,738	\$15,988	\$430,726	40.09%
College of Architecture + the Arts							
Frost Art Museum	\$130,500	\$0	\$130,500	\$130,158	\$0	\$130,158	-0.26%
College of Arts & Sciences							
Center for Administration of Justice	\$1,711,882	\$342,746	\$2,054,628	\$544,011	\$61,989	\$606,000	-70.51%
Center for Children & Families (CCF)	\$0	\$0	\$0	\$1,020,483	\$406,216	\$1,426,699	N/A
Center for Labor Research and Studies (CLRS)	\$216,663	\$21,068	\$237,731	\$62,571	\$1,679	\$64,250	-72.97%
Center for Transnational & Comparative Studies	\$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	\$295,937	\$28,187	\$324,124	\$67,011	\$10,052	\$77,063	-76.22%
International Forensic Research Institute (IFRI)	\$301,343	\$104,583	\$405,926	\$985,056	\$97,034	\$1,082,090	166.57%
Jack D. Gordon Institute for Public Policy & Citizenship Studies	\$63,004	\$4,240	\$67,244	\$394,613	\$21,089	\$415,702	518.20%
Latin American and Caribbean Center (LACC)	\$2,725,273	\$371,346	\$3,096,619	\$3,622,260	\$384,580	\$4,006,840	29.39%
Metropolitan Center	\$127,973	\$24,561	\$152,534	\$33,382	\$8,684	\$42,066	-72.42%
Southeast Environmental Research Center (SERC)	\$5,661,109	\$1,151,762	\$6,812,871	\$6,683,352	\$2,123,927	\$8,807,279	29.27%
Women's Studies Center	\$0	\$0	\$0	\$211,134	\$21,114	\$232,248	N/A
College of Business Administration							
Center for International Business Education & Research	\$0	\$0	\$0	\$362,074	\$28,726	\$390,800	N/A

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

College/Division	July 2009 – March 2010			July 2010 – March 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
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	\$798,119	\$82,159	\$880,278	\$770,060	\$60,785	\$830,845	-5.62%
College of Education							
Center for Urban Education and Innovation (CUEI)	\$126,133	\$32,164	\$158,297	\$0	\$0	\$0	N/A
Division of Research							
MBRS: Minority Biomedical Research Support Program	\$89,017	\$7,121	\$96,138	\$127,145	\$10,172	\$137,317	42.83%
Division of Student Affairs							
Children's Creative Learning Center (CCLC)	\$0	\$0	\$0	\$273,166	\$21,511	\$294,677	N/A
Robert Stempel College of Public Health & Social Work							
CRUSADA: Center for Research on US Latino AIDS/HIV/Drug Abuse *	\$715,053	\$269,312	\$984,365	\$506,864	\$179,621	\$686,485	-30.26%
School of Journalism & Mass Communication							
Institute for Public Opinion Research (IPOR)	\$0	\$0	\$0	\$46,830	\$2,810	\$49,640	N/A
International Media Center (IMC)	\$0	\$0	\$0	\$374,603	\$97,397	\$472,000	N/A
University Technology Services							
CIARA: Center for Internet Augmented Research	\$57,669	\$20,899	\$78,568	\$937,069	\$72,203	\$1,009,272	1184.58%
Total	\$17,433,826	\$3,649,107	\$21,082,933	\$22,837,767	\$5,470,610	\$28,308,377	34.27%
Effective F&A rate	20.93%			23.95%			

* Amount credited to Academic Affairs and the Robert Stempel College of Public Health and Social Work

Table 3: Awards by Sponsor Type				
July 2009 – March 2010				
Funding Source	Awarded Direct Costs	Awarded F&A	Awarded Total	Percent
Federal Government:	\$49,279,859	\$10,668,252	\$59,948,111	83.57%
State & Local Government:	\$4,751,675	\$628,483	\$5,380,158	7.50%
Private / Other Sources:	\$5,782,659	\$624,430	\$6,407,089	8.93%
TOTAL:	\$59,814,193	\$11,921,165	\$71,735,358	100.00%
July 2010 – March 2011				
Federal Government:	\$49,965,726	\$11,145,339	\$61,111,065	79.71%
State & Local Government:	\$4,948,233	\$536,032	\$5,484,265	7.15%
Private / Other Sources:	\$8,265,478	\$1,803,462	\$10,068,940	13.13%
TOTAL:	\$63,179,437	\$13,484,833	\$76,664,270	100.00%

Table 4: Comparison of Applications Submitted by Colleges

College/School/Center/Division	July 2009 – March 2010			July 2010 – March 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Academic Affairs	\$69,279,709	\$15,653,936	\$84,933,645	\$28,966,562	\$9,613,471	\$38,580,033	-54.58%
College of Architecture and the Arts	\$304,199	\$19,603	\$323,802	\$1,020,000	\$260,000	\$1,280,000	295.30%
College of Arts and Sciences	\$110,170,529	\$21,340,374	\$131,510,903	\$66,655,100	\$16,078,749	\$82,733,849	-37.09%
College of Business Administration	\$2,141,727	\$336,578	\$2,478,305	\$581,067	\$58,225	\$639,292	-74.20%
College of Education	\$15,560,299	\$1,865,696	\$17,425,995	\$8,522,551	\$1,109,002	\$9,631,553	-44.73%
College of Engineering and Computing	\$114,894,740	\$27,774,438	\$142,669,178	\$47,663,980	\$13,838,178	\$61,502,158	-56.89%
College of Law	\$614,751	\$0	\$614,751	\$180,804	\$0	\$180,804	-70.59%
College of Nursing and Health Sciences	\$7,396,229	\$1,973,922	\$9,370,151	\$7,819,980	\$1,059,082	\$8,879,062	-5.24%
Division of Student Affairs	\$3,378,243	\$550,125	\$3,928,368	\$482,874	\$17,037	\$499,911	-87.27%
Herbert Wertheim College of Medicine	\$10,009,828	\$3,583,358	\$13,593,186	\$9,017,776	\$3,607,351	\$12,625,127	-7.12%
Robert Stempel College of Public Health and Social Work	\$53,123,537	\$17,755,275	\$70,878,812	\$28,146,680	\$9,398,605	\$37,545,285	-47.03%
School of Hospitality and Tourism Management	\$84,000	\$0	\$84,000	\$231,261	\$0	\$231,261	175.31%
School of Journalism and Mass Communication	\$6,637,754	\$1,560,078	\$8,197,832	\$1,065,229	\$259,594	\$1,324,823	-83.84%
University Technology Services	\$8,865,092	\$972,739	\$9,837,831	\$440,911	\$144,629	\$585,540	-94.05%
Total	\$402,460,637	\$93,386,122	\$495,846,759	\$200,794,775	\$55,443,923	\$256,238,698	-48.32%
Effective F&A Rate	23.20%			27.61%			

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

College/Division	July 2009 - March 2010			July 2010 - March 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	\$13,634,071	\$4,252,927	\$17,886,998	-61.59%
CRUSADA: Center for Research on US Latino AIDS/HIV/Drug Abuse	\$5,971,013	\$2,135,916	\$8,106,929	\$11,810,731	\$4,420,120	\$16,230,851	100.21%
Frost Art Museum	\$375,875	\$13,858	\$389,733	\$53,806	\$6,467	\$60,273	-84.53%
International Hurricane Research Center (IHRC)	\$4,759,755	\$707,751	\$5,467,506	\$863,491	\$151,288	\$1,014,779	-81.44%
Minority Biomedical Research Support Program (MBRS)	\$600,000	\$270,000	\$870,000	\$1,550,000	\$697,500	\$2,247,500	158.33%
The Wolfsonian	\$1,071,231	\$65,544	\$1,136,775	\$368,464	\$0	\$368,464	-67.59%
College of Arts & Sciences							
Center for Administration of Justice	\$6,684,497	\$956,821	\$7,641,318	\$1,935,827	\$470,100	\$2,405,927	-68.51%
Center for Children and Families (CCF)	\$1,909,058	\$857,277	\$2,766,335	\$1,112,655	\$386,035	\$1,498,690	-45.82%
Center for Labor Research and Studies (CLRS)	\$400,755	\$22,923	\$423,678	\$156,216	\$8,434	\$164,650	-61.14%
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	\$67,011	\$10,052	\$77,063	-77.13%
International Forensic Research Institute (IFRI)	\$1,375,429	\$394,061	\$1,769,490	\$2,977,920	\$18,967	\$2,996,887	69.36%
Jack D. Gordon Institute for Public Policy & Citizenship Studies	\$940,698	\$77,507	\$1,018,205	\$362,626	\$52,340	\$414,966	-59.25%
Latin American & Caribbean Center (LACC)	\$2,907,808	\$54,898	\$2,962,706	\$167,100	\$12,900	\$180,000	-93.92%
Metropolitan Center	\$924,214	\$283,300	\$1,207,514	\$1,438,182	\$201,789	\$1,639,971	35.81%
Southeast Environmental Research Center (SERC)	\$9,528,066	\$1,912,282	\$11,440,348	\$5,937,060	\$1,920,568	\$7,857,628	-31.32%

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

College/Division	July 2009 – March 2010			July 2010 – March 2011			% change
	Direct	F&A	Total	Direct	F&A	Total	
Women’s Study Center	\$2,399,968	\$566,710	\$2,966,678	\$2,262,071	\$365,038	\$2,627,109	-11.45%
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 Total	\$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	\$2,195,538	\$263,805	\$2,459,343	-58.53%
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	-97.02%
International Media Center (IMC)	\$682,317	\$80,959	\$763,276	\$857,799	\$223,027	\$1,080,826	41.60%
UTS							
CIARA: Center for Internet Augmented Research	\$8,865,092	\$972,739	\$9,837,831	\$360,911	\$144,629	\$505,540	-94.86%
Total	\$95,848,475	\$24,228,156	\$120,076,631	\$48,502,829	\$13,687,511	\$62,190,340	-48.21%
Effective F&A rate	25.28%			28.22%			

THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Audit Committee

June 20, 2011

Subject: Construction Status Report

Proposed Committee Action:

None. For information only.

Background Information:

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

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

Facilitator/Presenter: John Cal

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Facilities & Construction Update (May 2011)

Bonded Project under Construction

- **Parking Garage 5/Public Safety/Retail (BT-865/875)** - \$52.2M (multiple sources) project budget. Public Safety Offices were occupied in March 2011. Dispatch, due to the 24/7 operational nature will switch over after all testing on new equipment and programming has been completed; current projected move-in is July 2011. Healthcare Network (College of Medicine) will be completed by end of June 2011. Underground infrastructure final tie-in will now occur at the end of June, responding to WASA's request. Design was completed for three additional Emergency Management Center offices. Construction to be completed by end of July 2011.

Projects under Construction

- **WUC Improvements (BT-819)** - \$1.5M - CITF. BBC/WUC-220: Construction has begun and is approximately 75% complete. Project now includes impact windows, additional electrical and media, and will be completed mid-July 2011.
- **U.S. Century Bank Arena (USCB) (BT-837)** - \$6.4M (multiple sources) project budget. Construction has started. Spring 2011 graduation will be held in the existing facility. December 2011 graduation will be held in new expanded building. Facility will remain fully operational during construction. Target completion date: November 30, 2011.
- **AHC 3 - College of Nursing and Health Sciences (CNHS) (BT-833)** - \$46.9M (PECO) project cost. The requested 5th floor lab modifications are complete, pending final inspections by the building department and the State Fire Marshal. AHC 3 is still on track for LEED Silver Certification.

PECO Projects in Design

- **Science Classroom Complex (BT-876)** - \$57.7M project budget. The 50% Construction Documents are complete and A/E is finalizing the 100% documents. Construction will be phased to mitigate time lost due to program modifications and re-design. The CM, DPR, is preparing the GMP cost estimate based on 50% CDs, with a mid-May due date. A third party independent cost consultant has been retained to validate the CM's estimate. Options are under review for phased

occupancy. The budget review may impact the delivery date. Anticipated delivery date is still January 2013 for the first floor classrooms.

- **Stocker Astrophysics Center (BT-814)** - \$2.4M project budget. After intense study of other building locations, the most cost effective option is to relocate the existing infrastructure and maintain current building location between OE and CP. Groundbreaking target is December 2011 with occupancy to follow in December 2012.
- **Student Academic Support Center (SASC) (BT-882)** - \$30.9M project budget/\$20.1M funded to date. Project site southeast of GC has been approved. Program re-validation is in process. Delivery estimated at April 2013, dependent on construction funding. CM contract pending negotiation with Balfour Beatty.
- **Satellite Chiller Plant (BT-834)** - \$14.1M project budget/\$7.1M funded to date. Program has been completed. CM and AE contracts finalized. Design NTP issued mid April 2011. Construction could begin March 2012. However, given the funding realities of the state budget, all options are being considered to best utilize existing funds.

Auxiliary Project in Design

- **HM Dining & Kitchen Expansion Improvements (BT-855)** - \$2.0M (Auxiliary/SoBe proceeds). Phase I(Dining Expansion) drawings have been reviewed by FIU and Southern Wine and Spirit. FIU has approved the design with comments. Phase I GMP will be delivered by the end of May 2011. Target construction Notice to Proceed (NTP) is July 2011. Phase II(Kitchen Expansion) drawings will be completed by mid-June. GMP to be submitted by August 2011. Since the project will be delivered in phases, GMP's are being developed by phase for restaurant, kitchen and restaurant finishes. Phase I is to be completed in 8 months. Total project completed targeted for May/June 2012.

PECO Project in Planning Stage

- **Stempel Complex (BT-877/895)** - \$44.3M aggregate project cost. Funding for the Robert Stempel College of Public Health and Social Work (\$23.3M) is in place. Additional funds have been identified to add a large (300 capacity) multi-purpose teaching auditorium (\$4.0M) and a Behavioral Sciences Lab (\$2.0M) to the project. The International Hurricane Center (IHRC) project (\$15.0M) has been incorporated

into the Stempel Complex. A kick-off meeting with the Program Committee and A/E is scheduled mid-May 2011. Projected completion: Spring 2013.

Auxiliary / Bonded Projects in Planning

- **Ambulatory Care Center (BT-870)** - \$10.0M project cost. The ACC will be built as a stand-alone facility at the Academic Health Center, as 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 COM retained ADAMS Management Services Corporation as consultant tasked with providing an assessment of market needs, conceptual design parameters, volume projections, and preliminary financial projections with the goal of defining specific clinical services to be provided to FIU and the local community. The report is complete and under review by the COM and Facilities staff and will be provided to the A/E with the objective of validating the facilities program. A kick-off meeting with the design team was conducted on March 15th, 2011. Projected completion: Spring 2013.
- **Housing 2013 (BT-889)** - \$45M 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. Final A/E selection is pending publication and 72 hour protest period. Construction Manager (CM) submittals were received April 26 with shortlist meeting on May 17th. Target delivery date is July 2013.
- **Parking Garage 6 (BT-8XX)** - Intended to be a re-use of the Red Garage (PG 4) with minor modifications. Designated location is east of the WPAC. Target delivery date is August 2013.
- **Mixed use College of Business Building (BT-8XX)** -- Project is currently being programmed.

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**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

Finance and Audit Committee

June 20, 2011

Subject: Florida International University Executive Deferred Compensation Plan

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of the Florida International University Executive Deferred Compensation Plan.

Background Information:

The University is authorized by Florida law to establish all terms and conditions of employment, including compensation, for all university employees. The University agreed in the President's employment agreement executed on June 18, 2009 with an effective date of August 3, 2009, to fund deferred compensation for the President in a non-qualified deferred compensation plan pursuant to Section 457(f) of the Internal Revenue Code. As provided in the President's employment agreement, this commitment is the financial responsibility of the Foundation and the Foundation is meeting the employment agreement's requirement. In order to satisfy IRS requirements, the BOT must officially adopt the deferred compensation plan. While we have been operating under a draft Executive Deferred Compensation Plan dated July 2009, the BOT's records reflect that the University's Executive Deferred Compensation Plan has not been officially sanctioned by the BOT. Accordingly, the BOT's approval of the University's Executive Deferred Compensation Plan is being sought.

Board of Governor's Regulation 1.001(5)(a) provides that: "Each board of trustees shall provide for the establishment of the personnel program for all the employees of the university, including the president, which may include but is not limited to: compensation and other conditions of employment...."

Supporting Documentation: Florida International University Executive Deferred Compensation Plan

Facilitator/Presenter: Kenneth A. Jessell

**FLORIDA INTERNATIONAL UNIVERSITY
EXECUTIVE DEFERRED COMPENSATION PLAN**

Effective July 1, 2009

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**FLORIDA INTERNATIONAL UNIVERSITY
EXECUTIVE DEFERRED COMPENSATION PLAN**

Section 1. Purpose:

The Employer hereby adopts this Florida International University Executive Deferred Compensation Plan (the “Plan”) set forth herein, to provide a deferred compensation benefit plan that will permit the Employer to attract and retain select senior executive management personnel. The Plan is intended to be a nonqualified deferred compensation plan that complies with Section 457(f) of the Internal Revenue Code and the short-term deferral provisions of Section 409A of the Code, and therefore not subject to other provisions of Section 409A of the Code except as referred to in the Plan. The Plan also is intended to be a governmental plan within the meaning of Section 3(32) of the Employee Retirement Income Security Act of 1974 (“ERISA”). Notwithstanding any other provision of this Plan, this Plan shall be interpreted, operated and administered in a manner consistent with these intentions.

Section 2. Definitions:

As used in the Plan, including this Section 2, references to one gender shall include the other, unless otherwise indicated by the context:

2.1. “Active Participant” means, with respect to any day or date, a Participant who is in Service on such day or date; provided, that a Participant shall cease to be an Active Participant (i) immediately upon a determination by the Committee that the Participant has ceased to be an Employee, or (ii) at the end of the Plan Year that the Committee determines the Participant no longer meets the eligibility requirements of the Plan.

2.2. “Award Notice” means a written instrument signed by the Employer and the recipient of the Employer Award evidencing the Employer Award and establishing the terms and conditions thereof. A written employment agreement between the Employer and a Participant that provides for a benefit under the Plan constitutes an Award Notice.

2.3. “Beneficiary” means the person, persons, entity or entities designated or determined pursuant to the provisions of Section 12 of the Plan.

2.4. “Board” means the Board of Trustees of Florida International University.

2.5. “Cause” means such action or inaction as defined as “cause” under any written employment agreement between the Employer and a Participant and the determination of Cause under such agreement shall govern for all purposes of this Plan. If a Participant has not entered into a written employment agreement with the Employer that defines the term “cause,” then “Cause” means misappropriation of funds, commission of an act of fraud against the Employer, habitual insobriety, substance abuse, conviction of a felony, conviction of a crime involving moral turpitude, or gross negligence or willful misconduct in the performance of duties for the Employer. Except as provided in any governing employment agreement, the determination of whether “Cause” exists with respect to an Employee shall be made by the President of the Employer or, in the case of the President, shall be made by the Board.

2.6. “Code” means the Internal Revenue Code of 1986, as amended.

2.7. “Committee” means the Committee appointed pursuant to section 8.1 to administer the Plan.

2.8. “Deferred Compensation Account” means the account maintained with respect to each Participant under the Plan. The Deferred Compensation Account shall be credited with Employer Awards, credited or debited for deemed investment gains or losses, and adjusted for payments in accordance with the rules and elections in effect under Section 7.

2.9. “Disabled” means disabled within the meaning of Section 409A of the Code and the regulations thereunder. Generally, this means that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous

period of not less than 12 months, or is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering Employees of the Employer. “Disability” means the condition of being Disabled.

2.10. “Effective Date” means July 1, 2009.

2.11. “Employee” means an individual in the full-time Service of the Employer if the relationship between the individual and the Employer is the legal relationship of employer and employee. An individual shall cease to be an Employee upon the Employee’s separation from Service.

2.12. “Employer” means Florida International University.

2.13. “Employer Awards” means the amounts credited to the Participant’s Deferred Compensation Account by the Employer pursuant to Section 4.1.

2.14. “Involuntary Separation from Service” means an “involuntary separation from service” within the meaning of Section 409A of the Code and Treasury Regulations thereunder including “separations from service for good reason.”

2.15. “Participant” means with respect to any Plan Year an Employee who has been designated by the President or the Board, as the case may be, pursuant to Section 3.1 hereof as a Participant and who has entered the Plan or who has a Deferred Compensation Account under the Plan.

2.16. “Plan” means this Florida International University Executive Deferred Compensation Plan, as herein set out and as duly amended.

2.17. “Plan-Approved Domestic Relations Order” shall mean a judgment, decree, or order (including the approval of a settlement agreement) that is: (i) issued pursuant to a State’s

domestic relations law; (ii) relates to the provision of child support, alimony payments or marital property rights to a Spouse, former Spouse, child or other dependent of the Participant; (iii) creates or recognizes the right of a Spouse, former Spouse, child or other dependent of the Participant to receive all or a portion of the Participant's benefits under the Plan; (iv) requires payment to such person of their interest in the Participant's benefits in an immediate lump payment at a date no earlier than permitted under the Plan; and (v) meets such other requirements established by the Committee.

2.18. "Plan Year" means the twelve-month period ending on June 30th; provided that the initial Plan Year may have fewer than twelve months.

2.19. "Separation from Service" or "Separates from Service" means a "separation from service" within the meaning of Section 409A of the Code.

2.20. "Service" means employment by the Employer as an Employee. For purposes of the Plan, the employment relationship is treated as continuing intact while the Employee is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Employee's right to reemployment is provided either by statute, regulation, the Employer's policy or contract.

2.21. "Spouse" or "Surviving Spouse" means, except as otherwise provided in the Plan, a person who is the legal spouse or surviving spouse of a Participant.

Section 3. Participation:

3.1. General. Subject to Section 3.2, the President of the Employer shall designate each Employee who is eligible to participate in the Plan, other than the President. The Board shall determine whether the President will participate in the Plan. A Participant who separates from Service with the Employer and who later returns to Service will not be an Active Participant under the Plan except upon satisfaction of such terms and conditions as the President

(or, in the case of the President as a Participant, the Board) shall establish upon the Participant's return to Service, regardless of whether the Participant shall have a balance remaining in the Deferred Compensation Account under the Plan on the date of the return to Service.

3.2. Employees Eligible to Participate. Eligible Employees are the President and Provost of the Employer and other Employees who report directly or indirectly to the Employer's President or the Provost, whose positions are considered strategic, meaning critical to the Employer's operations and the implementation of key priority projects, and whose retention is in the Employer's best interest. Only the President of the Employer shall have the authority to designate the positions considered strategic.

Section 4. Deferred Compensation Awards:

4.1. Employer Award. The Employer shall cause the Committee to credit to the Deferred Compensation Account of each Active Participant an Employer Award as determined by the Employer either under a written employment agreement with the Employer or pursuant to one or more performance bonus and retention programs developed by the Employer. The amount of Employer Awards may vary among Participants for any period covered by the Award, including not granting an Award to some Participants when an Award is granted to other Participants for the same period. The Committee shall cause an Award Notice to be prepared and delivered to the Participant that reflects the terms and provisions of the Employer Award, subject to this Plan, including, without limitation, any of the following terms or conditions: (i) the amount of the Employer Award and (ii) the date of the Employer Award; and (iii) the vesting date for the Employer Award.

4.2. Additional Credits. After the Employer Award is credited to a Participant's Deferred Compensation Account, the Account will be credited with additional amounts, as provided in Section 7.

Section 5. **Vesting:**

5.1. Vesting. A Participant shall become fully vested in his or her Deferred Compensation Account attributable to an Employer Award if he or she remains in Service with the Employer until the first to occur of the following events:

- (i) the death of the Participant
- (ii) the Disability of the Participant;
- (iii) the Participant's Involuntary Separation from Service other than for Cause; or
- (iv) the occurrence of the circumstance(s) or the date provided in the Award Notice or, if no circumstance or date is specified in the Award Notice, expiration of two years from the date the Employer Award is credited to the Participant's Deferred Compensation Account.

Upon vesting, the Deferred Compensation Account will be includible in the gross income of the Participant pursuant to Code Section 457(f).

5.2. Forfeiture of Benefit. If a Participant's Deferred Compensation Account is not fully vested upon Separation from Service, the portion of the Deferred Compensation Account that is not fully vested shall thereupon be forfeited.

Section 6. **Distribution Rules:**

6.1. Timing of Payments. Payment of the vested amount of the Participant's Deferred Compensation Account shall be made to the Participant (or in the event of the Participant's death, to the Participant's Beneficiary) as a single lump sum, less deductions for applicable income tax withholding and employment taxes, as soon as practicable (but no later than the 15th day of the third month) after the date such amount in the Participant's Deferred Compensation Account becomes vested.

6.2. Death Benefit. If a Participant dies while in Service prior to his or her vesting date, the Employer shall pay a death benefit to the Participant's Beneficiary of all amounts credited to the Participant's Deferred Compensation Account.

Section 7. Accounts; Deemed Investment; Adjustments to Account:

7.1. Accounts. The Committee shall establish a book reserve account, entitled the "Deferred Compensation Account," on behalf of each Participant. The amount credited to the Deferred Compensation Account shall be adjusted pursuant to the provisions of Section 7.4.

7.2. Account Maintenance. Unless the Committee implements a program of deemed investment, as described in Section 7.3, below, the Participant's Deferred Compensation Account shall remain merely a book reserve account on the Employer's records and the Employer shall not be required to invest such amount separately or in any manner designate funds as held for the benefit of the Participant. The Employer, or its designee, may, however, maintain such amount in cash or invested and reinvested in mutual funds, stocks, bonds, securities or any other assets as may be selected by the Committee in its discretion. In the exercise of the foregoing discretionary investment powers, the Committee may engage investment counsel and, if it so desires, may delegate to such counsel full or limited authority to select the assets in which the funds are to be invested.

7.3. Deemed Investments. The Committee may implement a program under which the Deferred Compensation Account of a Participant shall be deemed invested in one or more investment funds made available by the Committee. If the Committee implements such a program, the Deferred Compensation Account of a Participant shall be credited with an investment return determined as if the account were invested in those funds. The Participant shall elect the investment funds in which his Deferred Compensation Account shall be deemed to be invested. Such election shall be made in the manner prescribed by the Committee and shall

take effect upon the entry of the Participant into the Plan or, if later, the date the Committee implements such program. The investment election of the Participant shall remain in effect until a new election is made by the Participant. In the event the Participant fails for any reason to make an effective election of the investment return to be credited to his account, the investment return shall be determined by the Committee.

7.4. Adjustments to Deferred Compensation Account. With respect to each Participant who has a Deferred Compensation Account under the Plan, the amount credited to such account shall be adjusted by the following debits and credits, at the times and in the order stated:

7.4.1 The Deferred Compensation Account shall be credited with the total amount of any Employer Awards on the date of each such Employer Award.

7.4.2 The Deferred Compensation Account shall be debited each business day with the total amount of any payments made from such account since the last preceding business day to the Participant or for the Participant's benefit.

7.4.3 If the amount credited to the Participant's Deferred Compensation Account remains a book reserve account on the Employer's records, the Deferred Compensation Account shall be credited quarterly with a rate of interest equal to that of one-year (12-month) United States Treasury bills as quoted on the first business day of the quarter to which the credit will relate. If the Deferred Compensation Account is invested as described in Section 7.2, it shall be credited or debited at least quarterly with the amount of investment gain or loss, if any, of the funds into which the Employer or its designee has invested such amount.

7.4.4 If the Deferred Compensation Account is maintained pursuant to Section 7.3, it shall be credited on each day securities are traded on a national stock exchange with the amount of deemed investment gain or loss resulting from the performance of the

investment funds elected by the Participant in accordance with Section 7.3. The amount of such deemed investment gain or loss shall be determined by the Committee and such determination shall be final and conclusive upon all concerned.

7.4.5 The Deferred Compensation Account shall be credited or debited with interest or investment gain or loss, as the case may be, through the date as close as practicable to the date of distribution of the amount in the Deferred Compensation Account.

7.5. Florida International University Foundation, Inc. (“FIUF”) Funding. In those instances in which FIUF is funding all or any portion of credits or payments under the Plan, Employer has secured the commitment of FIUF to (i) make contributions for payments required hereunder, (ii) directly make payment required pursuant to the Plan or (iii) otherwise satisfy the Employer’s and/or the Committee’s obligation under the Plan. Additionally, the Employer will provide to FIUF, as appropriate, notice and consent to administration of accounts under the Plan and maintenance of book accounts or assets for this purpose.

Section 8. Administration by Committee:

8.1. Appointment and Membership on Committee. The Plan shall be administered by a Committee consisting of the persons from time to time who hold the following offices/titles within the Employer: Chief Financial Officer; Treasurer; and Vice President of Human Resources, and such other personnel as the Board may appoint from time to time provided that the Committee consists of at least three members. Any member of the Committee may resign upon giving written notice to the Board. Each appointee holding the position of Committee member other than virtue of his or her employment title shall hold office at the pleasure of the Board. The Board shall fill any vacancy on Committee from death, resignation, removal or otherwise, subject to the first sentence of this paragraph concerning the holders of certain

offices/positions, but the Committee may act notwithstanding the existence of vacancies so long as there is at least one member of the Committee.

8.2. General Administration. The Committee shall be responsible for the operation and administration of the Plan and for carrying out its provisions. The Committee shall have the full authority and discretion to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this Plan and decide or resolve any and all questions, including interpretations of this Plan, as may arise in connection with this Plan. Any such action taken by the Committee shall be final and conclusive on any party. To the extent the Committee has been granted discretionary authority under the Plan, the Committee's prior exercise of such authority shall not obligate it to exercise its authority in a like fashion thereafter. The Committee shall be entitled to rely conclusively upon all tables, valuations, certificates, opinions and reports furnished by any actuary, accountant, controller, counsel or other person employed or engaged by the Employer with respect to the Plan. The Committee may, from time to time, employ agents and delegate to such agents, including employees of the Employer, such administrative or other duties as it sees fit. The Committee shall provide a report to the Board no less frequently than once every 12 months of its activities since the immediately preceding report.

8.3. Indemnification. To the extent not covered by insurance, and up to the limits provided in Florida Statutes Section 768.28, the Employer shall indemnify the Committee, each employee, officer, director, and agent of the Employer, and all persons formerly serving in such capacities, against any and all liabilities or expenses, including all legal fees relating thereto, arising in connection with the exercise of their duties and responsibilities with respect to the Plan, provided however that the Employer shall not indemnify any person for liabilities or expenses if the person acted in bad faith or malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety or property.

Section 9. Contractual Liability:

9.1. Contractual Liability. The Employer shall be obligated to make all payments hereunder, except as provided in Section 7.5. This obligation shall constitute a contractual liability of the Employer to the Participants, and such payments shall be made from the general funds of the Employer, except as provided in Section 7.5. The Employer shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and the Participants shall not have any interest in any particular assets of the Employer by reason of its obligations hereunder. To the extent that any person acquires a right to receive payment from the Employer, such right shall be no greater than the right of an unsecured creditor of the Employer.

9.2. Possible Trust. The Employer may establish a trust to assist it in meeting its obligations under the Plan. Any such trust shall conform to the requirements of a grantor trust under Revenue Procedures 92-64 and 92-65 and at all times during the continuance of the trust the principal and income of the trust shall be subject to claims of general creditors of the Employer under federal and state law. The establishment of such a trust would not be intended to cause Participants to realize current income on amounts contributed thereto, and the trust would be so interpreted and administered.

Section 10. Allocation of Responsibilities: The persons responsible for the Plan and the duties and responsibilities allocated to each are as follows:

10.1. Board.

- (i) To adopt the Plan;
- (ii) To amend the Plan;
- (iii) To terminate the Plan; and
- (iv) To appoint and remove members of the Committee, subject to Section 8.1.

10.2. Committee.

- (i) To interpret the provisions of the Plan and to determine the rights of the Participants under the Plan;
- (ii) To administer the Plan in accordance with its terms, except to the extent powers to administer the Plan are specifically delegated to another person or persons as provided in the Plan;
- (iii) To account for the amount credited to the Deferred Compensation Account of a Participant; and
- (iv) To direct the Employer in the payment of benefits.
- (v) To file such reports as may be required with any government agency to which reports may be required to be submitted from time to time; and
- (vi) To administer the claims procedure to the extent provided in Section 15.

10.3. President:

- (i) To designate Participants pursuant to Section 3.2; and
- (ii) To determine if “Cause” exists with respect to an Employee’s Separation from Service.

Section 11. Benefits Not Assignable; Facility of Payments:

11.1. Benefits Not Assignable. No portion of any benefit credited or paid under the Plan with respect to any Participant shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void, nor shall any portion of such benefit be in any manner payable to any assignee, receiver or any one trustee, or be liable for his debts, contracts, liabilities, engagements or torts.

11.2. Plan-Approved Domestic Relations Orders. Notwithstanding the foregoing, the Committee shall establish procedures for determining whether an order directed to the Plan is a Plan-Approved Domestic Relations Order. If the Committee determines that an order is a Plan-Approved Domestic Relations Order, the Committee shall cause the payment of amounts pursuant to or segregate a separate account as provided by (and to prevent any payment or act that might be inconsistent with) the Plan-Approved Domestic Relations Order.

11.3. Payments to Minors and Others. If any individual entitled to receive a payment under the Plan shall be physically, mentally or legally incapable of receiving or acknowledging receipt of such payment, the Committee, upon the receipt of satisfactory evidence of his incapacity and satisfactory evidence that another person or institution is maintaining him and that no guardian or committee has been appointed for him, may cause any payment otherwise payable to him to be made to such person or institution so maintaining him. Payment to such person or institution shall be in full satisfaction of all claims by or through the Participant to the extent of the amount thereof.

Section 12. Beneficiary:

The Participant's beneficiary shall be the person, persons, entity or entities designated by the Participant on the beneficiary designation form provided by and filed with the Committee or its designee. If the Participant does not designate a beneficiary, the beneficiary shall be the following person(s), in the following order of priority: (i) the Participant's Surviving Spouse, if any; (ii) the Participant's children if any, in equal shares, per stirpes, (iii) the Participant's surviving parents, if any, in equal shares and (iv) the Participant's estate. The designation of a beneficiary may be changed or revoked only by filing a new beneficiary designation form with the Committee or its designee. If a beneficiary (the "primary beneficiary") is receiving or is entitled to receive payments under the Plan and dies before receiving all of the payments due

him, the balance to which he is entitled shall be paid to the contingent beneficiary, if any, named in the Participant's current beneficiary designation form. If there is no contingent beneficiary, the balance shall be paid to the estate of the primary beneficiary.

Section 13. Amendment and Termination of Plan:

The Board may amend any provision of the Plan or terminate the Plan at any time; provided, that in no event shall such amendment or termination reduce the balance in, or the vested status of, any Participant's Deferred Compensation Account as of the date of such amendment or termination, nor shall any such amendment affect the terms of the Plan relating to the payment of such Deferred Compensation Account.

Section 14. Communication to Participants:

The Employer shall make a copy of the Plan available for inspection by Participants and their beneficiaries during reasonable hours at the principal office of the Employer.

Section 15. Claims Procedure:

The following claims procedure shall apply with respect to the Plan:

15.1. Filing of a Claim for Benefits. If a Participant or Beneficiary (the "claimant") believes that he is entitled to benefits under the Plan that are not being paid to him or that are not being accrued for his benefit, he may file a written claim for a benefit with the Committee.

15.2. Notification to Claimant of Decision. Within 90 days after receipt of a claim by the Committee, the Committee shall notify the claimant of the decision with regard to the claim. If such claim shall be wholly or partially denied, notice thereof shall be in writing and shall advise the claimant of the reasons for the denial.

15.3. Procedure for Review. Within 60 days following receipt by the claimant of notice denying his claim, in whole or in part, or, if such notice shall not be given, within 60 days following the latest date on which such notice could have been timely given, the claimant may

appeal denial of the claim by filing a written application for review with the Committee. Following such request for review, the Committee shall fully and fairly review the decision denying the claim. Prior to the decision of the Committee, the claimant shall be given an opportunity to review pertinent documents and to submit issues and comments in writing.

15.4. Decision on Review. Within 60 days following receipt by the Committee of the request for review, the Committee shall notify the claimant in writing of its decision with regard to the claim. With respect to a claim that is denied in whole or in part, the decision on review shall set forth the reasons for the decision. The decision of the Committee shall be final and conclusive.

Section 16. Miscellaneous Provisions:

16.1. Notices. Each Participant who is not in Service and each Beneficiary shall be responsible for furnishing the Committee or its designee with his current address for the mailing of notices and benefit payments. Any notice required or permitted to be given to such Participant or Beneficiary shall be deemed given if directed to such address and mailed by regular United States mail, first class, postage prepaid. If any check mailed to such address is returned as undeliverable to the addressee, mailing of checks will be suspended until the Participant or Beneficiary furnishes the proper address. This provision shall not be construed as requiring the mailing of any notice or notification otherwise permitted to be given by posting or by other publication.

16.2. Set Off. Notwithstanding any other provision of this Plan, the Employer may reduce the amount of any payment otherwise payable to or on behalf of a Participant hereunder (not of any required withholdings) by the amount of any loan, cash advance, extension of credit or other obligation of the Participant to the Employer that is then due and payable, and the Participant shall be deemed to have consented to such reduction.

16.3. Lost Distributees. A benefit shall be deemed forfeited if the Committee is unable to locate the Participant or Beneficiary to whom payment is due on or before the fifth anniversary of the date payment is to be made or commence; provided, however, that such benefit shall be reinstated if a valid claim is made by or on behalf of the Participant or Beneficiary for all or part of the forfeited benefit.

16.4. Reliance on Data. The Employer and the Committee shall have the right to rely on any data provided by the Participant or by any Beneficiary. Representations of such data shall be binding upon any party seeking to claim a benefit through a Participant, and the Employer and the Committee shall have no obligation to inquire into the accuracy of any representation made at any time by a Participant or Beneficiary.

16.5. Receipt and Release for Payments. Any payment made from the Plan to or with respect to any Participant or Beneficiary, shall, to the extent thereof, be in full satisfaction of all claims hereunder against the Plan and the Employer with respect to the Plan. The recipient of any payment from the Plan may be required by the Committee, as a condition precedent to such payment, to execute a receipt and release with respect thereto in such form as shall be acceptable to the Committee.

16.6. Headings. The headings and subheadings of the Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

16.7. Continuation of Employment. The establishment of the Plan shall not be construed as conferring any legal or other rights upon any Employee or any persons for continuation of employment, nor shall it interfere with the right of the Employer to discharge any Employee or to deal with him without regard to the effect thereof under the Plan.

16.8. Governing Law; Venue; Limitations Period. The Plan shall be construed in accordance with the laws of the State of Florida, without regard to its conflicts of laws principles,

to the extent not preempted by federal law. Any legal action or proceeding under the Plan may be brought only following exhaustion of the Participant's administrative remedies described at Section 15 and within a period of two years from the date the claim was incurred. Any such legal action or proceeding may be initiated only in Miami-Dade County, Florida.

16.9. Taxes. The Employer or other payor shall (i) withhold a benefit payment under the Plan or a Participant's wages, (ii) reduce a Participant's Account balance or (iii) obtain payment from the Participant, in order to meet any federal, state, local or employment tax withholding obligations with respect to Plan benefits. The Employer or other payor shall report Plan payments and other Plan-related information to the appropriate governmental agencies as required under applicable laws.

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

Finance and Audit Committee

June 20, 2011

Subject: Approval of Resolution Requesting an Amendment to the Employment Agreement for University President Mark B. Rosenberg

Proposed Committee Action:

Recommend to The Florida International University Board of Trustees (the BOT) approval of a Resolution requesting an amendment to the President's employment agreement that allows for funds credited to the FIU Executive Deferred Compensation Plan (the Plan) to be invested in any investment authorized under the Plan.

Background Information:

Pursuant to Section 5.5 of the President's employment agreement, it is specified that amounts credited in the Plan will earn interest. Under the Plan, amounts may be invested in a variety of investments, not only interest earning investments. The change to section 5.5 of the employment agreement clarifies that amounts credited to the Plan pursuant to section 5.5 of the employment agreement may be invested in any investments permitted under the Plan.

The employment agreement's language is being changed as follows:

"5.5. During the Term, Dr. Rosenberg shall be credited with \$75,000 annually to the Florida International University Executive Deferred Compensation Plan ~~non-qualified deferred compensation plan and this amount shall be credited with annual interest as set forth in the Plan~~ (the "Section 457(f) Plan"). Such credits shall be made pro-rata on a monthly basis throughout each year during the Term. Dr. Rosenberg's interest in the Section 457(f) Plan shall be forfeited upon his resignation of employment pursuant to Section 14.4 of this Agreement prior to August 3, 2014. His interest in the Section 457(f) Plan shall vest in full on August 3, 2014, provided that Dr. Rosenberg is still then employed as President. The amounts credited to the plan plus earnings thereon shall be distributed to Dr. Rosenberg in a single lump sum immediately when vested. In the event of earlier termination by the University without Cause pursuant to Section 14.2 of this Agreement, or due to death or disability pursuant to Section 14.3 of this Agreement, Dr. Rosenberg shall be entitled to the previously accrued portion of his Section 457(f) Plan on the date of termination."

Board of Governor's Regulation 1.001(5)(a) provides that: "Each board of trustees shall provide for the establishment of the personnel program for all the employees of the university, including the president, which may include but is not limited to: compensation and other conditions of employment...."

Supporting Documentation: Resolution Requesting an Amendment to the Employment Agreement for University President Mark B. Rosenberg

Facilitator/Presenter: Kenneth A. Jessell

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

June 20, 2011

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

SECOND AMENDMENT TO EMPLOYMENT AGREEMENT

This Second Amendment to Employment Agreement (the “Amendment”) is made and entered into as of this ___ day of June, 2011, by and between The Florida International University Board of Trustees (“Board”) and Dr. Mark B. Rosenberg (“Dr. Rosenberg”).

WITNESSETH:

WHEREAS, the parties entered into that certain Employment Agreement dated August 3, 2009, as amended by that certain First Amendment to Employment Agreement dated June 4, 2010 (collectively, the “Agreement”); and

WHEREAS, the parties desire to amend the Agreement.

NOW THEREFORE, in consideration of the terms and conditions set forth herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Amendment to Section 5.5.** Section 5.5 is hereby deleted and the following is substituted in its place and stead: During the Term, Dr. Rosenberg shall be credited with \$75,000 annually to the Florida International University Executive Deferred Compensation Plan (the “Section 457(f) Plan”). Such credits shall be made pro-rata on a monthly basis throughout each year during the Term. Dr. Rosenberg’s interest in the Section 457(f) Plan shall be forfeited upon his resignation of employment pursuant to Section 14.4 of this Agreement prior to August 3, 2014. His interest in the Section 457(f) Plan shall vest in full on August 3, 2014, provided that Dr. Rosenberg is still then employed as President. The amounts credited to the plan plus earnings thereon shall be distributed to Dr. Rosenberg in a single lump sum immediately when vested. In the event of earlier termination by the University without Cause pursuant to Section 14.2 of this Agreement, or due to death or disability pursuant to Section 14.3 of this Agreement, Dr. Rosenberg shall be entitled to the previously accrued portion of his Section 457(f) Plan on the date of termination.

2. **Ratification.** Except as modified hereby, all of the terms, covenants and conditions of the Agreement shall remain in full force and effect and are hereby ratified and affirmed.

3. **Amendment Controls.** In the event of a conflict between the terms of this Amendment and the Agreement, the terms of this Amendment shall control.

IN WITNESS WHEREOF the parties have executed this Amendment as of the day and year first

Florida International University Board of
Trustees

By: _____
Albert Maury, Chair

Dr. Mark B. Rosenberg