



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

**Zoom Meeting**

Public access via <http://webcast.fiu.edu/>

**Thursday, December 3, 2020  
8:30 AM**

*or*

*Upon Adjournment of Previous Meeting*

**Chair:** Leonard Boord

**Vice Chair:** Roger Tovar

**Members:** Cesar L. Alvarez, Dean C. Colson, Natasha Lowell, Joerg Reinhold, Marc D. Sarnoff

**AGENDA**

1. **Call to Order and Chair's Remarks** **Leonard Boord**
2. **Approval of Minutes** **Leonard Boord**
3. **Action Items**
  - FF1. **FIU Direct Support Organizations Financial Audits  
FY 2019-2020** **Kenneth A. Jessell**
    - A. FIU Foundation, Inc.
    - B. FIU Research Foundation, Inc.
    - C. FIU Athletics Finance Corporation
    - D. FIU Academic Health Center Health Care Network  
Faculty Group Practice, Inc.
  - FF2. **Trish and Dan Bell Chapel and East Loop Road  
Realignment—Naming and Approval of Design** **Kenneth A. Jessell**
3. **Action Items** (*Committee Action; Full Board Information Only*)
  - FF3. **Approval of the Second Five-year Renewal Option to be  
Evidenced by an Amendment to the Existing Lease  
Agreement for the FIU Miami Beach Urban Studios** **Kenneth G. Furton**
  - FF4. **Approval of Contracts #PUR-00846, vendor Office Depot,  
Inc. and #PUR-00628, vendor ARAMARK Management  
Services Limited** **Kenneth A. Jessell**

**4. Discussion Items** *(No Action Required)*

**4.1 Financial Performance Review, First Quarter FY 2020-21**

**Kenneth A. Jessell**

**4.2 Foundation Report**

**Andre L. Teixeira**

**5. Reports** *(For Information Only)*

**5.1 Athletics Update**

**Pete Garcia**

**5.2 Business Services Report**

**Aime Martinez**

**5.3 Emergency Management Status Report**

**Amy B. Aiken**

**5.4 Facilities and Construction Update**

**John Cal**

**5.5 Safety and Environmental Compliance Report**

**Amy B. Aiken**

**5.6 Treasury Report**

**Benjamin Jarrell**

**5.7 Procurement Report**

**Kelly Loll**

**5.8 CasaCuba Building Update**

**Maria Carla Chicuen**

**6. New Business** *(If Any)*

**Leonard Boord**

**7. Concluding Remarks and Adjournment**

**Leonard Boord**

# FIU Board of Trustees Finance and Facilities Committee Meeting

**Time:** December 03, 2020 8:30 AM - 9:15 AM EST

**Location:** Zoom

| Section | Agenda Item   | Presenter          | Page       |
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| 1.      | <b>Call to Order and Chair's Remarks</b>  | Leonard Boord      |            |
| 2.      | <b>Approval of Minutes</b>  | Leonard Boord      | <b>1</b>   |
|         | <i>Minutes: Finance and Facilities Committee Meeting, September 9, 2020</i>                   |                    | <b>2</b>   |
| 3.      | <b>Action Items</b>   |                    |            |
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|         | A. FIU Foundation, Inc.   |                    | <b>13</b>  |
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|         | B. FIU Research Foundation, Inc.  |                    | <b>65</b>  |
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|         | C. FIU Athletics Finance Corporation  |                    | <b>85</b>  |
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|         | D. FIU Academic Health Center Health Care Network Faculty Group Practice, Inc.                |                    | <b>121</b> |
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| FF2.    | <b>Trish and Dan Bell Chapel and East Loop Road Realignment—Naming and Approval of Design</b> | Kenneth A. Jessell | <b>149</b> |
|         | <i>Foundation Board of Directors naming approval</i>  |                    | <b>152</b> |
|         | <i>Chapel facility program and budget summary</i>   |                    | <b>155</b> |
|         | <i>East loop road facility program and budget summary</i>                                     |                    | <b>218</b> |
|         | <i>Campus Master Plan amendment graphics—land use</i>   |                    | <b>265</b> |
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|                | <i>Illustrative MMC Campus Master Plan map— 2010-20</i>  |                    | <b>269</b>  |
|                | <i>Illustrative MMC Campus Master Plan map— 2015-30 draft</i>  |                    | <b>270</b>  |
|                | <i>Funding Certification Form</i>  |                    | <b>271</b>  |
| 3.             | <b>Action Items</b> ( <i>Committee Action; Full Board Information Only</i> )   |                    |             |
| FF3.           | <b>Approval of the second five-year renewal option to be evidenced by an amendment to the existing lease agreement for the Miami Beach Urban Studios</b> | Kenneth G. Furton  | <b>272</b>  |
|                | <i>Second Amendment to Lease Agreement</i>   |                    | <b>274</b>  |
|                | <i>Lease Amendment Summary Table</i>   |                    | <b>286</b>  |
|                | <i>Funding Certification Form</i>  |                    | <b>290</b>  |
| FF4.           | <b>Approval of Contracts #PUR-00846, vendor Office Depot, Inc. and #PUR-00628, vendor ARAMARK Management Services Limited</b>                            | Kenneth A. Jessell | <b>291</b>  |
|                | <i>Contract # PUR-00846, Vendor: Office Depot, Inc Addendum #9 to Sales Agreement</i>  |                    | <b>293</b>  |
|                | <i>Funding Certification Form - Office Depot</i>   |                    | <b>295</b>  |
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|                | <i>Funding Certification Form - ARAMARK</i>  |                    | <b>301</b>  |
| 4.             | <b>Discussion Items</b> ( <i>No Action Required</i> )  |                    |             |
| 4.1            | Financial Performance Review, First Quarter FY 2020-21   | Kenneth A. Jessell | <b>302</b>  |
| 4.2            | Foundation Report  | Andre L. Teixeira  | <b>307</b>  |
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| 5.1            | Athletics Update   | Pete Garcia        | <b>310</b>  |
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| 5.3            | Emergency Management Status Report   | Amy B. Aiken       | <b>319</b>  |
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|                | <i>New Minor Projects established 8/1/2020 - 10/31/2020</i>   |                     | <b>335</b>  |
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| 5.5            | Safety and Environmental Compliance Report  | Amy B. Aiken        | <b>337</b>  |
| 5.6            | Treasury Report   | Benjamin Jarrell    | <b>338</b>  |
| 5.7            | Procurement Report  | Kelly Loll          |             |
|                | <i>Quarterly report of the purchasing transactions greater than or equal to \$500,000 and less than \$1,000,000 from Aug 4, 2020 through Oct 22, 2020</i> |                     | <b>343</b>  |
|                | <i>Quarterly report of the purchasing transactions greater than \$1,000,000 from Aug 4, 2020 through Oct 22, 2020</i>                                     |                     | <b>346</b>  |
| 5.8            | CasaCuba Building Update  | Maria Carla Chicuen | <b>348</b>  |
| 6.             | <b>New Business</b> (If Any)  | Leonard Boord       |             |
| 7.             | <b>Concluding Remarks and Adjournment</b>   | Leonard Boord       |             |

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
December 3, 2020

**Subject:** Approval of Minutes of Meeting held September 9, 2020

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**Proposed Committee Action:**

Approval of Minutes of the Finance and Facilities Committee meeting held on September 9, 2020 via Zoom.

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**Background Information:**

Committee members will review and approve the Minutes of the Finance and Facilities Committee meeting held on September 9, 2020 via Zoom.

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**Supporting Documentation:** Minutes: Finance and Facilities Committee Meeting, September 9, 2020

**Facilitator/Presenter:** Leonard Boord, *Finance and Facilities Committee Chair*

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**FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND FACILITIES COMMITTEE  
MINUTES  
SEPTEMBER 9, 2020**

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

The Florida International University Board of Trustees' Finance and Facilities Committee meeting was called to order by Committee Chair Leonard Boord at 8:38 AM on Wednesday, September 9, 2020 via Zoom.

General Counsel Carlos B. Castillo conducted roll call of the Finance and Facilities Committee members and verified a quorum. Present were Trustees Leonard Boord, *Chair*; Roger Tovar, *Vice Chair*; Cesar L. Alvarez (*joined after roll call*); Dean C. Colson; Natasha Lowell; Joerg Reinhold; and Marc D. Sarnoff.

Trustees Jose J. Armas, Gerald C. Grant, Jr., Donna J. Hrinak, Gene Prescott, Claudia Puig, and Alexandra Valdes and University President Mark B. Rosenberg also were in attendance.

**2. Approval of Minutes**

Committee Chair Boord asked that the Committee approve the Minutes of the meetings held on June 16, 2020 and July 23, 2020. A motion was made and unanimously passed to approve the Minutes of the Finance and Facilities Committee meetings held on June 16, 2020 on July 23, 2020.

**3. Follow-up from Previous Meeting**

Vice President for Information Technology and Chief Information Officer Robert Grillo presented a comprehensive overview on how FIU is leveraging its enterprise applications, cloud infrastructure, and technology to facilitate remote work and instructional capabilities. He added that at the February 26, 2020 meeting, the Board approved the purchase of the Oracle software license and that the Oracle PeopleSoft enterprise application supports the University in a number of areas, including campus solutions, contracts and grants, finance, human resources, business intelligence, and databases. He explained that Oracle pricing models are based on student and employee full-time equivalents and that technology applications are, generally, based on usage. He remarked that the University is currently migrating the Oracle architecture infrastructure to a cloud solution, adding that this allows for increased scalability, redundancy, and ability to access new and emerging technology. He pointed out that the migration can also result in potential annual savings moving forward.

VP Grillo indicated that the net present value of FIU's IT infrastructure is \$2,573,347. He commented on currently used cloud products, noting that said products have enabled the Division of IT to pivot quickly, scale, and program to meet the needs of the University. He remarked on the increased consumption of cloud services during the recent period. He pointed out that a critical aspect of remote work and instruction is safeguarding resources and managing the associated risks, adding that the Division of IT collaborates with each college to perform a risk assessment. He remarked on endpoint security, namely, that encryption, threat prevention, patch management, two-factor authentication, and call center support allow for users to be protected while learning and working from home. VP Grillo explained that the Division of IT actively tracks the number of enrolled users in two-factor authentication and that University-wide cybersecurity training continues to be emphasized. He mentioned the 21 active call centers and that said call centers support academic advisors, enrollment services, university operators, FIU Health and FIU Online among others, noting that since the launch of remote services, nearly 260,000 calls were handled within the call centers. In terms of telehealth, he commented on enhanced capacity, adding that sustained level of quality care has been especially active in the discipline of psychiatry. He added that telehealth delivers a safe environment for participants and providers and that reimbursements for telehealth visits are the same as in-person visits.

Committee Chair Boord commented on the increased relevance of technology and proposed that for the next regularly scheduled Board meetings, the Board Chair and Board Vice Chair consider integrating IT into the strategic plan.

#### **4. Action Items**

##### **FF1. Approval of Educational and General Carryforward Spending Plan, Fixed Capital Outlay Budget, and Related Certification**

Senior Vice President and Chief Financial Officer Kenneth A. Jessell provided an update on the 2020-21 budget reduction plan, noting that State of Florida Governor Ron DeSantis authorized a 23.5% release of authorized appropriations as part of his June 29, 2020 veto message. Sr. VP and CFO Jessell commented that as notified by the Florida Board of Governors (BOG), 2021-22 Legislative Budget Requests (LBR) instructions provided by the Governor require the identification of recurring/nonrecurring appropriations to address a potential revenue shortfall of 8.5% of General Revenue and Lottery funding. He described FIU's reduction amounts under the 6% and 8.5% scenarios, namely, that under the 6% scenario, reductions could total \$18.13M for the University and \$1.97M for the Herbert Wertheim College of Medicine (HWCOM), and that under the 8.5% scenario, reductions could total \$25.73M for the University and \$2.79M for HWCOM. He explained that as reported at the June Board of Trustees meeting, the 2020-21 Operating Budget was developed with a 2.5% budget reduction on total funds. Sr. VP and CFO Jessell added that the identified reductions to the 2020-21 Operating Budget total \$15M and that in order to achieve the 6% hold-back, \$3.13M in Carryforward funding will be utilized and that to achieve the 8.5% reduction, an additional \$7.6M in Carryforward funding will be utilized. He mentioned that HWCOM will utilize Carryforward funding, only if necessary, to achieve reductions within the 2020-21 Operating Budget. He stated that FIU continues to carefully monitor spending and only essential positions are being replaced, adding that a Special Legislative Session to address budget reductions will not likely take place until after the Presidential election.

Sr. VP and CFO Jessell presented the Educational and General Carryforward spending plan, Fixed Capital Outlay Budget, and related certification for Committee review. He pointed out that FIU has prepared the plan in accordance with BOG instructions, guidelines, and regulations, and Florida Statute, adding that Carryforward fund balances in excess of the statutory 7% minimum may be used for non-recurring operating expenditures that support the university mission and for certain fixed capital expenditures as authorized by law. He indicated that the University's plan includes Board of Trustees and BOG previously approved and authorized non-recurring expenditures, including fixed capital expenditures that have not yet been completed, and will have planned expenditures for 2020-21. Sr. VP and CFO Jessell added that the plan also includes new project expenditures and maintenance, repair, remodeling, and renovation projects with planned expenditures for 2020-21 and that Carryforward expenditures will only be made upon approval of the Board of Trustees and BOG and upon the availability of funding. He explained that the University's Carryforward beginning balance totaled \$90.15M and that the Carryforward spending plan amount is \$51.18M, which reflects a 7% statutory reserve reduction of \$38.97M. He mentioned that of the \$51.8M, \$22.23M is the unspent balance of previously approved multi-year expenditures and \$28.95M reflects new Carryforward from the 2019-20 budget and that the unspent carryforward of \$2.63M from the 2019-20 Carryforward spending plan has been added to the BOT reserve for potential budget reductions in 2020-21. Sr. VP and CFO Jessell described key elements of the 2020-21 new \$28.95M Carryforward spending plan. He pointed out that HWCOT's Carryforward beginning balance totaled \$16.59M and that the Carryforward spending plan amount is \$12.99M, which reflects a 7% statutory reserve reduction of \$3.6M. He remarked that of the \$12.99M, \$5.4M is the unspent balance of previously approved multi-year expenditures and \$7.59M is new Carryforward from the 2019-20 budget. He highlighted key elements of the 2020-21 new \$7.59M HWCOT Carryforward spending plan.

Board Chair Dean C. Colson relayed his support of the Carryforward spending plan, adding that moving forward, the University could consider opportunities where the one-time funds can create major impact. Board Vice Chair Tovar commented that Carryforward funds are providing critical funding for repair and maintenance projects that have not been funded by the legislature for a number of years. Sr. VP and CFO Jessell explained that there are limits restricting the amount of Carryforward funding that can be spent on any infrastructure project.

Sr. VP and CFO Jessell commented that the Fixed Capital Outlay budget includes Board of Trustees and BOG previously approved and authorized PECO projects, CITF projects, and authorized projects from Education and General Revenue Carryforward. He highlighted the \$38.9M PECO request for the Engineering I building and described Carryforward minor projects contingent upon available funding, namely, the Wolfsonian building envelope repairs and roof replacement, surplus/receiving warehouse replacement, Biscayne Bay Campus (BBC) Academic 2 water intrusion/structural repairs, Wertheim Conservatory restoration, Owa Ehan building restrooms renovation and ADA accessibility, and BBC Academic 1 exterior doors replacement/water intrusion. He highlighted Carryforward major projects, contingent upon available funding, specifically, College of Arts, Sciences, and Education envelope repairs due to Hurricane Irma and the Primera Casa fire alarm system upgrade.

A motion was made and unanimously passed to recommend to the Florida International University Board of Trustees (the BOT) approval of the Florida International University (FIU) Educational and General (E&G) expenditure plan for carryforward funds in accordance with State University System of Florida Board of Governors (BOG) Regulation 9.007 *State University Operating Budgets and Requests* and Florida Statute 1011.45 *End of Year Balance of Funds*; approval of the FIU Fixed Capital Outlay Budget in accordance with BOG Regulation 14.003 *Fixed Capital Outlay Projects – University Budgeting Procedures*; and authorize the University Chief Financial Officer to certify the unexpended amount of funds appropriated to the University from the General Revenue Fund, the Educational Enhancement Trust Fund, and the Education/General Student and Other Fees Trust Fund as of June 30, 2020 and the Fixed Capital Outlay budget; and authorize the University President to amend the BOT carryforward expenditure plan and fixed capital outlay budget as necessary and report to the BOT and the BOG any amendments to the spending plans in a format prescribed by the BOG Office of University Budgets.

#### **4. Action Items** (*Committee Action; Full Board Information Only*)

Sr. VP and CFO Jessell explained that the Change Order and Contracts, *under FF2-FF4*, were reviewed by Procurement and the General Counsel's office, adding that all are funded from auxiliary sources.

#### **FF2. Approval of Change Order to Purchase Order 213780, vendor: Apple, Inc.**

Sr. VP and CFO Jessell indicated that the change order pertains to institutional purchases under the State of Florida's contract with Apple Inc., specifically, products that are resold in PantherTECH.

Pursuant to the Delegations of Authority from the Florida International University Board of Trustees to the University President, as reflected in the Resolution on the President's Powers and Duties approved by the Board of Trustees on March 4, 2019, a motion was made and unanimously passed by the FIU Board of Trustees Finance and Facilities Committee to (i) approve the Change Order to increase Purchase Order #213780 as specified in the Board materials and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contracts.

#### **FF3. Approval of Contract #PUR-03286, vendor Key Government Finance, LLC**

Sr. VP and CFO Jessell pointed out that the proposed contract with Key Government Finance, LLC relates to a five-year financing agreement for the Palo Alto appliance border firewalls at a cost of \$1,595,280.00 at 0 % interest.

Pursuant to the Delegations of Authority from the Florida International University Board of Trustees to the University President, as reflected in the Resolution on the President's Powers and Duties approved by the Board of Trustees on March 4, 2019, a motion was made and unanimously passed by the FIU Board of Trustees Finance and Facilities Committee to (i) approve the University entering into Contract #PUR-03286 as specified in the Board materials and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contracts.



#### **FF4. Approval of Contract #PUR-03328, vendor Huntington Technology Finance, Inc.**

Sr. VP and CFO Jessell commented that the proposed contract with Huntington Technology Finance, Inc. pertains to a five-year financing agreement for Infoblox, the infrastructure upgrade, licenses, and support.

Pursuant to the Delegations of Authority from the Florida International University Board of Trustees to the University President, as reflected in the Resolution on the President's Powers and Duties approved by the Board of Trustees on March 4, 2019, a motion was made and unanimously passed by the FIU Board of Trustees Finance and Facilities Committee to (i) approve the University entering into Contract #PUR-03328 as specified in the Board materials and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contracts.

Committee Chair Boord commented on his meeting with Provost and Executive Vice President Kenneth G. Furton to discuss FIU's patent inventory, noting that in 2014, the University held two patents and that within the prior year, the University elected not to proceed with 30 patent applications.

### **5. Discussion Items**

#### **5.1 Financial Performance Review, Fourth Quarter FY 2019-20**

Sr. VP and CFO Jessell presented the University's financial performance review for the fourth quarter of FY 2019-20, noting that operating revenues were above estimates by \$50.7M and that operating expenses were above estimates by \$9.3M with a net favorable variance of \$41.4M. He also described the key drivers.

#### **5.2 Facilities and Construction Update**

Sr. VP and CFO Jessell provided an update on the University City Prosperity Project Pedestrian Bridge, noting that in May 2020, Governor DeSantis lifted the hold on the TIGER Grant, thereby allowing said funds to be used for a new pedestrian bridge. He referred to the Florida Department of Transportation (FDOT) press release announcing plans to work with the City of Sweetwater and FIU to provide pedestrians a safe and accessible crossing to and from the University. He pointed out that since May 13, 2020, FIU and the City of Sweetwater have been collaborating with FDOT and their consultant AECOM on the development of the scope of services. He described the timeline, explaining that design services will be advertised on October 5, 2020 and that the final construction and project completion is expected for August 2024. Sr. VP and CFO Jessell pointed out that the project budget is \$14,909,067, noting that an increase of \$2,799,798 over the prior budget is a result of \$9.5M in settlement funds and an additional contribution of \$251,773 by FDOT. He highlighted budget details, specifically, \$3.3M in reauthorized expired TIGER funds; FDOT Equity Bonus, Transportation Alternatives, Enhancement Funds, \$2,214,002; FDOT Local Funds, \$281,119; FIU Settlement Funds and Original Match Funds (\$560,139), \$9,119,804; and City of Sweetwater Funds, \$5,560. He explained that FIU is also retaining \$200,000 in project contingency and \$398,370 for demolition of existing improvements and permit close-out. He presented project design concepts. With respect to Additive Alternate 1, Sr. VP and CFO Jessell commented that walkways, plazas, landscaping and lighting were removed from the new TIGER

Grant Agreement, including the associated funding. He explained that said projects are included in previous and current Fixed Capital Outlay and Carryforward budgets.

Sr. VP and Jessell also commented on the Parkview II residence hall project, explaining that at the request of the Division of Bond Finance, the University delayed the issuance of debt until after the start of the fall semester. He presented aerial photographs depicting the in-progress construction. He remarked on the Engineering I building, stating that the project has \$38.9M in authorized PECO funding and requires an estimated additional \$15M in fundraising/research overhead to fully complete the build out. Sr. VP and CFO Jessell indicated that the facility program was completed in June 2020 and that the groundbreaking is anticipated for June 30, 2021. He mentioned that the SIPA II project was approved by the Board of Trustees in 2018, noting that an agreement has been reached on the guaranteed maximum price and that site preparation is expected to begin September 14, 2020 with an estimated completion by May 2022.

In response to Committee Chair Boord's request, Sr. VP and CFO Jessell referred to the CasaCuba Building Update that is included as part of the agenda materials, and described highlights since the last report, namely, that cash increased by approximately \$207,668 and that verbal commitments for gifts were made.

Trustee Marc D. Sarnoff commended the efforts and progress relating to the UniversityCity Prosperity Project Pedestrian Bridge.

In response to Board Vice Chair Tovar, Dean of HWCOM and Senior Vice President for Health Affairs Robert Sackstein commented that the Engineering building is critical in that it will leverage institutional resources and allow for the seamless integration of engineering and health sciences. Provost Furton added that it will also support the University's strategic plan goal of achieving \$300M in research expenditures. Board Vice Chair Tovar remarked on the lack of fundraising progress relating to CasaCuba, noting the need to create a sense of urgency. Committee Chair Boord mentioned the acceleration of the digitization of content and its impact on higher education's business model.

## **6. Reports**

There were no questions from the Committee members in terms of the reports included as part of the agenda materials: Athletics Update; Business Services Report; Emergency Management Status Report; Foundation Report; Safety and Environmental Compliance Report; Treasury Report; Procurement Report; and CasaCuba Building Update.

## **7. New Business**

No new business was raised.

## **8. Concluding Remarks and Adjournment**

With no other business, Committee Chair Leonard Boord adjourned the meeting of the Florida International University Board of Trustees Finance and Facilities Committee on Wednesday, September 9, 2020 at 9:51 AM.



## THE FLORIDA INTERNATIONAL UNIVERSITY

### BOARD OF TRUSTEES

#### Finance and Facilities Committee

December 3, 2020

#### FF1--FIU DIRECT SUPPORT ORGANIZATIONS FINANCIAL AUDITS FY 2019-2020

#### SUMMARY

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- FIU has four Component Units, *FIU Foundation, Inc.*, *FIU Research Foundation, Inc.*, *FIU Athletics Finance Corporation* and the *Academic Health Center Health Care Network Faculty Group Practice, Inc.*
- The annual financial audits of three of the Component Units will be reflected on the University's financial audit that is currently underway by the State of Florida Auditor General. The financial activities of the FIU Research Foundation, Inc. are not included in the University financial audit because total assets and operating revenues of that entity represent less than one percent of the total aggregate component units' assets and operating revenues.
- The financial statements for all four entities are prepared in conformity with **Governmental Accounting Standards Board** requirements.
- FIU Board of Trustee approval of the audits is required in order for the State Auditor to include the audits as Component Units of the University.
- The audits were completed by James Moore, Certified Public Accountants and Consultants, and were presented to and approved by the respective Boards in October 2020.
- All of the audits received an "Unmodified" [formerly known as Unqualified] Opinion meaning the financial statements presented fairly, in all material respects, the financial positions of the entities as of June 30, 2020.
- The Auditors did **NOT** identify any weaknesses in Internal Control that they considered material weaknesses.
- The Auditors did **NOT** identify any instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

## HIGHLIGHTS OF FINANCIAL RESULTS

### ENDING JUNE 30, 2020 WITH JUNE 30, 2019 COMPARISONS

#### FIU FOUNDATION, INC.

- **Total Assets were \$346.4M**, an increase of \$7.5M, primarily due to increases in cash and cash equivalents of \$11.9M and net pledges receivable of \$2.8M, offset by reductions in investments of \$6.8M and net depreciable capital assets of \$476,521. The increase in cash equivalents and net pledges receivable was attributed to the rebalancing of investments at year end and new contributions in support of the University, respectively.
- **Total Liabilities were \$16.4M**, an increase of \$1.3M primarily from an increase in funds held for others of \$1.9M attributable to the receipt of National Institute of Health grant funds awarded to the University and managed by the Foundation as an endowment and an increase of \$294,921 in due to FIU. The increase was offset by a decrease in notes payable of \$910,000 for payment of principal on the MARC building loan.
- **Total Net Position was \$330.0M**, an increase of \$6.1M in the current year change in net position. The net position represents the residual interest in Foundation's assets after deducting liabilities. Of the total increase, \$5.4M was in restricted nonexpendable endowments, which was a result of net cash gifts to the endowment.
- **Total Net Operating Revenues were \$37.2M**, a decrease of \$3.7M primarily from a decrease of \$6.0M in investment earnings when compared to prior year, attributed to lower investment earnings of 2.7% in the current year compared to 4.9% in the prior year, and lower rental income and other operating revenues of \$207,015, offset by an increase of \$2.5 million in net contributions.
- **Total Operating Expenses were \$36.9M, including \$28.7M in program, scholarship, building and general support to FIU**, a decrease of \$1.6M due primarily to a decrease in fundraising expenses associated with the capital campaign initiative of \$3.1M and a slight decrease in support to FIU of \$196,343, offset by an increase in general and administrative expenses of \$1.6M associated with the environmental remediation costs for the Doral property.

- Under GASB reporting Endowment contributions are reflected as a non-operating revenue and totaled \$5.9M, an increase of \$469,400 when compared to prior year. This increase is reflective of the Foundation's focus on fundraising efforts to grow the endowment.
- **Other Matters**--Under the GASB accounting framework, it is important to note that endowment pledges are not recognized. Only additions to permanent endowments are recognized upon the receipt of cash. As of June 30, 2020, endowment pledges receivable totaled \$51.7M, which includes \$42.0M from the State of Florida for match funds from the Trust Fund for Major Gifts. Those pledges are not recognized in the statement of net position.

### RESEARCH FOUNDATION, INC.

- **Total Assets (Cash) were \$127,854**, a decrease of \$7,770 over the prior year due to reduced activity in the U.S. Agency for International Development (USAID) grant in West Africa.
- **Total Liabilities were \$7,783**, a decrease of \$319 primarily the result of a decrease in Due to FIU as a result of less grant activities.
- **Net Position was \$120,071**, a decrease of \$7,451.
- **Operating revenues of \$10** are associated with donations received by the Foundation.
- **Operating Expenses were \$7,461**, a decrease of \$18,845 from the prior year was primarily driven by lower audit and tax fees of \$11,150 and one-time professional services of \$7,694 in the prior year.
- **Non-Operating Revenue of \$0**, a decrease of \$20,000, is the result of lower FIU Division of Research Sponsored Research royalty revenue transferred to support operating expenses of the Research Foundation.

## ATHLETICS FINANCE CORPORATION

- **Total Assets were \$22.0M**, a decrease of \$1.2M, due primarily to decreases in prepaid rent of \$1.3M and due from FIU and FIU Foundation of \$227,535. These were offset primarily by increases in investments of \$221,615 and suite, ticket sales and stadium naming rights receivables of \$110,000.
- **Total Liabilities were \$31.2M**, a decrease of \$642,228 due primarily from decreases in bonds payable of \$1.4M, accounts payable of \$22,007, and unearned revenue of \$118,356 from multi-year suite contracts. These were offset by increases in the derivative liability of \$947,368.
- **Operating Revenues were \$4.3M**, an increase of \$119,297, due primarily to increases in athletic support of \$214,845 from athletics fees, NCAA and conference payments of \$237,512, sponsorship revenues of \$75,000, merchandise royalties of \$18,883, rental income of \$48,545, and event revenues of \$41,071. These increases were offset by reductions in ticket sales of \$120,451, suite sales of \$14,647, contributions of \$302,005, and stadium naming rights of \$80,000.
- **Operating expenses were \$2.3M**, an increase of \$20,360, due primarily to increases in professional services for stadium sound system and lighting improvements of \$97,134 and utilities of \$24,281. These increases were offset primarily by decreases in security services of \$64,384 and rental of equipment of \$35,064 due to one less home game.
- **The Net Position was \$(5.9M)**, an improvement of \$448,196 over the prior year net position.

**ACADEMIC HEALTH CENTER HEALTH CARE NETWORK**  
**FACULTY GROUP PRACTICE, INC.**

- **Total Assets were \$9.4M**, an increase of \$750,664, primarily from the increase in receivables in management fees under the managed service organization line of business, \$149,169, education program related to the HWCOM Office of International Affairs, \$564,023, and rent, \$118,887. The increase was offset by a \$60,864 reduction in net depreciable capital assets.
- **Total Liabilities were \$8.8M**, a decrease of \$1.1M primarily due to reductions in accounts payable of \$482,980, unearned revenue of \$305,042 and funds due to FIU in the amount of \$339,374. The total due to FIU, \$7.0M, is associated with a prior working capital and building capital loan in addition to operating losses that is secured by annual lease payments from Nicklaus Children's Hospital under a 40-year lease agreement.
- **Total Operating Revenues were \$10.2M**, an increase of \$250,267, due primarily to increases in educational program revenue of \$202,991 received from American University of Antigua for the Clinical Certificate Program, and management fee revenue of \$52,802.
- **Total Operating Expenses were \$5.5M**, a decrease of \$299,595 due primarily to decreases in contractual personnel/professional consulting services of \$267,639 and other supplies of \$20,355.
- **Transfer to Florida International University was \$2.8M**, and represents the payment of the net profits of the international programs to the Herbert Wertheim College of Medicine.
- **Net position was \$575,534**, an improvement of \$1.9M, due to favorable performance.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Florida International University Foundation Inc., Financial Audit, 2019-20**

---

**Proposed Committee Action:**

Recommend acceptance by the Florida International University Board of Trustees of the Florida International University Foundation, Inc. Financial Audit for the 2019-20 Fiscal Year and authorize the CEO of the Florida International University Foundation, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

---

**Background information:**

Pursuant to Regulation FIU-1502 (2)(g), the Florida International University Foundation, Inc. must submit an independently conducted financial audit of its accounts and records, which has been recommended by the University President to the Florida International University Board of Trustees for review and acceptance.

The Florida International University Foundation, Inc. Financial Audit for 2019-20 was approved by the Florida International University Foundation, Inc. Board of Directors on October 23, 2020, and the University President is recommending its acceptance.

Florida Board of Governors Regulation 9.011 (5) University Direct Support Organizations and Health Services Support Organizations, states in relevant part:

Support organizations shall provide for an annual audit conducted pursuant to university regulations or policies. The annual audit report shall be submitted to the university board of trustees for review. The audit report shall be submitted to the Board of Governors, and the Auditor General.

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**Supporting Documentation:** Florida International University Foundation, Inc. Financial Audit, 2019-20

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

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**FLORIDA INTERNATIONAL UNIVERSITY  
FOUNDATION, INC.**

**FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2020 AND 2019**

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
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**YEARS ENDED JUNE 30, 2020 AND 2019**

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## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the Florida International University Foundation, Inc. (the Foundation), a direct support organization and component unit of Florida International University, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

- 1 -

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Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850-386-6184

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

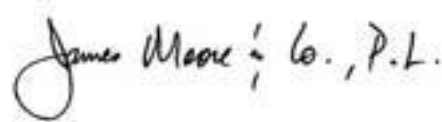
## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 through 17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standard generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2020, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Gainesville, Florida  
October 23, 2020

---

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEARS ENDED JUNE 30, 2020 AND 2019**

Management's discussion and analysis ("MD&A") provides an overview of the financial position and activities of the Florida International University Foundation, Inc. (the "Foundation") for the fiscal years ended June 30, 2020, 2019 and 2018, and should be read in conjunction with the financial statements and notes thereto. The MD&A, financial statements, and notes thereto are the responsibility of management. The MD&A contains financial activity of the Foundation for the fiscal years ended June 30, 2020, 2019 and 2018.

The Foundation is presented as a discrete component unit of Florida International University (the "University" or "FIU") and is certified as a direct support organization ("DSO"). The Foundation's mission is to encourage, solicit, receive, and administer gifts and bequests of property and funds for scientific, educational and charitable purposes, all for the advancement of the University and its mission.

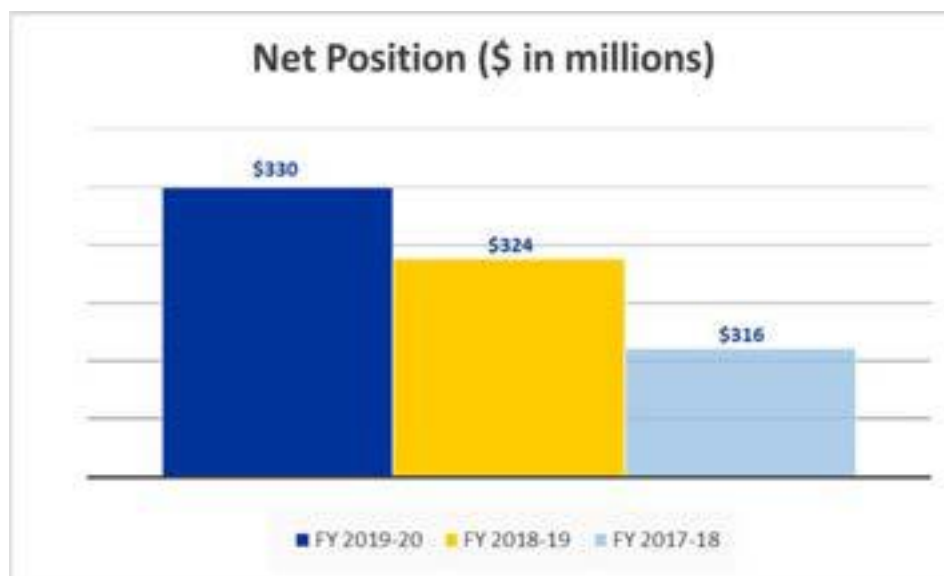
**FINANCIAL HIGHLIGHTS**

The Foundation's assets totaled \$346,377,162 and \$338,895,922 at June 30, 2020 and 2019, respectively. This balance represents an increase of \$7,481,240 or 2.2%. This change is a result of an increase in total cash equivalents and investments coupled with higher pledges receivable due to new contributions in the current year.

The Foundation's liabilities totaled \$16,380,370 and \$15,048,372 at June 30, 2020 and 2019, respectively. This balance represents an increase of \$1,331,998, or 8.9%. The increase is primarily attributable to the net effect of additional grant funds managed by the Foundation as an endowment on behalf of the University offset by the payment of principal on the notes payable.

As a result, the Foundation's net position increased by \$6,149,242, resulting in a year-end balance of \$329,996,792. Net position represents the residual interest in the Foundation's assets after deducting liabilities.

The Foundation's comparative total net position for the fiscal years ended June 30, 2020, 2019 and 2018, is shown in the following graph:





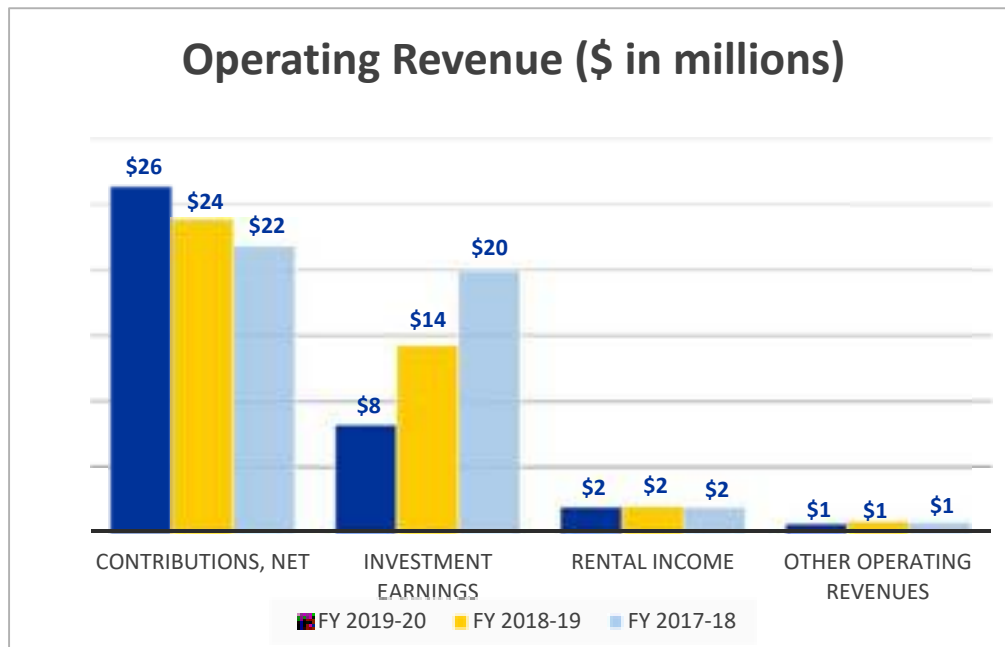
**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

The Foundation's operating revenues totaled \$37,226,596 for the 2019-20 fiscal year, representing a decrease of \$3,740,650, or 9.1%. Major components of operating revenues are contributions and investment earnings. The decrease in operating revenues is attributable to investment underperformance as compared to prior year due to the negative market effects of the COVID-19 pandemic.

The Foundation's operating expenses totaled \$36,854,695 for the 2019-20 fiscal year, representing a decrease of \$1,648,279, or 4.3%. Operating expenses are comprised of support to the University, fundraising, general and administrative, and depreciation expenses. The largest component of operating expenses is for the benefit of the University in the form of programs, scholarships and building support totaling \$27,461,363 and other general support totaling \$1,273,868.

The decrease in operating expenses is mainly due to one-time fundraising expenses related to the launch of the public phase of the Next Horizon Campaign in the prior year coupled with lower expenses in the current year as a result of cancelled events, reduced travel and delays in hiring due to the COVID-19 pandemic. This decrease was offset by an increase in general and administrative expenses due to environmental remediation expenses on land held for investment in the current year.

The following charts provide a graphical presentation of the Foundation's revenues by category for the 2019-20, 2018-19 and 2017-18 fiscal years:



**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

**OVERVIEW OF FINANCIAL STATEMENTS**

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 35, the Foundation's financial report consists of three basic financial statements: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows. The financial statements, and notes thereto, encompass the Foundation and its blended component units, which include:

- The Wolfsonian, Inc.
- Foundation Enterprise Holdings I, LLC ("FEH I")
- Foundation Enterprise Holdings II, LLC ("FEH II")
- Foundation Enterprise Holdings V, LLC ("FEH V")

**THE STATEMENTS OF NET POSITION**

The statements of net position reflect the assets and liabilities of the Foundation, using the accrual basis of accounting, and presents the financial position of the Foundation at a specified time. Assets less liabilities, equals net position, which is one indicator of the Foundation's current financial condition.

The following summarizes the Foundation's total net position for fiscal years ended:

|                                  | <b>June 30,</b>       |                       |                       |
|----------------------------------|-----------------------|-----------------------|-----------------------|
|                                  | <b>2020</b>           | <b>2019</b>           | <b>2018</b>           |
| <b>Assets</b>                    |                       |                       |                       |
| Current assets                   | \$ 36,849,383         | \$ 24,949,030         | \$ 28,263,370         |
| Noncurrent assets                | 309,527,779           | 313,946,892           | 301,873,297           |
| <b>Total assets</b>              | <u>346,377,162</u>    | <u>338,895,922</u>    | <u>330,136,667</u>    |
| <b>Liabilities</b>               |                       |                       |                       |
| Current liabilities              | 5,105,974             | 4,707,204             | 4,708,335             |
| Noncurrent liabilities           | 11,274,396            | 10,341,168            | 9,407,142             |
| <b>Total liabilities</b>         | <u>16,380,370</u>     | <u>15,048,372</u>     | <u>14,115,477</u>     |
| <b>Net position</b>              |                       |                       |                       |
| Net investment in capital assets | 12,921,147            | 12,565,994            | 11,605,672            |
| Restricted:                      |                       |                       |                       |
| Nonexpendable endowments         | 185,009,260           | 179,637,406           | 174,696,827           |
| Expendable                       | 115,065,140           | 113,540,580           | 109,696,445           |
| Unrestricted                     | 17,001,245            | 18,103,570            | 20,022,246            |
| <b>Total net position</b>        | <u>\$ 329,996,792</u> | <u>\$ 323,847,550</u> | <u>\$ 316,021,190</u> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

**TOTAL ASSETS**

The following summarizes the Foundation's total assets for fiscal years ended:

|   | <b>June 30,</b>       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
|   | <b>2020</b>           | <b>2019</b>           | <b>2018</b>           |
| Cash and cash equivalents                 | \$ 28,302,508         | \$ 16,368,061         | \$ 17,580,203         |
| Pledges receivable, net                   | 19,751,852            | 16,991,025            | 21,909,472            |
| Other current assets                      | 488,439               | 433,560               | 418,459               |
| Due from Florida International University | 134,300               | 19,855                | 64,160                |
| Investments                               | 282,201,006           | 289,029,517           | 274,151,644           |
| Depreciable capital assets, net           | 15,499,057            | 15,975,578            | 15,995,929            |
| Nondepreciable capital assets             | -                     | 78,326                | 16,800                |
| <b>Total assets</b>                       | <b>\$ 346,377,162</b> | <b>\$ 338,895,922</b> | <b>\$ 330,136,667</b> |

Total assets as of June 30, 2020 increased \$7,481,240, or 2.2%. Cash and cash equivalents were higher in current year due to the rebalancing of investments at year end. Pledges receivable, net increased due to new contributions mainly for scholarships and other University program support.

Endowment pledges are not recognized under the GASB accounting framework and not reflected in the pledges receivable, net in the statements of net position. Only additions to permanent endowments are recognized upon the receipt of cash. Although endowment pledges are not included, the Foundation understands the importance of endowment fundraising as these gifts are a strategic priority. The Foundation will continue to prioritize fundraising for endowment pledges and collecting on those pledges.

As of June 30, 2020, 2019 and 2018, endowment pledges receivable totaled \$51,725,927, \$51,309,132 and \$51,660,177, respectively, which includes \$41,967,040 the State of Florida has approved for match under the Trust Fund for Major Gifts. Effective July 1, 2011, state matching funds were temporarily suspended by the Florida Legislature for donations received for this program on or after June 30, 2011. The program may be restarted after \$200 million of the backlog for programs has been matched. The State of Florida did not provide funds for this program during the fiscal year; therefore, these endowment pledges are not recognized in the statements of net position. The ultimate collection of these funds is dependent upon future appropriations for this program by the State of Florida Legislature.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

**TOTAL LIABILITIES**

The following summarizes the Foundation's total liabilities for fiscal years ended:

|   | <b>June 30,</b>      |                      |                      |
|---|----------------------|----------------------|----------------------|
|   | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Accounts payable and accrued expenses   | \$ 627,256           | \$ 417,198           | \$ 182,694           |
| Due to Florida International University | 3,421,506            | 3,126,585            | 3,420,949            |
| Funds held for others                   | 9,507,227            | 7,625,600            | 5,789,900            |
| Notes payable                           | 2,035,000            | 2,945,000            | 3,810,000            |
| Unearned revenue                        | 150,000              | 292,836              | 214,807              |
| Annuity obligations                     | 639,381              | 641,153              | 697,127              |
| <b>Total liabilities</b>                | <b>\$ 16,380,370</b> | <b>\$ 15,048,372</b> | <b>\$ 14,115,477</b> |

Total liabilities as of June 30, 2020 increased \$1,331,998, or 8.9%. The increase is mainly due to the receipt of funds held for others of \$1,881,627 offset by a decrease of \$910,000 in notes payable. Funds held for others are mainly comprised of grant funds awarded to the University and managed by the Foundation as an endowment. This grant supports research in the area of minority health and health disparities. Pursuant to the terms of the grant, the funds are to be held by the Foundation as an endowment for a period of at least 20 years. The decrease in notes payable is due to principal payments made in the current year.

**NET POSITION**

The following summarizes the Foundation's net position for fiscal years ended:

|                                  | <b>June 30,</b>       |                       |                       |
|----------------------------------|-----------------------|-----------------------|-----------------------|
|                                  | <b>2020</b>           | <b>2019</b>           | <b>2018</b>           |
| Net investment in capital assets | \$ 12,921,147         | \$ 12,565,994         | \$ 11,605,672         |
| Restricted:                      |                       |                       |                       |
| Nonexpendable endowments         | 185,009,260           | 179,637,406           | 174,696,827           |
| Expendable                       | 115,065,140           | 113,540,580           | 109,696,445           |
| Unrestricted                     | 17,001,245            | 18,103,570            | 20,022,246            |
| <b>Total net position</b>        | <b>\$ 329,996,792</b> | <b>\$ 323,847,550</b> | <b>\$ 316,021,190</b> |

Total net position as of June 30, 2020 increased \$6,149,242, or 1.9%. Net position provides three classifications including net investment in capital assets, restricted, and unrestricted net position. Net investment in capital assets reflects total capital assets, net of accumulated depreciation, less any capital-related borrowings. Restricted net position consists of restricted nonexpendable resources which represent permanent endowments to be held in perpetuity, while expendable resources are made up of external, donor-restricted funds and appreciation from the endowment.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

The increase in net position is mainly attributable to the receipt of endowed gifts offset by the outflow of expendable restricted resources for the benefit of programs, scholarships and building support provided to the University.

Additional information about the statements of net position is presented in the notes to financial statements.

**THE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

The statements of revenues, expenses, and changes in net position presents the Foundation's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the Foundation's changes in net position for fiscal years ended:

|  | <b>June 30,</b>       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
|  | <b>2020</b>           | <b>2019</b>           | <b>2018</b>           |
| Contributions, net   | \$ 26,346,350         | \$ 23,870,781         | \$ 21,828,030         |
| Investment earnings  | 8,230,007             | 14,239,211            | 19,908,559            |
| Rental income  | 1,962,682             | 2,001,143             | 1,927,652             |
| Other operating revenues   | 687,557               | 856,111               | 771,851               |
| <b>Total operating revenues, net</b>   | <b>37,226,596</b>     | <b>40,967,246</b>     | <b>44,436,092</b>     |
| Programs, scholarships and building support to<br>Florida International University | 27,461,363            | 27,688,533            | 28,530,233            |
| Fundraising  | 4,369,700             | 7,437,386             | 6,302,716             |
| General and administrative   | 3,001,977             | 1,410,991             | 1,132,275             |
| General support to Florida International University                                | 1,273,868             | 1,243,041             | 1,133,465             |
| Depreciation   | 747,787               | 723,023               | 679,022               |
| <b>Total operating expenses</b>  | <b>36,854,695</b>     | <b>38,502,974</b>     | <b>37,777,711</b>     |
| <b>Operating income</b>  | <b>371,901</b>        | <b>2,464,272</b>      | <b>6,658,381</b>      |
| Nonoperating expenses  | (84,000)              | (29,853)              | (32,431)              |
| <b>Gain before endowment contributions</b>   | <b>287,901</b>        | <b>2,434,419</b>      | <b>6,625,950</b>      |
| Endowment contributions  | 5,861,341             | 5,391,941             | 6,693,273             |
| <b>Change in net position</b>  | <b>6,149,242</b>      | <b>7,826,360</b>      | <b>13,319,223</b>     |
| Net position - beginning of year   | 323,847,550           | 316,021,190           | 302,701,967           |
| Net position - end of year   | <b>\$ 329,996,792</b> | <b>\$ 323,847,550</b> | <b>\$ 316,021,190</b> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

**OPERATING REVENUES**

GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues represent ongoing activities of the Foundation, as well as ongoing activities that are in support of the University's programs. Operating activities are related to the Foundation's mission, which is to encourage, solicit, receive, and administer gifts and bequests of property and funds for scientific, educational and charitable purposes, all for the advancement of the University and its objectives. As defined by GASB No. 35, all of Foundation's revenues are classified as operating revenues.

The following summarizes the operating revenues by source that were used to fund operating activities for the fiscal years ended:

|                                      | <b>June 30,</b>      |                      |                      |
|--------------------------------------|----------------------|----------------------|----------------------|
|                                      | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Contributions, net                   | \$ 26,346,350        | \$ 23,870,781        | \$ 21,828,030        |
| Investment earnings                  | 8,230,007            | 14,239,211           | 19,908,559           |
| Rental income                        | 1,962,682            | 2,001,143            | 1,927,652            |
| Other operating revenues             | 687,557              | 856,111              | 771,851              |
| <b>Total operating revenues, net</b> | <b>\$ 37,226,596</b> | <b>\$ 40,967,246</b> | <b>\$ 44,436,092</b> |

Total operating revenues decreased \$3,740,650, or 9.1%. Operating revenues are made up of contributions revenue, investment earnings, rental income, and other operating revenues.

The decrease in total operating revenues is attributable to lower investment earnings of 2.7% in the current year versus 4.9% in the prior year offset by an increase in new gifts for scholarships and other program support.

Despite the uncertainty caused by the COVID-19 pandemic, contributions increased in the current year as a result of the Foundation's focus on a comprehensive fundraising campaign. On January 26, 2019, the University entered the public phase of The Next Horizon campaign. That momentum coupled with the dedicated work of the Foundation Board, volunteers, and staff have made this success possible.

Rental income was level when compared to the prior year. Other operating revenues decreased \$168,554, or 19.7%. Other operating revenues are comprised of revenues related to events, museum store sales and membership dues. This decrease is a result of the cancellation of events and closures due to the COVID-19 pandemic in the current year.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

**OPERATING EXPENSES**

GASB Statement No. 35 categorizes expenses as either operating or nonoperating. Operating expenses represent ongoing activities of the Foundation, as well as ongoing activities that are in support of the University, such as programs, scholarships and building support. The majority of the Foundation's expenses are operating expenses as defined by GASB. GASB gives financial reporting entities the choice of reporting operating expenses in either their functional or natural classifications. The Foundation has chosen to report operating expenses by their functional classifications on the statements of revenues, expenses, and changes in net position.

The following summarizes the operating expenses by function for the fiscal years ended:

|  | <b>June 30,</b>      |                      |                      |
|--|----------------------|----------------------|----------------------|
|  | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Programs, scholarships and building support to<br>Florida International University | \$ 27,461,363        | \$ 27,688,533        | \$ 28,530,233        |
| Fundraising  | 4,369,700            | 7,437,386            | 6,302,716            |
| General and administrative   | 3,001,977            | 1,410,991            | 1,132,275            |
| General support to Florida International University                                | 1,273,868            | 1,243,041            | 1,133,465            |
| Depreciation   | 747,787              | 723,023              | 679,022              |
| <b>Total operating expenses</b>  | <b>\$ 36,854,695</b> | <b>\$ 38,502,974</b> | <b>\$ 37,777,711</b> |

Total operating expenses decreased \$1,648,279, or 4.3%. Operating expenses are comprised mainly of support to the University, fundraising, and general and administrative expenses.

The largest component of operating expenses is support to the University. This includes transfers to the University or expenses directly paid to third parties for the University's programs, student scholarships and building support.

The next largest component of operating expenses is fundraising. The decrease in operating expenses is mainly due to one-time fundraising expenses related to the launch of the public phase of the Next Horizon Campaign in the prior year coupled with lower expenses in the current year as a result of cancelled events, reduced travel and delays in hiring due to COVID-19 pandemic.

General and administrative expenses include business office expenses, utilities, maintenance, insurance, and environmental remediation on land held for investment. The increase in general and administrative expenses is primarily attributable to environmental remediation expenses in the amount of \$1,561,698 in the current year.

General support to the University includes other expenses such as lobbying, and support for the compensation, travel and business expenses for the University President. General support to the University was level when compared to the prior year.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

**NONOPERATING EXPENSES**

GASB Statement No. 35 categorizes expenses as either operating or nonoperating. Nonoperating expenses is comprised of the change in value of annuity obligations.

The following summarizes the nonoperating expenses for the fiscal years ended:

|  | <b>June 30,</b>    |                    |                    |
|--|--------------------|--------------------|--------------------|
|  | <b>2020</b>        | <b>2019</b>        | <b>2018</b>        |
| Change in value of annuity obligations | \$ (84,000)        | \$ (29,853)        | \$ (32,431)        |
| <b>Total nonoperating expenses</b>     | <b>\$ (84,000)</b> | <b>\$ (29,853)</b> | <b>\$ (32,431)</b> |

**ENDOWMENT CONTRIBUTIONS**

Endowment contributions increased \$469,400, or 8.7%, as compared to the prior year. Endowment contributions are recognized as revenue as they are received in cash. The earnings on an endowment, rather than the endowment itself, are intended for spending. The endowment is invested in perpetuity. The increase is reflective of Foundation's focus on fundraising efforts to grow the endowment.

|                                      | <b>June 30,</b>     |                     |                     |
|--------------------------------------|---------------------|---------------------|---------------------|
|                                      | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
| Endowment contributions              | \$ 5,861,341        | \$ 5,391,941        | \$ 6,693,273        |
| <b>Total endowment contributions</b> | <b>\$ 5,861,341</b> | <b>\$ 5,391,941</b> | <b>\$ 6,693,273</b> |

**THE STATEMENTS OF CASH FLOWS**

The statements of cash flows provide information about the Foundation's financial results by reporting the major sources and uses of cash and cash equivalents. The statement will assist in evaluating the Foundation's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used or provided by the operating activities of the Foundation. Cash flows from capital and related financing activities include changes associated with the long-term debt activities of the Foundation. Cash flows from investing activities show the net sources and uses of cash related to purchasing or selling investments and earnings income on those investments. Cash flows from noncapital financing activities includes those activities not covered in other sections.



**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

The following summarizes the major sources and uses of cash for the fiscal years ended:

|  | <b>June 30,</b>      |                      |                      |
|--|----------------------|----------------------|----------------------|
|  | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Cash flows provided by (used in)         |                      |                      |                      |
| Operating activities                     | \$ (7,798,241)       | \$ (4,202,640)       | \$ (5,424,726)       |
| Capital and related financing activities | (1,187,171)          | (1,762,781)          | (1,946,424)          |
| Investing activities                     | 15,058,518           | (638,662)            | (4,942,735)          |
| Noncapital financing activities          | 5,861,341            | 5,391,941            | 6,693,273            |
| Change in cash and cash equivalents      | 11,934,447           | (1,212,142)          | (5,620,612)          |
| Cash and cash equivalents                |                      |                      |                      |
| Beginning of year                        | 16,368,061           | 17,580,203           | 23,200,815           |
| End of year                              | <u>\$ 28,302,508</u> | <u>\$ 16,368,061</u> | <u>\$ 17,580,203</u> |

Cash and cash equivalents increased \$11,934,447, or 72.9%. The increase was primarily attributable to the rebalancing of the investment portfolio offset by the use of cash to provide support to the University for scholarships and programs. During the course of the current year, the organization engaged in an extensive review of the investment policy statement which resulted in changes to the asset allocation. As such, at year end, cash was held pending reinvestment.

**CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY**

At June 30, 2020, the Foundation had \$23,827,558 in capital assets, less accumulated depreciation of \$8,328,501 for net capital assets of \$15,499,057. Depreciation charges for the current fiscal year totaled \$747,787.

The following summarizes the Foundation's capital assets, net of accumulated depreciation for the fiscal years ended:

|                                       | <b>June 30,</b>      |                      |                      |
|---------------------------------------|----------------------|----------------------|----------------------|
|                                       | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Building and improvements, net        | \$ 14,976,002        | \$ 15,345,925        | \$ 15,515,615        |
| Furniture and equipment, net          | 523,055              | 629,653              | 480,314              |
| Total depreciable capital assets, net | 15,499,057           | 15,975,578           | 15,995,929           |
| Construction in progress              | -                    | 78,326               | 16,800               |
| Total nondepreciable capital assets   | -                    | 78,326               | 16,800               |
| <b>Total capital assets, net</b>      | <u>\$ 15,499,057</u> | <u>\$ 16,053,904</u> | <u>\$ 16,012,729</u> |

The largest component of capital assets is building and improvements, totaling \$14,976,002, or 96.6%, of the total balance. Furniture and equipment account for the remaining balance in capital assets.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

The following summarizes the Foundation's debt outstanding for the fiscal years ended:

|                               | <u>2020</u>                | <u>June 30,<br/>2019</u>   | <u>2018</u>                |
|-------------------------------|----------------------------|----------------------------|----------------------------|
| Notes payable                 | \$ 2,035,000               | \$ 2,945,000               | \$ 3,810,000               |
| Annuity obligations           | 639,381                    | 641,153                    | 697,127                    |
| <b>Total outstanding debt</b> | <u><u>\$ 2,674,381</u></u> | <u><u>\$ 3,586,153</u></u> | <u><u>\$ 4,507,127</u></u> |

During the 2019-20 fiscal year, the Foundation reduced debt by \$911,772, primarily as a result of principal payments.

The following summarizes the Foundation's net investment in capital assets for the fiscal years ended:

|   | <u>2020</u>                 | <u>June 30,<br/>2019</u>    | <u>2018</u>                 |
|---|-----------------------------|-----------------------------|-----------------------------|
| Capital assets, net                     | \$ 15,499,057               | \$ 16,053,904               | \$ 16,012,729               |
| Notes payable                           | (2,035,000)                 | (2,945,000)                 | (3,810,000)                 |
| Annuity obligations                     | (542,910)                   | (542,910)                   | (597,057)                   |
| <b>Net investment in capital assets</b> | <u><u>\$ 12,921,147</u></u> | <u><u>\$ 12,565,994</u></u> | <u><u>\$ 11,605,672</u></u> |

Additional information about the Foundation's capital assets and long-term debt activity is presented in the notes to financial statements.

## **OUTLOOK FOR THE FUTURE**

The FIU Foundation is presented as a discrete component unit of FIU and is certified as a Direct Support Organization (DSO). The sole purpose of the Foundation is to encourage, solicit, receive and administer gifts and bequests of property and funds for scientific, educational and charitable purposes, all for the advancement of FIU and its mission. The primary way this is accomplished is through consistent philanthropic revenue and responsible investing of the endowment, capital and operating funds on behalf of FIU. As much as each individual donor will allow, efforts are focused on the FIU-approved strategic priorities of student success and research excellence, while focusing on the impact to students, faculty and the community.

The Next Horizon campaign is FIU's most ambitious and forward-thinking philanthropic endeavor to date. The fiscal year 2019-2020 was the comprehensive campaign's first full year in the public phase, and its accomplishments were many, even in light of the COVID-19 pandemic. The university raised a record \$75.85 million in FY 19-20, exceeding its goal of \$71 million. This brought FIU to a total of \$585.6 million, or 78 percent, toward its \$750 million goal for Next Horizon. The total raised in FY 19-20 includes a record number of principal gifts of \$1 million or higher. We also experienced a record number of gifts ranging from \$50,000 up to \$99,000, and increased the number of gifts between \$25,000 and \$49,000.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

Adding to the significance of this fiscal year's successes were the challenges posed to university foundations nationwide by the COVID-19 pandemic. When FIU announced it would transition to remote learning and remote work in March 2020, development staff knew it would present challenges for the remaining quarter of the fiscal year. With the health and well-being of both staff and constituents in mind, the team rallied and shifted focus to reach out to donors and prospects using virtual platforms, an effort that is ongoing as of September 2020. During this time, staff and student ambassadors of the Foundation have taken the opportunity to reach out to alumni, donors, and other partners to check in on a personal level, to make sure they are doing well, and share virtual programs and events offered by the university to promote professional development, health and wellbeing, and camaraderie even as we social distanced. The strategy pivot proved successful, and fundraising continued unabated. As a result, \$30.8 million was raised between the start of the pandemic and the end of the fiscal year. This includes \$2.64 million toward FIUStrong, the university's disaster relief initiative, which continues to support students, faculty and staff who need emergency assistance as a result of the pandemic and is providing aid for South Florida's hard-hit hospitality industry through the SOBEWFF® & Chaplin School Hospitality Relief Fund.

New initiatives that drove FIU Foundation efforts in FY 19-20 focused on cultivating new audiences as prospects, and ensuring that philanthropic endeavors support areas and issues that both the university and donors find meaningful and timely. The newly established Pathway to Philanthropist program offers a novel approach to endowment establishment that helps constituents who may not normally think they have the capacity to explore options that work for their budget and make an impact at the university. New committee structures in the Foundation have enhanced operations and concentrated fundraising efforts on areas of need and growth identified by university leadership. This includes a committee dedicated to ascertaining philanthropic support for university-identified opportunities to strengthen diversity, equity and inclusion. The Corporate Enterprise Growth Initiative was created to help the Foundation adapt to a shifting philanthropic landscape by attracting impact philanthropy to support curricula and research that address emerging trends and prepare students for careers with the region's companies, particularly those in the technology sector.

As a whole, FIU is committed to student success, research excellence, and continuing to advance in university rankings. This is reflected in both the university's Next Horizon 2025 strategic plan and in the Next Horizon capital campaign. In FY 19-20, the university had 44 top-50 rankings among public universities from U.S. News & World Report. These included No. 10 for Top Performers for Social Mobility and No. 2 for its undergraduate International Business program. FIU was also ranked among the top three U.S. universities in four categories for impact on the community by Times Higher Education. FIU was also selected by the Carnegie Foundation for the Advancement of Teaching as one of 119 U.S. colleges and universities to classify as a community-engaged university in 2020. FIU reached nearly \$226 million in research expenditures last year, a 15 percent rise from 2018 to 2019; and it remains ranked among the top 25 public universities in the world for the number of U.S. utility patents produced. FIU holds 61 patents, spanning the fields of renewable energy, medicine, computer science, engineering, and more.

The FIU Foundation has set a goal to complete the Next Horizon campaign within the next two years. Key priorities moving forward include building development capacity and the pipeline of donors to prepare the university for its next, larger campaign, and growing undergraduate alumni giving participation to 18 percent by 2025. Fundraising will focus, in large part, on capital projects that will reshape the face of campus, including the future construction of a combined alumni and conference center and hotel, the nondenominational Trish and Dan Bell Chapel, CasaCuba – a home for research and preservation of Cuban history and culture – a new engineering building, and phase two of the Green School of International & Public Relations' complex.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEARS ENDED JUNE 30, 2020 AND 2019**  
(Continued)

On the heels of a record fundraising year and with priorities and initiatives that align with the university's 2025 strategic plan, the FIU Foundation is poised for another impactful fiscal year, making a difference in the lives of those we serve and on the university's progress.

**REQUESTS FOR INFORMATION**

These financial statements are designed to provide a general overview of the Foundation's finances. Questions concerning information provided in the MD&A or other required supplemental information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Controller, FIU Foundation, Inc., 11200 Southwest 8<sup>th</sup> Street, MARC Building, 5<sup>th</sup> Floor, Miami, Florida 33199.

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## **FINANCIAL STATEMENTS**

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**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| <b><u>ASSETS</u></b>                      |                       |                       |
| <b>Current assets</b>                     |                       |                       |
| Cash and cash equivalents                 | \$ 28,302,508         | \$ 16,368,061         |
| Pledges receivable, net                   | 7,924,136             | 8,127,554             |
| Other current assets                      | 488,439               | 433,560               |
| Due from Florida International University | 134,300               | 19,855                |
| <b>Total current assets</b>               | <u>36,849,383</u>     | <u>24,949,030</u>     |
| <b>Noncurrent assets</b>                  |                       |                       |
| Investments                               | 282,201,006           | 289,029,517           |
| Pledges receivable, net                   | 11,827,716            | 8,863,471             |
| Depreciable capital assets, net           | 15,499,057            | 15,975,578            |
| Nondepreciable capital assets             | -                     | 78,326                |
| <b>Total noncurrent assets</b>            | <u>309,527,779</u>    | <u>313,946,892</u>    |
| <b>Total assets</b>                       | <u>346,377,162</u>    | <u>338,895,922</u>    |
| <b><u>LIABILITIES</u></b>                 |                       |                       |
| <b>Current liabilities</b>                |                       |                       |
| Accounts payable and accrued expenses     | 627,256               | 417,198               |
| Due to Florida International University   | 3,421,506             | 3,126,585             |
| Funds held for others                     | 7,227                 | 25,600                |
| Long-term liabilities - current portion:  |                       |                       |
| Notes payable                             | 960,000               | 910,000               |
| Unearned revenue                          | -                     | 137,836               |
| Annuity obligations                       | 89,985                | 89,985                |
| <b>Total current liabilities</b>          | <u>5,105,974</u>      | <u>4,707,204</u>      |
| <b>Noncurrent liabilities</b>             |                       |                       |
| Notes payable                             | 1,075,000             | 2,035,000             |
| Unearned revenue                          | 150,000               | 155,000               |
| Annuity obligations                       | 549,396               | 551,168               |
| Funds held for others                     | 9,500,000             | 7,600,000             |
| <b>Total noncurrent liabilities</b>       | <u>11,274,396</u>     | <u>10,341,168</u>     |
| <b>Total liabilities</b>                  | <u>16,380,370</u>     | <u>15,048,372</u>     |
| <b><u>NET POSITION</u></b>                |                       |                       |
| Net investment in capital assets          | 12,921,147            | 12,565,994            |
| Restricted:                               |                       |                       |
| Nonexpendable endowments                  | 185,009,260           | 179,637,406           |
| Expendable                                | 115,065,140           | 113,540,580           |
| Unrestricted                              | 17,001,245            | 18,103,570            |
| <b>Total net position</b>                 | <u>\$ 329,996,792</u> | <u>\$ 323,847,550</u> |

The accompanying notes are an integral part  
of these financial statements.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| <b>Operating revenues</b>   |                       |                       |
| Contributions, net  | \$ 26,346,350         | \$ 23,870,781         |
| Investment earnings   | 8,230,007             | 14,239,211            |
| Rental income   | 1,962,682             | 2,001,143             |
| Dues  | 387,447               | 433,428               |
| Other miscellaneous   | 219,908               | 337,505               |
| Royalties   | 80,202                | 85,178                |
| <b>Total operating revenues, net</b>  | <u>37,226,596</u>     | <u>40,967,246</u>     |
| <b>Operating expenses</b>   |                       |                       |
| Programs, scholarships and building support to Florida International University | 27,461,363            | 27,688,533            |
| Fundraising   | 4,369,700             | 7,437,386             |
| General and administrative  | 3,001,977             | 1,410,991             |
| General support to Florida International University                             | 1,273,868             | 1,243,041             |
| Depreciation  | 747,787               | 723,023               |
| <b>Total operating expenses</b>   | <u>36,854,695</u>     | <u>38,502,974</u>     |
| <b>Operating income (loss)</b>  | <u>371,901</u>        | <u>2,464,272</u>      |
| <b>Nonoperating expenses</b>  |                       |                       |
| Change in value of annuity obligations  | (84,000)              | (29,853)              |
| <b>Total nonoperating expenses</b>  | <u>(84,000)</u>       | <u>(29,853)</u>       |
| <b>Gain (loss) before endowment contributions</b>                               | <u>287,901</u>        | <u>2,434,419</u>      |
| Endowment contributions   | 5,861,341             | 5,391,941             |
| <b>Change in net position</b>   | <u>6,149,242</u>      | <u>7,826,360</u>      |
| Net position - beginning of year  | 323,847,550           | 316,021,190           |
| Net position - end of year  | <u>\$ 329,996,792</u> | <u>\$ 323,847,550</u> |

The accompanying notes are an integral part  
of these financial statements.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|   | <u>2020</u>                  | <u>2019</u>                  |
|---|------------------------------|------------------------------|
| <b>Cash flows used in operating activities</b>                                      |                              |                              |
| Receipts from contributions   | \$ 23,466,078                | \$ 28,833,537                |
| Receipts from rental income   | 1,824,846                    | 2,079,171                    |
| Receipts on behalf of others  | 1,900,000                    | 1,900,000                    |
| Other receipts  | 612,535                      | 774,882                      |
| Net payments on annuity obligations   | (84,000)                     | (84,000)                     |
| Payments made to suppliers  | (4,888,854)                  | (5,553,876)                  |
| Payments made to Florida International University                                   | (30,628,846)                 | (32,152,354)                 |
| Net cash used in operating activities   | <u>(7,798,241)</u>           | <u>(4,202,640)</u>           |
| <b>Cash flows used in capital and related financing activities</b>                  |                              |                              |
| Principal paid on capital debt  | (910,000)                    | (865,000)                    |
| Purchase of leasehold improvement   | (192,940)                    | (505,518)                    |
| Purchase of furniture and equipment   | -                            | (258,680)                    |
| Interest paid on capital debt   | (84,231)                     | (133,583)                    |
| Net cash used in capital and related financing activities                           | <u>(1,187,171)</u>           | <u>(1,762,781)</u>           |
| <b>Cash flows from (used in) investing activities</b>                               |                              |                              |
| Proceeds from sale and maturity of Investments                                      | 188,917,135                  | 105,998,684                  |
| Purchase of investments   | (174,633,815)                | (107,276,375)                |
| Receipts from interest, net of fees   | 775,198                      | 639,029                      |
| Net cash provided by (used in) investing activities                                 | <u>15,058,518</u>            | <u>(638,662)</u>             |
| <b>Cash flows from noncapital financing activities</b>                              |                              |                              |
| Private gifts for permanent endowments  | 5,861,341                    | 5,391,941                    |
| Net cash flows provided by noncapital financing activities                          | <u>5,861,341</u>             | <u>5,391,941</u>             |
| <b>Net increase (decrease) in cash and cash equivalents</b>                         | <u>11,934,447</u>            | <u>(1,212,142)</u>           |
| <b>Cash and cash equivalents - beginning of year</b>                                | 16,368,061                   | 17,580,203                   |
| <b>Cash and cash equivalents - end of year</b>                                      | <u><u>\$ 28,302,508</u></u>  | <u><u>\$ 16,368,061</u></u>  |
| <b>Reconciliation of operating income to net cash used in operating activities:</b> |                              |                              |
| Operating income (loss)   | \$ 371,901                   | \$ 2,464,272                 |
| Adjustments to reconcile operating income to net cash used in operating activities: |                              |                              |
| Depreciation expense  | 747,787                      | 723,023                      |
| Investment earnings   | (8,230,007)                  | (14,239,211)                 |
| Interest expense  | 84,231                       | 133,583                      |
| Change in value of annuity obligations  | (84,000)                     | (29,853)                     |
| Changes in operating assets and liabilities:  |                              |                              |
| (Increase) decrease in:   |                              |                              |
| Receivables from related parties  | (114,445)                    | 44,305                       |
| Pledges receivable  | (2,760,827)                  | 4,918,447                    |
| Other assets  | (54,879)                     | (15,101)                     |
| Increase (decrease) in:   |                              |                              |
| Accounts payable and other liabilities  | 210,058                      | 234,504                      |
| Annuity obligations   | (1,772)                      | (55,974)                     |
| Funds held for others   | 1,881,627                    | 1,835,700                    |
| Payables to related parties   | 294,921                      | (294,364)                    |
| Unearned revenue  | (142,836)                    | 78,029                       |
| Total adjustments   | <u>(8,170,142)</u>           | <u>(6,666,912)</u>           |
| Net cash used in operating activities   | <u><u>\$ (7,798,241)</u></u> | <u><u>\$ (4,202,640)</u></u> |

The accompanying notes are an integral part  
of these financial statements.



**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**(1) Nature of Organization and Significant Accounting Policies:**

(a) **Organization and purpose**—Florida International University Foundation, Inc. (the “Foundation”), serves as a direct support organization (“DSO”) and a discrete component unit of Florida International University (the “University”), which is organized to encourage, solicit, receive and administer gifts and bequests of property and funds for the advancement of the University and its objectives. The Foundation is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code.

The Foundation is considered a discrete component unit of the University due to the University’s budgetary oversight responsibility and due to the Foundation’s significant operational and financial relationships with the University. The Foundation has determined that there are four component units that meet the criteria for blending into the Foundation’s financial statements. The financial statements of the Foundation include the accounts of its blended component units: the Wolfsonian, Inc., Foundation Enterprise Holdings I, LLC (“FEH I”), Foundation Enterprise Holdings II, LLC (“FEH II”), and Foundation Enterprise Holdings V, LLC (“FEH V”).

The Wolfsonian, Inc. was established in 1986 to create and operate a museum and research center in Miami Beach, Florida, and to support a comprehensive program focused on the collection, exhibition, interpretation, preservation, research and publication of the decorative, design and architectural arts. The Mitchell Wolfson, Jr. Collection of nearly 27,000 objects of art and rare books dating from the late nineteenth to the mid-twentieth century has been loaned to the Wolfsonian, Inc. It encompasses furniture, sculptures, paintings, books, graphics and other works of art on paper, as well as archives relating to the period. Through a series of academic study and fellowship programs, national and international traveling exhibitions, and scholarly initiatives, the Wolfsonian, Inc. promotes public education and awareness of the social, historical, technological, political, economic, and artistic material culture of Europe and America in the 1885-1945 periods. The Wolfsonian, Inc. is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code.

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

FEH I is a Florida limited liability company of which the sole member is the FIU Foundation, Inc. On March 29, 2011, FEH I became the owner of real property located at 1035 and 1049 Washington Avenue, Miami Beach, Florida (“Property”), pursuant to an agreement with Mitchell Wolfson, Jr. and the Washington Storage Co. (“WSC”) to convey Property to FEH I for the benefit of the Wolfsonian-FIU. As part of the agreement with the WSC, FEH I executed an Assignment and Assumption of Leases on March 29, 2011 and assumed all the rights formerly held by WSC with regard to its lease agreements.

FEH II is a Florida limited liability company of which the sole member is the FIU Foundation, Inc. On December 10, 2012, FEH II became the owner of real property located at 301, 311, and 321 Washington Avenue, Miami Beach, Florida (“JMOF Property”), pursuant to an agreement with the Jewish Museum of Florida, Inc. (“JMOF”) and the University as explained in Note 2.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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(1) **Nature of Organization and Significant Accounting Policies:** (Continued)

FEH V is a Florida limited liability company of which the sole member is the FIU Foundation, Inc. On October 27, 2017, FEH V became the owner of 62.5 acres of vacant land located at 11800 NW 41<sup>st</sup> Street, Miami, Florida (“Doral Property”). The Doral Property was purchased for \$1,008,153 and is valued at \$1,411,550.

FEH I, FEH II, and FEH V have not elected under Section 301.8801-3(c) of the Income Tax Regulations to be classified as separate corporations or entities from its single member (Foundation) for federal tax purposes. For federal tax purposes, FEH I, FEH II, and FEH V are treated, therefore, as “disregarded entities” under the Income Tax Regulations and are simply components or divisions of its single member.

(b) **Basis of accounting**— The financial statements and related disclosures are prepared on the accrual basis in conformity with accounting principles generally accepted in the United States (GAAP) for governmental business-type activities.

To help ensure observance of limitations and restrictions placed on the use of resources, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. Accordingly, the net position of the Foundation is reported as follows:

(i) **Net investment in capital assets**—Represents capital assets, net of accumulated depreciation, reduced by the outstanding balance on any bonds, annuity obligations, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of the capital assets.

(ii) **Restricted**—Restricted net position represents net position that is restricted by constraints placed on the use of resources externally imposed by either creditors, grantors, contributors, or laws. Restricted funds include:

**Nonexpendable endowments**—Represents the nonexpendable portion (corpus) of endowment funds that are subject to donor, grantor or other outside party restrictions for the benefit of various programs at the University. These programs primarily include endowed chairs and professorships, research funding, and student scholarships. The corpus of the permanent endowments is retained and reported in nonexpendable endowments net position, while the net earnings or losses on endowment funds are included in expendable net position available for expenditure.

**Expendable**—Represents funds that are subject to donor, grantor or other outside party restrictions to use for the benefit of various programs at the University and includes the expendable portion of endowment funds. These programs primarily include endowed chairs and professorships, research funding, and student scholarships.

(iii) **Unrestricted**—Represents funds that are available without restriction for carrying out the Foundation’s objectives.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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(1) **Nature of Organization and Significant Accounting Policies:** (Continued)

(c) **Use of estimates**—Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. These estimates include assessing the collectability of pledges receivable and the fair value of investments. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

(d) **Cash equivalents**—The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(e) **Promises to give**—Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in restricted expendable net position. When a restriction is met, the restricted net position is transferred to the unrestricted net position. Promises to give to endowments are recognized when funds are received.

The Foundation records unconditional promises to give at fair value when received and subsequently at net realizable value which is based on prior years' collection experience and management's analysis of specific promises made. The receivables are further discounted to reflect their present value, using a risk adjusted discount rate applicable to the month in which the promises are received. The Foundation determines an allowance for uncollectible receivables based upon management's judgment about such factors as prior collection history, type of contribution, and nature of fundraising activity. Decreases in net realizable value are recognized as provision for uncollectable pledges in the period the decrease occurs. Increases in net realizable value are not recognized unless they represent recoveries of previous provision for uncollectable pledges incurred; increases are recognized as additional contribution revenue when the promise to give is collected.

(f) **Contributions**—Contributed goods and services are recorded as contributions at their estimated fair value at date of receipt.

(g) **Investments and investment earnings**—Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value (see Note 1 (h) on *fair value measurements*) in the statements of net position. Investment gains and losses (including realized and unrealized gains and losses on investments as well as interest income and dividends) are included in the statements of revenue, expenses, and changes in net position as an increase or decrease in unrestricted net position unless the gains or losses are restricted by donor or law. Restricted gains and losses and investment earnings where the restrictions are met in the same reporting period as the income is earned are recorded as unrestricted support.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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(1) **Nature of Organization and Significant Accounting Policies:** (Continued)

(h) **Fair value measurements**—Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The financial statements are required to disclose information about their fair value determinations via an established framework for measuring. The established framework includes a three-tier hierarchy to maximize the use of observable market data, minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best available information.

See Note 4 for a summary of the inputs used as of June 30, 2020 and 2019, in determining the fair value of the Foundation's investments.

(i) **Capital assets**—Capital assets are defined as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of five years and are recorded at historical cost. If contributed, the asset, with the exception of the collection of decorative and propaganda arts, is recorded at its fair value at the time of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions are recorded as unrestricted support. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, ranging from five to forty years. Capital assets, net of accumulated depreciation, are reported as capital assets in the statements of net position. Capital assets, net of accumulated depreciation and capital-related borrowings, are reported as net investment in capital assets in the statements of net position.

The Foundation has elected to exercise the option of not capitalizing the items that meet the definition of "collections" as prescribed by accounting principles generally accepted in the United States. Therefore, the fair value of the donated collection of decorative and propaganda arts are not reflected in the accompanying financial statements. Purchases of collection items are recorded as decreases in unrestricted net position in the year in which the items are acquired or as restricted expendable net position if the assets used to purchase the items are restricted by donors. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net position classes.

(j) **Unearned revenue**—Unearned revenue is comprised of unearned contributions. On May 13, 2016, the Foundation entered into a challenge gift agreement to receive matching contributions up to \$1 million for the benefit of a Chair of Transition Studies in the Vaclav Havel Center for Human Rights and Diplomacy. As of June 30, 2020 and 2019, the donor has made advanced matching funding payments to the Foundation in the amount of \$150,000. This balance is reflected as noncurrent unearned revenue in the statements of net position. Once the required matching donations are received, the Foundation will recognize contribution revenue.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(1) **Nature of Organization and Significant Accounting Policies:** (Continued)

The Foundation has no current unearned revenue for the fiscal year ended June 30, 2020. For the fiscal year ended June 30, 2019, the Foundation had current unearned revenues in the amount of \$137,836, mainly made up of a prepaid lease payment in the amount of \$110,481. This balance was recognized as rental income and contributions revenue in the current year.

(k) **Annuity obligations**—The Foundation received a contribution of property in which the donor retains a life interest. The asset is a commercial real estate property and annual cash distributions are made to the donor under the terms of the agreement. The Foundation recorded the property based on the fair value of the asset received. Initial recognition and subsequent adjustments to the asset carrying values are reported as a change in value of annuity obligations in the accompanying financial statements. The annuity obligation is presented as a liability in the statements of net position. Capital assets, net of accumulated depreciation and annuity obligations, are reported as net investment in capital assets in the statements of net position.

Annuity obligations are recorded when incurred at the present value of the anticipated distributions to be made to the donors' designated beneficiaries. Distributions are paid over the lives of the beneficiaries. Present values are determined using appropriate discount rates and actuarially determined life expectancies. Annuity obligations are revalued annually at June 30 to reflect actuarial experience; the discount rate is not changed. Any resulting difference between the asset and liability is recognized annually as revenue. The net revaluations together with any remaining recorded obligation after all trust or gift obligations under terminated agreements have been satisfied, are recorded as net changes in the value of annuity obligations.

(l) **Funds held for others**—In March 2016, the National Institutes of Health (NIH) awarded a grant in the amount of \$9,500,000 to the University, with annual installments in the amount of \$1,900,000 payable over five years in support of research in the area of minority health and health disparities. Pursuant to the terms of the grant, the NIH requires that the funds be held as an endowment for a period of at least 20 years. Thereafter, the funds may be used to support this research initiative. The University transferred \$1,900,000, \$1,710,000, \$2,090,000 and \$1,900,000 during fiscal years ended June 30, 2016, 2017, 2018 and 2019, respectively, to the Foundation to be held as a term endowment. The University transferred an additional \$1,900,000 to the Foundation during fiscal year ended June 30, 2020. The endowment will be managed consistent with the Foundation's policies and procedures. In addition, the balance also includes funds deposited with the Foundation for management on behalf of a family foundation in the amount of \$7,227 and \$25,600 as of June 30, 2020 and 2019, respectively.

(m) **University support**—University support on the statements of changes in net position includes amounts transferred to related parties or amounts disbursed directly to third parties to benefit the University or its DSO's. These expenses include programs, scholarships, building support and other program related expenses.

(n) **Income taxes**—The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The blended component units are Limited Liability Companies which are wholly owned by the Foundation and therefore disregarded for tax purposes. However, the Foundation is subject to income tax on unrelated business income. The Foundation's primary source of unrelated business income is from certain investments in private equity partnerships. Income taxes incurred during the year, if any, are estimated to be immaterial to the financial statements.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(1) **Nature of Organization and Significant Accounting Policies:** (Continued)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. If the Foundation were to incur an income tax liability in the future, interest and penalties would be reported as income taxes. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Foundation is no longer subject to income tax examinations from years prior to 2017.

(o) **Concentrations of credit risk**—Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents in banks, investments, and promises to give.

In addition to insurance provided by the Federal Depository Insurance Corporation (FDIC), all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits, with the exception noted in the preceding paragraph, are insured or collateralized with securities held by the entity or its agent in the entity's name.

The Foundation maintains certain investment accounts with financial institutions which are not insured by the FDIC. These funds may be subject to insurance by Securities Investor Protection Corporation (SIPC), subject to various limitations. At June 30, 2020 and 2019, approximately \$307,344,000 and \$302,407,000, respectively, was held in these accounts, respectively. The Foundation believes that the number, diversity and financial strength of the issuers mitigate the credit risks associated with all investments.

(2) **Gift Agreements:**

On July 1, 1997, the Foundation entered into a gift agreement (the "Agreement") with Mitchell Wolfson, Jr., the Wolfsonian, Inc. and the University, whereby Mitchell Wolfson, Jr. agreed to donate all rights, title and interest in and to all objects constituting The Mitchell Wolfson, Jr. Collection of Decorative and Propaganda Arts (the "Collection") to the Foundation, subject to an agreement made and entered into by the Wolfsonian, Inc. and Mr. Wolfson, Jr., dated July 29, 1991. The agreement is effective through July 2021, at which time it can be renewed for an additional period of ten years.

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

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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(2) **Gift Agreements:** (Continued)

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

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

In addition, the University provides support for utilities, repairs and maintenance expenses for buildings used by the Wolfsonian-FIU.

On December 10, 2012, the Foundation entered into a gift agreement with the Jewish Museum of Florida (“JMOF”) and the University, whereby JMOF agreed to convey to the Foundation the JMOF Property together with all improvements, furniture, fixtures, equipment and appurtenances. JMOF agreed to transfer to the Foundation all of its endowed funds, financial and other assets and interests in other property. As a result of this agreement, the Foundation also assumed all contractual and other obligations and liabilities of JMOF. The JMOF maintained a museum facility (“JMOF Museum”) at the JMOF Property. In accordance with this gift agreement, JMOF Property is to be used exclusively in support of the JMOF mission to collect, preserve and interpret for the public the material evidence of the Florida Jewish experience from at least 1763 to the present to Jews, non-Jews, Florida residents and visitors alike; and to examine how Jews form part of a dynamic mosaic of ethnicities, all seeking to balance the continuity and traditions of their heritage with the values and customs of a larger society.

According to the gift agreement, the University will develop a presence for the FIU Judaic Studies Program at the JMOF Property and the JMOF Museum will be operated and known as the “Jewish Museum of Florida – FIU”. The University shall operate the JMOF Museum and educational and outreach activities in accordance with the guidelines of the American Association of Museums and will maintain the JMOF Museum as a unit of the University within its College of Arts, Sciences & Education. The University and the Foundation will provide the JMOF Museum with the same administrative support afforded to other units pursuant to University and Foundation policies.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**(3) Pledges Receivable:**

Unconditional promises to give, recorded at their estimated fair value and discounted to present value, are summarized as follows:

|                                    | <b>June 30,</b>      |                      |
|------------------------------------|----------------------|----------------------|
|                                    | <b>2020</b>          | <b>2019</b>          |
| Pledges receivable                 | \$ 22,354,188        | \$ 19,290,594        |
| Less:                              |                      |                      |
| Allowance for doubtful accounts    | (2,410,364)          | (1,384,814)          |
| Discount on future payments        | (191,972)            | (914,755)            |
| Total pledges receivable, net      | <u>\$ 19,751,852</u> | <u>\$ 16,991,025</u> |
| Current pledges receivable, net    | \$ 7,924,136         | \$ 8,127,554         |
| Noncurrent pledges receivable, net | 11,827,716           | 8,863,471            |
| Total pledges receivable, net      | <u>\$ 19,751,852</u> | <u>\$ 16,991,025</u> |

Contributions to be received after one year are discounted using U.S. Treasury yields. The discount on future payments totaled \$191,972 and \$914,755 at June 30, 2020 and 2019, respectively. Amortization of the discount on future payments is recorded as an adjustment to contribution revenue. The discount rate on June 30, 2020 and 2019 was 0.29% and 1.76%, respectively.

Effective July 1, 2011, the State of Florida match under the Trust Fund for Major Gifts are temporarily suspended by the Legislature for donations received for this program on or after June 30, 2011. The program may be restarted after \$200 million of the backlog for programs have been matched. The State of Florida did not provide funds for this program during the fiscal year; therefore, these endowment pledges are not recognized. The ultimate collection of these funds is dependent upon future appropriations for this program by the State of Florida legislature.

**(4) Investments:**

The Foundation maintains an investment structure for managing portfolio assets. This structure includes targets and allowable ranges for investments in various asset classes and investment management styles utilizing a role in portfolio construct that, in aggregate, is expected to produce a sufficient level of overall diversification and total investment returns over the long-term. The goal of investment returns, net of investment management fees, is to achieve a total return that is consistent with the requirements of the spending policy and the administrative fee distribution policy. See Note 14 for additional information on these requirements.



**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

The Foundation's investments, including alternative investments are reported as follows:

|                           | <b>June 30,</b>       |                       |
|---------------------------|-----------------------|-----------------------|
|                           | <b>2020</b>           | <b>2019</b>           |
| Domestic equities         | \$ 34,279,809         | \$ 43,458,187         |
| Global equities           | 114,938,486           | 87,138,667            |
| Real assets               | 3,622,426             | 10,612,471            |
| Fixed income              | 19,198,061            | 38,652,619            |
| Hedge funds               | 53,236,246            | 60,747,119            |
| Private investments       | 55,514,428            | 47,008,904            |
| Land held for investments | 1,411,550             | 1,411,550             |
| Total investments         | <u>\$ 282,201,006</u> | <u>\$ 289,029,517</u> |

Total investment earnings for the year ended June 30, 2020 and 2019 totaled \$8,230,007 and \$14,239,211, of which \$6,150,622 and \$10,789,520 was applied to individual endowments, respectively. Investment earnings are reported net of related expenses for custodial fees, investment management and incentive fees, mutual fund expenses, and investment consulting fees. Custodial fees, investment management and incentive fees paid during the fiscal year ended June 30, 2020 and 2019 totaled \$4,182,993 and \$3,465,209, respectively. Investment consultant fees totaled \$836,914 and \$797,769 for the fiscal year ended June 30, 2020 and 2019, respectively.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The future maturities of the securities held in domestic fixed income at June 30, 2020 are as follows:

|                           |                          | <b>Investment Maturities (In Years)</b> |                     |                      |
|---------------------------|--------------------------|---|---------------------|----------------------|
| <b>Type of Investment</b> | <b>Fair Market Value</b> | <b>Less Than 1</b>                      | <b>1-5</b>          | <b>6-10</b>          |
| Domestic Fixed Income     | \$ 19,196,861            | \$ 10,593                               | \$ 5,601,859        | \$ 13,584,409        |
| <b>Total</b>              | <u>\$ 19,196,861</u>     | <u>\$ 10,593</u>                        | <u>\$ 5,601,859</u> | <u>\$ 13,584,409</u> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

The future maturities of the securities held in domestic fixed income at June 30, 2019 are as follows:

| <u>Type of Investment</u> | <u>Fair Market Value</u> | <u>Investment Maturities (In Years)</u> |                      |                      |
|---------------------------|--------------------------|---|----------------------|----------------------|
|                           |                          | <u>Less Than 1</u>                      | <u>1-5</u>           | <u>6-10</u>          |
| Domestic Fixed Income     | \$ 38,651,419            | \$ 21,329                               | \$ 11,278,916        | \$ 27,351,174        |
| <b>Total</b>              | <u>\$ 38,651,419</u>     | <u>\$ 21,329</u>                        | <u>\$ 11,278,916</u> | <u>\$ 27,351,174</u> |

**Credit Risk:** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2020, the securities held in domestic fixed income had credit quality ratings by Standard & Poor's as follows:

**Debt Investment Credit Quality Ratings**

| <u>Type of Investment</u> | <u>Fair Market Value</u> | <u>AA+</u>           |
|---------------------------|--------------------------|----------------------|
| Domestic Fixed Income     | \$ 19,196,861            | \$ 19,196,861        |
| <b>Total</b>              | <u>\$ 19,196,861</u>     | <u>\$ 19,196,861</u> |

At June 30, 2019, the securities held in domestic fixed income had credit quality ratings by Standard & Poor's as follows:

**Debt Investment Credit Quality Ratings**

| <u>Type of Investment</u> | <u>Fair Market Value</u> | <u>AA+</u>           |
|---------------------------|--------------------------|----------------------|
| Domestic Fixed Income     | \$ 38,651,419            | \$ 38,651,419        |
| <b>Total</b>              | <u>\$ 38,651,419</u>     | <u>\$ 38,651,419</u> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a framework for determining fair value through a hierarchy that prioritizes the inputs in valuation techniques used to measure fair value. The three-level valuation hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The inputs are summarized in the three-level valuation hierarchy as follows:

**Level 1** – Valuation is based on unadjusted quoted prices for identical assets or liabilities in active markets (e.g., exchange traded securities). An active market is defined as a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2** – Valuation is based on significant observable inputs, either directly or indirectly, at the measurement date such as:

- (i) quoted prices for similar assets or liabilities in active markets;
- (ii) quoted prices for identical assets and liabilities in markets that are not active;
- (iii) observable inputs, other than quoted prices, for similar or identical assets and liabilities; or
- (iv) inputs that are derived from or corroborated by observable market data by correlation or other means.

**Level 3** – Valuation is based on unobservable inputs for an asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of a market participant. Therefore, unobservable inputs reflect the Investment Manager's own assumptions about the assumptions that market participants would use in valuing the asset or liability, including assumptions about risk.

Unobservable inputs are developed based on the best information available in the circumstances, which might include the Investment Manager's own data. The Investment Manager's own data used to develop unobservable inputs are adjusted if information is reasonably available without undue cost and effort that indicates market participants would use different assumptions. Investment types which have been valued using this approach generally include investments in investee funds that have lock-ups that are greater than 12 months.

Equity investments that are listed on national securities exchanges, quoted on NASDAQ or on the over-the-counter market are valued at the last reported sale price, or in the absence of a recorded sale, at a value between the most recent bid and asked prices. Mutual funds held by the Foundation which are deemed to be actively traded, are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price. Fixed income securities are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing values on yield currently available on comparable securities of issuers with similar credit ratings. Alternative investments for which quoted market prices are not available include hedge funds and private investments. The estimated fair value of alternative investments is based on the net asset value of the fund or other valuation methods. The Foundation reviews and evaluates the values and assesses the valuation methods and assumptions used in determining the fair value of the alternative investments. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a readily available market for such investments existed and differences could be material.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

Land held for investment is carried at fair value and is updated periodically based on recent market conditions and outside appraisals obtained on its value.

The following tables set forth by levels, within the fair value hierarchy, the Foundation's investments measured at fair value on a recurring basis as of June 30, 2020:

**Fair Value Measurements Using**

|  |                      | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|--|----------------------|--|---|--|
| Investments by fair value level              | Amount               |  |   |  |
| Domestic equities                            | \$ 135,161           | \$ 135,161   | \$ -  | \$ -   |
| Global equities                              | 55,706,286           | 55,706,286   | -   | -  |
| Fixed income                                 | 19,196,861           | 19,196,861   | -   | -  |
| Real assets                                  | -                    | -  | -   | -  |
| Land held for investments                    | 1,411,550            | -  | -   | 1,411,550  |
| <b>Total investments by fair value level</b> | <b>\$ 76,449,858</b> | <b>\$ 75,038,308</b>   | <b>\$ -</b>   | <b>\$ 1,411,550</b>                                |

**Investments measured at the net asset value (NAV)<sup>1</sup>**

|  |                       |
|--|-----------------------|
| Domestic equities                                    | 34,144,648            |
| Global equities                                      | 59,232,200            |
| Fixed income   | 1,200                 |
| Real assets  | 3,622,426             |
| Hedge funds  | 53,236,246            |
| Private investments                                  | 55,514,428            |
| <b>Total investments measured at NAV<sup>1</sup></b> | <b>205,751,148</b>    |
| <b>Total investments measured at fair value</b>      | <b>\$ 282,201,006</b> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

The following tables set forth by levels, within the fair value hierarchy, the Foundation's investments measured at fair value on a recurring basis as of June 30, 2019:

| Fair Value Measurements Using                |                      |  |   |  |
|--|----------------------|--|---|--|
| Investments by fair value level              | Amount               | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
| Domestic equities                            | \$ 6,915,068         | \$ 6,915,068   | \$ -  | \$ -   |
| Global equities                              | 28,082,670           | 28,082,670   | -   | -  |
| Fixed income                                 | 38,651,419           | 38,651,419   | -   | -  |
| Real assets                                  | 6,728,512            | 6,728,512  | -   | -  |
| Land held for investments                    | 1,411,550            | -  | -   | 1,411,550  |
| <b>Total investments by fair value level</b> | <b>\$ 81,789,219</b> | <b>\$ 80,377,669</b>   | <b>\$ -</b>   | <b>\$ 1,411,550</b>                                |

|  |                       |
|--|-----------------------|
| <b>Investments measured at the net asset value (NAV)<sup>1</sup></b> |                       |
| Domestic equities  | 36,543,119            |
| Global equities  | 59,055,997            |
| Fixed income   | 1,200                 |
| Real assets  | 3,883,959             |
| Hedge funds  | 60,747,119            |
| Private investments  | 47,008,904            |
| <b>Total investments measured at NAV<sup>1</sup></b>                 | <b>207,240,298</b>    |
| <b>Total investments measured at fair value</b>                      | <b>\$ 289,029,517</b> |

<sup>1</sup> In accordance with GASB No. 72, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

The following table discloses the nature and risk of investments for which fair value has been estimated using the net asset value per share (NAV) of the investments as a practical expedient as of June 30, 2020:

| <b>Investments measured at NAV<sup>1</sup></b>       | <b>Fair Value</b>     | <b>Unfunded Commitments</b> | <b>Redemption Frequency (if Currently Eligible)</b> | <b>Redemption Notice Period</b> |
|--|-----------------------|-----------------------------|---|---------------------------------|
| Equities:  |                       |                             |   |                                 |
| Domestic equities (a)                                | \$ 34,144,648         | \$ -                        | Monthly - Quarterly                                 | 5 - 45 days                     |
| Global equities (b)                                  | 46,267,884            | -                           | Monthly - Quarterly                                 | 6 - 60 days                     |
| Emerging markets (c)                                 | 12,964,316            | -                           | Monthly   | 7 - 30 days                     |
| Fixed income:  |                       |                             |   |                                 |
| Global bonds (d)                                     | 1,200                 | -                           | Monthly   | 10 Days                         |
| Real assets:   |                       |                             |   |                                 |
| Natural resource equities (e)                        | 3,622,426             | -                           | Monthly   | 30 Days                         |
| Hedge funds:   |                       |                             |   |                                 |
| Long/short equity (f)                                | 38,779,177            | -                           | Monthly - Every 3 Years <sup>2</sup>                | 30 - 180 Days                   |
| Event driven/open mandate (g)                        | 14,457,069            | -                           | Quarterly - Annually <sup>2</sup>                   | 45 - 90 days                    |
| Global macro (h)                                     | -                     | -                           | Daily - Monthly                                     | 2 - 14 Days                     |
| Private investments:                                 |                       |                             |   |                                 |
| Private equity (i)                                   | 30,750,206            | 23,056,167                  | Illiquid  | N/A                             |
| Venture capital (j)                                  | 24,764,222            | 1,465,000                   | Illiquid  | N/A                             |
| <b>Total investments measured at NAV<sup>1</sup></b> | <b>\$ 205,751,148</b> | <b>\$ 24,521,167</b>        |   |                                 |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

The following table discloses the nature and risk of investments for which fair value has been estimated using the net asset value per share (NAV) of the investments as a practical expedient as of June 30, 2019:

| Investments measured at NAV <sup>1</sup>             | Fair Value            | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|--|-----------------------|----------------------|--|--------------------------|
| Equities:  |                       |                      |  |                          |
| Domestic equities (a)                                | \$ 36,543,119         | \$ -                 | Monthly - Quarterly                          | 5 - 45 Days              |
| Global equities (b)                                  | 46,199,108            | -                    | Monthly - Quarterly                          | 6 - 60 Days              |
| Emerging markets (c)                                 | 12,856,889            | -                    | Monthly                                      | 7 - 30 Days              |
| Fixed income:  |                       |                      |  |                          |
| Global bonds (d)                                     | 1,200                 | -                    | Monthly                                      | 10 Days                  |
| Real assets:   |                       |                      |  |                          |
| Natural resource equities (e)                        | 3,883,959             | -                    | Monthly                                      | 30 Days                  |
| Hedge funds:   |                       |                      |  |                          |
| Long/short equity (f)                                | 39,308,883            | -                    | Monthly - Every 3 Years <sup>2</sup>         | 30 - 180 Days            |
| Event driven/open mandate (g)                        | 11,931,105            | -                    | Quarterly - Annually <sup>2</sup>            | 30 - 90 Days             |
| Global macro (h)                                     | 9,507,131             | -                    | Daily - Monthly                              | 2 - 14 Days              |
| Private investments:                                 |                       |                      |  |                          |
| Private equity (i)                                   | 25,717,012            | 23,482,991           | Illiquid                                     | N/A                      |
| Venture capital (j)                                  | 21,291,892            | 1,465,000            | Illiquid                                     | N/A                      |
| <b>Total investments measured at NAV<sup>1</sup></b> | <b>\$ 207,240,298</b> | <b>\$ 24,947,991</b> |  |                          |

<sup>1</sup> In accordance with GASB No. 72, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

<sup>2</sup> Ten percent of the redemption value is customarily held back by the hedge funds manager, for a period up to one year, pending a final audit of the fund for the year of exit.

(a) **Domestic equities**—This category includes investments in publicly listed equities of companies domiciled in the U.S.

(b) **Global equities**—This category includes investments in publicly listed equities of companies domiciled globally.

(c) **Emerging markets**—This category includes investments in publicly listed equities of companies listed in markets which have been categorized as emerging.

(d) **Global bonds**—This category includes investments in globally listed public debt instruments.

(e) **Natural resource equities**—This category includes investments in publicly listed equities of companies that derive a substantial portion of their operations from natural resource-related business operations.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(4) **Investments:** (Continued)

(f) **Long/short equity**—This category includes investments in hedge funds that invest domestically and globally in both long and short common stocks across all market capitalizations. These investments offer a low correlation to traditional long-only equity benchmarks in order to achieve absolute return. Management of the hedge funds may opportunistically shift investments across sectors, geographies, and net market exposures.

(g) **Event driven/open mandate**—This category includes investments in hedge funds that invest in event-driven strategies including merger arbitrage, distressed debt, and convertible arbitrage to achieve returns.

(h) **Global macro**—This category includes investments in hedge funds that invest in global macro strategies including long and short equities, currencies, commodities, etc. based on evaluation of macroeconomic trends.

(i) **Private equity**—This category includes investments in several limited partnership funds that invest in equity securities and debt of private companies or conduct buyouts of public companies resulting in a delisting of public equity. The nature of the investment in this category prohibits redemptions through the duration of the partnership, which ranges between 10 to 15 years. Distributions are received through the liquidation of underlying assets of the funds.

(j) **Venture capital**—This category includes investments in several limited partnership funds that invest in early-stage, high-potential startup companies or small businesses that do not have access to public funding. The nature of the investment in this category prohibits redemptions through the duration of the partnership, which ranges between 10 to 15 years. Distributions are received when underlying companies are exited via acquisition or initial public offering (“IPO”).

(5) **Capital Assets:**

|                                | <u>Balance</u><br><u>July 1, 2019</u> | <u>Additions</u>    | <u>Deletions</u>   | <u>Balance</u><br><u>June 30, 2020</u> |
|--------------------------------|---------------------------------------|---------------------|--------------------|--|
| Buildings and improvements     | \$ 22,412,735                         | \$ 262,278          | \$ -               | \$ 22,675,013                          |
| Less: accumulated depreciation | <u>(7,066,810)</u>                    | <u>(632,201)</u>    | <u>-</u>           | <u>(7,699,011)</u>                     |
| Net buildings and improvements | <u>15,345,925</u>                     | <u>(369,923)</u>    | <u>-</u>           | <u>14,976,002</u>                      |
| <br>Furniture and equipment    | <br>1,242,734                         | <br>8,988           | <br>(99,177)       | <br>1,152,545                          |
| Less: accumulated depreciation | <u>(613,081)</u>                      | <u>(115,586)</u>    | <u>99,177</u>      | <u>(629,490)</u>                       |
| Net furniture and equipment    | <u>629,653</u>                        | <u>(106,598)</u>    | <u>-</u>           | <u>523,055</u>                         |
| <br>Construction in progress   | <br>78,326                            | <br>-               | <br>(78,326)       | <br>-                                  |
| <br>Total capital assets, net  | <u>\$ 16,053,904</u>                  | <u>\$ (476,521)</u> | <u>\$ (78,326)</u> | <u>\$ 15,499,057</u>                   |



**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(5) **Capital Assets:** (Continued)

|                                | <b>Balance<br/>July 1, 2018</b> | <b>Additions</b>        | <b>Deletions</b>          | <b>Balance<br/>June 30, 2019</b> |
|--------------------------------|---------------------------------|-------------------------|---------------------------|----------------------------------|
| Buildings and improvements     | \$ 21,968,743                   | \$ 443,992              | \$ -                      | \$ 22,412,735                    |
| Less: accumulated depreciation | (6,453,128)                     | (613,682)               | -                         | (7,066,810)                      |
| Net buildings and improvements | <u>15,515,615</u>               | <u>(169,690)</u>        | <u>-</u>                  | <u>15,345,925</u>                |
| <br>Furniture and equipment    | <br>984,054                     | <br>258,680             | <br>-                     | <br>1,242,734                    |
| Less: accumulated depreciation | (503,740)                       | (109,341)               | -                         | (613,081)                        |
| Net furniture and equipment    | <u>480,314</u>                  | <u>149,339</u>          | <u>-</u>                  | <u>629,653</u>                   |
| <br>Construction in progress   | <br>16,800                      | <br>78,326              | <br>(16,800)              | <br>78,326                       |
| <br>Total capital assets, net  | <u><u>\$ 16,012,729</u></u>     | <u><u>\$ 57,975</u></u> | <u><u>\$ (16,800)</u></u> | <u><u>\$ 16,053,904</u></u>      |

Depreciation expense was \$747,787 and \$723,023 for the year ended June 30, 2020 and 2019, respectively.

(6) **Other Current Assets:**

Other current assets include the cash surrender value of life insurance policies in the amount of \$269,177 and \$253,365 at June 30, 2020 and 2019, respectively. The net benefit value of the underlying life insurance in force was \$9,116,344 and \$6,784,543 at June 30, 2020 and 2019. Various individuals have donated the policies, with the Foundation designated as beneficiary and owner.

(7) **Notes Payable:**

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

The bonds are secured by an irrevocable letter of credit issued by a commercial bank as described below. The Foundation will finance the payments to the Authority under the loan agreement with lease payments received from the University under an operating lease (see Note 13). The \$13,000,000 original principal amount was issued under a variable rate structure with a final maturity date of May 1, 2022. The variable rate on fifty percent of the original issue, \$6,500,000, was synthetically fixed at 4.63 percent by way of an interest rate swap agreement with a commercial bank and expired on February 1, 2015. The bond proceeds were used to acquire, construct and equip the Management and Advanced Research Center (MARC), a multi-function support complex located on the University campus in Miami-Dade County and to pay issuance costs. As of June 30, 2020 and 2019, the outstanding principal balance due under this notes payable amounted to \$2,035,000 and \$2,945,000, respectively. For the year ended June 30, 2020 and 2019, total interest incurred and paid was \$84,231 and \$133,583, respectively.

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

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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(7) **Notes Payable:** (Continued)

The bonds were repurchased by the Trustee under the SunTrust Bank letter of credit due to the diminishing ability to remarket the variable rate demand bonds in the public marketplace. On July 30, 2010, the commercial bank converted the variable rate demand bonds into a five-year tax-exempt qualified loan. After the initial five-year period, the bank would have the right to require the Foundation to refinance the bank qualified loan or could agree to extend the maturity date for an additional five-year period. The Foundation agrees to pay interest at a rate of 67% of one-month LIBOR plus 1.68%. With the passage of The Tax Cuts and Jobs Act of 2017, effective January 1, 2018, the maximum federal corporate income tax rate decreased from 35% to 21%, resulting in an increase in the applicable interest rate by a factor of 1.22, retroactive to January 1, 2018. The interest rate at June 30, 2020 and 2019 is 2.18% and 4.03%, respectively. The bond maturity date of May 1, 2022 remains unchanged. The Foundation paid \$52,213 in refinancing fees to complete this transaction. Since the terms remained substantially the same and the present value of the cash outflows is not substantially different, this is not considered an exchange of debt instruments and therefore, all remains unchanged.

The debt activity for the years ended June 30, 2020 and 2019 is as follows:

|               | <b>Beginning<br/>Balance<br/>7/1/2019</b> | <b>Additions</b> | <b>Reductions</b>   | <b>Ending<br/>Balance<br/>6/30/2020</b> | <b>Due Within<br/>One Year</b> |
|---------------|---|------------------|---------------------|---|--------------------------------|
| Notes payable | \$ 2,945,000                              | \$ -             | \$ (910,000)        | \$ 2,035,000                            | \$ 960,000                     |
|               | <u>\$ 2,945,000</u>                       | <u>\$ -</u>      | <u>\$ (910,000)</u> | <u>\$ 2,035,000</u>                     | <u>\$ 960,000</u>              |

|               | <b>Beginning<br/>Balance<br/>7/1/2018</b> | <b>Additions</b> | <b>Reductions</b>   | <b>Ending<br/>Balance<br/>6/30/2019</b> | <b>Due Within<br/>One Year</b> |
|---------------|---|------------------|---------------------|---|--------------------------------|
| Notes payable | \$ 3,810,000                              | \$ -             | \$ (865,000)        | \$ 2,945,000                            | \$ 910,000                     |
|               | <u>\$ 3,810,000</u>                       | <u>\$ -</u>      | <u>\$ (865,000)</u> | <u>\$ 2,945,000</u>                     | <u>\$ 910,000</u>              |

Minimum principal and estimated interest payments required under all debt agreements, subsequent to June 30, 2020, are as follows:

| <b>For the Year Ending<br/>June 30,</b> | <b>Principal</b>    | <b>Interest</b>  | <b>Total<br/>Principal and<br/>Interest</b> |
|---|---------------------|------------------|---|
| 2021                                    | \$ 960,000          | \$ 36,515        | \$ 996,515                                  |
| 2022                                    | 1,075,000           | 15,178           | 1,090,178                                   |
| <b>Total</b>                            | <u>\$ 2,035,000</u> | <u>\$ 51,693</u> | <u>\$ 2,086,693</u>                         |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(8) Annuity Obligations:**

FEH I became the owner of real property located at 1035 and 1049 Washington Avenue, Miami Beach, Florida pursuant to an agreement with Mitchell Wolfson, Jr. and the Washington Storage Co. ("WSC") to convey the Property to the FEH I for the benefit of the Wolfsonian-FIU. As part of the agreement with the WSC, the FEH I executed an Assignment and Assumption of Leases on March 29, 2011 and assumed all of the rights formerly held by WSC with regard to its lease agreements.

The Property and or net proceeds derived therefrom shall be used exclusively for the benefit of the Wolfsonian-FIU, and any net income or proceeds generated from the Property, after the satisfaction of the annual payments herein and reimbursement to the University, Foundation or FEH I of all expenses with respect to the Property, shall be used solely for the support and benefit of the Wolfsonian-FIU. Donor agrees that the Property may be used as a net revenue source for the Wolfsonian-FIU, including but not limited to expansion of the Wolfsonian-FIU Facilities and/or other income generating projects such as the construction of the Wolfsonian-FIU facilities and/or other income generating projects such as the construction of a parking garage structure, with the express intent of achieving the highest and best use of the Property for the sole benefit of the Wolfsonian-FIU.

In return for the transfer of the Property and assignment of the leases to the FEH I, the Foundation or FEH I agreed to satisfy the donor's obligation under the current mortgage of \$386,000; pay the 2010 property taxes on the real estate; documentary stamp taxes and Miami-Dade County surtax in connection with closing; pay the donor an annual sum of \$84,000 commencing on April 1, 2011 and continuing until the demise of the donor. The payment shall be paid by the Foundation in all events without regard to income or proceeds generated by the Property.

Actuarial assumptions published by the Social Security Administration, actuarial publications period life table and a discount rate of 5% was used in calculating the present value of the anticipated distributions to be made to the donor.

Annuity obligations for the years ended June 30, 2020 and 2019 are as follows:

|                     | <b>Beginning<br/>Balance<br/>7/1/2019</b> | <b>Additions</b> | <b>Reductions</b>  | <b>Ending<br/>Balance<br/>6/30/2020</b> | <b>Due Within<br/>One Year</b> |
|---------------------|---|------------------|--------------------|---|--------------------------------|
| Annuity obligations | \$ 641,153                                | \$ 84,000        | \$ (85,772)        | \$ 639,381                              | \$ 89,985                      |
|                     | <u>\$ 641,153</u>                         | <u>\$ 84,000</u> | <u>\$ (85,772)</u> | <u>\$ 639,381</u>                       | <u>\$ 89,985</u>               |

|                     | <b>Beginning<br/>Balance<br/>7/1/2018</b> | <b>Additions</b> | <b>Reductions</b>  | <b>Ending<br/>Balance<br/>6/30/2019</b> | <b>Due Within<br/>One Year</b> |
|---------------------|---|------------------|--------------------|---|--------------------------------|
| Annuity obligations | \$ 697,127                                | \$ 28,026        | \$ (84,000)        | \$ 641,153                              | \$ 89,985                      |
|                     | <u>\$ 697,127</u>                         | <u>\$ 28,026</u> | <u>\$ (84,000)</u> | <u>\$ 641,153</u>                       | <u>\$ 89,985</u>               |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
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(8) **Annuity Obligations:** (Continued)

The fair value of the assets held, included in fixed assets in the accompanying statements of financial position and corresponding liability to the donor, included in annuity obligations are as follows:

|              | Fixed Asset         | Annuity<br>obligation to<br>Donor | Net                 |
|--------------|---------------------|-----------------------------------|---------------------|
| Life Annuity | <u>\$ 2,100,000</u> | <u>\$ 542,910</u>                 | <u>\$ 1,557,090</u> |

The Foundation has received, as of June 30, 2020 and 2019, \$155,000 in gifts under charitable remainder annuity trust agreements. The Foundation recognized the contributions received as revenue during the period that the trust was established. The amount of the contribution was the fair value of the trust assets less the fair value of the estimated annuity payments to be paid annually over the expected life of the annuities. The Foundation recorded the present value of the annuities, as required by Florida Statute Section 627.481, as annuity obligations in the statements of net position totaling \$96,471 and \$98,243 at June 30, 2020 and 2019, respectively.

(9) **Net Investment in Capital Assets:**

The net investment in capital assets category reflects total capital assets, net of accumulated depreciation, less any capital-related borrowings. The following summarizes the balances as of:

|   | <b>June 30,</b>      |                      |
|---|----------------------|----------------------|
|   | <b>2020</b>          | <b>2019</b>          |
| MARC Building                           |                      |                      |
| Building and improvements, net          | \$ 10,559,267        | \$ 10,868,024        |
| Furniture and equipment, net            | 523,055              | 629,653              |
| Notes payable                           | (2,035,000)          | (2,945,000)          |
| FEH I                                   |                      |                      |
| Building, net                           | 1,614,375            | 1,666,875            |
| Annuity obligation                      | (542,910)            | (542,910)            |
| FEH II                                  |                      |                      |
| Building, net                           | 2,802,360            | 2,889,352            |
| <b>Net investment in capital assets</b> | <u>\$ 12,921,147</u> | <u>\$ 12,565,994</u> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**(10) Restricted Net Position:**

At June 30, 2020 and 2019, the restricted nonexpendable endowments net position of \$185,009,260 and \$179,637,406, respectively, consisted of endowment funds. Investment earnings earned by endowment funds are available for spending based on the Foundation's spending policy. The spending rate is determined by the Foundation's Board at its annual meeting. The spending rate for the year ending June 30, 2020 and 2019 was 6.0%, 4.0% to support donor-designated scholarships and programs and 2.0% for the administrative fee. The spendable earnings are recorded as increases to the restricted expendable net position.

At June 30, 2020 and 2019, the restricted expendable net position of \$115,065,140 and \$113,540,580 includes \$33,674,990 and \$36,744,852, respectively, of undistributed earnings related to endowment funds, which represents gifts that are subject to donor-imposed restrictions, either for a specific purpose or subject to the passage of time. Restricted expendable amounts also include earnings on permanently restricted endowments that have not yet been appropriated for expenditure.

**(11) Contributions to University Building Program:**

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

During the years ended June 30, 2020 and 2019, the Foundation received \$1,509,467 and \$6,197,222, respectively, from donors to support numerous construction projects, as follows:

|   | <b>2020</b>         | <b>2019</b>         |
|---|---------------------|---------------------|
| CasaCuba Building Fund  | \$ 682,273          | \$ -                |
| The Trish and Dan Bell Chapel   | 500,000             | -                   |
| Tennis Center   | 300,000             | -                   |
| Alumni Center Building  | 14,251              | 84,258              |
| Baseball Stadium Expansion  | 10,000              | 10,000              |
| Founders Park   | 1,420               | 1,160               |
| CBA Building Complex  | 871                 | 1,023               |
| SIPA Bricks and Mortar Building   | 260                 | 580                 |
| Stocker Astrophysics Center Building                                    | 236                 | 201                 |
| SIPA Auditorium   | 156                 | -                   |
| SIPA Phase II Building  | -                   | 6,000,000           |
| SOBEWFF Capital Fund  | -                   | 100,000             |
| Total contributions received in support of University building programs | <u>\$ 1,509,467</u> | <u>\$ 6,197,222</u> |

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**(12) Commitments and Contingencies:**

***Loan Guarantees***

In December of 2017, the Foundation Board authorized and approved to guarantee low-interest loans, up to \$1,000,000, to qualifying Florida International University employees, who are members of the University Credit Union, for purposes of hurricane relief as a result of Hurricane Irma. A total of \$989,800 was issued to qualifying employees with maturity dates through January 2023. The outstanding loan amount as of June 30, 2020 and 2019 was \$368,904 and \$592,578, respectively. As of June 30, 2020 and 2019, there have been six and eleven loan defaults totaling \$11,098 and \$39,699, respectively.

***Doral Property***

In October of 2017, FEH V purchased the Doral Property, which required environmental remediation. FEH V received the approval from the Division of Environmental Resources Management (DERM) on a Corrective Action Plan (CAP) for the remediation. As part of the CAP, an environmental consultant was engaged to provide construction oversight, monitoring, and reporting to DERM on a monthly basis. A construction firm was selected and hired through a competitive bid solicitation process to complete the removal of solid waste. The environmental consultant is working on the required reports to finalize the CAP requirements with DERM.

***Letter of Credit***

As part of a gift acceptance on June 29, 2005, the Foundation accepted all rights and responsibilities for two worker's compensation claims. On August 20, 2007, the Foundation was required to enter into a letter of credit agreement with a commercial bank that permitted the Foundation to borrow up to \$100,000 in favor of the Florida Self Insurers Guaranty Association (FSIGA) to guaranty the worker's compensation obligations. As of June 30, 2020, the Foundation has not used any of the available balance in the letter of credit.

**(13) Related Party Transactions:**

On December 1, 1999, the Foundation entered into a ground lease agreement with the Board of Regents of the State University System of the State of Florida for and on behalf of the University. Under this agreement, the Foundation, as lessee, has leased the grounds on which the MARC complex, was built, as described in Note 7. The consideration required to be paid by the Foundation is \$10 annually. The lease will expire on December 31, 2024 or the final payment date under the letter of credit agreement, as described in Note 7. Total amounts paid to the Foundation under this agreement were \$1,793,101 and \$1,669,315 for the year ended June 30, 2020 and 2019, respectively.

On December 1, 1999, the Foundation also entered into an operating lease with the Board of Regents on behalf of the University to lease the 75,000 square foot MARC complex to the University. The financing of the payments under the letter of credit agreement and the loan agreement, as described in Note 7, will be secured by the pledged lease payments from the University. The University has agreed to pay the Foundation, as lessor, rent in the amount equal to all amounts due and payable by the Foundation under the letter of credit agreement, if any, and the loan agreement. The payments also include any costs of operating and maintaining the MARC complex, in addition to amounts necessary to pay any unanticipated and extraordinary costs. The lease commenced during August 2002 when the MARC complex became operational.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(13) **Related Party Transactions:** (Continued)

The lease expires on May 1, 2022 which is the date of maturity of the loan agreement. The cost of the leased asset is \$13,325,539 and the net book value is \$7,423,009 and \$7,757,698 at June 30, 2020 and 2019, respectively. Minimum future rentals as of June 30, 2020 are approximately as follows:

| <b>For the Year Ending</b> |                     |
|----------------------------|---------------------|
| <b>June 30</b>             | <b>Amount</b>       |
| 2021                       | 1,418,000           |
| 2022                       | 1,418,000           |
| Total                      | <u>\$ 2,836,000</u> |

(14) **Endowments:**

The Foundation's endowment consists of funds established for a variety of purposes. Its endowment includes donor-restricted endowment funds and funds designated by the Board of Directors to function as an endowment ("quasi-endowment"). As required by accounting principles generally accepted in the United States of America, net position associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

***Interpretation of Relevant Law***

The Board of Directors of the endowment has interpreted the Florida Uniform Management of Institutional Funds Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as restricted net position (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(14) **Endowments:** (Continued)

As of June 30, 2020, restricted net position consisted of the following:

|   | <b>Restricted<br/>Expendable *</b> | <b>Restricted:<br/>Nonexpendable<br/>Endowments</b> | <b>Total</b>          |
|---|------------------------------------|---|-----------------------|
| Restricted net position, beginning of year 7/1/2019 | \$ 36,744,852                      | \$ 179,637,406                                      | \$ 216,382,258        |
| Endowment investment earnings:                      |                                    |   |                       |
| Interest, dividends and realized gains              | 7,716,748                          | -   | 7,716,748             |
| Unrealized losses                                   | (1,566,126)                        | -   | (1,566,126)           |
| Total endowment investment earnings                 | 6,150,622                          | -   | 6,150,622             |
| Contributions and other revenues                    | 1,908,047                          | 5,861,341   | 7,769,388             |
| Appropriation of endowment assets for expenditure   | (8,348,729)                        | -   | (8,348,729)           |
| Appropriation for administrative fee 2%             | (2,765,785)                        | -   | (2,765,785)           |
| Donor directed release of restriction               | (14,017)                           | 9,484   | (4,533)               |
| Release of JMOF endowment                           | -                                  | (498,971)   | (498,971)             |
| Restricted net position, end of year 6/30/2020      | <u>\$ 33,674,990</u>               | <u>\$ 185,009,260</u>                               | <u>\$ 218,684,250</u> |



**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(14) **Endowments:** (Continued)

As of June 30, 2019, restricted net position consisted of the following:

|   | <b>Restricted<br/>Expendable *</b> | <b>Restricted:<br/>Nonexpendable<br/>Endowments</b> | <b>Total</b>   |
|---|------------------------------------|---|----------------|
| Restricted net position, beginning of year 7/1/2018 | \$ 34,539,807                      | \$ 174,696,827                                      | \$ 209,236,634 |
| Endowment investment earnings:                      |                                    |   |                |
| Interest, dividends and realized gains              | 4,962,540                          | -   | 4,962,540      |
| Unrealized gains                                    | 5,826,980                          | -   | 5,826,980      |
| Total endowment investment earnings                 | 10,789,520                         | -   | 10,789,520     |
| Contributions and other revenues                    | 1,921,596                          | 5,393,012   | 7,314,608      |
| Appropriation of endowment assets for expenditure   | (7,798,244)                        | -   | (7,798,244)    |
| Appropriation for administrative fee 2%             | (2,552,509)                        | -   | (2,552,509)    |
| Donor directed release of restriction               | (51,680)                           | (60,700)  | (112,380)      |
| Release of JMOF endowment                           | (103,638)                          | (391,733)   | (495,371)      |
| Restricted net position, end of year 6/30/2019      | \$ 36,744,852                      | \$ 179,637,406                                      | \$ 216,382,258 |

\* The restricted expendable net position shown above only includes the investment earnings on the restricted nonexpendable endowments and term endowments that have not yet been appropriated for expenditure by the Foundation.

***Return Objectives and Risk Parameters***

The Foundation has adopted investment policies and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce a long-term rate of return on assets while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time to achieve, at a minimum, a real (inflation adjusted) total return, net of investment management fees, that is consistent with spending requirements.

**FLORIDA INTERNATIONAL UNIVERSITY FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(14) **Endowments:** (Continued)

***Strategies Employed for Achieving Objectives***

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

***Spending Policy and How the Investment Objectives Relate to Spending Policy***

The Foundation's spending policy states that the Finance and Audit Committee will recommend, subject to approval by the Board of Directors, the annual spending distribution to be made to endowed accounts. The spending distribution is computed as a percentage of the endowment's average market value (gift corpus plus undistributed investment earnings since inception) over twelve consecutive quarters ending on December 31 and distributed at the close of the Foundation's fiscal year.

Spending distributions are dependent on the Foundation's investment returns and are therefore not guaranteed. If in any given year investment losses reduce the endowment's market value below original corpus, future spending distributions are contingent on first restoring the endowment to its original corpus, before any distribution is made for spending. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. As of June 30, 2020 and 2019, the amount included in the endowment's temporarily restricted balance and approved for future spending on program support was \$8,348,729 and \$7,798,244, respectively.

(15) **Risks and Uncertainties – COVID-19:**

Since early 2020, local, U.S., and world governments have mandated business closures, imposed travel restrictions, and limited in-person gatherings to curtail the spread of the coronavirus disease (COVID-19). Businesses, nonprofits, and investment markets have been substantially affected. There remains unprecedented uncertainty surrounding the duration of the pandemic and the extent of its long-term socioeconomic impacts. Given the disruption to regular business operations effecting nonprofits, we cannot at this time determine whether the pandemic will materially impact the Foundation's financial position or its operations. The future related to philanthropy may be challenging in this environment.

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## **COMPLIANCE REPORT**

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

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

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Florida International University Foundation, Inc. (the Foundation), a direct support organization and component unit of Florida International University, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated October 23, 2020.

***Internal Control over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

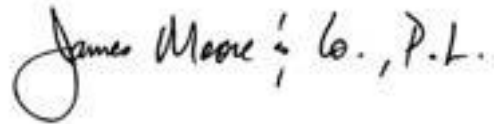
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Gainesville, Florida  
October 23, 2020

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Florida International University Research Foundation Inc., Financial Audit,  
2019-20**

---

**Proposed Committee Action:**

Recommend acceptance by the Florida International University Board of Trustees of the Florida International University Research Foundation, Inc. Financial Audit for the 2019-20 Fiscal Year and authorize the President of the Florida International University Research Foundation, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

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**Background information:**

Pursuant to Regulation FIU-1502 (2)(g), the Florida International University Research Foundation, Inc. must submit an independently conducted financial audit of its accounts and records, which has been recommended by the University President to the Florida International University Board of Trustees for review and acceptance.

The Florida International University Research Foundation, Inc. Financial Audit for 2019-20 was approved by the Florida International University Research Foundation, Inc. Board of Directors on October 2, 2020, and the University President is recommending its acceptance.

Florida Board of Governors Regulation 9.011 (5) University Direct Support Organizations and Health Services Support Organizations, states in relevant part:

Support organizations shall provide for an annual audit conducted pursuant to university regulations or policies. The annual audit report shall be submitted to the university board of trustees for review. The audit report shall be submitted to the Board of Governors, and the Auditor General.

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**Supporting Documentation:** Florida International University Research Foundation, Inc.  
Financial Audit, 2019-20

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

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**FLORIDA INTERNATIONAL UNIVERSITY  
RESEARCH FOUNDATION, INC.  
(A DIRECT SUPPORT ORGANIZATION)**

**FINANCIAL STATEMENTS**

**JUNE 30, 2020 AND 2019**

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
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**JUNE 30, 2020 AND 2019**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors,  
Florida International University Research Foundation, Inc.:

### Report on the Financial Statements

We have audited the accompanying financial statements of the Florida International University Research Foundation, Inc. (the "Research Foundation"), a direct support organization and component unit of Florida International University, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Research Foundation's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

The Research Foundation's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

- 1 -

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Tallahassee, FL 32308-4386  
Telephone: 850-386-6184

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Research Foundation as of June 30, 2020 and 2019, and the changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

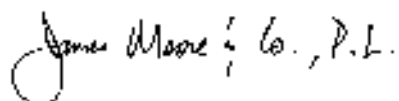
### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2020, on our consideration of the Research Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Research Foundation's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Gainesville, Florida  
October 2, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the Florida International University Research Foundation, Inc. (the "Research Foundation") for the fiscal years ended June 30, 2020, 2019 and 2018, and should be read in conjunction with the financial statements and notes thereto. The MD&A, financial statements, and notes thereto are the responsibility of management.

**FINANCIAL HIGHLIGHTS**

The Research Foundation's assets totaled \$127,854 at June 30, 2020. This balance decreased by approximately \$8,000 or 6.0% and \$16,000 or 11.0%, compared to June 30, 2019 and 2018, respectively, entirely resulting from a decrease in cash. While assets decreased, liabilities also decreased by approximately \$300 or 4.0% and \$20,000 or 71.0%, compared to June 30, 2019 and 2018, respectively. As a result, the Research Foundation's net position decreased by approximately \$7,500 and \$3,700, compared to June 30, 2019 and 2018, respectively, reaching a year-end balance of \$120,071.

The Research Foundation had operating revenues of \$10 and \$10,005 for the June 30, 2020 and 2019 fiscal year, respectively. There were no transfers from Florida International University (FIU) for the 2020 fiscal year. Transfers from Florida International University totaled \$20,000 for the 2019 fiscal year. Operating expenses totaled approximately \$7,500 for the 2020 fiscal year, representing a decrease of 72.0% and an increase of 52.0%, compared to June 30, 2019 and 2018, respectively.

**OVERVIEW OF FINANCIAL STATEMENTS**

The Research Foundation's financial report includes three basic sets of financial statements: the statements of net position; the statements of revenues, expenses and changes in net position; and the statements of cash flows.

***The Statements of Net Position***

The statements of net position reflect the assets and liabilities of the Research Foundation, using the accrual basis of accounting, and present the financial position of the Research Foundation at a specified time. The difference between total assets and total liabilities, which is known as net position, is one indicator of the Research Foundation's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the Research Foundation's financial condition.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**

The following summarizes the Research Foundation's total net position for fiscal years ended:

**Condensed Statements of Net Position**

|                           | <b>June 30,</b>   |                   |                   |
|---------------------------|-------------------|-------------------|-------------------|
|                           | <b>2020</b>       | <b>2019</b>       | <b>2018</b>       |
| <b>Assets</b>             |                   |                   |                   |
| Current assets            | \$ 127,854        | \$ 135,624        | \$ 151,986        |
| <b>Total assets</b>       | <u>127,854</u>    | <u>135,624</u>    | <u>151,986</u>    |
| <b>Liabilities</b>        |                   |                   |                   |
| Current liabilities       | 7,783             | 8,102             | 28,163            |
| <b>Total liabilities</b>  | <u>7,783</u>      | <u>8,102</u>      | <u>28,163</u>     |
| <b>Net position</b>       |                   |                   |                   |
| Unrestricted              | 120,071           | 127,522           | 123,823           |
| <b>Total net position</b> | <u>\$ 120,071</u> | <u>\$ 127,522</u> | <u>\$ 123,823</u> |

Current assets are comprised entirely of cash. The University operates the U.S. Agency for International Development (USAID) grant in Burkina Faso, West Africa. The changes in cash are related to this grant in West Africa. The activities are reflected on the statements of net position as Due to Florida International University, which are part of current liabilities.

In summary, total assets decreased by approximately \$8,000 or 6.0% and \$16,000 or 11.0%, compared to June 30, 2019 and 2018, respectively. Total liabilities decreased by approximately \$300 or 4.0% and \$20,000 or 71.0%, compared to June 30, 2019 and 2018, respectively. As a result, the net position balance at June 30, 2020, had a decrease of approximately \$7,500 or 6.0% and an increase of \$3,700 or 3.0%, compared to June 30, 2019 and 2018, respectively.

For more detailed information, see the statements of net position on page 7 of the financial statements.

***The Statements of Revenues, Expenses and Changes in Net Position***

The statements of revenues, expenses and changes in net position present the Research Foundation's revenue and expense activity, categorized as operating and non-operating. The Organization uses the accrual basis of accounting.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**

The following summarizes the Research Foundation's activity for fiscal years ended:

**Condensed Statements of Revenues, Expenses and Changes in Net Position**

|   | <b>June 30,</b>          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|
|   | <u>2020</u>              | <u>2019</u>              | <u>2018</u>              |
| <b>Operating revenues</b>                       | \$ 10                    | \$ 10,005                | \$ 10,000                |
| <b>Operating expenses</b>                       | <u>7,461</u>             | <u>26,306</u>            | <u>17,272</u>            |
| <b>Operating loss</b>                           | (7,451)                  | (16,301)                 | (7,272)                  |
| Transfers from Florida International University | <u>-</u>                 | <u>20,000</u>            | <u>-</u>                 |
| <b>Changes in net position</b>                  | (7,451)                  | 3,699                    | (7,272)                  |
| <b>Net position - beginning of year</b>         | <u>127,522</u>           | <u>123,823</u>           | <u>131,095</u>           |
| <b>Net position - end of year</b>               | <u><u>\$ 120,071</u></u> | <u><u>\$ 127,522</u></u> | <u><u>\$ 123,823</u></u> |

***Operating Revenues***

The Research Foundation categorizes revenues as either operating or non-operating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either give up or receive something of equal or similar value. The Research Foundation has operating revenues of \$10 for the current year, related to donations received. See Note 4 for additional information.

|                                 | <b>June 30,</b>     |                         |                         |
|---------------------------------|---------------------|-------------------------|-------------------------|
|                                 | <u>2020</u>         | <u>2019</u>             | <u>2018</u>             |
| Operating revenues              | \$ 10               | \$ 10,005               | \$ 10,000               |
| <b>Total operating revenues</b> | <u><u>\$ 10</u></u> | <u><u>\$ 10,005</u></u> | <u><u>\$ 10,000</u></u> |

***Operating Expenses***

The Research Foundation categorizes expenses as operating or non-operating. Government Accounting Standards Board (GASB) allows financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The Research Foundation has chosen to report the expenses in their natural classification on the statements of revenues, expenses and changes in net position.



**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**

The following summarizes the operating expenses by natural classifications for the fiscal years ended:

|                                 | <b>Operating Expenses</b> |                  |                  |
|---------------------------------|---------------------------|------------------|------------------|
|                                 | <b>June 30,</b>           |                  |                  |
|                                 | <b>2020</b>               | <b>2019</b>      | <b>2018</b>      |
| Audit and tax fees              | \$ 7,250                  | \$ 18,400        | \$ 16,000        |
| Professional services           | -                         | 7,694            | 1,065            |
| Other operating expenses        | 211                       | 212              | 207              |
| <b>Total operating expenses</b> | <b>\$ 7,461</b>           | <b>\$ 26,306</b> | <b>\$ 17,272</b> |

Operating expenses totaled approximately \$7,500 for the 2020 fiscal year. This represents a 72.0% decrease and 52.0% increase, compared to June 30, 2019 and 2018, respectively.

#### **TRANSFERS**

There were no transfers received from Florida International University (FIU) for the fiscal year ended June 30, 2020. Transfers totaled \$20,000 for the fiscal year ended June 30, 2019.

#### **ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE**

The FIU Research Foundation served as an agent with respect to the USAID Tanzania and Burkina Faso grants awarded to the University. This activity and the entire amount of the grants were recognized by FIU in the Sponsored Research Development Trust Fund. Both international locations have since closed, with the iWash program office in Tanzania being closed in February 2016, and the Wa/Wash program office in Burkina Faso being closed in December 2017. The iWash entity has been de-registered.

#### **REQUESTS FOR INFORMATION**

This financial statement is designed to provide a general overview of the Research Foundation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller, Florida International University Research Foundation, Inc., 11200 S.W. 8<sup>th</sup> Street, MARC Building 5<sup>th</sup> Floor, Miami, Florida 33199.

## **BASIC FINANCIAL STATEMENTS**

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

|   | <u>2020</u>       | <u>2019</u>       |
|---|-------------------|-------------------|
| <b><u>ASSETS</u></b>                    |                   |                   |
| <b>Current assets</b>                   |                   |                   |
| Cash                                    | <u>\$ 127,854</u> | <u>\$ 135,624</u> |
| <b><u>LIABILITIES</u></b>               |                   |                   |
| <b>Current liabilities</b>              |                   |                   |
| Accounts payable                        | \$ 2,250          | \$ 2,000          |
| Due to Florida International University | 5,533             | 6,102             |
| Total current liabilities               | <u>\$ 7,783</u>   | <u>\$ 8,102</u>   |
| <b><u>NET POSITION</u></b>              |                   |                   |
| <b>Net position</b>                     |                   |                   |
| Unrestricted                            | <u>\$ 120,071</u> | <u>\$ 127,522</u> |

The accompanying notes to financial statements  
are an integral part of these statements.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|   | <u>2020</u>              | <u>2019</u>              |
|---|--------------------------|--------------------------|
| <b>Operating revenues</b>                             | \$ 10                    | \$ 10,005                |
| <b>Operating expenses</b>                             |                          |                          |
| Audit and tax fees                                    | 7,250                    | 18,400                   |
| Professional services                                 | -                        | 7,694                    |
| Other operating expenses                              | 211                      | 212                      |
| Total operating expenses                              | <u>7,461</u>             | <u>26,306</u>            |
| <b>Operating loss</b>                                 | <u>(7,451)</u>           | <u>(16,301)</u>          |
| <b>Transfer from Florida International University</b> | -                        | 20,000                   |
| <b>Change in net position</b>                         | <u>(7,451)</u>           | <u>3,699</u>             |
| <b>Net position, beginning of year</b>                | 127,522                  | 123,823                  |
| <b>Net position, end of year</b>                      | <u><u>\$ 120,071</u></u> | <u><u>\$ 127,522</u></u> |

The accompanying notes to financial statements  
are an integral part of these statements.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|   | <u><b>2020</b></u>       | <u><b>2019</b></u>        |
|---|--------------------------|---------------------------|
| <b>Cash flows from operating activities</b>   |                          |                           |
| Cash paid to Florida International University   | \$ (569)                 | \$ (10,061)               |
| Cash used in program activities, net  | <u>(7,201)</u>           | <u>(26,301)</u>           |
| Net cash used in operating activities   | <u>(7,770)</u>           | <u>(36,362)</u>           |
| <br><b>Cash flows from non-capital and related financing activities</b>               |                          |                           |
| Transfers from Florida International University                                       | <u>-</u>                 | <u>20,000</u>             |
| <br><b>Net decrease in cash</b>   | (7,770)                  | (16,362)                  |
| <br><b>Cash, beginning of year</b>  | 135,624                  | 151,986                   |
| <br><b>Cash, end of year</b>  | <u><u>\$ 127,854</u></u> | <u><u>\$ 135,624</u></u>  |
| <br><b>Reconciliation of operating loss to net cash used in operating activities:</b> |                          |                           |
| Operating loss  | \$ (7,451)               | \$ (16,301)               |
| Change in assets and liabilities:   |                          |                           |
| Accounts payable  | 250                      | -                         |
| Unearned revenue  | -                        | (10,000)                  |
| Due to Florida International University   | <u>(569)</u>             | <u>(10,061)</u>           |
| Net cash used in operating activities   | <u><u>\$ (7,770)</u></u> | <u><u>\$ (36,362)</u></u> |

The accompanying notes to financial statements  
are an integral part of these statements.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**(1) Summary of Significant Accounting Policies:**

The following is a summary of the significant accounting policies of the Florida International University Research Foundation, Inc. (the “Research Foundation” or “Organization”), affecting elements of the accompanying basic financial statements:

(a) **Reporting entity**—The Research Foundation, a Florida not-for-profit corporation, is a direct support organization and a component unit of Florida International University (“FIU” or “University”) and was organized in the State of Florida on November 25, 1997 for educational and scientific purposes. The Articles of Incorporation were amended and restated on July 29, 2010.

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

The financial reporting entity covered by this report includes the Organization and its component unit. The financial reporting entity covered by this report has been defined by GASB as the Research Foundation and those component units for which the Research Foundation is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations, and therefore, data for these units are generally combined with the data of the Organization.

(b) **Blended component unit**—The Florida International Research iWASH Initiative Limited (iWASH) was incorporated in Tanzania on February 22, 2010, under the Tanzania Companies Act of 2002. The entity is a not-for-profit company as defined by the laws in Tanzania. This entity was established for the sole purpose of serving as the legal entity to implement the development initiative known as Tanzania iWASH Program. The iWASH program ended in 2017 and the final financial statements of iWASH were completed for the year-ended December 31, 2016. Final steps are being taken in Tanzania to properly dissolve the entity.

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

The Research Foundation met the criteria to use enterprise fund accounting and financial reporting. Accordingly, the financial statements are reported using the economic resources measurement focus and accrual basis of accounting, which recognizes revenue when earned and expenses when a liability is incurred, regardless of timing of the related cash flow.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Use of estimates**—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

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

(f) **Operating revenues and expenses**—The Research Foundation's statements of revenues, expenses and changes in net position presents operating revenues and expenses. Operating revenue results from exchange transactions associated in matters pertaining to research, which is the Research Foundation's principal activity. Operating expenses include all expenses incurred in matters pertaining to research, other than external financing costs.

(g) **Income taxes**—The Organization is a not-for-profit corporation, as described in Section 501(c)(3) of the Internal Revenue Code and as such are subject to federal income taxes only on unrelated business income. There were no income taxes resulting from unrelated business income during the year ended June 30, 2020 and 2019.

The application of GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. If the Organization were to incur an income tax liability in the future, interest and penalties would be reported as income taxes. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Research Foundation's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination. Management believes the Organization is no longer subject to income tax examinations for years prior to 2017.

(h) **Transfers**—For the year ended June 30, 2020, there were no transfers from the University to support the operating expenses of the Research Foundation and transfers totaled \$20,000 in the prior year.

(2) **Deposits:**

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits, except for the bank account in Burkina Faso, West Africa are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits, except for the bank account in Burkina Faso, West Africa are insured or collateralized.

**FLORIDA INTERNATIONAL UNIVERSITY RESEARCH FOUNDATION, INC.**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(2) **Deposits:** (Continued)

***CONCENTRATIONS OF CREDIT RISK FOR CASH***

The Organization has a bank account in Burkina Faso, West Africa to support the operations pertaining to the West Africa Water Supply, Sanitation and Hygiene (WA-WASH) Program under a U.S. Agency for International Development (USAID) grant. The balance in this account of \$5,575 and \$6,186 as of June 30, 2020 and 2019, respectively, is not FDIC insured and is subject to foreign currency exchange risk. The Research Foundation maintains its cash balances with high quality financial institutions, which the Research Foundation believes limits these risks.

(3) **Due to Florida International University:**

The amount due to Florida International University of \$5,533 and \$6,102 as of June 30, 2020 and 2019, respectively, represents funds that were sent to Burkina Faso related to grant operations. This liability will be reduced as vendors are paid in Burkina Faso. The funds for grant operations in Burkina Faso are repaid directly to the University from the grantor.

(4) **Unearned Revenues:**

The University entered into an agreement to furnish a bus stop management system to Research Triangle Regional Public Transportation Authority. The system to be used is the Automated Transit Stop Inventory Model (ATSIM), a transit stop inventory system developed by University researchers and being managed by the Research Foundation. The agreement was for a term of 3 years beginning October 15, 2015 through June 30, 2018 with the option to renew the contract for two (2) additional one (1) year periods, unless terminated earlier. The University and the Research Foundation have entered into a Royalty Sharing Agreement beginning November 2016. The total revenue on the agreement is \$30,000 over the course of the 3 years. As of June 30, 2020, the Research Foundation has reported all revenue related to this agreement.

(5) **Risks and Uncertainties – COVID-19:**

In early 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending and investment markets have been substantially impacted. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Research Foundation as of October 2, 2020, management believes that a material impact on the Research Foundation's financial position and results of future operations is reasonably possible.



## **REPORTING SECTION**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of Directors,  
Florida International University Research Foundation, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Florida International University Research Foundation, Inc. (the "Research Foundation"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Research Foundation's basic financial statements, and have issued our report thereon dated October 2, 2020.

***Internal Control Over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

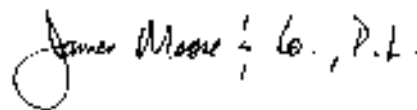
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Gainesville, Florida  
October 2, 2020

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Florida International University Athletics Finance Corporation Financial  
Audit, 2019-20**

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**Proposed Committee Action:**

Recommend acceptance by the Florida International University Board of Trustees of the Florida International University Athletics Finance Corporation Financial Audit for the 2019-20 Fiscal Year and authorize the Executive Director of the Florida International University Athletics Finance Corp. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

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**Background information:**

Pursuant to Regulation FIU-1502 (2)(g), the Florida International University Athletics Finance Corp. must submit an independently conducted financial audit of its accounts and records, which has been approved by its governing board and recommended by the University President to the Florida International University Board of Trustees for review and acceptance.

The Florida International University Athletics Finance Corp. Financial Audit for 2019-20 was approved by the Florida International University Athletics Finance Corp. Board of Directors on October 22, 2020, and the University President is recommending its acceptance.

Florida Board of Governors Regulation 9.011 (5) University Direct Support Organizations and Health Services Support Organizations, states in relevant part:  
Support organizations shall provide for an annual audit conducted pursuant to university regulations or policies. The annual audit report shall be submitted to the university board of trustees for review. The audit report shall be submitted to the Board of Governors, and the Auditor General.

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**Supporting Documentation:** Florida International University Athletics Finance Corp.,  
Financial Audit, 2019-20

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

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**FIU ATHLETICS FINANCE CORPORATION  
(A DIRECT SUPPORT ORGANIZATION)**

**FINANCIAL STATEMENTS**

**JUNE 30, 2020 AND 2019**

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
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**JUNE 30, 2020 AND 2019**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
FIU Athletics Finance Corporation:

### Report on the Financial Statements

We have audited the accompanying financial statements of FIU Athletics Finance Corporation (the Corporation), a direct support organization and component unit of Florida International University, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

The Corporation's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

- 1 -

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standard generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

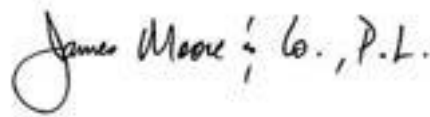
### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Foundation's basic financial statements. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2020, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.



Gainesville, Florida  
October 22, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FIU ATHLETICS FINANCE CORPORATION  
(A DIRECT SUPPORT ORGANIZATION)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020 AND 2019**

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of FIU Athletics Finance Corporation (the "AFC") for the fiscal years ended June 30, 2020, 2019 and 2018, and should be read in conjunction with the financial statements and notes thereto. The MD&A, financial statements, and notes thereto are the responsibility of management.

The AFC is presented as a discrete component unit of Florida International University (the "University" or "FIU") and is certified as a direct support organization ("DSO"). The AFC was organized to facilitate the financing of projects related to the FIU football stadium, as well as, manage and operate the facilities.

**FINANCIAL HIGHLIGHTS**

The AFC's assets totaled \$22,046,760 and \$23,269,988 at June 30, 2020 and 2019, respectively. The balance reflects a decrease of \$1,223,228, or 5.3%. This decrease is mainly attributable to a decrease in prepaid rent as annual rent expense was recognized for the current year.

The AFC's deferred outflow of resources totaled \$3,243,249 and \$2,214,053 at June 30, 2020 and 2019, respectively. The balance reflects an increase of \$1,029,196, or 46.5%. This is attributable to an increase in the expected outflow of resources due to lower interest rates as a result of the COVID-19 pandemic.

The AFC's liabilities totaled \$31,228,334 and \$31,870,562 at June 30, 2020 and 2019, respectively. The balance reflects a decrease of \$642,228, or 2.0%. The decrease is mainly attributable to the payment of principal on the bonds payable coupled with an increase in the derivative liability on the interest rate swap.

As a result, the AFC's net position increased by \$448,196, resulting in a year-end net deficit balance of \$5,938,325.

The AFC's operating revenues totaled \$4,251,968 for the 2019-20 fiscal year, representing an increase of \$119,297, or 2.9%. Major components of operating revenues include athletics support, conference payments and ticket sales.

The AFC's operating expenses totaled \$2,268,179 for the 2019-20 fiscal year, representing an increase of \$20,360, or 0.9%. The major component of operating expenses is the amortization of prepaid rent.

**OVERVIEW OF FINANCIAL STATEMENTS**

The AFC's financial report includes three basic sets of financial statements: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows. The overview presented below highlights the significant financial activities that occurred during the past three years and describes changes in financial activity from the prior year.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

**THE STATEMENTS OF NET POSITION**

The statements of net position reflect the assets, deferred outflows of resources, and liabilities of the AFC, using the accrual basis of accounting, and present the financial position of the AFC at a specified time. Assets together with deferred outflows, less liabilities, equals net position, which is one indicator of the AFC's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the AFC's financial condition.

The following summarizes the AFC's total net position for fiscal years ended:

|                                      | <b>June 30,</b>       |                       |                       |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
|                                      | <b>2020</b>           | <b>2019</b>           | <b>2018</b>           |
| <b>Assets</b>                        |                       |                       |                       |
| Current assets                       | \$ 3,699,026          | \$ 3,105,071          | \$ 2,606,845          |
| Noncurrent assets                    | 18,347,734            | 20,164,917            | 21,284,535            |
| <b>Total assets</b>                  | 22,046,760            | 23,269,988            | 23,891,380            |
| <b>Deferred outflow of resources</b> | 3,243,249             | 2,214,053             | 1,476,330             |
| <b>Liabilities</b>                   |                       |                       |                       |
| Current liabilities                  | 1,774,539             | 1,859,135             | 1,763,105             |
| Noncurrent liabilities               | 29,453,795            | 30,011,427            | 30,800,531            |
| <b>Total liabilities</b>             | 31,228,334            | 31,870,562            | 32,563,636            |
| <b>Total net position</b>            | <u>\$ (5,938,325)</u> | <u>\$ (6,386,521)</u> | <u>\$ (7,195,926)</u> |

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

**TOTAL ASSETS**

The following summarizes the AFC's total assets for fiscal years ended:

|   | <b>June 30,</b>      |                      |                      |
|---|----------------------|----------------------|----------------------|
|   | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Cash                                      | \$ 14,903            | \$ 10,640            | \$ 17,936            |
| Investments                               | 1,098,257            | 910,442              | 662,747              |
| Suites and ticket sales receivable        | 160,000              | 225,000              | 299,888              |
| Stadium naming rights receivable          | 700,000              | 525,000              | 370,000              |
| Due from Florida International University | 421,751              | 609,286              | 93,105               |
| Due from FIU Foundation, Inc.             | -                    | 40,000               | 205,000              |
| Prepaid rent and other                    | 16,844,440           | 18,154,111           | 19,456,660           |
| Restricted investments                    | 2,781,859            | 2,748,059            | 2,716,694            |
| Leasehold improvement, net                | 25,550               | 47,450               | 69,350               |
| <b>Total assets</b>                       | <b>\$ 22,046,760</b> | <b>\$ 23,269,988</b> | <b>\$ 23,891,380</b> |

Total assets as of June 30, 2020 decreased \$1,223,228, or 5.3%. This change is primarily a result of a reduction in prepaid rent due to the recognition and amortization of the annual rent expense.

**TOTAL DEFERRED OUTFLOW OF RESOURCES**

The following summarizes the AFC's total deferred outflow of resources for fiscal years ended:

|  | <b>June 30,</b>     |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
| Accumulated decrease in fair value<br>of hedging derivatives | \$ 3,051,780        | \$ 2,007,567        | \$ 1,254,826        |
| Deferred amount on debt refundings                           | 191,469             | 206,486             | 221,504             |
| <b>Total deferred outflow of resources</b>                   | <b>\$ 3,243,249</b> | <b>\$ 2,214,053</b> | <b>\$ 1,476,330</b> |

Total deferred outflow of resources as of June 30, 2020 increased \$1,029,196, or 46.5%. The change in the fair value of the interest rate swap is presented as a hedging derivative in deferred outflow of resources. The change represented an increase in deferred outflow of resources due to lower interest rates as a result of the COVID-19 pandemic.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

**TOTAL LIABILITIES**

The following summarizes the AFC's total liabilities for fiscal years ended:

|   | <b>June 30,</b>      |                      |                      |
|---|----------------------|----------------------|----------------------|
|   | <b>2020</b>          | <b>2019</b>          | <b>2018</b>          |
| Accounts payable                        | \$ 12,964            | \$ 34,971            | \$ 18,839            |
| Accrued interest payable                | 93,723               | 99,962               | 107,741              |
| Due to Florida International University | 855,093              | 853,087              | 858,480              |
| Bonds payable                           | 25,820,000           | 27,265,000           | 28,590,000           |
| Unearned revenue                        | 160,000              | 278,356              | 305,286              |
| Derivative liability                    | 4,286,554            | 3,339,186            | 2,683,290            |
| <b>Total liabilities</b>                | <b>\$ 31,228,334</b> | <b>\$ 31,870,562</b> | <b>\$ 32,563,636</b> |

Total liabilities as of June 30, 2020 decreased \$642,228, or 2.0%. The decrease in total liabilities is primarily attributable to a principal payment on the bonds payable made in the current year offset by an increase in the derivative liability on the interest rate swap. Under the terms of the swap agreement and on June 30, 2020, the AFC paid a fixed interest rate of 3.6% and received 63.7% of the three-month LIBOR.

**NET POSITION**

The following summarizes the AFC's total position for fiscal years ended:

|                                  | <b>June 30,</b>       |                       |                       |
|----------------------------------|-----------------------|-----------------------|-----------------------|
|                                  | <b>2020</b>           | <b>2019</b>           | <b>2018</b>           |
| Net investment in capital assets | \$ 25,550             | \$ 47,450             | \$ 69,350             |
| Unrestricted                     | (5,963,875)           | (6,433,971)           | (7,265,276)           |
| <b>Total net position</b>        | <b>\$ (5,938,325)</b> | <b>\$ (6,386,521)</b> | <b>\$ (7,195,926)</b> |

Total net position as of June 30, 2020 increased by \$448,196, or 7.0%. Net position is reported in two classifications: net investment in capital assets and unrestricted. Net investment in capital assets reflects total capital assets, net accumulated depreciation, less any capital-related borrowings. The increase in net position in current year was due to a \$500,000 transfer to the University for surplus funds.

For more detailed information, see the statements of net position on page 12 of the financial statements.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

**THE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

The statements of revenues, expenses, and changes in net position present the AFC's revenue and expense activity, categorized as operating and non-operating revenues and expenses. Revenues and expenses are recognized when earned and incurred, regardless of when cash is received or paid.

The following summarizes the AFC's changes in net position for the fiscal years ended:

|   | <b>June 30,</b>              |                              |                              |
|---|------------------------------|------------------------------|------------------------------|
|   | <b>2020</b>                  | <b>2019</b>                  | <b>2018</b>                  |
| Operating revenues                            | \$ 4,251,968                 | \$ 4,132,671                 | \$ 4,040,123                 |
| Operating expenses                            | <u>2,268,179</u>             | <u>2,247,819</u>             | <u>2,327,867</u>             |
| <b>Operating income</b>                       | 1,983,789                    | 1,884,852                    | 1,712,256                    |
| Net non-operating expenses                    | (1,035,593)                  | (1,075,447)                  | (1,185,078)                  |
| Transfers to Florida International University | <u>500,000</u>               | <u>-</u>                     | <u>300,000</u>               |
| <b>Change in net position</b>                 | 448,196                      | 809,405                      | 227,178                      |
| <b>Net position - beginning of year</b>       | <u>(6,386,521)</u>           | <u>(7,195,926)</u>           | <u>(7,423,104)</u>           |
| <b>Net position - end of year</b>             | <u><u>\$ (5,938,325)</u></u> | <u><u>\$ (6,386,521)</u></u> | <u><u>\$ (7,195,926)</u></u> |



**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

**OPERATING REVENUES**

The AFC was organized to facilitate the financing of projects related to the FIU football stadium, as well as, manage and operate the facilities. Operating revenues generally result from exchange transactions associated with managing and operating the stadium.

The following summarizes the operating revenues by source that were used to fund operating activities for the fiscal years ended:

|                                 | <b>June 30,</b>     |                     |                     |
|---------------------------------|---------------------|---------------------|---------------------|
|                                 | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
| Athletic support                | \$ 1,275,059        | \$ 1,060,214        | \$ 1,018,088        |
| NCAA and conference payments    | 937,512             | 700,000             | 700,000             |
| Ticket sales                    | 589,167             | 709,618             | 671,793             |
| Other operating revenues        | 478,940             | 384,513             | 400,384             |
| Suite revenues                  | 349,940             | 364,587             | 407,540             |
| Contributions                   | 268,005             | 570,010             | 205,000             |
| Stadium naming rights           | 175,000             | 255,000             | 195,000             |
| Rental income                   | 137,274             | 88,729              | 244,187             |
| Event revenues                  | 41,071              | -                   | 198,131             |
| <b>Total operating revenues</b> | <b>\$ 4,251,968</b> | <b>\$ 4,132,671</b> | <b>\$ 4,040,123</b> |

Total operating revenues increased \$119,297, or 2.9%. Operating revenues are primarily made up of athletic support from student fees, conference payments, and ticket sales.

Athletic support from student fees increased as a result of greater than anticipated student credit hour enrollment during the current year. Miami FC soccer event revenues, conference payments, and sponsorship revenues generated higher operating revenues in the current year. The AFC hosted two unanticipated home soccer games generating rental income and event revenues in the current year. The increase in other operating revenues was mainly attributable to a larger sponsorship from Pepsi received by the AFC in the current year. This was offset by a decrease in ticket sales due to lower than anticipated attendance at home football games.

For more detailed information, see the supplemental schedules on page 26 and 27 of the financial statements.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

**OPERATING EXPENSES**

The AFC categorizes expenses as operating or non-operating. Operating expenses represent expenses related to the ongoing activities of the AFC. The majority of the AFC's expenses are operating expenses as defined by GASB. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The AFC has chosen to report operating expenses by their natural classifications on the statements of revenues, expenses, and changes in net position.

The following summarizes the operating expenses for the fiscal years ended:

|                                 | <b>June 30,</b>     |                     |                     |
|---------------------------------|---------------------|---------------------|---------------------|
|                                 | <b>2020</b>         | <b>2019</b>         | <b>2018</b>         |
| Amortization of prepaid rent    | \$ 1,304,083        | \$ 1,304,083        | \$ 1,304,083        |
| Football operations             | 550,944             | 561,484             | 528,593             |
| General operations              | 362,889             | 371,826             | 488,881             |
| Event operations                | 50,263              | 10,426              | 6,310               |
| <b>Total operating expenses</b> | <b>\$ 2,268,179</b> | <b>\$ 2,247,819</b> | <b>\$ 2,327,867</b> |

Total operating expenses increased \$20,360, or 0.9%. Operating expenses are comprised mainly of the amortization of prepaid rent. Other components are direct expenses related to home football games, general expenses related to the up-keeping and maintenance of the stadium, and direct expenses related to special events.

The largest component of operating expenses is the amortization of prepaid rent. Under the ground sublease agreement between the AFC and the University, the AFC prepaid the rental of the stadium to the University. The AFC amortizes the prepaid rent on a straight-line basis over the life of the sublease.

The next largest component of operating expenses are football operations. This includes direct expenses related to home football game days. Security services decreased due to fewer home games played in the current year. AFC had five home games in the current year as compared to seven home games in the prior year. The increase in professional services is mainly attributable to stadium repair and maintenance projects for the sound system and stadium lighting systems. Rental of equipment decreased due to lower expenses related to fewer home games played in the current year.

General operations mainly include expenses related to the up-keeping and maintenance of the stadium. Expenses in this category include utilities, materials and supplies, and repairs and maintenance. General operation expenses were fairly level when compared to prior year.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020 AND 2019**  
(Continued)

Event operations includes all direct expenses related to any special events, which are defined as non-FIU home football games. These special events can include sporting events, meetings, or conferences. The increase in event operations is due to various home Miami FC soccer games held at the stadium in the current year. This increase was offset by higher rental income and event revenues in the statement of changes in net position.

For more detailed information, see the supplemental schedules on page 26 and 27 of the financial statements.

**NON-OPERATING REVENUES AND EXPENSES**

Non-operating revenues and expenses consist of interest income and interest expense. The following summarizes the AFC's non-operating revenues and expenses for the fiscal years ended:

|                                     | <b>June 30,</b>              |                              |                              |
|-------------------------------------|------------------------------|------------------------------|------------------------------|
|                                     | <b>2020</b>                  | <b>2019</b>                  | <b>2018</b>                  |
| Interest income                     | \$ 47,899                    | \$ 78,205                    | \$ 38,966                    |
| Interest expense and fiscal charges | <u>(1,083,492)</u>           | <u>(1,153,652)</u>           | <u>(1,224,044)</u>           |
| <b>Net non-operating expenses</b>   | <b><u>\$ (1,035,593)</u></b> | <b><u>\$ (1,075,447)</u></b> | <b><u>\$ (1,185,078)</u></b> |

Net non-operating expenses was fairly level when compared to the prior year.

**TRANSFERS TO FLORIDA INTERNATIONAL UNIVERSITY**

Transfers to Florida International University of \$500,000 in the statements of revenues, expenses and changes in net position for the fiscal year ended June 30, 2020 represent surplus funds returned to the University. During year ended June 30, 2019 there were no transfers to Florida International University.

**DEBT ADMINISTRATION**

As of June 30, 2020, the AFC had \$25,820,000 in outstanding bonds payable, representing a decrease of \$1,445,000, or 5.3% due to principal payments made in the current year.

Additional information about the AFC's bond payable is presented in notes 5 and 6 to the financial statements on pages 19-23.

**FIU ATHLETICS FINANCE CORPORATION  
(A DIRECT SUPPORT ORGANIZATION)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020 AND 2019  
(Continued)**

**ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE**

The University has pledged a significant portion of game guarantee revenues and Conference USA distribution revenues to the AFC.

The Athletics Department, including the Football Program, joined Conference USA effective July 1, 2013. Since joining Conference USA, the conference's television rights contract ended. In addition, due to conference realignment and the loss of certain television markets from the Conference, the new agreement is less favorable than the previous agreement. This will result in lower conference revenues for the Athletics Department and in turn, the AFC.

In fiscal year 2020-2021 cancellations for scheduled games against the University of Central Florida and the University of Massachusetts have already resulted in lost revenues of \$450,000. Ticket sales are limited due to the COVID-19 pandemic and regulations that have been set by the University. The University's Repopulation committee has only allowed 20% stadium occupancy. The Athletics Department continues to monitor the financial impact of the pandemic and is projecting additional COVID-19 related reductions in revenue.

**REQUESTS FOR INFORMATION**

These financial statements are designed to provide a general overview of the Athletics Finance Corporation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller, FIU Athletics Finance Corporation, 11200 S.W. 8<sup>th</sup> Street, MARC Building, 5<sup>th</sup> Floor, Miami, Florida 33199.

## **BASIC FINANCIAL STATEMENTS**

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

|   | <u>2020</u>           | <u>2019</u>           |
|---|-----------------------|-----------------------|
| <b><u>ASSETS</u></b>                                      |                       |                       |
| <b>Current assets</b>                                     |                       |                       |
| Cash  | \$ 14,903             | \$ 10,640             |
| Investments   | 1,098,257             | 910,442               |
| Suites and ticket sales receivable                        | 160,000               | 225,000               |
| Stadium naming rights receivable                          | 700,000               | -                     |
| Due from Florida International University                 | 421,751               | 609,286               |
| Due from FIU Foundation, Inc.                             | -                     | 40,000                |
| Prepaid rent and other                                    | 1,304,115             | 1,309,703             |
| Total current assets                                      | <u>3,699,026</u>      | <u>3,105,071</u>      |
| <b>Noncurrent assets</b>                                  |                       |                       |
| Restricted investments                                    | 2,781,859             | 2,748,059             |
| Stadium naming rights receivable                          | -                     | 525,000               |
| Prepaid rent  | 15,540,325            | 16,844,408            |
| Leasehold improvement, net                                | 25,550                | 47,450                |
| Total noncurrent assets                                   | <u>18,347,734</u>     | <u>20,164,917</u>     |
| <b>Total assets</b>                                       | <u>22,046,760</u>     | <u>23,269,988</u>     |
| <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>              |                       |                       |
| Accumulated decrease in fair value of hedging derivatives | 3,051,780             | 2,007,567             |
| Deferred amount on debt refundings                        | 191,469               | 206,486               |
| Total deferred outflows of resources                      | <u>3,243,249</u>      | <u>2,214,053</u>      |
| <b><u>LIABILITIES</u></b>                                 |                       |                       |
| <b>Current liabilities</b>                                |                       |                       |
| Accounts payable  | 12,964                | 34,971                |
| Accrued interest payable                                  | 93,723                | 99,962                |
| Due to Florida International University                   | 2,852                 | 846                   |
| Bonds payable   | 1,505,000             | 1,445,000             |
| Unearned revenue  | 160,000               | 278,356               |
| Total current liabilities                                 | <u>1,774,539</u>      | <u>1,859,135</u>      |
| <b>Noncurrent liabilities</b>                             |                       |                       |
| Due to Florida International University                   | 852,241               | 852,241               |
| Derivative liability                                      | 4,286,554             | 3,339,186             |
| Bonds payable   | 24,315,000            | 25,820,000            |
| Total noncurrent assets                                   | <u>29,453,795</u>     | <u>30,011,427</u>     |
| <b>Total liabilities</b>                                  | <u>31,228,334</u>     | <u>31,870,562</u>     |
| <b><u>NET POSITION</u></b>                                |                       |                       |
| <b>Net position</b>                                       |                       |                       |
| Net investment in capital assets                          | 25,550                | 47,450                |
| Unrestricted  | (5,963,875)           | (6,433,971)           |
| <b>Total net position</b>                                 | <u>\$ (5,938,325)</u> | <u>\$ (6,386,521)</u> |

The accompanying notes to the financial statements  
are an integral part of these statements.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|  | <u>2020</u>                  | <u>2019</u>                  |
|--|------------------------------|------------------------------|
| <b>Operating revenues</b>                            |                              |                              |
| Athletic support                                     | \$ 1,275,059                 | \$ 1,060,214                 |
| NCAA and conference payments                         | 937,512                      | 700,000                      |
| Ticket sales   | 589,167                      | 709,618                      |
| Sponsorship revenues                                 | 375,000                      | 300,000                      |
| Suite revenues                                       | 349,940                      | 364,587                      |
| Contributions  | 268,005                      | 570,010                      |
| Stadium naming rights                                | 175,000                      | 255,000                      |
| Rental income  | 137,274                      | 88,729                       |
| Merchandise royalties                                | 74,726                       | 55,843                       |
| Event revenues                                       | 41,071                       | -                            |
| General concessions and vending commissions          | 29,214                       | 28,670                       |
| Total operating revenues                             | <u>4,251,968</u>             | <u>4,132,671</u>             |
| <b>Operating expenses</b>                            |                              |                              |
| Amortization of prepaid rent                         | 1,304,083                    | 1,304,083                    |
| Professional services                                | 302,460                      | 205,326                      |
| Security services                                    | 196,338                      | 260,722                      |
| Utilities  | 137,455                      | 113,174                      |
| Repairs and maintenance                              | 86,006                       | 78,195                       |
| Materials and supplies                               | 84,756                       | 90,962                       |
| Custodial and janitorial                             | 73,314                       | 74,688                       |
| Audit and tax professional fees                      | 24,500                       | 25,800                       |
| Depreciation   | 21,900                       | 21,900                       |
| Rental of equipment                                  | 21,767                       | 56,831                       |
| Banking fees   | 15,539                       | 16,077                       |
| Other operating expenses                             | 61                           | 61                           |
| Total operating expenses                             | <u>2,268,179</u>             | <u>2,247,819</u>             |
| <b>Operating income</b>                              | <u>1,983,789</u>             | <u>1,884,852</u>             |
| <b>Nonoperating revenues (expenses)</b>              |                              |                              |
| Interest income                                      | 47,899                       | 78,205                       |
| Interest expense and fiscal charges                  | (1,083,492)                  | (1,153,652)                  |
| Total nonoperating revenues (expenses)               | <u>(1,035,593)</u>           | <u>(1,075,447)</u>           |
| <b>Transfers to Florida International University</b> | 500,000                      | -                            |
| <b>Increase in net position</b>                      | <u>448,196</u>               | <u>809,405</u>               |
| <b>Net position, beginning of year</b>               | (6,386,521)                  | (7,195,926)                  |
| <b>Net position, end of year</b>                     | <u><u>\$ (5,938,325)</u></u> | <u><u>\$ (6,386,521)</u></u> |

The accompanying notes to the financial statements  
are an integral part of these statements.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|   | <u>2020</u>           | <u>2019</u>         |
|---|-----------------------|---------------------|
| <b>Cash flows from operating activities</b>   |                       |                     |
| Operating receipts  | \$ 4,251,147          | \$ 3,674,448        |
| Payments to vendors   | (955,075)             | (911,097)           |
| Net cash provided by operating activities   | <u>3,296,072</u>      | <u>2,763,351</u>    |
| <b>Cash flows from capital and related financing activities</b>                         |                       |                     |
| Payments and transfers to Florida International University                              | (500,000)             | -                   |
| Principal payments on bonds   | (1,445,000)           | (1,325,000)         |
| Interest paid   | (1,171,557)           | (1,243,257)         |
| Net cash used in capital and related financing activities                               | <u>(3,116,557)</u>    | <u>(2,568,257)</u>  |
| <b>Cash flows from investing activities</b>   |                       |                     |
| Proceeds from sale and maturity of investments  | 6,486,483             | 5,587,405           |
| Purchase of investments   | (6,708,099)           | (5,866,465)         |
| Interest income received  | 46,364                | 76,670              |
| Net cash used in investing activities   | <u>(175,252)</u>      | <u>(202,390)</u>    |
| <b>Net increase (decrease) in cash and cash equivalents</b>                             | <u>4,263</u>          | <u>(7,296)</u>      |
| <b>Cash and cash equivalents, beginning of year</b>                                     | 10,640                | 17,936              |
| <b>Cash and cash equivalents, end of year</b>   | <u>\$ 14,903</u>      | <u>\$ 10,640</u>    |
| <b>Reconciliation of operating income to net cash provided by operating activities:</b> |                       |                     |
| Operating income  | \$ 1,983,789          | \$ 1,884,852        |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                       |                     |
| Depreciation expense  | 21,900                | 21,900              |
| Change in assets and liabilities:   |                       |                     |
| (Increase) decrease in:   |                       |                     |
| Suites and ticket sales receivable  | 65,000                | 74,888              |
| Naming Rights Receivable  | (175,000)             | (155,000)           |
| Prepaid rent and other  | 1,311,205             | 1,304,083           |
| Due from Florida International University   | 187,535               | (516,181)           |
| Due from FIU Foundation   | 40,000                | 165,000             |
| Increase (decrease) in:   |                       |                     |
| Accounts payable  | (22,007)              | 16,132              |
| Unearned revenue  | (118,356)             | (26,930)            |
| Due to Florida International University   | 2,006                 | (5,393)             |
| Total adjustments   | <u>1,312,283</u>      | <u>878,499</u>      |
| Net cash provided by operating activities   | <u>\$ 3,296,072</u>   | <u>\$ 2,763,351</u> |
| <b>Non-cash investing and financing activities</b>                                      |                       |                     |
| Change in fair value derivative liability   | <u>\$ (1,044,213)</u> | <u>\$ (752,741)</u> |
| Change in deferred amount on debt refunding   | <u>\$ 15,017</u>      | <u>\$ 15,018</u>    |
| Amortization of derivative liability  | <u>\$ 96,845</u>      | <u>\$ 96,845</u>    |

The accompanying notes to the financial statements  
are an integral part of these statements.



**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**(1) Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of the FIU Athletics Finance Corporation (the “Athletics Finance Corporation” or the “Organization”), which affect significant elements of the accompanying financial statements:

(a) **Reporting entity**—The Athletics Finance Corporation is a Florida not-for-profit corporation and a direct support organization and component unit of Florida International University (“FIU” or the “University”) and was organized in the State of Florida on November 20, 2006.

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

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

In accordance with GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis – For State and Local Governments*, the Athletics Finance Corporation met the criteria to use enterprise fund accounting and financial reporting. Accordingly, the financial statements are reported using the economic resources measurement focus and accrual basis of accounting, which recognizes revenue when earned and expenses are recorded when a liability is incurred, regardless of timing of the related cash flow.

(c) **Net position**—The Athletic Finance Corporation’s net position is classified as follows:

(i) **Net investment in capital assets**—Represents the Athletic Finance Corporation’s total investment in capital assets, net of accumulated depreciation. There is no debt obligation related to those capital assets.

(ii) **Unrestricted**—Represents assets that are not restricted for any purpose and are available for current operations.

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

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Cash**—Amounts reported as cash consist of cash on hand.

(f) **Investments**—Amounts reported as investments consist of investments in money market funds. In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, money market funds are recorded at amortized cost, which is generally equivalent to fair value, and are not categorized in the fair value hierarchy. Investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted.

(g) **Derivative financial instruments and fair value measurements**—The Athletics Finance Corporation entered into an interest rate swap agreement to reduce its exposure to market risks from changing interest rates. For interest rate swaps, the differential to be paid or received is accrued and recognized in interest expense and may change as market interest rates change. The fair value of the derivative liability is presented in the statements of net position. The Organization uses the synthetic instrument method to evaluate the effectiveness as of the end of the reporting period. The Organization determined the interest rate swap met the criteria as an effective hedging transaction. Therefore, the change in the fair value in the effective interest rate swap is presented in the statements of net position as a hedging derivative in deferred outflows of resources. The Organization categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. See Note 6 for additional information on the interest rate swap.

(h) **Income taxes**—The Organization is a not-for-profit corporation, as described in Section 501(c)(3) of the Internal Revenue Code and as such is subject to federal income taxes only on unrelated business income. There were no income taxes resulting from unrelated business income during the years ended June 30, 2020 and 2019.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. If the Organization were to incur an income tax liability in the future, interest and penalties would be reported as income taxes. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Athletics Finance Corporation's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination. Management believes the Organization is no longer subject to income tax examinations for years prior to 2017.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(i) **Prepaid rent**—Pursuant to two (2) ground sublease agreements, the Organization prepaid a portion of their rent obligation to the University. The prepaid lease payments will be amortized on a straight line basis over the life of the sublease.

(j) **Operating revenue and expenses**—The Athletics Finance Corporation's statements of revenues, expenses and changes in net position distinguish between operating and nonoperating revenue and expenses. Operating revenue results from exchange transactions associated with managing and operating the FIU Football Stadium, which is the Athletics Finance Corporation's principal activity. Other sources of revenue, including investment earnings, are reported as nonoperating revenue. Operating expenses include all expenses incurred to manage and operate the FIU Football Stadium, other than external financing costs.

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

(l) **Leasehold improvements**—These assets are capitalized and recorded at historical cost at the date of acquisition. Depreciation is computed on the straight-line basis over the estimated useful life (5 years).

(m) **Revenue recognition**—Revenues from sponsorship naming rights are recognized ratably over the term of the sponsorship agreement. Premium seating and commission revenues are recognized as revenue at the time the event takes place.

(n) **Reclassifications**—In order to facilitate the comparison of financial data, certain June 30, 2019 amounts have been reclassified to conform to the current year reporting format. These reclassifications had no effect on net position.

(2) **Concentration of Credit Risk:**

Financial instruments that potentially subject the Athletics Finance Corporation to concentrations of credit risk consist principally of cash in banks and investments.

(a) **Deposits**—In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution, eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits (includes cash) are insured or collateralized.

(b) **Investments**—In addition, the Athletics Finance Corporation maintains investment accounts with financial institutions that are not insured by the FDIC. Fund shares are not guaranteed by the U.S. government. Current and future portfolio holdings are subject to risk.

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(2) **Concentration of Credit Risk:** (Continued)

At June 30, 2020 and 2019, \$3,880,116 and \$3,658,501, respectively, were held in these accounts. The Athletics Finance Corporation believes that the number, diversity and financial strength of the issuers mitigate the credit risks associated with all investments.

(3) **Investments:**

Investments are made in accordance with the trust indenture. The Organization invests in the Fidelity Institutional Money Market Government Portfolio – Class III Fund (The Fund). This is a money market fund seeking to provide current income consistent with stability of principal by investing in a portfolio of short-term, U.S. treasury and government securities. These investments include repurchase agreements collateralized fully by U.S Treasury and government securities. The Fund limits its investment to those that would enable it to qualify as a permissible investment for federally chartered credit unions. Investments are made in accordance with the Trust Indenture dated as of December 1, 2009 (the “Trust Indenture”) between the Miami-Dade County Industrial Development Authority and Regions Bank, as trustee. This transaction is further described in Note 5. The investments were reported at amortized cost of \$3,880,116 and \$3,658,501 as of June 30, 2020 and 2019, respectively, which is generally the equivalent of fair value.

(a) **Credit risk**—Credit risk is the risk that an issuer of securities in which the Fund invests may default on the payment of interest or principal on the securities when due, which would cause the Fund to lose money. At June 30, 2020 and 2019, the money market mutual fund investments were rated AAAM by Standard & Poor’s.

(b) **Concentration credit risk**—All of the investments at June 30, 2020 and 2019 are held with Regions Morgan Keegan and are invested in money market funds. According to the bond indenture, the Organization can invest the bond proceeds in these investment vehicles; there are no stated limitations on the amount that can be invested in any one issuer. The short term nature of the investments is due to liquidity needs, since those funds are being used for operating expenses and debt service payments.

(c) **Interest rate risk**—A portfolio’s weighted average days to maturity (WAM) reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the fund to interest rate changes. A portfolio’s weighted average life (WAL) calculation is based on a security’s stated final maturity date or, when relevant, the date of the next demand feature when the fund may receive payment of principal and interest. WAL reflects how a portfolio would react to deteriorating credit or tightening liquidity conditions.

The Fund prices of fixed-income securities generally fall when interest rates rise. Interest rate changes have a greater effect on the price of fixed-income securities with longer maturities. The money market mutual fund WAM at June 30, 2020 and 2019 was 43 and 26 days, respectively, while the weighted average life (WAL) was 104 and 98 days at June 30, 2020 and 2019, respectively.

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**(4) Leasehold Improvements:**

Leasehold improvement activity for the years ended June 30, 2020 and 2019, is as follows:

|                                | <b>Balance<br/>July 1, 2019</b> | <b>Additions</b>   | <b>Deletions</b> | <b>Balance<br/>June 30, 2020</b> |
|--------------------------------|---------------------------------|--------------------|------------------|----------------------------------|
| Leasehold Improvements         | \$ 109,500                      | \$ -               | \$ -             | \$ 109,500                       |
| Less: Accumulated Depreciation | (62,050)                        | (21,900)           | -                | (83,950)                         |
|                                | <u>\$ 47,450</u>                | <u>\$ (21,900)</u> | <u>\$ -</u>      | <u>\$ 25,550</u>                 |

|                                | <b>Balance<br/>July 1, 2018</b> | <b>Additions</b>   | <b>Deletions</b> | <b>Balance<br/>June 30, 2019</b> |
|--------------------------------|---------------------------------|--------------------|------------------|----------------------------------|
| Leasehold Improvements         | \$ 109,500                      | \$ -               | \$ -             | \$ 109,500                       |
| Less: Accumulated Depreciation | (40,150)                        | (21,900)           | -                | (62,050)                         |
|                                | <u>\$ 69,350</u>                | <u>\$ (21,900)</u> | <u>\$ -</u>      | <u>\$ 47,450</u>                 |

**(5) Long-term Debt:**

Debt activity for the years ended June 30, 2020 and 2019, is as follows:

|  | <b>Balance<br/>July 1, 2019</b> | <b>Additions</b> | <b>Payments</b>     | <b>Balance<br/>June 30, 2020</b> | <b>Due Within<br/>One Year</b> |
|--|---------------------------------|------------------|---------------------|----------------------------------|--------------------------------|
| 2009 Tax Exempt Capital<br>Improvement Revenue<br>Bonds (Series A) | <u>\$ 27,265,000</u>            | <u>\$ -</u>      | <u>\$ 1,445,000</u> | <u>\$ 25,820,000</u>             | <u>\$ 1,505,000</u>            |

|  | <b>Balance<br/>July 1, 2018</b> | <b>Additions</b> | <b>Payments</b>     | <b>Balance<br/>June 30, 2019</b> | <b>Due Within<br/>One Year</b> |
|--|---------------------------------|------------------|---------------------|----------------------------------|--------------------------------|
| 2009 Tax Exempt Capital<br>Improvement Revenue<br>Bonds (Series A) | <u>\$ 28,590,000</u>            | <u>\$ -</u>      | <u>\$ 1,325,000</u> | <u>\$ 27,265,000</u>             | <u>\$ 1,445,000</u>            |

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(5) **Long-term Debt:** (Continued)

On December 1, 2009, the Athletics Finance Corporation issued \$30,000,000 of Miami-Dade County Industrial Development Authority Revenue Bonds Series 2009A and \$5,310,000 of Miami-Dade County Industrial Development Authority Taxable Revenue Bonds Series 2009B.

These bonds were issued and secured under and pursuant to a trust indenture. Repayments of the bonds will be payable from pledged revenues, which are all operating and non-operating revenues. Principal payments for the bonds began March 1, 2010. Interest payments are made on a quarterly basis.

On December 21, 2016, the Athletics Finance Corporation entered into four amendments to the trust indenture between Miami-Dade Authority and the Trustee which authorized the reissuance of the Series 2009A Bonds through the issuance of four separate series of bonds. The first amendment authorized the reissuance of \$9,000,000 Series 2009A-1 Bond. The interest rate on the Series 2009A-1 Bonds shall be at a rate equal to 2.8% per annum. The second, third and fourth amendments authorized the reissuance of separate series of the Series 2009A Bonds in a principal amount of \$8,400,000 (Series 2009A-2), \$8,400,000 (Series 2009A-3) and \$4,200,000 (Series 2009A-4), respectively. The interest rates on these Series 2009A bonds shall be at a rate equal to the sum of 63.7% of three-month LIBOR plus 1.40%.

The bonds are secured by operating and non-operating revenues as well as University athletic fees equal to 5% of the total athletic fees collected. Total principal due at June 30, 2020 and 2019, was \$25,820,000 and \$27,265,000, respectively.

The Athletics Finance Corporation has funded a debt service reserve fund in accordance with the bond indenture requirement of maintaining an amount equal to the maximum allowable debt service on the bond in the current and any future fiscal year. This debt service reserve fund totaled \$2,781,859 and \$2,748,059 as of June 30, 2020 and 2019, respectively, and is presented in restricted investments.

Prior to the December 2016 reissuance, the Athletics Finance Corporation was required to maintain minimum deposits of \$1,000,000 with Regions Bank. As part of the amendment on December 21, 2016, the Athletics Finance Corporation agreed to use approximately \$1,000,000 currently on deposit with the Trustee to pay in full the outstanding balance of the Series 2009B Bonds.

The interest rate on these bonds is both fixed and variable and is subject to a hedge agreement (see Note 6) that was entered into to reduce the exposure to market risks from changing interest rates. Interest is computed on the basis of the actual number of days elapsed over a year of 365 or 366 days.

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(5) **Long-term Debt:** (Continued)

The aggregate maturities of these bonds as of June 30, 2020 are as follows:

| <b>For the Year Ending</b> |                      |                     | <b>Total</b>                  |
|----------------------------|----------------------|---------------------|-------------------------------|
| <b>June 30,</b>            | <b>Principal</b>     | <b>Interest</b>     | <b>Principal and Interest</b> |
| 2021                       | \$ 1,505,000         | \$ 1,131,936        | \$ 2,636,936                  |
| 2022                       | 1,580,000            | 1,066,013           | 2,646,013                     |
| 2023                       | 1,645,000            | 996,845             | 2,641,845                     |
| 2024                       | 1,730,000            | 927,363             | 2,657,363                     |
| 2025                       | 1,825,000            | 849,284             | 2,674,284                     |
| 2026-2029                  | 8,125,000            | 2,567,888           | 10,692,888                    |
| 2030-2032                  | 9,410,000            | 945,112             | 10,355,112                    |
| Total                      | <u>\$ 25,820,000</u> | <u>\$ 8,484,441</u> | <u>\$ 34,304,441</u>          |

(6) **Derivative Financial Instruments:**

(a) **Objectives**—As a means to lower its borrowing costs and increase its savings, the Organization entered into an interest rate swap agreement in connection with its \$30,000,000 2009A Miami-Dade County Industrial Development Authority Revenue Bond issuance (Refunding Bonds). The intention of the swap agreement was to effectively change the Organization's variable interest rate on the bonds to a synthetic fixed rate of 5.50%, which is the fixed rate payable by the Organization under the swap agreement of 3.60% plus 1.90%.

(b) **Terms**—On December 22, 2009, Athletics Finance Corporation entered into an interest rate swap agreement to hedge the floating rate on \$21,000,000 of the principal amount of the Series 2009A Bonds. This represents the fixed portion of the tax-exempt bonds payable mentioned in Note 5 above. Under the swap agreement, the Athletics Finance Corporation agrees to pay a fixed rate of 3.60% and receive a variable rate equal to 63.7% of three-month LIBOR. The swap agreement has a maturity date of March 1, 2033.

(c) **Fair value**—The Athletics Finance Corporation swap had a derivative liability of \$4,286,554 and \$3,339,186 at June 30, 2020 and 2019, respectively, as reported in the statements of net position. The negative fair value was determined using a mark-to-market value and represents the closing mid-market values. It was classified in Level 2 of the fair value hierarchy at June 30, 2020 and 2019.

As of June 30, 2020 and 2019, the fair value of the Series 2007A ineffective interest rate swap was \$1,234,774 and \$1,331,619, respectively. This interest rate swap was not terminated when the bonds were refunded in December 2009 nor in December 2016. The interest rate on the refunded Series 2009A bonds reflects a higher rate due to not terminating this interest rate swap.

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**(6) Derivative Financial Instruments:** (Continued)

Accordingly, the fair value of \$1,234,774 of the ineffective Series 2007A interest rate swap at June 30, 2020, is being amortized over the remaining life of the refunded Series 2009A bond.

The synthetic instrument method evaluates the effectiveness by quantitative approach. The synthetic instrument method evaluates effectiveness by combining the hedgeable item and the potential hedging derivative instrument to simulate a third synthetic instrument. A potential hedging derivative instrument is effective if its total variable cash flows substantially offset the variable cash flows of the hedgeable item. The Organization determined that it met the criteria of the synthetic instrument method. Therefore, the change in the fair value of the effective interest rate swap is presented in the statements of net position as a deferred outflow of resources in the amount of \$3,051,780 and \$2,007,567 at June 30, 2020 and 2019, respectively.

(d) **Credit risk**—As of June 30, 2020 and 2019, the Athletics Finance Corporation was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the Organization would be exposed to credit risk in the amount of the derivative's fair value.

(e) **Basis risk**—Basis risk arises when different indexes are used in connection with a derivative. Given that both the bond and the interest rate swap are based on 63.7% of the three-month LIBOR rate, there is limited basis risk.

(f) **Termination risk**—The derivative contract uses the International Swap Dealers Association (ISDA) Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The schedule to the Master Agreement includes an "additional termination event." That is, the swap agreement may be terminated if: (i) the loan or other indebtedness in connection with which a transaction entered into by the Athletics Finance Corporation for the purpose or with the effect of altering the net combined payment from a floating to fixed or a fixed to floating rate basis is repaid, whether upon acceleration of principal, at maturity, or otherwise, or for any other reason ceases to be an obligation of the Athletics Finance Corporation, with or without the consent of the counterparty (Regions Bank); or (ii) any credit support document expires, terminates or ceases to be of full force and effect. Also, the swap agreement may be terminated or assigned by Athletics Finance Corporation if the counterparty's (Regions Bank) long-term, senior, unsecured, unenhanced debt rating is withdrawn, suspended, or falls below at least two of the following: a) "Baa3" as determined by Moody's; or b) "BBB+" as determined by Standard and Poor's; or c) "BBB" as determined by Fitch. As of June 30, 2020 and 2019, the swap counterparty was rated in excess of the aforementioned requirements.



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(6) **Derivative Financial Instruments:** (Continued)

(g) **Swap payments and associated debt**—Using rates as of June 30, 2020, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term, are as follows:

| For the Year Ending<br>June 30, | Variable-Rate Bond   |                     | Interest<br>Rate Swap, | Total                |
|---------------------------------|----------------------|---------------------|------------------------|----------------------|
|                                 | Principal            | Interest            | Net                    |                      |
| 2021                            | \$ 1,040,000         | \$ 373,993          | \$ 532,677             | \$ 1,946,670         |
| 2022                            | 1,090,000            | 352,246             | 501,702                | 1,943,948            |
| 2023                            | 1,135,000            | 329,453             | 469,238                | 1,933,691            |
| 2024                            | 1,185,000            | 305,719             | 437,465                | 1,928,184            |
| 2025                            | 1,245,000            | 280,939             | 400,141                | 1,926,080            |
| 2026-2029                       | 5,555,000            | 851,810             | 1,214,553              | 7,621,363            |
| 2030-2033                       | 6,635,000            | 354,651             | 415,626                | 7,405,277            |
| <b>Total</b>                    | <b>\$ 17,885,000</b> | <b>\$ 2,848,811</b> | <b>\$ 3,971,402</b>    | <b>\$ 24,705,213</b> |

As rates vary, variable-rate bond interest payments and net swap payments will vary.

(7) **Unearned Revenues:**

The Athletics Finance Corporation and the University have pledged future revenues in order to meet certain minimum bond requirements under the issue of bond-related debt to finance the stadium project. Operating revenues may include athletics fees collected by the University, fund raising revenues, contributions, conference payments and naming rights revenues. Non-operating revenues include capital gifts and investment revenues related to any of the above. Operating revenues related to the sale of football stadium suites and club seats have been deferred. Revenues are unavailable until the year they are earned. Suite sales will be recognized annually based on their corresponding contracts.

The following schedule presents sales commitments under suite agreements and ticket sales that expire on June 30, 2021:

| For the Year Ending<br>June 30, | Principal         |
|---------------------------------|-------------------|
| 2021                            | \$ 160,000        |
| Total                           | <u>\$ 160,000</u> |

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**(8) Related Party Transactions:**

(a) **Related party revenues**—In accordance with the Memorandum of Understanding dated March 5, 2010; the University manages stadium-related activities, collects revenues on behalf of the Athletics Finance Corporation, and remits revenues timely as required under the existing trust indenture. For the years ended June 30, 2020 and 2019, the Athletics Finance Corporation received revenue for athletic support, NCAA and conference payments, ticket sales, sponsorship revenues, suite revenue, contributions, stadium naming rights, rental income, and other operating revenues. The total of these revenues was \$4,251,968 and \$4,132,671 in 2020 and 2019, respectively. As of June 30, 2020 and 2019, the Athletics Finance Corporation had amounts due from Florida International University related to these revenues of approximately \$422,000 and \$609,000, respectively. As of June 30, 2020 and 2019, the Athletics Finance Corporation had no amount due from FIU Foundation in the current year and \$40,000 in the prior year.

(b) **Lease commitments**—Florida International University and the FIU Athletics Finance Corporation entered into two 25-year ground sublease agreements dated April 1, 2007 rendering the rights to the FIU Athletics Finance Corporation to issue a series of capital improvement bonds of which a portion of the proceeds, along with contributions from the University, was to finance a stadium improvement project located on University premises. Under this agreement the FIU Athletics Finance Corporation shall prepay to the University for rental of the premises in the sum of \$31,937,211.

The following schedule by years represents management's best estimate of future minimum rental expense that will be recognized for these sublease agreements:

| <b>For the Year Ending</b> | <b>Amount</b>        |
|----------------------------|----------------------|
| <b>June 30,</b>            |                      |
| 2021                       | \$ 1,304,083         |
| 2022                       | 1,304,083            |
| 2023                       | 1,304,083            |
| 2024                       | 1,304,083            |
| 2025                       | 1,304,083            |
| 2026-2029                  | 5,216,333            |
| 2030-2033                  | 5,107,660            |
| Total                      | <u>\$ 16,844,408</u> |

| <b>Reconciliation of the Statement of Net</b> | <b>2020</b>          | <b>2019</b>          |
|---|----------------------|----------------------|
| <b>Position to the Lease Commitment</b>       |                      |                      |
| Current prepaid rent                          | \$ 1,304,083         | \$ 1,304,083         |
| Noncurrent prepaid rent                       | 15,540,325           | 16,844,408           |
| Total prepaid rent                            | 16,844,408           | 18,148,491           |
| Other assets                                  | 32                   | 5,620                |
| Total prepaid rent and other                  | <u>\$ 16,844,440</u> | <u>\$ 18,154,111</u> |

As of June 30, 2020 and 2019, construction draws amounting to \$31,937,211 have been paid by the University to various contractors. The prepaid rent has been amortized by \$1,304,083 in both years.

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**(9) Risks and Uncertainties – COVID-19:**

During the year ended June 30, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Athletics Finance Corporation as of October 22, 2020, management believes that a material impact on the Athletics Finance Corporation's financial position and results of future operations is reasonably possible.

## **SUPPLEMENTARY INFORMATION**

**FIU ATHLETICS FINANCE CORPORATION**  
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**SUPPLEMENTAL SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)**

|  | <b>General<br/>Athletics</b> | <b>Football<br/>Operations</b> | <b>Event<br/>Operations</b> | <b>2020</b>        | <b>2019</b>        |
|--|------------------------------|--------------------------------|-----------------------------|--------------------|--------------------|
| <b>Operating revenues</b>                            |                              |                                |                             |                    |                    |
| Athletic support                                     | \$ 1,275,059                 | \$ -                           | \$ -                        | \$ 1,275,059       | \$ 1,060,214       |
| NCAA and conference payments                         | 937,512                      | -                              | -                           | 937,512            | 700,000            |
| Ticket sales   | -                            | 589,167                        | -                           | 589,167            | 709,618            |
| Sponsorship revenues                                 | 375,000                      | -                              | -                           | 375,000            | 300,000            |
| Suite revenues                                       | -                            | 349,940                        | -                           | 349,940            | 364,587            |
| Contributions  | 268,005                      | -                              | -                           | 268,005            | 570,010            |
| Stadium naming rights                                | 175,000                      | -                              | -                           | 175,000            | 255,000            |
| Rental income  | -                            | -                              | 137,274                     | 137,274            | 88,729             |
| Merchandise royalties                                | 74,726                       | -                              | -                           | 74,726             | 55,843             |
| Event revenues                                       | -                            | -                              | 41,071                      | 41,071             | -                  |
| General concessions and vending commissions          | -                            | 29,214                         | -                           | 29,214             | 28,670             |
| Total operating revenues                             | <u>3,105,302</u>             | <u>968,321</u>                 | <u>178,345</u>              | <u>4,251,968</u>   | <u>4,132,671</u>   |
| <b>Operating expenses</b>                            |                              |                                |                             |                    |                    |
| Amortization of prepaid rent                         | 1,304,083                    | -                              | -                           | 1,304,083          | 1,304,083          |
| Professional services                                | 2,640                        | 271,783                        | 28,037                      | 302,460            | 205,326            |
| Security services                                    | -                            | 196,025                        | 313                         | 196,338            | 260,722            |
| Utilities  | 137,455                      | -                              | -                           | 137,455            | 113,174            |
| Repairs and maintenance                              | 63,911                       | 22,095                         | -                           | 86,006             | 78,195             |
| Materials and supplies                               | 75,526                       | 9,230                          | -                           | 84,756             | 90,962             |
| Custodial and janitorial                             | 7,893                        | 43,748                         | 21,673                      | 73,314             | 74,688             |
| Audit and tax professional fees                      | 24,500                       | -                              | -                           | 24,500             | 25,800             |
| Depreciation   | 21,900                       | -                              | -                           | 21,900             | 21,900             |
| Rental of equipment                                  | 13,464                       | 8,063                          | 240                         | 21,767             | 56,831             |
| Banking fees   | 15,539                       | -                              | -                           | 15,539             | 16,077             |
| Other operating expenses                             | 61                           | -                              | -                           | 61                 | 61                 |
| Total operating expenses                             | <u>1,666,972</u>             | <u>550,944</u>                 | <u>50,263</u>               | <u>2,268,179</u>   | <u>2,247,819</u>   |
| <b>Operating income</b>                              | <u>1,438,330</u>             | <u>417,377</u>                 | <u>128,082</u>              | <u>1,983,789</u>   | <u>1,884,852</u>   |
| <b>Nonoperating revenues (expenses)</b>              |                              |                                |                             |                    |                    |
| Interest income                                      | 47,899                       | -                              | -                           | 47,899             | 78,205             |
| Interest expenses and fiscal charges                 | (1,083,492)                  | -                              | -                           | (1,083,492)        | (1,153,652)        |
| Total nonoperating expenses                          | <u>(1,035,593)</u>           | <u>-</u>                       | <u>-</u>                    | <u>(1,035,593)</u> | <u>(1,075,447)</u> |
| <b>Transfers to Florida International University</b> | 500,000                      | -                              | -                           | 500,000            | -                  |
| <b>Increase (decrease) in net position</b>           | <u>\$ (97,263)</u>           | <u>\$ 417,377</u>              | <u>\$ 128,082</u>           | <u>\$ 448,196</u>  | <u>\$ 809,405</u>  |

The accompanying notes to the financial statements  
are an integral part of these statements.

**FIU ATHLETICS FINANCE CORPORATION**  
**(A DIRECT SUPPORT ORGANIZATION)**  
**SUPPLEMENTAL SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2019**

|  | <b>General<br/>Athletics</b> | <b>Football<br/>Operations</b> | <b>Event<br/>Operations</b> | <b>2019</b>        |
|--|------------------------------|--------------------------------|-----------------------------|--------------------|
| <b>Operating revenues</b>                            |                              |                                |                             |                    |
| Athletic support                                     | \$ 1,060,214                 | \$ -                           | \$ -                        | \$ 1,060,214       |
| Ticket sales   | -                            | 709,618                        | -                           | 709,618            |
| NCAA and conference payments                         | 700,000                      | -                              | -                           | 700,000            |
| Contributions  | 570,010                      | -                              | -                           | 570,010            |
| Suite revenues                                       | -                            | 364,587                        | -                           | 364,587            |
| Sponsorship revenues                                 | 300,000                      | -                              | -                           | 300,000            |
| Stadium naming rights                                | 255,000                      | -                              | -                           | 255,000            |
| Rental income  | -                            | -                              | 88,729                      | 88,729             |
| Merchandise royalties                                | 55,843                       | -                              | -                           | 55,843             |
| General concessions and vending commissions          | -                            | 25,212                         | 3,458                       | 28,670             |
| Event revenues                                       | -                            | -                              | -                           | -                  |
| Total operating revenues                             | <u>2,941,067</u>             | <u>1,099,417</u>               | <u>92,187</u>               | <u>4,132,671</u>   |
| <b>Operating expenses</b>                            |                              |                                |                             |                    |
| Amortization of prepaid rent                         | 1,304,083                    | -                              | -                           | 1,304,083          |
| Security services                                    | -                            | 260,722                        | -                           | 260,722            |
| Professional services                                | 2,090                        | 201,232                        | 2,004                       | 205,326            |
| Utilities  | 113,174                      | -                              | -                           | 113,174            |
| Materials and supplies                               | 90,962                       | -                              | -                           | 90,962             |
| Repairs and maintenance                              | 78,195                       | -                              | -                           | 78,195             |
| Custodial and janitorial                             | 14,551                       | 53,330                         | 6,807                       | 74,688             |
| Rental of equipment                                  | 9,016                        | 46,200                         | 1,615                       | 56,831             |
| Audit and tax professional fees                      | 25,800                       | -                              | -                           | 25,800             |
| Depreciation   | 21,900                       | -                              | -                           | 21,900             |
| Banking fees   | 16,077                       | -                              | -                           | 16,077             |
| Other operating expenses                             | 61                           | -                              | -                           | 61                 |
| Total operating expenses                             | <u>1,675,909</u>             | <u>561,484</u>                 | <u>10,426</u>               | <u>2,247,819</u>   |
| <b>Operating income</b>                              | <u>1,265,158</u>             | <u>537,933</u>                 | <u>81,761</u>               | <u>1,884,852</u>   |
| <b>Nonoperating revenues (expenses)</b>              |                              |                                |                             |                    |
| Interest income                                      | 78,205                       | -                              | -                           | 78,205             |
| Interest expenses and fiscal charges                 | (1,153,652)                  | -                              | -                           | (1,153,652)        |
| Total nonoperating expenses                          | <u>(1,075,447)</u>           | <u>-</u>                       | <u>-</u>                    | <u>(1,075,447)</u> |
| <b>Transfers to Florida International University</b> | -                            | -                              | -                           | -                  |
| <b>Increase in net position</b>                      | <u>\$ 189,711</u>            | <u>\$ 537,933</u>              | <u>\$ 81,761</u>            | <u>\$ 809,405</u>  |

The accompanying notes to the financial statements  
are an integral part of these statements.

## **REPORTING SECTION**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,  
FIU Athletics Finance Corporation:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of FIU Athletics Finance Corporation (the Corporation), a direct support organization and component unit of Florida International University, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated October 22, 2020.

***Internal Control over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

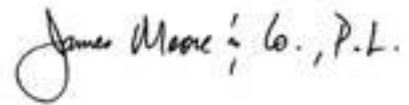


### ***Compliance and Other Matters***

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Magic, Co., P.L." The signature is written in a cursive, somewhat stylized font.

Gainesville, Florida  
October 22, 2020

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Florida International University Academic Health Center Health Care  
Network Faculty Group Practice, Inc. Financial Audit, 2019-20**

---

**Proposed Committee Action:**

Recommend acceptance by the Florida International University Board of Trustees of the Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. Financial Audit for the 2019-20 Fiscal Year and authorize the President of the Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

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**Background information:**

The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. Financial Audit for 2019-20 was approved by the Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. Board of Directors on October 28, 2020, and the University President is recommending its acceptance.

Florida Board of Governors Regulation 9.017 (2)(e) Faculty Practice Plans, states in relevant part that each Faculty Practice Plan shall include and/or provide for an annual audit, which shall be forwarded to the Board of Governors for review and oversight.

Florida Board of Governors Regulation 9.011 (5) University Direct Support Organizations and Health Services Support Organizations, states in relevant part:  
Support organizations shall provide for an annual audit conducted pursuant to university regulations or policies. The annual audit report shall be submitted to the university board of trustees for review. The audit report shall be submitted to the Board of Governors, and the Auditor General.

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**Supporting Documentation:** Florida International University Academic Health Center  
Health Care Network Faculty Group Practice, Inc.  
Financial Audit, 2019-20

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

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
ACADEMIC HEALTH CENTER HEALTH CARE  
NETWORK FACULTY GROUP PRACTICE, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2020 AND 2019**

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH  
CENTER HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
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JUNE 30, 2020 AND 2019**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Audit Committee of,  
The Florida International University Academic Health Center  
Health Care Network Faculty Group Practice, Inc.:

### Report on the Financial Statements

We have audited the accompanying financial statements of The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. (the FIU HCN), a component unit of Florida International University, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the FIU HCN's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

The FIU HCN's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

- 1 -

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2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850-386-6184

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the FIU HCN as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

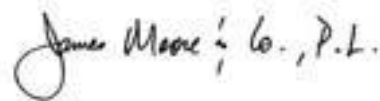
### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 – 13 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2020, on our consideration of the FIU HCN's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the FIU HCN's internal control over financial reporting and compliance.



Gainesville, Florida  
October 28, 2020



**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

The management's discussion and analysis (MD&A) provides an overview of the financial position and activities of The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. (the FIU-HCN or HCN) for the fiscal year ended June 30, 2019 and should be read in conjunction with the financial statements and notes thereto. The MD&A, financial statements and notes thereto, are the responsibility of management.

## **BACKGROUND**

In fiscal year 2015-2016 the new FIU-HCN leadership transitioned the financial model from a full risk clinical model to a Management Services Organization model (MSO) serving different stakeholders across FIU. At that time the new leadership assumed a loan with a debt balance of \$8.6 million. As a result of the change in financial model, the patient revenues and respective AR for clinical services provided since July 2015 are no longer recorded under the books of HCN. Starting in July 2015, the patient revenues and respective AR provided at the Herbert Wertheim College of Medicine (HWCOC) clinics are recorded under the books of the HWCOC. In the MSO model, the revenues are based on management fees which derive from managing the HWCOC clinics, the HWCOC Office of International Affairs (HWCOC OIA), the FIU Student Health Clinics and Pharmacy, Embrace, CCF credentialing and the leases of the Ambulatory Care Center (ACC) to Miami Children's Hospital and Gastro Health. The Embrace agreement ended in January 2020.

The revenues and expenses reported include the revenues and expenses of two HCN MSO stakeholders along with the revenues and expenses of the HCN MSO business. These stakeholders include the HWCOC OIA program and the HWCOC clinics. Their revenues and expenses are passed through the books of HCN as part of the management service.

The payment from HWCOC for the expenses of the clinics is reported as part of "other revenue". The net patient revenue generated by the clinics is not reported under the FIU-HCN entity. The expenses of the clinics do not include the cost of the salary and benefits related to the clinical effort for the physician faculty time; this effort is recorded directly under the books of the HWCOC.

The change in net position of the HWCOC OIA program gets transferred to HWCOC. As a result, the reported change in net position of the FIU-HCN entity represents exclusively the change in net position of the HCN MSO line of business.

The management fees received from the HWCOC to manage the clinics are reported as part of the Management Fee revenue under the HCN MSO business.

## **FINANCIAL HIGHLIGHTS – CURRENT YEAR**

The FIU-HCN assets totaled approximately \$9.4 million at June 30, 2020; an increase of \$750 thousand from June 30, 2019, resulting primarily from the increase in cash deriving from management fees under the MSO line of business and receivables related to the educational program revenue under the HWCOC OIA line of business. Approximately \$1.8 million under total assets in fiscal year 2020 belong to the operations of the HWCOC OIA program.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020  
(Continued)**

The liabilities represent the accounts payable due to vendors and the Florida International University, accruals for the operating expenses, the unearned revenue related to the pre-paid rotations under the HWCOT OIA program and the debt due to the Florida International University (FIU or FIU proper). Liabilities totaled approximately \$8.8 million at June 30, 2020, a decrease of approximately \$1.1 million over prior fiscal year. The decrease is driven by payments towards the debt due to FIU and the decrease in unearned revenues for the International Visiting Medical Student program (IVMS) under OIA deriving from lower pre-paid registration due to the impact of the COVID-19 pandemic. Also driving the decrease in liabilities is the payment of the transfers due to HWCOT from the OIA program net income. Liabilities related to the HWCOT OIA program amounted to approximately \$1.3 million as of June 30, 2020. Total cash transfers to HWCOT during the fiscal year 2020 amounted to \$3.2 million as compared to \$1.8 million in fiscal year 2019.

The FIU-HCN's operating revenues totaled approximately \$10.2 million for the 2020 fiscal year, an approximate increase of \$250 thousand over prior fiscal year. While the OIA rotation volumes remained consistent, most of this increase is driven by higher revenues in the OIA program attributed to higher rates in a successfully negotiated ten year AUA agreement which started in October 2018.

Included in the \$10.2 million operating revenues are: (a) Management fee service revenue of the MSO totaling approximately \$2.9 million. (2) The HWCOT OIA educational program revenue and other OIA revenues deriving from registration, change and cancellation fees totaling approximately \$5.2 million. (3) Revenues related to the HWCOT clinics (the payments from HWCOT to cover the cost of operating the HWCOT clinical sites) totaling approximately \$1.4 million reported as part of "other revenues". (4) The rental revenue which includes CAM revenue amounting to approximately \$0.67 million deriving from the Miami Children's Hospital lease. The rental revenue from the lease is set aside to pay the principal and interest on the loan due to FIU.

Operating expenses totaled approximately \$5.5 million for the 2020 fiscal year; a decrease of approximately \$300 thousand over the prior fiscal year. This is mainly driven by the decrease in personnel services and related salary and benefits expense which derives from vacancies as a result of turnover during the fiscal year. Also driving the decrease in operating expenses is the decrease in contracted services in the HWCOT OIA preceptor rotations with the transition to remote learning during the fourth quarter due to the impact of the COVID-19 pandemic. Non-operating expenses include the interest expense on the debt payments to FIU proper totaling approximately \$148 thousand and the total recorded transfers for HWCOT related to the fiscal year 2020 net income of the HWCOT OIA program totaling approximately \$2.8 million.

#### **FINANCIAL HIGHLIGHTS – PRIOR YEAR**

In prior fiscal year the FIU-HCN assets totaled approximately \$8.7 million at June 30, 2019. This balance reflects an approximate increase of \$1.8 million from June 30, 2018, resulting primarily from the increase in cash deriving from management fees under the MSO line of business and the educational program revenue related to the HWCOT OIA line of business. Approximately \$2.6 million under total assets in fiscal year 2019 belong to the operations of the HWCOT OIA program.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020  
(Continued)**

The liabilities represent the accounts payable due to vendors and the Florida International University, accruals for the operating expenses, the unearned revenue related to the pre-paid rotations under the HWCOT OIA program and the debt due to the Florida International University (FIU or FIU proper). Liabilities totaled approximately \$10.0 million at June 30, 2019, a decrease of approximately \$544 thousand over prior fiscal year resulting from payment towards the debt due to FIU and the reclassification of the common area maintenance (CAM) paid by Miami Children's Hospital as part of their lease. Previously, the CAM had been recorded as liability for future CAM expenses and any CAM expenses were booked against this liability. The CAM balance related to prior fiscal years is accounted as a prior period adjustment to net position amounting to \$512 thousand. Please refer to note 8 in the notes to financial statements. Effective June 30, 2019, the current CAM activity has been reclassified to align to revenues and expenses. Liabilities related to the HWCOT OIA program amounted to approximately \$2.0 million.

The FIU-HCN's operating revenues totaled approximately \$10 million for the 2019 fiscal year, an approximate increase of \$1.6 million over prior fiscal year. The increase derives mainly from the rate increase in the new agreement with the American University of Antigua effective October 1, 2018 and the increase in enrollment in the HWCOT OIA program. Included in the \$10 million are: (a) Management fee service revenue of the MSO totaling approximately \$2.9 million. (2) The HWCOT OIA educational program and other HWCOT OIA revenues deriving from registration, change and cancellation fees amounting to approximately \$5.0 million. (3) Revenues related to the HWCOT clinics (the payments from HWCOT to cover the cost of operating the HWCOT clinical sites) totaling approximately \$1.4 million reported under "other revenues". (4) The rental revenue, CAM revenue and other revenues amounting to approximately \$0.65 million. Fiscal year 2019 reflects CAM revenues received along with rental revenue from the Miami Children's Hospital as part of the lease. The rental revenue from the lease is set aside to pay the principal and interest on the loan due to FIU.

Operating expenses totaled approximately \$5.8 million for the 2019 fiscal year; an increase of approximately \$0.3 million over the 2018 fiscal year. This results from the increase in salary and benefits deriving from two positions previously in medical leave during the prior fiscal year, vacant positions filled in the fiscal year 2019, the across the board FIU merit increases and the increase in contracted services deriving from the increase in the HWCOT OIA preceptor rotations. Non-operating expenses include the interest expense on the debt payments to FIU proper totaling approximately \$154 thousand and the transfers to HWCOT related to the net profits of the HWCOT OIA program for the fiscal year totaling approximately \$2.3 million.

#### **FINANCIAL HIGHLIGHTS – FISCAL YEAR 2018**

Fiscal Year 2018 is presented as originally reported with a restated ending net position as explained under the Condensed Statements Net Position (1). The restated net position derives from a prior period adjustment resulting from the reclassification of the CAM balance originally reported under current liabilities. Please refer to note 8 in the notes to financial statements.

The FIU-HCN assets totaled approximately \$6.9 million at June 30, 2018 resulting primarily from cash and receivables deriving from management fees, the HWCOT OIA education program receivables and the pass-through of the sales tax receivable from Miami Children's Hospital as part of their rent. Approximately \$2.1 million under total assets in fiscal year 2018 were reserved for the operations of the HWCOT OIA program.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020  
(Continued)**

The liabilities represent the debt due to the Florida International University (FIU or FIU proper), accounts payable, accruals for the operating expenses and the unearned revenue related to the pre-paid rotations under the HWCOM OIA program. Liabilities totaled approximately \$10.5 million at June 30, 2018. As originally reported for the 2018 fiscal year, the liabilities reflect the pass-through of the sales tax liability and common area maintenance (CAM) paid by Miami Children's Hospital as part of their rent. Approximately \$1.6 million of total liabilities in fiscal year 2018 relate to the HWCOM OIA program operations.

The FIU-HCN's operating revenues totaled approximately \$8.4 million for the 2018 fiscal year. This amount was comprised of management fee revenue (approximately \$2.5 million), HWCOM OIA revenues (approximately \$4.1 million), Clinics expense pass-through reimbursement (approximately 1.3 million) as well as rental income and other revenue (approximately \$0.49 million). In fiscal year 2018 the cost for operating the clinical sites is reimbursed by HWCOM and recorded as Other Revenue under the Clinics line of business as a pass through on the books of HCN.

Operating expenses totaled approximately \$5.4 million for the 2018 fiscal year comprised mainly of personnel salary and benefits and the contracted professional services related to the HWCOM OIA preceptors.

Non-operating expenses for the 2018 fiscal year include the interest expense on the debt payments to FIU proper totaling approximately \$161 thousand and the transfers to HWCOM related to the net profits of the HWCOM OIA program for the fiscal year 2018 totaling approximately \$1.4 million.

## **OVERVIEW OF FINANCIAL STATEMENTS**

The FIU-HCN's financial report includes three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows.

### ***Statement of Net Position***

The statement of net position reflects the assets and liabilities of the FIU-HCN, using the accrual basis of accounting, and presents the financial position of the FIU-HCN at a specified time. The difference between total assets and total liabilities, net position, is one indicator of the FIU-HCN's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the FIU-HCN's financial condition.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020  
(Continued)**

The following summarizes the FIU-HCN's assets, liabilities, and net position at June 30:

**Condensed Statements of Net Position at June 30 (In Thousands)**

|   | <u>2020</u>     | <u>2019 (2)</u>   | <u>2018 (1)</u>   |
|---|-----------------|-------------------|-------------------|
| <b>Assets</b>                               |                 |                   |                   |
| Current assets                              | \$ 9,322        | \$ 8,511          | \$ 6,662          |
| Noncurrent assets                           | 90              | 151               | 214               |
| <b>Total Assets</b>                         | <u>\$ 9,412</u> | <u>\$ 8,662</u>   | <u>\$ 6,876</u>   |
| <b>Liabilities</b>                          |                 |                   |                   |
| Current liabilities (1)                     | \$ 2,140        | \$ 2,916          | \$ 3,121          |
| Noncurrent liabilities                      | 6,697           | 7,048             | 7,388             |
| <b>Total Liabilities</b>                    | <u>\$ 8,837</u> | <u>\$ 9,964</u>   | <u>\$ 10,509</u>  |
| <b>Net Position</b>                         |                 |                   |                   |
| Investment in capital assets                | \$ 90           | \$ 151            | \$ 214            |
| Unrestricted                                | 485             | (1,453)           | (3,847)           |
| <b>Total Net Position (2)</b>               | <u>\$ 575</u>   | <u>\$ (1,302)</u> | <u>\$ (3,633)</u> |
| Prior period - adjt to net position (1)     |                 |                   | <u>\$ 512</u>     |
| <b>Net Position – prior period restated</b> |                 |                   | <u>\$ (3,121)</u> |

(1) Fiscal Year 2018 is presented as originally reported with a restated Net Position. This is due to a prior period adjustment related to the reclassification of the net CAM liability balance which resulted in a reduction to current liabilities and increase in net position by approximately \$512 thousand for prior fiscal years.

(2) As of June 30, 2019 approximately \$522 thousand in net position is designated for the operations of the Office of International Affairs program and \$634 thousand is designated for future common area maintenance (CAM) expenses.

The Condensed Statements of Net Position reflect the FIU-HCN's realignment of operations and change in financial model that began in FY 2015-2016 when the HCN revenue source changed from a full risk clinical revenue model to a management fee service revenue model. In this model the assets and liabilities of the HCN also include the assets and liabilities of the HWCOC OIA line of business. Current assets mainly depict cash and receivables of the MSO and the HWCOC OIA line of business.

In fiscal year 2020, total assets increased by approximately \$750 thousand. This includes non-current capital assets net of depreciation which decreased in fiscal year 2020 by approximately \$61 thousand due to depreciation expense. Total liabilities decreased by approximately \$1.1million resulting from the decrease in accounts payable, the payment towards the debt due to FIU and the decrease in unearned revenue for the OIA program deriving from the pre-paid rotations. The decrease in pre-paid rotations is a result of the impact of the COVID-19 pandemic on international travel during the fourth quarter of the fiscal year 2020.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020  
(Continued)**

Fiscal year 2020 marked an important financial milestone for the FIU-HCN leadership. Since fiscal year 2015-2016, FIU-HCN has successfully ended profitable year after year. This culminated in a successful turnaround for the FIU-HCN where the net position transitioned from a negative (\$1.3) million net position to a positive net position totaling approximately \$575 thousand at June 30, 2020; an increase of \$1.9 million over prior fiscal year. The increase derives mainly from the management fee revenues under the MSO line of business. Approximately \$522 thousand of the total net position in the fiscal year 2020 is reserved for the operations of the HWCOM OIA program and \$756 thousand is reserved for future CAM expenses.

Prior fiscal year 2019, as previously presented, reflects a restated beginning net position resulting from a prior period adjustment related to the reclassification of the CAM balance.

In fiscal year 2019, total assets increased by approximately \$1.8 million. This includes non-current capital assets net of depreciation that decreased in fiscal year 2019 by approximately \$63 thousand due to depreciation expense. Total liabilities decreased by approximately \$544 thousand driven by a prior fiscal year adjustment in Current Liabilities resulting from the reclassification of the CAM and the decrease in long term liabilities resulting from payments towards the debt due to FIU.

The FIU-HCN's total net position went from (\$3.1) million re-stated beginning net position to (\$1.3) million at June 30, 2019 showing an improvement of approximately \$1.8 million deriving mainly from the management fee revenues under the MSO line of business. Approximately \$522 thousand of the Total Net Position in the fiscal year 2019 is reserved for the operations of the HWCOM OIA program and \$634 thousand is reserved for future CAM expenses.

The 2018 fiscal year is presented as originally reported with a restated ending net position. In summary of the 2018 fiscal year, assets reported totaled approximately \$6.9 million. This includes non-current capital assets net of depreciation. Liabilities as originally reported totaled \$10.5 million. Taking into account the adjusting entry deriving from the CAM reclassification amounting to an increase of \$512 thousand, the restated net position for the 2018 fiscal year totaled (\$3.1) million.

***Statement of Revenues, Expenses and Changes in Net Position***

The statement of revenues, expenses, and changes in net position presents the FIU-HCN's revenue and expense activity, categorized as operating and non-operating. Operating revenues are comprised principally of management fee service revenues, HWCOM OIA educational program revenue and rental income. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

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JUNE 30, 2020 AND 2019  
(Continued)**

The following summarizes the FIU-HCN's activity for the fiscal years ended June 30:

**Condensed Statements of Revenues, Expenses, and Changes in Net Position  
(In Thousands)**

|  | <b>2020</b>   | <b>2019 (2)</b>   | <b>2018 (1)</b>   |
|--|---------------|-------------------|-------------------|
| Operating revenues                                     | \$ 10,227     | \$ 9,977          | \$ 8,372          |
| Operating expenses                                     | 5,451         | 5,750             | 5,431             |
| <b>Operating Gain</b>                                  | 4,776         | 4,227             | 2,941             |
| Non-operating expenses                                 | (148)         | (154)             | (161)             |
| Transfers to the University                            | (2,751)       | (2,254)           | (1,447)           |
| <b>Change in Net Position</b>                          | 1,877         | 1,819             | 1,333             |
| <b>Net Position</b> , beginning of year - restated (2) | (1,302)       | (3,121)           | (4,966)           |
| <b>Net Position</b> , end of year                      | <u>\$ 575</u> | <u>\$ (1,302)</u> | <u>\$ (3,633)</u> |
| Prior period - adjustment to net position              |               |                   | <u>\$ 512</u>     |
| <b>Net Position</b> , end of year – restated (1)       |               |                   | <u>\$ (3,121)</u> |

(1) Fiscal Year 2018 is presented as originally reported with a restated ending net position. This results from the adjustment deriving from the CAM reclassification.

(2) Fiscal year 2019 beginning net position is presented as restated. The reclassification of the CAM resulted in an adjustment of the beginning net position.

**Operating Revenues**

The FIU-HCN categorizes revenues as either operating or non-operating. Operating revenues are derived from management fees, educational programs, and rental income.

The following summarizes the operating revenues by source that were used to fund operating activities during the fiscal years ended June 30. The 2018 fiscal year is presented as originally reported.

**Operating Revenues (In Thousands)**

|  | <b>2020</b>      | <b>2019</b>     | <b>2018</b>     |
|--|------------------|-----------------|-----------------|
| Management fees                          | \$ 2,944         | \$ 2,892        | \$ 2,519        |
| Educational program                      | 4,820            | 4,617           | 3,713           |
| Rental revenue                           | 505              | 496             | 486             |
| Rental revenue – common area maintenance | 167              | 163             | -               |
| Other revenues                           | 1,791            | 1,809           | 1,654           |
| <b>Total Operating Revenues</b>          | <u>\$ 10,227</u> | <u>\$ 9,977</u> | <u>\$ 8,372</u> |

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
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(Continued)**

The management fees derive from the management of the HWCOT clinics where the faculty physicians of HWCOT provide services to patients of the local community, the HWCOT OIA educational program where FIU-HCN provides management services to the American University of Antigua (AUA) by administering its Certificate Program for the Clerkship Rotation to 3rd year medical students and its other programs, other OIA international programs with global affiliates, the Student Health Clinics and pharmacy and Embrace. The Embrace agreement ended in January 2020.

The clinical services provided by the faculty physicians consist of Family Medicine, Internal Medicine, Gynecology, Dermatology, clinical Oncology, Psychiatry and Behavioral Health. These providers operate in various clinical sites: Modesto A. Maidique Campus, Broward and in the three mobile health clinics. Patient revenues are not reported above since they are recorded directly on the books of HWCOT along with respective patient accounts receivable. The revenue related to the clinics reported above under "other revenue" represents the pass through of the clinics' operating expenses paid by HWCOT to the FIU-HCN.

The educational program revenue under HWCOT OIA is derived from the fifth semester rotations (FM1/IM1), the graduate certificate program (core program) and the fourth year electives program from the AUA and from fees from clinical electives in the International Visiting Medical Student (IVMS) program administered to international students through collaboration with various institutions around the world. The HWCOT OIA program also generates revenues from other fees related to registration, change and cancellation fees. These are included under Other Revenues.

All other revenues consist primarily of rental revenue from Gastro Health and the CAM and rental revenue from the lease of the Ambulatory Care Center (ACC) to the Miami Children's Hospital on the second floor of the Ambulatory Care Center building (ACC) which opened in April of 2015. Effective in fiscal year 2019, the CAM received with the rent payment from the Miami Children's Hospital gets recognized as revenue where as in prior periods it was recorded as a liability for future CAM expenses. Please refer to note 8 in the notes to financial statements.

***Operating Expenses***

The FIU-HCN categorizes expenses as operating or non-operating. The Governmental Accounting Standards Board (GASB) gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The FIU-HCN has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position.



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MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020 AND 2019  
(Continued)**

The following summarizes the operating expenses by natural classifications for the fiscal years ended June 30. The 2018 fiscal year is presented as originally reported.

**Operating Expenses (In Thousands)**

|   | <b>2020</b>     | <b>2019</b>     | <b>2018</b>     |
|---|-----------------|-----------------|-----------------|
| Contractual personnel services                  | \$ 2,270        | \$ 2,337        | \$ 2,207        |
| Contracted professional and consulting services | 2,295           | 2,496           | 2,390           |
| Rentals and leases                              | 120             | 119             | 102             |
| Common area maintenance expenses                | 35              | 42              | -               |
| Other operating                                 | 404             | 420             | 431             |
| Depreciation                                    | 61              | 63              | 69              |
| Supplies - medical                              | 140             | 119             | 103             |
| Utilities                                       | 46              | 42              | 39              |
| Repairs and maintenance                         | 6               | 9               | 6               |
| Advertising and promotion                       | 26              | 41              | 32              |
| Insurance                                       | 29              | 23              | 23              |
| Supplies - other                                | 19              | 39              | 29              |
| <b>Total Operating Expenses</b>                 | <b>\$ 5,451</b> | <b>\$ 5,750</b> | <b>\$ 5,431</b> |

Fiscal year 2020 operating expenses totaled approximately \$5.5 million; a decrease of approximately \$300 thousand from the previous fiscal year 2019 mainly due to: (a) Lower salary and benefits expense under contractual personnel services resulting from vacancies and the use of temporary personnel in place of regular full time positions (b) Lower HWCOM OIA contracted professional services expense for preceptor rotations brought by the transition to remote learning in the HWCOM OIA line of business as a result of the impact of the COVID-19 pandemic.

Prior fiscal year 2019 operating expenses totaled approximately \$5.8 million; an increase of approximately \$319 thousand from the previous fiscal year 2018 mainly due to: (a) The increase in salary and benefits resulting from two positions no longer in medical leave, vacant positions filled in the fiscal year 2019 and the across the board FIU merit increases. (b) The increase in the HWCOM OIA contracted services for preceptor rotations brought by the increase in the volume of rotations under the HWCOM OIA line of business. (c) The reclassification of the CAM related to CAM repairs and maintenance expense. Please refer to note 8 in the notes to financial statements.

Operating expenses for the fiscal year 2018 are presented as originally reported and they totaled approximately \$5.4 million primarily deriving from personnel salary and benefits and the HWCOM OIA contracted services for preceptor rotations brought by the volume of rotations under the HWCOM OIA line of business.

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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(Continued)**

***Non-Operating Expenses***

Non-operating expenses include interest expense on the loans owed to the University for previous years of operations as a full risk faculty group practice.

The following summarizes the FIU-HCN's non-operating expenses for the fiscal years ended June 30:

**Non-Operating Revenues (Expenses) (In Thousands)**

|                               | <u>2020</u>     | <u>2019</u>     | <u>2018</u>     |
|-------------------------------|-----------------|-----------------|-----------------|
| Interest Expense              | \$ (148)        | \$ (154)        | \$ (161)        |
| <b>Non-Operating Expenses</b> | <u>\$ (148)</u> | <u>\$ (154)</u> | <u>\$ (161)</u> |

There was zero non-operating income in the reported periods.

**ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE**

FIU-HCN will continue to operate as a management services organization for FIU. As we enter the FY 2020-2021, FIU-HCN revenues will continue to derive from management fees related to HWCOM clinics, the AUA graduate certificate program, the AUA FM1/IM1 program, the AUA Electives program, the International Visiting Medical Student (IVMS) program, the Student Health clinics and pharmacy and the leases from Miami Children's Hospital and Gastro Health.

In fiscal year 2021 the management service revenue from HWCOM to manage the clinics is projected to continue as a flat fee and reported as management revenue under the MSO line of business. The cost reimbursement from HWCOM for the clinic's operating expenses will continue to be reported as Other Revenue in order to offset the expenses under the Clinics line of business thus bringing it to a change in net position of zero representing the pass-through in the books of the FIU-HCN. The operating expenses of the HWCOM clinics will continue to include the cost of the clinical support staff and associated benefits and all operating cost to operate the clinical sites. All cash collections related to patient services provided since July 1, 2015 will continue to be the revenue and receivables of the HWCOM and it will continue to be reported under the books of the HWCOM outside of the HCN entity books.

In the new fiscal year 2021 the HCN MSO will continue as a self-sustained financial model absorbing the expenses aligned to the MSO.

March 2020 marked the beginning of many changes with the COVID-19 pandemic. These changes drove re-thinking our operations and delivery of services.

The COVID-19 pandemic impacted international travel by banning travel for diverse countries, some who are our global partners. The greatest impact was felt by the International Visiting Medical Student (IVMS) program. Immediately, the Office of International Affairs pivoted to a remote learning model that mitigated projected financial losses. Although the IVMS has not been as receptive to the remote learning model, the AUA program increased its participation in our programs. We were able to offer our programmatic remote learning offerings to AUA students in remote areas of the US that were displaced from hospital rotations by COVID-19 pandemic.

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JUNE 30, 2020 AND 2019  
(Continued)**

The FIU Health Care Network will continue its partnership with the American University of Antigua through its expanded negotiated ten-year agreement signed on October 2018. The programmatic offerings will expand through remote learning. The IVMS program will focus on partnerships closer to US mainland until such time global travel is relaxed. FIU-HCN will benefit from management fee and other fees aligned with new programs.

Clinical services at the ACC will be enhanced through the increase use of Telehealth expanding access to other markets. Strategic focus on developing the ACC as an innovative center for translational medicine and clinical trials will open opportunities for FIU-HCN to manage the operations while increasing new revenues to HWCOM. These new services will increase revenue to FIU-HCN through increased management fee. It will also increase new revenue source for HWCOM.

Finally, the implementation of billing at Student Health Clinic is projected to increase utilization at the clinics. This may expand areas for FIU-HCN to manage beyond the clinic operations. This plan was on schedule. However, due to COVID-19 pandemic, it was placed on hold. We are projecting to revive the plan in the third quarter FY 20-21.

In summary, we are projecting a good outlook for FIU-HCN in FY 20-21 through the implementation of new innovative service delivery, new programs, enhanced programs and focus on continuous quality process improvement and operational efficiencies.

#### **REQUESTS FOR INFORMATION**

This financial statement is designed to provide a general overview of the FIU-HCN's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc., 11200 SW 8<sup>th</sup> Street, Miami, Florida 33199.

**THE FLORIDA INTERNATIONAL UNIVERSITY  
ACADEMIC HEALTH CENTER HEALTH CARE NETWORK  
FACULTY GROUP PRACTICE, INC.  
STATEMENTS OF NET POSITION  
JUNE 30, 2020 AND 2019**

|   | <u>2020</u>                | <u>2019</u>                  |
|---|----------------------------|------------------------------|
| <b><u>ASSETS</u></b>                    |                            |                              |
| <b>Current assets</b>                   |                            |                              |
| Cash and cash equivalents               | \$ 8,323,814               | \$ 8,339,815                 |
| Education program receivable            | 564,023                    | -                            |
| Management fee receivable               | 300,514                    | 151,345                      |
| Rent receivable                         | 121,144                    | 2,257                        |
| Prepaid expenses                        | 12,653                     | 17,203                       |
| Total current assets                    | <u>9,322,148</u>           | <u>8,510,620</u>             |
| <b>Noncurrent assets</b>                |                            |                              |
| Depreciable capital assets, net         | 90,411                     | 151,275                      |
| <b>Total assets</b>                     | <u><u>\$ 9,412,559</u></u> | <u><u>\$ 8,661,895</u></u>   |
| <b><u>LIABILITIES</u></b>               |                            |                              |
| <b>Current liabilities</b>              |                            |                              |
| Accounts payable                        | \$ 1,295,687               | \$ 1,778,667                 |
| Due to Florida International University | 351,033                    | 339,374                      |
| Unearned revenue                        | 493,089                    | 798,131                      |
| Total current liabilities               | <u>2,139,809</u>           | <u>2,916,172</u>             |
| <b>Noncurrent liabilities</b>           |                            |                              |
| Due to Florida International University | 6,697,216                  | 7,048,249                    |
| <b>Total liabilities</b>                | <u><u>\$ 8,837,025</u></u> | <u><u>\$ 9,964,421</u></u>   |
| <b><u>NET POSITION</u></b>              |                            |                              |
| <b>Net position</b>                     |                            |                              |
| Net investment in capital assets        | \$ 90,411                  | \$ 151,275                   |
| Unrestricted (see note 7)               | 485,123                    | (1,453,801)                  |
| <b>Total net position</b>               | <u><u>\$ 575,534</u></u>   | <u><u>\$ (1,302,526)</u></u> |

The accompanying notes are an integral part  
of these financial statements.

**THE FLORIDA INTERNATIONAL UNIVERSITY  
ACADEMIC HEALTH CENTER HEALTH CARE NETWORK  
FACULTY GROUP PRACTICE, INC.  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|  | <u>2020</u>       | <u>2019</u>           |
|--|-------------------|-----------------------|
| <b>Operating revenues</b>                            |                   |                       |
| Management fee revenue                               | \$ 2,944,431      | \$ 2,891,629          |
| Educational program                                  | 4,820,309         | 4,617,318             |
| Rental revenue                                       | 504,307           | 496,350               |
| Rental revenue - common area maintenance             | 166,895           | 163,312               |
| Other revenue  | 1,791,413         | 1,808,479             |
| Total operating revenues                             | <u>10,227,355</u> | <u>9,977,088</u>      |
| <b>Operating expenses</b>                            |                   |                       |
| Contractual personnel services                       | 2,270,499         | 2,336,697             |
| Contracted professional consulting services          | 2,294,843         | 2,496,284             |
| Rentals and leases                                   | 120,320           | 118,662               |
| Common area maintenance expenses                     | 34,551            | 41,494                |
| Software licensing fees                              | 329,998           | 331,553               |
| Other operating                                      | 73,649            | 88,706                |
| Depreciation   | 60,864            | 63,275                |
| Supplies - medical                                   | 139,961           | 119,191               |
| Utilities  | 45,556            | 41,714                |
| Repairs and maintenance                              | 6,424             | 9,013                 |
| Advertising and promotion                            | 26,375            | 40,892                |
| Insurance  | 28,490            | 23,289                |
| Supplies - other                                     | 19,084            | 39,439                |
| Total operating expenses                             | <u>5,450,614</u>  | <u>5,750,209</u>      |
| <b>Operating income</b>                              | <u>4,776,741</u>  | <u>4,226,879</u>      |
| <b>Nonoperating expenses</b>                         |                   |                       |
| Interest expense                                     | (147,753)         | (154,312)             |
| <b>Income before transfers</b>                       | <u>4,628,988</u>  | <u>4,072,567</u>      |
| <b>Transfers to Florida International University</b> | (2,750,928)       | (2,254,302)           |
| <b>Change in net position</b>                        | <u>1,878,060</u>  | <u>1,818,265</u>      |
| <b>Net position, beginning of year</b>               | (1,302,526)       | (3,120,791)           |
| <b>Net position, end of year</b>                     | <u>\$ 575,534</u> | <u>\$ (1,302,526)</u> |

The accompanying notes are an integral part  
of these financial statements.

**THE FLORIDA INTERNATIONAL UNIVERSITY  
ACADEMIC HEALTH CENTER HEALTH CARE NETWORK  
FACULTY GROUP PRACTICE, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

|  | <b>2020</b>                | <b>2019</b>                |
|--|----------------------------|----------------------------|
| <b>Cash flows from operating activities</b>  |                            |                            |
| Receipts from management fee revenue   | \$ 2,795,262               | \$ 2,998,866               |
| Receipts from educational program revenue  | 3,951,244                  | 4,817,858                  |
| Receipts from rent and other revenue   | 2,343,728                  | 2,610,874                  |
| Payments to suppliers for goods and services   | (5,868,180)                | (5,371,905)                |
| Net cash and cash equivalents provided by operating activities   | <u>3,222,054</u>           | <u>5,055,693</u>           |
| <b>Cash flows from noncapital financing activities</b>   |                            |                            |
| Transfer to Florida International University   | (3,090,302)                | (2,582,293)                |
| Interest paid to Florida International University  | (147,753)                  | (154,312)                  |
| Net cash and cash equivalents used in noncapital financing activities  | <u>(3,238,055)</u>         | <u>(2,736,605)</u>         |
| <b>Net change in cash and cash equivalents</b>   | <u>(16,001)</u>            | <u>2,319,088</u>           |
| <b>Cash and cash equivalents, beginning of year</b>  | 8,339,815                  | 6,020,727                  |
| <b>Cash and cash equivalents, end of year</b>  | <u><u>\$ 8,323,814</u></u> | <u><u>\$ 8,339,815</u></u> |
| <b>Reconciliation of operating income to net cash and cash equivalents provided by operating activities:</b> |                            |                            |
| Operating income   | \$ 4,776,741               | \$ 4,226,879               |
| Depreciation   | 60,864                     | 63,275                     |
| Adjustments to reconcile operating gain to net cash and cash equivalents provided by operating activities:   |                            |                            |
| Increase in rent receivable  | (118,887)                  | (1,121)                    |
| (Increase) decrease in management fee receivable   | (149,169)                  | 107,237                    |
| Decrease in education program receivable   | (564,023)                  | 229,564                    |
| Decrease in sales tax receivable   | -                          | 143,854                    |
| Decrease (increase) in prepaid expenses  | 4,550                      | (9,512)                    |
| (Decrease) increase in accounts payable  | (482,980)                  | 324,541                    |
| Decrease in unearned revenue   | (305,042)                  | (29,024)                   |
| Net cash and cash equivalents provided by operating activities   | <u><u>\$ 3,222,054</u></u> | <u><u>\$ 5,055,693</u></u> |

The accompanying notes are an integral part  
of these financial statements.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019**

(1) **Summary of Significant Accounting Policies:**

(a) **Reporting entity**—The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. (the FIU HCN), a Florida not-for-profit corporation, is a component unit of Florida International University (FIU). The FIU HCN exists exclusively to support the mission of FIU to improve and support health education at FIU in the Herbert Wertheim College of Medicine (HWCOC), the Robert Stempel College of Public Health and Social Work, the College of Nursing and Health Sciences, and departments in the College of Arts and Sciences with clinical activities. The FIU HCN has been granted tax-exempt organization status as defined by Section 501(c)(3) of the Internal Revenue Code. FIU HCN transitioned to a Management Services Organization (MSO) model in fiscal year 2016 where management services are provided to HWCOC, Office of International Affairs (OIA), the FIU Student Health Clinics, CCS, and Embrace. Additionally, FIU HCN also receives sublease revenue.

The FIU HCN was organized in the State of Florida on February 21, 2008 and on August 9, 2012, the FIU HCN changed its name from The Florida International University College of Medicine Health Care Network Faculty Group Practice, Inc. to The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc.

(b) **Basis of presentation**—The financial statements of the FIU HCN have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The FIU HCN reports under the GASB standards because it meets the criteria regarding the popular election of officers or appointment of a controlling majority of the members of the FIU HCN's governing body by one or more state or local governments.

In accordance with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, the FIU HCN met the criteria to use enterprise fund accounting and financial reporting. Accordingly, the financial statements are reported using the economic resources measurement focus and accrual basis of accounting, which recognizes revenue when earned and expenses when a liability is incurred, regardless of timing of the related cash flow.

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

(d) **Cash and cash equivalents**—The FIU HCN considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution, eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019**

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Capital assets**—Capital assets are reported at historical cost less accumulated depreciation. Capital assets consist of fixed and moveable medical equipment. Depreciation is calculated using the straight line method over the estimated service lives of the assets, which consist of 5-15 years for moveable equipment and 5-7 years for fixed equipment.

(f) **Flow assumption for restricted assets**—If both restricted and unrestricted assets are available for use for a certain purpose, it is the FIU HCN's policy to use restricted assets first, and then use unrestricted assets as needed.

(g) **Operating revenue and expenses**—The FIU HCN's statements of revenues, expenses, and changes in net position distinguishes between operating and nonoperating revenue and expenses. Operating revenue results from exchange transactions associated with providing management services to HWCOM, Student Health Clinics, Embrace, the management of the educational program for the OIA which are earned under the terms of the agreement with the American University in Antigua (AUA), CCF credentialing services, and the subleases to Miami Children's Hospital and Gastro Health. Operating expenses include all expenses incurred to provide management services, other than external financing costs. Additionally, operating expenses also include programmatic services and other expenses that are passed through to stake holders.

(h) **Educational program revenue**—Educational program revenues are earned under the terms of the agreement with the AUA and consist of monthly tuition revenues earned at the start of each program cycle. In addition, FIU HCN receives program revenue under OIA from the International Visiting Medical Student program administered to international students through collaboration with various institutions. As part of the MSO role for OIA, FIU HCN manages the operations and is custodial of programmatic profits until such time the HWCOM requests transfers of the profits.

(i) **Income taxes**—The FIU HCN is a not-for-profit corporation, as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes, except for unrelated business income. There were no income taxes resulting from unrelated business income during the years ended June 30, 2020 and 2019. Management is not aware of any activities that would jeopardize the FIU HCN tax exempt status. The FIU HCN is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years for the past three years remain subject to examination by taxing authorities.

(j) **Pronouncements issued**—GASB issued Statement No. 87, *Leases*, in June 2017. GASB No. 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB No. 87 are effective for years beginning after June 15, 2021.

(2) **Educational Program:**

Effective October 1, 2013, an agreement was executed by HWCOM on behalf of the FIU HCN with the AUA that allows for the opportunity for qualified AUA students to participate in a HWCOM Clinical Certificate Program that offers clinical rotations in multiple medical specialties under three different AUA programs.



**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019**

**(2) Educational Program:** (Continued)

A new agreement with the AUA was executed by HWCORP, FIU HCN and the Florida International University effective October 1, 2018 through September 30, 2021, increasing rates and replacing the previous agreement. The agreement shall automatically renew for an additional seven consecutive one year terms until September 30, 2028 and it will generate management fee and education program revenues for the FIU HCN.

For the year ended June 30, 2020, total revenues earned under the terms of the agreements approximated \$5,605,000, composed of \$1,895,000 in management fee revenue and \$3,710,000 in educational program revenue. For the year ended June 30, 2019, total revenues earned under the terms of the agreements approximated \$4,868,000, composed of \$1,730,000 in management fee revenue and \$3,138,000 in educational program revenue.

**(3) Depreciable Capital Assets:**

A summary of depreciable capital assets is as follows:

|                                 | <u>Balance<br/>July 1, 2019</u> | <u>Additions</u>   | <u>Disposals</u> | <u>Balance<br/>June 30, 2020</u> |
|---------------------------------|---------------------------------|--------------------|------------------|----------------------------------|
| Medical equipment               | \$ 551,669                      | \$ -               | \$ -             | \$ 551,669                       |
| Accumulated depreciation        | (400,394)                       | (60,864)           | -                | (461,258)                        |
| Depreciable capital assets, net | <u>\$ 151,275</u>               | <u>\$ (60,864)</u> | <u>\$ -</u>      | <u>\$ 90,411</u>                 |

|                                 | <u>Balance<br/>July 1, 2018</u> | <u>Additions</u>   | <u>Disposals</u> | <u>Balance<br/>June 30, 2019</u> |
|---------------------------------|---------------------------------|--------------------|------------------|----------------------------------|
| Medical equipment               | \$ 551,669                      | \$ -               | \$ -             | \$ 551,669                       |
| Accumulated depreciation        | (337,119)                       | (63,275)           | -                | (400,394)                        |
| Depreciable capital assets, net | <u>\$ 214,550</u>               | <u>\$ (63,275)</u> | <u>\$ -</u>      | <u>\$ 151,275</u>                |

The above balance includes \$21,277 and \$42,554 of net depreciable capital assets that were idle during the year ended June 30, 2020 and 2019, respectively.

**(4) Related Party Transactions:**

On August 27, 2010, the FIU HCN entered into a loan agreement totaling \$5,321,198 with FIU in order to provide working capital and build out capital to fund the expansion of the faculty practice plan and the establishment of the ambulatory care center and other FIU clinical activities. In June of 2015, FIU HCN renegotiated the loan agreement with FIU and borrowed an additional \$3,015,652, and \$297,112 of accrued interest was added into the loan balance, bringing the total loan to a balance of \$8,633,962. Interest on the loan accrues at 2.00% simple interest and the loan is scheduled to mature in 2036.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019**

**(4) Related Party Transactions:** (Continued)

Estimated principal and interest payments for the life of the amounts due to FIU, based on the balance due as of June 30, 2020, are as follows:

| <b>For the Year Ending<br/>June 30,</b> | <b>Principal</b>    | <b>Interest</b>     | <b>Total</b>        |
|---|---------------------|---------------------|---------------------|
| 2021                                    | \$ 351,033          | \$ 140,965          | \$ 491,998          |
| 2022                                    | 362,973             | 133,944             | 496,917             |
| 2023                                    | 375,202             | 126,685             | 501,887             |
| 2024                                    | 387,725             | 119,181             | 506,906             |
| 2025                                    | 400,549             | 111,426             | 511,975             |
| 2026-2030                               | 2,206,083           | 431,619             | 2,637,702           |
| 2030-2035                               | 2,575,678           | 196,574             | 2,772,252           |
| 2036                                    | 389,006             | 7,780               | 396,786             |
| Total                                   | <u>\$ 7,048,249</u> | <u>\$ 1,268,174</u> | <u>\$ 8,316,423</u> |

In addition, at June 30, 2020 and 2019, \$307,078 and \$287,601, respectively, was owed to FIU for expenses incurred in the ordinary course of business and is included in accounts payable on the statements of net position. Amounts owed from FIU for revenues incurred in the ordinary course of business are included in management fee receivable on the statements of net position at June 30, 2020 and 2019, totaled \$139,509 and \$143,435, respectively.

**(5) Leases:**

The University and the FIU HCN are parties to a space leasing agreement for the Ambulatory Care Center with a term of 40 years, expiring in October 2053. For the years ended June 30, 2020 and 2019, rent expense under this agreement amounted to \$1 per year.

Furthermore, certain space within this facility was subleased with rental income of \$504,307 and \$496,350 and common area maintenance income of \$166,895 and \$163,312 for the years ended June 30, 2020 and 2019, respectively. This sublease runs through 2035, and has an option to renew for an additional 10 year period. Future minimum rentals will be increased by the Bureau Labor Statistics Consumer Price Index ("CPI") on annual basis. Future minimum rentals to be received on the sublease are as follows:

| <b>Fiscal Year Ending<br/>June 30</b> | <b>Rent</b>         | <b>Common Area<br/>Maintenance</b> | <b>Amount</b>       |
|---------------------------------------|---------------------|------------------------------------|---------------------|
| 2021                                  | \$ 504,307          | \$ 166,895                         | \$ 671,202          |
| 2022                                  | 504,307             | 166,895                            | 671,202             |
| 2023                                  | 504,307             | 166,895                            | 671,202             |
| 2024                                  | 504,307             | 166,895                            | 671,202             |
| 2025                                  | 504,307             | 166,895                            | 671,202             |
| Thereafter                            | 4,916,993           | 1,627,226                          | 6,544,219           |
| Total future minimum rentals          | <u>\$ 7,438,528</u> | <u>\$ 2,461,701</u>                | <u>\$ 9,900,229</u> |

The FIU HCN leases equipment and building occupancy on a month-to-month basis. Total rental expense for the years ended June 30, 2020 and 2019 was \$120,320 and \$118,662, respectively.

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019**

**(6) Commitments and Contingencies:**

**Healthcare industry**—The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare participation requirements, reimbursement for patient services, Medicare fraud and abuse and under provisions of the Health Insurance Portability and Accountability Act of 1996, patient records privacy and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

Management believes that the FIU HCN is currently in compliance with fraud and abuse statutes as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

**(7) Unrestricted Net Position:**

The FIU HCN has designated certain components of current and future unrestricted net position for certain purposes.

Unrestricted net position is classified as follows at June 30, 2020:

|  |                            |
|--|----------------------------|
| <b>Designated</b>  |                            |
| Common area maintenance  | \$ 766,139                 |
| Office of International Affairs  | 522,325                    |
| <b>Total designated</b>  | <u>1,288,464</u>           |
| <b>Undesignated</b>  |                            |
| This component represents funds that have not been designated for any purpose by the Board of Directors and are readily available for expenditure, in accordance with the purpose and bylaws of the FIU HCN [see Note (1) (a)] |                            |
| <b>Total unrestricted net position</b>   | <u><u>\$ (803,341)</u></u> |
|  | <u><u>\$ 485,123</u></u>   |

Unrestricted net position is classified as follows at June 30, 2019:

|  |                              |
|--|------------------------------|
| <b>Designated</b>  |                              |
| Common area maintenance  | \$ 633,795                   |
| Office of International Affairs  | 522,325                      |
| <b>Total designated</b>  | <u>1,156,120</u>             |
| <b>Undesignated</b>  |                              |
| This component represents funds that have not been designated for any purpose by the Board of Directors and are readily available for expenditure, in accordance with the purpose and bylaws of the FIU HCN [see Note (1) (a)] |                              |
| <b>Total unrestricted net position</b>   | <u><u>\$ (2,609,921)</u></u> |
|  | <u><u>\$ (1,453,801)</u></u> |

**THE FLORIDA INTERNATIONAL UNIVERSITY ACADEMIC HEALTH CENTER  
HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019**

**(9) Risks and Uncertainties – COVID-19:**

In early 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending and investment markets have been substantially impacted. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to FIU HCN as of October 28, 2020, management believes that a material impact on FIU HCN's financial position and results of future operations is reasonably possible.

## **COMPLIANCE SECTION**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors and Audit Committee of,  
The Florida International University Academic Health Center  
Health Care Network Faculty Group Practice, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. (the FIU HCN) as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated October 28, 2020.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the FIU HCN's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the FIU HCN's internal control. Accordingly, we do not express an opinion on the effectiveness of the FIU HCN's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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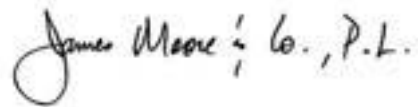
2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850-386-6184

### ***Compliance and Other Matters***

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

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Gainesville, Florida  
October 28, 2020

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Trish and Dan Bell Chapel and East Loop Road Realignment—Naming and Approval of Design**

---

**Proposed Committee Action:**

Recommend to the Florida International University Board of Trustees (BOT) approval of the naming of The Trish and Dan Bell Chapel (“Chapel”), the design of the Chapel, the design of roadway improvements on the east side of the FIU Modesto A. Maidique Campus (MMC) necessary to accommodate the construction of the Chapel and the future expansion of the Graham Center, and recommend to the Florida International University Board of Trustees an amendment to the 2010-20 University MMC Campus Master Plan to include the Chapel and roadway improvements as contemplated in the proposed 2015-2030 University MMC Campus Master Plan. Upon approval by the BOT, the Chapel and roadway improvements capital budget requests will be submitted to the Florida Board of Governors (BOG) for approval in accordance with BOG Regulation 14.003.

---

**Background Information**

Trish and Dan Bell, members of the FIU Foundation, Inc. Board of Directors, are among the community’s most active and deeply engaged supporters, both in terms of their widespread leadership and their generous philanthropy. On January 26, 2019, Mr. and Mrs. Bell announced a gift of \$5 million to the FIU Foundation toward the design and construction by the University of a non-denominational chapel to support the faith needs of students. As consideration for this gift, the Foundation and the University have agreed to name the chapel as “The Trish and Dan Bell Chapel” and the Chapel’s bell tower as the “Bell Tower” in accordance with the Foundation’s and the University’s donative naming policies. The Foundation Board of Directors approved the naming of the Chapel at their June 8, 2019 meeting. Subsequently, Mr. and Mrs. Bell notified the FIU Foundation on November 11, 2020, that they have increased their gift commitment up to another \$2 million in funding for the Chapel as part of a one-for-one challenge match program on new pledges of \$500,000 or more. With the original gift and the challenge gifts, \$9 million in private funding will be available. As reflected in the gift agreement, Mr. and Mrs. Bell have made the initial installment payment of \$500,000 to cover the estimated design fees; the remaining funds will be paid in nine annual installments, beginning with the commencement of construction. The FIU Foundation will advance to the University the full amount of the funding for the Chapel from unrestricted Foundation fund balances prior to construction.

The facility program for the Chapel was approved by the University President on December 6, 2019. As stated in the program, “The [Chapel] is intended to serve individual students, recognize multi-faith student groups/organizations, alumni and the University community.” The Chapel will contain 8,410 net assignable square feet (SF) consisting of a 250 person, 3000

SF sanctuary, a 150 person, 750 SF narthex/foyer, a 100 person, 1,200 SF multi-purpose room, and other ancillary spaces including audio-visual and IT space, changing room, prayer room, catering preparation room, multi-faith counseling rooms, and office and conference rooms. The Chapel also includes support and circulation areas for drop-off, mechanical, custodial, restrooms, electrical, and circulation, totaling 4,249 square feet. The total area of the Chapel is 12,659 gross square feet. The estimated cost of the Chapel is \$8,961,000, reflecting construction cost of \$6,334,514 and other project costs of \$2,626,486 for architectural design fees, movable furnishing and equipment, project contingency, and inspections, fees, construction services, and surveys.

To accommodate the Chapel at the proposed location as well as the future Graham Center expansion included in the University's CITF capital budget, the east loop road, SW 108 Avenue, will need to be realigned. The realignment enhances traffic flow and turning radii for large vehicles serving the Graham Center and creates a larger available site area east of the Graham Center Ballrooms to allow bus, pick-up, drop-off and valet parking for Graham Center events. Additionally, the realignment eliminates a hard right turn on SW 108 Avenue and the need to stop at a busy intersection near the Graham Center. Realignment of SW 108 Avenue was reflected in the 2005-15 vision Campus Master Plan. The facility program for the east road realignment was approved by the President on April 16, 2020. The projected cost of the east road realignment is \$6,483,286, reflecting construction cost of \$5,364,500 and other project costs of \$1,118,786 for architectural design fees, project contingency, and inspections, fees, construction services and surveys.

Total project cost of the Chapel and the East Loop Road Realignment is \$15,444,286 (Chapel, \$8,961,000; Road Realignment, \$6,483,286). While the Chapel and Road Realignment will be a single capital project with one Architect/Engineer and one Construction Manager, each component will have a separate guaranteed maximum price and identifiable budget. Combining the two components will ensure an integrated approach to the project, particularly utility access connections and egress, accelerate project delivery, and provide some project savings (site staging and general conditions).

Planned funding for the two components will be provided by:

|   |             |
|---|-------------|
| Private Funding:                                      | \$9,000,000 |
| Unrestricted Treasury Auxiliary Fund Balances:        | \$3,444,286 |
| CITF (Capital Improvement Trust Fund) Appropriations: | \$3,000,000 |

At this time, approval is requested for design and survey services only. Total budget approval requested is \$875,000 (Chapel, \$470,000; Road Realignment, \$405,000). The Chapel design is funded by the Trish and Dan Bell payment of \$500,000 already received by the FIU Foundation. Design cost for the East Loop Road Realignment will be funded by unrestricted treasury auxiliary fund balances. The request for BOT approval of construction will be presented at a future meeting after all the private funds have been raised.

The University MMC Campus Master Plan will be amended to reflect the realignment of the road and the location of the Chapel on the east side of campus, at SW 108 Avenue.

---

**Supporting Documentation:** Foundation Board of Directors Naming Approval  
Chapel facility program and budget summary  
East loop road facility program and budget summary  
Campus Master Plan Amendment Graphics—Land Use, Recreation and Open Space, and Conservation  
Illustrative MMC Campus Master Plan Map—2015-30 Draft  
Funding Certification Form

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

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**BOARD OF DIRECTORS  
FULL BOARD**

**SATURDAY, JUNE 8, 2019**

**SUBJECT: FIDUCIARY**

---

**PROPOSED BOARD ACTION:**

FOR APPROVAL.

**A. CONSENT AGENDA**

1. MINUTES FOR THE JANUARY 25, 2019 MEETING
2. NAMING OF "THE TRISH AND DAN BELL CHAPEL"
3. 2019-2020 WOLFSONIAN, INC. OFFICERS
4. JMOF-FIU QUASI ENDOWMENT

**B. 2019-2020 BOARD OFFICERS**

**C. DIRECTOR TERM RENEWALS**

**D. NEW DIRECTORS**

---

**SUPPORTING DOCUMENTS:**

- EXHIBIT "C": DRAFT MINUTES FOR THE JANUARY 25, 2019
- EXHIBIT "D": JMOF-FIU OPERATING PERFORMANCE
- EXHIBIT "E": NEW DIRECTOR PROFILES
- RICHARD BRILLIANT AND WASIM J. SHOMAR

**FACILITATOR/PRESENTER:**



**BOARD OF DIRECTORS  
FULL BOARD**

**SATURDAY, JUNE 8, 2019**

**SUBJECT: CONSENT AGENDA**

---

**PROPOSED BOARD ACTION:**

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

- A. Minutes for the January 25, 2019 Full Board Meeting
- B. Naming of "The Trish and Dan Bell Chapel"
- C. 2019-2020 Wolfsonian, Inc. Officers
- D. JMOF-FIU Quasi Endowment

**FURTHER RESOLVED** that all related exhibits and resolutions will be made part of the minutes for this meeting.

---

**SUPPORTING DOCUMENTS:**

- EXHIBIT "C": DRAFT MINUTES FOR THE JANUARY 25, 2019 MEETING
- EXHIBIT "D": DONATIVE NAMING POLICY
- EXHIBIT "E": JMOF-FIU OPERATING PERFORMANCE

**FACILITATOR/PRESENTER:**

- RICHARD BRILLIANT



SATURDAY, JUNE 8, 2019

**SUBJECT: NAMING OF "THE TRISH AND DAN BELL CHAPEL"**

---

**I. PROPOSED BOARD ACTION:**

Authorize and approve the naming of a to-be-constructed, non-denominational chapel, located on the Modesto Maidique Campus of Florida International University (the "University") as "The Trish and Dan Bell Chapel," in accordance with a separate gift and naming rights agreement related thereto and the University's and the FIU Foundation, Inc.'s (the "Foundation") Donative Naming Policy.

**II. BACKGROUND INFORMATION:**

Trish and Dan Bell have agreed to make a gift of \$5,000,000 to the Foundation to support the construction by the University of a non-denominational chapel, at a location to be determined on the Modesto Maidique Campus of the University. As consideration for this gift, the Foundation and the University have agreed to name the chapel as "**The Trish and Dan Bell Chapel**" and the chapel's bell tower as the "**Bell Tower**", in accordance with the Foundation's and the University's donative naming policies (collectively, the "Naming Policies"), copies of which are attached.

**III. PROPOSED RESOLUTIONS:**

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The Board hereby approves the naming of the Chapel as "The Trish and Dan Bell Chapel", such naming to be made pursuant to and in accordance with a gift and naming rights agreement to be entered into among the University,

---

**SUPPORTING DOCUMENTS:**

- EXHIBIT "D": DONATIVE NAMING POLICY

**FACILITATOR/PRESENTER:**

- RICHARD BRILLIANT

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## **I - FACILITY PROGRAM DOCUMENT**

### **Trish & Dan Bell Chapel**

**BT- 927**



**Florida International University**


**Modesto A. Maidique Campus  
October 23, 2019**

## **II. TABLE OF CONTENTS**

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### III. SIGNATURE SHEET

1. Educational Specifications contained in this document have been developed in accordance with the statutory requirements of the State University System of Florida as outlined in FIU Standard Operating Procedure #FIU-15-001:

  
ROBERT W. GRIFFITH, R.A., A.U.A., DIRECTOR OF PLANNING FACILITIES MANAGEMENT

Date: 10/24/2019

2. This document is recommended by the appointed University Building Program Committee:

  
VALERIA ESPINA, COMMITTEE CHAIRPERSON

Date: 10/23/19

3. Information Technology and Communications Resource Specifications contained in this document have been developed in conformance with the requirements of Chapter 282, Florida Statutes, and University standard practices:

  
ROBERT GRILLO, VICE PRESIDENT & CIO INFORMATION RESOURCE MANAGEMENT

Date: 11/7/2019

4. This document is recommended for approval:

  
JOHN CAL, ASSOCIATE VICE PRESIDENT, FACILITIES MANAGEMENT

Date: 10/29/19

5. This document is recommended for approval:

  
ELIZABETH BEJAR, SR. VICE PRESIDENT, ACADEMIC & STUDENT AFFAIRS

Date: 12/3/2019

6. This document is recommended for approval:

  
KENNETH JESSELL, CFO & SR. VICE PRESIDENT, FINANCE & ADMINISTRATION

Date: 12-5-2019

7. This document is recommended for approval:

  
HOWARD LIPMAN, SR. VICE-PRESIDENT ADVANCEMENT

Date: 12/5/19

8. This document is hereby approved:

  
MARK B. ROSENBERG, PRESIDENT, FLORIDA INTERNATIONAL UNIVERSITY

Date: 12/6/19

## **FACILITY PROGRAM COMMITTEE**

This building program represents the University's requirements for the development of the Project in as specific and complete a form as is presently available. It is a comprehensive effort of the members of the Building Program Committee who have each contributed, by drawing from their expertise and respective responsibilities, the essential information required by the architects and engineers to conceptualize and develop the project. This committee will monitor the development of the design and assist the design Architects/Engineers by refining details and clarifying any ambiguities herein in a manner consistent with this program. Coordination of the program requirements (compatibility, standards, finishes, utility connections, equipment, etc.) and scheduling throughout the duration of the project will be maintained by the University's office of Facilities Management, Planning, and Construction sections.

The members of the Program Committee are:

**Chairperson:**

Valeria Espina, Executive Director & Head Strategic Initiatives and Projects

**Members:**

Mr. James Wassenaar (Director, Facilities Planning – Academic & Student Affairs)  
Mr. Kamruz Hosein (Representative from FIU Multi-Faith Council)  
Mr. Jon Warech (Representative from FIU Multi-Faith Council)  
Mrs. Mary M. Tuttle, MA (Representative from FIU Multi-Faith Council)  
Mr. Eduardo Arteaga (Subject matter expert)  
Mr. Sanyo Mathew (Sr. Director, Graham Center – Academic & Student Affairs)  
Mr. Howard Lipman (SVP, University Advancement / CEO, FIU Foundation)  
Dr. Jaime Canaves (Faculty Representative)  
Mr. Jose Toscano (Senior Director, Student Life and Development)

**Ex-Officio:**

Associate Vice President, Planning & Institutional Effectiveness  
Associate Vice President, Facilities Management  
Associate Director, Facilities Management/Operations  
Associate Vice President, Information Technology  
Associate Vice President, Environmental Health & Safety  
Chairperson, Faculty Senate  
Chairperson, Ad Hoc Building and Environment Committee  
Associate Director, Facilities Management/Utilities  
Director, Auxiliary Services  
Director, Purchasing  
Director, Academic Space Management  
Director, Facilities Management/Minor Projects & Construction  
Director, Facilities Management/Planning  
Senior Project Manager/Facilities Management

## **IV. INTRODUCTION**

### **General Project Description**

At Florida International University (FIU), we understand that students do not become leaders by simply succeeding in the classroom; they grow into impactful members of our society through interactions all throughout our campus. Understanding this dynamic, FIU embraces a multi-dimensional experience for students—engaging the mind, body, and spirit – to provide the necessary foundation for our students to develop as well-rounded persons, professionals, citizens, and world changers. The Trish and Dan Bell Chapel intends to serve as the pivotal venue on campus that enhances the spiritual component of the student experience at FIU, creating a community united by faith.

The Trish and Dan Bell Chapel seeks to celebrate FIU's cultural and ethnic diversity by providing a home for the cultivation of spiritual dialogue, the power of prayer and the understanding among all members of the university community that what makes us different is what makes us special.

To celebrate the plurality of faiths and perspectives at FIU, we propose building a multifaith chapel – a quiet oasis from the fast pace of university life. Not inherently a temple, mosque, synagogue, church, or gurdwara, the chapel will be a welcoming place for all faiths and for spiritual exploration.

FIU is in need of a place where spiritual inquiry is encouraged. This chapel will serve as a multifaith gathering place for worship, contemplation, spiritual strengthening, and understanding. It will offer a sanctuary and auxiliary spaces for ceremonies, lectures, retreats, prayer, spiritual guidance, and individual reflection.

With over 16 active faith-based groups and devoted student clubs at FIU, a shared space for discovery and understanding will facilitate their work. Although FIU's faith-based groups all meet on campus, there is only one dedicated space in student-support facilities to accommodate them – a small 250-square-foot room that is permanently available. There is no dedicated space for directors of faith-based groups to hold office hours or meet with interested members of the university community.

FIU proposes to build a multifaith chapel that draws individuals to deep thought, human betterment, and action that makes a difference in the lives of others – fellow students, family members, those in need from our neighborhoods, and the global community in crises. Located on FIU's main campus on the lake adjacent to the Ronald W. Reagan Presidential House, the chapel will serve as a celebratory center for religious life-stage milestones and as an impromptu place of respite for any who are in need of solace and peace.

The main space in the chapel will seat up to 250 persons and be a home for milestone life events for our university community. The chapel will also have sufficient meeting space for leaders in our multifaith community to have individual offices to meet with and counsel individuals from the university community in privacy and confidence. It will also feature several smaller spaces allowing for group meetings and smaller-scale events to take place simultaneously within the chapel. Additionally, a small reflection room will be accessible 24/7 via a separate entrance allowing for use whenever needed. Per the gift agreement, there shall be an appropriately-sized bell tower on the exterior of the chapel, preferably the roof.

The design challenge is to create a space which celebrates the shared values and principles of our multifaith community while not relying on the display of religious symbols. It is expected the building architecture should visually grab your attention; generating curiosity, collaboration and extend feelings of welcome and belonging. There is a desire to use elements of nature as inspiration to express the shared spiritual experience which is unique to the planet we inhabit. The design should emphasize sustainable design practice.

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Creating a dedicated space for spiritual exercise and discovery at FIU will positively influence the college experience of students outside of the classroom and allow for mindful dialogue and meditation. The Trish and Dan Bell Chapel will continue FIU's long-standing commitment to unity and diversity among our religious communities since our opening in 1972.

**Project Delivery:**

The project is proposed to be delivered using the Construction Management - At Risk Method. Refer to Florida Board of Governors Regulation 14.0055 (2) (a) and (e) below for project delivery justification:

- (a) Whether the size of the project is sufficiently large and/or complex to require major emphasis on the qualification of the contractor to have specific expertise in performing highly specialized cost estimating, value engineering, and scheduling during the design process with continuity of construction management through both the design and construction phases;
- (e) Whether the timely completion of the project is critical to the university's ability to repay debt service or to meet grant obligations.

The design team selected for this commission will be responsible for the development of the design and development of contract documents, bidding and construction administration services.

**Safety and Security:**

In order to maintain a high level of security, and to deter criminal activity, the design shall include incorporating state-of-the-art and hi-tech systems and hardening specs. Surveillance cameras systems, doors and gates with electronic access and remote controls, and high-impact windows and doors, shall be given highest priority, in light of the recent violence against places of worship. At a minimum, a complete security camera system shall be provided along with empty conduits that allow easy installation of electronic security hardware at doors and gates as funds become available.

**Sustainability:**

In recognition of the University's commitment to sustainability practices and the inherent complexity of this building type, this project will be designed and built with the goal of meeting the USGBC's LEED "Silver" certification rating level at a minimum. The Project shall comply with Florida Statutes 255.251 Energy Conservation and Sustainable Buildings Act including 255.252 (3) and (4). The Project shall comply with Florida Statute 255.2575 Energy-efficient and sustainable buildings requirements that all state university buildings be constructed to comply with a sustainable building rating system or a national model green building code.

**Future Expansion:**

No expansion of the Chapel facility is anticipated in the foreseeable future and the selected site may preclude future expansion.

## **V. ACADEMIC PLAN**

Florida International University is a multi-campus public research university offering a broad array of undergraduate, graduate, and professional programs. The university has two main campuses, the 344-acre Modesto A. Maidique campus in western Miami-Dade County, and the 200-acre Biscayne Bay Campus in northeast Miami-Dade County. FIU offers more than 180 baccalaureate, master's professional, and doctoral degree programs and conducts basic and applied research. Interdisciplinary centers and institutes conduct collaborative research to seek innovative solutions to economic, technological, and social problems.

Florida International University has 11 colleges and schools: College of Arts, Sciences and Education; College of Business; Chaplin School of Hospitality and Tourism Management; College of Communication, Architecture and The Arts; College of Engineering and Computing; Herbert Wertheim College of Medicine; Honors College; College of Law; Nicole Wertheim College of Nursing and Health Sciences; Robert Stempel College of Public Health and Social Work; and the Steven J. Green School of International and Public Affairs. With more than 57,000 students, 1,189 full-time instructional faculty, and over 15,000 degrees awarded annually, FIU is the second largest university in South Florida.

Committed to both high quality and access, FIU meets the educational needs of full-time and part-time undergraduate and graduate students, and lifelong learners. Reflecting the vibrant ethnic diversity of South Florida, 85 percent of FIU students are Hispanic, black, or other minorities. We take pride in the impact our graduates make upon the nation and the world.

**The facility is intended to serve individual students, recognized multi-faith student groups / organizations, alumni and the University community. The educational focus of this project is to promote development within the spiritual realm supporting the University strategic goal to produce individuals who practice responsible stewardship.**

**VI. SPACE NEEDS ASSESSMENT**  
**PROGRAM AREAS**

**Bell Chapel Space List**

**VER. 9** 10/18/2019 15:04

| Description  | No. of Spaces | Design No. of Occupants (Note 1) | Design NSF Per Occupant | NSF Per Space | Total NSF for All Space Type | SUS SPACE CAT.               |
|--|---------------|----------------------------------|-------------------------|---------------|------------------------------|------------------------------|
| <b>WORSHIP AREA</b>  |               |                                  |                         |               |                              |                              |
| Sanctuary  | 1             | 250                              | 12                      | 3000          | 3000                         | AS/AE                        |
| Narthex/Foyer  | 1             | 150                              | 5                       | 750           | 750                          | AS/AE                        |
| Audio/Visual Equipment & IT Closet                           | 1             | 1                                | 150                     | 150           | 150                          | AS/AE                        |
| Information Desk   | 1             | 1                                | 80                      | 80            | 80                           | AS/AE                        |
| Office   | 1             | 1                                | 100                     | 100           | 100                          | AS/AE                        |
| Green Room/Choir Room/Changing                               | 2             | 8                                | 25                      | 200           | 400                          | AS/AE                        |
| Prayer Room  | 4             | 6                                | 25                      | 150           | 600                          | AS/AE                        |
| Subtotal   |               |                                  |                         |               | 5,080                        |                              |
| <b>COUNSELING / SUPPORT AREAS</b>                            |               |                                  |                         |               |                              |                              |
| Waiting Area   | 1             | 4                                | 20                      | 80            | 80                           | IS/OC                        |
| Multifaith Counseling Office (Hotel)                         | 2             | 1                                | 110                     | 110           | 220                          | IS/OC                        |
| Small Group Counseling                                       | 1             | 8                                | 22.5                    | 180           | 180                          | IS/OC                        |
| Subtotal   |               |                                  |                         |               | 480                          |                              |
| <b>ACTIVITIES AREA</b>                                       |               |                                  |                         |               |                              |                              |
| Multi-Purpose Room (Divisible)                               | 1             | 100                              | 12                      | 1,200         | 1,200                        | IS/OC                        |
| Catering Prep Space  | 1             | 5                                | 50.0                    | 250           | 250                          | AS/AE                        |
| Conference/Seminar Room                                      | 2             | 20                               | 20                      | 400           | 800                          | IS/OC                        |
| Storage  | 1             | 1                                | 600                     | 600           | 600                          | AS/AE                        |
| Subtotal   |               |                                  |                         |               | 2,850                        |                              |
| Total Net Assignable Square Feet                             |               |                                  |                         |               | 8,410                        |                              |
| <b>SUPPORT AREAS (INCLUDED IN GROSSING FACTOR NET:GROSS)</b> |               |                                  |                         |               |                              |                              |
| Covered Drop-Off Area  |               |                                  |                         |               |                              |                              |
| (Ext. Area Calculated at 50%)                                | 1             | 1                                | 960                     | 960           | 480                          |                              |
| Covered Loading Dock   |               |                                  |                         |               |                              |                              |
| (Ext. Area Calculated at 50%)                                | 1             | 1                                | 240                     | 240           | 120                          |                              |
| Mechanical Room  | 1             | 1                                | 310                     | 310           | 310                          |                              |
| Custodial  | 1             | 1                                | 64                      | 64            | 64                           |                              |
| Electrical   | 1             | 1                                | 100                     | 100           | 100                          |                              |
| IT Closet  | 1             | 1                                | 100                     | 100           | 100                          |                              |
| Restrooms  | 3             | 1                                | 325                     | 325           | 975                          |                              |
| Estimated Circulation, Columns and Walls                     |               |                                  |                         |               | 2,100                        |                              |
| Subtotal   |               |                                  |                         |               | 4,249                        |                              |
|  |               |                                  |                         |               | 12,659                       | TOTAL "GROSS" SQUARE FOOTAGE |
| <b>STATE UNIVERSITY SYSTEM SPACE CATEGORY</b>                |               |                                  |                         |               |                              |                              |
| Institutional Support-Office/Computer                        |               | Abbreviation                     | Total Net SF            |               |                              |                              |
|  |               | IS/OC                            | 2,480                   |               |                              |                              |
| Academic Support-Auditorium/Exhibition                       |               | AS/AE                            | 5,930                   |               |                              |                              |
| Instructional-Classroom                                      |               | INS/CLASS                        | 0                       |               |                              |                              |

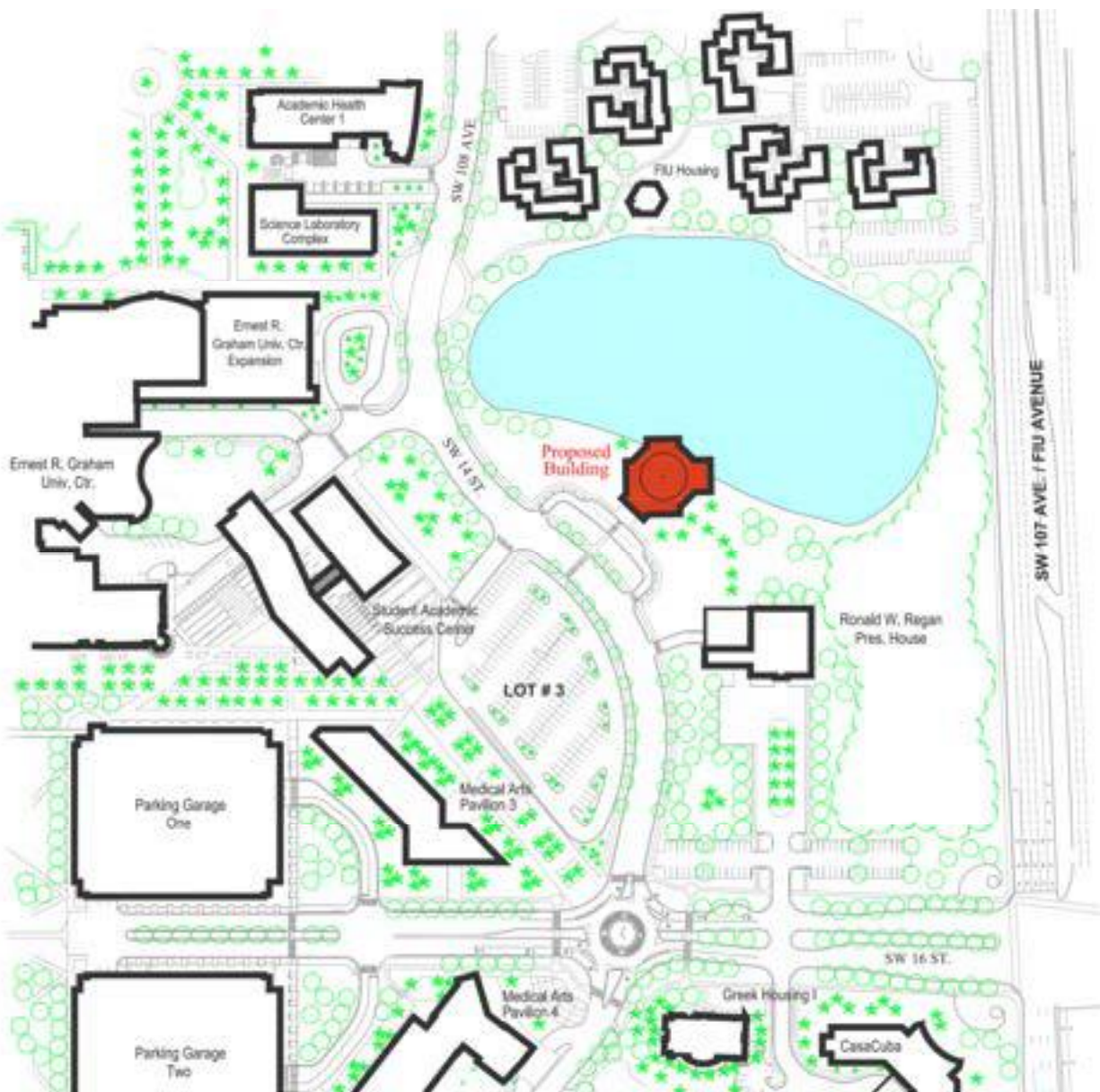
Note 1: Actual occupant capacity will be less for some seating arrangements.

8,410 TOTAL NET INTERIOR SPACE  
CALCULATED NET TO GROSS  
1.50523187 MULTIPLIER  
TOTAL ESTIMATED GROSS  
INTERIOR AREA



## **VII. ANALYSIS OF IMPACT ON MASTER PLAN**

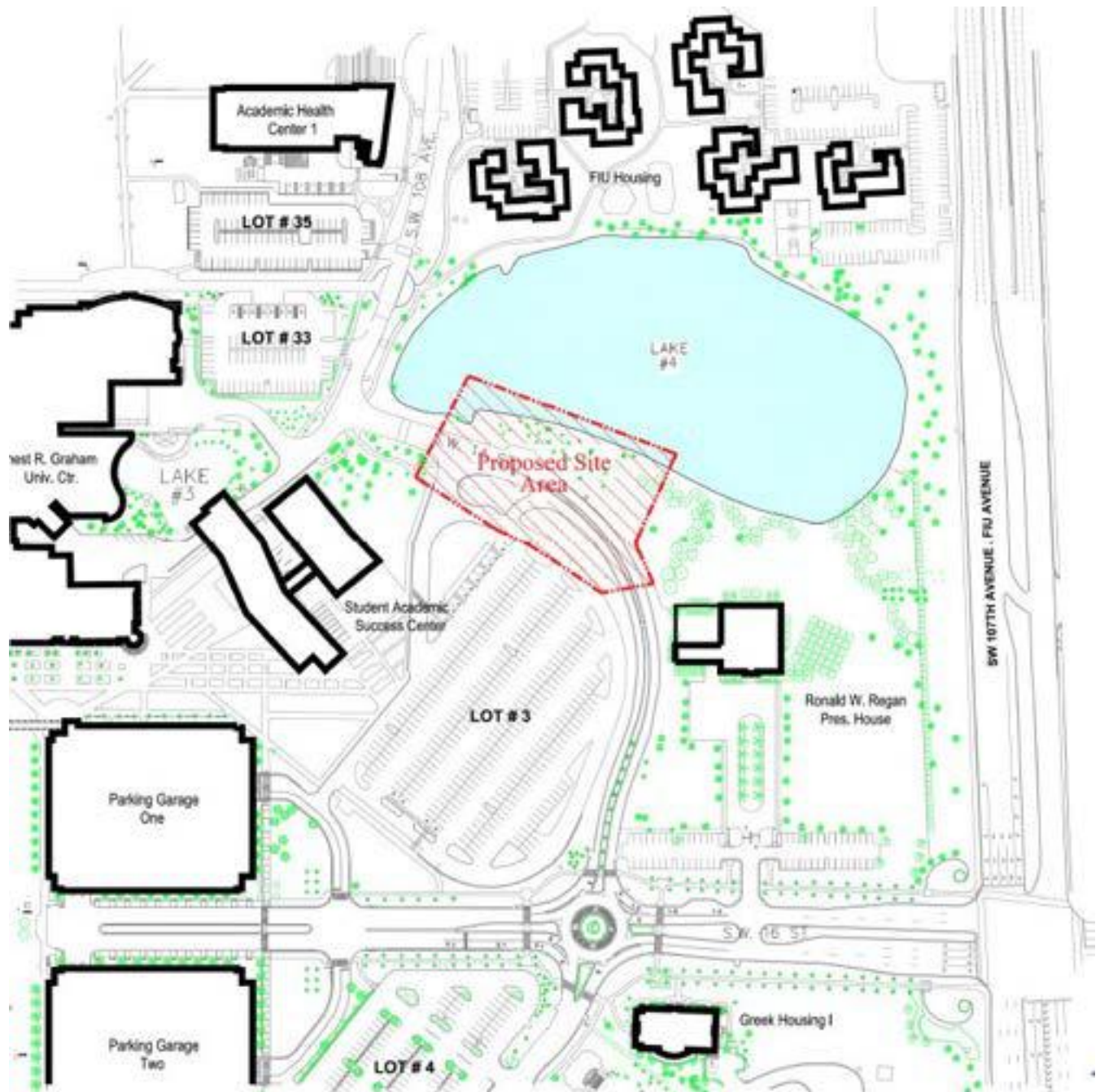
The project is consistent with required elements of the campus master plan including Future Land Use and academic/support facilities described in the Capital Improvement element to accommodate future needs.



**NOTE: This Master Plan Shows Reconfigured Loop Road and Lake Infill**

## VIII. SITE ANALYSIS

The site selected for the chapel is on the east side of MMC on the southern edge of the Lake #4 near 107<sup>th</sup> Avenue between SW 10<sup>th</sup> and SW 16<sup>th</sup> streets.



**VIII. SITE ANALYSIS (continued)**





### **VIII. SITE ANALYSIS (continued)**

Particular attention must be given to the layout of the building footprint and site arrangement to achieve the following:

- Create a memorable, iconic building image from at a distance for pedestrians on campus and vehicles on campus with a readily identifiable main entrance.
- Take advantage of and address opportunities presented by the man-made lake for more than just views from the interior. Enhance the lake edge and consider creation of exterior areas and outdoor rooms that front the lake using shade and natural breezes to make year-round use possible.
- Develop a building plan that establishes a clear linkage with neighborhood facilities allowing for easy pedestrian access between buildings and parking. Consider a covered walkway that extends at least part-way to the Graham Center Expansion
- Develop vehicular access for drop-off, and separate area(s) for deliveries and unloading/loading trash removal service and emergency vehicles. Consider stacking space for vehicles waiting to pick up of drop-off so that main campus road is not blocked.
- VIP and valet parking operations/locations should be considered.
- Adjacent campus roadways and utilities will be re-worked as a separate project by others.



**IX. PROGRAM AREA**

| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Proportions of space to allow for flexible seating layouts, good line-of-sight and good acoustics. No interior columns.</li> <li>• Adjacent to Narthex/Foyer, AV control and Storage. Close connections to Green Rooms.</li> <li>• Large volume space/high ceilings.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Natural light / view to the exterior desired with ability to darken room/close shades.</li> <li>• Verify floor finishes.</li> <li>• Verify permanent or portable platform/stage otherwise flat floor.</li> <li>• Front of Sanctuary shall be at East alignment.</li> <li>• Verify elevated tech area at rear of room with clear line of sight for cameras and operators to the main stage area. Pass-thru conduits to the local A/V equipment room and various locations in the space. Recess to avoid intruding into event space.</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical reflecting and absorbing surface materials on wall and ceiling surfaces as required for good natural acoustics.</li> <li>• High lumen dimmable LED house lighting system divided into multiple zones controlled via AV control system.</li> <li>• Provide 125V 20A duplex electrical outlets at each wall for general power needs.</li> <li>• Voice/Data communications outlets.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• Verify portable stage/platform</li> <li>• Portable stackable chairs with padding for 250</li> <li>• Folding tables for seating 100-120 banquet style</li> <li>• Two or more video projection systems, video monitors and sound system.</li> <li>• Security cameras.</li> </ul> |
| <div> <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br/> <b>3,000 Sq. Ft.</b> </div> <div>Sanctuary</div>  |  |   |

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| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Adjacent to main entrance, porte-cochere/covered entry with corridors connecting to all other building areas.</li> <li>• Space for information desk and connection to facility office.</li> <li>• Partition systems shall be sound retardant above and below ceiling.</li> <li>• Natural light / view to the exterior desired with ability to darken room/close shades.</li> <li>• Verify floor finishes.</li> <li>• Space for 20-30 cubbies to hold shoes, book bags, or mats within or in nearby corridor or alcove.</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical reflecting and absorbing surface materials on wall and ceiling surfaces as required.</li> <li>• Flush ceiling-mounted sound system and wall-mounted video monitors.</li> <li>• Provide 125V 20A duplex electrical outlets at each wall for general power needs.</li> <li>• Voice/Data communications outlets.</li> <li>• Wi-Fi</li> <li>• Consider drinking fountains with bottle fill.</li> </ul> | <ul style="list-style-type: none"> <li>• Video monitors.</li> <li>• Custom or manufactured information desk/work position with lockable storage.</li> <li>• Security cameras.</li> <li>• Lounge seating for 12.</li> </ul> |
| <div> <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br/> <b>750 Sq. Ft.</b> </div> <div>Narthex/Foyer</div>  |  |  |

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| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT   |
|--|---|---|
| <ul style="list-style-type: none"> <li>• Serves as office for the facility.</li> <li>• Readily accessible to information desk and Narthex/Foyer.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Natural light / view to the exterior desired.</li> <li>• Carpeted floor</li> <li>• Lock on door</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical ceiling with flush lighting</li> <li>• Provide one 125V 20A duplex electrical outlet at each wall for general power needs and two duplex outlets in close proximity to desk for computer, calculator, etc.</li> <li>• Voice/Data communications outlets near desk location.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• 1 Desk (30" x 60") with return</li> <li>• 1 Desk Chair</li> <li>• 2 Guest Chairs</li> <li>• 1 Credenza (18" x 60")</li> <li>• 1 Bookcases (4 Shelves)</li> <li>• Window blinds.</li> <li>• Computer with 2 monitors and printer.</li> <li>• Telephone</li> </ul> |
| <b>INSTITUTIONAL SUPPORT (Office/Computer)</b><br><b>100 Sq. Ft.</b> <div data-bbox="1885 1328 1965 1360" data-label="Text">Office</div>   |   |   |

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| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Space adjacent to and with private connection to Sanctuary used by clergy, guest speakers, wedding party, choir, entertainer</li> <li>• Includes handicapped-accessible toilet room within possibly shared between two rooms.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Verify floor finish</li> <li>• Lock on door</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical ceiling with flush lighting</li> <li>• 125V 20A duplex outlets on each wall for general power needs.</li> <li>• Voice/Data communications outlet.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• 1 6-ft Sofa</li> <li>• 2 Lounge Chairs</li> <li>• Dressing tables/desk with lights, mirror, chair.</li> <li>• Window blinds.</li> <li>• Wall-Mounted Emergency Phone</li> <li>• Large LCD-LED flat screen display with cable/satellite and connection for laptop computers and event audio-video feed.</li> </ul> |
| <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br><b>200 Sq. Ft.</b>  |   | <b>Green Room/Choir Room/Changing Room</b>   |



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 MODESTO A. MAIDIQUE CAMPUS

| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT   |
|--|---|---|
| <ul style="list-style-type: none"> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Natural light / view to the exterior desired.</li> <li>• Resilient tile flooring</li> <li>• Space for cubbies to hold shoes, book bags, or mats within –or- in nearby corridor alcove.</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical ceiling with dimmable flush lighting.</li> <li>• 125V 20A duplex outlets on each wall for spaced at 6-foot intervals.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• 6 built-in wardrobe-type locking cabinets with hanging rod and shelves.</li> <li>• Stackable chairs</li> <li>• 2 Square tables for to allow joined arrangements</li> <li>• Wall-mounted tack board</li> <li>• Minimum 65-inch wall-mounted video monitor.</li> <li>• Security cameras</li> <li>• Verify white noise generator</li> </ul> |
| <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br><b>150 Sq. Ft.</b>  |   | <b>Prayer Room</b>  |

**BT-927 – Trish & Dan Bell Chapel**  
 FLORIDA INTERNATIONAL UNIVERSITY  
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| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Suitable for up to 20 occupants seated at and around a conference table. Rolling chairs. Accessible from public circulation core.</li> <li>• Natural light / view to the exterior desired with ability to completely darken room.</li> <li>• LCD-LED flat screen monitors, 65" (or larger), computer compatible &amp; wall mounted</li> <li>• Partitions sound retardant above and below ceiling. Provisions for acoustical privacy and isolation from noisy areas.</li> <li>• Design for flexibility of presentation area and control of equipment.</li> <li>• Custom presentation credenza with controls for audiovisual equipment, computer, monitor, lighting and sound systems.</li> <li>• Speakers for the sound system recessed in the ceiling.</li> <li>• Minimum 16 lineal feet of whiteboard on teaching area (front wall).</li> <li>• Provision for electronic locking system that will properly secure contents of room when not in use.</li> <li>• Carpeted floor.</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Sound baffles in ductwork</li> <li>• Acoustical ceiling with flush lighting.</li> <li>• Zoned lighting with independent dimmer switch controls for light on or near the screen and another for the rest of the room. Dimmers rated for the lowest possible radio frequency and electrical interference.</li> <li>• 125V 20A duplex outlets on each wall spaced 6-feet apart for general power needs and floor electrical outlets for non-obtrusive connection of presentation equipment.</li> <li>• Wi-Fi</li> <li>• Voice/Data communications outlets at center of conference table.</li> </ul> | <ul style="list-style-type: none"> <li>• Cushioned comfortable seating with casters.</li> <li>• 1 Computer with monitor and keyboard</li> <li>• Flat Screen Monitors, computer compatible &amp; wall mounted</li> <li>• Lockable Presentation credenza with equipment controls built-in.</li> <li>• Wall-mounted display to include tack board plus classroom-sized whiteboards totaling at least 16 feet.</li> <li>• Regular Phone and Emergency Phone</li> </ul> |
| <div> <div> <b>INSTITUTIONAL SUPPORT (Office/Computer)</b><br/> <b>400 Sq. Ft.</b> </div> <div> <b>Conference Room</b> </div> </div>  |  |  |

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 FLORIDA INTERNATIONAL UNIVERSITY  
 MODESTO A. MAIDIQUE CAMPUS

| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Readily accessible to associated offices.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Natural light / view to the exterior desired.</li> <li>• Waiting area for 3-4 people plus circulation space.</li> <li>• Carpeted floor</li> <li>• Lock on door</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical ceiling with recessed lighting.</li> <li>• 125V 20A duplex outlets on each wall for general power needs. Minimum two outlets adjacent to seating.</li> <li>• Wi-Fi</li> <li>• Doorbell/light signal to offices</li> </ul> | <ul style="list-style-type: none"> <li>• Sofa and/or Lounge Chairs.</li> <li>• End tables or small coffee table.</li> <li>• Window blinds.</li> <li>• White noise generator</li> </ul> |
| <b>INSTITUTIONAL SUPPORT (Office/Computer)</b><br><b>80 Sq. Ft.</b>   |   | <b>Counseling Waiting Area</b>   |

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| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Serves as a hotel office for the multiple counselors by reservation.</li> <li>• Readily accessible to waiting area, information desk and Narthex/Foyer.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Natural light / view to the exterior desired.</li> <li>• Carpeted floor</li> <li>• Lock on door</li> <li>• NOTE: Users would like additional space for storage. Consider 10-20 built-in or free-standing 24-inch deep x 36-inch wide x 72-inch high storage cabinets along walls in a nearby secondary corridor area, each cabinet lockable with adjustable shelves.</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in ductwork</li> <li>• Acoustical ceiling with flush lighting</li> <li>• Provide one 125V 20A duplex electrical outlet at each wall for general power needs and two duplex outlets in close proximity to desk for computer, calculator, etc.</li> <li>• Voice/Data communications outlets near desk location.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• 1 Desk (30" x 60") with return</li> <li>• 1 Desk Chair</li> <li>• 2 Guest Chairs</li> <li>• 1 Credenza (18" x 60") with storage.</li> <li>• Window blinds.</li> <li>• Space for laptop computer</li> <li>• Telephone</li> <li>• White noise generator</li> </ul> |
| <b>INSTITUTIONAL SUPPORT (Office/Computer)</b><br><b>110 Sq. Ft.</b>  |   | <b>Multifaith Counseling Office</b>   |

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| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT   |
|---|--|---|
| <ul style="list-style-type: none"> <li>• Readily accessible to waiting area</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Carpeted flooring</li> <li>• Lock on door</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned.</li> <li>• Acoustical ceiling with recessed lighting.</li> <li>• 125V 20A duplex outlets on each wall for general power needs.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• Seating for 8 people. Verify type.</li> <li>• White noise generator</li> </ul> |
| <b>INSTITUTIONAL SUPPORT (Office/Computer)</b><br><b>180 Sq. Ft.</b>  |  | <b>Small Group Counseling</b>   |

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| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Multi-purpose space divisible into two 600 sf areas using operable sound-rated partition.</li> <li>• Main ceiling height minimum of 14 feet.</li> <li>• Ability to host 50 people in banquet style seating using 72” round tables or to be setup for meetings and special events.</li> <li>• Ability to host 100 people lecture style.</li> <li>• Adjacent to narthex/foyer area, restrooms and associated catering space and storage space.</li> <li>• Nearby A/V Equipment Space</li> <li>• Secured secondary access separate from guest entrances.</li> <li>• Operable partition systems shall be sound retardant above and below ceiling</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned</li> <li>• Verify floor finish.</li> <li>• Provide sound baffles in duct work</li> <li>• Acoustical ceiling with flush lighting.</li> <li>• High lumen dimmable LED house lighting system divided into multiple zones controlled via AV control system.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• 100 padded stackable chairs</li> <li>• Five 72-inch round tables</li> <li>• Built-in A/V system, with projection and sound to operate as one space or two.</li> <li>• Security cameras.</li> </ul> |
| <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br><b>1,200 Sq. Ft.</b>  |  | <b>Multi-Purpose Room</b>   |

| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Not intended for cooking, only for temporary holding of food prepared elsewhere and preliminary clean-up of pots, pans and utensils.</li> <li>• Readily accessible to multi-purpose room.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Seamless flooring and base, impervious wall finish.</li> <li>• Locks on doors</li> <li>• Separated in and out doors</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Exhaust from dishwashers and warmers as required.</li> <li>• Provide sound baffles in duct work</li> <li>• Cleanable acoustical ceiling with sealed lighting.</li> <li>• Provide power for all equipment.</li> <li>• 2 Voice/Data communications outlets.</li> <li>• Wi-Fi</li> <li>• Hot water.</li> <li>• Floor drain.</li> </ul> | <ul style="list-style-type: none"> <li>• Commercial Coffee and Ice maker</li> <li>• Oven/Warmers suitable for catering holding</li> <li>• Double glass-door commercial refrigerator</li> <li>• Hand sink and 3-compartment sink with connection to grease trap.</li> <li>• Minimum 12 lineal feet of counter and lockable cabinets with stainless kitchen sink.</li> </ul> |
| <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br><b>250 Sq. Ft.</b>  |   | <b>Catering Prep Space</b>   |

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| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Space for stackable banquet/meeting chairs, dining tables and expo tables, stage risers, stage ramping and stairs, dance floor and normally used event accessories.</li> <li>• Adjacent to multi-purpose room.</li> <li>• Partition systems shall be sound retardant above and below ceiling</li> <li>• Sealed concrete floor</li> <li>• Two pairs double-doors with lock on door. Consider an overhead coiling door.</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned.</li> <li>• Provide sound baffles in duct work</li> <li>• Properly lighting for safe operations and cleaning but finish ceiling not required.</li> <li>• 125V 20A duplex outlets for general power needs.</li> <li>• Voice/Data communications outlets.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• Adjustable metal shelving and or pallet racking as required for storage needs.</li> </ul> |
| <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br><b>600 Sq. Ft.</b>   |  | <b>Multi-Purpose and Sanctuary Storage</b>   |



| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Space for 2 technicians working at control stations</li> <li>• Resilient floor and durable wall finishes.</li> <li>• Clear view of performance areas and speaker positions.</li> <li>• Available direct natural acoustical connection with Sanctuary preferred (operable window?).</li> </ul> | <ul style="list-style-type: none"> <li>• Air conditioned with adjustable thermostat.</li> <li>• Provide sound baffles in duct work</li> <li>• Acoustical ceiling with flush lighting.</li> <li>• 125V 20A duplex outlets along walls for general power needs and at each dressing table.</li> <li>• Voice/Data communications outlets.</li> <li>• TV monitor outlet.</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• 2 Stackable chairs.</li> <li>• 30” x 60” table.</li> <li>• Wall-mounted emergency phone.</li> <li>• LCD-LED flat screen display with connection to event space cameras.</li> </ul> |
| <b>ACADEMIC SUPPORT (Auditorium/Exhibition)</b><br><b>150 Sq. Ft.</b>  |  | <b>Audio/Visual Equipment &amp; IT Closet</b>   |

| SPACE PLANNING   | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Group Restroom facilities for building occupants, Male, Female, and Family/Unisex.</li> <li>• In addition to Toilet Rooms located in Dressing Room/Green Rooms.</li> <li>• Include Wudu/Ablution 4 to 5 Stations in each restroom.</li> <li>• Vestibules/Baffles between restrooms and public areas.</li> <li>• Floor drains</li> </ul> | <ul style="list-style-type: none"> <li>• Sound system in all bathrooms linked to emergency broadcast.</li> </ul> | <ul style="list-style-type: none"> <li>• Wall-hung baby changing stations</li> </ul> |
| <div> <div> <b>INSTITUTIONAL SUPPORT</b><br/> <b>Sq. Ft. as Required By Code</b> </div> <div>Restrooms</div> </div>  |  |  |

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| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Partially covered drop off parking for vans and box trucks.</li> <li>• Raised 12 inches above driveway with adjacent ramp.</li> <li>• Double doors to interior.</li> </ul> | <ul style="list-style-type: none"> <li>• Hose bib and electrical outlet.</li> </ul> | <ul style="list-style-type: none"> <li>• Fire extinguisher in cabinet.</li> <li>• Security cameras</li> <li>• Doorbell / intercom</li> </ul> |
| <div> <div data-bbox="157 1239 466 1308"> <b>NON-CATEGORIZED</b><br/> <b>240 Sq. Ft.</b> </div> <div data-bbox="1785 1255 1984 1291"> <b>Loading Area</b> </div> </div>   |   |  |

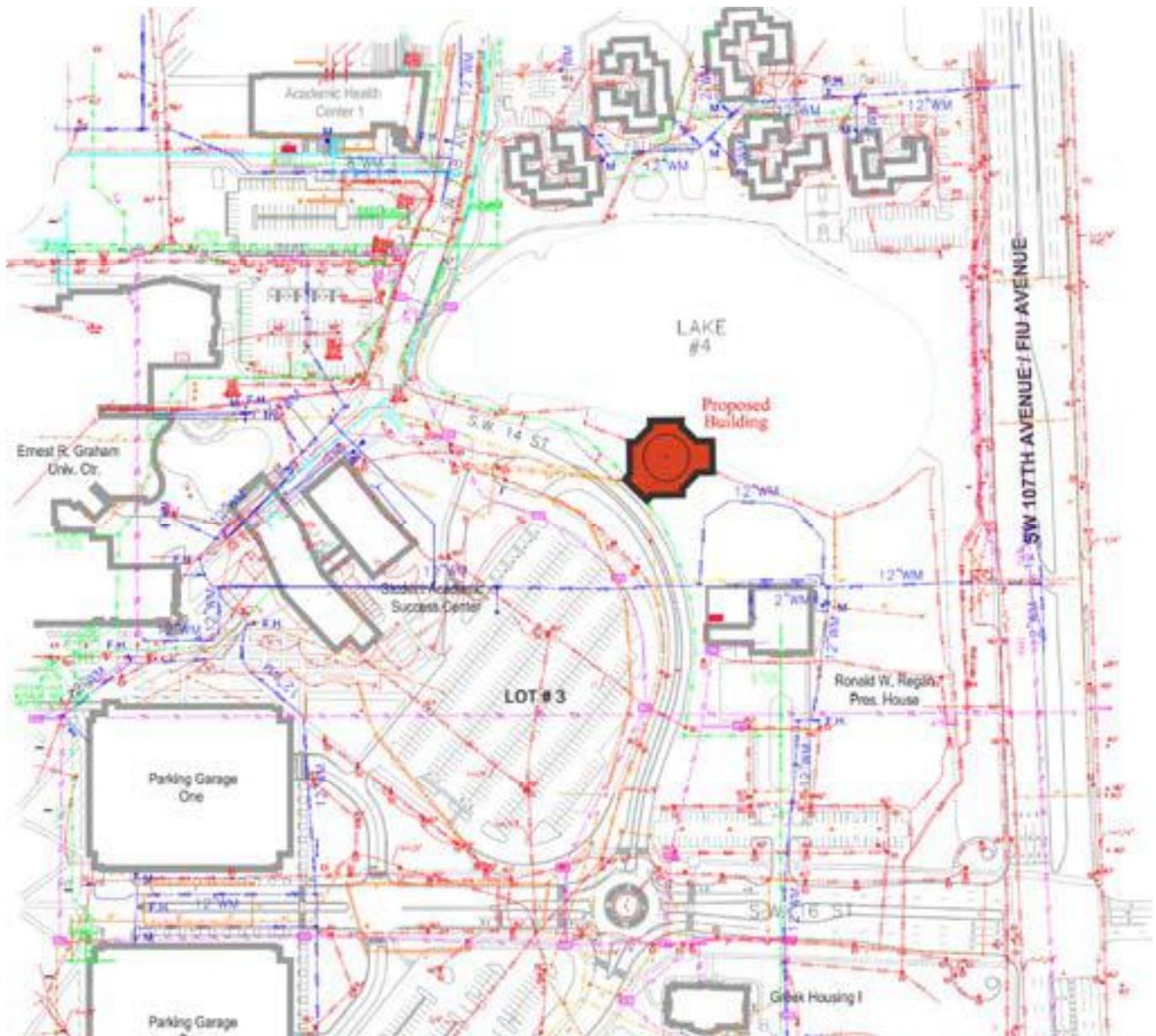
| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS   | FURNITURE / EQUIPMENT  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Drive-through space for 4 cars, vans or limousines to drop off and pick up passengers or valet.</li> <li>• Covered un-air-conditioned area and connector to the main part of the facility.</li> <li>• Shaded during mid-day and afternoons with sufficient covering so that most areas are also protected from blowing rain showers.</li> <li>• Non-slip paver/tile flooring</li> <li>• Positive drainage / area drains</li> </ul> | <ul style="list-style-type: none"> <li>• Ceiling fans</li> <li>• Outdoor lighting</li> <li>• Power and Voice/Data communications outlet to be determined.</li> <li>• Hose-bib/wall hydrant for cleaning</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• Limited outdoor benches.</li> </ul> |
| <div> <div>NON-CATEGORIZED<br/>960 Sq. Ft.</div> <div>Exterior Porte Cochere</div> </div>   |   |  |

**BT-927 – Trish & Dan Bell Chapel**  
 FLORIDA INTERNATIONAL UNIVERSITY  
 MODESTO A. MAIDIQUE CAMPUS

| SPACE PLANNING  | ENVIRONMENTAL SYSTEMS  | FURNITURE / EQUIPMENT  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Celebrate the lake and the restorative power of naturalistic outdoor garden areas.</li> <li>• Consider moving/flowing water as a design element that creates soothing sound.</li> <li>• Space for 80 people</li> <li>• Outdoor area with a mix of trees, planting beds, lawn and hard-surfaced walkways and seating areas.</li> <li>• Consider trellises, pergolas, gazebos</li> <li>• Partially-shaded during afternoons with one or more covered areas.</li> <li>• Area suitable for outdoor seating at tables</li> <li>• Positive drainage / area drains</li> </ul> | <ul style="list-style-type: none"> <li>• Outdoor lighting</li> <li>• Power and Voice/Data communications outlet to be determined.</li> <li>• Irrigation</li> <li>• Hose-bibs</li> <li>• Wi-Fi</li> </ul> | <ul style="list-style-type: none"> <li>• Outdoor benches, tables and chairs</li> </ul> |
| <div> <div data-bbox="157 1333 466 1403"> <b>NON-CATEGORIZED</b><br/> <b>2,000 Sq. Ft.</b> </div> <div data-bbox="1745 1349 1984 1385"> <b>Exterior Garden</b> </div> </div>  |  |  |

## **X. UTILITIES IMPACT ANALYSIS**

The Project Budget includes all site development associated with required utility extensions and hookups, walkways, landscape irrigation, drainage systems, plant materials, lighting, and landscape furnishings (benches, trash containers, etc.). The consulting design team shall thoroughly review FIU utility atlases and coordinate underground utility location services that may be required.



## **X. UTILITIES IMPACT ANALYSIS (continued)**

In addition, this project budget includes campus infrastructure as follows: TBD – To be determined.

Water. Fire and domestic water are required at this building. Amount – TBD. The projected consumption is to be determined.

Sanitary Sewer System. Connection to Sanitary Sewer System required. A lift station may be required to connect as gravity sewer lines are not in the immediate vicinity of the site.

Storm Water System: Catch basins with ex-filtration trenches may be required based on storm drainage engineering analysis. The effect that reduction in the size or elimination of the existing detention pond will have on stormwater management must be analyzed.

Electrical. Service is TBD (Volts). Verify transformer requirements with Facilities Management. The projected electrical capacity is to be determined (KVA).

Chilled Water System: Service is available from the existing chiller lines in the general vicinity of the proposed building but until campus chilled water loop is extended/completed, cost of extending lines may favor self-contained air-conditioning.

Communications. Service connection available at nearby vault. Coordination with Facilities Management and Telecommunications Department for specific telephone and data requirements is required.

Road Work. Road realignment to accommodate this project and other future projects is expected to be performed separately. An entrance/service drive / drop off loop for this building should be included in this project.

Projected Demand:

Power = TBD - KVA

Water = TBD - GPM

Projected Consumption / Year:

Power = TBD - KWH

Water = TBD – Gallons

Utility Metering: Meters or sub-meters must be installed as part of the project to accurately determine utility usage attributable to this project.

Total estimated infrastructure construction costs associated with this building project including normal building service connection to the existing networks is itemized in section XV.

## **XI. INFORMATION/COMMUNICATION RESOURCE REQUIREMENTS**

Refer to Telecommunications Wiring Standards appendix “C”. General equipment/furniture requirements are noted in section IX - Program Area Summary, Functional Description of space Details. Detailed computer hardware requirements and network linkage relationships will be established in the Furniture/Equipment expenditure plan which should be developed following completion of design development. The FIU Telecommunications wiring standards are designed to accommodate a maximum degree of flexibility in the arrangement of data and voice communications systems. Wiring and cabling as well as data / voice outlets are specified by space type and should accommodate all normal operations as identified in this program.



**APPENDIX "C" STANDARDS FOR TELECOMMUNICATIONS FACILITIES FOR  
NONRESIDENTIAL RESIDENTIAL LIFE BUILDINGS (REVISED FEBRUARY 2012)**

The purpose of this standard is to provide for the planning and installation of telecommunications facilities in new buildings and major renovations. This standard has been developed with little knowledge of the telecommunications equipment that subsequently will be installed. Therefore, the definitions included herewith are for generic telecommunications facilities that will support a multitude of rapidly changing telecommunications technologies in a multivendor and variable end user environment.

This standard recognizes three fundamental concepts related to telecommunications and buildings:

- (1) Buildings are dynamic. Renovation, remodeling and upgrading are more the rule than exception. This standard takes into account that change will occur.
- (2) Building telecommunications systems and media are dynamic. As time passes both telecommunications equipment and media change considerably. This standard recognizes this fact and the facilities prescribed herein are capable of supporting a vast array of telecommunications systems and media.
- (3) Telecommunications is more than telephones. Telecommunications is inclusive of a variety of building systems including data systems, environmental control, security, audio, television, sensing, alarms, emergency communications and much more.

Above all, this standard recognizes a fact of fundamental importance: if a building is to be properly designed, built and provisioned for telecommunications systems, it is imperative that the telecommunications design be incorporated during the architectural design phase.

The FIU/UTS Infrastructure Department developed this document in accordance with industry specifications. It is the standard by which the University defines the physical facilities required for the provisioning of telecommunications systems for new buildings and major renovations to existing buildings. These specifications take into account the physical facilities such as the size and provisioning of telecommunications rooms, cable distance limitations, vertical and horizontal cabling considerations, number and size of conduits and numbers and types of information outlets. The general cabling requirements are not addressed, because FIU/UTS is solely responsible for the installation of all the telecommunications wiring in all FIU buildings and campuses.

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2.0 CABLE PATHWAYS ..... C - 3

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## 1.0 GENERAL

- 1.1 **RESPONSIBILITY** - It is the responsibility of the project architect/engineer to ensure the inclusion of the standards for building telecommunications facilities into the design and construction documents for new and major renovation projects.
- 1.2 **REFERENCES** - In addition to the specifications included herewith the architect/engineer is encouraged to refer to the following publications for guidance during the design of the communications infrastructure:
- Building Industry Consulting Service International (BICSI); Telecommunications Distribution Methods Manual (Latest Edition).
- Electronic Industries Association, Telecommunications Industry Association (EIA/TIA) Building Telecommunications Wiring Standards.
- NFPA's National Electric Code (NEC).
- FIU/UTS Infrastructure Department.
- 1.3 **COORDINATION** - Prior to the start of any telecommunications related work, the contractor shall coordinate the installation with the UTS/Infrastructure Department.

## 2.0 CABLE PATHWAYS

### 2.1 INFORMATION OUTLETS

- 2.1.1 **REQUIREMENTS** - Specific requirements for information outlets for each room and each project must be coordinated with the building occupants at the onset of the design phase of major renovations and new construction projects. The architect/engineer for major renovation and new construction projects is cautioned that the Building Program for the project includes requirements, but may not be all-inclusive regarding communication facilities. Therefore, the project architect/engineer must work closely with the building occupant and the FIU/UTS Infrastructure Department to minimize the need for revisions and changes after the completion of the design phase.
- 2.1.2 **FLOOR MOUNTED** - The use of floor mounted information outlets is strongly discouraged as it does not allow for flexibility in furniture layout and inhibits future changes to the telecommunications system.
- 2.1.3 **ELECTRICAL BOXES** - Locations for information/wireless outlets must be equipped with a 4 in. X 4 in. X 2.5-in. electrical box equipped with a mud ring sized for the installation of a standard duplex outlet.
- 2.1.3.1 **WATERPROOF BOXES**- Outdoor wireless antenna, outdoor paging horns, and outdoor security cameras locations must be equipped with a 4 in. X 4 in. X 2.5-in waterproof box with blank cover.
- 2.1.4 **MOUNTING HEIGHT** - Electrical boxes installed for information outlets must be placed at the same level as the adjacent duplex electrical receptacles or at least fifteen (15) inches above the finished floor.

- 2.1.4.1 Electrical boxes installed for information outlets located above counters equipped with a splash back must be placed at 6 in. above the top of the counter. (Measure to the center of the outlet.)
- 2.1.4.2 Electrical boxes installed for information outlets located above counters not equipped with a splash back must be placed at 12 in. above the top of the counter. (Measure to the center of the outlet.)
- 2.1.4.3 Electrical boxes installed for emergency phones in classrooms/lecture halls/auditoriums/labs/lounges/conference rooms/ shall be mounted 48 in. above finished floor.
- 2.1.4.4 Electrical boxes installed for indoor wireless access points information outlets shall be located above drop ceiling spaces or alternate location that is determined by UTS after site survey is completed.
- 2.1.4.5 Waterproof boxes for outdoor wireless antennas and emergency paging horns installation heights will be provided to contractor after a site survey of building is conducted by UTS.
- 2.1.4.6 Electrical boxes installed for emergency call buttons in all Residential Life building apartments shall be mounted 48 in. above finished floor by entrance.
- 2.1.4.7 Electrical boxes installed for indoor security cameras outlets shall be located above drop ceiling spaces or alternate location that is determined by UTS and Facilities after site survey is completed.
- 2.1.5 FACULTY/ADMINISTRATIVE OFFICES must have a minimum of one (1) information outlet per designated occupant, however two (2) are recommended for furniture relocation of additional staff.
- 2.1.6 CLERICAL/STAFF OFFICES shall have a minimum of one (1) information outlet per designated occupant plus one (1) information outlet for every two (2) additional occupants.
- 2.1.7 SECRETARY/ADMINISTRATIVE ASSISTANT OFFICES shall have a minimum of one information outlet per designated occupant plus two (2) outlets per office or two (2) extra outlets per five (5) people.
- 2.1.8 CLASSROOM/LECTURE HALLS/Auditoriums shall have a minimum of one (1) information outlet for emergency phone, and one (1) to four (4) information outlets for data depending on occupancy size:

| Classroom Size<br>(Student Occupancy) | Minimum Number<br>of Outlets |
|---------------------------------------|------------------------------|
| 1-50                                  | 1                            |
| 51-100                                | 2                            |
| 101-200                               | 3                            |
| 201 or more                           | 4                            |

- 2.1.8.1 The recommended location priority relationship for the information outlets must be: chalkboard/dry eraser board, lectern, projection booth/rear wall and remaining sides. The recommended location for emergency phone must be: next to chalkboard/dry erase board or teaching station podium.
- 2.1.9 GRADUATE STUDENT OFFICES shall have a minimum of one (1) information outlets per designated occupant.
- 2.1.10 LABORATORIES shall have a minimum of one (1) information outlet per room; actual number may be more depending on function and occupant requirements.
- 2.1.11 CONFERENCE ROOMS shall have a minimum of one (1) information outlet per room. Rooms with more than 500 ft<sup>2</sup> shall have a minimum of two (2) information outlets installed.
- 2.1.12 STORAGE AREAS shall have a minimum of one (1) information outlet for rooms over 500 ft<sup>2</sup> and one (1) additional outlet for each additional 2000 ft<sup>2</sup>.
- 2.1.13 INDOOR WIRELESS AREAS shall have a minimum of one (1) information outlet location per access point which will be located above ceiling.
- 2.1.14 OUTDOOR WIRELESS AREAS shall have a minimum of one (1) information outlet location per access point, to be located above ceiling on the inside of the outside wall of building.
- 2.1.15 OUTDOOR EMERGENCY PAGING HORNS shall have a minimum of (1) information outlet location per horn, to be located on the outside wall of building.
- 2.1.16 RESIDENTIAL LIFE APARTMENTS shall have a minimum of (1) information outlet location, in each bedroom, and common area.

## 2.2 CONDUITS

- 2.2.1 A 1 inch EMT conduit must be installed from each information outlet electrical box including indoor/outdoor wireless access point, emergency call buttons, security cameras, EMS, and emergency paging horn location and "stubbed" up above the ceiling level to cable tray. (Please see attached drawing, Fig. 2.2.1-A)
- 2.2.2 If fixed ceilings are installed cable trays cannot be used and conduit from information outlets must be "homerun" to the telecommunications room or nearest cable tray.
- 2.2.3 The open ends of conduits and/or sleeves must be equipped with bushings to avoid damage to cable sheaths and must be readily accessible and not concealed within walls.
- 2.2.4 Telecommunications rooms contain the vertical cable riser space. Conduits and/or sleeves must be used to interconnect telecommunications rooms. The open ends of conduits and/or sleeves must be located a maximum of 3 in. from the wall and extend a minimum of 1 in. above the finished floor.

- 2.2.5 **REQUIRED NUMBER** - The minimum number of conduits, and/or sleeves interconnecting the telecommunications rooms must be determined as follows:

| Building Total<br>(Square Footage)                 | Quantity of Conduits | Size of Conduit |
|--|----------------------|-----------------|
| Up to 50,000 ft <sup>2</sup>                       | 3                    | 4"              |
| 50,001 ft <sup>2</sup> to 100,000 ft <sup>2</sup>  | 4                    | 4"              |
| 100,001 ft <sup>2</sup> to 300,001 ft <sup>2</sup> | 5-8                  | 4"              |
| 300,001 ft <sup>2</sup> to 500,000 ft <sup>2</sup> | 9-12                 | 4"              |

- 2.2.6 **PULL BOXES** - A pull box must be installed in sections of conduit longer than 100 ft. or containing more than two 90-degree bends or if there is a reverse bend in the run.
- 2.2.7 Minimum requirements for installed conduit, such as support, end protection, and continuity, are found in appropriate electrical codes.
- 2.2.8 The inside radius of a bend in conduit must be at least 6 times the internal diameter. When the conduit size is greater than 2 in. the inside radius must be at least 10 times the internal diameter of the conduit.
- 2.2.9 **PULL CORDS** - All conduits must have a fish tape or pull cord, rated for 200 lbs. of pull force, and installed end-to-end.
- 2.2.10 **ELEVATOR** – A ¾" conduit must be installed from each elevator equipment room to the nearest telecommunication room or cable tray.
- 2.2.11 **EMS** – A 1" conduit must be installed from each mechanical room "homerun" back to the nearest telecommunication room or cable tray.
- 2.2.12 **FIREALARM** - A ¾" conduit must be installed from the fire alarm panel to the nearest telecommunication room or cable tray.

Note: (1) Under no circumstances will flexible metallic conduit be used for any telecommunication wiring.  
 (2) Under no circumstances will any conduits be "daisy-chained" together.

## 2.3 CABLE TRAYS

- 2.3.1 Cable trays are rigid structures for the containment of telecommunications cables.
- 2.3.2 **GROUNDING** - Cable trays must be installed and grounded in accordance with the National Electric Code (NEC) and local requirements. (Please see attached drawing, Fig. 2.3.2-A)
- 2.3.3 **TYPE** - Cable trays must be of the 12 to 18-in. ladder type, equivalent to Wiremold, Part No. A060612, unless otherwise specified by the UTS Project Manager.
- 2.3.4 Cable trays must be installed above false ceilings and run down hallways and corridors providing a pathway for telecommunications cable from the information outlets to the respective telecommunications closet.

- 2.3.5 Cable tray installation must be coordinated with all work of other trades to avoid any interference. Cable trays must be installed such that they are not obstructed by other trades equipment, i.e. air conditioning ducts, electrical conduit etc. Cable trays must be easily accessible for the installation of cables and, future changes to telecommunications systems.
- 2.3.6 A minimum of 3-in. clear vertical space must be available between the top of the ceiling tiles and the bottom of the cable tray. A minimum of 12 in of clear horizontal space on each side of the cable tray must be available. Also, minimum of 6 in of clearance must be available between the top of the cable tray and any other utilities.
- 2.3.7 Under no circumstances, shall any other utilities pass within the distances specified in 2.3.6
- 2.3.8 To avoid electromagnetic interference, all cable pathways must provide clearances of at least:
  - 4 ft. from large motors or transformers.
  - 1 ft from conduit and cables used for electrical power distribution.
  - 5 in. from fluorescent lighting. Pathways should cross perpendicular to fluorescent lighting and electrical power cables or conduits.

### 3.0 TELECOMMUNICATIONS ROOMS

#### 3.1 DESCRIPTION/DEFINITION

- 3.1.1 Telecommunications rooms must be dedicated to the telecommunications function and related support facilities. Telecommunications rooms must not be shared with janitorial facilities or other trades especially with electrical installations other than those required for telecommunications systems.
- 3.1.2 Telecommunications room refers to any room where telecommunications facilities terminate and telecommunications system equipment is housed.
- 3.1.3 The term building Intermediate Cross Connect (IC) is used to indicate the telecommunications room where the campus backbone facilities enter the building.
- 3.1.4 The term Telecommunications Rooms (TR) is used to designate the telecommunications room required for the distribution of facilities to adjoining floors and areas exceeding distance limitations.
- 3.1.5 NUMBER OF ROOMS. There must be a minimum of one telecommunications room per floor and centrally located in the building, unless otherwise specified by the UTS Project Manager. Additional telecommunications rooms must be provided when:
  - (1) The floor area to be served exceeds 10,000 ft<sup>2</sup>, or
  - (2) The horizontal distribution distance to the workstation exceeds 295 ft.,

3.1.6 **SIZING OF ROOMS.** Telecommunications rooms must be sized as follows:

| Serving Area<br>(net bldg. ft2) | Room Size       |
|---------------------------------|-----------------|
| 10,000 ft2                      | 10 ft. X 11 ft. |
| 8,000 ft2                       | 10 ft. X 9 ft.  |
| 5,000 ft2 - less                | 10 ft. X 7 ft.  |

10 ft. X 7 ft. is the minimum size for telecommunications rooms.

- 3.1.7 Telecommunications rooms must be stacked vertically to provide for the installation of telecommunications facilities between floors. Telecommunications rooms must be interconnected as specified in section 2.2.5.
- 3.1.8 **BACKBOARDS** – All four walls must be covered with rigidly fixed 3/4 in. x 4 ft. X 8 ft. A-C plywood, preferably void free, capable of supporting attached equipment and painted with black fire retardant paint.
- 3.1.9 **LIGHTING** - Lighting must be a minimum of 50-ft. candles measured 3 ft. above the finished floor, mounted 8.5 ft. minimum above finished floor.
- 3.1.10 **CEILINGS** - False ceilings are not allowed in any Telecommunication Room.
- 3.1.11 **DOORS** - The door must be a minimum of 36 in. wide and 80 in. high, without doorsill, hinged to open outward and fitted with a lock.
- 3.1.12 **KEYING** - Access to all telecommunication rooms will be through one uniform master key system. Facilities Management will establish the lock type to be used.
- 3.1.13 **TREATMENT** - Floors, walls, and ceiling must be treated to eliminate dust. Floors must be sealed.
- 3.1.14 **ELECTRICAL REQUIREMENTS** - Two dedicated 30 A, 110 or 208 V AC electrical outlets (L5-30R/120, L6-30R/208), each on separate circuits, must be provided for equipment power, unless otherwise specified by UTS Project Manager. In addition, a third 20A, 110 V AC circuit shall feed duplex outlets, which must be placed at 6 ft. intervals around the perimeter wall, at a height of 18 in above the floor. In addition, all dedicated outlets in IC's and TR's must be connected to the emergency power system (generator). All dedicated circuit outlets must be readily identifiable by using a different color outlet.
- 3.1.15 **GROUNDING** - Each telecommunications room must have direct attachment to the closest point in the building's electrical service grounding electrode system. A Number 6 AWG solid conductor cable must be placed between the ground source and a bus bar of the type: Chatsworth Products, Inc. part number 13622-010 or equivalent.
- 3.1.15.1 A #6 THW ground cable shall be installed for each Outdoor Wireless Access Point location from the nearest Intermediate Closet (IC) or Telecommunications Room (TR).
- 3.1.16 **SLEEVES/CONDUIT** - Sleeves or conduit passing through the telecommunications room floor should be adjacent to the door with a minimum of 1 in. exposed above the finished floor. Sleeves and conduit must be no more than 3 in. away from the wall. Sleeves and conduit shall not be left open except during cable installation and must be properly fire stopped per the applicable codes.



- 3.1.17 **FIRE PROTECTION** - Fire protection of the telecommunications rooms, if required, must be provided as per applicable code. All conduits and cable trays penetrating any Telecommunications Rooms must be properly sealed with the appropriate fire stopping material, as per NEC and local fire codes.

If used, fire sprinklers shall not be water based. An optional gaseous system must be used.

- 3.1.18 **AIR CONDITIONING** - HVAC must be provided on a 24 hours per-day, 365-days-per-year basis. If the building system cannot assure continuous operation for large equipment applications, a stand-alone unit must be provided for the equipment room.
- 3.1.19 **TEMPERATURE** - The temperature and humidity must be controlled to provide continuous operating ranges of 64 degrees F to 75 degrees F with 30% to 55% relative humidity.
- 3.1.20 **COLLOCATION OF OTHER TRADES** - No water, sewer etc. pipes must be placed within or pass through the telecommunications rooms.
- 3.1.21 **PLENUM AIR SPACE** - All Telecommunications Rooms must be completely separated from Plenum air space in accordance with NEC and BICSI standards. (Please see 1.2 reference)
- 3.1.22 **LOCATION OF ROOM** - All Telecommunications rooms must be accessible at all times. The IC (building main telecommunications room) must be designed to be adjacent to an outside wall in order to facilitate the addition of entrance conduits if needed, unless specified by UTS Project Manager.

#### 4.0 OUTSIDE PLANT

##### 4.1 DEFINITION DESCRIPTION

- 4.1.1 All new building construction planning must provide for connection of the building to the campus communications infrastructure.
- 4.1.2 **CONDUIT SIZE** - All direct buried conduits used to connect to the University Telecommunications infrastructure must be 4" PVC, Schedule 40.
- 4.1.3 **NUMBER REQUIRED** - The minimum number of conduits connecting the building IC to the campus MC must be at least four four-inch (4 - 4") conduits. Note: More entrance conduits might be needed depending on the size and utilization of the building.
- 4.1.4 **DEPTH** - The top of the conduit bank must be buried at least 30 inches below the ground surface and separated from other service structures as required for fiber optical cable under EIA/TIA specifications.

Separation of telecommunications conduits from other utilities shall meet the following guidelines:

| Separation of Telecommunications Conduits from Other Utilities |   |
|--|---|
| Structure  | Minimum Separation  |
| Power or other conduit   | 3 inches in concrete<br>4 inches in masonry<br>12 inches in earth   |
| Pipes (gas, oil, water)  | 6 inches when crossing pipe<br>12 inches when parallel to pipe  |
| Power conduit terminated on poles                              | Separate poles, if possible.<br>If on same pole, 180 degree separation<br>Preferable, but not less than 90 degrees. |

The conduits must be placed in accordance with the requirements specified in the FIU building manual. In particular, bidders must pay special attention to the Telecommunications requirements specified in Appendix C.

**4.1.5 DUCT BANK PROTECTION** - Conduit must be encased in concrete when:

- (1) Minimum conduit depth of 30 inches cannot be attained.
- (2) Conduits pass under roads, driveways, or railroad tracks.
- (3) Bend points are subject to movement.

Note: A detectable warning tape must be placed 18 inches above all duct banks (detectable: containing metallic tracings).

**4.1.6 SLOPE** - Underground conduit must be installed such that a slope exists at all points of the run to allow drainage and prevent the accumulation of water. A drain slope of no less than .125 in. per foot is desirable.

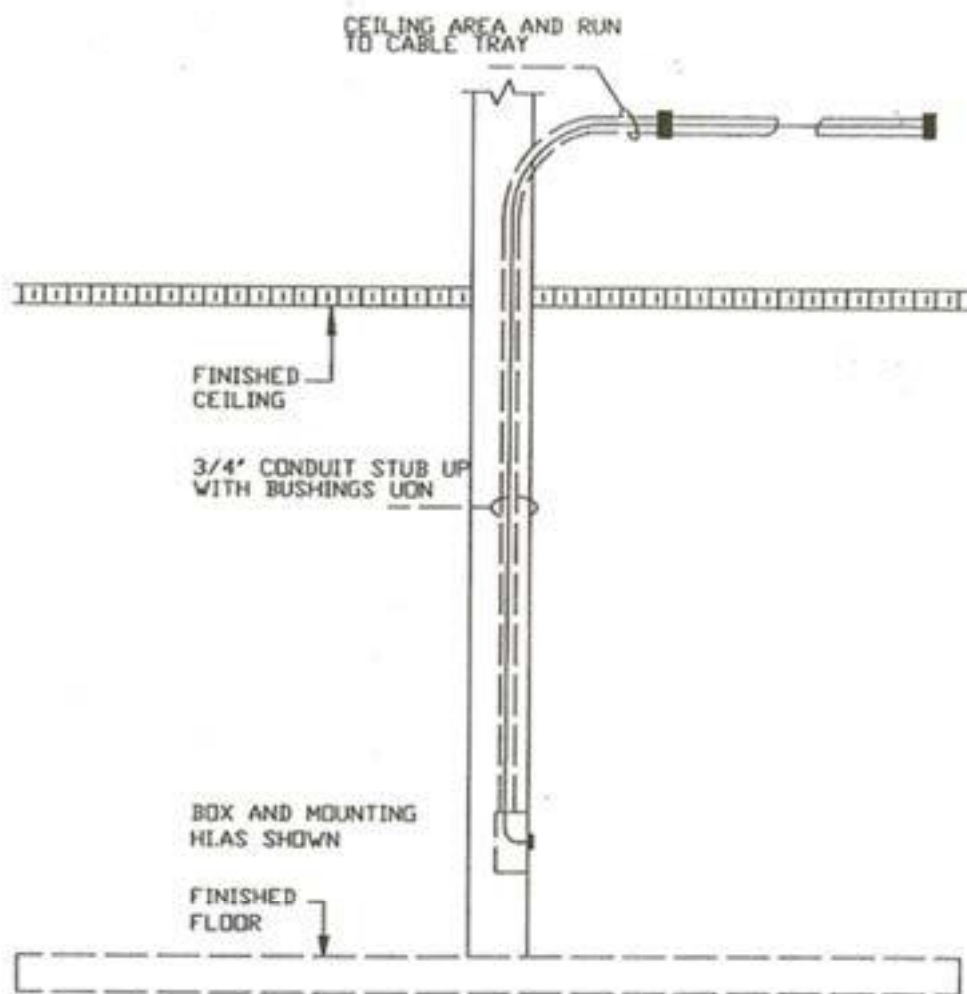
**4.2 MANHOLES (MAINTENANCE HOLES)**

**4.2.1 DESCRIPTION** - A manhole (maintenance hole) is used to pull in and splice cables in an underground, concealed manner. Manholes must be equipped with a sump, corrosion resistant pulling iron, cable racks, and manhole ladders. Concrete used for manholes must be of at least 3500 lb./in<sup>2</sup> strength. All manholes must be properly grounded as required by BICSI. (Please refer to 1.2)

**4.2.2 SIZE** - Manholes must be sized at 6-ft. width X 12-ft. length X 7-ft. height, unless specified by the UTS Project Manager. All manholes must be equipped with a round ring and cover, clearly labeled "TELECOM" or "TELEPHONE". (Please see attached drawing, Fig. 4.2.2- A)

- 4.2.3 WHERE REQUIRED - Manholes must be placed when the conduit section length exceeds 500 ft. whenever a cable splice will be required, when bends exceed a total of 180 degrees or two bends, or the section length of conduit requires the pulling in of cable in two segments.
- 4.2.4 HANDHOLES are not an acceptable alternative to manholes described in section 4.2.1, 4.2.2. Handholes can only be used in place of manholes after consultation with and receipt of written approval from the UTS/Infrastructure Department. (Please see attached drawing, Fig. 4.2.4- A)
- 4.2.5 PULL POINTS - Wherever distances between manholes exceeds 200 feet or there are more than two 90 degree bends in the conduit run, a 4' x 4' x 4' pull box must be placed. The number of conduits going in and out of the pull box shall not exceed six. Under no circumstances shall a pull box replace a manhole. (Please see attached drawing, Fig. 4.2.5-A)
- 4.2.6 POSITIONING OF CONDUITS IN MANHOLE - Conduits entering a manhole shall do so only through the manhole walls designed for conduit penetration. Under no circumstances shall the structural integrity of the manhole be compromised.

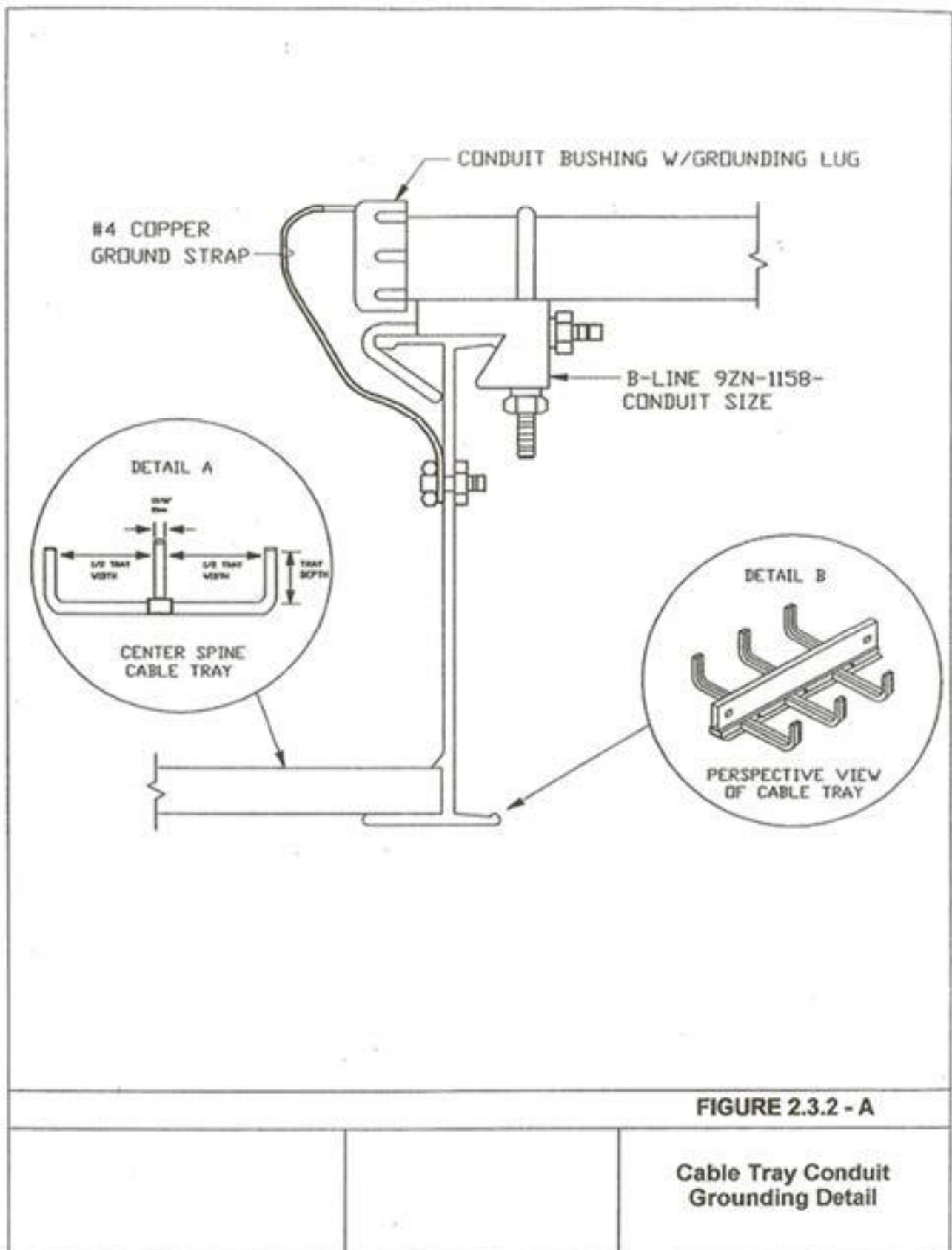
Note: Conduits being added to a manhole must be placed as deep as possible in order to accommodate future expansion of ductbanks and guarantee maximum utilization of the manhole.

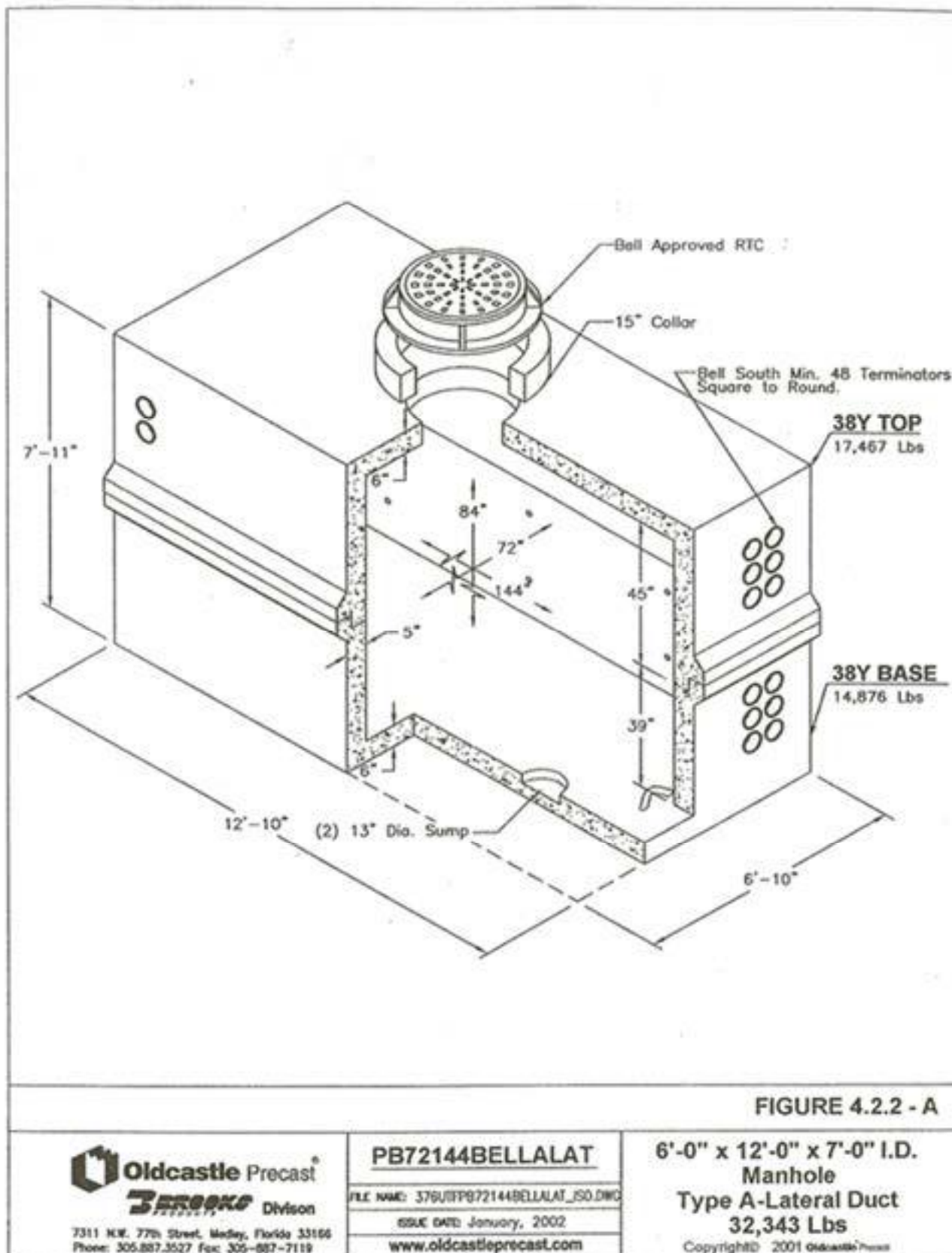


WALL STUB-UP DETAIL

FIGURE 2.2.1 - A

Wall Stub-Up Detail





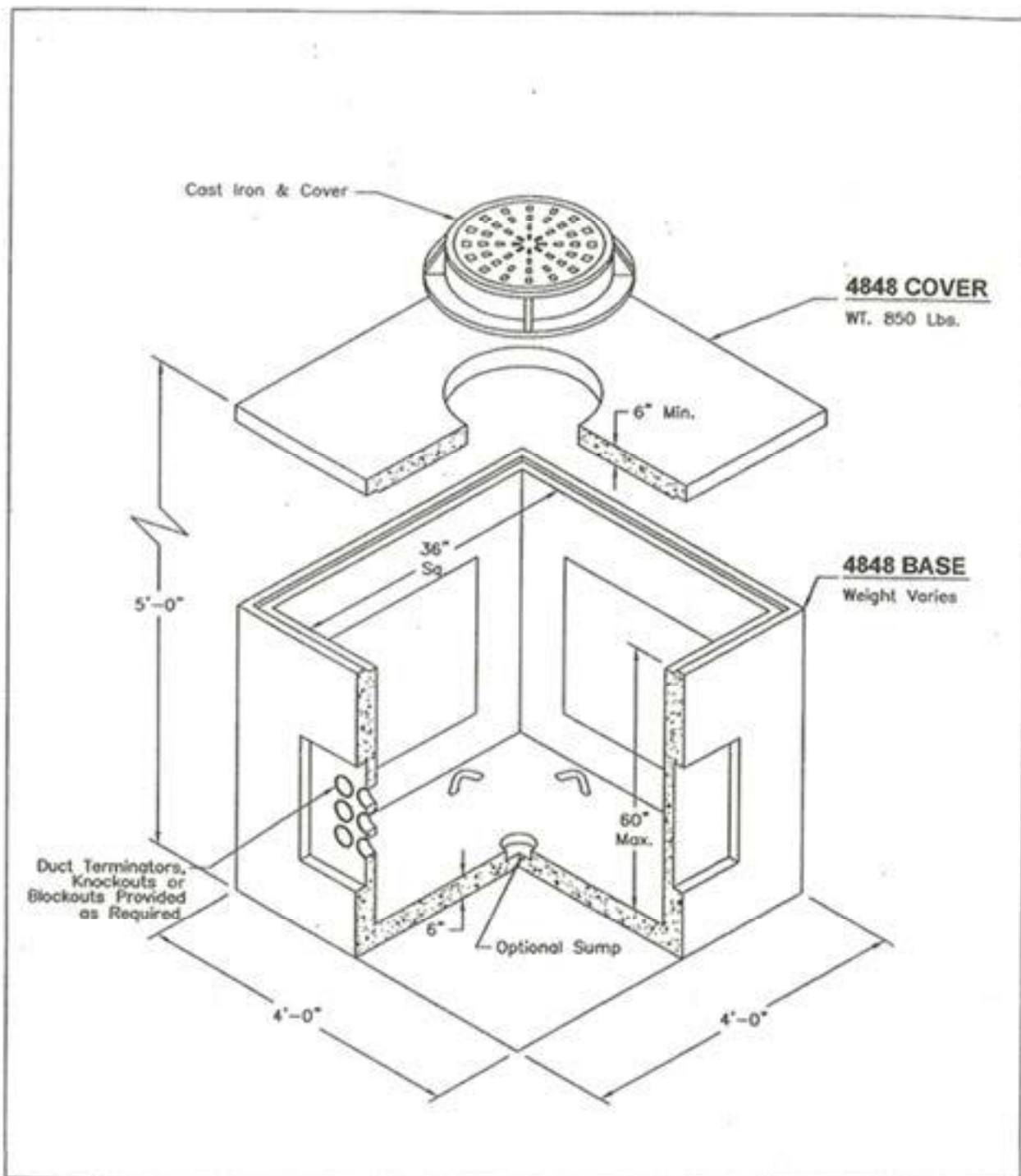


Figure 4.2.4 - A



7311 N.W. 77th Street, Medley, Florida 33166  
 Phone: 305.887.3527 Fax 305-887-7119

**HH4848**

FILE NAME: 376UTFH4848\_ISO.DWG

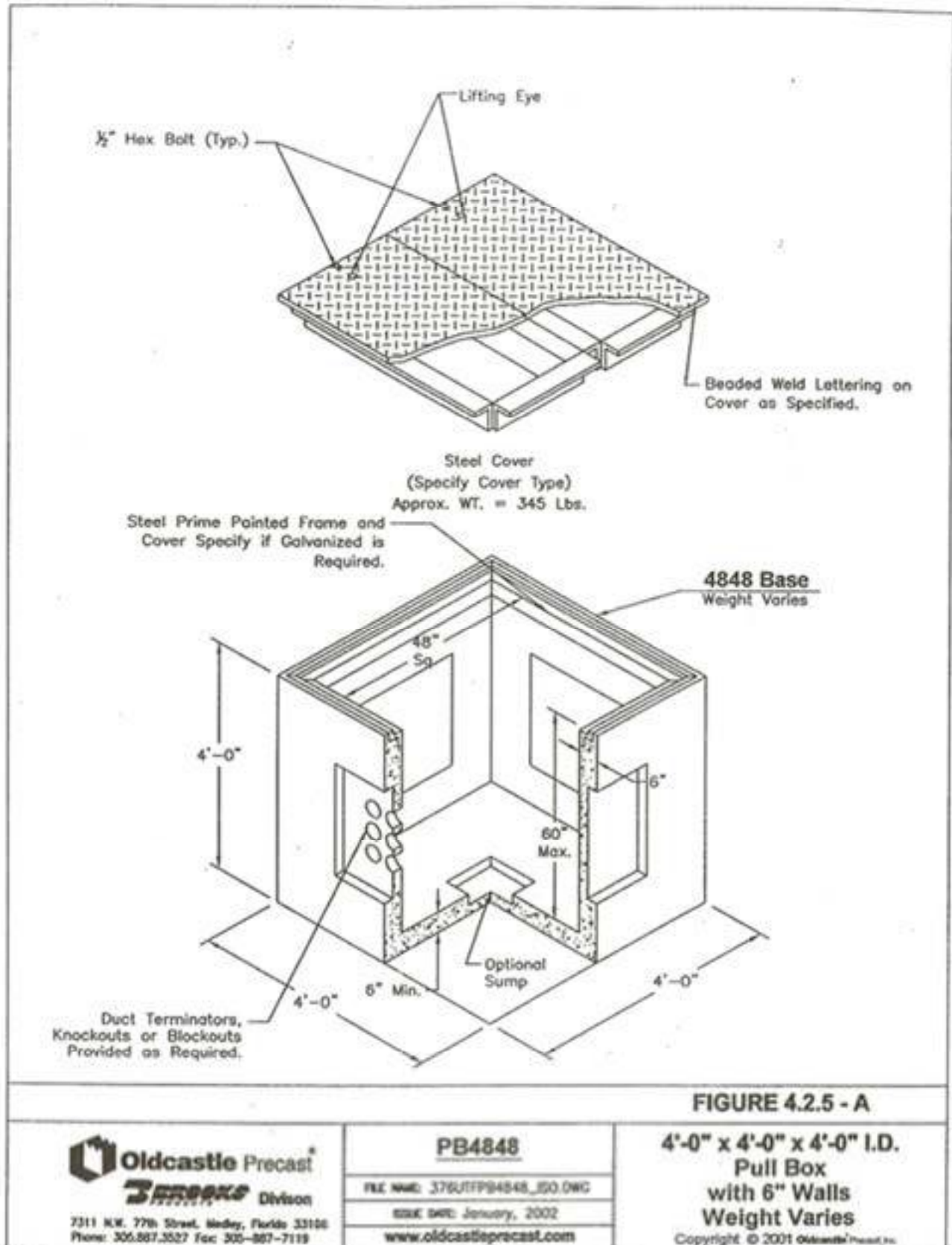
ISSUE DATE: January, 2002

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**4'-0" x 4'-0" x 5'-0" I.D.  
 Handhole  
 with 6" Walls  
 Weight Varies**

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## **XII. CODES AND STANDARDS - BUILDING STANDARDS**

- A. This building will conform to the following applicable building standards: In case of conflict, the strictest requirements will govern. Written approvals will be obtained when required from the State of Florida Fire Marshall, Miami-Dade Water and Sewer Department, Florida Power and Light Company, and Florida Department of Environmental Protection (NPDES). Refer to FIU Building Code Administration Webpage here:

[http://facilities.fiu.edu/Documents/Facilities\\_Management/BuildingOfficialPDFs/Bldg\\_Permit\\_App\\_2014\\_Revised\\_07-01-2015.pdf](http://facilities.fiu.edu/Documents/Facilities_Management/BuildingOfficialPDFs/Bldg_Permit_App_2014_Revised_07-01-2015.pdf)

1. a. Florida Building Code (B, A, EC, M, P, & FG), 5th Edition-2014  
Florida Fire Prevention Code, 2014 edition  
NFPA-70, National Electrical Code, 2011 edition FACBC (accessibility), 2012 Edition

In all cases the date of Building Permit Application determines applicable code(s).

- b. All proposed landscape shall conform to the current FIU landscape design guidelines (element 16 of Campus Master Plan).
2. Statewide Impact Codes.
  - a. NFPA 101 (Life Safety) as amended and incorporated into the Florida Fire Prevention Code.
  - b. HRS (Health and Rehabilitative Services Codes)  
Water Management District Standards
  - c. American National Standard Safety Code ANSI a 17.1 for elevators, dumbwaiters, escalators and moving walks including provisions of 399 Florida Statutes, ANSI 117.1 and Chapter 11 of the Florida Building Code, Accessibility (FACBC).
  - d. Department of Education Space Criteria Code, DOE Chapter 6A-2 (latest edition).
  - e. Department of Transportation
  - f. SMACMA
  - g. Corps of Engineers
  - h. South Florida Water Management District
  - i. Department of Natural Resources
  - j. ASHRAE 62 latest edition.
  - k. Florida Department of Environmental Protection
  - l. Phase I and Phase II NPDES Storm water Program
  - m. Miami-Dade County Water and Sewer Department

## **XII. CODES AND STANDARDS - BUILDING STANDARDS (continued)**

3. Structural Materials Design Codes:
    - a. All provisions of the High Velocity Hurricane Zone of the Florida Building Code.
    - b. Referenced standards in Chapter 35 of the Florida Building Code.
    - c. Referenced standards in Section 423.25 Public Shelter Design Criteria, State Requirements for Educational Facilities.
  4. New or Revised Legislation
    - a. Threshold law s.553.77, F.S.
    - b. Building Code and reinforcement s.553.71, F.S.
    - c. High hazard occupancy new definition s.633.021, F.S.
    - d. Fire Marshall inspection s.633.085, F.S.
    - e. Fire Marshall authority to order vacating of building s. 633.121, F.S.
    - f. Master Planning (Comprehensive Capital Facilities Planning and Budget Process) amending s.255.25 and 255.29.
    - g. Trench Safety Act CS/SB 2626 which adopts OSHA excavation safety standards.
    - h. Compliance with Florida Statutes on “Florida Friendly” plant usage.
    - i. Americans with Disabilities Act (ADA) - Public accommodations regulations and accessibility guidelines for buildings and facilities.
  5. Compliance with applicable local ordinances as required.
- A. The design of the facilities shall meet all requirements of the State University System Energy Efficiency Analysis criteria. The University also is requesting that a Leadership in Energy and Environmental Design (LEED) be considered to obtain certification for this project based on New Construction Green Building Rating system by the US Green Building Certification Institute. The desired rating is Silver level, or better.
  - B. It is the express intent of this program to acknowledge this building as a continuum relating the existing and future developments on this campus, as outlined in the University Campus Master Plan, through the selection of design, materials, and systems utilized. Comprehensive systematizing of the campus complex provides energy and construction cost efficiencies and maintenance and repair savings by reducing replacement parts inventories and simplifying service needs, aesthetic cohesiveness, and overall life cycle cost savings based on existing plant experience.
  - C. Design of this building and infrastructure must be closely coordinated with plans of the existing structures, systems development, campus utilities development, and University Campus Master Plan for building development and landscape development.
  - D. The Architect/Engineer is responsible, as part of the basic services requirements, for the compliance of the construction documents with all codes until the date the project is released for bidding.

## **XII. CODES AND STANDARDS - ARCHITECTURAL PARAMETERS**

It is the intent of this program to define building standards and specifications which will ensure environmental sensitivity, construction materials quality, construction system efficiency, adherence to building codes and standards, and awareness of university requirements to ensure functionality, ease of maintenance, energy efficiency, and cohesiveness to the existing campus mega structure.

Planning of this project will include review of the University's Building Standards. Review of this document will be coordinated with the University's Facilities Development staff. This document sets forth standards for construction materials, interior and exterior finishes, paving surfaces, common building elements, accent materials, utilities, environmental and building systems, landscaping, and other design guidelines which are appropriate for this campus. The current FIU Building standards are to be followed unless specific deviations are coordinated with and agreed to, in advance, by the Facilities Development Department.

In the development of conceptual design, careful consideration must be given to the following items:

1. Building design should be functional and take advantage of prevailing breezes and the subtropical climate. Natural ventilation should be developed wherever practical and desirable based on initial costs, operating costs, energy conservation, and the degree of environmental control required in various functional areas. Building design should eliminate the need for excessive mechanical controls through the use of such design parameters as building orientation, sun control, breezeways, operable windows, insulating exterior materials, etc.
2. Careful consideration must be given to alternative means of accommodating level changes. The nature of the functions housed in this facility requires that most of them be directly and conveniently accessible. Design should attempt to maximize vertical accessibility to all floors in this building. Concepts to be explored include ramped walkways, exterior multi-level design and terracing. Where stairs are used, they must be prominent, inviting, and readily accessible.
3. The facility will be designed for functional flexibility and expansion. It must be acknowledged from the outset that this building should be designed considering the desire for future expansion even if the expansion may not be directly contiguous.
4. The A/E's documented monitoring of overall project costs, as well as costs of specific design elements will be reviewed with the Facilities Development Department. Construction cost control is understood to be a major developmental objective.
5. Together with planning for user convenience, organize and arrange departments into building/floor zones and provide accessibility for changes in mechanical and electrical services and for maintenance access requirements. Consider future economies in special revisions, and plan to affect economies in operations of mechanical systems.
6. In order to affect maximum flexibility, the building should be designed around a public circulation core which includes all required public access areas and all building services.

## **XII. CODES AND STANDARDS - ARCHITECTURAL PARAMETERS (continued)**

7. Interior finishes should be responsive to the traffic levels to which they will be subjected with recognition of the permanence of the facility and a desire for low maintenance. Hard or resilient floor surfaces will be specified for high volume, public traffic areas. Specific room areas should be carpeted with strong, tight weave fibers, and easily replaceable colors, easy cleaning and/or repair. Wall surfaces in public traffic areas should anticipate wear and abuse due to student traffic volumes; use washable latex paints.
8. Furnishings and equipment, interior finishes, and color selections will be coordinated with University Facilities Development personnel in design stages of project development prior to implementation. Materials samples and color will require university approval prior to design development.
9. Large glass areas which may cause sun and weather problems peculiar to South Florida should be avoided, but daylight illumination should be present for psychological reasons. Uses of shaded or screened glass windows to permit views of the campus are encouraged. All exposed glazing must have Miami-Dade Product Approval.
10. All utility services (electrical, plumbing, floor drains, etc.) will be provided in conditioned spaces.
11. There should be one custodial work room for each 18,000 square feet or less of floor space. All space within the building should be reachable from one of these work rooms without negotiating any stairways. Each work room should be at least 80 net square feet with an 8" minimum dimension and a 36" minimum out-swinging door. Each room shall include a floor base utility sink, with floor drain. It shall be of cast iron exterior and porcelain interior with a metal spillage. No telephone panels, electrical panels, alarm system panels, or pipe chases are to be included in these rooms.
12. The A/E will include in the project design, fabrication, and installation of an informational graphics and signage system in accordance with University standards to be coordinated through the Facilities Development Department.
13. Roofing construction details will be designed in accordance with the 2006 National Roofing Contractors Association Construction Details publication. A reference copy is available in the University Facilities Development Department. Slope roofs for positive directional drainage.
14. At construction completion inspection, provide the following to the University:
  - a. Complete set of reproducible "As-Built" drawings.
  - b. Operating manuals on all types of equipment used in the building.
  - c. List of all Contractors, Subcontractors, and their suppliers of materials and equipment.
  - d. Three copies of cut sheets on all door hardware, window hardware, keying schedule, and all interior and exterior mechanical, electrical, fixed equipment, and plumbing installed in the building, will be provided in loose leaf binders.

**XII. CODES AND STANDARDS - ARCHITECTURAL PARAMETERS (continued)**

- e. One copy of all “as-built” construction drawings (site and floor plans) in electronic medium.  
Compatible with AutoCAD/Revit systems located in University Facilities Planning & Construction offices.
- f. 10% of each type and color of ceiling tile, carpet, vinyl tile, and ceramic tile.
- g. One gallon of each color paint and five gallons of primary color paint.

15 All fluorescent lighting should have an electronic ballast and energy efficient bulbs.

16 Acoustical ceiling tile system should be easily removable for maintenance access.

17 Provisions should be made for one air conditioned voice/data communication (telephone) equipment room on each building floor level, each with area of not less than 4’x8’ with a door not less than 3’ wide for equipment access, and a 125 Volt 20 Amp electrical power outlet.

18. The first floor elevation shall meet a minimum of +10 feet NGVD as required by the Campus Master Plan.

19. Asbestos and lead-based Paint Survey, operations & Maintenance, and Abatement:

- a. Rules of the Florida Department of Labor and Employment Security
- b. Requirements of Sections 255.551-565 and Chapter 469, Florida Statutes
- c. Rules of the Florida Department of Environmental protection.
- d. Regulations of OSHA and the Environmental Protection Agency
- e. Licensing regulations of Asbestos Consultants, the Florida Department of Business and professional Regulation.
- f. Lead-based paint minimum abatement standards of the Department of Housing and Urban Development and current state of the art procedures to protect university personnel, students and visitors
- g. All asbestos abatement contractors are to be pre-qualified under the SUS owner Provided Insurance Program.

20. The Project shall comply with the FIU Building Information Modeling (BIM) Standard & Guide Version 1 – Nov. 2014.

It is intended that this program will generate an overall building facility that will be attractive, dignified, easy to maintain, economically staffed and operated, and functionally and aesthetically satisfying to the majority of persons who see and use it. These ends can probably be best achieved through a plan that is devoted to flexible use of space with appropriate materials, light, and color, as opposed to a plan centered upon a particular architectural style, symmetry, or other non-functional planning considerations.

## **XII. CODES AND STANDARDS - BARRIER FREE DESIGN**

It is the policy of Florida International University to provide all architectural features to permit accessibility for the physically disabled. The University has adopted ANSI 117.1-1986 and the Department of Community Affairs Accessibility Requirements Manual and current revisions for standard disabled design materials, for compliance, as a part of the University Building Standards and should be used in conjunction with the State of Florida Handicap requirements and Americans with Disabilities Act (ADA) accessibility guidelines identified under "Statewide Impact Codes" in the Codes and Standards - Building Standards section of this program.

Of particular interest in these regulations will be provisions for physically disabled students and staff in the following areas:

1. Wheelchair, crutches, and braces restrictions to mobility.
2. Building access: entrance door thresholds, closers and handles, interior and exterior multi-level transitions by means of ramps, stairs, elevators, or escalators, emergency exits from all levels for the physically disabled, and hallway and corridor clearances.
3. Design criteria for public service areas, such as, restrooms (with doors), drinking fountains, telephones, etc.
  - a. Visual fire alarm signals in all public toilet rooms.
  - b. Door levers approved for handicap use in all major rooms. Coordinate locations with Facilities Development.
  - c. Handicap drinking fountains.
  - e. Handicap water closets, urinals, lavatories and mirrors in all public restrooms.
  - f. Handicap parking stalls minimum 12' x 20' plus 5' x 20'.
  - g. Braille numbers on elevator doors, cabs, and public room identification plaques.
4. Increase ANSI standards of 32" for closet doors to 36".

## **XII. CODES AND STANDARDS - SITE DEVELOPMENT AND CAMPUS INTEGRATION**

Site and building planning and design will conform to the BT acknowledged 2010-2020 Campus Master Plan Update, dated March 2014, adopted March 27, 2014. In the development of the conceptual designs, careful consideration must be given to the following items:

1. Site design will be coordinated with all physical facilities existing and/or currently planned for the campus. The Campus Master Plan outlines all facilities, existing or planned. Site boundaries for this project are outlined in this building program.
2. Pedestrian circulation systems between the proposed buildings must be integrated into the design which will preferably provide weather-protected connections. Perimeter walkways, exterior courtyards, and plaza areas should be designed to visually relate to the other campus adjacent buildings.
3. Any service roads and/or yards will be constructed according to the Dade County standards for vehicular blacktop surfaces; additional road and service yard requirements include planting, landscaping, irrigation system, lighting, signage, and graphics.
4. In engineering design and construction, particular care must be exercised for positive storm water drainage and disposal. This requirement will be strictly enforced by the University.
5. In design planning and construction staging, consideration should be given to disruption of the existing roads to ensure orderly traffic flow.
6. Energy efficient exterior lighting is required for service road and/or yard, site, and building. Because of the heavy use of the facility at night, particular care should be taken in the design of exterior lighting for vandal resistance, security, and aesthetics. Lighting of service yards should be controlled by clock timers with electric photo cells. Investigate use of lighting color differences to differentiate exterior functions, i.e., service road and/or yard vs. pedestrian walkway.
7. All site utilities will be provided underground from the nearest existing primary services (power, telephone, and sanitary sewer and water distribution systems). Communications and control systems will be provided as extensions of the campus underground network to and/or from existing and future adjacent buildings to engage with central terminal (control) equipment.
8. Site design should be developed to take full advantage of South Florida's subtropical climate including the use of "Florida Friendly" landscape concepts. Landscaping should be used to articulate exterior areas, provide shade for outdoor use, and provide natural buffer between zones of conflicting use and future development.
9. Particular care should be taken to provide attractive site boundaries, and building vistas from surrounding campus areas. Native landscape materials which are capable of withstanding the sun and wind conditions found in South Florida should be used. Irrigation systems for all landscaped areas are required, except where the Xeriphytic concepts are used.

**XII. CODES AND STANDARDS - SITE DEVELOPMENT AND CAMPUS INTEGRATION**  
**(continued)**

10. The A/E will exercise particular care in designing storm drainage for the site and walkways. Topographic site plans must specifically illustrate existing and established grades for drainage. Site construction must comply with contract documents. "As-builts" of the drainage system will be reviewed in the field at Substantial Completion of the project. All components of the construction exposed to weather will have positive drainage to a storm-water drainage system or equivalent (planters, grassed areas, etc.). Scuppers or roof runoffs will not occur over pedestrian walks or terraces. Primary circulation paths will require trench drains to ensure against storm-water accumulation during heavy rainstorms. The A/E will provide a comprehensive storm-water drainage plan for the building, connecting walkways, all weather-exposed stairways, and site, as a part of the Design Development stage.
11. Exterior handrails will be of a non-corrosive material and will not overheat when exposed to the sun.
12. Roadway and walkway post lights should be located at least 4 feet from the edge of roadway/walkway. All roadway, walkway, and exterior building lights should be controlled by photo-cell.



## **XII. CODES AND STANDARDS - ENVIRONMENTAL SYSTEMS**

Mechanical and electrical systems should be designed to afford maximum energy efficiency and operating economy. Mechanical systems should be designed in as efficient a manner as possible in order that these systems not preclude vital space essential to the building's main purpose. Particular attention should be paid to the following:

1. Zone controls of air-conditioning to permit emphasis to selected areas; alleviating total operation when necessary, particularly as relates to exhaust hoods when applicable. Design systems which maintain air movements for humidity control. Control equipment will be pneumatic coupled to an electronic energy management system compatible with existing EMS at the Central Utility Plant
2. Zoned lighting controls to allow for selective control of all overhead lighting. Lower ambient light levels and increase task lighting. Flexibility to adjust lighting levels as needed for particular functions. Specifically as they deal with light quality, aesthetic illumination, intensity for general and task lighting, and energy efficiency for cost savings. Consult with the department of Facilities Development.
3. The building mechanical and electrical system should be designed to allow incremental expansion as future needs require additions and alterations and should follow guidelines indicated in the Master Plan Update. Mechanical and Electrical systems to be designed for excess capacity of 10%.
4. All HVAC Systems must be designed and specified with special consideration for sound transmission and quiet operation. Appropriate air duct velocity and vibration isolation must be designed and field verified during construction. Air handlers should be remote from office space and enclosed by sound resistant partitions. Air handlers servicing units to be accessible for maintenance/repairs from common areas (corridors) without access through private offices or classrooms.

This building should be designed to function for short time periods with limited power consumption and without the use of air-conditioning. Features listed above - such as natural ventilation, sun control, zoned environmental controls - should be coupled with overall building design considerations such as siting to take advantage of prevailing winds, window design to accommodate breezes, and minimize heat build-up, etc. In order to service the building economically and preserve the architectural plans for flexibility, the following mechanical systems for the building should be incorporated:

- a. Central utility core with minimum distribution distances.
- b. Accessible vertical and horizontal chases where flexibility is required.
- c. Provisions for changing power and telephone distribution.
- d. Accessible mechanical rooms housing no other functions.
- e. Maintenance staff should not have to enter student spaces. Provide access to utilities from common areas. Provide space to remove coils and filters for HVAC.

## **XII. CODES AND STANDARDS - ENVIRONMENTAL SYSTEMS (continued)**

5. Basic systems:
  - a. Heat/air-conditioning distribution and control. Design criteria to be 76 degrees Fahrenheit with 50% relative humidity.
  - b. Lighting fixtures with local controls and central monitoring and disconnect control panel.
  - c. Automatically starting battery powered emergency lighting and U.P.S. system back-up for communications/computers.
  - d. Smoke detection and fire alarm with central annunciator panel at or near the front desk/main entrance. The fire alarm system should be an addressable system, not a zone system.
  - e. For specific criteria for systems standards, refer to Florida International University Building Standards.
  - f. Electric power reserve will be 150% greater than initial demand. The electrical distribution system will also be designed and constructed to accommodate this reserve.
  - g. Water - gas fire central hot water and cold water with sufficient shut-off valves as required by residential and programs and/or maintenance functions. Hose bibs inside and outside of the building as required.
  - h. Sanitary waste system - as required by applicable codes.
  - i. Storm drainage - positive drainage from room entrances and all exterior areas.
  - j. Gas lines, properly tested, with shut-off valves as required; add 30% reserve over initial building demand.
  - k. Elevators - combination service and passenger-type with electrical eye equipped doors; self-lowering and automatic open doors in accordance with fire codes. It must also comply with applicable ADA requirements.
  - l. Clocks - battery emergency powered.
  - m. Inter-campus and public telephone system. Two phone service source.
  - n. Irrigation - Central.
  - o. Exterior building lighting - Energy efficient and vandal resistant.
  - p. Exterior door card security system.
  - q. Energy management systems in compliance with the Master Plan Update guidelines (Control in Central Utility Plant).
  - r. Security alarm system connected to the campus Public Safety Department, including Closed Circuit High-Definition Video Monitoring.
  - s. Fire alarm system connected to the campus Public Safety Department.
  - t. Provide automatic fire sprinkler system as required by code.
  - u. Smoke Exhaust System with emergency power, if required by building occupancy, type and size.
6. Central controls for this facility connected to the Central Utility Plant should be provided for the following:
  - a. Exterior lighting
  - b. Environmental systems (HVAC)
7. Reserve utilities capacity for power and gas, water and sewer, and communications are to be provided.
8. Provisions should be made for one telephone equipment room (air-conditioned if it is to be used in conjunction with electronic equipment) on each building level each with area and other requirements as indicated in "Appendix C."

## **XII. CODES AND STANDARDS - FURNITURE STANDARDS AND EQUIPMENT**

In order to facilitate the design of the specific functional areas, lists have been compiled indicating the anticipated equipment needs of each. These lists have been included in the detailed description of each area. These lists may not be complete, and include items which will not be purchased under the projects Capital Outlay Furniture and Equipment budget; however, their inclusion in the design is required for efficient space planning by the Architect and Engineers.

It is also important to recognize that some of the office equipment presently utilized in other buildings on campus may be re-utilized if, after inventory, they are deemed to be in satisfactory condition for relocation.

Installation for all fixed equipment, built-in shelving, counters, and any equipment requiring hookup other than electrical convenience outlet will be included in the construction cost and bid documents. Institutional quality equipment and premium grade casework shall be provided.

All movable equipment and furnishings will only be included in the equipment and furniture design layouts, but should be indicated as "not-in-contract". All movable equipment will be furnished by the University and funded from the Furniture and Equipment budget; see Project Budget.

All special equipment will be specified to be on contract for servicing. A complete set of "as-built" drawings from manufacturers and installers is required. The A/E and contractor will field demonstrate and discuss maintenance procedures with appropriate personnel from the department of Facilities Operations upon Substantial Completion of the construction.

Inventory of equipment, other than in this construction program, will be provided by the Office of Facilities Development.

### XIII. PROJECT SCHEDULE

Milestone dates for this project are planned as follows:

| Bell Chapel - Preliminary Schedule |   |                               | 10/4/2019   |
|------------------------------------|---|-------------------------------|-------------|
| Task No.                           | Description of Task   | Task                          | No. of Days |
| 1                                  | Program Final Draft   | A/E Selection<br>↓            |             |
| 2                                  | Approve Program   |                               | 68          |
| 3                                  | Arch./Engineer (A/E) - Submit Legal Adv't in Fla. Admin. Register |                               | 1           |
| 4                                  | A/E- FAR Adv't Posted   |                               | 2           |
| 5                                  | A/E- Qualifications Deadline                                      |                               | 31          |
| 6                                  | A/E- Shortlist Meeting  |                               | 15          |
| 7                                  | A/E- Presentations & Interviews                                   |                               | 31          |
| 8                                  | A/E- Selection Notice   |                               | 14          |
| 9                                  | A/E- Negotiations & Contract Award                                |                               | 21          |
| 10                                 | AE- Notice to Proceed (latest start date)                         |                               | 7           |
| 11                                 | Program Verification  | 190                           | 14          |
| 12                                 | Conceptual Schematics   | Design and CM Selection<br>↓  | 38          |
| 13                                 | FIU review  |                               | 14          |
| 14                                 | Advanced Schematics   |                               | 49          |
| 15                                 | FIU review  |                               | 14          |
| 16                                 | Construction Manager (CM) - Submit Legal Adv't in FAR             |                               | 0           |
| 17                                 | CM- FAR Adv't Posted  |                               | 3           |
| 18                                 | CM- Qualifications Deadline                                       |                               | 28          |
| 19                                 | CM- Shortlist Meeting   |                               | 10          |
| 20                                 | CM- Presentations & Interviews                                    |                               | 28          |
| 21                                 | CM- Selection Notice  |                               | 14          |
| 22                                 | CM- Negotiations & Contract Award                                 |                               | 15          |
| 23                                 | CM- Notice to Proceed (pre-construction)                          |                               | 13          |
| 24                                 | Design Development  |                               | 70          |
| 25                                 | CM/FIU review   |                               | 14          |
| 26                                 | 50% Contract Documents  |                               | 70          |
| 27                                 | CM/FIU review   |                               | 21          |
| 28                                 | 100% Contract Documents   |                               | 70          |
| 29                                 | CM/FIU Review   |                               | 28          |
| 30                                 | Bid Date/Issuance of Guaranteed Maximum Price                     | 499                           | 45          |
| 31                                 | Award Date/Notice to Proceed                                      | Bid, Permit<br>and Build<br>↓ | 28          |
| 32                                 | Building Permit   |                               | 11          |
| 33                                 | Construction Start  |                               | 14          |
| 34                                 | Substantial Completion  |                               | 420         |
| 35                                 | Final Completion  |                               | 32          |
| 36                                 | Occupancy/ Furniture & Equipment Installation                     | 505                           | 0           |
| 37                                 | Closeout Documentation (after Subcontractors Complete)            |                               | 45          |
| <b>TOTAL DAYS</b>                  |   |                               | <b>1298</b> |

Mutual coordination between the A/E and the University will be required to resolve questions of scheduling, compatibility, finishes, environmental systems, connections, etc. Scheduling of these meetings and establishment of dates for this coordination will be the task of the University's Office of Facilities Planning. Among those items which will require coordination are the following: Pre-design Informational conferences, Design Submissions and Presentations, Project Reviews, Evaluations and Approvals by the Board of Trustees. Final Document Approvals, Bidding Dates and Procedures, Award of Contracts and Construction Start, Pre-construction and Periodic Construction Conferences, Construction Interfacing with University Operations, Disruption of Services for Utility Connections, Substantial and Final Completion Inspections, and Guarantee Expiration Inspection.

Pre-design Informational conferences  
Design Submissions and Presentations  
Project Reviews, Evaluations and Approvals by the University  
Final Document Approvals  
Bidding Dates and Procedures  
Award of Contracts and Construction Start  
Pre-construction and Periodic Construction Conferences  
Construction Interfacing with University Operations  
Disruption of Services for Utility Connections  
Substantial and Final Completion Inspections  
Guarantee Expiration Inspection

#### **XIV. PROGRAM FUNDS**

**The planning, construction, and equipment funding source is projected as follows:**

**Private Funds - \$8,961,000**

The estimated operation and maintenance budget for utilities, normal maintenance and unscheduled repairs, routine equipment replacement, custodial and landscaping services, campus security, annual inspections, etc. is about \$10 per gross square foot or approximately \$126,590 in 2019 dollars per year. Note that this does not include staff who work exclusively at the facility.

**An endowment of about \$3,165,000 to cover basic annual operating and routine maintenance costs is recommended for proper operation of the facility.**

**XV. PROJECT BUDGET SUMMARY**

| The Trish & Dan Bell Chapel   |                 | INTERNAL USE ONLY       |                  |                                | 10/15/2019        |
|---|-----------------|-------------------------|------------------|--------------------------------|-------------------|
| Facility/Space Type   | Net Area (NASF) | Net to Gross Conversion | Gross Area (GSF) | 12/1/2021 Unit Cost (Cost/GSF) | Construction Cost |
| Instructional Spaces  |                 |                         |                  |                                |                   |
| Classroom   | 0               | 1.51                    | 0                | \$388.90                       | \$0.00            |
| Academic Support  |                 |                         |                  |                                |                   |
| Auditorium/Exhibition   | 5,930           | 1.51                    | 8,926            | \$435.43                       | \$3,886,678.58    |
| Institutional Support   |                 |                         |                  |                                |                   |
| Office/Computer   | 2,480           | 1.51                    | 3,733            | \$390.53                       | \$1,457,835.74    |
| Totals  | 8,410           | 1.51                    | 12,659           |                                | \$5,344,514       |
| Total Construction - New  |                 |                         |                  |                                | \$5,344,514       |
| SCHEDULE OF PROJECT COMPONENTS  |                 |                         |                  |                                | ESTIMATED COSTS   |
| Basic Construction Cost   |                 |                         |                  |                                |                   |
| 1. a. Construction Cost (from above)  |                 |                         |                  |                                | \$5,344,514       |
| Add'l/Extraordinary Const. Costs  |                 |                         |                  |                                |                   |
| b. Environmental Impacts/Mitigation   |                 |                         |                  |                                | \$0               |
| c. Site Preparation***  |                 |                         |                  |                                | \$200,000         |
| d. Landscape/Irrigation   |                 |                         |                  |                                | \$125,000         |
| e. Plaza/Walks  |                 |                         |                  |                                | \$150,000         |
| f. Roadway and Parking Improvements ***                                       |                 |                         |                  |                                | \$100,000         |
| h. Telecommunication and Security System                                      |                 |                         |                  |                                | \$175,000         |
| i. Electrical Service   |                 |                         |                  |                                | \$50,000          |
| j. Water Service  |                 |                         |                  |                                | \$60,000          |
| k. Sanitary Sewer   |                 |                         |                  |                                | \$110,000         |
| l. Chilled Water System   |                 |                         |                  |                                | \$0               |
| m. Storm Water System   |                 |                         |                  |                                | \$20,000          |
| n. Energy Efficient Equipment   |                 |                         |                  |                                | -                 |
| Total Construction Costs  |                 |                         |                  |                                | \$6,334,514       |
| 2. Other Project Costs  |                 |                         |                  |                                |                   |
| a. Land/existing facility acquisition   |                 |                         |                  |                                | \$0.00            |
| b1. Professional Fees - A/E, Landscape DMS Fee Curve "Average Complexity" (B) |                 |                         |                  |                                | 7.43% \$470,684   |
| b2. CM Fees -Pre-Construction   |                 |                         |                  |                                | 1.00% \$63,345    |
| c. Fire Marshall Fees   |                 |                         |                  |                                | 0.25% \$15,836    |
| d. Inspection Services - total  |                 |                         |                  |                                | \$340,000         |
| * On-site representation  |                 |                         |                  |                                | \$160,000 -       |
| * Code inspections  |                 |                         |                  |                                | \$180,000 -       |
| e.Builder's Risk  |                 |                         |                  |                                | 0.10% \$6,335     |
| f. Surveys & Tests  |                 |                         |                  |                                | \$50,000          |
| g. Permit/Impact/Environmental Fees   |                 |                         |                  |                                | \$5,000           |
| h. BIM Consultant   |                 |                         |                  |                                | 0.10% \$6,335     |
| i. Sustainability Rating / LEED   |                 |                         |                  |                                | \$65,000          |
| j. Artwork  |                 |                         |                  |                                | -                 |
| k. Moveable Furnishings & Equipment (+/-14%)                                  |                 |                         |                  |                                | \$887,071         |
| l. Project Contingency 5%   |                 |                         |                  |                                | \$448,050         |
| m. Construction Service Reimbursement   |                 |                         |                  |                                | \$268,830         |
| Total - Other Project Costs   |                 |                         |                  |                                | \$2,626,486       |
| ALL COSTS 1+2   |                 |                         |                  |                                | \$8,961,000       |
| TOTAL PROJECT COST  |                 |                         |                  |                                | \$8,961,000       |

\*\*\*Does Not Include Campus Roadway Realignment, Lake Fill or Off-Site Parking

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## **I - FACILITY PROGRAM DOCUMENT**

# **East Loop Road Realignment**

**BT- 929**



**Florida International University**

**Modesto A. Maidique Campus**

**January 6, 2020**

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### III. SIGNATURE SHEET

1. Educational Specifications contained in this document have been developed in accordance with the statutory requirements of the State University System of Florida as outlined in FIU Standard Operating Procedure #FIU-15-001:

\_\_\_\_\_  
ROBERT W. GRIFFITH, R.A., A.U.A., DIRECTOR OF PLANNING FACILITIES MANAGEMENT

Date: \_\_\_\_\_

2. This document is recommended by the appointed University Building Program Committee:

\_\_\_\_\_  
THOMAS HARTLEY, COMMITTEE CHAIRPERSON

Date: \_\_\_\_\_

3. Information Technology and Communications Resource Specifications contained in this document have been developed in conformance with the requirements of Chapter 282, Florida Statutes, and University standard practices:

\_\_\_\_\_  
ROBERT GRILLO, VICE PRESIDENT & CIO INFORMATION RESOURCE MANAGEMENT

Date: \_\_\_\_\_

4. This document is recommended for approval:

\_\_\_\_\_  
JOHN CAL, ASSOCIATE VICE PRESIDENT, FACILITIES MANAGEMENT

Date: \_\_\_\_\_

5. This document is recommended for approval:

\_\_\_\_\_  
ELIZABETH BEJAR, SR. VICE PRESIDENT, ACADEMIC & STUDENT AFFAIRS

Date: \_\_\_\_\_

6. This document is recommended for approval:

\_\_\_\_\_  
KENNETH JESSELL, CFO & SR. VICE PRESIDENT, FINANCE & ADMINISTRATION

Date: \_\_\_\_\_

7. This document is recommended for approval:

\_\_\_\_\_  
JAVIER I. MARQUES, VICE PRESIDENT FOR OPERATIONS & SAFETY AND CHIEF OF STAFF

Date: \_\_\_\_\_

8. This document is hereby approved:

\_\_\_\_\_  
MARK B. ROSENBERG, PRESIDENT, FLORIDA INTERNATIONAL UNIVERSITY

Date: \_\_\_\_\_

## **FACILITY PROGRAM COMMITTEE**

This program represents the University's requirements for the development of the Project in as specific and complete a form as is presently available. It is a comprehensive effort of the members of the Building Program Committee who have each contributed, by drawing from their expertise and respective responsibilities, the essential information required by the architects and engineers to conceptualize and develop the project. This committee will monitor the development of the design and assist the design Architects/Engineers by refining details and clarifying any ambiguities herein in a manner consistent with this program. Coordination of the program requirements (compatibility, standards, finishes, utility connections, equipment, etc.) and scheduling throughout the duration of the project will be maintained by the University's office of Facilities Management, Planning, and Construction sections.

The members of the Program Committee are:

Chairperson: Thomas Hartley (Assistant Vice-President Parking & Transportation)

Members:

Thomas Hartley (Assistant Vice-President Parking & Transportation)  
Lissette Hernandez (Director Parking & Transportation, Sustainability & Physical Plant)  
James Wassenaar (Director, Facilities Planning – Student Affairs)  
Sanyo Mathew (Sr. Director, Graham Center – Student Affairs)  
Fernando Larios (Construction Project Manager II)

Ex-Officio:

Associate Vice President, Planning & Institutional Effectiveness  
Associate Vice President, Facilities Management  
Associate Director, Facilities Management/Operations  
Associate Vice President, Information Technology  
Associate Vice President, Environmental Health & Safety  
Chairperson, Faculty Senate  
Chairperson, Ad Hoc Building and Environment Committee  
Associate Director, Facilities Management/Utilities  
Director, Auxiliary Services  
Director, Purchasing  
Director, Academic Space Management  
Director, Facilities Management/Minor Projects & Construction  
Director, Facilities Management/Planning  
Senior Project Manager/Facilities Management

## **IV. INTRODUCTION**

### **General Project Description**

This project seeks to realign a part of the original campus loop road to enhance traffic flow and improve turning radii for large vehicles servicing the Graham Center. It is intended that this project create a larger available site area east of the Graham Center Ballrooms to allow expansion of Graham Center meeting facilities as well as allowing/enhancing bus and VIP pickup, drop-off and valet parking for Graham Center events.

Partial filling of Lake #4 (a man-made borrow pit) will be required as part of this project.

This Project shall include design coordination with the future/concurrent “Trish & Dan Bell Chapel Project” so that a suitable site for construction of that project is created adjacent to Lake #4 including required drop-off, service access and clearance from lake edge. If practicable, stub-outs or sleeves shall be provided to the Chapel site so that the newly realigned road will not have to be cut for Chapel utility connections.

This Project shall include design consideration for tram, cart and/or van routes and bus stops being proposed or developed in the area by FIU that may cross or parallel or be located on the campus loop road. Bus shelters located along the loop road in areas where it is to be realigned, shall be relocated along the realigned road.

This project may be done in two phases. The mandatory first phase is from near the entrance of Parking Lot #35 south to the north part of the traffic circle on SW 16<sup>th</sup> Street. If budget allows or additional funds become available, the second phase of work may be included to complete work north from Parking Lot #35 to the area indicated in diagrams on pages VII-1 and VIII-1.

### **Project History**

Realignment of the east campus loop road was proposed in the Campus Master Plan Update 2005-2015 and Campus Master Plan Update 2010-2020.

### **Project Goals and Benefits**

Traffic flow on the east side of campus will be enhanced by eliminating a “T” intersection and stop sign. This will make it easier for large trucks and service vehicles to navigate in the area. Access to Graham Center loading docks and service areas will be greatly improved.

It is intended that this project create a larger available site area east of the Graham Center Ballrooms to allow expansion of Graham Center meeting facilities as well as allowing/enhancing bus and VIP pickup, drop-off and valet parking for Graham Center events.

This project will make possible the construction of Trish and Dan Chapel on the southern edge of Lake #4.

This project may slightly increase the size of the site and improve access for the future Science Laboratory Complex/Building 49/Academic 4 project on what is currently Parking Lot #35. This project should allow for construction of future Building 70 – Support Building on Parking Lot #3.

### **Project Delivery:**

The project is proposed to be delivered using the Construction Management - At Risk Method. Refer to Florida Board of Governors Regulation 14.0055 (2) (a) below for project delivery justification:

- (a) Whether the size of the project is sufficiently large and/or complex to require major emphasis on the qualification of the contractor to have specific expertise in performing highly specialized cost estimating, value engineering, and scheduling during the design process with continuity of construction management through both the design and construction phases;

**BT-929 – East Loop Road Realignment**  
FLORIDA INTERNATIONAL UNIVERSITY  
MODESTO A. MAIDIQUE CAMPUS

The design team selected for this commission will be responsible for the development of the design and development of contract documents, bidding and construction administration services.

**Sustainability:**

In recognition of the University's commitment to sustainability practices and the inherent complexity of this building type, this project will be designed and built with the goal of meeting the USGBC's LEED "Silver" certification rating level at a minimum for "Neighborhood Development." The Project shall comply with Florida Statutes 255.251 Energy Conservation and Sustainable Buildings Act including 255.252 (3) and (4). The Project shall comply with Florida Statute 255.2575 Energy-efficient and sustainable buildings requirements that all state university buildings be constructed to comply with a sustainable building rating system or a national model green building code.

**V. ACADEMIC PLAN**

**-NOT APPLICABLE-**

## **VI. SPACE NEEDS ASSESSMENT**

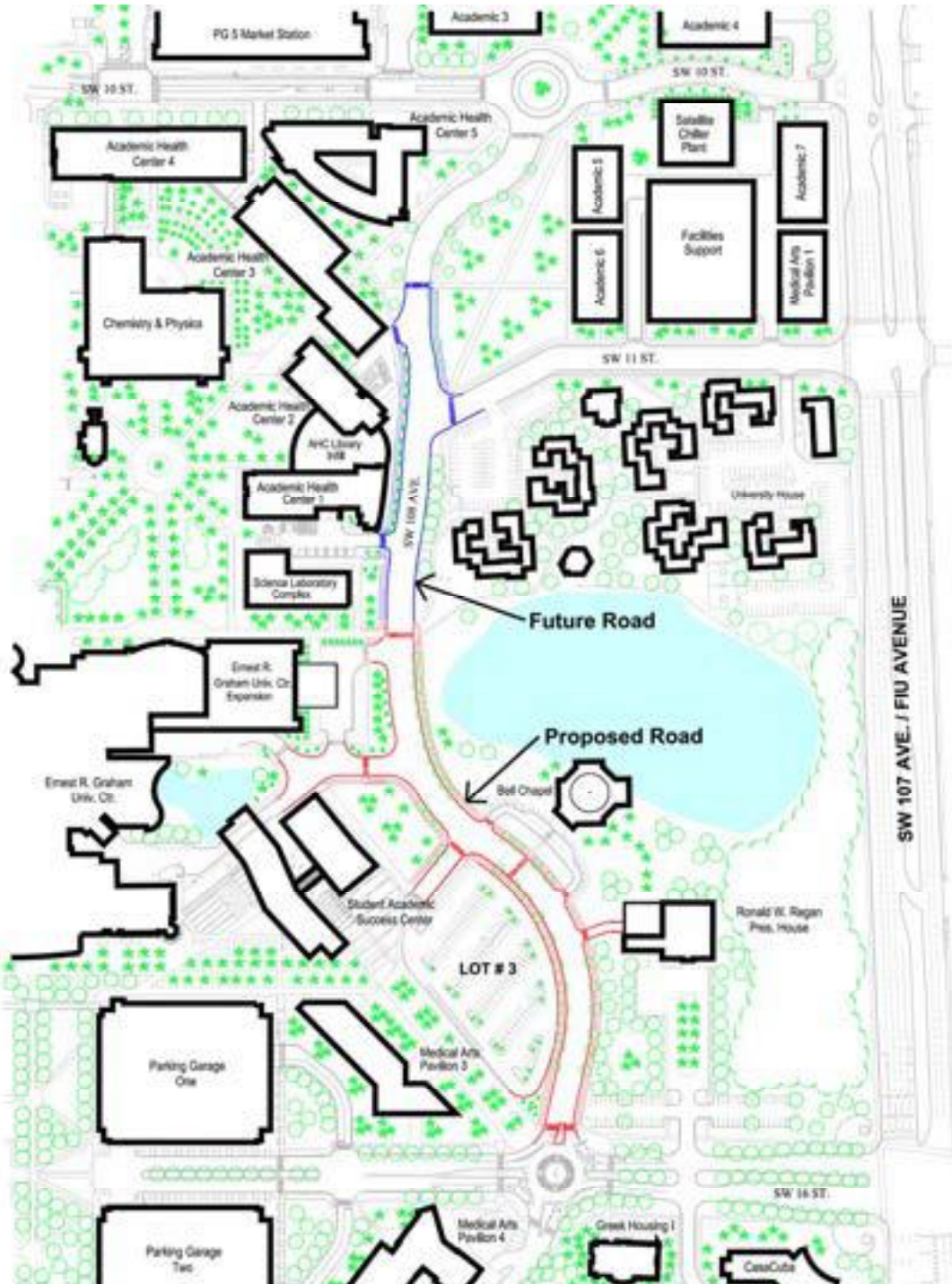
### **PROGRAM AREAS**

**-NOT APPLICABLE-**



## VII. ANALYSIS OF IMPACT ON MASTER PLAN

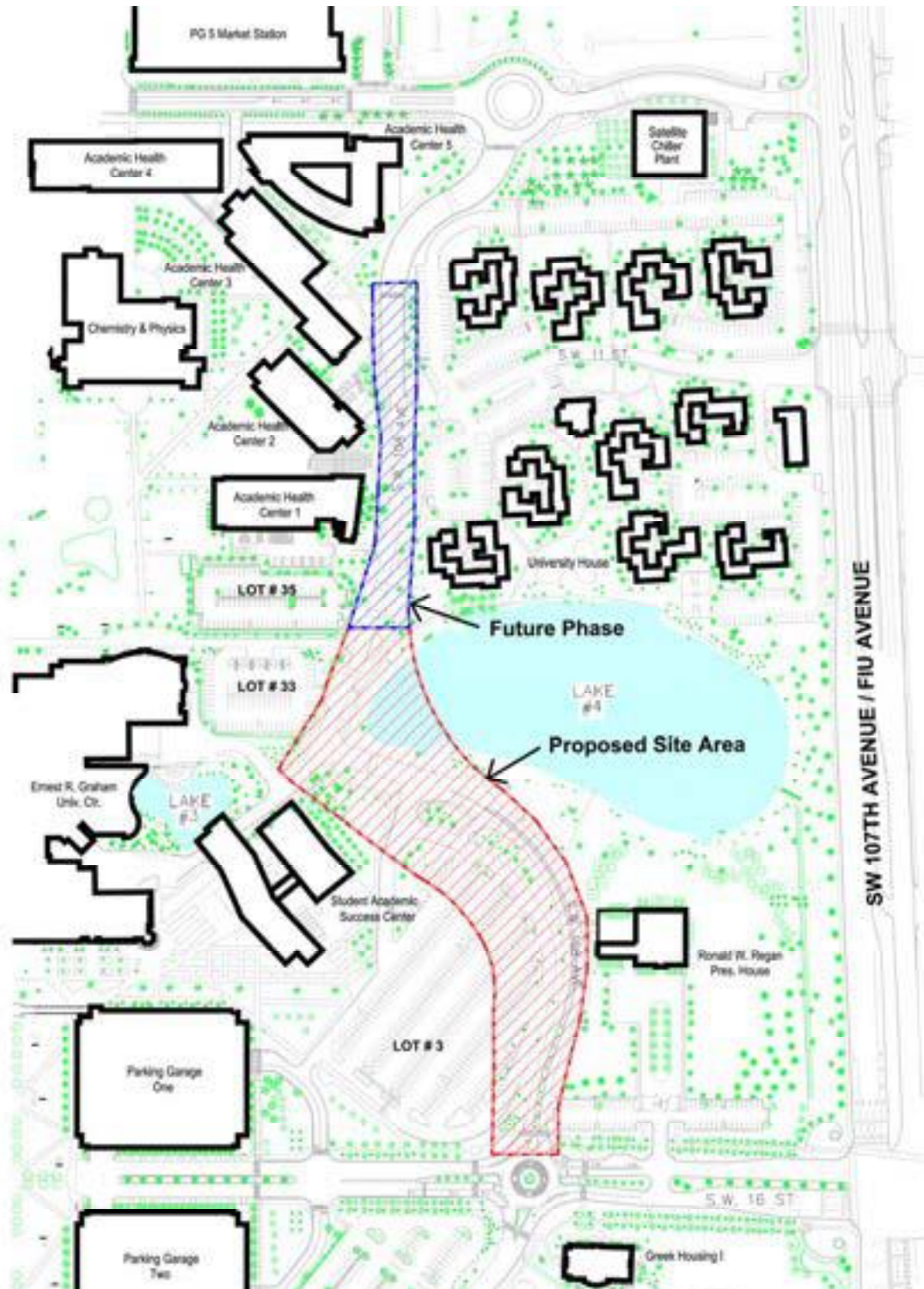
The project is consistent with required elements of the campus master plan including Future Land Use and academic/support facilities described in the Capital Improvement element to accommodate future needs.



**NOTE: This Master Plan Shows Reconfigured Loop Road and Lake Infill**

## VIII. SITE ANALYSIS

The site selected for the chapel is on the east side of MMC on the southern edge of the Lake #4 near 107<sup>th</sup> Avenue between SW 10<sup>th</sup> and SW 16<sup>th</sup> streets. The site for Building 49 is on Parking Lot #35. The site for the Graham Center Ballroom Expansion and Valet Parking drop-off if Parking Lot #33





**VIII. SITE ANALYSIS (continued)**



### **VIII. SITE ANALYSIS (continued)**

Particular attention must be given to the layout of the building footprint and site arrangement to achieve the following:

- Create roadway alignments that allow for safe and efficient traffic flow and turning radiuses suitable for campus vehicular speeds.
- Create alignments that have safe sight lines and clearances.
- Develop a plan that allows for easy pedestrian access between buildings and parking.
- Develop vehicular access for building drop-offs, deliveries and unloading/loading,
- trash removal service and emergency vehicles.
- VIP and valet parking locations and access from the reconfigured road for proposed buildings should be considered.



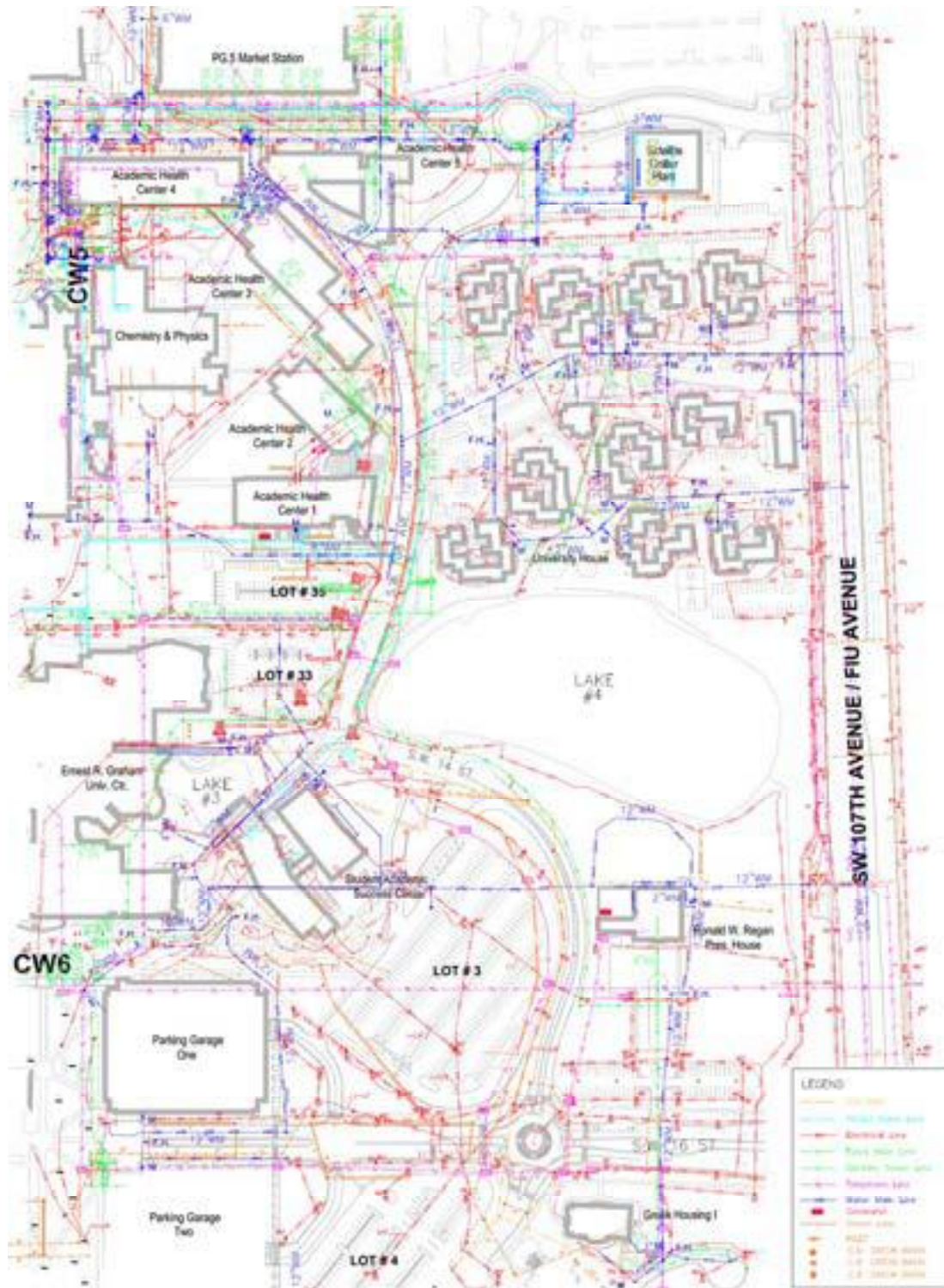
**IX. PROGRAM AREA**

**-NOT APPLICABLE-**



## **X. UTILITIES IMPACT ANALYSIS**

The Project Budget includes all site development associated with required utility extensions and hookups, walkways, landscape irrigation, drainage systems, plant materials, lighting, and landscape furnishings (benches, trash containers, etc.). The consulting design team shall thoroughly review FIU utility atlases and coordinate underground utility location services that may be required.



## **X. UTILITIES IMPACT ANALYSIS (continued)**

In addition, this project budget includes campus infrastructure as follows: TBD – To be determined.

Water. Fire and domestic water line relocation may be required. Amount – TBD. The projected consumption is to be determined.

Sanitary Sewer System. Sanitary Sewer System and Lift Station relocation may be required.

Storm Water System: Catch basins with ex-filtration trenches may be required based on storm drainage engineering analysis. The effect that reduction in the size or elimination of the existing detention pond will have on stormwater management must be analyzed.

Electrical. Service is TBD (Volts). Verify transformer requirements with Facilities Management. The projected electrical capacity is to be determined (KVA).

Chilled Water System: Chilled Water line relocation may be required.

Communications. Communications Service relocation may be required. Coordination with Facilities Management and Telecommunications Department is required.

Projected Demand:

Power = TBD - KVA

Water = TBD - GPM

Projected Consumption / Year:

Power = TBD - KWH

Water = TBD – Gallons

Utility Metering: Meters or sub-meters must be installed as part of the project to accurately determine utility usage attributable to this project.

Total estimated infrastructure construction costs associated with this building project including normal building service connection to the existing networks is itemized in section XV.

## **XI. INFORMATION/COMMUNICATION RESOURCE REQUIREMENTS**

Refer to Telecommunications Wiring Standards appendix “C”. General equipment/furniture requirements are noted in section IX - Program Area Summary, Functional Description of space Details. Detailed computer hardware requirements and network linkage relationships will be established in the Furniture/Equipment expenditure plan which should be developed following completion of design development. The FIU Telecommunications wiring standards are designed to accommodate a maximum degree of flexibility in the arrangement of data and voice communications systems. Wiring and cabling as well as data / voice outlets are specified by space type and should accommodate all normal operations as identified in this program.



**APPENDIX "C" STANDARDS FOR TELECOMMUNICATIONS FACILITIES FOR  
NONRESIDENTIAL RESIDENTIAL LIFE BUILDINGS (REVISED FEBRUARY 2012)**

The purpose of this standard is to provide for the planning and installation of telecommunications facilities in new buildings and major renovations. This standard has been developed with little knowledge of the telecommunications equipment that subsequently will be installed. Therefore, the definitions included herewith are for generic telecommunications facilities that will support a multitude of rapidly changing telecommunications technologies in a multivendor and variable end user environment.

This standard recognizes three fundamental concepts related to telecommunications and buildings:

- (1) Buildings are dynamic. Renovation, remodeling and upgrading are more the rule than exception. This standard takes into account that change will occur.
- (2) Building telecommunications systems and media are dynamic. As time passes both telecommunications equipment and media change considerably. This standard recognizes this fact and the facilities prescribed herein are capable of supporting a vast array of telecommunications systems and media.
- (3) Telecommunications is more than telephones. Telecommunications is inclusive of a variety of building systems including data systems, environmental control, security, audio, television, sensing, alarms, emergency communications and much more.

Above all, this standard recognizes a fact of fundamental importance: if a building is to be properly designed, built and provisioned for telecommunications systems, it is imperative that the telecommunications design be incorporated during the architectural design phase.

The FIU/UTS Infrastructure Department developed this document in accordance with industry specifications. It is the standard by which the University defines the physical facilities required for the provisioning of telecommunications systems for new buildings and major renovations to existing buildings. These specifications take into account the physical facilities such as the size and provisioning of telecommunications rooms, cable distance limitations, vertical and horizontal cabling considerations, number and size of conduits and numbers and types of information outlets. The general cabling requirements are not addressed, because FIU/UTS is solely responsible for the installation of all the telecommunications wiring in all FIU buildings and campuses.

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## 1.0 GENERAL

- 1.1 **RESPONSIBILITY** - It is the responsibility of the project architect/engineer to ensure the inclusion of the standards for building telecommunications facilities into the design and construction documents for new and major renovation projects.
- 1.2 **REFERENCES** - In addition to the specifications included herewith the architect/engineer is encouraged to refer to the following publications for guidance during the design of the communications infrastructure:
- Building Industry Consulting Service International (BICSI); Telecommunications Distribution Methods Manual (Latest Edition).
- Electronic Industries Association, Telecommunications Industry Association (EIA/TIA) Building Telecommunications Wiring Standards.
- NFPA's National Electric Code (NEC).
- FIU/UTS Infrastructure Department.
- 1.3 **COORDINATION** - Prior to the start of any telecommunications related work, the contractor shall coordinate the installation with the UTS/Infrastructure Department.

## 2.0 CABLE PATHWAYS

### 2.1 INFORMATION OUTLETS

- 2.1.1 **REQUIREMENTS** - Specific requirements for information outlets for each room and each project must be coordinated with the building occupants at the onset of the design phase of major renovations and new construction projects. The architect/engineer for major renovation and new construction projects is cautioned that the Building Program for the project includes requirements, but may not be all-inclusive regarding communication facilities. Therefore, the project architect/engineer must work closely with the building occupant and the FIU/UTS Infrastructure Department to minimize the need for revisions and changes after the completion of the design phase.
- 2.1.2 **FLOOR MOUNTED** - The use of floor mounted information outlets is strongly discouraged as it does not allow for flexibility in furniture layout and inhibits future changes to the telecommunications system.
- 2.1.3 **ELECTRICAL BOXES** - Locations for information/wireless outlets must be equipped with a 4 in. X 4 in. X 2.5-in. electrical box equipped with a mud ring sized for the installation of a standard duplex outlet.
- 2.1.3.1 **WATERPROOF BOXES**- Outdoor wireless antenna, outdoor paging horns, and outdoor security cameras locations must be equipped with a 4 in. X 4 in. X 2.5-in waterproof box with blank cover.
- 2.1.4 **MOUNTING HEIGHT** - Electrical boxes installed for information outlets must be placed at the same level as the adjacent duplex electrical receptacles or at least fifteen (15) inches above the finished floor.

- 2.1.4.1 Electrical boxes installed for information outlets located above counters equipped with a splash back must be placed at 6 in. above the top of the counter. (Measure to the center of the outlet.)
- 2.1.4.2 Electrical boxes installed for information outlets located above counters not equipped with a splash back must be placed at 12 in. above the top of the counter. (Measure to the center of the outlet.)
- 2.1.4.3 Electrical boxes installed for emergency phones in classrooms/lecture halls/auditoriums/labs/lounges/conference rooms/ shall be mounted 48 in. above finished floor.
- 2.1.4.4 Electrical boxes installed for indoor wireless access points information outlets shall be located above drop ceiling spaces or alternate location that is determined by UTS after site survey is completed.
- 2.1.4.5 Waterproof boxes for outdoor wireless antennas and emergency paging horns installation heights will be provided to contractor after a site survey of building is conducted by UTS.
- 2.1.4.6 Electrical boxes installed for emergency call buttons in all Residential Life building apartments shall be mounted 48 in. above finished floor by entrance.
- 2.1.4.7 Electrical boxes installed for indoor security cameras outlets shall be located above drop ceiling spaces or alternate location that is determined by UTS and Facilities after site survey is completed.
- 2.1.5 FACULTY/ADMINISTRATIVE OFFICES must have a minimum of one (1) information outlet per designated occupant, however two (2) are recommended for furniture relocation of additional staff.
- 2.1.6 CLERICAL/STAFF OFFICES shall have a minimum of one (1) information outlet per designated occupant plus one (1) information outlet for every two (2) additional occupants.
- 2.1.7 SECRETARY/ADMINISTRATIVE ASSISTANT OFFICES shall have a minimum of one information outlet per designated occupant plus two (2) outlets per office or two (2) extra outlets per five (5) people.
- 2.1.8 CLASSROOM/LECTURE HALLS/Auditoriums shall have a minimum of one (1) information outlet for emergency phone, and one (1) to four (4) information outlets for data depending on occupancy size:

| Classroom Size<br>(Student Occupancy) | Minimum Number<br>of Outlets |
|---------------------------------------|------------------------------|
| 1-50                                  | 1                            |
| 51-100                                | 2                            |
| 101-200                               | 3                            |
| 201 or more                           | 4                            |

- 2.1.8.1 The recommended location priority relationship for the information outlets must be: chalkboard/dry eraser board, lectern, projection booth/rear wall and remaining sides. The recommended location for emergency phone must be: next to chalkboard/dry erase board or teaching station podium.
- 2.1.9 GRADUATE STUDENT OFFICES shall have a minimum of one (1) information outlets per designated occupant.
- 2.1.10 LABORATORIES shall have a minimum of one (1) information outlet per room; actual number may be more depending on function and occupant requirements.
- 2.1.11 CONFERENCE ROOMS shall have a minimum of one (1) information outlet per room. Rooms with more than 500 ft<sup>2</sup> shall have a minimum of two (2) information outlets installed.
- 2.1.12 STORAGE AREAS shall have a minimum of one (1) information outlet for rooms over 500 ft<sup>2</sup> and one (1) additional outlet for each additional 2000 ft<sup>2</sup>.
- 2.1.13 INDOOR WIRELESS AREAS shall have a minimum of one (1) information outlet location per access point which will be located above ceiling.
- 2.1.14 OUTDOOR WIRELESS AREAS shall have a minimum of one (1) information outlet location per access point, to be located above ceiling on the inside of the outside wall of building.
- 2.1.15 OUTDOOR EMERGENCY PAGING HORNS shall have a minimum of (1) information outlet location per horn, to be located on the outside wall of building.
- 2.1.16 RESIDENTIAL LIFE APARTMENTS shall have a minimum of (1) information outlet location, in each bedroom, and common area.

## 2.2 CONDUITS

- 2.2.1 A 1 inch EMT conduit must be installed from each information outlet electrical box including indoor/outdoor wireless access point, emergency call buttons, security cameras, EMS, and emergency paging horn location and "stubbed" up above the ceiling level to cable tray. (Please see attached drawing, Fig. 2.2.1-A)
- 2.2.2 If fixed ceilings are installed cable trays cannot be used and conduit from information outlets must be "homerun" to the telecommunications room or nearest cable tray.
- 2.2.3 The open ends of conduits and/or sleeves must be equipped with bushings to avoid damage to cable sheaths and must be readily accessible and not concealed within walls.
- 2.2.4 Telecommunications rooms contain the vertical cable riser space. Conduits and/or sleeves must be used to interconnect telecommunications rooms. The open ends of conduits and/or sleeves must be located a maximum of 3 in. from the wall and extend a minimum of 1 in. above the finished floor.

- 2.2.5 **REQUIRED NUMBER** - The minimum number of conduits, and/or sleeves interconnecting the telecommunications rooms must be determined as follows:

| Building Total<br>(Square Footage)                 | Quantity of Conduits | Size of Conduit |
|--|----------------------|-----------------|
| Up to 50,000 ft <sup>2</sup>                       | 3                    | 4"              |
| 50,001 ft <sup>2</sup> to 100,000 ft <sup>2</sup>  | 4                    | 4"              |
| 100,001 ft <sup>2</sup> to 300,001 ft <sup>2</sup> | 5-8                  | 4"              |
| 300,001 ft <sup>2</sup> to 500,000 ft <sup>2</sup> | 9-12                 | 4"              |

- 2.2.6 **PULL BOXES** - A pull box must be installed in sections of conduit longer than 100 ft. or containing more than two 90-degree bends or if there is a reverse bend in the run.
- 2.2.7 Minimum requirements for installed conduit, such as support, end protection, and continuity, are found in appropriate electrical codes.
- 2.2.8 The inside radius of a bend in conduit must be at least 6 times the internal diameter. When the conduit size is greater than 2 in. the inside radius must be at least 10 times the internal diameter of the conduit.
- 2.2.9 **PULL CORDS** - All conduits must have a fish tape or pull cord, rated for 200 lbs. of pull force, and installed end-to-end.
- 2.2.10 **ELEVATOR** – A ¾" conduit must be installed from each elevator equipment room to the nearest telecommunication room or cable tray.
- 2.2.11 **EMS** – A 1" conduit must be installed from each mechanical room "homerun" back to the nearest telecommunication room or cable tray.
- 2.2.12 **FIREALARM** - A ¾" conduit must be installed from the fire alarm panel to the nearest telecommunication room or cable tray.

Note: (1) Under no circumstances will flexible metallic conduit be used for any telecommunication wiring.  
(2) Under no circumstances will any conduits be "daisy-chained" together.

## 2.3 CABLE TRAYS

- 2.3.1 Cable trays are rigid structures for the containment of telecommunications cables.
- 2.3.2 **GROUNDING** - Cable trays must be installed and grounded in accordance with the National Electric Code (NEC) and local requirements. (Please see attached drawing, Fig. 2.3.2-A)
- 2.3.3 **TYPE** - Cable trays must be of the 12 to 18-in. ladder type, equivalent to Wiremold, Part No. A060612, unless otherwise specified by the UTS Project Manager.
- 2.3.4 Cable trays must be installed above false ceilings and run down hallways and corridors providing a pathway for telecommunications cable from the information outlets to the respective telecommunications closet.

- 2.3.5 Cable tray installation must be coordinated with all work of other trades to avoid any interference. Cable trays must be installed such that they are not obstructed by other trades equipment, i.e. air conditioning ducts, electrical conduit etc. Cable trays must be easily accessible for the installation of cables and, future changes to telecommunications systems.
- 2.3.6 A minimum of 3-in. clear vertical space must be available between the top of the ceiling tiles and the bottom of the cable tray. A minimum of 12 in of clear horizontal space on each side of the cable tray must be available. Also, minimum of 6 in of clearance must be available between the top of the cable tray and any other utilities.
- 2.3.7 Under no circumstances, shall any other utilities pass within the distances specified in 2.3.6
- 2.3.8 To avoid electromagnetic interference, all cable pathways must provide clearances of at least:
  - 4 ft. from large motors or transformers.
  - 1 ft from conduit and cables used for electrical power distribution.
  - 5 in. from fluorescent lighting. Pathways should cross perpendicular to fluorescent lighting and electrical power cables or conduits.

### 3.0 TELECOMMUNICATIONS ROOMS

#### 3.1 DESCRIPTION/DEFINITION

- 3.1.1 Telecommunications rooms must be dedicated to the telecommunications function and related support facilities. Telecommunications rooms must not be shared with janitorial facilities or other trades especially with electrical installations other than those required for telecommunications systems.
- 3.1.2 Telecommunications room refers to any room where telecommunications facilities terminate and telecommunications system equipment is housed.
- 3.1.3 The term building Intermediate Cross Connect (IC) is used to indicate the telecommunications room where the campus backbone facilities enter the building.
- 3.1.4 The term Telecommunications Rooms (TR) is used to designate the telecommunications room required for the distribution of facilities to adjoining floors and areas exceeding distance limitations.
- 3.1.5 NUMBER OF ROOMS. There must be a minimum of one telecommunications room per floor and centrally located in the building, unless otherwise specified by the UTS Project Manager. Additional telecommunications rooms must be provided when:
  - (1) The floor area to be served exceeds 10,000 ft<sup>2</sup>, or
  - (2) The horizontal distribution distance to the workstation exceeds 295 ft. ,

3.1.6 SIZING OF ROOMS. Telecommunications rooms must be sized as follows:

| Serving Area<br>(net bldg. ft2) | Room Size       |
|---------------------------------|-----------------|
| 10,000 ft2                      | 10 ft. X 11 ft. |
| 8,000 ft2                       | 10 ft. X 9 ft.  |
| 5,000 ft2 - less                | 10 ft. X 7 ft.  |

10 ft. X 7 ft. is the minimum size for telecommunications rooms.

3.1.7 Telecommunications rooms must be stacked vertically to provide for the installation of telecommunications facilities between floors. Telecommunications rooms must be interconnected as specified in section 2.2.5.

3.1.8 BACKBOARDS – All four walls must be covered with rigidly fixed 3/4 in. x 4 ft. X 8 ft. A-C plywood, preferably void free, capable of supporting attached equipment and painted with black fire retardant paint.

3.1.9 LIGHTING - Lighting must be a minimum of 50-ft. candles measured 3 ft. above the finished floor, mounted 8.5 ft. minimum above finished floor.

3.1.10 CEILINGS - False ceilings are not allowed in any Telecommunication Room.

3.1.11 DOORS - The door must be a minimum of 36 in. wide and 80 in. high, without doorsill, hinged to open outward and fitted with a lock.

3.1.12 KEYING - Access to all telecommunication rooms will be through one uniform master key system. Facilities Management will establish the lock type to be used.

3.1.13 TREATMENT - Floors, walls, and ceiling must be treated to eliminate dust. Floors must be sealed.

3.1.14 ELECTRICAL REQUIREMENTS - Two dedicated 30 A, 110 or 208 V AC electrical outlets (L5-30R/120, L6-30R/208), each on separate circuits, must be provided for equipment power, unless otherwise specified by UTS Project Manager. In addition, a third 20A, 110 V AC circuit shall feed duplex outlets, which must be placed at 6 ft. intervals around the perimeter wall, at a height of 18 in above the floor. In addition, all dedicated outlets in IC's and TR's must be connected to the emergency power system (generator). All dedicated circuit outlets must be readily identifiable by using a different color outlet.

3.1.15 GROUNDING - Each telecommunications room must have direct attachment to the closest point in the building's electrical service grounding electrode system. A Number 6 AWG solid conductor cable must be placed between the ground source and a bus bar of the type: Chatsworth Products, Inc. part number 13622-010 or equivalent.

3.1.15.1 A #6 THW ground cable shall be installed for each Outdoor Wireless Access Point location from the nearest Intermediate Closet (IC) or Telecommunications Room (TR).

3.1.16 SLEEVES/CONDUIT - Sleeves or conduit passing through the telecommunications room floor should be adjacent to the door with a minimum of 1 in. exposed above the finished floor. Sleeves and conduit must be no more than 3 in. away from the wall. Sleeves and conduit shall not be left open except during cable installation and must be properly fire stopped per the applicable codes.



- 3.1.17 **FIRE PROTECTION** - Fire protection of the telecommunications rooms, if required, must be provided as per applicable code. All conduits and cable trays penetrating any Telecommunications Rooms must be properly sealed with the appropriate fire stopping material, as per NEC and local fire codes.

If used, fire sprinklers shall not be water based. An optional gaseous system must be used.

- 3.1.18 **AIR CONDITIONING** - HVAC must be provided on a 24 hours per-day, 365-days-per-year basis. If the building system cannot assure continuous operation for large equipment applications, a stand-alone unit must be provided for the equipment room.
- 3.1.19 **TEMPERATURE** - The temperature and humidity must be controlled to provide continuous operating ranges of 64 degrees F to 75 degrees F with 30% to 55% relative humidity.
- 3.1.20 **COLLOCATION OF OTHER TRADES** - No water, sewer etc. pipes must be placed within or pass through the telecommunications rooms.
- 3.1.21 **PLENUM AIR SPACE** - All Telecommunications Rooms must be completely separated from Plenum air space in accordance with NEC and BICSI standards. (Please see 1.2 reference)
- 3.1.22 **LOCATION OF ROOM** - All Telecommunications rooms must be accessible at all times. The IC (building main telecommunications room) must be designed to be adjacent to an outside wall in order to facilitate the addition of entrance conduits if needed, unless specified by UTS Project Manager.

#### 4.0 OUTSIDE PLANT

##### 4.1 DEFINITION DESCRIPTION

- 4.1.1 All new building construction planning must provide for connection of the building to the campus communications infrastructure.
- 4.1.2 **CONDUIT SIZE** - All direct buried conduits used to connect to the University Telecommunications infrastructure must be 4" PVC, Schedule 40.
- 4.1.3 **NUMBER REQUIRED** - The minimum number of conduits connecting the building IC to the campus MC must be at least four four-inch (4 - 4") conduits. Note: More entrance conduits might be needed depending on the size and utilization of the building.
- 4.1.4 **DEPTH** - The top of the conduit bank must be buried at least 30 inches below the ground surface and separated from other service structures as required for fiber optical cable under EIA/TIA specifications.

Separation of telecommunications conduits from other utilities shall meet the following guidelines:

|  |
|--|
| Separation of Telecommunications Conduits from Other Utilities |
|--|

| Structure                         | Minimum Separation  |
|-----------------------------------|---|
| Power or other conduit            | 3 inches in concrete<br>4 inches in masonry<br>12 inches in earth   |
| Pipes (gas, oil, water)           | 6 inches when crossing pipe<br>12 inches when parallel to pipe  |
| Power conduit terminated on poles | Separate poles, if possible.<br>If on same pole, 180 degree separation<br>Preferable, but not less than 90 degrees. |

The conduits must be placed in accordance with the requirements specified in the FIU building manual. In particular, bidders must pay special attention to the Telecommunications requirements specified in Appendix C.

**4.1.5 DUCT BANK PROTECTION** - Conduit must be encased in concrete when:

- (1) Minimum conduit depth of 30 inches cannot be attained.
- (2) Conduits pass under roads, driveways, or railroad tracks.
- (3) Bend points are subject to movement.

Note: A detectable warning tape must be placed 18 inches above all duct banks (detectable: containing metallic tracings).

**4.1.6 SLOPE** - Underground conduit must be installed such that a slope exists at all points of the run to allow drainage and prevent the accumulation of water. A drain slope of no less than .125 in. per foot is desirable.

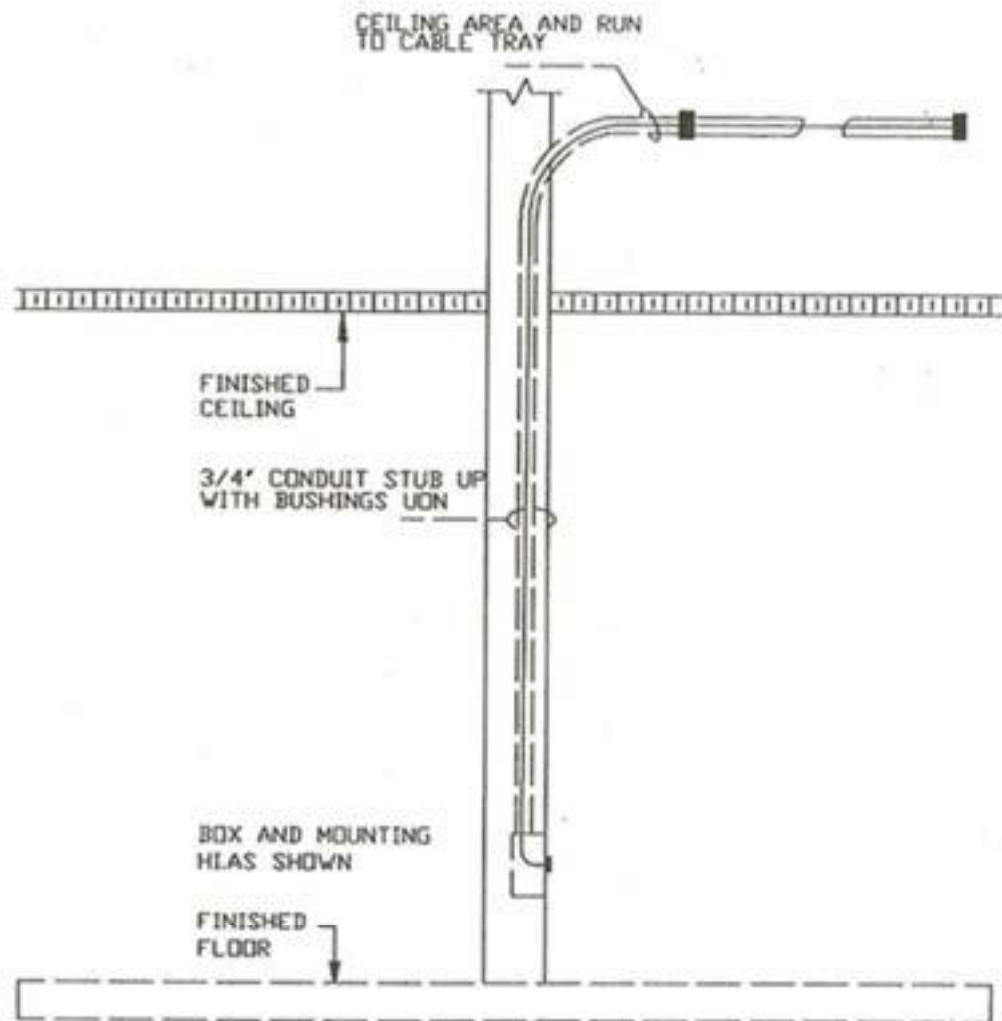
**4.2 MANHOLES (MAINTENANCE HOLES)**

**4.2.1 DESCRIPTION** - A manhole (maintenance hole) is used to pull in and splice cables in an underground, concealed manner. Manholes must be equipped with a sump, corrosion resistant pulling iron, cable racks, and manhole ladders. Concrete used for manholes must be of at least 3500 lb./in<sup>2</sup> strength. All manholes must be properly grounded as required by BICSI. (Please refer to 1.2)

**4.2.2 SIZE** - Manholes must be sized at 6-ft. width X 12-ft. length X 7-ft. height, unless specified by the UTS Project Manager. All manholes must be equipped with a round ring and cover, clearly labeled "TELECOM" or "TELEPHONE". (Please see attached drawing, Fig. 4.2.2-A)

- 4.2.3 WHERE REQUIRED - Manholes must be placed when the conduit section length exceeds 500 ft. whenever a cable splice will be required, when bends exceed a total of 180 degrees or two bends, or the section length of conduit requires the pulling in of cable in two segments.
- 4.2.4 HANDHOLES are not an acceptable alternative to manholes described in section 4.2.1, 4.2.2. Handholes can only be used in place of manholes after consultation with and receipt of written approval from the UTS/Infrastructure Department. (Please see attached drawing, Fig. 4.2.4-A)
- 4.2.5 PULL POINTS - Wherever distances between manholes exceeds 200 feet or there are more than two 90 degree bends in the conduit run, a 4' x 4' x 4' pull box must be placed. The number of conduits going in and out of the pull box shall not exceed six. Under no circumstances shall a pull box replace a manhole. (Please see attached drawing, Fig. 4.2.5-A)
- 4.2.6 POSITIONING OF CONDUITS IN MANHOLE - Conduits entering a manhole shall do so only through the manhole walls designed for conduit penetration. Under no circumstances shall the structural integrity of the manhole be compromised.

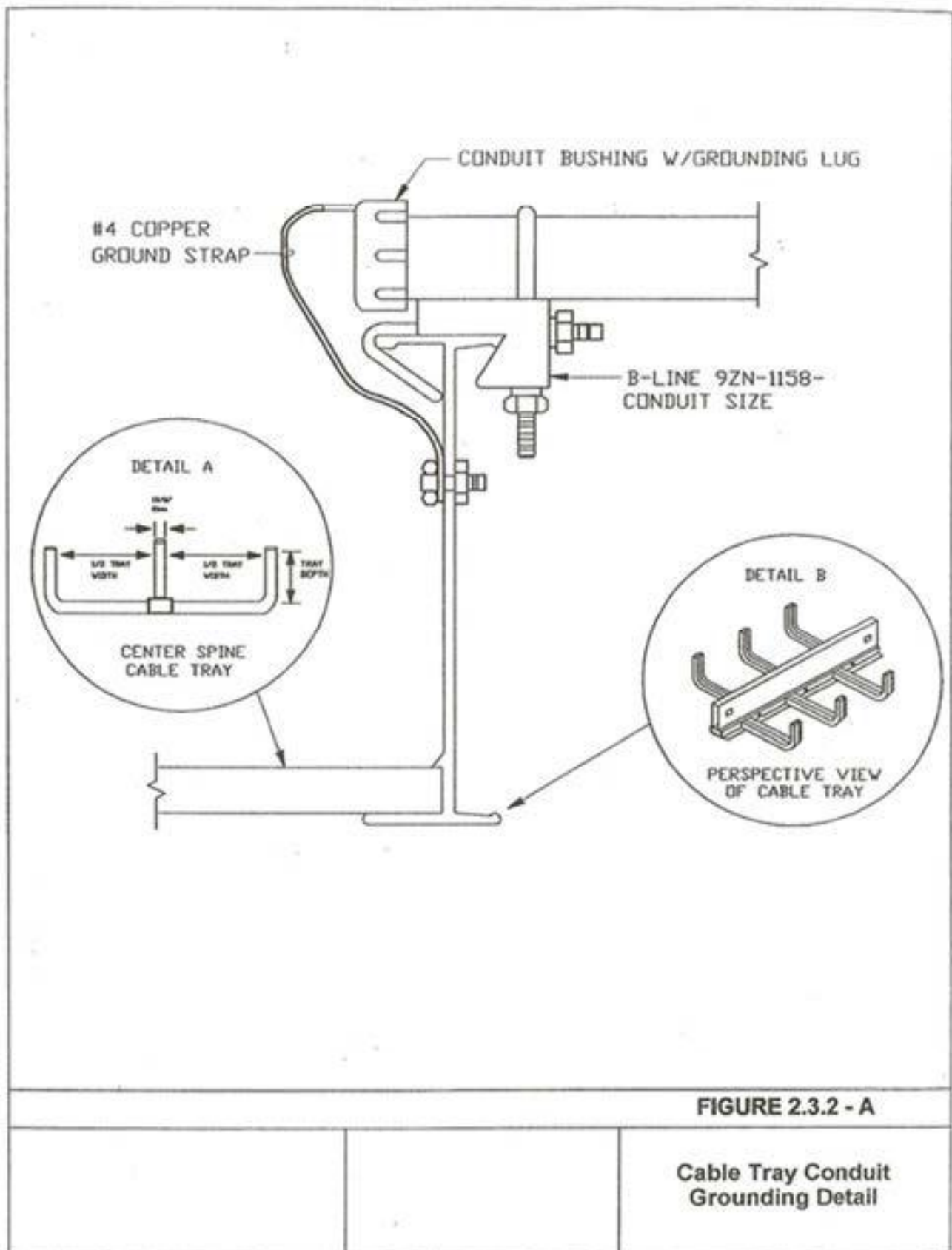
Note: Conduits being added to a manhole must be placed as deep as possible in order to accommodate future expansion of ductbanks and guarantee maximum utilization of the manhole.

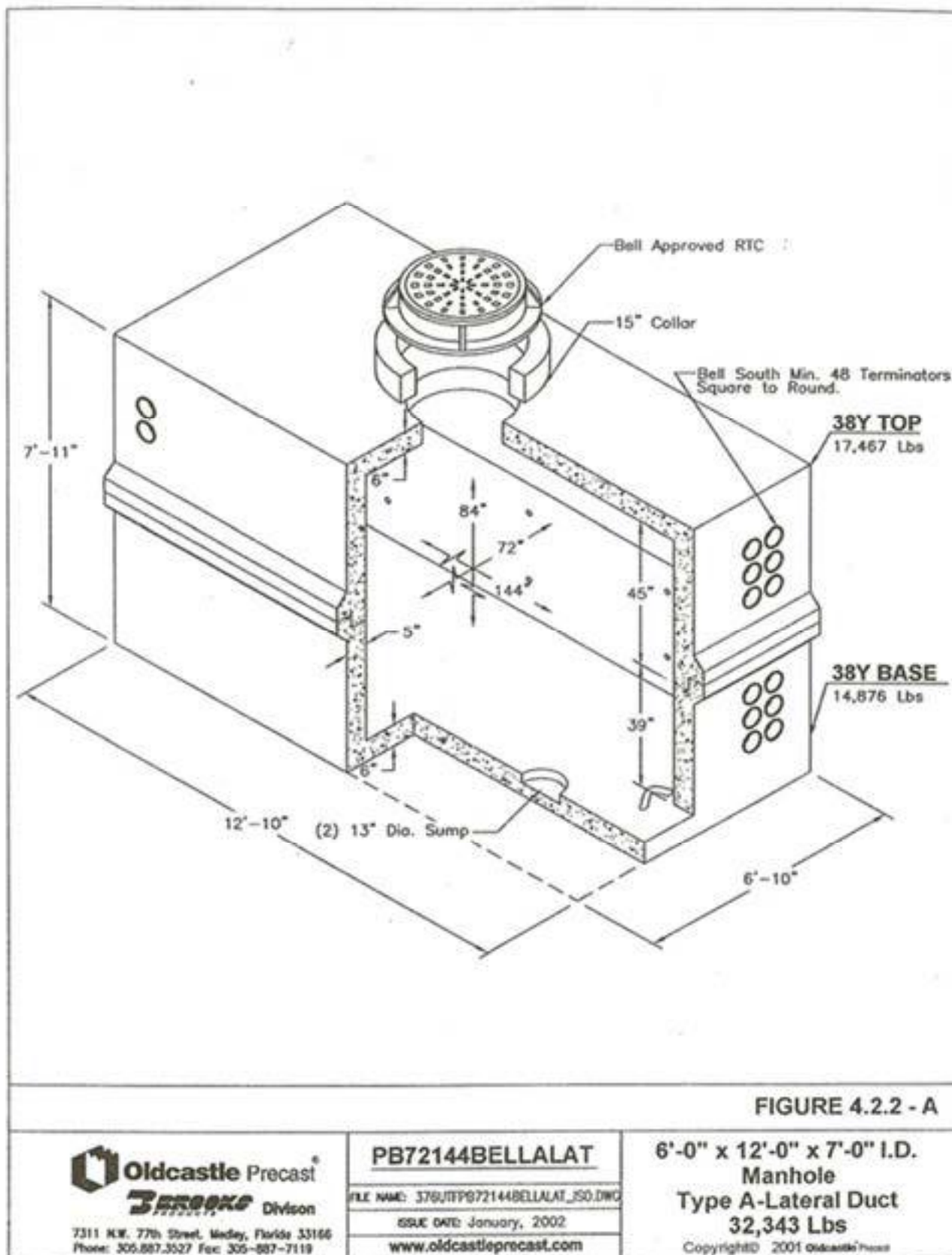


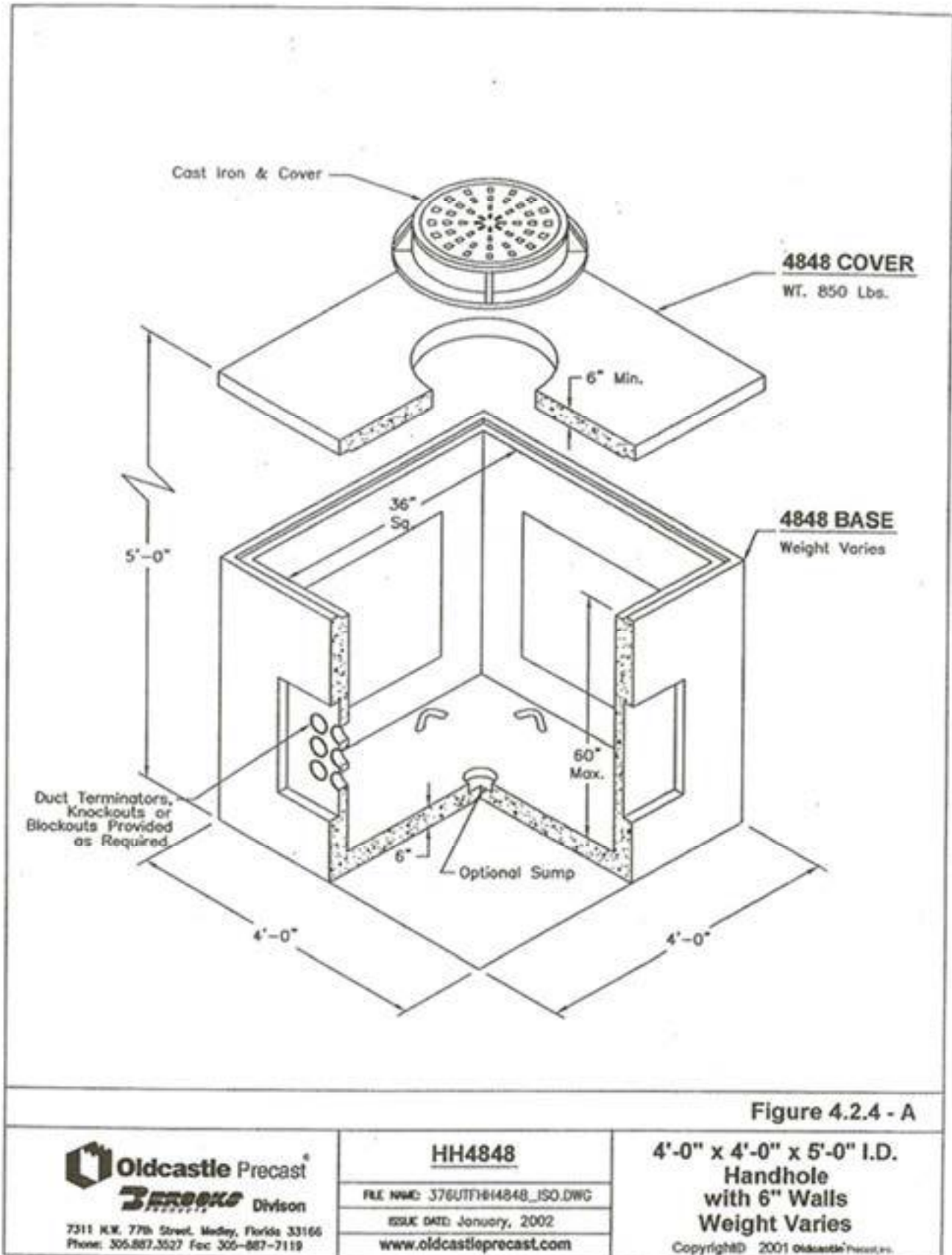
**WALL STUB-UP DETAIL**

**FIGURE 2.2.1 - A**

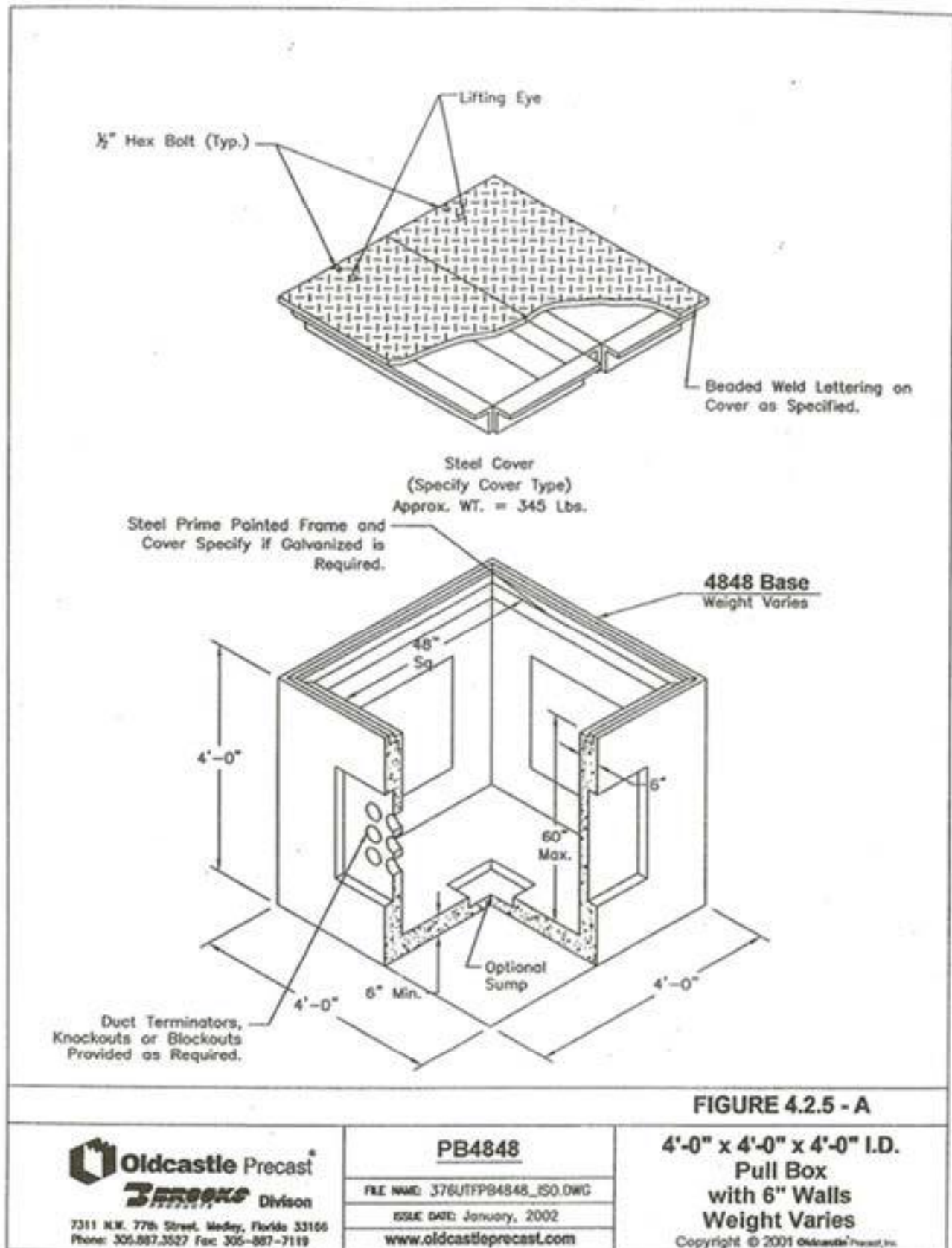
**Wall Stub-Up Detail**













## **XII. CODES AND STANDARDS - BUILDING STANDARDS**

- A. This building will conform to the following applicable building standards: In case of conflict, the strictest requirements will govern. Written approvals will be obtained when required from the State of Florida Fire Marshall, Miami-Dade Water and Sewer Department, Florida Power and Light Company, and Florida Department of Environmental Protection (NPDES). Refer to FIU Building Code Administration Webpage here:

[http://facilities.fiu.edu/Documents/Facilities\\_Management/BuildingOfficialPDFs/Bldg\\_Permit\\_App\\_2014\\_Revised\\_07-01-2015.pdf](http://facilities.fiu.edu/Documents/Facilities_Management/BuildingOfficialPDFs/Bldg_Permit_App_2014_Revised_07-01-2015.pdf)

1. a. Florida Building Code (B, A, EC, M, P, & FG), 6th Edition-2017  
Florida Fire Prevention Code, 2017 edition  
NFPA-70, National Electrical Code, 2017 edition FACBC (accessibility), 2017 Edition

In all cases the date of Building Permit Application determines applicable code(s).

- b. All proposed landscape shall conform to the current FIU landscape design guidelines (element 16 of Campus Master Plan).
2. Statewide Impact Codes.
- a. NFPA 101 (Life Safety) as amended and incorporated into the Florida Fire Prevention Code.
  - b. HRS (Health and Rehabilitative Services Codes)  
Water Management District Standards
  - c. American National Standard Safety Code ANSI a 17.1 for elevators, dumbwaiters, escalators and moving walks including provisions of 399 Florida Statutes, ANSI 117.1 and Chapter 11 of the Florida Building Code, Accessibility (FACBC).
  - d. Department of Education Space Criteria Code, DOE Chapter 6A-2 SREF (latest edition).
  - e. Department of Transportation
  - f. SMACMA
  - g. Corps of Engineers
  - h. South Florida Water Management District
  - i. Department of Natural Resources
  - j. ASHRAE 62 latest edition.
  - k. Florida Department of Environmental Protection
  - l. Phase I and Phase II NPDES Storm water Program
  - m. Miami-Dade County Water and Sewer Department

## **XII. CODES AND STANDARDS - BUILDING STANDARDS (continued)**

3. Structural Materials Design Codes:
    - a. All provisions of the High Velocity Hurricane Zone of the Florida Building Code.
    - b. Referenced standards in Chapter 35 of the Florida Building Code.
    - c. Referenced standards in Section 423.25 Public Shelter Design Criteria, State Requirements for Educational Facilities.
  4. New or Revised Legislation
    - a. Threshold law s.553.77, F.S.
    - b. Building Code and reinforcement s.553.71, F.S.
    - c. High hazard occupancy new definition s.633.021, F.S.
    - d. Fire Marshall inspection s.633.085, F.S.
    - e. Fire Marshall authority to order vacating of building s. 633.121, F.S.
    - f. Master Planning (Comprehensive Capital Facilities Planning and Budget Process) amending s.255.25 and 255.29.
    - g. Trench Safety Act CS/SB 2626 which adopts OSHA excavation safety standards.
    - h. Compliance with Florida Statutes on “Florida Friendly” plant usage.
    - i. Americans with Disabilities Act (ADA) - Public accommodations regulations and accessibility guidelines for buildings and facilities.
  5. Compliance with applicable local ordinances as required.
- A. The design of the facilities shall meet all requirements of the State University System Energy Efficiency Analysis criteria. The University also is requesting that a Leadership in Energy and Environmental Design (LEED) be considered to obtain certification for this project based on New Construction Green Building Rating system by the US Green Building Certification Institute. The desired rating is Silver level, or better.
  - B. It is the express intent of this program to acknowledge this building as a continuum relating the existing and future developments on this campus, as outlined in the University Campus Master Plan, through the selection of design, materials, and systems utilized. Comprehensive systematizing of the campus complex provides energy and construction cost efficiencies and maintenance and repair savings by reducing replacement parts inventories and simplifying service needs, aesthetic cohesiveness, and overall life cycle cost savings based on existing plant experience.
  - C. Design of this building and infrastructure must be closely coordinated with plans of the existing structures, systems development, campus utilities development, and University Campus Master Plan for building development and landscape development.
  - D. The Architect/Engineer is responsible, as part of the basic services requirements, for the compliance of the construction documents with all codes until the date the project is released for bidding.

## **XII. CODES AND STANDARDS - ARCHITECTURAL PARAMETERS**

It is the intent of this program to define building standards and specifications which will ensure environmental sensitivity, construction materials quality, construction system efficiency, adherence to building codes and standards, and awareness of university requirements to ensure functionality, ease of maintenance, energy efficiency, and cohesiveness to the existing campus mega structure.

Planning of this project will include review of the University's Building Standards. Review of this document will be coordinated with the University's Facilities Development staff. This document sets forth standards for construction materials, interior and exterior finishes, paving surfaces, common building elements, accent materials, utilities, environmental and building systems, landscaping, and other design guidelines which are appropriate for this campus. The current FIU Building standards are to be followed unless specific deviations are coordinated with and agreed to, in advance, by the Facilities Development Department.

In the development of conceptual design, careful consideration must be given to the following items:

1. Building design should be functional and take advantage of prevailing breezes and the subtropical climate. Natural ventilation should be developed wherever practical and desirable based on initial costs, operating costs, energy conservation, and the degree of environmental control required in various functional areas. Building design should eliminate the need for excessive mechanical controls through the use of such design parameters as building orientation, sun control, breezeways, operable windows, insulating exterior materials, etc.
2. Careful consideration must be given to alternative means of accommodating level changes. The nature of the functions housed in this facility requires that most of them be directly and conveniently accessible. Design should attempt to maximize vertical accessibility to all floors in this building. Concepts to be explored include ramped walkways, exterior multi-level design and terracing. Where stairs are used, they must be prominent, inviting, and readily accessible.
3. The facility will be designed for functional flexibility and expansion. It must be acknowledged from the outset that this building should be designed considering the desire for future expansion even if the expansion may not be directly contiguous.
4. The A/E's documented monitoring of overall project costs, as well as costs of specific design elements will be reviewed with the Facilities Development Department. Construction cost control is understood to be a major developmental objective.
5. Together with planning for user convenience, organize and arrange departments into building/floor zones and provide accessibility for changes in mechanical and electrical services and for maintenance access requirements. Consider future economies in special revisions, and plan to affect economies in operations of mechanical systems.
6. In order to affect maximum flexibility, the building should be designed around a public circulation core which includes all required public access areas and all building services.

## **XII. CODES AND STANDARDS - ARCHITECTURAL PARAMETERS (continued)**

7. Interior finishes should be responsive to the traffic levels to which they will be subjected with recognition of the permanence of the facility and a desire for low maintenance. Hard or resilient floor surfaces will be specified for high volume, public traffic areas. Specific room areas should be carpeted with strong, tight weave fibers, and easily replaceable colors, easy cleaning and/or repair. Wall surfaces in public traffic areas should anticipate wear and abuse due to student traffic volumes; use washable latex paints.
8. Furnishings and equipment, interior finishes, and color selections will be coordinated with University Facilities Development personnel in design stages of project development prior to implementation. Materials samples and color will require university approval prior to design development.
9. Large glass areas which may cause sun and weather problems peculiar to South Florida should be avoided, but daylight illumination should be present for psychological reasons. Uses of shaded or screened glass windows to permit views of the campus are encouraged. All exposed glazing must have Miami-Dade Product Approval.
10. All utility services (electrical, plumbing, floor drains, etc.) will be provided in conditioned spaces.
11. There should be one custodial work room for each 18,000 square feet or less of floor space. All space within the building should be reachable from one of these work rooms without negotiating any stairways. Each work room should be at least 80 net square feet with an 8" minimum dimension and a 36" minimum out-swinging door. Each room shall include a floor base utility sink, with floor drain. It shall be of cast iron exterior and porcelain interior with a metal spillage. No telephone panels, electrical panels, alarm system panels, or pipe chases are to be included in these rooms.
12. The A/E will include in the project design, fabrication, and installation of an informational graphics and signage system in accordance with University standards to be coordinated through the Facilities Development Department.
13. Roofing construction details will be designed in accordance with the 2006 National Roofing Contractors Association Construction Details publication. A reference copy is available in the University Facilities Development Department. Slope roofs for positive directional drainage.
14. At construction completion inspection, provide the following to the University:
  - a. Complete set of reproducible "As-Built" drawings.
  - b. Operating manuals on all types of equipment used in the building.
  - c. List of all Contractors, Subcontractors, and their suppliers of materials and equipment.
  - d. Three copies of cut sheets on all door hardware, window hardware, keying schedule, and all interior and exterior mechanical, electrical, fixed equipment, and plumbing installed in the building, will be provided in loose leaf binders.

## **XII. CODES AND STANDARDS - ARCHITECTURAL PARAMETERS (continued)**

- e. One copy of all “as-built” construction drawings (site and floor plans) in electronic medium.  
Compatible with AutoCAD/Revit systems located in University Facilities Planning & Construction offices.
  - f. 10% of each type and color of ceiling tile, carpet, vinyl tile, and ceramic tile.
  - g. One gallon of each color paint and five gallons of primary color paint.
- 15 All fluorescent lighting should have an electronic ballast and energy efficient bulbs.
- 16 Acoustical ceiling tile system should be easily removable for maintenance access.
- 17 Provisions should be made for one air conditioned voice/data communication (telephone) equipment room on each building floor level, each with area of not less than 4’x8’ with a door not less than 3’ wide for equipment access, and a 125 Volt 20 Amp electrical power outlet.
18. The first floor elevation shall meet a minimum of +10 feet NGVD as required by the Campus Master Plan.
19. Asbestos and lead-based Paint Survey, operations & Maintenance, and Abatement:
- a. Rules of the Florida Department of Labor and Employment Security
  - b. Requirements of Sections 255.551-565 and Chapter 469, Florida Statutes
  - c. Rules of the Florida Department of Environmental protection.
  - d. Regulations of OSHA and the Environmental Protection Agency
  - e. Licensing regulations of Asbestos Consultants, the Florida Department of Business and professional Regulation.
  - f. Lead-based paint minimum abatement standards of the Department of Housing and Urban Development and current state of the art procedures to protect university personnel, students and visitors
  - g. All asbestos abatement contractors are to be pre-qualified under the SUS owner Provided Insurance Program.
20. The Project shall comply with the FIU Building Information Modeling (BIM) Standard & Guide Version 1 – Nov. 2014.
- It is intended that this program will generate an overall building facility that will be attractive, dignified, easy to maintain, economically staffed and operated, and functionally and aesthetically satisfying to the majority of persons who see and use it. These ends can probably be best achieved through a plan that is devoted to flexible use of space with appropriate materials, light, and color, as opposed to a plan centered upon a particular architectural style, symmetry, or other non-functional planning considerations.

## **XII. CODES AND STANDARDS - BARRIER FREE DESIGN**

It is the policy of Florida International University to provide all architectural features to permit accessibility for the physically disabled. The University has adopted the Florida Building Code-Accessibility requirements for compliance. University Building Standards and should be used in conjunction with the State of Florida Handicap requirements and Americans with Disabilities Act (ADA) accessibility guidelines identified under "Statewide Impact Codes" in the Codes and Standards - Building Standards section of this program.

Of particular interest in these regulations will be provisions for physically disabled students and staff in the following areas:

1. Wheelchair, crutches, and braces restrictions to mobility.
2. Building access: entrance door thresholds, closers and handles, interior and exterior multi-level transitions by means of ramps, stairs, elevators, or escalators, emergency exits from all levels for the physically disabled, and hallway and corridor clearances.
3. Design criteria for public service areas, such as, restrooms (with doors), drinking fountains, telephones, etc.
  - a. Visual fire alarm signals in all public toilet rooms.
  - b. Door levers approved for handicap use in all major rooms. Coordinate locations with Facilities Development.
  - c. Handicap drinking fountains.
  - e. Handicap water closets, urinals, lavatories and mirrors in all public restrooms.
  - f. Handicap parking stalls minimum 12' x 20' plus 5' x 20'.
  - g. Braille numbers on elevator doors, cabs, and public room identification plaques.
4. Increase ANSI standards of 32" for closet doors to 36".

## **XII. CODES AND STANDARDS - SITE DEVELOPMENT AND CAMPUS INTEGRATION**

Site and building planning and design will conform to the BT acknowledged 2010-2020 Campus Master Plan Update, dated March 2014, adopted March 27, 2014. In the development of the conceptual designs, careful consideration must be given to the following items:

1. Site design will be coordinated with all physical facilities existing and/or currently planned for the campus. The Campus Master Plan outlines all facilities, existing or planned. Site boundaries for this project are outlined in this building program.
2. Pedestrian circulation systems between the proposed buildings must be integrated into the design which will preferably provide weather-protected connections. Perimeter walkways, exterior courtyards, and plaza areas should be designed to visually relate to the other campus adjacent buildings.
3. Any service roads and/or yards will be constructed according to the Dade County standards for vehicular blacktop surfaces; additional road and service yard requirements include planting, landscaping, irrigation system, lighting, signage, and graphics.
4. In engineering design and construction, particular care must be exercised for positive storm water drainage and disposal. This requirement will be strictly enforced by the University.
5. In design planning and construction staging, consideration should be given to disruption of the existing roads to ensure orderly traffic flow.
6. Energy efficient exterior lighting is required for service road and/or yard, site, and building. Because of the heavy use of the facility at night, particular care should be taken in the design of exterior lighting for vandal resistance, security, and aesthetics. Lighting of service yards should be controlled by clock timers with electric photo cells. Investigate use of lighting color differences to differentiate exterior functions, i.e., service road and/or yard vs. pedestrian walkway.
7. All site utilities will be provided underground from the nearest existing primary services (power, telephone, and sanitary sewer and water distribution systems). Communications and control systems will be provided as extensions of the campus underground network to and/or from existing and future adjacent buildings to engage with central terminal (control) equipment.
8. Site design should be developed to take full advantage of South Florida's subtropical climate including the use of "Florida Friendly" landscape concepts. Landscaping should be used to articulate exterior areas, provide shade for outdoor use, and provide natural buffer between zones of conflicting use and future development.
9. Particular care should be taken to provide attractive site boundaries, and building vistas from surrounding campus areas. Native landscape materials which are capable of withstanding the sun and wind conditions found in South Florida should be used. Irrigation systems for all landscaped areas are required, except where the Xeriphytic concepts are used.

**XII. CODES AND STANDARDS - SITE DEVELOPMENT AND CAMPUS INTEGRATION**  
**(continued)**

10. The A/E will exercise particular care in designing storm drainage for the site and walkways. Topographic site plans must specifically illustrate existing and established grades for drainage. Site construction must comply with contract documents. "As-builts" of the drainage system will be reviewed in the field at Substantial Completion of the project. All components of the construction exposed to weather will have positive drainage to a storm-water drainage system or equivalent (planters, grassed areas, etc.). Scuppers or roof runoffs will not occur over pedestrian walks or terraces. Primary circulation paths will require trench drains to ensure against storm-water accumulation during heavy rainstorms. The A/E will provide a comprehensive storm-water drainage plan for the building, connecting walkways, all weather-exposed stairways, and site, as a part of the Design Development stage.
11. Exterior handrails will be of a non-corrosive material and will not overheat when exposed to the sun.
12. Roadway and walkway post lights should be located at least 4 feet from the edge of roadway/walkway. All roadway, walkway, and exterior building lights should be controlled by photo-cell.



## **XII. CODES AND STANDARDS - ENVIRONMENTAL SYSTEMS**

Mechanical and electrical systems should be designed to afford maximum energy efficiency and operating economy. Mechanical systems should be designed in as efficient a manner as possible in order that these systems not preclude vital space essential to the building's main purpose. Particular attention should be paid to the following:

1. Zone controls of air-conditioning to permit emphasis to selected areas; alleviating total operation when necessary, particularly as relates to exhaust hoods when applicable. Design systems which maintain air movements for humidity control. Control equipment will be pneumatic coupled to an electronic energy management system compatible with existing EMS at the Central Utility Plant
2. Zoned lighting controls to allow for selective control of all overhead lighting. Lower ambient light levels and increase task lighting. Flexibility to adjust lighting levels as needed for particular functions. Specifically as they deal with light quality, aesthetic illumination, intensity for general and task lighting, and energy efficiency for cost savings. Consult with the department of Facilities Development.
3. The building mechanical and electrical system should be designed to allow incremental expansion as future needs require additions and alterations and should follow guidelines indicated in the Master Plan Update. Mechanical and Electrical systems to be designed for excess capacity of 10%.
4. All HVAC Systems must be designed and specified with special consideration for sound transmission and quiet operation. Appropriate air duct velocity and vibration isolation must be designed and field verified during construction. Air handlers should be remote from office space and enclosed by sound resistant partitions. Air handlers servicing units to be accessible for maintenance/repairs from common areas (corridors) without access through private offices or classrooms.

This building should be designed to function for short time periods with limited power consumption and without the use of air-conditioning. Features listed above - such as natural ventilation, sun control, zoned environmental controls - should be coupled with overall building design considerations such as siting to take advantage of prevailing winds, window design to accommodate breezes, and minimize heat build-up, etc. In order to service the building economically and preserve the architectural plans for flexibility, the following mechanical systems for the building should be incorporated:

- a. Central utility core with minimum distribution distances.
- b. Accessible vertical and horizontal chases where flexibility is required.
- c. Provisions for changing power and telephone distribution.
- d. Accessible mechanical rooms housing no other functions.
- e. Maintenance staff should not have to enter student spaces. Provide access to utilities from common areas. Provide space to remove coils and filters for HVAC.

## **XII. CODES AND STANDARDS - ENVIRONMENTAL SYSTEMS (continued)**

5. Basic systems:
  - a. Heat/air-conditioning distribution and control. Design criteria to be 76 degrees Fahrenheit with 50% relative humidity.
  - b. Lighting fixtures with local controls and central monitoring and disconnect control panel.
  - c. Automatically starting battery powered emergency lighting and U.P.S. system back-up for communications/computers.
  - d. Smoke detection and fire alarm with central annunciator panel at or near the front desk/main entrance. The fire alarm system should be an addressable system, not a zone system.
  - e. For specific criteria for systems standards, refer to Florida International University Building Standards.
  - f. Electric power reserve will be 150% greater than initial demand. The electrical distribution system will also be designed and constructed to accommodate this reserve.
  - g. Water - gas fire central hot water and cold water with sufficient shut-off valves as required by residential and programs and/or maintenance functions. Hose bibs inside and outside of the building as required.
  - h. Sanitary waste system - as required by applicable codes.
  - i. Storm drainage - positive drainage from room entrances and all exterior areas.
  - j. Gas lines, properly tested, with shut-off valves as required; add 30% reserve over initial building demand.
  - k. Elevators - combination service and passenger-type with electrical eye equipped doors; self-lowering and automatic open doors in accordance with fire codes. It must also comply with applicable ADA requirements.
  - l. Clocks - battery emergency powered.
  - m. Inter-campus and public telephone system. Two phone service source.
  - n. Irrigation - Central.
  - o. Exterior building lighting - Energy efficient and vandal resistant.
  - p. Exterior door card security system.
  - q. Energy management systems in compliance with the Master Plan Update guidelines (Control in Central Utility Plant).
  - r. Security alarm system connected to the campus Public Safety Department, including Closed Circuit High-Definition Video Monitoring.
  - s. Fire alarm system connected to the campus Public Safety Department.
  - t. Provide automatic fire sprinkler system as required by code.
  - u. Smoke Exhaust System with emergency power, if required by building occupancy, type and size.
6. Central controls for this facility connected to the Central Utility Plant should be provided for the following:
  - a. Exterior lighting
  - b. Environmental systems (HVAC)
7. Reserve utilities capacity for power and gas, water and sewer, and communications are to be provided.
8. Provisions should be made for one telephone equipment room (air-conditioned if it is to be used in conjunction with electronic equipment) on each building level each with area and other requirements as indicated in "Appendix C."

## **XII. CODES AND STANDARDS - FURNITURE STANDARDS AND EQUIPMENT**

In order to facilitate the design of the specific functional areas, lists have been compiled indicating the anticipated equipment needs of each. These lists have been included in the detailed description of each area. These lists may not be complete, and include items which will not be purchased under the projects Capital Outlay Furniture and Equipment budget; however, their inclusion in the design is required for efficient space planning by the Architect and Engineers.

It is also important to recognize that some of the office equipment presently utilized in other buildings on campus may be re-utilized if, after inventory, they are deemed to be in satisfactory condition for relocation.

Installation for all fixed equipment, built-in shelving, counters, and any equipment requiring hookup other than electrical convenience outlet will be included in the construction cost and bid documents. Institutional quality equipment and premium grade casework shall be provided.

All movable equipment and furnishings will only be included in the equipment and furniture design layouts, but should be indicated as "not-in-contract". All movable equipment will be furnished by the University and funded from the Furniture and Equipment budget; see Project Budget.

All special equipment will be specified to be on contract for servicing. A complete set of "as-built" drawings from manufacturers and installers is required. The A/E and contractor will field demonstrate and discuss maintenance procedures with appropriate personnel from the department of Facilities Operations upon Substantial Completion of the construction.

Inventory of equipment, other than in this construction program, will be provided by the Office of Facilities Development.

### XIII. PROJECT SCHEDULE

Milestone dates/durations for this project are planned as follows:

| <b>East Loop Road - Preliminary Schedule</b> |   |                               |             | 2/7/2020 |  |
|--|---|-------------------------------|-------------|----------|--|
| Task No.                                     | Description of Task   | Task                          | No. of Days |          |  |
| 1  | Program Final Draft   | A/E Selection<br>↓            |             |          |  |
| 2  | Approve Program   |                               | 68          |          |  |
| 3  | Arch./Engineer (A/E) - Submit Legal Adv't in Fla. Admin. Register |                               | 1           |          |  |
| 4  | A/E- FAR Adv't Posted   |                               | 1           |          |  |
| 5  | A/E- Qualifications Deadline                                      |                               | 33          |          |  |
| 6  | A/E- Shortlist Meeting  |                               | 15          |          |  |
| 7  | A/E- Presentations & Interviews                                   |                               | 31          |          |  |
| 8  | A/E- Selection Notice   |                               | 14          |          |  |
| 9  | A/E- Negotiations & Contract Award                                |                               | 21          |          |  |
| 10   | AE- Notice to Proceed (latest start date)                         |                               | 7           |          |  |
| 11   | Program Verification  | 191                           | 7           |          |  |
| 12   | Conceptual Schematics   | Design and CM Selection<br>↓  | 14          |          |  |
| 13   | FIU review  |                               | 14          |          |  |
| 14   | Advanced Schematics   |                               | 31          |          |  |
| 15   | FIU review  |                               | 14          |          |  |
| 16   | Construction Manager (CM) - Submit Legal Adv't in FAR             |                               | 0           |          |  |
| 17   | CM- FAR Adv't Posted  |                               | 3           |          |  |
| 18   | CM- Qualifications Deadline                                       |                               | 28          |          |  |
| 19   | CM- Shortlist Meeting   |                               | 10          |          |  |
| 20   | CM- Presentations & Interviews                                    |                               | 28          |          |  |
| 21   | CM- Selection Notice  |                               | 14          |          |  |
| 22   | CM- Negotiations & Contract Award                                 |                               | 15          |          |  |
| 23   | CM- Notice to Proceed (pre-construction)                          |                               | 13          |          |  |
| 24   | Design Development  |                               | 60          |          |  |
| 25   | CM/FIU review   |                               | 14          |          |  |
| 26   | 50% Contract Documents  |                               | 45          |          |  |
| 27   | CM/FIU review   |                               | 21          |          |  |
| 28   | 100% Contract Documents   |                               | 45          |          |  |
| 29   | CM/FIU Review   |                               | 28          |          |  |
| 30   | Bid Date/Issuance of Guaranteed Maximum Price                     | 293                           | 46          |          |  |
| 31   | Award Date/Notice to Proceed                                      | Bid, Permit<br>and Build<br>↓ | 29          |          |  |
| 32   | Building Permit   |                               | 10          |          |  |
| 33   | Construction Start  |                               | 14          |          |  |
| 34   | Substantial Completion  |                               | 180         |          |  |
| 35   | Final Completion  |                               | 34          |          |  |
| 36   | Occupancy/ Furniture & Equipment Installation                     | 313                           | 0           |          |  |
| 37   | Closeout Documentation (after Subcontractors Complete)            |                               | 45          |          |  |
| <b>TOTAL DAYS</b>                            |   |                               | <b>842</b>  |          |  |

**BT-929 – East Loop Road Realignment**  
FLORIDA INTERNATIONAL UNIVERSITY  
MODESTO A. MAIDIQUE CAMPUS

Mutual coordination between the A/E and the University will be required to resolve questions of scheduling, compatibility, finishes, environmental systems, connections, etc. Scheduling of these meetings and establishment of dates for this coordination will be the task of the University's Office of Facilities Planning. Among those items which will require coordination are the following: Pre-design Informational conferences, Design Submissions and Presentations, Project Reviews, Evaluations and Approvals by the Board of Trustees. Final Document Approvals, Bidding Dates and Procedures, Award of Contracts and Construction Start, Pre-construction and Periodic Construction Conferences, Construction Interfacing with University Operations, Disruption of Services for Utility Connections, Substantial and Final Completion Inspections, and Guarantee Expiration Inspection.

- Pre-design Informational conferences
- Design Submissions and Presentations
- Project Reviews, Evaluations and Approvals by the University
- Final Document Approvals
- Bidding Dates and Procedures
- Award of Contracts and Construction Start
- Pre-construction and Periodic Construction Conferences
- Construction Interfacing with University Operations
- Disruption of Services for Utility Connections
- Substantial and Final Completion Inspections
- Guarantee Expiration Inspection

**XIV. PROGRAM FUNDS**

**The planning, construction, and equipment funding source is projected as follows:**

**To Be Determined - \$6,525,043**

**XV. PROJECT BUDGET SUMMARY**

| MMC East Loop Road Realignment  |                 | INTERNAL USE ONLY       |                  |                                | 2/7/2020               |
|---|-----------------|-------------------------|------------------|--------------------------------|------------------------|
| Facility/Space Type   | Net Area (NASF) | Net to Gross Conversion | Gross Area (GSF) | 12/1/2021 Unit Cost (Cost/GSF) | Construction Cost      |
| Instructional Spaces  |                 |                         |                  |                                |                        |
| Classroom   | 0               | 1.56                    | 0                | \$388.90                       | \$0.00                 |
| Academic Support  |                 |                         |                  |                                |                        |
| Auditorium/Exhibition   | 0               | 1.56                    | 0                | \$435.43                       | \$0.00                 |
| Institutional Support   |                 |                         |                  |                                |                        |
| Office/Computer   | 0               | 1.56                    | 0                | \$390.53                       | \$0.00                 |
| Totals  | 0               | 1.56                    | 0                |                                | \$0                    |
| Total Construction - New  |                 |                         |                  |                                | \$0                    |
| <b>SCHEDULE OF PROJECT COMPONENTS</b>   |                 |                         |                  |                                | <b>ESTIMATED COSTS</b> |
| Basic Construction Cost   |                 |                         |                  |                                |                        |
| 1. a. Construction Cost (from above)  |                 |                         |                  |                                | \$0                    |
| Add'l/Extraordinary Const. Costs  |                 |                         |                  |                                |                        |
| b. Environmental Impacts/Mitigation   |                 |                         |                  |                                | \$29,500               |
| c. Site Preparation   |                 |                         |                  |                                | \$1,120,000            |
| d. Landscape/Irrigation   |                 |                         |                  |                                | \$200,000              |
| e. Plaza/Walks  |                 |                         |                  |                                | \$300,000              |
| f. Roadway and Parking Improvements   |                 |                         |                  |                                | \$1,500,000            |
| h. Telecommunication and Security System                                      |                 |                         |                  |                                | \$200,000              |
| i. Electrical Service   |                 |                         |                  |                                | \$50,000               |
| j. Water Service  |                 |                         |                  |                                | \$90,000               |
| k. Sanitary Sewer   |                 |                         |                  |                                | \$115,000              |
| l. Chilled Water System   |                 |                         |                  |                                | \$1,500,000            |
| m. Storm Water System   |                 |                         |                  |                                | \$60,000               |
| n. Energy Efficient Equipment   |                 |                         |                  |                                | -                      |
| o. Maintenance of Traffic   |                 |                         |                  |                                | \$200,000              |
| Total Construction Costs  |                 |                         |                  |                                | \$5,364,500            |
| 2. Other Project Costs  |                 |                         |                  |                                |                        |
| a. Land/existing facility acquisition   |                 |                         |                  |                                | -                      |
| b1. Professional Fees - A/E, Landscape DMS Fee Curve "Average Complexity" (B) |                 |                         |                  |                                | 7.54% \$404,533        |
| b2. CM Fees -Pre-Construction   |                 |                         |                  |                                | 1.00% \$53,645         |
| c. Fire Marshall Fees   |                 |                         |                  |                                | n/a -                  |
| d. Inspection Services - total  |                 |                         |                  |                                | \$120,000              |
| * On-site representation  |                 |                         |                  |                                | n/a -                  |
| * Code inspections  |                 |                         |                  |                                | \$120,000 -            |
| e. Builder's Risk   |                 |                         |                  |                                | 0.10% \$5,364.50       |
| f. Surveys & Tests  |                 |                         |                  |                                | \$50,000               |
| g. Permit/Impact/Environmental Fees   |                 |                         |                  |                                | \$5,000                |
| h. BIM Consultant   |                 |                         |                  |                                | n/a -                  |
| i. Artwork  |                 |                         |                  |                                | -                      |
| j. Moveable Furnishings & Equipment (n/a)                                     |                 |                         |                  |                                | -                      |
| Total - Other Project Costs   |                 |                         |                  |                                | \$638,543              |
| <b>ALL COSTS 1+2a-j</b>   |                 |                         |                  |                                | <b>\$6,003,043</b>     |
| k. Project Contingency 5%   |                 |                         |                  |                                | \$300,152              |
| l. Construction Service Reimbursement 3%                                      |                 |                         |                  |                                | \$180,091              |
| <b>TOTAL PROJECT COST</b>   |                 |                         |                  |                                | <b>\$6,483,286</b>     |

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## LAND USE MAP:

Amendment No. 4

### Note #1

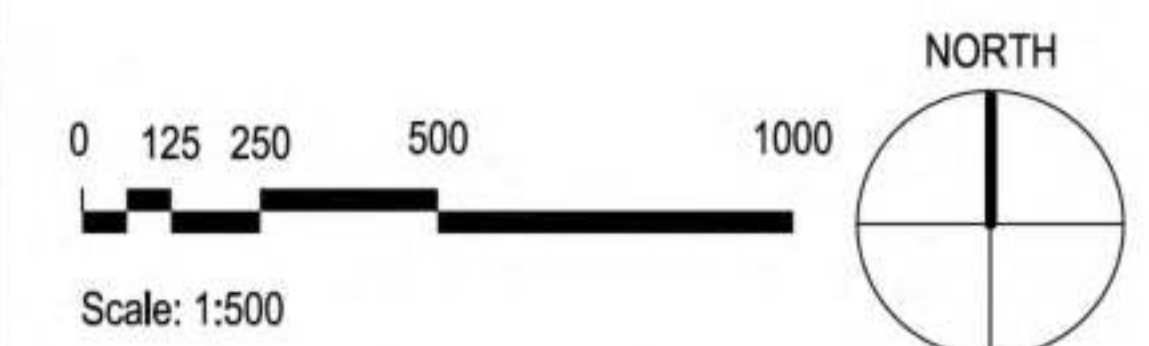
Change designated area (1.40 acres)  
from Athletics / Recreation / Open  
Space to Support category

See Note #1

### LEGEND

- **ACADEMIC + RESEARCH**  
(CLASSROOM, LABORATORY, RESEARCH, ACADEMIC  
OFFICES & STUDY FACILITIES)
- **SUPPORT**  
(ADMINISTRATIVE OFFICES, AUXILIARY,  
CAMPUS FACILITIES & CLINICS)
- **HOUSING**  
(UNIVERSITY & NON-UNIVERSITY CONTROLLED  
ON-CAMPUS HOUSING FACILITIES)
- **ATHLETICS / RECREATION / OPEN SPACE**  
(ATHLETIC, RECREATION & OPEN SPACE FACILITIES)
- **COMMUNITY INTERFACE**  
(UNIVERSITY PROPERTY WITH NON-UNIVERSITY CONTROLLED FACILITIES)
- **MULTI-PURPOSE**  
(INTEGRATED ACADEMIC & RESEARCH, SUPPORT, HOUSING, ATHLETICS /  
RECREATION / OPEN SPACE, COMMUNITY INTERFACE, AUXILIARY,  
TRANSIT HUB & PARKING)

### ELEMENT 4.1A: LAND USE MODESTO A. MAIDIQUE CAMPUS



NOVEMBER 10, 2020

Approval by FIU BOT on TBA

PERKINS  
+WILL



# RECREATION AND OPEN SPACE MAP:

Amendment No. 4

Note #1

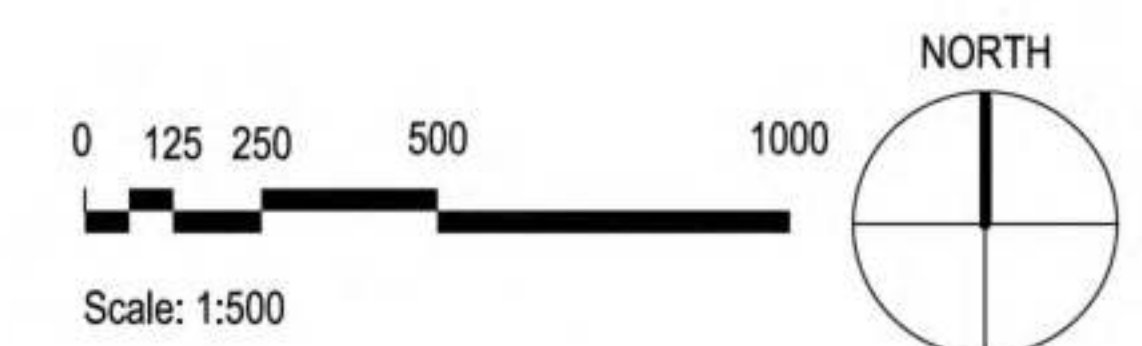
Remove (1.40 acres) from  
Special Purpose Open Space

See Note #1

## LEGEND

- MULTI PURPOSE OPEN SPACE
- ATHLETICS
- SPECIAL PURPOSE OPEN SPACE
- RECREATION
- COURTYARD/PLAZA
- CAMPUS GATEWAY
- SURFACE WATER
- PROPOSED / EXISTING BUILDING
- RECREATION PATH
- STREETScape

## ELEMENT 8.1: RECREATION AND OPEN SPACE MODESTO A. MAIDIQUE CAMPUS



November 10, 2020

Approval by FIU BOT on TBA

PERKINS  
+ WILL



**CONSERVATION MAP:**

Amendment No. 4

**Note #1**

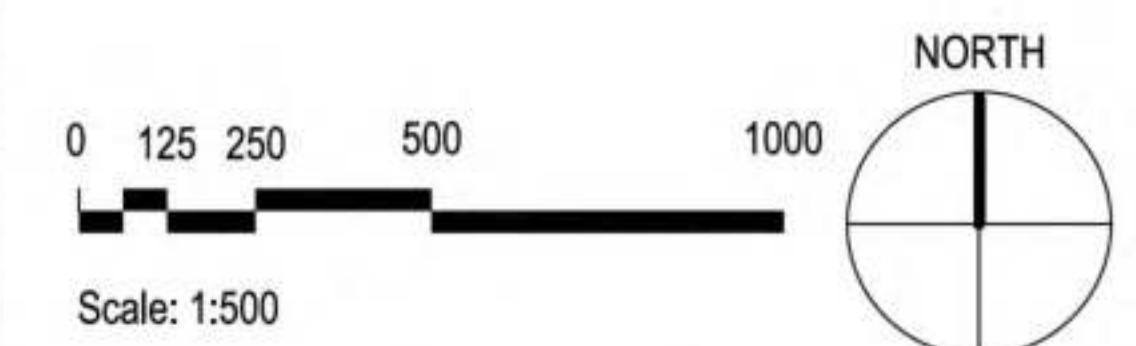
Remove from Campus Park & Natural Area (1.40 acres)

See Note #1

**LEGEND**

- CAMPUS PARK AND NATURAL AREA
- LANDSCAPE BUFFER
- WATER
- PROPOSED / EXISTING BUILDING
- EXISTING TREE

**ELEMENT 13.1: CONSERVATION  
MODESTO A. MAIDIQUE CAMPUS**



November 10, 2020

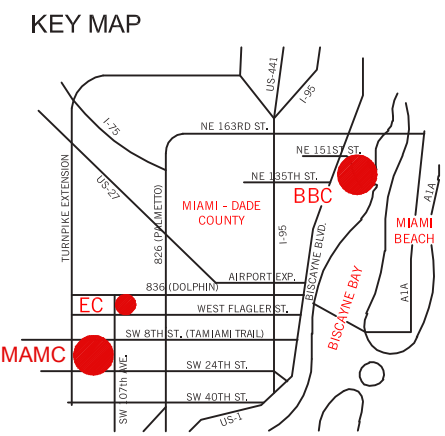
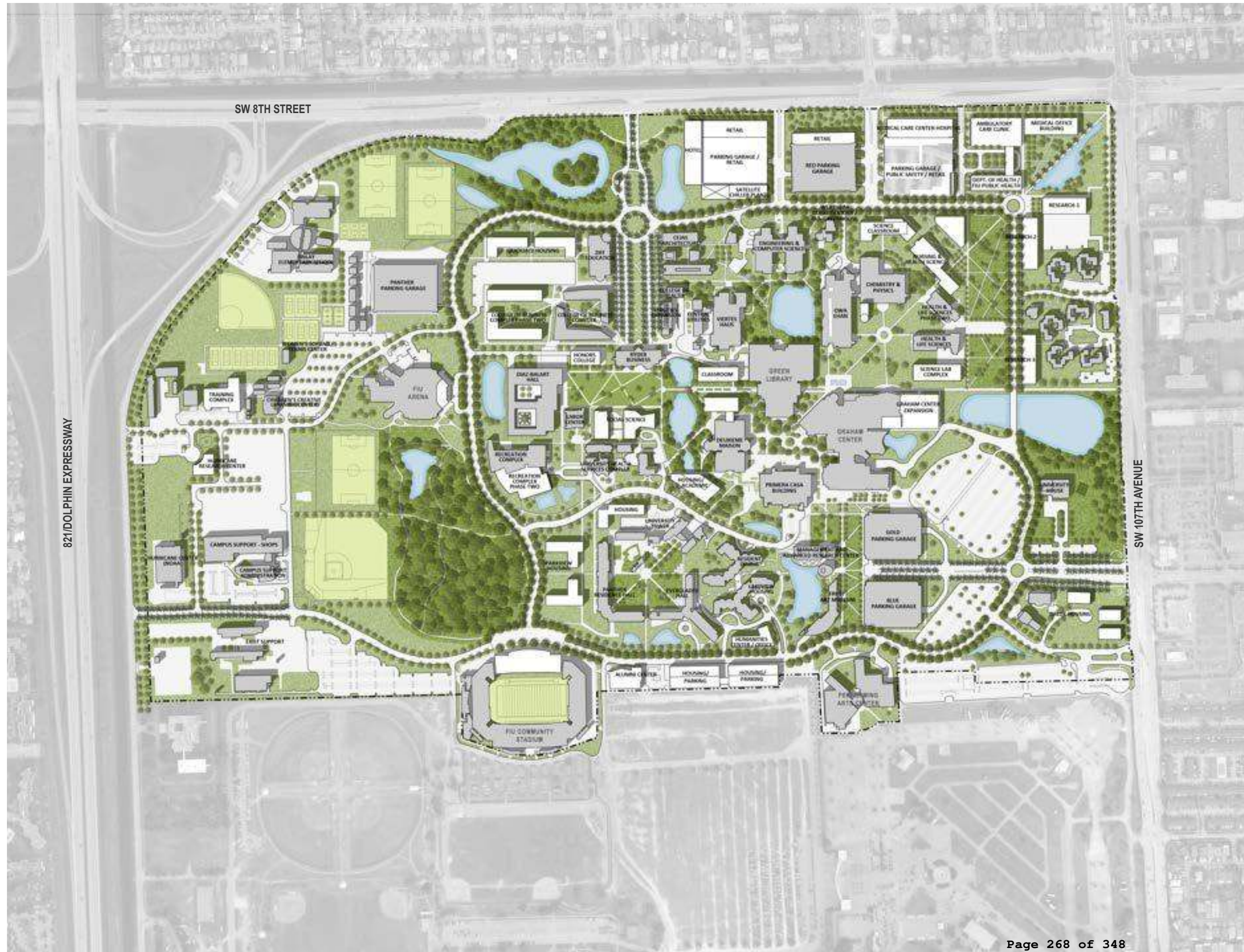
Approval by FIU BOT on TBA

PERKINS  
+ WILL



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**FIGURE: O.1a**  
**Modesto A. Maidique Campus**  
**2015 ILLUSTRATIVE PLAN**

**FLORIDA  
INTERNATIONAL  
UNIVERSITY**

Campus Master Plan - June 2010

02505001000

**PERKINS  
+ WILL**



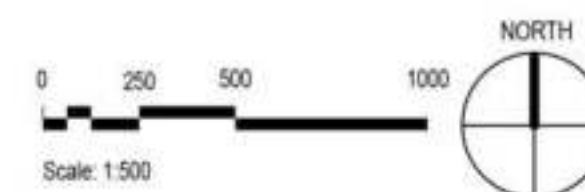
**KEY**

- |                                  |                                |
|----------------------------------|--------------------------------|
| A1. ACADEMIC 1                   | P1. HOTEL                      |
| A2. ACADEMIC 2                   | P2. MEDICAL ARTS PAVILION 4    |
| A3. LIBRARY / STUDY ADDITION     | P3. MEDICAL ARTS PAVILION 2    |
| A4. ACADEMIC 4                   | P4. MEDICAL ARTS PAVILION 3    |
| A5. ACADEMIC 5                   | P5. AMBULATORY CARE CENTER     |
| A6. ACADEMIC 6                   | P6. MEDICAL ARTS PAVILION 1    |
| A7. ACADEMIC 7                   | P7. PARTNERSHIP                |
| A8. ACADEMIC 8                   | P8. SWEETWATER                 |
| A9. ACADEMIC 9                   | PEDESTRIAN BRIDGE              |
| A10. ACADEMIC 10                 | PG6. PARKING GARAGE 6 /        |
| A11. ACADEMIC 11                 | TRANSIT HUB                    |
| A12. SOCIAL STUDIES / HUMANITIES | PG7. FACILITY SUPPORT          |
| A13. SIPA II                     | PG8. FACILITY SUPPORT          |
| A14. MANGO                       | R1. TRACK AND FIELD            |
| A15. SOLAR HOUSE                 | R2. REC CENTER ADDITION        |
| A16. STOCKER ASTROSCIENCE        | R3. TRAINING FACILITY ADDITION |
| A17. SCIENCE CLASSROOM COMPLEX   | S1. SUPPORT 1                  |
| A18. ACADEMIC HEALTH CENTER 5    | S2. SUPPORT 2                  |
| A19. HONORS COLLEGE              | S3. PRESIDENT'S PARK PAVILION  |
| A20. ACADEMIC HEALTH CENTER      | S4. ALUMNI CENTER              |
| LIBRARY ADDITION                 | S5. STUDENT ACADEMIC           |
| FL. FACILITIES 1                 | SUPPORT CENTER                 |
| F2. CENTRAL UTILITIES            | S6. GRAHAM CENTER ADDITION     |
| H1. PARKVIEW HOUSING II          | S7. FROST MUSEUM ADDITION      |
| H2. GREEK HOUSING                |                                |
| H3. MAIN STREET HOUSING          |                                |
| H4. HONORS COLLEGE HOUSING       |                                |
| H5. PARKVIEW HOUSING I           |                                |

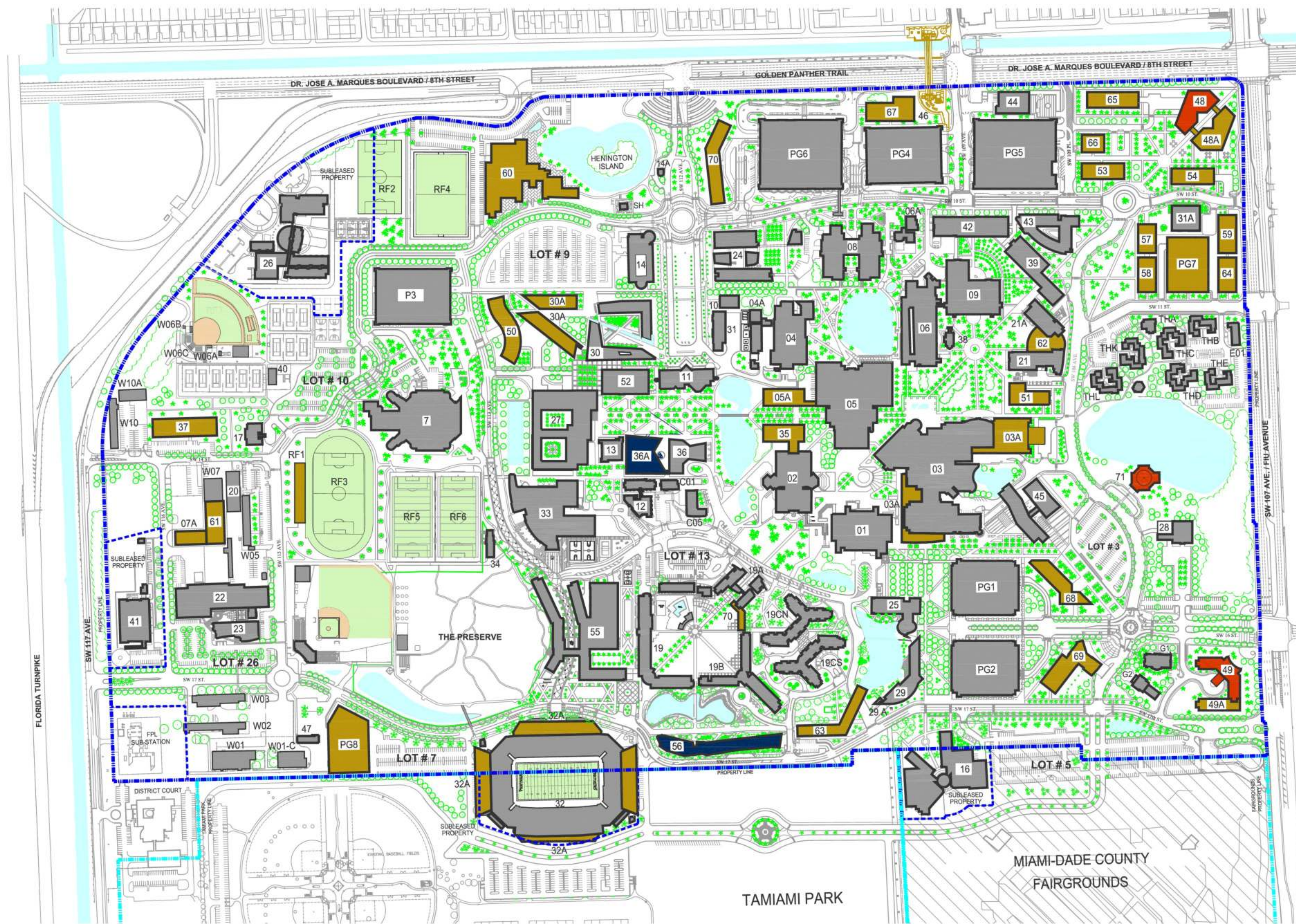
**LEGEND**

- PRESENT -2015
- 2015-2020
- 2020
- PARTNERSHIPS
- PROPOSED / EXISTING BUILDING

**ELEMENT 14.1: CAPITAL IMPROVEMENTS  
MODESTO A. MAIDIQUE CAMPUS**

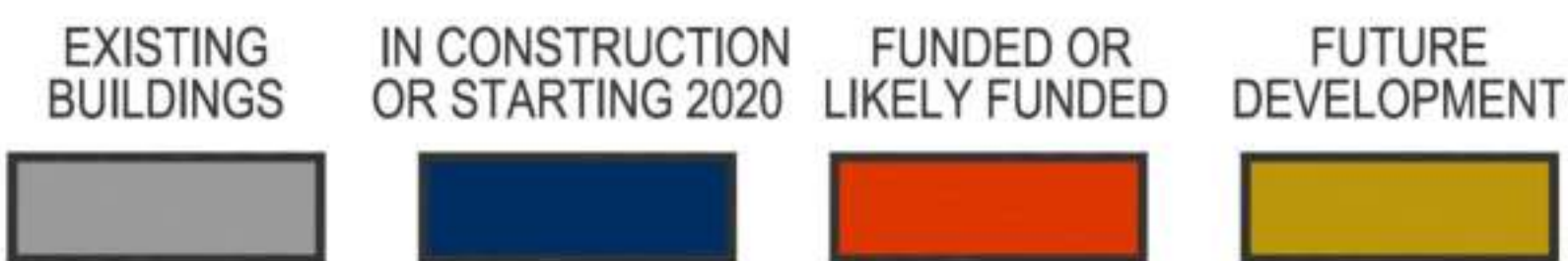






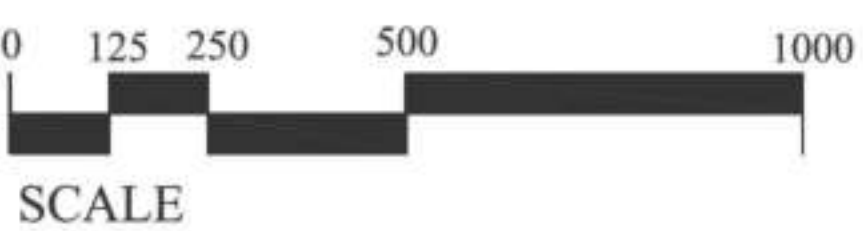
LEGEND

| BLDG. # | BUILDING NAME  | BLDG. # | BUILDING NAME                     |
|---------|--|---------|-----------------------------------|
| 01      | CHARLES E. PERRY PRIMERA CASA                          | 44      | AMBULATORY CARE CENTER            |
| 02      | DEUXIEME MAISON  | 45      | STUDENT ACADEMIC SUCCESS CENTER   |
| 03      | ERNEST R. GRAHAM UNIV. CTR. EXPANSION                  | 46      | UNIVERSITY CITY PEDESTRIAN BRIDGE |
| 03A     | ERNEST R. GRAHAM UNIV. CTR. EXPANSION                  | 47      | ART STUDIO                        |
| 04      | VIERTES HAUS   | 48      | ENGINEERING Phase 1               |
| 04A     | CENTRAL UTILITIES ONE                                  | 48A     | ENGINEERING Phase 2               |
| 05      | STEVEN & DORTHEA GREEN LIB.                            | 49      | CasaCuba Phase 1                  |
| 05A     | LIBRARY/STUDY EXPANSION                                | 49A     | CasaCuba Phase 2                  |
| 06      | OWA EHAN   | 50      | ACADEMIC 2                        |
| 06A     | WERTHEIM CONSERVATORY / BIO. GREENHOUSE                | 51      | SCIENCE LABORATORY COMPLEX        |
| 07      | OCEAN BANK CONVACATION CENTER                          | 52      | MANGO                             |
| 07A     | EXPANDED TRAINING FACILITY                             | 53      | ACADEMIC 3                        |
| 08      | COMPUTER, ARTS, SCIENCES AND EDUCATION                 | 54      | ACADEMIC 4                        |
| 09      | CHEMISTRY & PHYSICS                                    | 55      | PARKVIEW HOUSING                  |
| 10      | COLLEGE OF HEALTH                                      | 56      | PARKVIEW HOUSING II               |
| 11      | RYDER BUSINESS BUILDING                                | 57      | ACADEMIC 5                        |
| 12      | STUDENT HEALTH SERVICES COMPLEX                        | 58      | ACADEMIC 6                        |
| 13      | LABOR CENTER   | 59      | ACADEMIC 7                        |
| 14      | SANFORD & DOLORES ZIFF EDU.                            | 60      | HOTE/CONFERENCE/ALUMNI CENTER     |
| 14A     | INFORMATION CENTER                                     | 61      | FACILITIES 1                      |
| 15      | BASEBALL STADIUM                                       | 62      | AHC LIBRARY INFILL                |
| 16      | HERBERT & NICOLE WERTHEIM CTR.                         | 63      | MAINSTREET HOUSING                |
| 17      | CHILDREN'S CREATIVE LEARNING                           | 64      | MEDICAL ARTS PAVILION 1           |
| 19      | PANTHER RESIDENCE HALL                                 | 65      | MEDICAL ARTS PAVILION 2           |
| 19A     | UNIVERSITY PARK TOWERS                                 | 66      | MEDICAL ARTS PAVILION 3           |
| 19B     | EVERGLADES HALL  | 67      | PARTNERSHIP                       |
| 19CN    | LAKEVIEW HOUSING - NORTH                               | 68      | SUPPORT 1                         |
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| 20      | ATHLETICS ACADEMIC FITNESS CENTER                      | 70      | SUPPORT 3                         |
| 21      | ACADEMIC HEALTH CENTER 1                               | 71      | CHAPEL                            |
| 21A     | ACADEMIC HEALTH CENTER 2                               | C01     | TOWER                             |
| 22      | CAMPUS SUPPORT COMPLEX SHOPS                           | C05     | DUPLICATING CENTER                |
| 23      | CAMPUS SUPPORT COMPLEX ADMIN                           | G1-2    | GREEK HOUSING                     |
| 24      | PAUL CEJAS ARCHITECTURE MANAGEMENT & ADVANCED RESEARCH | PG1     | PARKING GARAGE 1 GOLD             |
| 25      | RESEARCH   | PG2     | PARKING GARAGE 2 BLUE             |
| 26      | CARLOS FINLAY ELEMENTARY SCHOOL                        | PG3     | PANTHER PARKING GARAGE            |
| 27      | RAFAEL DIAZ-BALART HALL                                | PG4     | RED PARKING GARAGE                |
| 28      | RONALD W. REGAN PRES. HOUSE                            | PG5     | PG5 MARKET STATION                |
| 29      | PATRICIA&PHILLIP FROST MUSEUM                          | PG6     | PARKING GARAGE SIX                |
| 29A     | FROST MUSEUM EXPANSION                                 | PG7     | FACILITIES SUPPORT                |
| 30      | COLLEGE OF BUSINESS COMPLEX                            | PG8     | FACILITIES SUPPORT                |
| 30A     | ACADEMIC 11 GRADUATE SCHOOL OF BUSINESS                | RF1     | EXPANDED TRACK AND FIELD          |
| 31      | CENTRAL UTILITIES TWO                                  | RF2-6   | RECREATION FIELDS                 |
| 31A     | SATELLITE CHILLER PLANT                                | SH      | SOLAR HOUSE                       |
| 32      | FIU COMMUNITY STADIUM                                  | THA-L   | UNIVERSITY APARTMENTS             |
| 32A     | STADIUM UPPER BOWL EXPANSION                           | W01     | WEST 1                            |
| 33      | WELLNESS AND RECREATION CENTER                         | W01A    | WEST 1 A                          |
| 34      | FIELD SUPPORT BUILDING                                 | W01B    | WEST 1 B                          |
| 35      | SCIENCE & HUMANITIES CENTER                            | W01C    | CERAMICS                          |
| 36      | SCHOOL INTER. & PUBLIC AFFAIRS                         | W01D    | GREEN HOUSE                       |
| 36A     | SIPA - PHASE TWO                                       | W02     | WEST 2                            |
| 37      | ACADEMIC 1   | W03     | WEST 3                            |
| 38      | STOCKER ASTROSCIENCE CTR.                              | W05     | WEST 5                            |
| 39      | ACADEMIC HEALTH CENTER 3                               | W06     | WEST 6                            |
| 40      | WOMEN'S SOFTBALL/TENNIS CX                             | W06A    | DUGOUT 3                          |
| 41      | HURRICANE CENTER (NOAA)                                | W06B    | DUGOUT 4                          |
| 42      | ACADEMIC HEALTH CENTER 4                               | W06C    | PRESS BOX & DUGOUT                |
| 43      | ACADEMIC HEALTH CENTER 5                               | W07     | WEST 7                            |
|         |  | W09     | WEST 9 (ART)                      |
|         |  | W10     | WEST 10                           |
|         |  | W10A    | WEST 10A (ROTC)                   |



For project information go to:  
<https://facilities.fiu.edu/Documents/Construction/Facilities%20Project%20Master%20List%2010-28-2019%20-%20202.pdf>

FLORIDA INTERNATIONAL UNIVERSITY  
2015 - 2030 DRAFT MASTER PLAN UPDATE  
- MODESTO A. MAIDIQUE CAMPUS -





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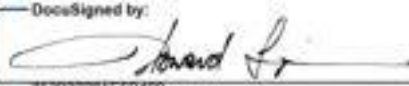
### Funding Certification Form

This form is required by the FIU Board of Trustees (“BOT”) and/or a committee of the BOT as a condition for approval of items, containing a funding component, that come for approval before the Board and/or a BOT committee pursuant to the Delegations of Authority from the BOT to the University President or otherwise.

Item name/description: Trish and Dan Bell Chapel and East Loop Road Realignment —Naming and Approval of Design

Funding Source(s): Private Funding and Unrestricted Treasury Auxiliary Funds

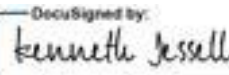
This is to certify that the above item has been reviewed and approved, and to the best of our professional judgment and knowledge, the type of funding for the item is authorized by state law and Board of Governors Regulations, and the Trustees may reasonably and in good faith rely on this certification.

DocuSigned by:  
  
 453922281E5B400

Howard R. Lipman, Chief Executive Officer,  
 FIU Foundation, Inc.

11/20/2020


Date

DocuSigned by:  
  
 178062820224001

Kenneth A. Jessell, Sr. Vice President and  
 Chief Financial Officer

11/20/2020

Date

DocuSigned by:  
  
 7E5C8E7E1E104E5

Carlos B. Castillo, General Counsel

11/20/2020

Date

  
 Mark B. Rosenberg, President

11/23/2020

Date

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Approval of the second five-year renewal option to be evidenced by an amendment to the existing lease agreement for the FIU Miami Beach Urban Studios (MBUS), reflecting a reduction in space from 16,000 to 7,500 square feet; and delegate to the University President the authority to negotiate and execute a Second Amendment to the lease agreement on behalf of the University**

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**Proposed Committee Action:**

Approve (1) the second five-year renewal option to be evidenced by an amendment to the existing lease agreement for the FIU Miami Beach Urban Studios, reflecting a reduction in space from 16,000 to 7,500 square feet; (2) the delegation of authority to the University President, or designee, to negotiate a Second Amendment to Lease Agreement (“Second Amendment”) to that certain Lease, dated May 13, 2011, as amended, between the Florida International University Board of Trustees and 420 Lincoln Road Associates Ltd. (“Lease”); and (3) the delegation of authority to the University President, or designee, to execute the Second Amendment on behalf of the University and all other documents that may be necessary to effectuate the transactions contemplated in the Second Amendment.

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**Background Information**

The Florida International University Board of Trustees entered into a lease, dated May 13, 2011, as amended, with 420 Lincoln Road Associates Ltd. for 16,000 square feet of space on the fourth floor of the building located at 420 Lincoln Road, Miami Beach, Florida. The Lease, which has an annual cost of \$473,076, is up for renewal in 2021. The existing space houses the Miami Beach Urban Studios (MBUS) and contains three classrooms seating 30 students each, a studio space seating 64 students, 11 faculty offices, 100 student storage lockers, three staff offices and a reception desk. The core of the existing space is the Main Gallery, a large exhibition, lecture and performance space that holds up to 150 people. The space is also home to the CARTA Innovation Lab, which boasts 60 3D printers that are used, in large part, by faculty and students in the School of Architecture. The offices serve faculty members from the School of Music, Architecture, Landscape Architecture, Environmental Sciences (specifically, the Sea Level Solution Center) and the Social Sciences.

The mission of MBUS is to support the College of Communication, Architecture + The Arts through teaching, engagement, research and creative activities that drive the information, innovation, and cultural economy of South Florida and beyond. MBUS has more than 150 events per year for members of the university community and the general public and it is considered a major cultural anchor in the City of Miami Beach.

On February 26, 2020, the FIU BOT approved the relocation of the current MBUS space to smaller ground floor space in its current building. However, the cost of the build-out was going to cost

\$843,910, including \$397,645 in code compliance requirements associated with the use of the space as an educational facility, which was significantly more than the landlord allowance of \$100,000.

MBUS has renegotiated with the landlord the continued use of smaller space on the fourth floor of the building, which will reduce the existing square footage from 16,000 to 7,500 square feet. The reduction in space is primarily administrative offices and will not negatively impact our academic programs. The annual cost will be reduced from \$473,076 to \$251,775; the cost per square foot increases slightly, from \$29.56 currently to \$33.57. However, the landlord has agreed to a six-months rent abatement of \$125,887.50 which effectively lowers the annual cost by \$3.35 per square foot over the five-year lease. Additionally, the owner will provide to MBUS at no cost the use of 1,025 square feet of space on the first floor of the building for storefront gallery and events on Washington Avenue and 31 parking spaces, also at no cost, which results in additional savings of \$27,900 per year. The total savings in rental cost over the five-year renewal term is approximately \$1.37 million. The new space plan provides MBUS the ability to retain the core teaching, research, and entrepreneurial hub on the fourth floor of the building while gaining significant cost-savings. It also provides MBUS with essential storefront gallery and event space at no incremental cost.

The University is authorized to negotiate and enter into the Second Amendment and exercise the remaining five-year renewal option, with the University President, or his designee, hereby granted the delegation of authority to negotiate and execute the Second Amendment on behalf of the University, as well as all other documents that may be necessary to effectuate the transactions contemplated in the Second Amendment.

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|                                  |                                     |
|----------------------------------|-------------------------------------|
| <b>Supporting Documentation:</b> | Second Amendment to Lease Agreement |
|                                  | Lease Amendment Summary Table       |
|                                  | Funding Certification Form          |

|                               |                   |
|-------------------------------|-------------------|
| <b>Facilitator/Presenter:</b> | Kenneth G. Furton |
|-------------------------------|-------------------|

**SECOND AMENDMENT TO LEASE AGREEMENT**

THIS SECOND AMENDMENT TO LEASE AGREEMENT (“**Second Amendment**”) is made and entered into as of December \_\_, 2020 (“**Second Amendment Date**”), by and between 420 LINCOLN ROAD ASSOCIATES, LTD., a Florida limited partnership (“**Landlord**”), and THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES, on behalf of FLORIDA INTERNATIONAL UNIVERSITY, a public body corporate (“**Tenant**”).

**WITNESSETH:**

WHEREAS, Landlord and Tenant are landlord and tenant, respectively, pursuant to that certain Lease dated May 13, 2011, including Exhibits A, B, C, D, E and F (collectively, the “**Original Lease**”), as amended by First Amendment to the Lease Agreement dated July 28, 2011 (“**First Amendment**”), by Lease Commencement Agreement dated October 20, 2011 (“**Commencement Agreement**”), and by Tenant’s letter dated November 2, 2015 exercising its first renewal option (“**2015 Option Letter**”) [collectively, the “**Lease**”], respecting a portion of the fourth (4<sup>th</sup>) floor, containing an agreed net rentable area of 16,000 square feet and known as Suite 400 (“**Suite 400**” or the “**Premises**”), located in that certain building having an address of 420 Lincoln Road, Miami Beach, Florida 33139 (“**Building**”); and

WHEREAS, (i) the current term of the Lease expires on September 18, 2021 (“**Expiration Date**”), subject to one five (5) year renewal option, (ii) there is no security deposit under the Lease, and Landlord is holding no advance rent under the Lease, and (iii) Suite 400 consists of the “**Retained Space**” (shown on Exhibit A in blue), containing approximately 7,500 square feet, and the “**Surrender Space**” (shown on Exhibit A in beige), both as depicted on Exhibit A attached hereto and made a part hereof; and

WHEREAS, the parties hereto have agreed to (i) reduce the area of Suite 400 by the elimination of the Surrender Space, (ii) extend the term of the Lease, and (iii) otherwise amend the Lease, subject to and in accordance with the terms and conditions herein provided.

NOW, THEREFORE, for and in consideration of the sum of TEN (\$10.00) DOLLARS, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. **RECITALS:** The foregoing recitals are true and correct and are incorporated herein by this reference.

2. **REDUCTION OF SUITE 400:**

(A) **Vacation of Surrender Space:** On or before February 1, 2021, Tenant, at its expense, shall vacate and surrender the Surrender Space, and with all furniture, fixtures, equipment and personalty removed, all in good and broom clean condition, reasonable wear and tear accepted, and repair any damage caused thereby. The date upon which Tenant so surrenders the Surrender Space shall be the “**Surrender Date**”. In the event Tenant shall fail to comply with

the foregoing, time being of the essence, (i) Tenant shall protect, defend, indemnify and hold Landlord harmless from and against all claims from prospective successor occupants and for all rents and monies Landlord might have received from any such prospective successor occupants, (ii) Landlord shall be entitled, without need for notice to Tenant unless required by applicable law, to a summary eviction and other lawful proceedings, and (iii) Landlord shall have all such monetary and non-monetary remedies as may be provided in the Lease and/or permitted by applicable law. Upon Tenant's vacation and surrender of the Surrender Space as provided herein, the Surrender Space shall no longer be deemed to constitute a portion of the "Demised Premises" or "Premises" under the Lease.

(B) **Landlord's Work:** After the Surrender Date, Landlord, at its cost, shall install a demising wall in the area labeled "Landlord Wall" on Exhibit A.

(C) **Tenant's Work:** If Tenant elects to renovate the Retained Space, such renovation shall be (i) at Tenant's sole cost and expense, and (ii) performed by Tenant with due diligence consistent with Tenant's use, all in a manner equivalent or better than the Demised Premises as of the Second Amendment Date and subject to approval by Landlord (collectively, **"Tenant's Retained Space Work"**). Tenant shall submit final plans and specifications for Tenant's Retained Space Work, for Landlord's approval, no later than thirty (30) days prior to the commencement of any such work. Except if and as otherwise expressly provided herein, all provisions of the Lease shall be deemed applicable to Tenant's Retained Space Work. Landlord agrees, at no cost to Landlord, to reasonably cooperate with Tenant to obtain the Tenant Approvals.

(D) **Signage:** At any time from and after the Second Amendment Date, Landlord shall have the continuing right, at its expense, to remove Tenant's sign located on the marquis of the Building.

(E) **Rents respecting the Retained Space:**

(i) **January – June, 2021:** Commencing as of January 1, 2021 and continuing through June 30, 2021, Tenant shall not be required to pay Base Rent or Overhead Rent.

(ii) **July, 2021 – End of New Term:** Commencing as of July 1, 2021 and continuing through the expiration of the New Term (defined below), Tenant shall pay Base Rent at the rate of \$20,981.25 per month (plus sales tax) due on the first (1<sup>st</sup>) day of each and every month. The last sentence of Section 4.2 of the Lease is hereby deleted. During such period, Tenant shall have no obligation to pay Overhead Rent.

(iii) **Sales Tax:** Tenant represents that it is a tax immune sovereign and exempt from the payment of all sales, use or excise taxes. So long as Tenant is exempt from such taxes, Tenant shall not be required to pay such taxes, but if and when Tenant is not exempt from such taxes, Tenant shall timely pay to Landlord all such taxes arising out of all rent and other consideration for occupancy arising out of the Lease.

(F) **No Brokers:** Each party represents and warrants to the other party that they have not hired a broker to represent them with respect to this Second Amendment and that there

are no claims for brokerage commissions or finder's fees in connection with this Second Amendment. Each party agrees to indemnify the other party against and to hold the other party harmless from all liabilities and costs, through and including all appeals, arising from any such brokerage commission or finder fee claims arising out of its actions.

(G) **Gallery Area**: During the term of the Lease, and provided Tenant is not in default beyond all applicable cure, grace and/or notice periods, Tenant shall be permitted, at no charge but subject to such restrictions as may be imposed by Landlord from time to time, to continue to utilize a portion of the ground floor Washington Avenue foyer area ("**1618 Foyer**") for non-commercial temporary gallery displays related only to Florida International University, provided that (a) Landlord has the right to require the removal of or modifications to any display, and (b) no such use by Tenant shall in any way impair access or visibility or violate any law or the rights of any party. Tenant shall also have the right, subject to Landlord's prior approval and regulations, to use the 1618 Foyer for events.

(H) **Elevators**: Subject to force majeure and all applicable laws, Landlord shall use commercially reasonable efforts to provide elevator service to the 4<sup>th</sup> Floor during all hours that Tenant is conducting business in the Premises.

3. **1602 WASHINGTON AVENUE**: Tenant shall be permitted, without obligation to pay rent, to occupy the space having an address of 1602 Washington Avenue, containing app. 1,025 square feet of area ("**Space 1602**"), subject to all other terms as provided in the Lease; provided that (a) Landlord has the right to terminate such right and require Tenant to vacate Space 1602 at any time on forty-five (45) days' notice, (b) any alterations shall be subject to Landlord's prior written consent, and (c) Landlord shall have no repair, maintenance or other obligations with respect thereto. Tenant shall have the right to place signage in the exterior of Space 1602, subject to Landlord's prior approval and compliance with all applicable terms and conditions of the Lease and all applicable laws.

4. **EXTENSION OF TERM**: The term of the Lease is hereby extended to a new period from January 1, 2021 through December 31, 2025 (such new period being the "**New Term**" and such ending date being the "**New Expiration Date**"), upon the same terms and conditions set forth in the Lease, except (a) as modified by this Second Amendment, and (b) there shall be no re-imposition of any "one time" provisions, Landlord's Work, tenant allowance, Landlord's repair obligations, renewal terms, rent concessions or abatements. The period commencing after the Expiration Date and ending on the New Expiration Date shall be the "**Extended Term**". There are no remaining renewal terms.

5. **ESTOPPEL**: Tenant acknowledges and agrees that Tenant, without inquiry made on third parties, knows of no cause of action, defense, set-off, claim or demand whatsoever, in law or in equity, against Landlord as of the date hereof, before, upon or by reason of any matter, cause or thing whatsoever, from the beginning of the world to the date of these presents arising out of, related to, or in connection with the Lease, any and all premises in the Building, and/or the Building.



**6. PARKING:** Sections 6.2, 7.2 and all parking entitlements contained in the Lease are hereby deleted in their entirety, and replaced with the following.

Tenant acknowledges that there are parking facilities adjoining the Building (“**Adjoining Parking**”), which as of the Second Amendment Date, are owned by an affiliate of Landlord. However, notwithstanding anything herein to the contrary, Landlord has no obligation whatsoever to make the Adjoining Parking available to Tenant or Tenant’s employees, agents, contractors or invitees or to provide parking facilities to such parties. Moreover, Tenant recognizes that Landlord’s affiliate may not continue to own or operate the Adjoining Parking. Landlord has no objection to Tenant’s contact with the owner and/or operator of the Adjoining Parking to seek the right to utilize same; provided however that Tenant acknowledges that any such right shall be non-exclusive and subject to such rights, rules and regulations as may now or hereafter be imposed by the owner and/or operator of the Adjoining Parking, including the rights to (a) charge a fee for the use of such parking spaces, (b) alter the parking layout, (c) tow vehicles that are parked improperly. Landlord shall not be liable for the theft of or any damage to automobiles or other vehicles or the contents thereof while in or about the Adjoining Parking or any other parking lots.

So long as the Adjoining Parking is owned and controlled by an affiliate of Landlord (“**Parking Owner**”), provided Tenant is not in default, Landlord shall make arrangements with Parking Owner for Parking Owner to allow Tenant, on such terms as required by Parking Owner, the use Monday through Friday during the Extended Term of thirty-one (31) unreserved parking spaces in the Adjoining Parking (“**1<sup>st</sup> 31 Spaces**”). There shall be no charge for the 1<sup>st</sup> 31 Spaces, and the cost for the next 31 spaces (“**2<sup>nd</sup> 31 Spaces**”) shall be \$70.00 per space per month, all plus applicable sales tax. Subject to the rights of Landlord and Parking Owner and force majeure, the 1<sup>st</sup> 31 Spaces and 2<sup>nd</sup> 31 Spaces are intended to be available from Monday through Friday (8 am to 8 pm) and Saturday (8 am to 2 pm). Tenant shall advise Landlord each month during the term of the Lease how many of the 1<sup>st</sup> 31 Spaces and 2<sup>nd</sup> 31 Spaces Tenant shall require. All parking charges shall be established by the Parking Owner in its sole discretion and shall be subject to increase and/or adjustment. Additional non-exclusive parking spaces may be available on a month to month basis, subject to availability. If required by Parking Owner, a separate agreement shall be made with Parking Owner or its the garage management company. Tenant shall have the right at any time to reduce the amount of unreserved parking spaces it is using, and upon notification of the release thereof to Landlord, Tenant shall only pay for the amount of spaces it is using. Further, so long as the Adjoining Parking is owned and controlled by an affiliate of Landlord, the parking charges under the Lease shall not exceed the greater of (a) \$75 per space per month or (b) the rates for similar space on a similar monthly basis charged by the City of Miami Beach to the general public at large for parking facilities located in the Lincoln Road and/or Washington Avenue area, as reasonably determined by Landlord.

7. **NOTICE ADDRESSES:** The current notice addresses of Landlord and Tenant are as follows:

Landlord: 420 Lincoln Road Associates, Ltd.  
420 Lincoln Road, Suite 329  
Miami Beach, FL 33139  
Attn: Leasing

Tenant: Florida International University  
1620 Washington Avenue  
Miami Beach, Florida 33139  
Attn: Dean Brian Schriener

With a copy to:

Florida International University  
General Counsel's Office  
Modesto Maidique Campus, Suite PC 511  
11200 SW 8<sup>th</sup> Street  
Miami, Florida 33199  
Attn: General Counsel

8. **RATIFICATION:** Sections 3.2, 8.2, 11.1, 19.12, 19.14, Exhibit D, and the last sentence of Section 6.1 of the Lease, are hereby deleted in their entirety, and shall be of no force or effect. Except as set forth in this Second Amendment, all provisions of the Lease are hereby ratified and confirmed and shall be and remain in full force and effect, and the same are enforceable in accordance with their terms. Capitalized terms used but not defined in this Second Amendment which are defined in the Lease shall have the meanings ascribed to them in the Lease, unless the context clearly requires otherwise.

9. **COUNTERPARTS/ELECTRONIC DELIVERY:** This Second Amendment may be executed in separate counterparts, each of which, when taken together, shall constitute one and the same instrument. Electronic counterparts of this Second Amendment, when executed, may be delivered electronically, and any such delivery shall be deemed an original.

10. **MISCELLANEOUS:** (i) Time is of the essence; (ii) the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns, subject to the restrictions contained in the Lease; (iii) except as set forth in this Second Amendment, the Lease has not been modified, and this instrument constitutes the entire understanding between the parties in respect to the subject matter hereof; and (iv) Tenant hereby covenants, represents and warrants to Landlord that (a) Tenant owns and holds the Tenant's interest in the Lease and all leasehold improvements, furniture, fixtures and equipment, and personalty, and all of the same are free and clear of all liens, claims and encumbrances of whatsoever kind and nature, (b) there are no pending or threatened claims against the Premises, (c) to Tenant's best knowledge, there are no unfulfilled Landlord repair or other obligations under the Lease, (d) since the Date of Lease, there has been no event which may

constitute an assignment or subletting under Section 14 of the Lease, and (e) the person executing this Second Amendment on behalf of Tenant has full right, power and authority so to do.

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IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, as of the Second Amendment Date.

**WITNESSES:**

**LANDLORD:**

**420 LINCOLN ROAD ASSOCIATES, LTD.,** a Florida limited partnership

By: PLC Lincoln Road Ventures, Inc., Its  
sole corporate general partner

BY: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**TENANT:**

**THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES, ON BEHALF OF FLORIDA INTERNATIONAL UNIVERSITY,** a public body corporate

BY: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Wendy Vargas  
Senior University Counsel

**EXHIBIT A**



“Landlord Wall” to replace doorway

## **EXHIBIT B**

### **TENANT'S WORK SCHEDULE**

A. Timing. Any improvements made by Tenant, which shall be strictly subject to the prior written consent and approval of Landlord, shall be at Tenant's sole cost and expense but subject to the Tenant Improvement Allowance.

1. Tenant will be responsible for any renovations to the Retained Space, pursuant to plans and specifications which are subject to approval by Landlord, and in accordance with Exhibit B-1 attached hereto and made a part hereof. Landlord shall have a period of ten (10) days from receipt of the plans and specifications to provide its approval or any comments thereto. Failure by Landlord to respond within such time period, and failure to cure such within five (5) days after notice from Tenant of such failure, shall extend Tenant's deadlines for Tenant's Work on a day for day basis of such delay by Landlord.
2. The plans and specifications to be submitted to Landlord shall include, without limitation, fully scaled dimensioned and integrated architectural and engineering drawings and specifications that conform with applicable laws, codes and regulations, as well as, to Landlord's rules and regulations.
3. Within ten (10) business days after Landlord approves Tenant's permit ready plans for Tenant's Work, Tenant shall submit for building permit for Tenant's Retained Space Work in accordance with such plans.
4. Within thirty (30) days after the date on which Landlord has approved Tenant's plans and specifications for Tenant's Retained Space Work, Tenant shall obtain a building permit for Tenant's Retained Space Work, and commence Tenant's Retained Space Work.
5. On or before the date specified in the Second Amendment, Tenant shall complete Tenant's Retained Space Work in accordance with the Landlord approved plans and specifications, and open for business in the Retained Space, fully equipped, stocked, and staffed in accordance with the use permitted in this Lease.

B. Life Safety. Tenant's contractor shall coordinate with Landlord or other contractors and labor involved in the Building. Tenant shall use the Landlord's life safety contractors for all fire related equipment.

C. Tenant's Retained Space Work. All improvements made to the Retained Space (other than unattached and removable trade fixtures, equipment, furniture and personalty) will become the property of Landlord when attached to or incorporated into the Retained Space. Such property will remain the property of Landlord upon termination of this Lease. All Tenant's Retained Space Work will be performed by contractors, architects and engineers licensed in Florida, selected by Tenant, subject to approval in writing in advance by Landlord. Landlord's approval of plans and specifications does not waive or otherwise affect Tenant's responsibility for compliance with the Lease, and each deviation shall be subject to Landlord's prior written approval.

D. Plans and Specifications. Approval of the Plans and Specifications by Landlord shall not constitute the assumption of any responsibility by Landlord or Landlord's architect for their accuracy, efficacy or sufficiency, and Tenant shall be solely responsible for such items.

E. Tenant's Post-completion Obligations. Tenant shall complete the following as part of any Tenant's Retained Space Work: (a) Tenant shall have caused Tenant's contractor and

subcontractors to complete the Tenant's Retained Space Work in the Retained Space in accordance with the approved plans and specifications and Tenant shall have caused Tenant's trade fixtures and merchandise to be installed and stocked in the Retained Space and Tenant shall be open for business therein, all as required in the Second Amendment; and (b) Tenant shall have delivered to Landlord all of the following within thirty (30) days after substantially completing Tenant's Retained Space Work: (i) Tenant's affidavit stating the Tenant's Retained Space Work has been completed in strict compliance with this Lease and complete releases and waivers of lien with respect to the Retained Space, executed by Tenant's contractor or contractors and every subcontractor, laborer and material supplier supplying labor and/or materials of Tenant's Retained Space Work; (ii) Tenant's written acceptance of the Retained Space stating that Landlord has completed all of Landlord's Work required to be performed by Landlord pursuant to the terms of this Lease, if any, and that Tenant reserves no claims, offsets or backcharges; or stating those claimed; (iii) any monies owing to Landlord for the cost of any of Tenant's Retained Space Work done for or on behalf of Tenant; (iv) all open permits shall be properly closed and terminated prior to expiration; and (v) if applicable, all certificates and approvals with respect to Tenant's Retained Space Work that may be required by any governmental authorities as a condition for the issuance of a Certificate of Occupancy for the Retained Space. In the event of any conflict between the terms of this Section and the terms of the Second Amendment, the terms of the Second Amendment shall prevail.



## **EXHIBIT B-1 - MINIMUM REQUIREMENTS FOR TENANT'S BUILD-OUT**

### **CEILING**

Acoustical ceilings shall be 24" x 48" x 5/8" omni fissured USG or equal with 15/16" white grid throughout the Premises or shall remain as-is.

### **PARTITIONING**

Interior partitions shall be 3 5/8" galvanized metal studs with ½" sheetrock on each side. Demising partitions shall be one hour fire rated and include full height 3 5/8" galvanized metal studs with sound insulation. Sheetrock shall be 5/8" type "X" on both sides.

### **SUITE ENTRY**

One (1) full height, solid core Mahogany fire rated door for the suite, or glass or other door types as appropriate and as approved by Landlord. Solid double entry doors may be installed for Tenants occupying 5,000 rentable square feet or more at Tenant's expense.

### **INTERIOR DOORS**

3'-0"x 6'-8" pre-hung painted grade doors.

### **HVAC**

Air-conditioning, ventilation and heating at a minimum of 350 square feet/ton throughout the leased premises.

### **PLUMBING**

One (1) water and one (1) sewer connection for each Tenant occupying 5,000 rentable square feet or more.

### **SPRINKLERS**

Sprinkler heads shall be installed throughout leased premises in accordance with South Florida Building Code and the approved fire protection plan.

### **LIGHTING**

Using acoustical ceilings lighting shall be 2' x 4' parabolic fluorescent fixtures at the ratio of one (1) fixture per 75 usable square feet. Using exposed ceilings lighting shall be 1' x 4' parabolic pendant fluorescent fixtures at a ratio of (1) fixture per 75 usable square feet. In the alternative, lighting may remain as-is, but with the addition of gallery-type light fixtures.

### **LIGHT SWITCHES**

One switch per office or area.

### **ELECTRICAL OUTLETS**

Two electrical outlets per office or area on interior walls.

### **TELEPHONE/ DATA OUTLET**

One telephone/data outlet per office or area.

### **FIRE ALARM**

Fire Alarm devices throughout leased premises shall be installed in accordance with South Florida Building Code and the approved fire alarm plan.

**ELECTRIC POWER**

Minimum of 100 amp 24 pole single phase 120/208 volt panel with 10-20 amp one pole circuit breakers.

**FLOOR COVERINGS**

If Tenant elects to use carpeting, Building standard carpet shall be provided with a 3" vinyl base. If Tenant wishes to install the carpet upgrade, Tenant shall pay for the difference in cost.

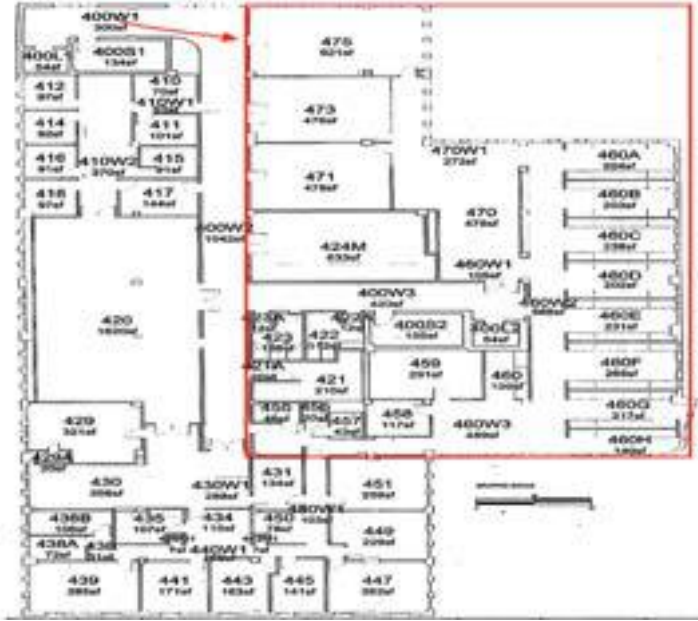
**PAINTING**


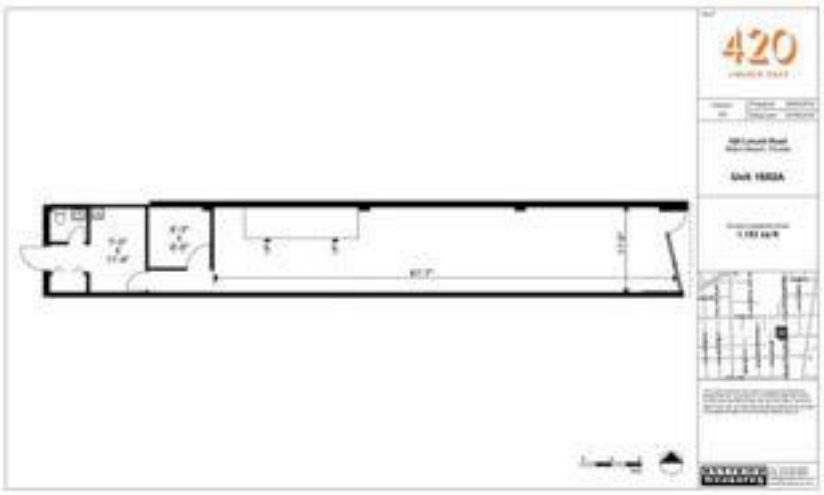
The leased premises shall be painted with one (1) primer coat and one (1) finish coat.

**SIGNAGE**

On or at Tenant's suite entry, one (1) Tenant identification sign of Building Standard design, or as otherwise permitted in the Lease, as amended.

## CARTA MBUS | Lease Amendment

|                                |   |  |  |
|--------------------------------|---|--|--|
| <p><b>420 Lincoln Road</b></p> | <ul style="list-style-type: none"> <li>Reduced square footage from 16,000sq ft to 7400 sq ft. on the 4<sup>th</sup> floor (outlined in red)</li> <li>FIU would retain 3 classrooms (475, 473, 471), Small Gallery (470) and Design Studio 3d Printer Innovation Lab (460A-H), and Print Lab (459) and Restrooms (422 and 423)</li> <li>\$22/sf base rent + \$11.57sf CAM = 33.57sf or \$\$251,775 / year</li> </ul> |  | <ul style="list-style-type: none"> <li>Enables us to continue offering all of our design classes without any negative impact on the revenue streams.</li> <li>We would be losing office space, a kitchen, and gallery space. However, we could convert one classroom (473 for example) into office space if necessary.</li> <li>We also gain gallery space on Washington Avenue, 1602A, and can relocate 1 or 2 offices in that space as well.</li> <li>We realize rent savings of \$1,180,00 over 5 the years, plus a gift of \$236K: total savings \$1,416,000.</li> </ul> |
|--------------------------------|---|--|--|

|                      |  |  |  |
|----------------------|--|--|--|
| 1602A Washington Ave | <ul style="list-style-type: none"> <li>• No charge. (Base + CAM)</li> <li>• FIU responsible for any cosmetic renovations.</li> <li>• FIU can brand the space.</li> <li>• The amendment includes a 45-day advance notice to vacate the space if it were to be redeveloped by Ambassador Cejas.</li> </ul> |   | <ul style="list-style-type: none"> <li>• Provides storefront gallery / event / teaching space on Washington Avenue</li> <li>• Additional branding opportunity on Washington Avenue</li> <li>• \$0 annual cost</li> </ul> |
|----------------------|--|--|--|

**1618 Lincoln Road**

- No charge
- Continued shared use of the main lobby, which we refer to as the FIU Washington Gallery



- Continued access and use of the FIU Washington Gallery as defined in our current lease.
- This lobby area/gallery space serves as the main entrance to building from Washington Avenue and has an elevator to our space on the 4<sup>th</sup> floor space. Elevator(400L2) entrance on 4<sup>th</sup> floor is 460W1. (The elevator can be locked to our floor only if we desire)

|                     |  |  |  |
|---------------------|--|--|--|
| <b>Parking</b>      | <ul style="list-style-type: none"> <li>• First 31 parking spaces charged @ \$0/month. This is a savings of \$26,040 / year. Currently we are paying \$70/space/month.</li> <li>• Additional spaces 31-62 at \$70/month</li> <li>• We may purchase as many or as few parking spaces each month as we choose.</li> </ul>                 |  | <ul style="list-style-type: none"> <li>• The amended parking agreement saves \$26,040/year.</li> </ul>   |
| <b>Philanthropy</b> | <ul style="list-style-type: none"> <li>• \$125,887.50 (rent abatement from Jan 2021-June 2021)</li> <li>• \$26,040 / year for 31 parking spaces</li> <li>• 1602 Washington Avenue is valued \$48,175 /yr</li> <li>• The Ambassador was asked for an additional \$125,887 gift in July 2021 (50% rent abatement for FY21-22)</li> </ul> |  | <ul style="list-style-type: none"> <li>• \$125,887.50 gift credit (one-time)</li> <li>• \$130,200 gift credit (\$26,040 x 5 years)</li> <li>• \$240,875 gift credit (\$48,175 x 5 years)</li> <li>• \$125,887.50 possible gift in July 2021</li> </ul> |



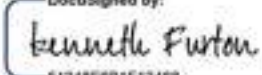
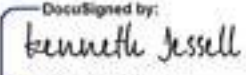
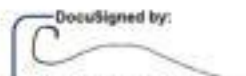

### Funding Certification Form

This form is required by the FIU Board of Trustees ("BOT") and/or a committee of the BOT as a condition for approval of items, containing a funding component, that come for approval before the Board and/or a BOT committee pursuant to the Delegations of Authority from the BOT to the University President or otherwise.

Item name/description: Approval of the exercise of the second five-year renewal option to be evidenced by an amendment to the existing lease agreement for the Miami Beach Urban Studios

Funding Source(s): Education and General (E&G) (activity number:2900020008)

This is to certify that the above item has been reviewed and approved, and to the best of our professional judgment and knowledge, the type of funding for the item is authorized by state law and Board of Governors Regulations, and the Trustees may reasonably and in good faith rely on this certification.

|   |  |
|---|--|
| <p>DocuSigned by:<br/> <br/>           51248F801F12468</p> <p>Kenneth G. Furton, Provost and Chief Operating Officer, Executive Vice President of Academic Affairs</p> | <p>11/17/2020</p> <p>_____</p> <p>Date</p> |
| <p>DocuSigned by:<br/> <br/>           1780526292AA4C1</p> <p>Kenneth A. Jessell, Sr. Vice President and Chief Financial Officer</p>                                   | <p>11/19/2020</p> <p>_____</p> <p>Date</p> |
| <p>DocuSigned by:<br/> <br/>           7E5C8EF9E1654F6</p> <p>Carlos B. Castillo, General Counsel</p>  | <p>11/20/2020</p> <p>_____</p> <p>Date</p> |
| <p></p> <p>Mark B. Rosenberg, President</p>  | <p>11.20.2020</p> <p>_____</p> <p>Date</p> |



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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**Finance and Facilities Committee**

December 3, 2020

**Subject: Approval of Contracts #PUR-00846, vendor Office Depot, Inc. and #PUR-00628, vendor ARAMARK Management Services Limited**

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**Proposed Committee Action:**

Pursuant to the Delegations of Authority from the Florida International University Board of Trustees to the University President, as reflected in the Resolution on the President's Powers and Duties approved by the Board of Trustees on March 4, 2019, (i) approve the University entering into the contract No. 1 and No. 2 as listed and described below and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contracts.

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**Background Information**

1. **Contract #PUR-00846** (vendor: **Office Depot, Inc.**) The first extension to the agreement between FIU and Office Depot, Inc. is being requested by FIU Procurement Services for University-wide office supply products. The contract was awarded as a result of an Invitation to Negotiate ITN 12-004 process solicited by FIU Procurement Services for the University and the Florida State University System (SUS) for office supply products. The extension is needed while Procurement Services works on a new SUS competitive solicitation for office supply products.

- **Term:** First extension term would commence on February 13, 2021 and terminate on February 12, 2022 or until completion of the competitive solicitation for Office Supply Products and award or protest, whichever is longer.
  - **Cost:** \$1,000,000.00 for the first extension term, which is an estimated cost based on previous spend.
  - **Funding source:** Various
- 

**Supporting Documentation:** Contract # PUR-00846, Vendor: Office Depot, Inc  
Addendum #9 to Sales Agreement  
Funding Certification Form

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

**2. Contract #PUR-00628** (vendor: **ARAMARK Management Services Limited Partnership**) The fifth extension of the agreement between FIU and the vendor is being requested by FIU Procurement Services on behalf of the Facilities Management Department for University-wide ground maintenance services. The Master Agreement was awarded as a result of the Request for Proposal RFP-90-012 process solicited by FIU Procurement Services at the request of the Facilities Management Department.

- **Term:** Fifth extension term would commence on February 1, 2021 and terminate on July 31, 2021 or until completion of the competitive solicitation ITN-2019-00015 for ground maintenance and award or protest, whichever is longer.
- **Estimated Cost:** \$1,890,631 for the fifth extension term, which is an estimated cost based on previous spend.
- **Funding source:** Various

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**Supporting Documentation:** Contract #PUR-00628, Vendor: ARAMARK  
Management Services Limited Partnership  
Funding Certification Form

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

## **ADDENDUM #9 TO SALES AGREEMENT**

This Addendum #9 to Sales Agreement (this “**Addendum #9**”) is made and entered into as of the 10th day of September, 2020 (the “**Addendum #9 Effective Date**”), by Office Depot, LLC as successor-in-interest by merger to Office Depot, Inc. (“**Office Depot**” or “**Contractor**”), and The Florida International University Board of Trustees (“**FIU**”).

**WHEREAS**, FIU and Office Depot entered into that certain Sales Agreement on March 7, 2012, pursuant to Invitation to Negotiate No. 12-004, Office Supply Products, as amended by that certain Addendum #1 to Sales Agreement, dated March 26, 2014, as amended by that certain Addendum #2 to Sales Agreement, dated September 1, 2015, as further amended by that certain Addendum #3, dated February 15, 2016, as further amended by that certain Addendum #4, dated September 19, 2016, as further amended by that certain Addendum #5, dated March 12, 2018, as further amended by that certain Addendum #6, dated February 13, 2019, as further amended by that certain Addendum #7, dated April 22, 2019, and as further amended by that certain Addendum #8, dated January 27, 2020 (collectively, the “**Agreement**”); and

**WHEREAS**, the parties desire to amend the Agreement, on the terms and conditions as provided herein; and

**WHEREAS**, the parties hereto agree that the Agreement is amended as stated herein and that this Addendum #9 shall be incorporated into the Agreement and made a part thereof.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. The Term shall be extended through February 12, 2022 (the “**Extension Term**”).
2. The parties acknowledge that certain Participants who qualify for the Contract Incentive Payment (“Qualifying Participants”) may not meet the Participant Spend requirement for the current Participant Contract Year. In consideration for entering into this Amendment #9, the parties agree that Office Depot will not pay any future installments of the Contract Incentive Payment to Qualifying Participants as set forth in Attachment E of the Agreement. Qualifying Participants shall have through the duration of the Extension Term to allow Qualifying Participant time to achieve Participant Spend. If at the end of the Extension Term, Participant Spend for the Extension Term exceeds the combined total of Participant Spend for the Term, Office Depot shall pay Qualified Participant the balance of the Contract Incentive Payment within sixty (60) days of the end of the Extension Term. If at the end of the Extension Term, Qualified Participant does not satisfy Participant Spend, Qualified Participant shall repay Office Depot an amount equal to the Contract Incentive Payment allocated to the particular Participant Contract Year multiplied by the percentage of shortfall for the particular Participant Contract Year (the “Shortfall”). To the extent any Shortfall is due from Qualified Participant to Office Depot for any Participant Contract Year, Qualified Participant shall repay the cumulative Shortfall due for all Participant Contract Years less any other incentive amounts determined by Office Depot to be owed to Qualified Participant as set forth in Attachment E of the Agreement, back to Office Depot within thirty (30) days of the end of the Extension Term.

In the event Qualified Participant terminates this Agreement without cause, or Office Depot terminates this Agreement for cause, prior to the end of the Extension Term, Qualified Participant shall, within thirty (30) days after the effective date of such termination, refund to Office Depot an amount equal to the Contract Incentive Payment actually paid multiplied by the percentage of Shortfall of the total combined Participant Spend.

3. Capitalized terms not otherwise defined in this Addendum #9 shall have the same meaning as set forth in the Contract. This Addendum #9 may be executed in any number of multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument. Facsimile signatures will be considered original signatures. Any provision not specifically modified by this Addendum #9 shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Addendum #9 as of the Addendum #9 Effective Date.

**OFFICE DEPOT,LLC**

By: **DRAFT ONLY** \_\_\_\_\_  
Name: Jim Pollman  
Title: Vice President  
Date: \_\_\_\_\_

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

By: **DRAFT ONLY** \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



### Funding Certification Form

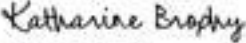
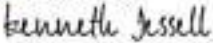


This form is required by the FIU Board of Trustees ("BOT") and/or a committee of the BOT as a condition for approval of items, containing a funding component, that come for approval before the Board and/or a BOT committee pursuant to the Delegations of Authority from the BOT to the University President or otherwise.

Item name/description: Approval of Contract # PLIR-00846, vendor: Office Depot, Inc.

Funding Source(s):

| Fund Code | Fund Code Description          |
|-----------|--------------------------------|
| 210       | General Revenue                |
| 211       | Carry Forward                  |
| 240       | E&G Medical School             |
| 241       | COM - Carry Forward            |
| 331       | Auxiliary Enterprises          |
| 333       | Housing Fund                   |
| 334       | Parking Fund                   |
| 335       | Continuing Education           |
| 350       | Research Service Centers       |
| 411       | Athletics                      |
| 451       | Student Government (A&S)       |
| 452       | A&S Support                    |
| 461       | Concession Fund                |
| 471       | Scholarship - Unrestricted     |
| 501       | Other Unrestricted Fund        |
| 601       | College of Medicine            |
| 602       | Other Restricted Fund          |
| 604       | Transfers from Component Units |
| 652       | Sponsored Research Overhead    |
| 653       | DoR Research Level 1 Rev 0     |
| 654       | DoR Research Rev 0 Unrestrict  |
| 655       | DoR Research BudP Unrestrict   |
| 657       | Sponsored Research Financial A |
| 660       | Federal Level 3                |
| 661       | Federal Level 4                |
| 663       | State Level 4                  |
| 664       | Other Level 3                  |
| 665       | Other Level 4                  |

This is to certify that the above item has been reviewed and approved, and to the best of our professional judgment and knowledge, the type of funding for the item is authorized by state law and Board of Governors Regulations, and the Trustees may reasonably and in good faith rely on this certification.

|   |                                       |
|---|---------------------------------------|
| <div>DocuSigned by:<br/><br/>36698D611E14DB</div> <div>Katharine A. Brophy, Associate VP &amp; Controller</div>                  | <div>11/4/2020</div> <div>Date</div>  |
| <div>DocuSigned by:<br/><br/>178D52E262AA4C1</div> <div>Kenneth A. Jessell, Sr. Vice President and Chief Financial Officer</div> | <div>11/13/2020</div> <div>Date</div> |
| <div>DocuSigned by:<br/><br/>7E5CBEF9E1654F6...</div> <div>Carlos B. Castillo, General Counsel</div>                             | <div>11/13/2020</div> <div>Date</div> |
| <div></div> <div>Mark B. Rosenberg, President</div>  | <div>11/19/2020</div> <div>Date</div> |



RFP# 90-012

**FIFTH EXTENSION AGREEMENT**

THIS FIFTH EXTENSION AGREEMENT (the “**Extension Agreement**”) is made and entered into on the last date signed below (the “**Effective Date**”), by and between **THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES (“FIU”)** and **ARAMARK MANAGEMENT SERVICES LIMITED PARTNERSHIP**, a Delaware limited partnership, whose principle address is 1101 Market Street, Philadelphia, PA 19107, who is authorized to do business in the State of Florida (“**Vendor**”).

**RECITALS**

**WHEREAS**, FIU and Vendor entered into that certain Agreement dated September 6, 2010 for goods and/or services related to the Competitive Solicitation entitled RFP No. 90-012, Grounds Maintenance, as amended by those certain amendments, each modifying Paragraph 22 of the Agreement, specifically including Amendment One (1) dated February 3, 2012; Amendment Two (2) dated September 19, 2012; Amendment Three (3) dated September 27, 2013; Amendment Four (4) dated November 25, 2014; Amendment Five (5) and Renewal dated October 2, 2015; Amendment Six (6) and Renewal dated August 30, 2016; Amendment Seven (7) and Third Renewal dated November 3, 2017; Amendment Eight (8) and Extension dated September 14, 2018; Second Extension of the Agreement dated May 17, 2019; Amendment Nine (9) and Third Extension dated January 6, 2020; and Fourth Extension Agreement dated July 10, 2020 (collectively, the “**Agreement**”); and

**WHEREAS**, FIU and the Vendor desire to further extend the Agreement; and

**WHEREAS**, FIU is authorized to extend the Agreement based on FIU Board of Trustees’ approval dated December 3, 2020.

**NOW, THEREFORE**, for and in consideration of the mutual promises and agreements made herein and intending to be legally bound hereby, the parties hereto agree as follows:

1. **Recitals**. The above recitals are true and correct and incorporated herein.
2. **Extension Term**. The Agreement is hereby extended for an additional seven (7) month term, commencing on February 1, 2021 and ending on July 31, 2021 or until completion of the competitive solicitation ITN-2019-00015 for ground maintenance and award or protest, whichever is longer (the “**Fifth Extension Term**”).
3. **Insurance**. Vendor shall continue to furnish FIU with certificates of insurance for the duration of the Fifth Extension Term. Vendor’s certificates on the applicable policies (including but not limited to general liability and automobile liability policies) shall indicate an endorsement which names The Florida International Board of Trustees, Florida International University, the State of Florida, the Florida Board of Governors, and their respective trustees, directors, officers, employees and agents as additional

- insureds on such policies. Additionally, Vendor's policies shall carry an endorsement to provide thirty (30) days prior written notice to FIU in the event of cancellation or reduction in coverage or amount. In the event Vendor's insurance carrier refuses to provide an endorsement to provide thirty (30) days prior written notice to FIU, then Vendor will be required to provide thirty (30) days prior written notice to FIU in the event of a cancellation or reduction in the coverage or amount and secure any new insurance as required to comply with this Extension Agreement and the Agreement to ensure continuous coverage. If Vendor fails to secure and maintain insurance policies complying with the provisions of the Agreement, FIU may terminate this Extension Agreement and the Agreement.
4. **Capitalized Terms.** All capitalized terms used herein but not expressly defined herein shall have the meaning ascribed thereto in the Agreement.
  5. **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.
  6. **Compliance with Laws.** In the performance of the Agreement, Vendor shall, at its own expense, at all times during the Fifth Extension Term, comply with all applicable federal, state, and local laws, rules, regulations, and ordinances and all other governmental requirements. Vendor acknowledges and agrees that Vendor has and will at all times during the Fifth Extension Term maintain all governmental permits, licenses, consents, and approvals necessary to perform its obligations under the Agreement.
  7. **Compliance with Public Records Law.** FIU is subject to applicable public records laws as provided by provisions of Florida Statutes Chapter 119, and FIU will respond to such public records request without any duty to give the Vendor prior notice. If Vendor is a "Vendor" as defined under Section 119.0701, Florida Statutes, Vendor shall comply with all applicable public records laws. Specifically, Vendor shall: (1) keep and maintain public records required by FIU to perform the service; (2) Upon request from FIU's custodian of public records, provide FIU with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided under that section, or as otherwise provide by law; (3) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if Vendor does not transfer the records to FIU; and (4) upon completion of the contract, transfer, at no cost, to FIU all public records in possession of Vendor or keep and maintain public records required by FIU to perform the Service. If Vendor transfers all public records to FIU upon completion of the contract, Vendor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Vendor keeps and maintains public records upon completion of the contract, Vendor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to FIU, upon request by FIU's public records custodian, in a format that is compatible with FIU's information technology systems. If FIU receives a request for public records, and FIU does not possess such records, FIU shall

immediately notify Vendor of such request, and Vendor must provide them to FIU or allow the records to be inspected or copied within a reasonable time. If Vendor does not comply with the request for records, FIU shall enforce the terms of the contract, and Vendor may be subject to civil action under Section 119.0701, Florida Statutes, and the penalties outlined under Section 119.10, Florida Statutes. FIU may unilaterally cancel the Agreement for Vendor's refusal to allow public access to all public records that were made or received in conjunction with the Agreement. This provision shall survive the expiration or earlier termination of the Agreement. **IF THE VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (305) 348-1377, BY EMAIL AT [recordsmanagement@fiu.edu](mailto:recordsmanagement@fiu.edu), OR BY MAIL at 11200 SW 8 ST., GL 460, MIAMI, FLORIDA 33199.**

8. **No counterparts; facsimile signatures allowed.** This Extension Agreement may not be executed in counterparts. This Extension Agreement, along with any and all Exhibits, may be executed and delivered by facsimile signature by any of the parties to the other parties; to the extent permissible under Florida law, a facsimiles signature shall have the same legal force and effect as an original signature and the receiving party may rely on the receipt of such document so executed and delivered by facsimile signature as if the original had been received.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, the duly authorized representatives of the parties have affixed their signatures, effective on the Effective Date first written above.

**FOR THE VENDOR:****ARAMARK MANAGEMENT SERVICES  
LIMITED PARTNERSHIP**

By: \_\_\_\_\_  
**ARAMARK SMMS LLC, ITS GENERAL  
PARTNER**

Name & Title: Christian Dirx, Vice President  
of Finance, its Authorized Signatory

Date: \_\_\_\_\_

**FOR FIU:****THE FLORIDA INTERNATIONAL  
UNIVERSITY BOARD OF TRUSTEES**

By: \_\_\_\_\_

Name & Title: Dr. Kenneth Jessell  
CFO and Senior Vice President

Date: \_\_\_\_\_



### Funding Certification Form

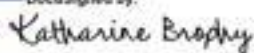
This form is required by the FIU Board of Trustees ("BOT") and/or a committee of the BOT as a condition for approval of items, containing a funding component, that come for approval before the Board and/or a BOT committee pursuant to the Delegations of Authority from the BOT to the University President or otherwise.

Item name/description: Approval of Contract # PUR-00628, vendor: Aramark Management Services Limited Partnership

Funding Source(s):

| Fund Code | Fund Code Description    |
|-----------|--------------------------|
| 211       | Carry Forward            |
| 210       | General Revenue          |
| 333       | Housing Fund             |
| 334       | Parking Fund             |
| 339       | Auxiliary Construction   |
| 411       | Athletics                |
| 451       | Student Government (A&S) |
| 720       | Construction Trust Fund  |

This is to certify that the above item has been reviewed and approved, and to the best of our professional judgment and knowledge, the type of funding for the item is authorized by state law and Board of Governors Regulations, and the Trustees may reasonably and in good faith rely on this certification.

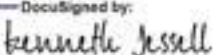
DocuSigned by:  


3880F8D641644DB

Katharine A. Brophy, Associate VP & Controller

11/4/2020

Date

DocuSigned by:  


178D626292AMC1

Kenneth A. Jessell, Sr. Vice President and  
Chief Financial Officer

11/13/2020

Date

DocuSigned by:  


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Carlos B. Castillo, General Counsel

11/13/2020

Date

  
 Mark B. Rosenberg, President

11/19/2020

Date

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**Financial Summary Overview <sup>1</sup>**  
**FY 2020-21**

|  | Year To Date<br>September 2020 |                     |          |       |              |
|--|--------------------------------|---------------------|----------|-------|--------------|
|  | Budget                         | Current Year Actual | Variance |       |              |
|  |                                |                     | \$       |       | %            |
| (\$ in millions)                                   |                                |                     |          |       |              |
| Revenue / Receipts                                 |                                |                     |          |       |              |
| University   |                                |                     |          |       |              |
| Educational and General (net) <sup>2</sup>         | \$                             | 174.2               | \$       | 170.8 | (3.4) -2%    |
| University   |                                | 159.1               |          | 156.1 | (3.0) -2%    |
| College of Medicine                                |                                | 15.1                |          | 14.7  | (0.4) -3%    |
| FIU Self-Insurance Program                         |                                | -                   |          | -     | 0%           |
| Auxiliary Enterprises                              |                                | 78.1                |          | 66.6  | (11.5) -15%  |
| Intercollegiate Athletics                          |                                | 9.6                 |          | 9.9   | 0.3 3%       |
| Activities and Service                             |                                | 8.1                 |          | 8.0   | (0.1) -1%    |
| Technology Fee                                     |                                | 4.4                 |          | 4.5   | 0.1 2%       |
| Board Approved Fees                                |                                | 0.2                 |          | 0.2   | - 0%         |
| Contracts and Grants                               |                                | 53.4                |          | 40.1  | (13.3) -25%  |
| Student Financial Aid                              |                                | 92.8                |          | 93.0  | 0.2 0%       |
| Concessions  |                                | 0.1                 |          | -     | (0.1) -100%  |
| Direct Support Organizations                       |                                |                     |          |       |              |
| FIU Athletic Finance Corp.                         |                                | 1.2                 |          | 0.6   | (0.6) -50%   |
| FIU Foundation Inc.                                |                                | 3.7                 |          | 5.7   | 2.0 54%      |
| Contributions for University Support               |                                | 3.0                 |          | 5.0   | 2.0 67%      |
| Contributions and Operating Revenues               |                                | 0.7                 |          | 0.7   | - 0%         |
| FIU Health Care Network                            |                                | 2.6                 |          | 2.5   | (0.1) -4%    |
| FIU Research Foundation                            |                                | -                   |          | -     | 0%           |
| Interfund Adjustments <sup>3</sup>                 |                                | (1.4)               |          | (1.4) | - 0%         |
| Total Operating Revenues                           | \$                             | 427.0               | \$       | 400.5 | (26.5) -6%   |
|  |                                |                     |          |       |              |
| University: Treasury (net) &<br>Contracts & Grants |                                | 2.4                 |          | 7.6   | 5.2 217%     |
| FIU Foundation Inc.                                |                                | 4.0                 |          | 11.2  | 7.2 180%     |
| Total Investment Revenues                          | \$                             | 6.4                 | \$       | 18.8  | \$ 12.4 194% |
| Total Revenues / Receipts                          | \$                             | 433.4               | \$       | 419.3 | (14.1) -3%   |
| Expenses   |                                |                     |          |       |              |
| University   |                                |                     |          |       |              |
| Educational and General (net)                      | \$                             | 123.9               | \$       | 111.2 | \$ 12.7 10%  |
| University   |                                | 112.4               |          | 101.8 | 10.6 9%      |
| College of Medicine                                |                                | 11.5                |          | 9.4   | 2.1 18%      |
| FIU Self-Insurance Program                         |                                | -                   |          | -     | 0%           |
| Auxiliary Enterprises                              |                                | 50.6                |          | 41.1  | 9.5 19%      |
| Intercollegiate Athletics                          |                                | 6.1                 |          | 5.8   | 0.3 5%       |
| Activities and Service                             |                                | 4.5                 |          | 2.5   | 2.0 44%      |
| Technology Fee                                     |                                | 3.4                 |          | 2.8   | 0.6 18%      |
| Board Approved Fees                                |                                | -                   |          | -     | 0%           |
| Contracts and Grants                               |                                | 50.8                |          | 42.2  | 8.6 17%      |
| Student Financial Aid                              |                                | 99.7                |          | 94.7  | 5.0 5%       |
| Concessions  |                                | 0.2                 |          | -     | 0.2 100%     |
| Direct Support Organizations                       |                                |                     |          |       |              |
| FIU Athletic Finance Corp.                         |                                | 0.8                 |          | 0.4   | 0.4 47%      |
| FIU Foundation Inc.                                |                                | 10.4                |          | 7.1   | 3.3 32%      |
| University Program Support                         |                                | 8.3                 |          | 5.3   | 3.0 36%      |
| Operating Expenses                                 |                                | 2.1                 |          | 1.8   | 0.3 13%      |
| FIU Health Care Network                            |                                | 1.5                 |          | 1.3   | 0.2 13%      |
| FIU Research Foundation                            |                                | -                   |          | 0.0   | (0.0) 0%     |
| -  |                                | -                   |          | -     | 0%           |
| Interfund Adjustments <sup>3</sup>                 |                                | (1.4)               |          | (1.4) | - 0%         |
| Total Expenses                                     |                                | 350.5               |          | 307.7 | 42.7 12%     |
|  |                                |                     |          |       |              |
| Principal Payment of Debt <sup>4</sup>             |                                | 0.1                 |          | 0.1   | - 0%         |
| Change in Net Assets (incl. Investments)           | \$                             | 82.9                | \$       | 111.5 | \$ 28.6 35%  |
| Change in Net Assets (excl. Investments)           | \$                             | 76.5                | \$       | 92.7  | \$ 16.2 21%  |



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**Florida International University**  
**Financial Summary Overview**<sup>1</sup>  
**FY 2020-21 as of September 2020**

**Financial Highlights:**

**Real**      **Timing**

**Operations - By Fund and Direct Support Organization**

**Educational and General Variance: Revenues \$-3.4M, Expenses \$12.7M**

**I. University (ex-College of Medicine) Variance: Revenues \$-3M, Expenses \$10.6M**

**Operating Revenues**

State Appropriations:

- State holdback of 1.5% of general revenue distributions to curtail state agency spending in response to impact of COVID-19 on the state's economy, (\$3.8M), and lower pass-through distribution from the State to cover lower risk management insurance premium, (\$0.3M)

(4.1)      -

Tuition:

- Undergraduate base: student credit hour enrollment is 467 FTE or -3.4% below target; associated net tuition revenues are below plan mainly due to lower than anticipated student credit hour enrollment in transfer and out-of-state students

(3.9)      (0.1)

- FIU Fully Online: higher net tuition revenues mainly due to better than planned enrollment, 210 FTE or 15%

1.1      -

- Dual Enrolled: student credit hour enrollment is above target by 39 FTE or 4.7%; positive revenue variance from unbudgeted revenues from in-state fee for on-campus dual enrolled students - tuition for off-campus, dual enrolled students is waived by statute

0.2      -

- Shorelight Enrollment: 33.9% or 64 FTE higher than budgeted enrollment

0.8      -

- Tuition differential: on target

0.0      -

- Graduate and Professional: student credit hour enrollment above target by 8.7% or 176 FTE; associated net tuition revenues above target mainly due to higher enrollment in Masters Degree Programs

1.2      -

- Other: Lower regulatory and exchange waivers and higher incidental revenues, \$0.9M, in addition to timing of disaster relief and other waivers, \$0.8M

0.9      0.8

**Total Revenues Variance**

**\$ (3.7) \$ 0.7**

**Operating Expenses:**

The favorable expense variance of \$10.6M is comprised of real savings of \$4.4M and timing of \$6.2M. Real savings of \$4.4M are mainly due to lower expenses as a result of the state appropriations holdback, \$3.8M; utility savings, \$0.3M; and lower risk management insurance premium, \$0.3M. The timing variance of \$6.2M is driven by delays in spending on plants operations and maintenance, \$1.9M; various academic initiatives including special appropriations, \$1.4M; placeholder for operational support appropriation which has not yet been expended, \$1.0M; and timing of other in-unit operating expenses, \$1.9M.

\$ 4.4      \$ 6.2

**II. College of Medicine Variance: Revenues \$-0.4M, Expenses \$2.1M**

State holdback of 1.5% of general revenue distributions to curtail state agency spending in response to impact of COVID-19 on the state's economy, (\$0.5M). Slightly higher than target net tuition revenue, \$0.1M, as marginally higher enrollment — 2 FTE or 0.4% — and lower than anticipated bad debt and waivers are offset by lower non-resident enrollment.

\$ (0.4)      \$ -

Savings mainly from vacant positions, \$1.6M, and other expenses, \$0.3M, and timing of invoicing of other expenses, \$0.2M.

\$ 2.0      \$ 0.1

**FIU Self-Insurance Program Variance: Revenues \$0M, Expenses \$0M**

Revenues are on target.

\$ 0.0      \$ -

Unfavorable operating expense variance of \$16K due to earlier than anticipated program administration charges.

\$ -      \$ (0.0)

**Auxiliary Enterprises Variance: Revenues \$-11.5M, Expenses \$9.5M**

**Florida International University**  
**Financial Summary Overview <sup>1</sup>**  
**FY 2020-21 as of September 2020**

**Financial Highlights:**

**Real**      **Timing**

The move to remote learning and work in response to COVID-19 and corresponding decline in demand for on-campus services and activities has had the biggest impact on the auxiliaries, resulting in a \$7.6M or 10% real decline in revenues. The main components include significantly lower housing occupancy, (\$5.4M); lower revenues from retail services and Division of Information Technology services, (\$1.7M); lower study abroad, material, supply and equipment fees and other academic program revenues due to the move to remote learning, somewhat mitigated by higher enrollment in market-rate programs, (\$1.0M); offset by higher sales at the PantherTECH computer store, \$0.7M.

Lower revenues due to timing, (\$4.3M), are mainly due to delays in sponsorship and ticket sales from the South Beach Wine and Food Festival, (\$1.0M); lower construction services reimbursement fee due to postponed projects, (\$1.1M); lower shared services fee revenue commensurate with temporary savings in expenses, (\$0.8M); delays in receipt of tuition for several academic programs, (\$1.0M); and delays in state support for the Children's Creative Learning Center, (\$0.4M).

\$      (7.2)    \$      (4.3)

Expenditures are below budget primarily due to real savings of \$2.9M and timing of expenditures of \$6.6M.

The real expense savings of \$2.9M are due to vacant positions across all auxiliaries, \$2.5M; lower instructional materials, supplies and equipment purchases due to remote learning, \$0.3M; cancelation of study abroad programs and travel due to COVID-19, \$0.6M; other expense savings, \$0.8M; offset by higher purchase for resale and operating capital outlay expenses in the PantherTech computer store, (\$1.2M).

The timing variance of \$6.6M is mainly due to conservative spending across all auxiliaries.

\$      2.9    \$      6.6

**Intercollegiate Athletics Variance: Revenues \$0.3M, Expenses \$0.3M**

Revenues are above target mainly due to unbudgeted revenues received in the current fiscal year for the University of Miami football game played in the prior year, \$0.2M, and higher athletic fee revenue from greater than anticipated student credit hour enrollment, \$0.1M.

\$      0.3    \$      -

Expenditures are below budget due to savings from furloughs and less temporary employees, \$0.3M; timing of expenses associated with a later athletic season due to COVID-19, \$0.9M, are offset by earlier than anticipated athletic scholarship expenses, (\$0.9M).

\$      0.3    \$      (0.0)

**Student Activity and Service Variance: Revenues \$-0.1M, Expenses \$2M**

Revenues are slightly lower than target, \$48K or 1%, primarily due to the loss of fee revenues from the cancellation of in-person preparatory courses. Activity and service fee revenues, the largest contributor to revenues in this fund, remain on plan.

\$      (0.0)    \$      -

Expenses are below target primarily due to savings related to vacant positions and less temporary personnel mainly in student centers and buildings, \$0.9M; and less other expenses across all areas due to operating savings in student centers and buildings, and the shift to remote student events, \$1.1M.

\$      2.0    \$      -

**Technology Fee: Revenues \$0.1M, Expenses \$0.6M**

Technology fee revenues are higher than target mainly due to higher than projected student credit hour enrollment.

\$      0.1    \$      -

Expenses are below target mainly due to real savings from vacant and temporary positions, \$0.1M, and delays in project timelines and equipment purchases, \$0.5M.

\$      0.1    \$      0.5

**Board Approved Fees: Revenues \$0M, Expenses \$0M**

Revenues are on plan.

\$      (0.0)    \$      -

Expenses are above budget by \$5K due to timing of payments to bar prep course vendors.

\$      -    \$      (0.0)

**Contracts and Grants Variance: Revenues \$-13.3M, Expenses \$8.6M**

Sponsored Research:

**Florida International University**  
**Financial Summary Overview <sup>1</sup>**  
**FY 2020-21 as of September 2020**

**Financial Highlights:**

**Real      Timing**

The unfavorable variance in revenues of \$8.8M is mainly due to the timing of expenses and draw down of federal funds through the CARES Act: Higher Education Emergency Relief Funds (HEERF) Institutional and Minority Serving Institutions support, (\$12.7M), offset by higher other (private) sponsored projects and unbudgeted reimbursements from the National Forensic Science Technology Center (NSFTC), \$3.9M.

\$      3.9    \$    (12.7)

Expenditures are below budget by \$7.2M mainly due to the timing of expenditures on CARES Act: Higher Education Emergency Relief Funds (HEERF) funds, \$12.8M, offset by higher expenses in federally sponsored research projects and higher than expected commitments against Facilities and Administrative (F&A) returns spent by the colleges, units, centers, and researchers, (\$5.7M).

\$      (5.7)    \$      12.8

**External Contracts:**

Revenues are under plan by \$4.5M, primarily due to lower revenues from College of Medicine Clinical Affairs and other medical programs, \$1.9M, lower DSO reimbursements commensurate with lower DSO reimbursement expenses, \$1.3M, and delays in receiving DSO reimbursements, \$1.3M.

\$      (3.2)    \$      (1.3)

Expenses are below budget, \$1.4M, due to lower DSO reimbursement expenses as less in-person activities and reduced on-campus presence have led to savings in temporary employee, travel, and professional service expenses.

\$      1.4    \$      -

**Student Financial Aid Variance: Revenues \$0.2M, Expenses \$5M**

Student financial aid revenue is on target, however, the real revenue variance is \$3.2M below plan while \$3.4M of revenues were received earlier than projected. The real lower revenues are due to less Pell-eligible students, (\$3.2M). The timing variance of \$3.4M is mainly due to the earlier than anticipated distribution of Florida Student Assistance Grant (FSAG) funds from the state, \$4.2M, offset by later than anticipated distributions from the state for Bright Futures awards, (\$0.3M), and donor-related scholarships, (\$0.6M).

\$      (3.2)    \$      3.4

Student financial aid expense is below target by \$5.0M or 5%. Lower real expenses of \$0.8M are due to less than anticipated Pell awards as a result of less eligible students, \$3.5M, and less institutional aid for undergraduate merit scholarships due to less students, \$2.0M; offset by more students with Bright Futures awards, (\$4.7M). The timing variance of \$4.2M is mainly due to Federal Student Assistance Grant (FSAG) and need-based institutional aid which will be awarded later than anticipated, \$4.5M, offset by federal work study, (\$0.3M).

\$      0.8    \$      4.2

The negative change in net position of \$1.7M is \$5.3M above target and is mainly due to the earlier than anticipated disbursement of FSAG from the state.

**Concessions Variance: Revenues \$-0.1M, Expenses \$0.2M**

Operating revenues are \$59K or 77% lower than plan mainly due to the continued impact of COVID-19 and the move to remote learning and work; less on-campus foot traffic has resulted in a sharp decline in beverage and snack sales and less students in on-campus housing has impacted laundry vending commissions.

\$      (0.1)    \$      -

Real expense savings of \$129K, 61% of the year-to-date budget, are largely due to less events due to the move to remote learning and work as a result of COVID-19 and lower vending operations overhead. The timing variance of \$53K is due to events occurring later than planned. The Concessions fund has sufficient fund balance to cover any revenue shortfalls this fiscal year.

\$      0.1    \$      0.1

**FIU Athletic Finance Corp. Variance: Revenues \$-0.6M, Expenses \$0.4M**

Operating revenues are below plan mainly due to the timing of football conference distributions as a result of the later start of the football season, (\$0.7M), and earlier than anticipated Athletic Fee support, \$0.2M. The real revenue variance is due to lower revenues from Miami FC games due to limited fan capacity in the stadium, (\$0.1M)

\$      (0.1)    \$      (0.5)

The favorable variance in operating expenses is mainly due to lower event expenses as no fans are allowed in the stadium for Miami FC games due to COVID-19 restrictions, \$0.1M, and timing of debt service interest payments, \$0.2M.

\$      0.1    \$      0.2

**FIU Foundation Inc. Variance: Revenues \$2M, Expenses \$3.3M**

**Florida International University**  
**Financial Summary Overview <sup>1</sup>**  
**FY 2020-21 as of September 2020**

**Financial Highlights:**

**Real      Timing**

The favorable revenue variance is driven by timing of cash contributions. \$      -      \$      2.0

University support program expenses are below budget due to delays in capital projects and timing of scholarship and program expenses, \$3.0M. Additionally, the favorable variance on Foundation operating expenses is mainly due to timing of administrative and other operating expenses, \$0.3M. \$      -      \$      3.3

**FIU Health Care Network Variance: Revenues \$-0.1M, Expenses \$0.2M**

Operating revenues are lower than plan due to less enrolled students in the Office of International Affairs (OIA) programs and lower management fees as a result of lower patient volumes in the Student Health clinic and lower pharmacy sales. \$      (0.1)      \$      -

Expenses are lower than budget due to savings in vacant positions in the Office of International Affairs (OIA) programs and lower contract service expenses due to lower student rotation volumes in the OIA programs. \$      0.2      \$      -

**FIU Research Foundation Variance: Revenues \$0M, Expenses \$0M**

Operating revenues are on target. \$      -      \$      -

Expenses are above budget due to earlier than anticipated charges for accounting, audit, and tax services, (\$3K). \$      -      \$      (0.0)

**Net Investment Returns: \$12.4M**

University Treasury investments fiscal year-to-date returns are 2.0% or \$7.2M. Net investment revenues of \$6.9M are \$4.5M above plan and comprised of \$1.4M of investment earnings, \$5.7M of unrealized gains, and Treasury operating expenses of \$0.3M.

Additionally, there is \$0.7M of investment income and unrealized gains in Contracts & Grants related to a National Institutes of Health grant invested as an endowment with the Foundation.

Foundation investments fiscal year-to-date gains are at 3.6% or \$11.2M, generating a favorable variance of \$7.2M. Investment returns for the full fiscal year were budgeted at 6.0%, or \$15.9M.

**Principal Payments of Debt: \$0M**

Principal payments of debt are on target. \$      -      \$      -

**Notes:**

- <sup>1</sup> The financials presented above reflect 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.
  - Unrealized gains and losses: The investment gains / losses are recognized as revenues in the budget however GASB accounting principles require that it be recorded as a non-operating revenue / expense.
- <sup>2</sup> E&G revenues include State Funding and Tuition and are net of waivers, uncollectible amounts and 30% Financial Aid need-based amounts per Florida Board of Governors (BOG) regulation. Any differences between E&G Revenues and Expenses will be funded from prior year balances carried forward.
- <sup>3</sup> Interfund transfers have been included resulting in higher revenues and expenses by fund allowing for an individual fund performance analysis. The interfund adjustments eliminate this double counting. However, interfund transactions such as tuition funded by scholarships and auxiliary services provided to other units have not been eliminated. Since revenues and expenses are equal, the interfund adjustments are the same for both.
- <sup>4</sup> Principal payment of debt reflected above per Florida Board of Governors (BOG) requirement that debt service payments be shown on a cash basis.

**FIU FOUNDATION, INC.**

**SUMMARY OF REVENUES AND EXPENSES  
& INVESTMENTS**

**September 30, 2020**

**FIU FOUNDATION, INC.**  
**Summary of Revenues and Expenses \***  
**For the 3-Month Period Ended September 30, 2020**  
*(In Thousands of Dollars)*

|                                      | Actuals                          |                              |                 |                   |                         |
|--------------------------------------|----------------------------------|------------------------------|-----------------|-------------------|-------------------------|
|                                      | University<br>(Donor Designated) | Foundation<br>(Unrestricted) | Total           | Budget            | Fav (Unfav)<br>Variance |
| <b>REVENUES:</b>                     |                                  |                              |                 |                   |                         |
| Cash Contributions                   | \$ 5,045                         | \$ -                         | \$ 5,045        | \$ 3,047          | \$ 1,998 [1]            |
| Investment Returns, net of fees      | 7,982                            | 3,246                        | 11,228          | 3,983             | 7,245 [2]               |
| MARC Building                        | -                                | 483                          | 483             | 435               | 48                      |
| Foundation Subsidiaries              | -                                | 41                           | 41              | 33                | 8                       |
| Annual Revenues & Fees               | -                                | 169                          | 169             | 175               | (6)                     |
| <b>TOTAL REVENUES</b>                | <b>13,027</b>                    | <b>3,939</b>                 | <b>16,966</b>   | <b>7,673</b>      | <b>9,293</b>            |
| <b>EXPENSES:</b>                     |                                  |                              |                 |                   |                         |
| Support to University:               |                                  |                              |                 |                   |                         |
| Scholarships & Programs              | 5,070                            | -                            | 5,070           | 5,551             | 481                     |
| Building Funds                       | 5                                | -                            | 5               | 2,500             | 2,495 [3]               |
| Operational Support                  | -                                | 199                          | 199             | 215               | 16                      |
| Total Support to University          | 5,075                            | 199                          | 5,274           | 8,266             | 2,992                   |
| Operational:                         |                                  |                              |                 |                   |                         |
| MARC Building                        | -                                | 117                          | 117             | 218               | 101                     |
| Foundation Subsidiaries              | -                                | 639                          | 639             | 379               | (260)                   |
| Administrative Operating Expenses    | -                                | 1,048                        | 1,048           | 1,491             | 443                     |
| Other Expenses                       | -                                | 26                           | 26              | 85                | 59                      |
| Total Operational                    | -                                | 1,830                        | 1,830           | 2,173             | 343                     |
| <b>TOTAL EXPENSES</b>                | <b>5,075</b>                     | <b>2,029</b>                 | <b>7,104</b>    | <b>10,439</b>     | <b>3,335</b>            |
| <b>EXCESS REVENUES OVER EXPENSES</b> | <b>\$ 7,952</b>                  | <b>\$ 1,910</b>              | <b>\$ 9,862</b> | <b>\$ (2,766)</b> | <b>\$ 12,628</b>        |

\*Summary of Revenues and Expenses reflects revenues on a cash basis and expenses on an accrual basis.

[1] The favorable variance of \$2.0 million in cash contributions were gifts mainly from the Chaplin School of Hospitality & Tourism Management; Robert Stempel College of Public Health and Social Work; Herbert Wertheim College of Medicine; Academic Affairs; and Athletics.

[2] The favorable variance of \$7.2 million in investment returns is based on an actual return for the fiscal year to date of 3.6% versus a budgeted return fiscal year to date of 1.5% (yielding a 6.0% annual budgeted rate of return).

[3] The favorable variance of \$2.5 million in Building Funds is a result of capital projects being delayed.



Florida International University Foundation  
Preliminary Performance Summary  
As of September 30, 2020

| Asset Class/Composite                                 | Market Value (\$000s) | % of Total Managed Assets | Policy Target | Policy Ranges      | Current Month | Calendar Year to Date | Fiscal Year to Date | Ann. Since Inception |
|---|-----------------------|---------------------------|---------------|--------------------|---------------|-----------------------|---------------------|----------------------|
| Global Public Equity                                  | 62,473                | 20.3%                     |               |                    | -3.9          | -6.4                  | 6.0                 | 5.6                  |
| U.S. Public Equity                                    | 32,912                | 10.7%                     |               |                    | -4.3          | -2.4                  | 6.8                 | 5.5                  |
| Non-U.S. Developed Public Equity                      | 35,717                | 11.6%                     |               |                    | -1.7          | -5.0                  | 4.1                 | 3.2                  |
| Emerging Markets Public Equity                        | 23,078                | 7.5%                      |               |                    | -2.6          | -4.0                  | 8.8                 | 3.8                  |
| <b>Total Public Equity</b>                            | <b>154,179</b>        | <b>50.0%</b>              | <b>42.0%</b>  |                    | <b>-3.3</b>   | <b>-4.5</b>           | <b>6.2</b>          | <b>4.6</b>           |
| <i>Total Private Equity</i>                           | 56,473                | 18.3%                     | 32.0%         |                    | ---           | ---                   | ---                 | ---                  |
| <b>Total Public &amp; Private Equity</b>              | <b>210,652</b>        | <b>68.3%</b>              | <b>74.0%</b>  | <b>55.0%-85.0%</b> | <b>-2.6</b>   | <b>-2.4</b>           | <b>4.6</b>          | <b>5.2</b>           |
| Total Hedge Funds                                     | 36,945                | 12.0%                     |               |                    | -1.2          | 6.7                   | 3.4                 | 4.6                  |
| Other Diversifying Investments                        | 6,804                 | 2.2%                      |               |                    | 0.6           | 7.5                   | 3.6                 | 8.5                  |
| <b>Hedge Funds and Other Diversifying Investments</b> | <b>43,749</b>         | <b>14.2%</b>              | <b>12.0%</b>  | <b>0.0%-25.0%</b>  | <b>-0.9</b>   | <b>6.8</b>            | <b>3.4</b>          | <b>4.7</b>           |
| <b>High Quality Bonds &amp; Cash</b>                  | <b>53,990</b>         | <b>17.5%</b>              | <b>14.0%</b>  | <b>6.0%-25.0%</b>  | <b>0.1</b>    | <b>5.9</b>            | <b>0.1</b>          | <b>5.2</b>           |
| <b>Total Managed Assets Net of CA Fees</b>            | <b>308,391</b>        | <b>100.0%</b>             |               |                    | <b>-2.0</b>   | <b>0.6</b>            | <b>3.7</b>          | <b>4.8</b>           |
| <b>Total Assets Net of CA Fees</b>                    | <b>317,660</b>        | <b>--</b>                 |               |                    | <b>-1.9</b>   | <b>0.5</b>            | <b>3.6</b>          | <b>4.7</b>           |

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
**December 3, 2020**

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**Reports** (*For Information Only – no action required*)     Pete Garcia, Executive Director of Sports and Entertainment

**Fundraising Report**

| FIU Foundation, Inc.<br>Unaudited Preliminary Recap<br>Through the Period Ended September 30, 2020 (in thousands) |        |        |          |
|---|--------|--------|----------|
|   | Budget | Actual | Variance |
| Revenues  | \$260  | \$367  | \$107    |

- Favorable variance in Q1 due to more actual donations received than originally budgeted for the quarter.

**Athletics Finance Corporation**

| FIU Athletics Finance Corporation<br>Unaudited Preliminary Recap<br>Through the Period Ended September 30, 2020 (in thousands) |         |        |          |
|--|---------|--------|----------|
|  | Budget  | Actual | Variance |
| Revenues   | \$1,248 | \$593  | \$(655)  |
| Expenses   | \$753   | \$451  | \$302    |

- Year-to-date Net Income excluding debt service interest and principal was \$418k.
  - Primary drivers include:
    - Unfavorable revenues mostly impacted by COVID 19 Pandemic. Largest drivers are Miami FC and external rentals, which there are not expected to be any this year. Additionally, conference revenues originally budgeted in Q1 have not been sent, as those distributions are still uncertain for the 20-21 season.

- Expenses are lower than budget to do expected decrease in revenues and the department's attempts to control costs. While custodial expenses for Q1 are significantly higher, there were no Q1 game expenses and Miami FC expenses were lower than budget.
- Discussions with the Board and CFO's office are ongoing in order to discuss options for ensuring Debt Covenant is met for June 30, 2021, despite expected loss of revenue.



**THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
**December 3, 2020**

**BUSINESS SERVICES REPORT AS OF SEPTEMBER 30, 2020**

**HIGHLIGHTS AND NEW SERVICES**

Effective March 16, 2020, FIU transitioned to a remote learning and working environment in response to the COVID-19 pandemic in accordance with state and local guidelines. Summer 2020 courses were delivered remotely. The Fall 2020 term is a combination of remote and a limited number of face-to-face courses as well as a phased remote working environment. This limited on-campus population continues to negatively impact revenues earned by the University from retail operations. It is anticipated that the Spring 2021 term will have remote course offerings while achieving a more repopulated campus than this Fall 2020. Nonetheless, the Office of Business Services (OBS) continues to provide services to the FIU community. Listed below are several highlights.

|                               |  |
|-------------------------------|--|
| <b>Vendor Impacts</b>         | In an effort to ameliorate the economic impact for an extended period of time, OBS worked with our local business partners to assess the impacts to their businesses. OBS has reviewed applications submitted by vendors requesting relief.  |
| <b>Repopulation Taskforce</b> | OBS worked with all business partners in developing repopulation plans that were submitted and approved by the Emergency Operations Center, including Environmental Health and Safety. The plans follow all Miami-Dade County guidelines for reopening. Our vendors and partners are committed to ensuring the community's health and safety.  |
| <b>Food Services</b>          | Despite significantly reduced operations, Food Services continues to support resident students and personnel working on campus. Safety protocols remain in place such as take-out only services, personal protective equipment and daily temperature checks for staff and signage. In addition, Chartwells construction of food venues has continued throughout the pandemic for the following projects: |

**Modesto Maidique Campus (MMC)**



**Chili's**

Indoor renovation and menu expansions opened in Fall 2019. Outside patio renovation with a walkway to SASC commenced this summer to be completed December 2020.

**Graham Center Various**

Dining service enhancements which commenced this summer were completed in Fall 2020: Jamba Juice, Pollo Tropical, Subway, Café Bustelo, and a new local favorite, Pincho Factory. Sergio's remains under construction due to space ventilation improvements with an anticipated completion of early Spring 2021.

**MANGO Starbucks**

Required brand refresh began this Summer and was completed in Fall 2020. The refresh includes expanded menu offerings as a result of the investment in the new equipment.

**EC Campus Kitchen**

**Engineering Campus (EC)**

Final repairs to the exhaust hood system were completed. That venue will provide a full menu roll out once significant face-to-face instruction resumes.

**Vicky Café**

This successful local brand will be opening in AHC1. Construction began Spring 2020 and will be ready to open once BBC resumes significant face-to-face instruction and a significant number of faculty and staff return to campus.

## BUSINESS SERVICES REPORT AS OF SEPTEMBER 30, 2020

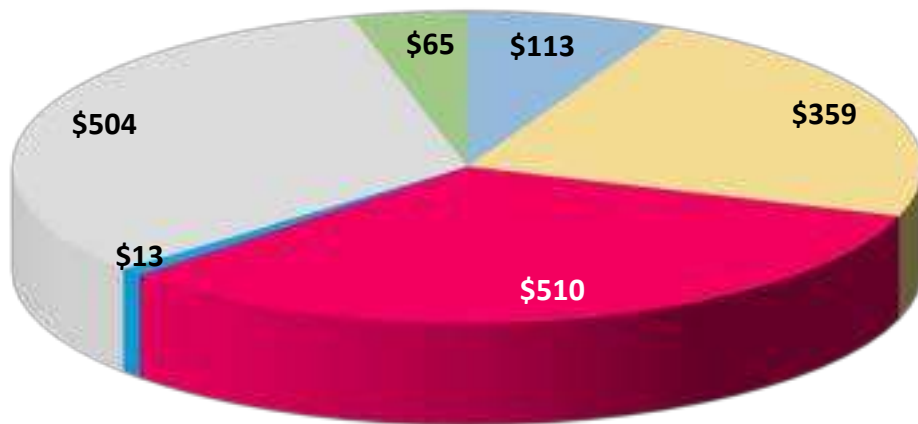
### QUICK FACTS



OBS oversees 60 food and retail venues, beverage, and snack vending, FIU One Card program, fleet services, multi-use facilities, property management and advertising. Detailed information for all services, including hours of operation, may be found at [shop.fiu.edu](https://shop.fiu.edu) and on the FIU Mobile App under the “Places” link.

**Revenue:** Through the first quarter ended September 30, 2020, OBS managed sales operations of \$4.59M, representing \$1.56M in revenue and support to FIU.

**Operating Revenues by Business Segment (\$1.56M)**  
For the period ended Sept. 30, 2020 (in \$000s)



■ Food Svcs ■ Bookstore ■ Retail ■ Vending ■ One Card ■ Vehicle Svcs



## BUSINESS SERVICES REPORT AS OF SEPTEMBER 30, 2020

### FOOD SERVICES

Food Services sales of \$655k generated revenue to FIU of \$113K, comprised of mainly commissions. This represents a shortfall of -\$351K from plan and -\$710K from prior year and trails behind plan and the prior year by -76% and -86%, respectively. The variance is volume driven primarily by the temporary closure of food venues as a result of the reduced on-campus population during Fall 2020 and by a shortfall of \$150K in support to FIU, which is currently behind plan, the prior year.

Dining Services opened its doors to offer dine-in services for breakfast, lunch and dinner in 8th Street Campus Kitchen and Roary's Bay Café with a focus on safety. It has been well received and several members of the FIU community (students and staff) have taken advantage of the dine-in option. Detailed COVID-19 safety protocols were implemented according to the repopulation plan and County guidelines. The venues, which have been opened, are not yet operating at full capacity.



### BOOKSTORE

Bookstore sales of \$2.68M generated revenue to FIU of \$359K, exceeding plan by \$64K or 22% but reflecting a shortfall from prior year by 30%. Revenue is generated by Barnes & Noble (B&N) commissions and Herff Jones commencement and ring rebate revenue. Due to the lack of on-campus population, the B&N store in BBC plans to remain closed until June 30, 2021. B&N would consider reopening prior to that if face-to-face enrollment at BBC returns to pre-pandemic levels. Full services are being offered at MMC including online sales, discounted shipping offers and drive by pick ups to ensure the safety of its customers.

## BUSINESS SERVICES REPORT AS OF SEPTEMBER 30, 2020

### VENDING

Vending sales of \$41K generated revenue and support to FIU of \$13K, down -75% as compared to plan and down -87% to prior year. Amidst the pandemic, OBS secured a five-year agreement with Pepsi Co. offering more favorable sponsorship terms and in-kind products to the University than the previous contract. The Right Choice snack vending contract is currently on a month-to-month basis. Right Choice also allowed FIU to repurpose many vending machines to distribute cloth face masks, which are provided free of charge to students with a swipe of their OneCard in the efforts to promote safety practices on campus.

|                     |  |
|---------------------|--|
| <b>Pepsi Co.</b>    | Beverage vending sales commissions of \$5.6K trailed behind plan and prior year by -80% and -90%, respectively. There are 137 machines across MMC, BBC, and EC.            |
| <b>Right Choice</b> | Snack vending sales commissions of \$7.4K trailed behind plan and prior year by -67% and -84%, respectively. There are 101 snack vending machines across MMC, BBC, and EC. |

### RETAIL OPERATIONS

Retail operations sales of \$137K generated commissions of \$6k to FIU and license fees revenue totaled \$504K, total revenues are 1% down from plan and 19% up versus prior year.

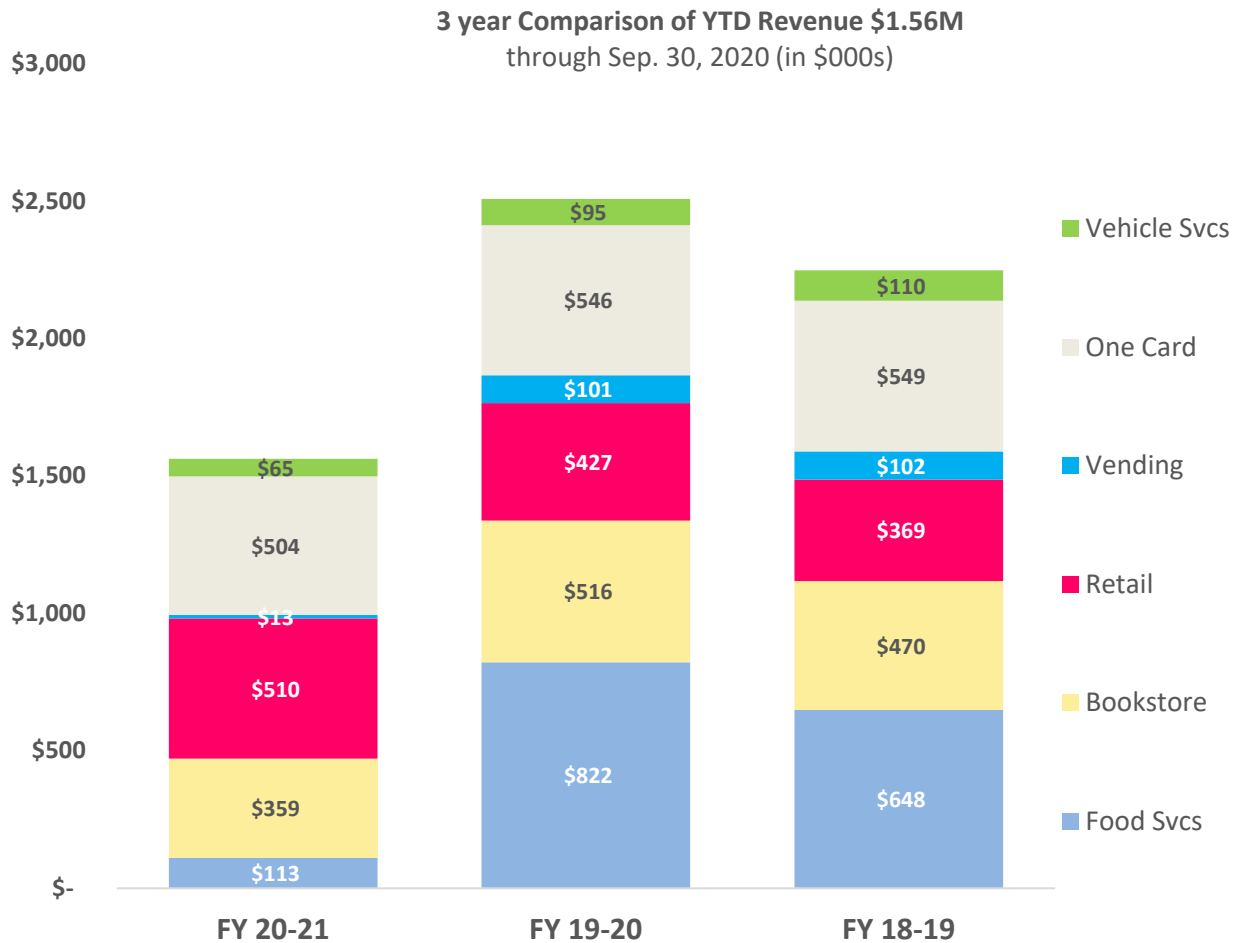
|                     |   |
|---------------------|---|
| <b>License Fees</b> | Rental income of \$504K is at plan and up 26% from prior year, mainly from contract renewals and shopVenues event rentals. OBS manages 18 internal and external users across MMC and BBC and are exploring opportunities in PG-6 for expansion.                     |
| <b>Commissions</b>  | Commissions from retailers of \$6K trail behind plan and prior year by -62% and -82% respectively. These impacts are directly a result of the COVID-19 pandemic impact and FIU's need to transition to remote learning and work environments. Commissions come from |

contracts with College Optical Express, Santi's Salon (now Wayki's Salon), Golden Touch, Pharmabox, RICOH Copy Center, and GT Eco carwash, and remain impacted since the outbreak of COVID-19.

On a positive note, after decades of servicing the beauty salon needs of the University community, Santi's has transitioned ownership to Wayki's. The management in the salon remains and FIU looks forward to the future and new initiatives that the salon will provide to its customers.

## BUSINESS SERVICES REPORT AS OF SEPTEMBER 30, 2020

### 3-YEAR COMPARISON OF YEAR-TO-DATE FIU REVENUE



Through the first quarter ended September 30, 2020, \$4.59M in sales generated revenue and support to FIU of \$1.56M, -21% behind plan and -61% when compared to the prior year due to the pandemic's significant impact on services.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Facilities Committee  
December 3, 2020**

**EMERGENCY MANAGEMENT STATUS REPORT AS OF OCTOBER 28, 2020**

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

**FIU Alert Emergency Notification System Test**

The fall test of FIU Alert was conducted on September 22, 2020. A summary report of the test is attached.



**Emergency Notification System Fall Test  
September 22, 2020  
Department of Emergency Management**

**Test Overview**

On September 22, 2020 at approximately 10:30 a.m., the FIU Police Department initiated a university-wide test of FIU Alert, the University's emergency notification system. Voice calls, text messages, voice over internet protocol phones, callboxes, outdoor speakers, FIU email, social media in the form of Facebook and Twitter, electronic message boards, and the alerts webpage for FIU were utilized to send the FIU Alert. The FIU Alert message that was sent read as follows:

**(FIU ALERT! This is a test of the FIU emergency notification system. This is only a test.**

Immediately following the test, an email containing a survey link was sent to the FIU community to gauge the effectiveness of the FIU Alert emergency notification system. The results are below.

**FIU Alert Performance Evaluation Data**

| FIU Alert Results  |           |                     |
|--|-----------|---------------------|
| System Performance   | Attempted | Delivered           |
| Voice calls to cell phones                                       | 60,336    | 60,336 <sup>1</sup> |
| Text messages to cell phones                                     | 60,562    | 60,562 <sup>2</sup> |
| Voice over internet protocol phones, outdoor speakers, callboxes | 7,872     | 7,865               |
| FIU email  |           | Successful          |
| Facebook   |           | Successful          |
| Twitter  |           | Successful          |
| Electronic message boards (EMB)                                  |           | Successful          |
| FIU Alerts webpage   |           | Successful          |

<sup>1</sup> Voice calls fail because of hang ups by the user, bad phone numbers, busy signals and no answers.

<sup>2</sup> Text messages fail because of bad phone numbers, rejection by the carrier because of account settings or no verification of delivery by the carrier.

## Issues and Solutions

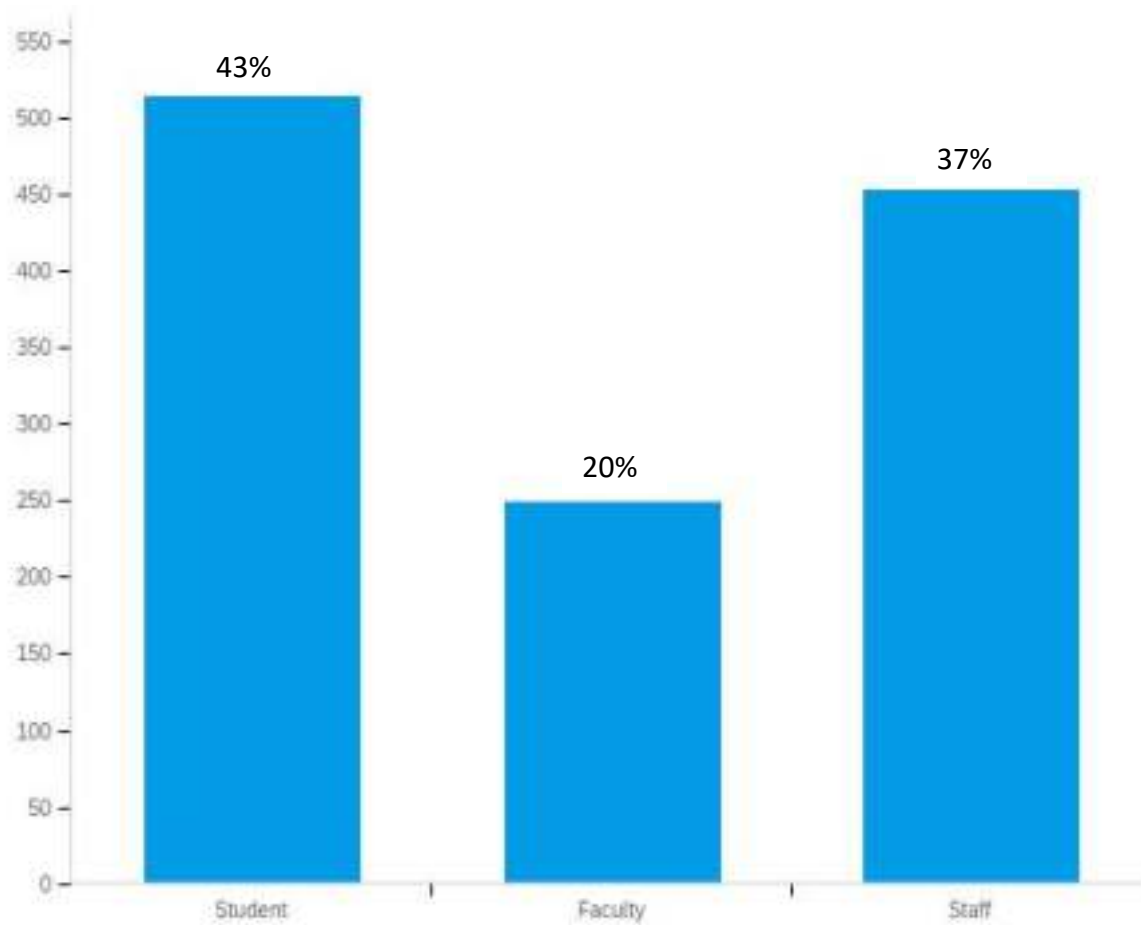
- The link to the FIU Alerts webpage ([www.alerts.fiu.edu](http://www.alerts.fiu.edu)) was displayed in messages as [www.news.fiu.edu](http://www.news.fiu.edu). Though mislabeled, the displayed link did direct users to the appropriate page.
  - The display link will be corrected in the AppArmor system to reflect the FIU Alerts webpage.
- An LCD screen at AC2 (BBC) did not display the alert message.
  - Small scale tests will ensure the integration of this screen is in line with the rest of the system's performance.
- Although the e-mail message was delivered to FIU faculty and staff, the link within the e-mail body was displayed as FIU News but directed to FIU Alerts.
  - FIU and AppArmor technical specialists will adjust FIU Ready system metadata, re-labeling the Alerts link to display correctly.



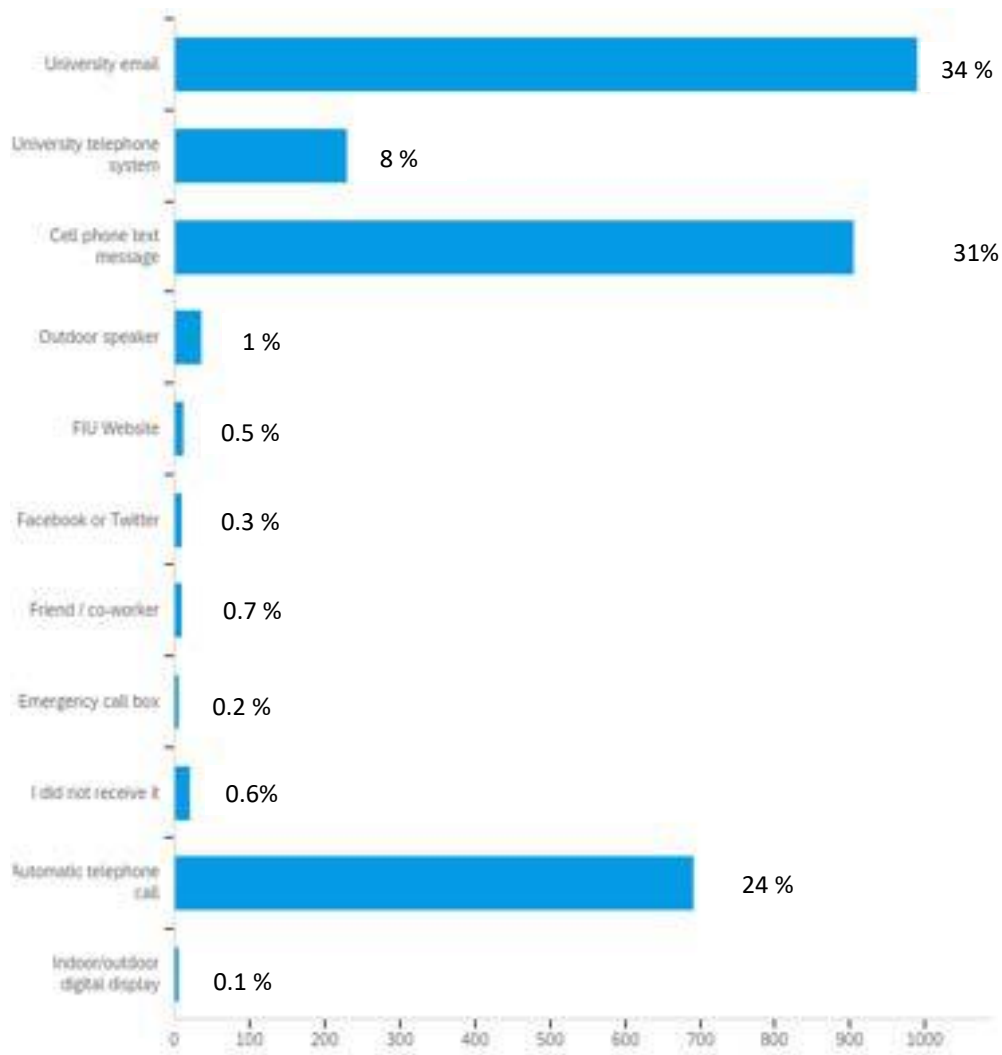
## Survey Results

Total respondents to survey: 1,703

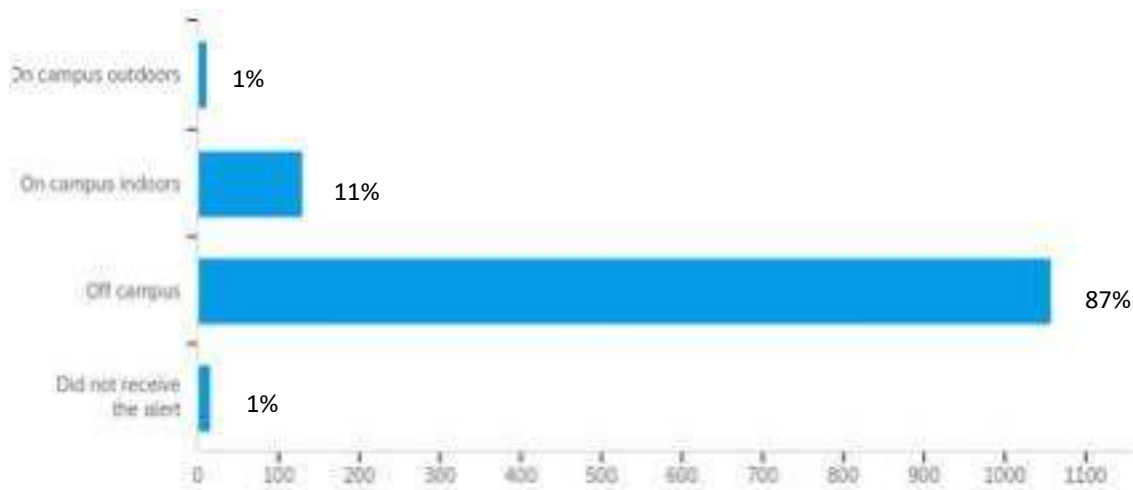
### 1 - What best describes your affiliation to Florida International University?



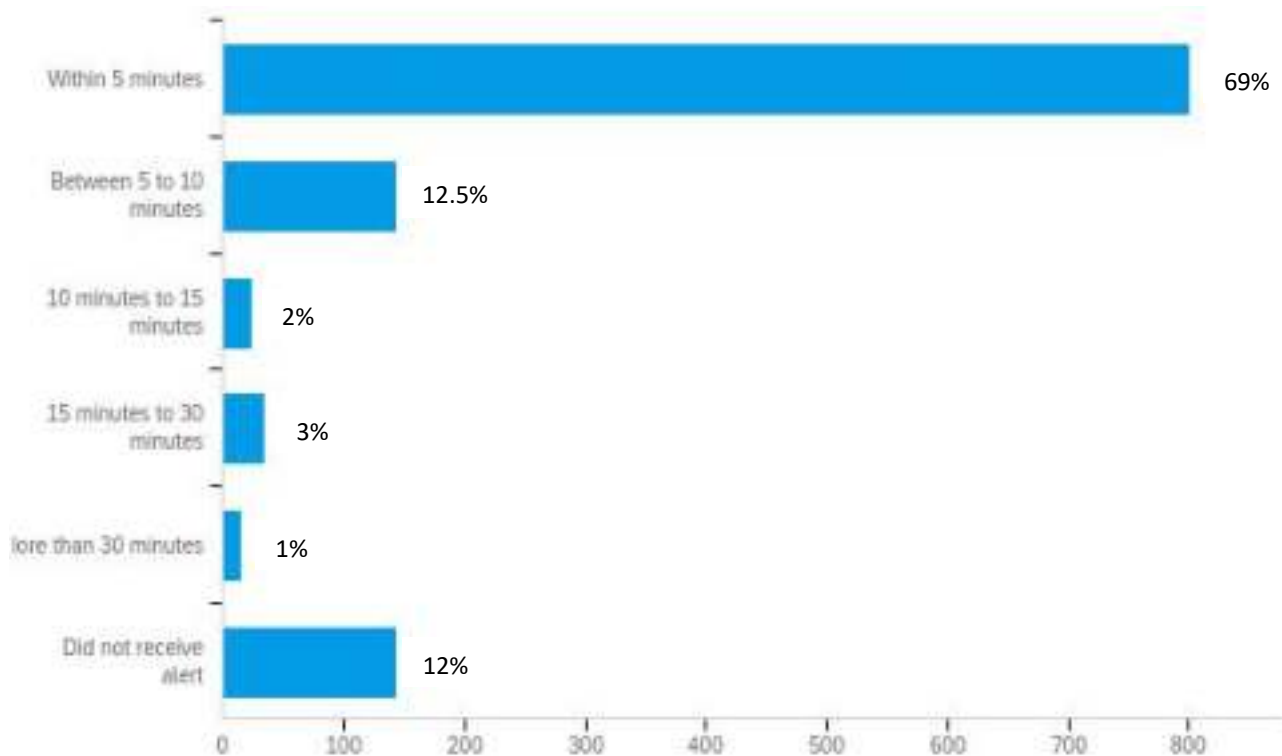
## 2 - How did you receive the test message? (Mark all that apply)



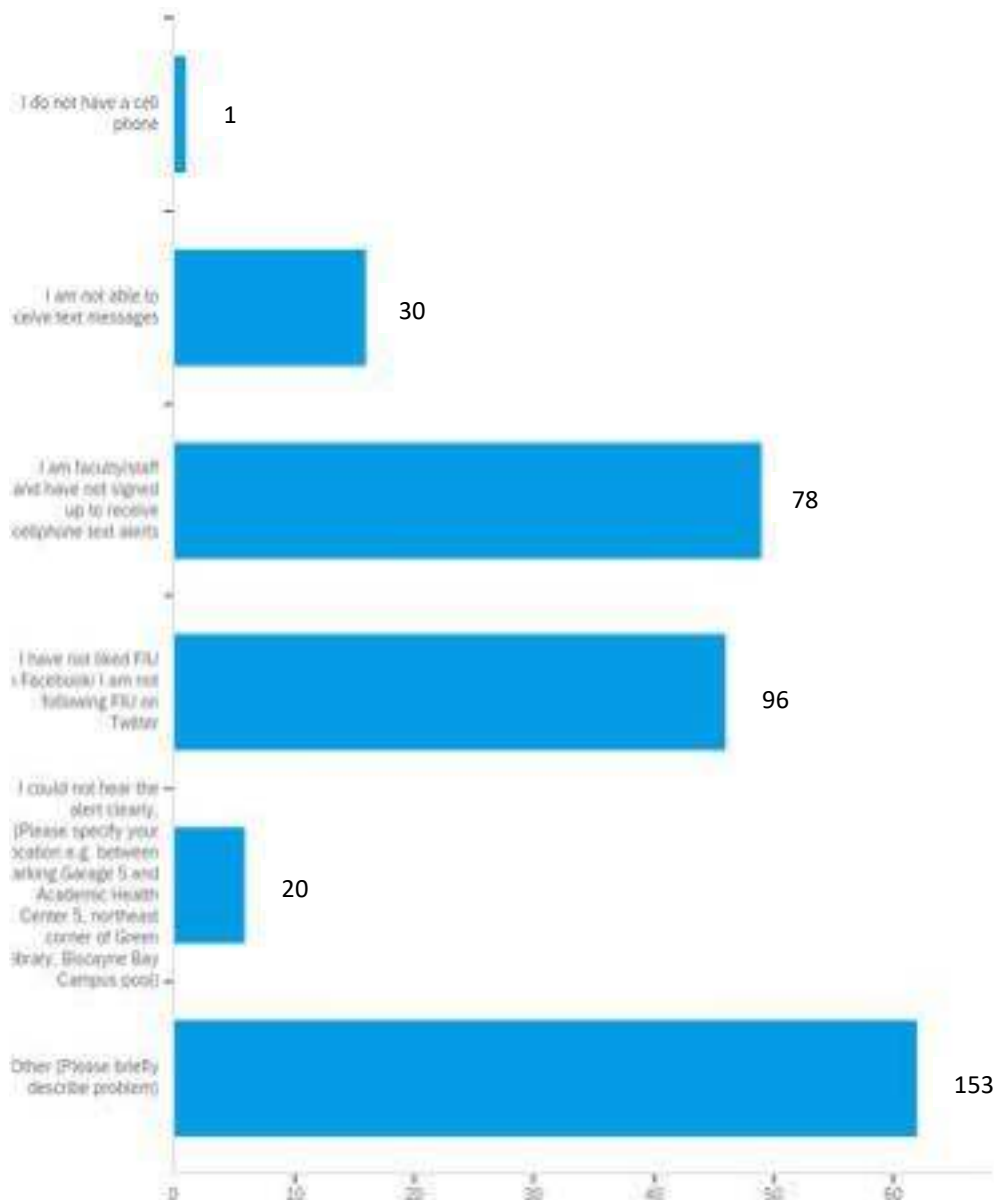
**3 - On September 22, 2020 at 10:30 a.m., the University conducted a University-wide test of the FIU Alert emergency notification system. Where were you located when the test alert was sent out?**



**4 - If you did receive the cell phone text message, how long after 10:30 a.m. did you receive the message?**



## 5 - If you had difficulties receiving the alert, which best describes why? (Mark all that apply)



Sample responses for: "Other (Please briefly describe the problem)"

"I'm not sure if I signed up for text message alerts. Need to go to the FIU website and check."

"As a "consultant" I am ineligible to sign up for text message/cellphone alerts. This is problematic as I do work on campus and may not be at my desk when there is an alert."

"I am only using Wi-Fi and I have no cell service"

"My phone registered the call from FIU as a telemarketer and automatically hung up on the alert."

**6 - Please briefly describe any other problems or suggestions regarding the FIU Alert emergency notification system:**

"I did not sign up for the alerts and live in Oregon. Can you please add a remove link on the sign up website? I would like to not receive alerts which do not concern me."

"I thought it was sufficient. I was able to hear it well. The message was clear, and the tone was perfect."

"I got a call (left voicemail), text message and email alert. I cannot comment on the functionality of these alerts, but I see how they would be useful/important if I was on campus, but I'm a fully online student."

"There should be a way to set a preference for alerts. I don't like getting calls, personally, so it's annoying that I have to keep deleting voice mails left by the alert system on top of the emails and texts I receive. I want to have a way to avoid calls, and I'm sure some people would prefer the choice to how they receive alerts. Maybe a setting through MyFIU?"

"Student email was 5 mins slower than faculty email."

"The clq.io link in text message looks like spam, alerts.fiu.edu is better."

"Need a loud speaker at BBC between AC! - Bus Loop and WUC, announcement are very faint."

"No problems, I received the message immediately loud and clear."



**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
**December 3, 2020**

**FACILITIES AND CONSTRUCTION UPDATE AS OF NOVEMBER 6, 2020**

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

**Projects Completed**

None during this reporting period.

**Projects under Construction**

- **BBC Aquatic Center Pool Repairs (BT-928) Minor Project FM# 180321 (Phase 2)** – \$2.1M CITF and Auxiliary funded project budget split in two phases: Phase 1 (\$1.1M); Phase 2 (\$973K). CITF funding: \$2M; Auxiliary funding: \$91K. A/E – Alleguez Architecture; CM – Thornton Construction. Phase 2 of the project consists of completing the balance of the previously identified structural repairs to the Aquatic Center support facilities, including concrete and equipment repair to both filter pits and structural repairs to the pool equipment room. Replacement of both pool liners and all structural repairs to the equipment room and lower pool deck are complete. Replacement of the rolling gate and chain link fence surrounding the Aquatic Center is also complete. The electrical switchgear, pool piping and mechanical ducts have been installed. Waterproofing resurfacing work on the lower pool deck finished in August and new light poles were installed on October 19, 2020. After the deck resurfacing work finished, cracks and water leaks were discovered in several areas. Three repair procedure mock-ups were installed and are being monitored for performance and durability. The mock-ups will be evaluated on November 13, 2020, a repair procedure will be selected, and crack repairs will begin. The crack repairs are scheduled to complete in January 2021. The awning structure has been installed and the awning fabric and bleachers will be installed when the crack repairs are completed. The new transformer and associated electrical racks at the Olympic pool, and the diving well electrical panel board have been installed and inspected. All work is scheduled to be completed and the Aquatic Center returned to FIU by January 9, 2021. Project delivery date: January 2021.

- **PG-5 Emergency Operations Center Expansion (BT-923)** - \$8.3M E&G-CF, Auxiliary, and Treasury funded project budget. A/E – PGAL; CM – Biltmore. The expansion will add 10,669 square feet of occupied space and renovate 2,140 square feet on the second floor of PG-5 adjacent to the existing space utilized by FIU Police and Emergency Management to provide a large emergency operations center, food storage and service operations, equipment storage, offices, conference rooms, and meeting breakout rooms. The renovated space will be reconfigured to provide a locker room, showers, laundry service space, and offices that are needed during emergency events. Emergency Management personnel were relocated to a temporary location in PC 334 on January 21, 2020 and Public Safety parking for 23 vehicles relocated to the third floor of PG-5 on February 21, 2020. On the first floor, structural strengthening work on existing columns and double-tee members is complete. New structural steel columns have been installed and inspected. Pre-stressing of the new steel beam supporting the existing double-tees was completed and inspected on October 23, 2020. The second-floor elevated concrete slab was poured on October 30, 2020. On the second-floor renovation, floor levelling has been completed for the locker room and metal stud framing and rough-in electrical and mechanical work is 90% complete. Demolition of the existing EOC is scheduled to begin the first week of December after hurricane season. In the second-floor expansion area, masonry walls have been completed on the west side and above-ceiling electrical conduits, mechanical ductwork, and double-tee insulation are 40% complete. Delivery date: May 2021.
  
- **Parkview II Housing (BT-892)** - \$91.4M project consisting of \$87.5M bond proceed and Housing Auxiliary funding for the building and \$3,869,695 Auxiliary Shared Services Fee for road and utility relocation. A/E – Perkins+Will; CM – Moss & Associates. The project includes construction of a new 697 private bedroom style residence hall on the Modesto A. Maidique campus (MMC). The permit for the offsite road and utility work was issued on May 22 and the permit for the building was issued on October 16, 2020 allowing for vertical construction to begin. Foundation work was completed at the end of October. Second floor concrete slab pours starting on the east side of the structure continue as shear wall installation begins on the west side. Moss has committed to a final GMP amount of \$77,253,492 and continues negotiations with subcontractors to maximize buy-out savings. Funding and budget authority for \$14.5M has been received to date with the balance of the construction budget to follow in early December after bond sales are realized. Delivery date: April 2022.
  
- **School of International and Public Affairs (SIPA) Phase II (BT-887)** - \$39.45M project consisting of \$12,701,439 PECO funding, \$15,000,000 private donation, \$250,000 SIPA cash contribution, \$5,534,299 FIU Online contribution, and \$900,000 E&G CF (current shortfall: \$5,064,262 will be raised with additional private donations). A/E – Harvard Jolly; CM – Thornton Construction. The project includes

classrooms, conference facilities, offices, language and technology labs, negotiation and mediation facilities, experimental teaching space for SIPA, and offices, student technical support spaces and E-SPORT Gaming for FIU Online. PECO funding for the project was received in June 2017 with the condition that all private funds be expended before any PECO monies. The Green Family Foundation accelerated its \$15M donation, completing the full amount in December 2018. SIPA Dean John F. Stack, Jr. is leading the fundraising initiative for the remaining private funds. The final program was approved July 24, 2018 for an 84,858 gsf building, encompassing 48,445 gsf of built-out space, including 14,563 gsf for FIU Online, leaving 36,413 gsf of shell space for future build-out when additional funding is received. The 100% construction documents were submitted by Harvard Jolly on August 24, 2020. An early-start GMP by the CM for \$454,932 to prepare the site for construction was executed on September 3, 2020. As part of that Phase 1 construction project, the CM committed to a total construction budget of \$27,224,144 which excludes 4<sup>th</sup> and 5<sup>th</sup> floor build-out. The GMP for the Phase 2 balance of the project has been submitted and is under review. The CM has estimated that funding to complete the build-out of the 4<sup>th</sup> and 5<sup>th</sup> floors must be received no later than June 2021 to avoid impacting the construction schedule of the project and any cost escalation. Phase 1 work is underway with tree relocation, project fence installation, and sitework to create safe access to the constrained site. Delivery date: May 2022.

### **Projects in Design**

- **International Center for Tropical Botany (ICTB) (BT-914) at The Kampong** - \$6.0M privately funded project budget, \$4.96M private donation, \$1.0M Millard gift. A/E – MC Harry; CM – Thornton Construction. The project will construct a new 16,553 gsf facility on a site immediately adjacent to the National Tropical Botanical Garden (NTBG) property in Coconut Grove to house educational, lab, and office spaces. The project was delayed for four (4) years as FIU negotiated with the City of Miami and neighbors on the terms of the warrant application and restrictive covenant agreement. One of the concerns with a four (4) year delay is the likely cost increase to the project. After achieving final agreement in October 2019, FIU resumed the design process. The 95% construction documents were received on June 22, 2020 with an addendum issued on August 18, 2020. The final GMP from Thornton was submitted on September 21, 2020 for \$5,279,481. This is \$800K over the \$4,479,721 construction budget which translates to a projected \$1.8M of additional funding required to make up this shortfall and front the Millard gift as required for GMP execution. Millard's gift is contingent on project start and will be paid in installments consistent with the construction milestones specified in the gift agreement. FIU is reviewing value engineering options to bring the project within budget and exploring sources for additional funding and phasing strategies to award the GMP. Delivery date: November 2021.



- **CasaCuba (BT-925)** - \$34.3M project (increasing to \$48.8M after including the \$14.5M required maintenance endowment) based on private donations, and other philanthropic sources such as a \$750K National Endowment for the Humanities grant, and a \$2M Knight Foundation grant (\$400K received to date); \$1,832,257 raised to date. A/E – Rene Gonzalez & Associates; CM – TBD. The project will build a 63,477 gsf facility at the SW 16<sup>th</sup> Street entrance to MMC, including 40,000 gsf of auditorium and exhibition space; 5,500 gsf of classrooms; 5,600 gsf of teaching and research labs; and 12,000 gsf of office, computer and campus support space. The project will create a dynamic center hosting open lectures, academic conferences, digital exhibits and research presentations, engaging museums, historical societies, and other academic and cultural institutions through meaningful partnerships. CasaCuba will help preserve and showcase FIU's wealth of Cuba-related intellectual and cultural resources for the benefit of the community, with a special emphasis on sharing and expanding its notable Cuba Collections. On April 18, 2019 the Florida International University Board of Trustees (BOT) approved an amendment to the Campus Master Plan and authorized proceeding with design through design development only in order to support fundraising efforts. The program was approved on June 14, 2019. The qualifications-based A/E competitive selection was completed on June 1, 2020 and approved by the University President on June 22, 2020. The agreement with Rene Gonzalez & Associates was executed on October 5, 2020 and program verification has begun. Delivery date for 100% Design Development drawings: July 2021.
  
- **Frost Museum of Science Batchelor Environmental Center at FIU (BT-913) (Phase II)** - \$1.8M privately funded project budget. A/E – MC Harry & Associates; CM – Stobs Brothers Construction. To date, \$200K has been received for Phase II design services. Combined with Phase I funding of \$2.2M already received, \$2.4M of the \$5M commitment has been released to FIU. Phase II will be a classroom and lab building (approximately 3,000 gsf), with the remaining animal holding areas to be added at a future date when additional grant funding is received by the Frost Museum. The \$1.3M equipment budget for the project was reduced to increase the Phase II construction budget to \$1.1M for the building only; the budget will require an additional contribution of \$245,719 from the Frost Museum. Transfer of the project funding balance will be necessary once agreement is reached on the GMP to proceed with construction. 95% Construction Documents have been submitted for review. The project has been on hold since May 2017 pending resolution of gift agreement terms and new program requirements. Delivery date: TBD. *(No change from previous report).*

## Projects in Planning Stage

- **University City Prosperity Project (UCPP) (BT-904)** - \$14.7M TIGER Grant project budget; multiple funding sources. FIU has received \$9.5M from builder's risk and surety insurance companies as part of the settlement agreement, and \$3,288,582 of expired 2013 TIGER funds have been restored for use through 2024 by the Further Consolidated Appropriations Act, 2020. On May 5, 2020 FDOT formally notified FHWA that it accepts FIU's request that FDOT manage the design and construction of a new FIU pedestrian bridge. In that letter, FDOT confirmed that Governor DeSantis lifted the hold on the use of TIGER grant funds for use on the new bridge project. MCM has submitted as-built drawings to MDWASD and is waiting for approval and final inspections by the City of Sweetwater and MDWASD for permit closure. Roadway concrete restoration work was completed on September 8, 2020 and is pending final FDOT inspection. Asphalt restoration work is on hold pending FDOT decision to defer the work as part of the new bridge project. The canal cross-section as-built drawing package was submitted to South Florida Water Management District (SFWMD) on August 24, 2020 and is under review by SFWMD and the U.S. Army Corps of Engineers (USACE) to close those respective permits. Comments from both agencies are being addressed. Development of design criteria requirements for the new design-bid-build bridge project is complete. The advertisement for the Architect/Engineer was posted on October 5, 2020 with Letters of Request due October 20, 2020. FDOT short-listing of design firms began November 3, 2020 with oral presentations scheduled for December 2, 2020. Final submissions are due December 23, 2020. FDOT confirmed on September 11, 2020 that the locally funded agreement between FDOT and FIU is terminated. The TIGER agreement amendment between FHWA and FDOT is pending. FDOT projected completion date for the new bridge is 2025.
- **Hotel, Conference and Alumni Center** - Public-Private Partnership (P3) project. Developer/Operator - TBD; Architect - TBD; CM - TBD. The Florida Board of Governors (BOG) approved the project on March 27, 2019. Award to the successful Invitation to Negotiate (ITN) respondent (Concord-Benchmark) is pending the successful finalization of Development, Operating and Sublease agreements. Developer and FIU continue active negotiations. All parties continue to demonstrate full commitment to the project, however, the COVID-19 pandemic has adversely impacted the availability of financing for all hospitality projects, making the final negotiations complex and challenging both in terms of funding and schedule. Any material change to the proposed terms approved by the BOG would require review by the BOT and resubmission to the BOG. Delivery date: TBD.
- **Engineering Building (Phase I) (BT-919)** - 87,785 GSF project with \$38,907,641 in PECO funding authorized and requiring an estimated additional \$15M to fully complete shell space. A/E - TBD; CM - TBD. The project is interdisciplinary focused

on biomedical engineering covering the nexus of engineering, academic health sciences, computer science and robotics. It will construct a new engineering building at MMC that includes classrooms, teaching labs, study space, research labs, offices, and computer and instructional media spaces. The Phase 1 building at the current budget has 65% shell space intended to be built-out with private fundraising and sponsored research grant funding. The Program for Phase 1 was completed and signed on June 24, 2020. A/E qualifications were received on July 24, 2020, firms were short-listed on August 19, 2020, and Perkins + Will was selected on September 21, 2020. Negotiations with the A/E commenced October 30, 2020. CM advertisement will be released in November 2020, 2020. Delivery date: Site Work and Underground Utilities work planned to begin July 2021. Building completion and occupancy TBD.

- **Primera Casa Hardening Project (FM 18-0351)** - \$3,618,929 project consisting of a \$2,714,196 FEMA Hazard Mitigation Grant (HMGP) award and \$904,732 BOT Carryforward Reserve funding. A/E - TBD; CM - TBD. The project will replace 17,350 SF of windows and 200 SF of doors and louvers at PC with current code-compliant, impact resistant assemblies. The project will also harden the existing roof by replacing 2,450 LF of edge nailers and flashing, 2,689 SF of roofing, doors, and skylights on four stairwell roof enclosures, and replace 2,800 LF of lightning protection on the roof parapet. Existing rooftop HVAC equipment will also be reinforced with new tie-down cables. FIU has been awarded the grant and is awaiting the draft Federally Funded Subaward and Grant Agreement from the Florida Department of Emergency Management (FDEM). The project program is under development by FIU Facilities Management. Upon approval of the program and execution of the grant agreement, the advertisement for the architect will be released. Requirements of the grant agreement allow for a qualifications-based competitive selection of the architect but require a low-bid competitive selection of the builder. Delivery date: TBD.
- **Graham Center Expansion (BT-921)** - \$35.9M CITF funded project. A/E - TBD; CM - TBD. The project will add approximately 69,400 gsf to the existing building, increasing the current ballroom footprint and adding breakout rooms, green rooms, lounges, and storage space. The highlight will be a new and larger grand ballroom facility to meet current and projected needs. To date, \$23,304,196 in CITF funding has been received, including the entire FY20-21 CITF funding allocation of \$7,002,807. The Johnson Consulting firm completed a demand study to verify the program. Presentation of the study and programming decisions are pending. Delivery date: TBD. *(No change from previous report).*
- **PG-6 Classroom and Retail Expansion (BT-924)** - \$3.7M Auxiliary funded preliminary project budget. A/E - MCHarry; CM - TBD. The project will convert 15,425 gsf of parking garage space in PG-6 to weather-tight conditioned space for 6,635 sf of circulation area, 1,435 sf of unfinished retail space to support the future

Miami-Dade County bus terminal, 935 sf of restrooms and 930 sf of storage, with 5,490 sf of space to be assigned. 100% construction documents were completed through a previous minor project. The project has been re-scoped to focus on the immediate known requirements for the future Miami-Dade County bus terminal: the rest rooms and the central access corridor. Future needs for research space and retail will be addressed separately once requirements are better defined. Progress on development of the construction project is contingent on successful negotiation of the agreement with Miami-Dade County. Delivery date: TBD. *(No change from previous report).*

- **Trish and Dan Bell Chapel (BT-927)** - \$9.0M privately funded preliminary project budget. A/E - TBD; CM - TBD. The project will build a multi-faith chapel on MMC on S.W. 14th Street, northwest of the Ronald W. Reagan Presidential House. The chapel will accommodate the plurality of faiths and perspectives at FIU and serve as a multi-faith gathering place for worship, contemplation, spiritual strengthening and mutual understanding. Initial program requirements are for the chapel to hold up to 250 people and include meeting space for students and leaders in FIU's multi-faith community as well as those teaching spiritual/religious subjects. The program committee was finalized on June 4, 2019 and the final program was completed and signed on December 6, 2019. The first installment of \$500K from the \$5M Bell family gift was received at the end of February. Proceeding to the design phase is dependent upon a fully funded and executed East Loop Realignment (BT-929) project to create the requisite space at the site for the chapel. Delivery date: TBD. *(No change from previous report).*
  
- **East Loop Road Realignment (BT-929)** - \$6.53M E&G-CF funded project. A/E - TBD; CM - TBD. The project will realign part of the loop road to enhance traffic flow and improve turning radii for large vehicles servicing the Graham Center. This project will create a larger available site area east of the Graham Center Ballrooms for expansion of the Graham Center as well as bus and VIP pick up and drop off access during Graham Center events. Realignment of the road will also create the space required to accommodate the Trish and Dan Bell Chapel project. The program committee was finalized on September 27, 2019 and the program was approved and signed on April 16, 2020. The project needs to be approved in the FY21-22 FCO Plan and funding allocated. Delivery date: TBD.
  
- **Herbert and Nicole Wertheim Performing Arts Center (WPAC) Rotunda Enclosure (BT-930)** - Privately funded project. Preliminary budget estimate depends on scope specified by the Program Committee. A/E - TBD; CM - TBD. The project will enclose the open-air pavilion of the Performing Arts Center creating a climate-controlled area for events and performances. Programming is underway with the Program Committee holding its kick-off meeting on March 17, 2020. Delivery date: TBD. *(No change from previous report).*

*Encls: New Minor Projects established 8/1/2020 – 10/31/2020.*  
*New Project Change Orders established 8/1/2020 – 10/31/2020.*



**FM New Minor Projects over \$500,000 established 8/1/20 through 10/31/20 ( a )**

**Purpose: Information to BOT**

| FM# | Project               | Requester | Date Established | A/E | Construction | Total Budget | Funding Source |
|-----|-----------------------|-----------|------------------|-----|--------------|--------------|----------------|
|     | NO ACTIVITY TO REPORT |           |                  |     |              |              |                |
|     |                       |           |                  |     |              |              |                |
|     |                       |           |                  |     |              | \$ -         |                |

( a ) "Established" is defined as funded or contracted for design and/or construction during the reporting period.



## FM Change Orders over \$50K 8/1/20 through 10/31/20 ( a )

Purpose: Information to BOT

|   | BT/FM#  | Project                 | Vendor                | Contract No. | Original Amount | Current Amount  | CO# | Date Approved | Amount        | Description  | Funding Source |
|---|---------|-------------------------|-----------------------|--------------|-----------------|-----------------|-----|---------------|---------------|--|----------------|
| 1 | 16-0902 | BBC Aquatic Center Pool | Thornton Construction | 382          | \$ 1,810,467.84 | \$ 1,896,405.99 | 3   | 9/10/2020     | \$ 85,938.15  | Provide additional concrete restoration, upgrade trench drain, install pool liner, repair corroded gas line pipe and provide additional electrical work including electrical code compliance issues. | AUXILIARY      |
| 2 | 18-0401 | VH Structural Repairs   | Thornton Construction | 339          | \$ 950,143.03   | \$ 1,030,519.76 | 11  | 9/11/2020     | \$ 80,376.73  | Provide new storefront doors, access control, door operators, associated electrical needs, drywall repairs and flooring.   | PECO           |
|   |         |                         |                       |              |                 |                 |     |               | \$ 166,314.88 |  |                |

( a ) Change orders over \$50,000 on minor projects and change orders over 5% of authorized budget for major projects.



**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
December 3, 2020

**SAFETY AND ENVIRONMENTAL COMPLIANCE REPORT AS OF OCTOBER 30, 2020**

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

**There are no issues to report in this quarter**



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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
**December 3, 2020**

**TREASURY REPORT** (For quarter ending September 30, 2020)

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

**OVERVIEW**

The University's total liquidity position of \$479.8 million was 3.7 times the University's debt position of \$128.5M million at the end of FY 2021 1Q. Including direct support organization ("DSO") debt, the liquidity to total debt ratio was 3.1 times. These results are better compared to the end of FY 2020 1Q, where the liquidity to University debt and the liquidity to total debt ratios were 3.1 times and 2.5 times, respectively.

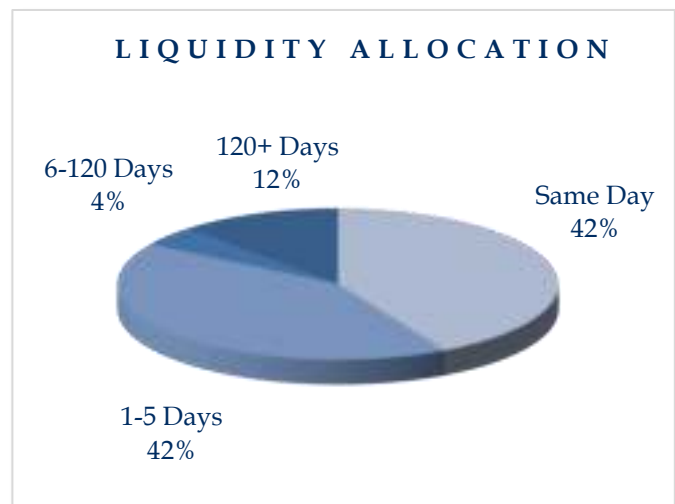
**LIQUIDITY**

**Real Days Payable**

At the end of FY 2021 1Q, \$412.9 million, or 86.1 percent, of the liquidity position was accessible within 5 business days (see *Liquidity Allocation* chart for detail). At the end of FYTD 2021 1Q, the University had 87 real days payable<sup>1</sup> ("RDP") versus 69 RDP at the end of FYTD 2020 1Q. The increase in RDP was largely due to the increase in net cash flows and portfolio returns over the trailing 1-year period.

**Sources**

The University started the fiscal year with \$195.4 million in cash balances<sup>2</sup>. Total FYTD 2021 1Q inflows (state and operational) were \$356.4 million as compared to \$349.5 Million for FYTD 2020 1Q. On average, \$5.4 million flowed into the University each business day in FYTD 2021 1Q and \$5.3 million in FYTD 2020 1Q.



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<sup>1</sup> Real Days Payable represents the available balance of liquid funds divided by the average cash outflows of the University. The calculation uses the available balance in the University's bank accounts plus the market value of investments that are accessible within 5 business days as its balance of liquid funds.

<sup>2</sup> Cash includes Working Capital Pool assets and cash balances in the concentration bank account.

## Uses

FYTD 2021 1Q, the University used \$314.6 million as compared to \$333.4 million in the same period last fiscal year. The FYTD 2021 1Q velocity cash outflow was \$4.8 million per day and \$5.1 million in FYTD 2020 1Q. The University ended FY 2021 1Q with \$237.3 million in cash balances.

## Stress Tests/Performance Simulations

The University Office of the Treasurer (“Treasury”) analyzes the effect of negative market performance on its liquidity position through both value-at-risk (VAR) analysis and Monte Carlo simulation analyses.

VAR analysis, completed quarterly, estimates the maximum potential loss during a specific time period at a given level of confidence. VAR uses the historical behavior of each asset class over various time horizons (five years, ten years, full history). Our VAR analysis predicts that there is a five percent probability that the portfolio (as of the FYTD 2021 1Q ending balance) could have unrealized losses of up to \$11.6 million and one percent probability of up to \$21.6 million of unrealized losses within a twelve-month period.

The University conducts monthly performance simulations of the portfolio under various market scenarios. At the end of FY 2021 1Q, a 100 bps rise in the 10 year Treasury Bond rate would result in a \$2.6 million (0.5 percent) unrealized gain. Liquidity, as measured by 5-day accessibility, would drop to 79.2 percent, or \$384.4 million, of the total current available cash and investment balances. RDP would fall to 81 days based on current fiscal year outflows.

A 25 percent decline in the equity markets would result in a -\$7.2 million (-1.6 percent) unrealized loss. Liquidity, as measured by 5-days accessibility, would increase slightly to \$413.7 million or 88.9 percent of the total current available cash and investment balances. RDP would remain steady at 87 days based on fiscal year outflows in this stress scenario.

Bottom decile of overall portfolio performance would result in a -\$7.8 million (-1.7 percent) unrealized loss. Liquidity, as measured by 5-day accessibility would drop to \$367.5 million or 79.2 percent of the total current available balances. Furthermore, RDP would drop to 77 days.

## Forecast and Budget

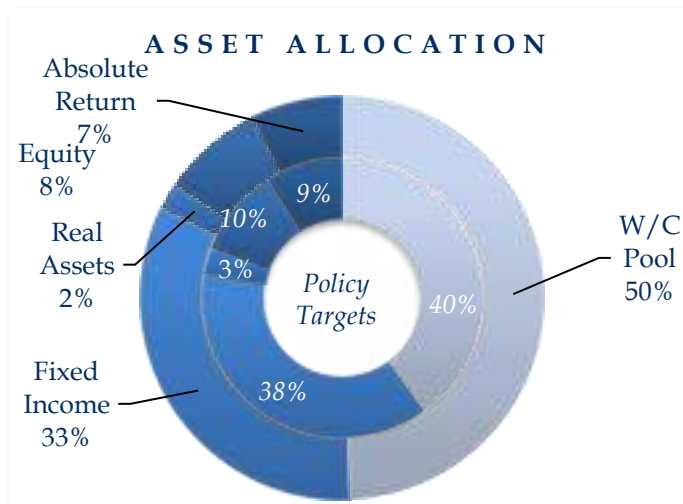
Actual balances at the end of FY 2021 1Q were 13.9 percent higher than the rolling forecast, 22.5 percent higher than the budget, and 15.5 percent higher than prior year. For the next quarter, the University should experience a decrease in the cash and investment balances lasting through the end of the second quarter of FY 2021.

## INVESTMENTS

### Composition

Asset allocations at the end of FY 2021 1Q remained within policy guidelines (See *Asset Allocation* chart for quarter end detail).

At the end of FY 2021 1Q, the market value of the University’s operating funds portfolio and cash was \$479.8 million. This balance reflects an increase of \$48.3 million or 11.1 percent, from the previous quarter. The increase reflects the quarter-to-quarter seasonal increase in net cash flows in addition to the quarterly investment returns. The total portfolio market value was

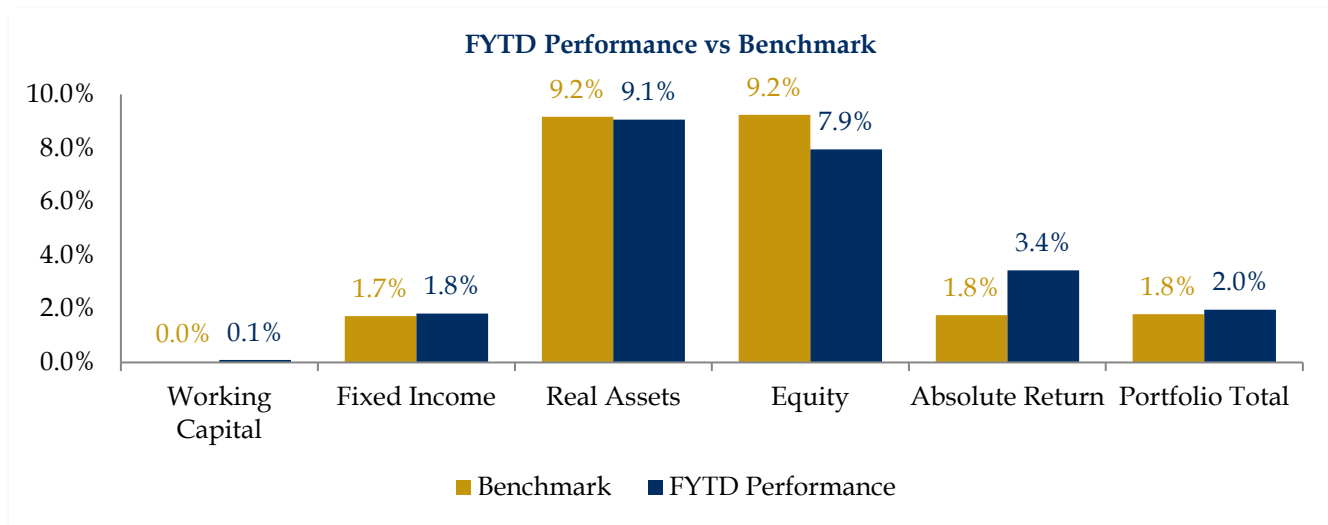


\$64.5 million higher than the market value at the end of FY 2020 1Q. The increase was largely due to higher net cash flows and a solid investment performance throughout the year.

## Performance

FIU's operating portfolio continues to outperform the State Treasury investment pool ("SPIA"), returning 4.2 percent since inception versus the SPIA's 2.6 percent for the same period. At the end of FY 2021 1Q, the portfolio returned 2.0 percent. This compares favorably to a 1.2 percent return at the end of FY 2020 1Q. The Strategic Capital and Reserve Pools returned 3.3 percent while the Working Capital Pool gained 0.1 percent. Returns from the SPIA totaled 0.6 percent at the end of FY 2021 1Q (see *FY Performance vs. Benchmarks* chart for additional performance detail by asset class).

The Working Capital Pool and the Strategic and Reserve Pools were each slightly higher than their respective benchmarks. Asset classes were in line with their benchmarks with the exception of Equities, which underperformed the benchmark and Absolute Return, which outperformed. The underperformance in the equity asset class was due to the portfolio's investments in private markets.



## DEBT

### Total Outstanding

The University and DSOs ended FY 2021 1Q with \$156.1M million in outstanding debt versus \$165.5M million at the end of FY 2020 1Q. The weighted average interest rate for the University and DSO issuances was 4.2 percent.

### Bond Refunding

The University and the Athletics Finance Corporation (AFC), has refunded/modified all eligible outstanding bond series. The refundings/modification are projected to save the University and AFC \$15.5 million in interest expense over the term of the issuances. As of September 30, 2020, \$5.4 million of interest savings have been realized from the refunding/modification activities. The University and AFC are expected to save \$0.9 million in interest expense in Fiscal Year 2021 and \$4.3 million over the next 5 years. The University anticipates that it will be able to refund the 2012A Housing Bonds for interest savings in late Spring of 2021.

### Rating Agencies/Bond Sales

The University will hold ratings review meetings with each of the rating agencies throughout 2Q, and anticipates that it will sell \$71.8 million in bonds to fund the Parkview II project in November.

Period Ending September 30, 2020

(000's)

**OVERVIEW**

|                           |      |
|---------------------------|------|
| Liquidity/University Debt | 3.73 |
| Liquidity/Total Debt      | 3.07 |

**Liquidity Position**

|                           |                   |
|---------------------------|-------------------|
| Cash + W/C Pool           | \$ 237,253        |
| Strategic + Reserve Pools | 242,500           |
| <b>Total</b>              | <b>\$ 479,753</b> |

**Debt Position**

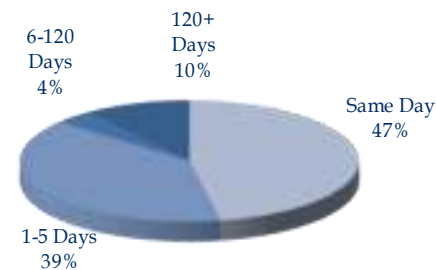
|                 |                   |
|-----------------|-------------------|
| University Debt | \$ 128,500        |
| DSO Debt        | 27,615            |
| <b>Total</b>    | <b>\$ 156,115</b> |

**LIQUIDITY**
**Availability**

|              |                   |
|--------------|-------------------|
| Same Day     | \$ 225,620        |
| 1-5 Days     | 187,288           |
| 6-120 Days   | 18,266            |
| 120+ Days    | 48,579            |
| <b>Total</b> | <b>\$ 479,753</b> |

**Real Days Payable (<5 Days)**

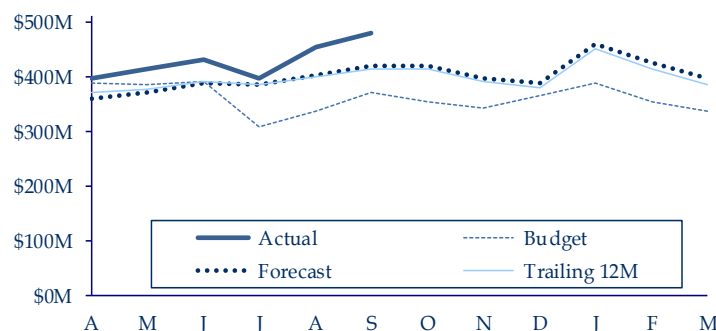
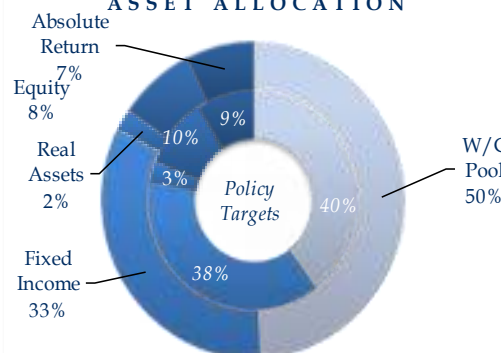
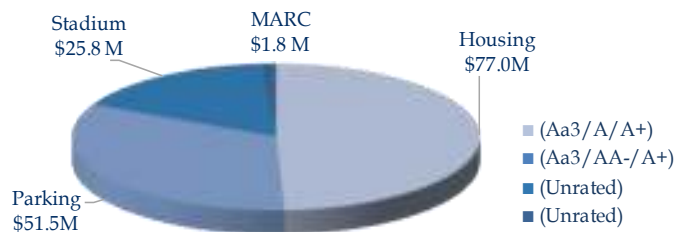
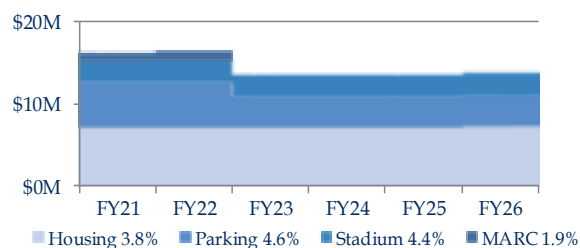
|              |    |
|--------------|----|
| MTD Outflows | 73 |
| QTD Outflows | 87 |
| YTD Outflows | 87 |

**LIQUIDITY ALLOCATION**

**LIQUIDITY SOURCES AND USES**

| Sources                  | MTD               | QTD               | YTD               |
|--------------------------|-------------------|-------------------|-------------------|
| Opening W/C Pool Balance | \$ 209,533        | \$ 194,919        | \$ 194,919        |
| Opening Cash Balance     | 826               | 516               | 516               |
| From State               | 36,076            | 101,825           | 101,825           |
| From Operations          | 115,876           | 254,591           | 254,591           |
| Uses                     | MTD               | QTD               | YTD               |
| To Payroll               | (53,175)          | (170,850)         | (170,850)         |
| To Operations            | (22,328)          | (61,858)          | (61,858)          |
| To Students              | (49,555)          | (81,891)          | (81,891)          |
| <b>Cash + W/C Pool</b>   | <b>\$ 237,253</b> | <b>\$ 237,253</b> | <b>\$ 237,253</b> |

**INVESTMENTS**

| Cash + W/C Pool           | Balance           | FYTD        | Last1Y      |
|---------------------------|-------------------|-------------|-------------|
| W/C Pool                  | \$ 236,457        | 0.1%        | 1.2%        |
| Cash                      | 796               | 0.0%        | 0.0%        |
| Strategic + Reserve Pools |                   |             |             |
| Fixed Income              | 157,865           | 1.8%        | 7.7%        |
| Real Assets               | 10,466            | 9.1%        | -2.9%       |
| Equity                    | 39,144            | 7.9%        | 12.7%       |
| Absolute Return           | 35,025            | 3.4%        | 5.6%        |
| <b>Total</b>              | <b>\$ 479,753</b> | <b>3.3%</b> | <b>7.4%</b> |

**CASH + INVESTMENTS FORECAST**

**ASSET ALLOCATION**

**DEBT**
**OUTSTANDING DEBT**

**ANNUAL DEBT SERVICE**


Period Ending September 30, 2020

| <u>OPERATING FUNDS</u>             | <u>MARKET VALUE<sup>1</sup></u> | <u>BOOK VALUE</u> | <u>INCOME EARNED<sup>2</sup></u> |
|------------------------------------|---------------------------------|-------------------|----------------------------------|
| <u>Working Capital<sup>3</sup></u> | \$237.3M                        | \$237.0M          | \$0.1M                           |
| Fixed Income                       | \$157.9M                        | \$142.7M          | \$0.7M                           |
| Equity                             | \$39.1M                         | \$29.9M           | \$0.1M                           |
| Real Assets                        | \$10.5M                         | \$17.8M           | \$0.0M                           |
| Absolute Return                    | \$35.0M                         | \$23.7M           | \$0.0M                           |
| <u>Total Strategic/Reserve</u>     | \$242.5M                        | \$214.0M          | \$0.7M                           |
| <u>Total Operating Funds</u>       | \$479.8M                        | \$451.0M          | \$0.9M                           |

<sup>1</sup> Excludes Dividend/Interest Receivable

<sup>2</sup> Investment Income Earnings - Dividends and Interest

<sup>3</sup> Includes Bank Cash

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THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Facilities Committee  
December 3, 2020

**Subject: Quarterly report of the purchasing transactions greater than or equal to \$500,000 and less than \$1,000,000 from Aug 4, 2020 through Oct 22, 2020.**

**Report** *(for informational purposes only – no Committee action is needed)*

| Purchase Order No. | Competitive Solicitation Number or Exemption   | Competitive Solicitation Title or Agreement Type | Vendor                                      | Department / PO Description   | Current Expiration Date | PO Amount FY 21 (YTD) |
|--------------------|--|--|---|---|-------------------------|-----------------------|
| 0000215811         | Piggyback Agreement<br>University of Florida<br>ITN15NH-105  | PO # 0000215811                                  | FISHER SCIENTIFIC<br>COMPANY LLC            | COM Deans Office<br>/ Purchase for Fisher<br>Orbitrap Mass spectrometer<br>for Dr. Sackstein's lab  | 6/30/2021               | 929,541.42            |
| 0000215211         | Exception under BOG<br>Regulation 18.001(6)(d)(5) -<br>Legal services, including<br>attorney, paralegal, expert<br>witness, appraisal, arbitrator or<br>mediator services. | PO # 0000215211                                  | SALIWANCHIK,<br>LLOYD AND<br>EISENSCHENK PA | Office of Research and Eco<br>Develop/Blanket Purchase<br>Order for Legal Fees for the<br>period of 07/01/2020 to<br>06/30/2021                     | 6/30/2021               | 900,000.00            |
| 0000217404         | Exception under BOG<br>Regulation 18.001(6)(d)(10) -<br>Training and education services  | Teaching Services Agreement                      | A M RYWLIN MD<br>AND ASSOCIATES<br>PA       | COM Pathology<br>/ Blanket Purchase Order for<br>Administrative and Clinical<br>Pathology services for the<br>period of 10/05/2020 to<br>06/30/2021 | 6/30/2021               | 750,000.00            |





**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
 December 3, 2020

| Purchase Order No. | Competitive Solicitation Number or Exemption  | Competitive Solicitation Title or Agreement Type  | Vendor                                 | Department / PO Description  | Current Expiration Date | PO Amount FY 21 (YTD) |
|--------------------|---|---|--|--|-------------------------|-----------------------|
| 0000214062         | Exception under BOG Regulation 18.001(6)(d)(11) - Advertising, except for media placement services. | PO # 0000214062   | FACEBOOK INC                           | COB Chapman Graduate School / Blanket Purchase Order for Facebook and Instagram ads for the period of 7/01/2020 to 6/30/2021   | 6/30/2021               | 672,132.00            |
| 0000215678         | ORED Approver Comment: Subaward approval was obtained when entering into the subaward.              | Amendment # 5 To the Agreement Between TJ Sparkle Americas, Inc. And the Florida International University Board of Trustees Subaward No.800004769-02UG/000103 | TI SPARKLE AMERICAS INC                | IT CIARA/Subaward No. 800004769-02UG/000103 IRNC Backbone - AmLight Express and Protect (ExP)  | 3/31/2021               | 577,500.00            |
| 0000214098         | Exception under BOG Regulation 18.001(6)(d)(11) - Advertising, except for media placement services. | PO # 0000214098   | GOOGLE LLC                             | COB Chapman Graduate School/ Blanket Purchase Order for Google Ads to promote the COB graduate programs for the period of 7/01/2020 - 6/30/2021  | 6/30/2021               | 552,500.00            |
| 0000211368         | ITN # 2019-00013  | HR Multi Level Coaching, Training & Consulting Services PUR-03049   | PERFECT SOLUTIONS CONSULTING GROUP INC | Adv Administration & Oper, Advancement Administration, Development/ Contract # PUR- 03049 ITN # 2019-00013: In accordance with ITN # 2019-00013, to provide executive coaching and Planning Session facilitation for University Advancement. | 3/1/2021                | 549,988.00            |



THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Facilities Committee  
December 3, 2020

| Purchase Order No. | Competitive Solicitation Number or Exemption  | Competitive Solicitation Title or Agreement Type | Vendor                    | Department / PO Description   | Current Expiration Date | PO Amount FY 21 (YTD) |
|--------------------|---|--|---------------------------|---|-------------------------|-----------------------|
| 0000214060         | Exception under BOG Regulation 18.001(6)(d)(11) - Advertising, except for media placement services.   | PO # 0000214060                                  | LINKEDIN CORPORATION      | COB Chapman Graduate School/ Blanket Purchase Order for LinkedIn Ads to promote COB graduate programs for the period of 7/01/2020 - 6/30/2021                   | 6/30/2021               | 514,350.00            |
| 0000216091         | Exception under BOG Regulation (6)(d)(6) - Health services involving examination, diagnosis, treatment, prevention, medical consultation, or administration | PUR-02227  | CITRUS HEALTH NETWORK INC | FIU Embrace/ Blanket Purchase Order for Primary Care & Behavioral Health Services for participants in the FIU Embrace Initiative (July 1, 2020 - June 30, 2021) | 6/30/2023               | 507,534.00            |



THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
Finance and Facilities Committee  
December 3, 2020

Subject: Quarterly report of the purchasing transactions greater than \$1,000,000 from Aug 4, 2020 through Oct 22, 2020

Report *(for informational purposes only – no Committee action is needed)*

| Purchase Order No. | Competitive Solicitation Number or Exemption  | Competitive Solicitation Title or Agreement Type | Vendor                          | Department / PO Description   | Current Expiration Date       | PO Amount FY 21 (YTD) |
|--------------------|---|--|---------------------------------|---|-------------------------------|-----------------------|
| 0000213780         | Exception under BOG Regulation 18.001(6)(d)(18) - Purchases for Resale & State of Florida's Contract 43211500-WSCA-15-ACS for Institutional Purchases (Effective Period: 9/30/15 – 7/31/21) Change Order to PO was approved by the BOT on 9/9/20  | PER CONTRACT # C00001625                         | APPLE INC                       | IT Business Services Office /Blanket Purchase Order for (Apple) for the Computer Store. | PO Expiration Date: 6/30/2021 | 2,600,000.00          |
| 0000216474         | Exception under BOG Regulation 18.001(6)(d)(7) - Services provided to persons with mental or physical disabilities by not-for-profit corporations organized under the provisions of s. 501(c)(3) of the Internal Revenue Code or services governed by the provisions of the Office of Management and Budget Circular A-122. | PO # 0000216474                                  | NEUROSCIENCE CENTERS OF FLORIDA | COM Neurology/ Consulting and Education Services by NSCFF FY 20-21                      | 6/30/2021                     | 1,500,000.00          |



THE FLORIDA INTERNATIONAL UNIVERSITY

BOARD OF TRUSTEES

Finance and Facilities Committee

December 3, 2020

| Purchase Order No. | Competitive Solicitation Number or Exemption | Competitive Solicitation Title or Agreement Type | Vendor                               | Department / PO Description  | Current Expiration Date | PO Amount FY 21 (YTD) |
|--------------------|--|--|--------------------------------------|--|-------------------------|-----------------------|
| 0000215316         | RFP # 90-012                                 | Ground Maintenance<br>FIU CONTRACT#<br>PUR-00628 | ARAMARK<br>MANAGEMENT<br>SERVICES LP | Groundskeeping<br>/Change order # 1 PO<br>215316 In accordance<br>with RFP No.90-012<br>grounds keeping<br>services at MMC, BBC<br>& RCL - Bay Vista<br>Housing September-20<br>October 2020 - January<br>2021 | 1/31/2021               | 1,263,477.31          |

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**THE FLORIDA INTERNATIONAL UNIVERSITY**  
**BOARD OF TRUSTEES**  
**Finance and Facilities Committee**  
**December 3, 2020**

**CASACUBA BUILDING UPDATE AS OF OCTOBER 30, 2020**

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**FUNDRAISING FOR NEW CASACUBA FACILITY**

| DONOR                                  | PLEDGES             | CASH                |
|--|---------------------|---------------------|
| National Endowment for the Humanities* | \$ 750,000          | \$ 750,000          |
| Knight Foundation                      | \$ 2,000,000        | \$ 400,000          |
| Other Donors                           | \$ 1,853,504        | \$ 678,657          |
| Planned Gifts                          | \$ 1,068,000        | \$ 3,600            |
|  |                     |                     |
| <b>TOTAL</b>                           | <b>\$ 5,671,504</b> | <b>\$ 1,832,257</b> |

*\*As a Federal agency award, this is a cost-reimbursement grant; the full amount has been obligated.*

**Highlights since last report:** Verbal commitments for gifts totaling \$200,000 were made this summer with the related gift agreements expected to be finalized by calendar year end. This total is not reflected above.

**FACILITIES UPDATE**

- Facility Program Document approved June 14, 2019
- Architect/Engineer Selection Committee approved July 30, 2019
- National Historic Preservation Act (106 NHPA) Study was completed and approved
- First draft of National Environmental Policy Act (NEPA) Assessment Study has been received and is pending State of Florida Coastal Management review by DERM and comments from NEH
- Advertisement for Architect/Engineer was posted December 17, 2019
- Eligible Architect/Engineer Qualifications Submittals (15) received January 31, 2020
- Architect/Engineer Selection Committee conducted shortlist meeting April 13, 2020
- Architect/Engineer interviews/presentations with shortlisted firms (5) were conducted June 1, 2020 and the architectural firm René González Architects (RGA) was recommended to the President
- The agreement with René González & Associates was executed on October 5, 2020 and program verification has begun

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