Florida International University
Budget Forum

May 19, 2011
FLORIDA INTERNATIONAL UNIVERSITY
Budget Forum

AGENDA

- Education & General Appropriations
  - State Appropriation Reductions
  - FY 2011-12 Budget
  - State Appropriations vs. Tuition
  - Incremental Tuition Revenue
- Retirement Changes
- Critical Investments
- Public Education Capital Outlay (PECO)
$11.7 million in general revenue reductions

Elimination of FY 2010-11 stimulus funding of $14 million

$1.4 million to fund health insurance increases and PO&M for new space

8 percent increase in base undergraduate in-state tuition with authority for additional 7 percent discretionary increase subject to BOG approval

$2.1 million funding for the continued phase-in of the FIU College of Medicine
- State Appropriations include recurring General Revenue and Lottery, but exclude College of Medicine, Financial Aid, Risk Management and other pass-throughs such as health insurance increases and plant operations and maintenance for new buildings
Impact of legislative line items and pass-throughs

Pass-throughs:
- Health insurance
- Plant Operations and Maintenance for new facilities
- Retirement costs
- Legislative initiatives

Pass-through appropriations cover new costs (no discretionary revenue)

- Base budget excludes College of Medicine $26.2M, and Financial Aid and Risk Management $2.5M
- Pass-throughs of $9M in FY 2011-12 represent cumulative appropriations since FY 2007-08 and includes FY 2011-12 reduction in state funding to employees’ retirement plan
Tuition exceeds State Appropriations for the first time in FY 2011-12

- State Appropriations include General Revenue and Lottery, but exclude College of Medicine, Financial Aid and Risk Management
- Tuition is net of Financial Aid $9.0M and exemptions and waivers of $21.5M.
Higher Enrollment and Tuition rates result in revenue increase of $21.2M, offsetting reductions in state appropriations, operating cost increases, and critical investments.

Incremental Revenue
- Undergraduate: $12.8M
- Differential: $5.1M
- Graduate: $3.4M
- Law: $1.1M
- Waivers: ($1.2M)

FY 2011-12 Total: $21.2M

*Includes the effects of enrollment growth. Revenue amounts are net of Financial Aid $9.0M and exemptions and waivers of $21.5M.
Data excludes College of Medicine
RETIREMENT CHANGES
FY 2011-12

Retirement (SB 2100)

- Requires all employees to contribute 3% to the retirement system they participate in beginning July 1, 2011
  - Includes FRS Pension Plan, FRS Investment Plan and the Optional Retirement Program (ORP) participants
  - DROP participants are not required to contribute

- Suspends the cost-of-living adjustment (COLA) for service earned on or after July 1, 2011 – June 30, 2016
Changes to the FRS Pension plan:

<table>
<thead>
<tr>
<th>FRS Pension Plan Attributes</th>
<th>Enrolled prior to July 1, 2011</th>
<th>Enrolled on or after July 1, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average final compensation</td>
<td>Average of the 5 highest fiscal years</td>
<td>Average of the 8 highest fiscal years</td>
</tr>
<tr>
<td>Vesting (100% of employer contributions)</td>
<td>6 years of creditable service</td>
<td>8 years of creditable service</td>
</tr>
<tr>
<td>Retirement age and years of service requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Risk Class:</td>
<td>55 years of age 25 years of creditable service</td>
<td>60 years of age 30 years of creditable service</td>
</tr>
<tr>
<td>all other classes:</td>
<td>62 years of age 30 years of creditable service</td>
<td>65 years of age 33 years of creditable service</td>
</tr>
<tr>
<td>Drop accrual rate</td>
<td>6.50%</td>
<td>1.30%</td>
</tr>
</tbody>
</table>

Vesting requirements remain unchanged for the FRS Investment Plan (1 year) and the ORP (immediate)
## Schedule of Workshops

### Modesto A. Maidique Campus

<table>
<thead>
<tr>
<th>Date</th>
<th>Spanish</th>
<th>English</th>
<th>Creole</th>
</tr>
</thead>
<tbody>
<tr>
<td>GC 316: June 1, 3, 8 and 15</td>
<td>11 AM</td>
<td>10 AM &amp; 1 PM</td>
<td></td>
</tr>
<tr>
<td>GL 220: June 2</td>
<td>11 AM</td>
<td>10 AM &amp; 1 PM</td>
<td>2 PM</td>
</tr>
<tr>
<td>GL 220: June 6 and 17</td>
<td>11 AM</td>
<td>10 AM &amp; 1 PM</td>
<td></td>
</tr>
<tr>
<td>GL 220: June 7</td>
<td>11 AM</td>
<td>10 AM &amp; 1 PM</td>
<td>2 PM</td>
</tr>
</tbody>
</table>

### Biscayne Bay Campus

<table>
<thead>
<tr>
<th>Date</th>
<th>Spanish</th>
<th>English</th>
<th>Creole</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIB 319: June 6</td>
<td>11 AM</td>
<td>10 AM &amp; 1 PM</td>
<td>2 PM</td>
</tr>
<tr>
<td>LIB 319: June 7, 8, 15 and 17</td>
<td>11 AM</td>
<td>10 AM &amp; 1 PM</td>
<td></td>
</tr>
</tbody>
</table>

If you have any questions or need additional information, please contact the Division of Human Resources Service Center at (305) 348-2181
Despite state reductions, FIU has invested $84M in high priority areas since FY 2008-09

- Student Instructional Support
  - Hire new faculty
  - Improve advisor to student ratio
  - Increase graduation and retention rates
  - Increase student support services: library, undergraduate office

- Research & Graduate Education
  - Hire research faculty clusters
  - Improve research infrastructure
  - Increase graduate stipends

- Compliance and Support
  - Complete SACS accreditation and implement QEP
  - Strengthen Public Safety & Environmental Health & Safety operations
  - Enhance University IT, enterprise systems, and facilities infrastructure
  - Hire additional support staff and cover unfunded cost to continue expenses

For FY 2011-12
- 80 Faculty
- 32 Graduate Teaching Assistants
- 85 Staff: 18 Advisors, 8 Public Safety Officers, 44 Academic Support, and 15 Non-Academic Support
### PUBLIC EDUCATION CAPITAL OUTLAY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIU Utilities / Infrastructure / Capital Renewal Roofs</td>
<td>$1,676,584</td>
</tr>
<tr>
<td>Satellite Chiller Plant Expansion*</td>
<td>$6,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$7,676,584</strong></td>
</tr>
</tbody>
</table>

For comparison purposes, FIU received $35 million in Fixed Capital Outlay funding in FY 2010-11

*Restoration of FY 2010-11 $7 million appropriation that was vetoed by the governor*
Florida International University
Budget Forum