Budget Forum

Wednesday, June 2, 2010
AGENDA

- Education & General Appropriations
  - State Appropriation Reductions
  - FY 2010-11 Budget
  - State Appropriations vs. Net Tuition
  - Incremental Revenue

- Critical Investments
- Gap
- Public Education Capital Outlay (PECO)
- Fundraising
STATE APPROPRIATIONS REDUCTIONS
FY 2007-08 - FY 2010-11

FIU loses approximately $60M in funding over 4 years

- State Appropriations include recurring General Revenue and Lottery, but exclude Financial Aid, Risk Management and Other Pass-throughs such as health insurance increases and plant operations and maintenance for new buildings
- College of Medicine is excluded.
E&G STATE APPROPRIATIONS*
FY 2010-11 Budget

Impact of legislative line items and pass-throughs

- Increases in FIU share of health insurance
- Increases in FIU share of Plant Operations and Maintenance for new facilities
- Increases in FIU share of retirement costs
- Increases associated with legislative initiatives
- New revenues will cover new costs (no discretionary revenue)

- Base budget excludes Financial Aid and Risk Management, $2.7M
- Pass-throughs of $15M in FY 2010-11 Base represent cumulative appropriations since FY 2007-08
- College of Medicine is excluded.
STATE APPROPRIATIONS vs NET TUITION
FY 2007-08 - FY 2010-11

* Recurring State Appropriations
- State Appropriations include General Revenue and Lottery, but exclude Financial Aid and Risk Management
- College of Medicine is excluded.
Higher enrollment and tuition rates result in revenue increase of $20.1M, offsetting reductions in state appropriations, operating cost increases, and critical investments.

Incremental Revenue:
- Undergraduate: $8.9M
- Differential: $5.1M
- Graduate: $3.8M
- COM: $1.2M
- Law: $1.1M
- FY 2010-11 Total: $20.1M

*Includes the effects of enrollment growth. Includes College of Medicine of $2.4M. Revenue amounts are net of Financial Aid $5.7M and exemptions and waivers of $19.8M.
Despite state reductions, FIU has invested $57M 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 and enterprise systems
  - Cover unfunded cost to continue expenses
ESTIMATED GAP
FY 2011-12

 ✓ Loss of Federal stimulus funds to state likely to occur; possible impact to FIU of a -9% reduction in general revenue funding  
   - $15 M

 ✓ Expected additional net tuition revenues  
   + $18 M

 ✓ Additional funding needed for critical investment and cost to continue expenditures  
   - $8 M

      Gap

      - $5 M

 ✓ Current Budget reduction plan will be enough to use non-recurring funds to cover the shortfall in FY 2011-12  
   + $5 M
## PUBLIC EDUCATION CAPITAL OUTLAY

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>FIU Utilities / Infrastructure / Capital Renewal Roofs</td>
<td>$6,221,914</td>
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<tr>
<td>Public Safety Building Supplement</td>
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<td>Social Sciences - Phase 1 Completion</td>
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<td>Science / Classroom Complex</td>
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<td>Satellite Chiller Plant Expansion</td>
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<td>Stocker Astrophysics Center</td>
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<td>Student Support Services Building</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$34,874,604</strong></td>
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</table>
FUNDRAISING*

- Embark on $750M capital campaign
- On target to hit goals
- Achieve endowment of $1 billion
- Faculty and Staff Annual Fund Campaign in 2010-11

* Amounts do not include State Matching
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