



The Florida International University
Budget Town Hall Discussion



March 9, 2009

AGENDA



- ✓ Direction
 - What is the University's strategic direction?
 - What are the state revenue assumptions?

- ✓ Funding Needs
 - What is the methodology for determining FIU's budget gap?

- ✓ Three Year Budget Plan
 - What steps are being taken to meet the funding shortfall?
 - What is the timeline?

- ✓ Questions & Answers

UNIVERSITY STRATEGIC EVOLUTION



FIU 1.0

Founding Paradigm

- Two year upper division college
- Few Masters programs
- Publicly funded

FIU 2.0

Existing Paradigm

- Comprehensive urban research university
- 30 Doctorates, Architecture, Law, Engineering, Public Health, Medicine
- Rapid enrollment growth
- Publicly funded

FIU 3.0

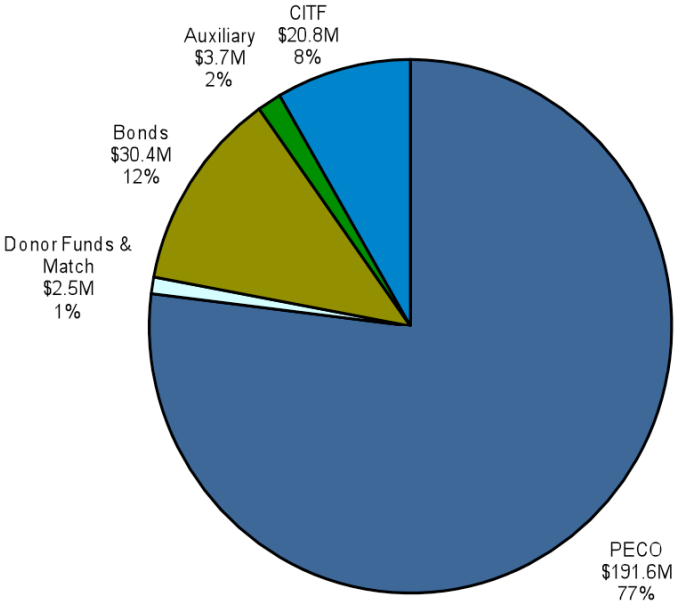
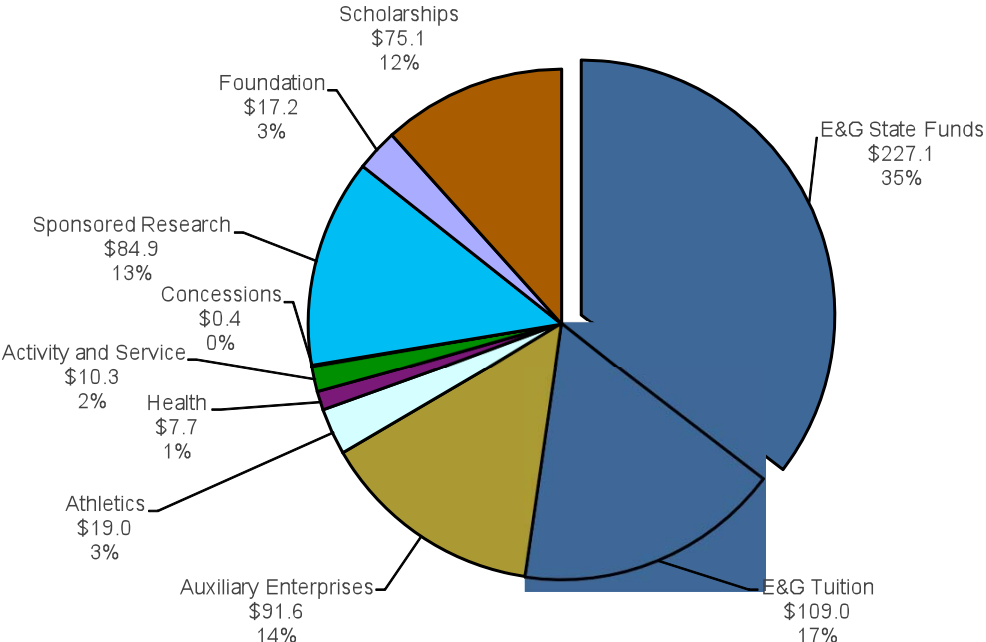
New Paradigm

- Comprehensive urban research university with sharp strategic focus: Health, International, Environment
- Stronger, integrated, interdisciplinary undergraduate core
- Managed enrollment
- State of the art managerial systems and infrastructure
- Reduced public funding with increased accountability
- Requiring greater sponsored research, public/private partnerships and revenue generating operations

FIU UNIVERSITY BUDGET

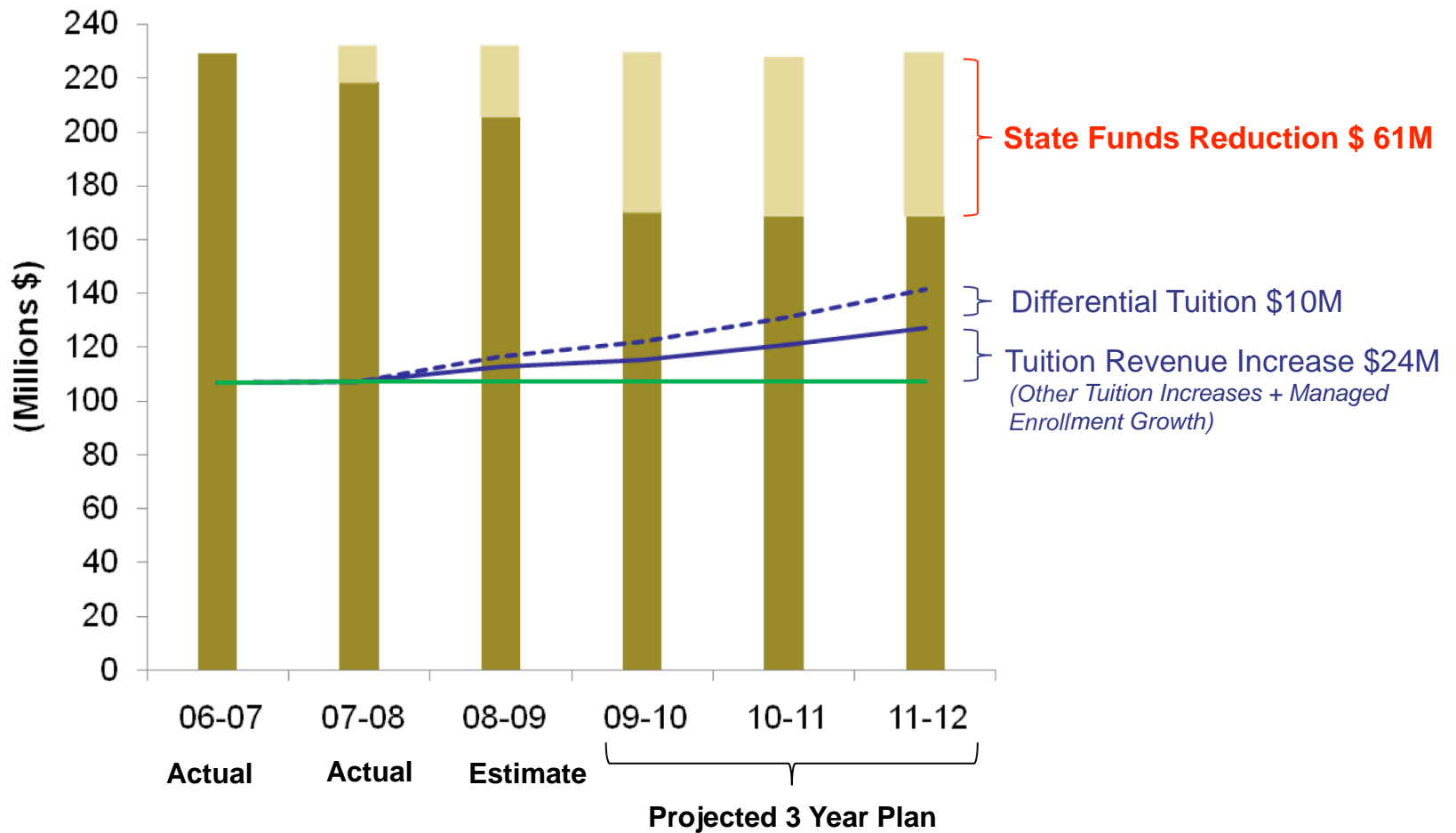
**FIU Operating Budget
FY08-09
\$642M***

**Construction Funds
Projects in Process and Approved
\$249M**



- Excludes third party loans to students which exceed \$110 million
- Sponsored Research as per NSF definition exceeds \$100 million

LEGISLATIVE UPDATE



State funds include GR & Lotto, Tuition i& Differential is net waivers and need based financial aid.

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PLANNING METHODOLOGY

Three Year Rolling Plans

- ✓ Multi-year state budget cuts expected
- ✓ Continue making investments in critical strategic areas
- ✓ All units creating their own three year plans for submission

First Buffer: University Mitigation

- ✓ Lessen immediate impact to students, faculty and staff through the use of one time funds
- ✓ Shared savings from new & replacement position
- ✓ Savings and revenues from new university-wide ideas

Units' Reductions

- ✓ Reduction amounts allocated proportionately to executive areas
- ✓ Reductions distributed to each unit based on strategic prioritization

GAP ANALYSIS UPDATE

Rolling Three Year Plan

	STATE CUTS	+	TUITION	+	UNFUNDED OPERATIONS/OBLIGATIONS	+	CRITICAL INVESTMENTS	+	UNIVERSITY MITIGATION	+	UNITS' CUTS 08-09 plan	=	NET GAP
FY08-09	(\$13.0)		\$9.2		(\$12.4)		(\$11.2)		\$12.4		\$15.0	=	\$0.0
FY09-10	(\$46.7)		\$14.5		(\$19.8)		(\$15.5)		\$32.9		\$23.2	=	(\$11.4)
													<div style="text-align: center;"> -4.1% ↓ </div>

Note: As of Mar 9, 2009

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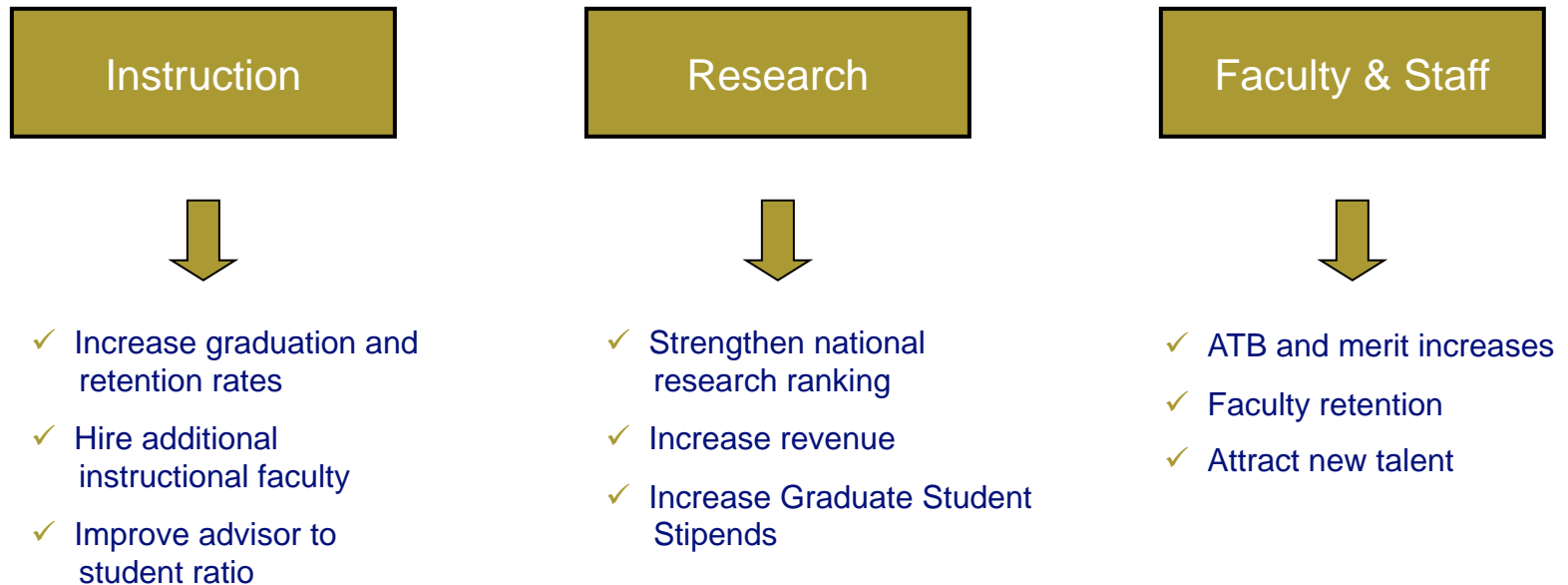
UNIVERSITY STRATEGIC IMPERATIVES

Survive: Create a plan that allows FIU to sustain the least injury to critical operations and strategic areas

- ✓ Top 15 Public Urban Research University
 - Sustaining and strategically enhancing research
 - PhD production
- ✓ Undergraduate Retention and Graduation
 - Academic advising
 - Classroom renovations and expand technology infrastructure
 - Enhanced student services
- ✓ Health & Life Sciences
 - Public Health partnership
 - Medical School
 - Rationalize laboratory space and equipment
- ✓ Student Life and Alumni Affinity
 - Housing & undergraduate activities
 - Athletics and recreation fields
- ✓ Advancement & Human Resource Development
 - Leadership and professional development
 - Capital campaign

CRITICAL INVESTMENTS

STRATEGIC INVESTMENTS = \$15.5M in FY09-10



Note: Investments in Advancement infrastructure are also being provided by the FIU Foundation strategic investment pool

ACADEMIC AFFAIRS GROUP STRUCTURE

Criteria	Relative Importance / Definition
✓ Strategic to FIU	10 As defined in FIU strategic plan
✓ Return on Investment	7 Total of all funding divided by E&G support – tuition, research, gifts, and auxiliaries
✓ Cost	5 College level analysis using Delaware study benchmark
✓ Faculty Investment	3 Faculty cost plus startup dollars expectation
✓ PhD Production	2 Three year average PhDs awarded divided by Tenure-Tenure track faculty

ACADEMIC AFFAIRS BUDGET REDUCTION PLAN

	ADDITIONAL BUDGET REDUCTION PLAN		
	09/10	10/11	11/12
<u>Group 1</u> (overall score > 60) <i>Arts & Sciences, Business, Engineering, Public Health</i>	3.3%	3.6%	5.0%
<u>Group 2</u> (overall score 40 – 59) <i>Hospitality, Nursing, Education</i>	4.1%	4.6%	6.2%
<u>Group 3</u> (overall score < 39) <i>Architecture & the Arts, Journalism, Law</i>	5.1%	5.6%	7.7%
<u>Group 4</u> (overall score not applicable) <i>Library, Honors, Museums, Student Affairs and all other Provost areas</i>	5.3%	5.9%	8.0%

<i>Medicine</i>	???	???	???
	<i>Separate Legislative Appropriation</i>		

TIMELINE

- ✓ February 17 Faculty Senate – Budget Presentation & Discussion
- ✓ February 25 Budget Stabilization Task Force (*bi-weekly meetings*)
- ✓ February 26 Student Forum – Budget Presentation & Discussion
- ✓ March 4 USPS Senate Meeting – Budget Presentation & Discussion
- ✓ *March 9 Town Hall Meeting 1st*
- ✓ April 3 Units Submit Plans
- ✓ *April 17 Town Hall Meeting 2nd*
- ✓ April 17 Faculty Senate receives Recommendations
- ✓ April 21 Budget Stabilization Committee receives Recommendations
- ✓ May 1 Legislative Session Ends
- ✓ May 8 Faculty Senate Recommendations due
- ✓ May 18 Board of Trustees Budget Workshop
- ✓ May 18 Governor’s Veto period expected to expire
- ✓ June 12 Board of Trustees Meeting

Please send all comments, questions and ideas to President Maidique at presmail@fiu.edu

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