

**The Florida International University
Fiscal Year 2009-10
Budget Kick-Off**



February 18, 2009

FY 2009-10 BUDGET KICK-OFF AGENDA

✓ **Budget Assumptions**

- State Funding
- Enrollment
- Tuition & Fee Revenue
- Expenses
- General Notes

✓ **Personnel**

- Salary Float Methodology
- Payout Process

✓ **Timeline**

✓ **Budget Development**

- On-line Budget tool
- Workshop Schedules

✓ **Next Steps**

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GAP ANALYSIS UPDATE

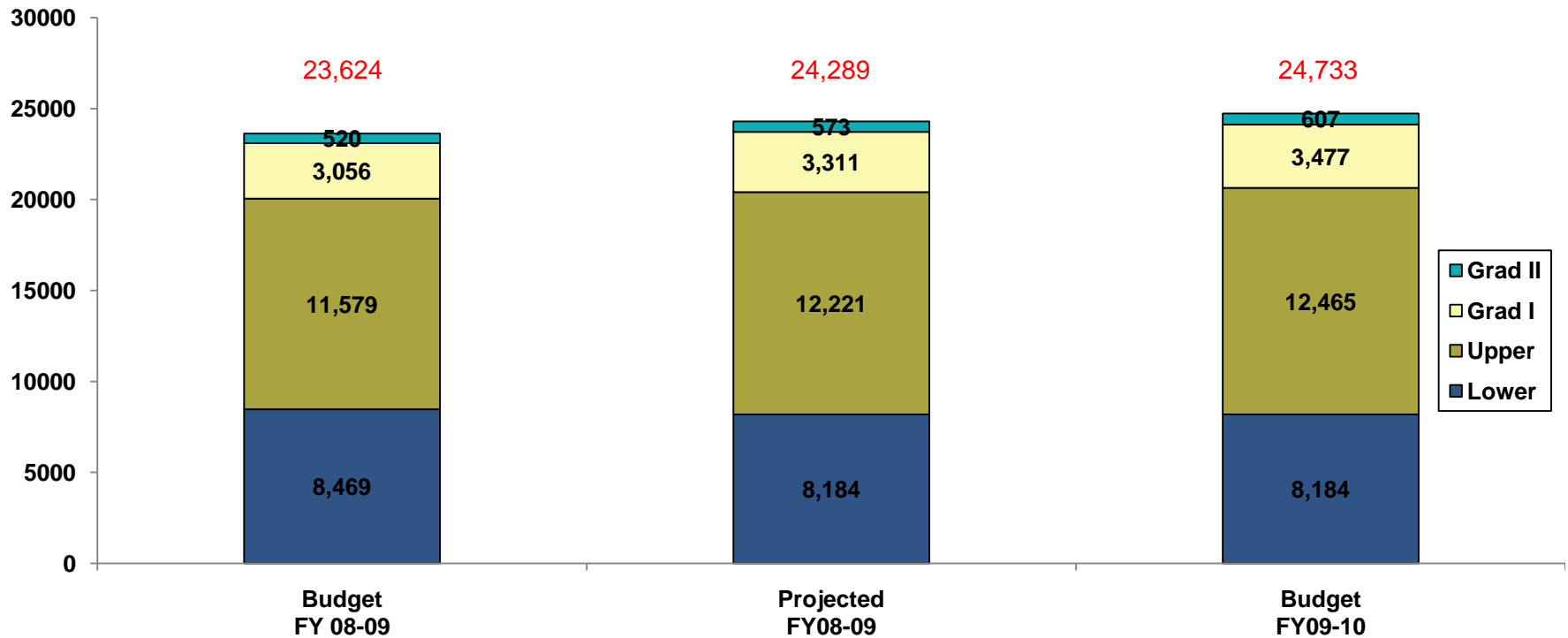
	STATE CUTS	TUITION	UNFUNDED OPERATIONS/OBLIGATIONS	CRITICAL INVESTMENTS	UNIVERSITY GAP MITIGATION	UNITS' CUTS as of 08-09 plan	NET GAP
FY08-09	(\$12.5) <i>-9.5% GR</i>	\$9.0	(\$11.6)	(\$12.7)	\$12.7	\$15.0	= \$0.0
FY09-10	(\$46.3) <i>-15% GR Lotto NR elimination</i>	\$14.1	(\$21.7)	(\$12.0)	\$31.0	\$23.2	= (\$11.5)
FY10-11	(\$49.4) <i>-2% GR</i>	\$23.3	(\$23.4)	(\$16.1)	\$18.0	\$35.7	= (\$11.9)
FY11-12	(\$49.4) <i>0% GR</i>	\$33.9	(\$24.7)	(\$24.2)	\$11.1	\$35.7	= (\$17.5)

Note: This information is preliminary as of Feb 18, 2009

BUDGET ASSUMPTIONS

Enrollment

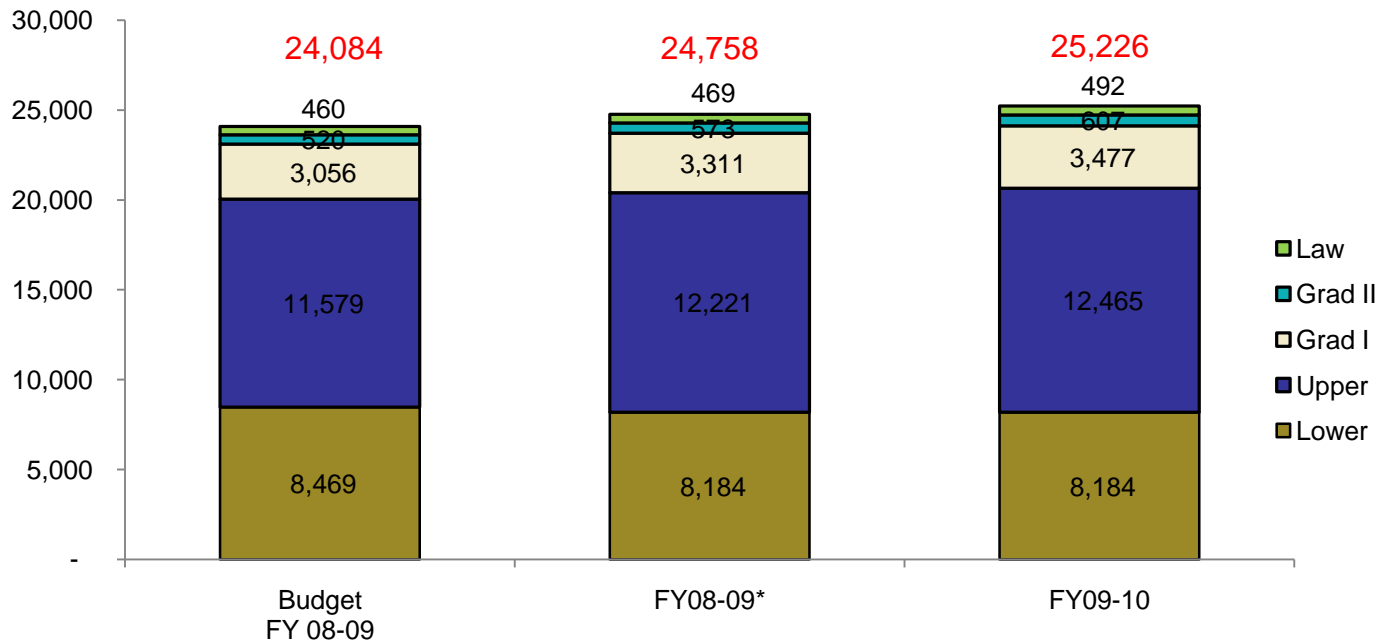
Proposed Enrollment projections assume no growth in Lower level and 5-6% increase in Grad



BUDGET ASSUMPTIONS

Enrollment

Proposed Enrollment projections assume no growth in Lower level and 5-6% increase in Grad



** Enrollment figures based on Fall-08 actual enrollment and Spring and Summer estimates*

BUDGET ASSUMPTIONS

Tuition and Fees

Base Tuition

- ✓ Undergraduate: 0.09% Increase based on CPI
- ✓ Graduate: 10% Increase
- ✓ Law: 15% Increase

Differential Tuition

- ✓ Applies to Undergraduate tuition only
- ✓ Maximum of 15% increase per year including CPI growth
- ✓ Rate Applies to new students as of Fall 2007 except students with prepaid contracts
- ✓ 30% directed towards need based Financial Aid
- ✓ 70% to be used towards undergraduate education expenses

Tech Fee

- ✓ New fee beginning Fall 09
- ✓ 5% of Tuition
- ✓ To be used for student related technology

SGA & Parking Fee

- ✓ Under consideration, not decided

BUDGET ASSUMPTIONS

Expenses

✓ **Control Total**

- Budget control total will be based on FY08-09 Final Budget adjusted for :
 - Recurring and nonrecurring legislative line item
 - Adjustments in critical investments and unfunded operations/obligations
- Preliminary cuts for FY09-10 thru FY11-12 will be communicated during the budget process by EABMs

✓ **Salaries**

- No University wide recurring salary adjustments assumed
 - Departments should budget for individual salary actions
- New positions approved based on Critical Investments & unfunded operations/obligations

✓ **Other Direct Expenses**

- Interdepartmental Rates
 - Refer to the Utility, Duplicating, Telecommunication, Facility Services and Vehicle Rates

BUDGET ASSUMPTIONS

General Notes

- ✓ Everyone must submit a budget online except for the following departments:
 - **Concession Funds**
 - Developed with President's Staff and input by Office of Financial Planning
 - **Agency Funds**
 - Associated revenue: cash-based control
- ✓ Forecast FY08-09 is Critical – due March 13th

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PERSONNEL

Salary Float Methodology

- ✓ Position vacancies continue to create a significant salary float throughout FY08-09
- ✓ Temporary float will continue to be used to cover the budget cuts
- ✓ Salary float process remains unchanged:
 - Existing positions:
 - University retains 50% to partially absorb the recurring budget cuts
 - Units keep the remaining 50% of the funds
 - Partial positions below 50% will be potentially subject to 50%
 - New positions (i.e. funded through Strategic Initiative):
 - The University retains 100% of salary float

PERSONNEL

Salary Float Methodology

- ✓ The units will continue hiring for the position as if no money had been retained

- ✓ Once the position is filled
 - The University will reinstate the pro-rated funds originally budgeted in the fiscal year and,

 - Fully reinstate the following fiscal year

PERSONNEL

Salary Float Methodology

- ✓ Amount to be retained at University level
 - Calculated at beginning of FY09-10 and removed from departments
 - Adjustments will be made each month to account for
 - New hires (budget is released) and terminations (budget is removed from department)
 - Detailed monthly reports will be provided to EABM's
 - Showing float calculations and adjustments by position

PERSONNEL

Salary Float Methodology

- ✓ Vacant positions not budgeted will be moved to a central pool and communicated to HR
 - Justification and approval will be required for
 - Reinstatement of position and for recruitment to be initiated

PERSONNEL

Payout Process

- ✓ Budget funds will be allocated in the University Reserve for Employee Separation Expenses
- ✓ HR will provide OFP a list of departments impacted on a quarterly basis
- ✓ OFP will transfer one time budget funds from the University Reserve to the departments

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TIMELINE

Key Budget Dates

•Operations Committee approve Revenue Projections, Tuition & Fees, Core Infrastructure Investments, Strategic Initiative Funding including Projected Faculty Funding & Additional Unit Budget Reductions for FY 2009-10 thru FY 2012-13	Feb 2
•Budget Workshops	Feb 23 - 27
•Legislative Session Begins	March 3
• Last Day for EABM to submit FY 2008-09 Forecast to OFP	March 13
•BOT Meetings	Mar 30 - 31
•House/Senate Higher Ed. Appropriations Bills Final (estimate)	March 24 - 28
• EABM and VPs present budget and three year reduction plans to CFO	Mar 30 – Apr 3
• Last Day for EABM to submit FY 2009-10 Budget Plan to OFP	April 10
• OFP Consolidates University Wide FY 2009-10 Budget	April 13 – 17
•Legislative Conference Committee Finalizes Recommendation (estimate)	April 24 – 26
•Legislative Session Ends	May 1
•Operations Committee – Budget Presentation	May 11
•BOT Meeting- Budget Workshop	May 18
•Governor Approves/Vetoes Budget (estimate)	Late May/Early June
•BOT Meetings	Jun 11 - 12
•Final FY 2009-10 Budget communicated to the University Community	June 15
•New FY 2009-10 Budget available in PeopleSoft	July 1

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BUDGET DEVELOPMENT

- ✓ Tools:
 - Comprehensive Budget Manuals
 - Online Budget Development Tool

- ✓ Process:
 - Monthly Budgeting of Line Items
 - By department ID

- ✓ Training:
 - Training Workshops by Executive Area

ON-LINE BUDGET TOOL

Forecast

Salaries

- ✓ **July 1, 2008- January 30, 2009**
 - Based on Actual Ledger Online Budget Development Tool

- ✓ **February 1, 2009- June 30, 2009**
 - Based on Position file
 - Projected out on an accrual accounting basis (filled positions only)

Other Direct Expenses

- ✓ **July 1, 2008- January 31, 2009**
 - Based on Actual Ledger

- ✓ **February 1, 2009- June 30, 2009**
 - Departments projections entered into the system (not populated)

ON-LINE BUDGET TOOL

Requested Budget

Salaries

- ✓ **July 1, 2009- June 30, 2010**
 - Based on Position file with filled and budgeted unfilled positions projected out on an accrual accounting basis

Other Direct Expenses

- ✓ **July 1, 2009- June 30, 2010**
 - Departments projections entered into the system (not populated)

BUDGET WORKSHOPS

Budget Workshops			
Executive Area	Date	Time	Place
Academic Affairs – All Funds	Monday, February 23, 2009	2:00PM - 5:00PM	Marc Pavilion
Academic Affairs – All Funds	Tuesday, February 24, 2009	10:00AM - 1:00PM	Marc 115 Case Room
Student Affairs – All Funds	Tuesday, February 24, 2009	2:00PM - 5:00PM	Marc 115 Case Room
All Other Areas – All Funds	Wednesday, February 25, 2009	10:00AM - 1:00PM	Marc 115 Pavilion
Academic Affairs – All Funds	Wednesday, February 25, 2009	2:00PM - 5:00PM	Marc 115 Pavilion
BBC – All Funds	Thursday, February 26, 2009	10:00AM - 1:00PM	WUC 155
Student Affairs – All Funds	Friday, February 27, 2009	10:00AM - 1:00PM	Marc 115 Case Room
Open Lab – All Funds	Friday, February 27, 2009	2:00PM - 5:00PM	GL 263

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NEXT STEPS

- ✓ Sign up today for Budget Workshop
 - Finance Managers register for the training sessions
<http://peopleware.net/2898>

- ✓ Visit the OFP website:
<http://finance.fiu.edu/ofp/index.html>
 - Budget Manuals
 - Utility, Duplicating, Telecommunication, Facility Services and Vehicle Rates
 - Updates to Budget Process, Budget Tool Issues and Resolutions

CONTACTS

Executive Area	Executive Area		Office of Financial		Funds
	Budget Manager		Planning		
Academic Affairs	Mirta Alberto	0166	Diane Lee-Singh	0255	Sponsored Research
	Francisco Valines	2333	Janet Medina	1399	Financial Aid
	Tonja Moore	2168	Anneyra Espinosa	1138	E&G
			Jeff Krablin	2106	Auxiliary
Business & Finance	Danielle Miller	0487	Marco Benitez	7827	E&G
Office of President	Melissa Pozo	2111	Marco Benitez	7827	E&G
Human Resources	Florel Fraser-Campbell	2466	Diane Lee-Singh	0255	E&G
Governmental Relations	Ana Herrera	3432	Marco Benitez	7827	E&G
General Counsel	Marcia Rodriguez	2103	Marco Benitez	7827	E&G

CONTACTS

Executive Area	Executive Area Budget Manager		Office of Financial Planning		Funds
Student Affairs	Matilde Gramling	2952	Anneyra Espinosa Jeff Krablin	1138 2106	E&G / SGA Auxiliary
Advancement & Community Relations	Yolande Flores	8317	Marco Benitez Jeff Krablin	7827 2106	E&G Auxiliary
UTS	Candace Reese	2811	Marco Benitez Jeff Krablin	7827 2106	E&G Auxiliary
Facility Operations	Ed Brozic	4008	Marco Benitez Jeff Krablin	7827 2106	E&G Auxiliary
Athletics	Alexander Duque	2398	Jeff Krablin	2106	Athletics