

**The Florida International University**  
**Finance & Audit Committee**  
**Meeting**



**November 15, 2007**

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**Finance & Audit Committee**  
**Meeting**



**2007-08 Q1 Variance Analysis**  
**November 15, 2007**

## AGENDA



- **Overall Results – First Quarter 2007-08**
  
- **Highlights:**
  - *E&G Revenue Shortfall*
  - *E&G Expenditure Savings: Personnel*
  - *Student Scholarships: Increases in Volume*
  - *Other Key Variances*

# UNIVERSITY WIDE BUDGET SUMMARY

Year To Date - Sept. 30,2007

(\$ in millions)

	Budget	Current Year Actual	Variance	
			\$	%
<b>Revenues</b>				
E&G	\$102.6	\$101.4 <sup>1</sup>	(\$1.1)	-1%
Auxiliary Enterprises	41.8	41.5	(0.3)	-1%
Sponsored Research	23.5	21.5	(2.0)	-8%
Student Scholarships	25.9	31.2	5.2	20%
Concessions	0.1	0.1	(0.0)	-6%
Intercollegiate Athletics	6.2	6.3	0.1	2%
Activities and Service	4.8	4.5	(0.3)	-6%
FIU Foundation Inc	7.5	9.4	1.9	25%
FIU Research Foundation	0.0	0.5	0.5	100%
Interfund Adjustments	(6.2)	(6.2)	0.0	0%
<b>Total University Budgeted Revenues</b>	<b>\$206.1</b>	<b>\$210.3</b>	<b>\$4.1</b>	<b>2%</b>
<b>Expenses</b>				
E&G	\$80.7	\$72.7	(\$7.9)	-10%
Auxiliary Enterprises	25.3	22.9	(2.3)	-9%
Sponsored Research	22.4	22.6	0.2	1%
Student Scholarships	29.1	30.2	1.1	4%
Concessions	0.1	0.1	(0.0)	-16%
Intercollegiate Athletics	5.4	5.9	0.6	10%
Activities and Service	6.6	6.2	(0.4)	-6%
FIU Foundation Inc	5.6	5.2	(0.4)	-7%
FIU Research Foundation	0.1	0.6	0.5	721%
Interfund Adjustments	(6.2)	(6.2)	0.0	0%
<b>Total University Budgeted Expenses</b>	<b>\$168.9</b>	<b>\$160.3</b>	<b>(\$8.6)</b>	<b>-5%</b>
Principal Payment of debt	0.8	0.8	(0.0)	0%
<b>Change in Net Assets</b>	<b>\$36.4</b>	<b>\$49.2</b>	<b>\$12.8</b>	<b>35%</b>

# E&G BUDGET SUMMARY

Year To Date - Sept. 30,2007

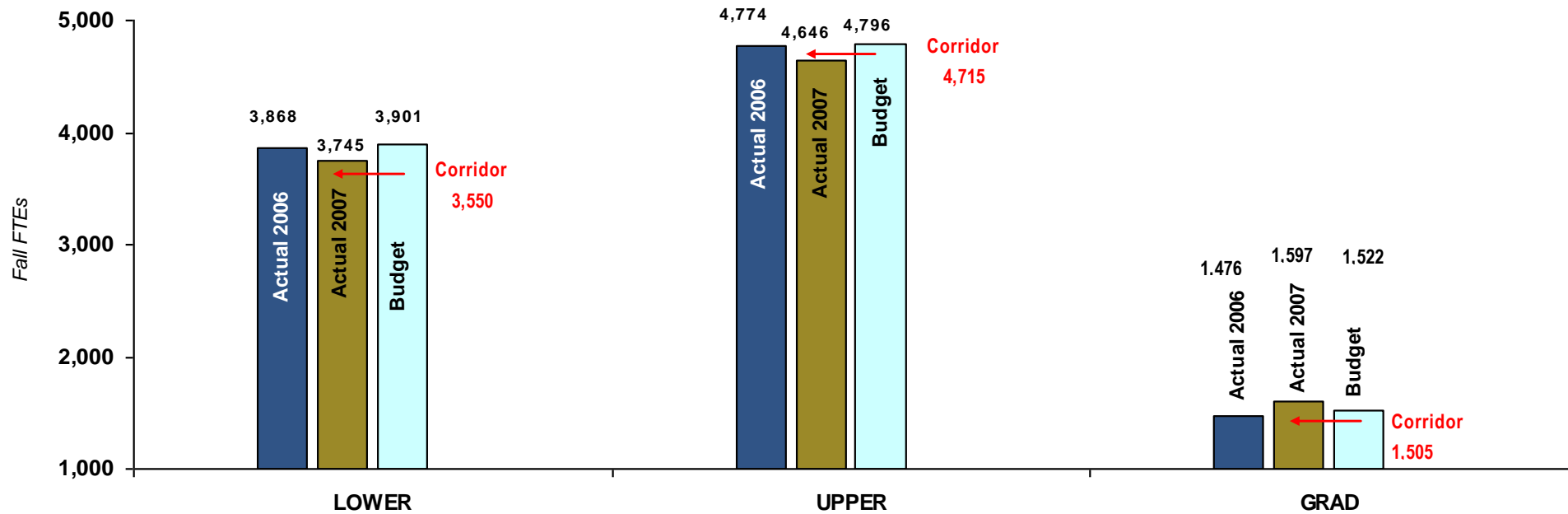
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# FTE PERFORMANCE

## 2007 Fall Term

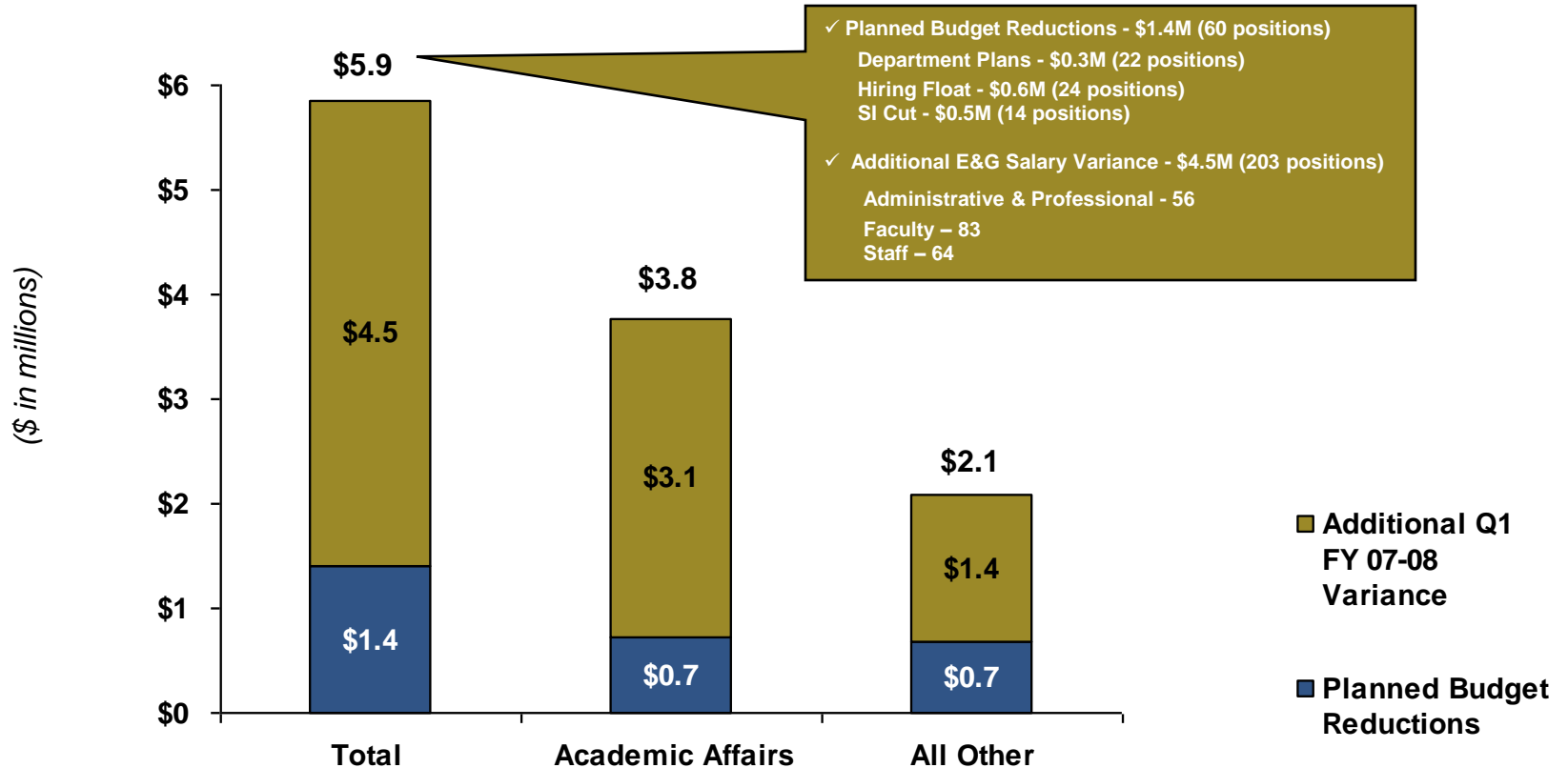
Fall enrollment 231 FTEs lower than budgeted,  
resulting in nearly \$1M lower revenue\*



\* As of November 6, 2007, the FTE shortfall is 147, with growth in Lower, Upper, and Grad of 36, 29 and 19 respectively

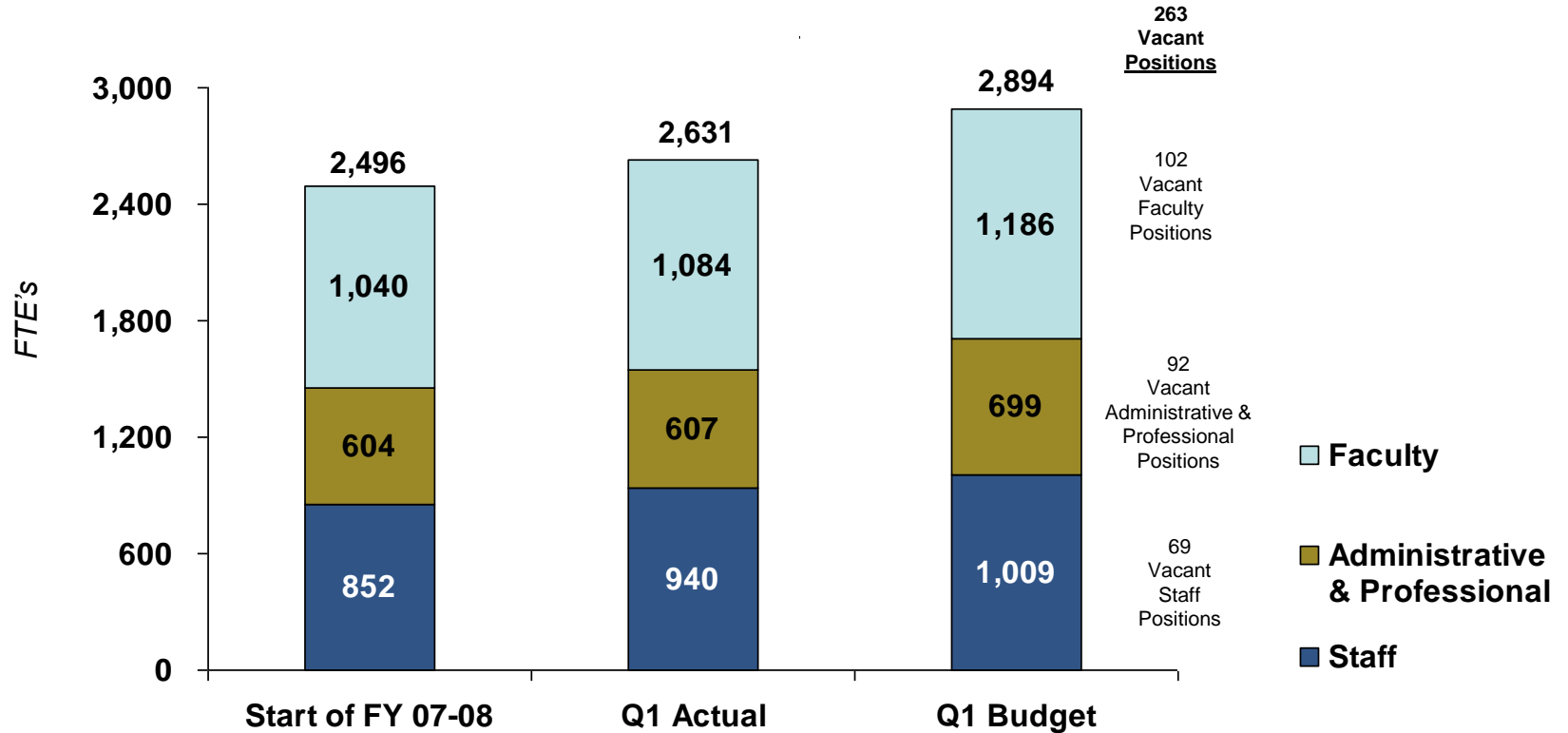
# E & G EXPENDITURES Performance Highlights

Salaries & Benefits account for 75% of Variance



# E&G EXPENDITURES Performance Highlights

## Savings Driven by 263 Vacant Positions



# STUDENT SCHOLARSHIPS BUDGET SUMMARY

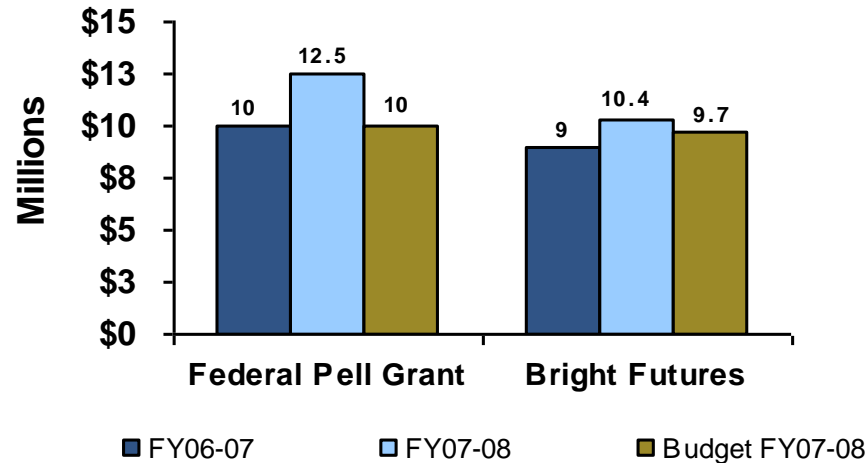
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# STUDENT SCHOLARSHIPS

## Performance Highlights

### Revenues

- ✓ Revenues from Student Scholarships increased by \$5.2M over budget primarily from Pell Grants and Bright Futures programs
- ✓ Federal draw downs more efficiently processed specifically in Pell Grants
- ✓ State Funded Programs positively impacted due to identification of additional eligible students

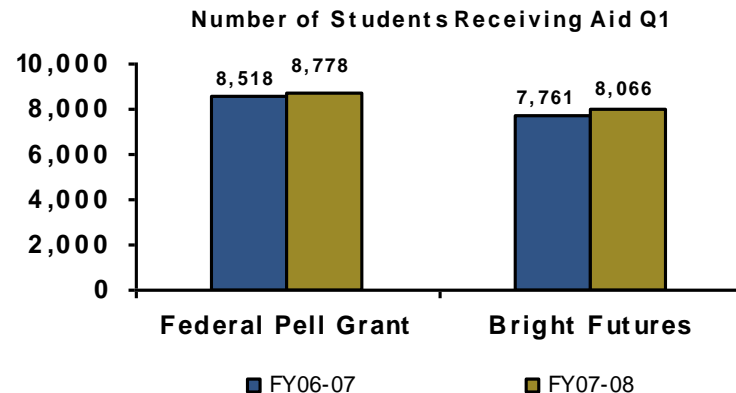
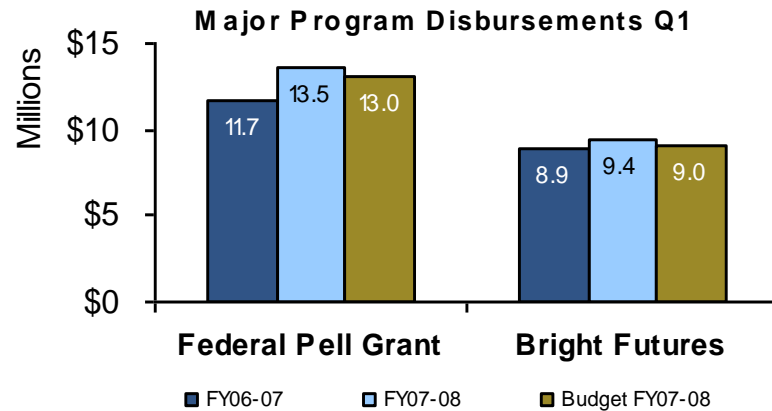


# STUDENT SCHOLARSHIPS

## Performance Highlights

### Expenses

- ✓ Disbursements increased by \$3.6M or 14% versus prior year's first quarter actual
- ✓ Federal Pell program increased maximum amount per student from \$4,050 in FY 06-07 to \$4,130 in FY 07-08
- ✓ Financial Aid identified and processed an increase in students eligible for Bright Future Scholarships, increasing by 4%



# OTHER KEY VARIANCES

## Performance Highlights

### Sponsored Research Revenues

- ✓ **The ADP payroll transition is requiring confirmation of Sponsored Research salaries by project therefore delaying the ability to bill**

### Foundation Revenues

- ✓ **\$1.9M more than expected Foundation revenue due to unanticipated gifts, higher than expected investment returns, and timing of rental income**

### Athletics Expenses

- ✓ **Scholarship timing variances amount to (\$0.5M)**

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**2007-08 Q1 Variance Analysis**  
**November 15, 2007**

# **BACK UP SLIDES**

# E&G REVENUES

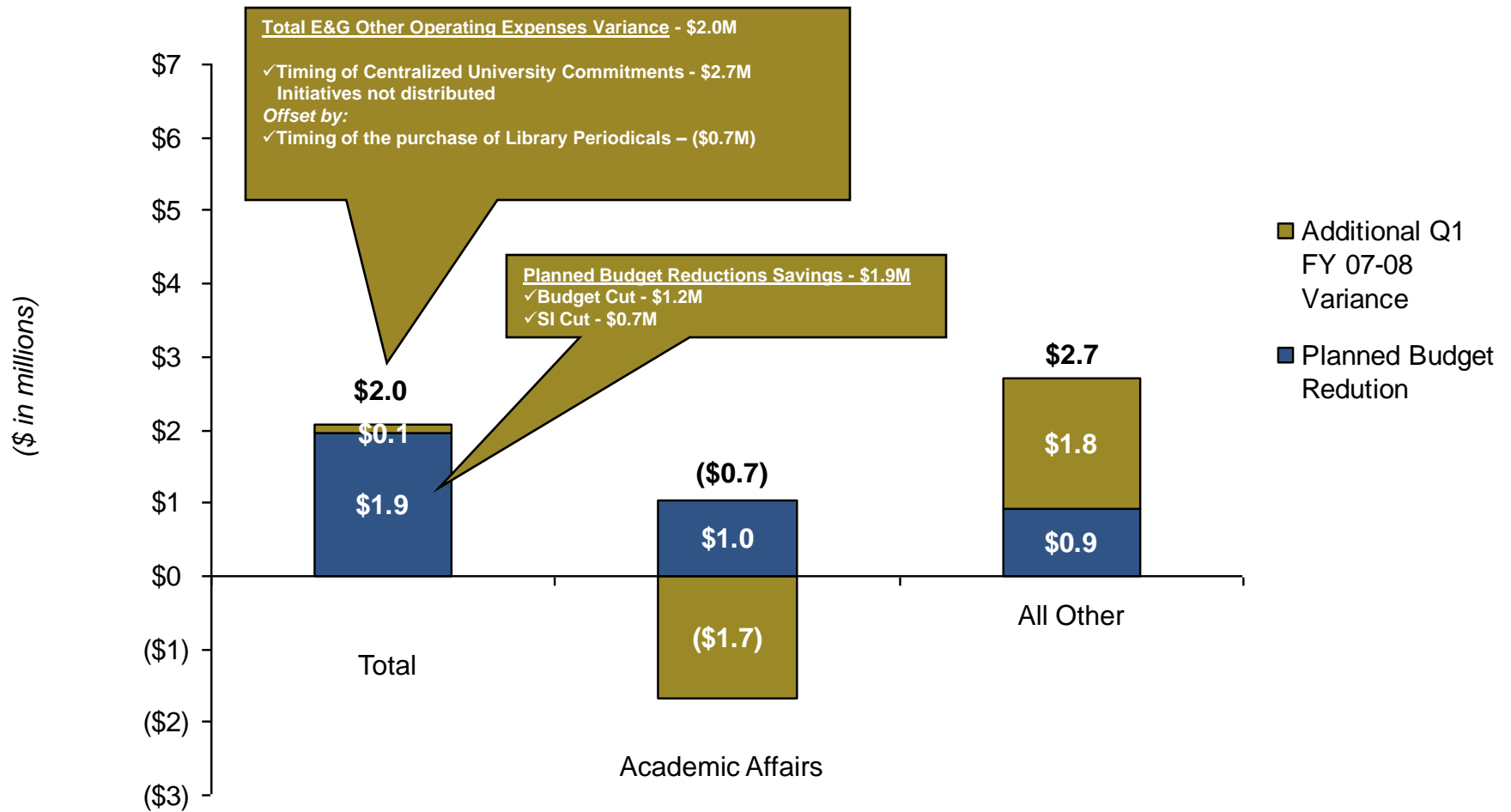
## Performance Highlights

\$1.1M negative revenue variance a result of several factors

- ✓ July revenue budget assumed Summer tuition revenue, which will not be reflected until the fourth quarter (\$3.0M)
- ✓ Fall 07 enrollment is lower than expected by 147 FTEs (\$0.9M) driven by undergraduate FTEs
- ✓ Incidental revenues \$0.1M higher than budgeted
- ✓ Fall 07 tuition waivers \$1.9M lower than expected
- ✓ First quarter budget included \$0.8M allowance for bad debt, which will be reflected at year end

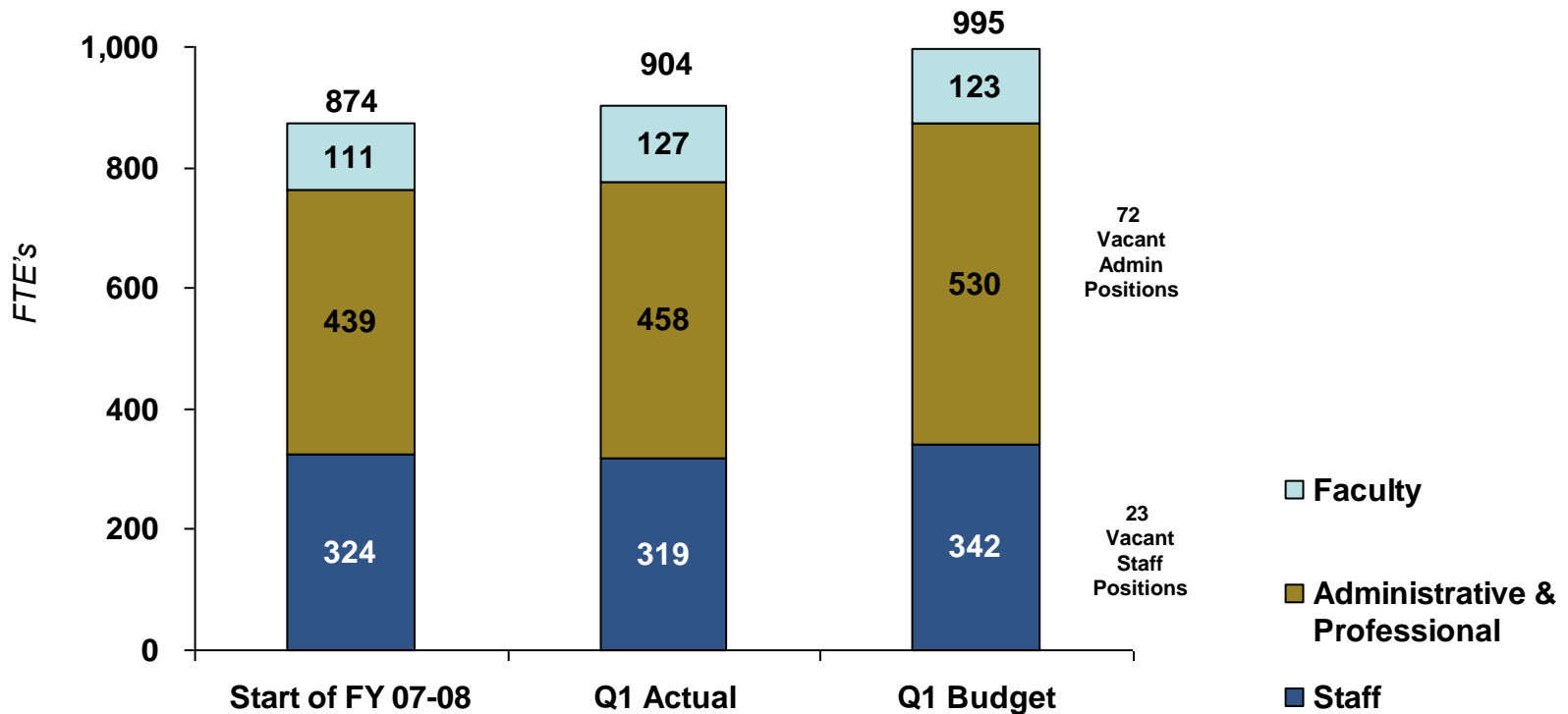
# E & G EXPENDITURES Performance Highlights

## Non-Salary Expenses Account for 25% of Variance



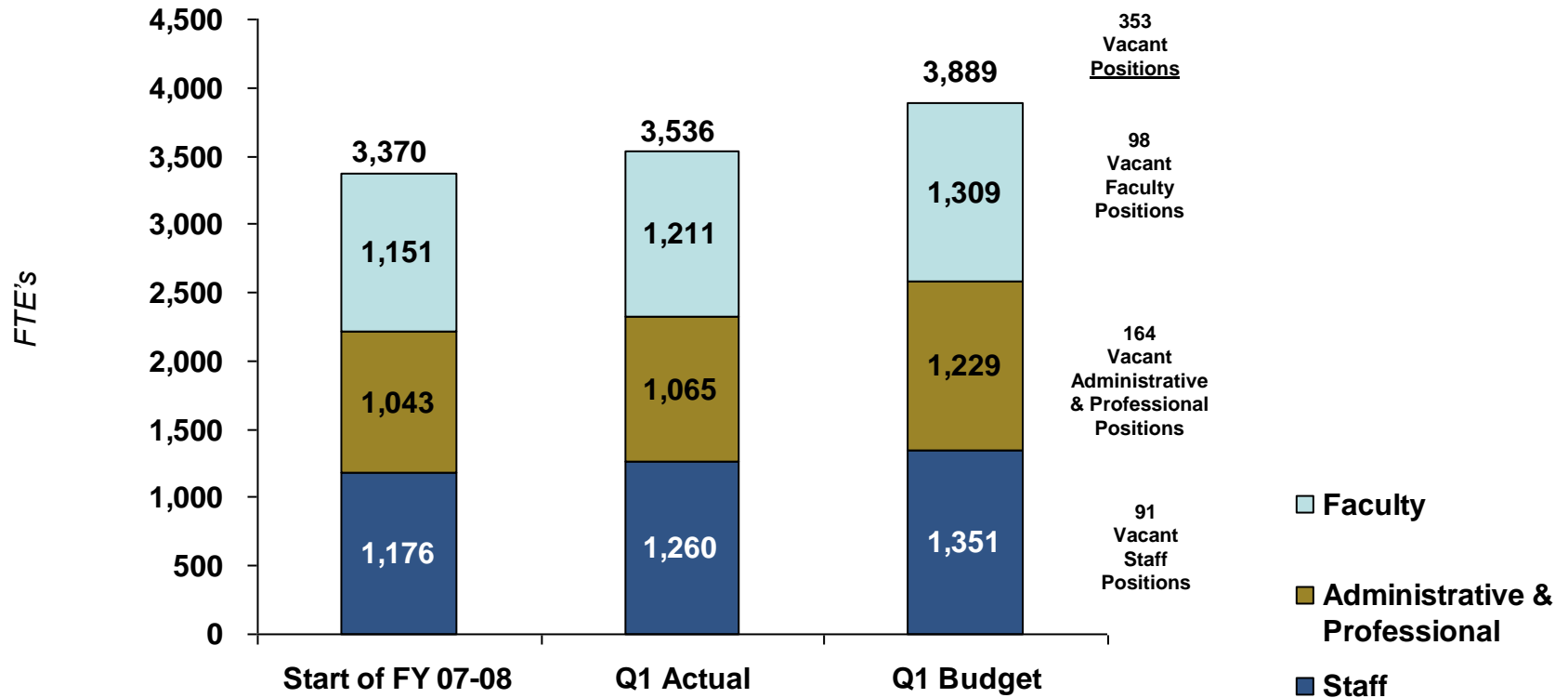
# NON E&G POSITION COMPARISON

## Savings Driven by 91 Vacant Positions



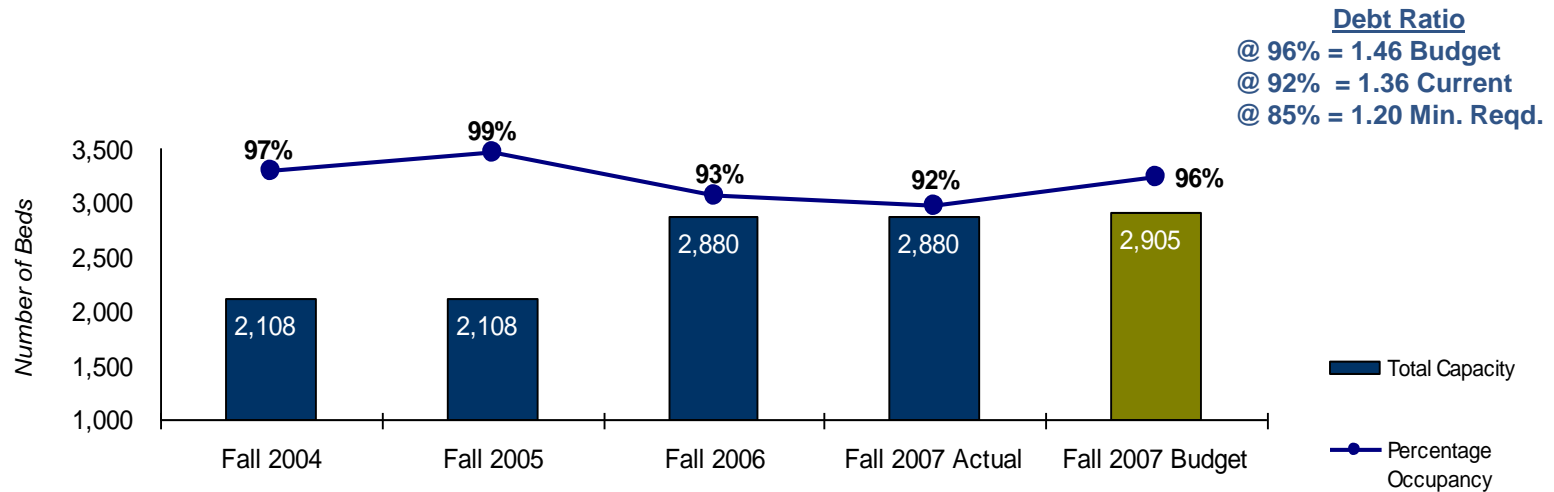
# UNIVERSITY-WIDE POSITION COMPARISON

## Savings Driven by 353 Vacant Positions



# AUXILIARY OPERATIONS HOUSING SYSTEM

Lower occupancy rates in Panther Hall and Bay Vista impact total Housing System



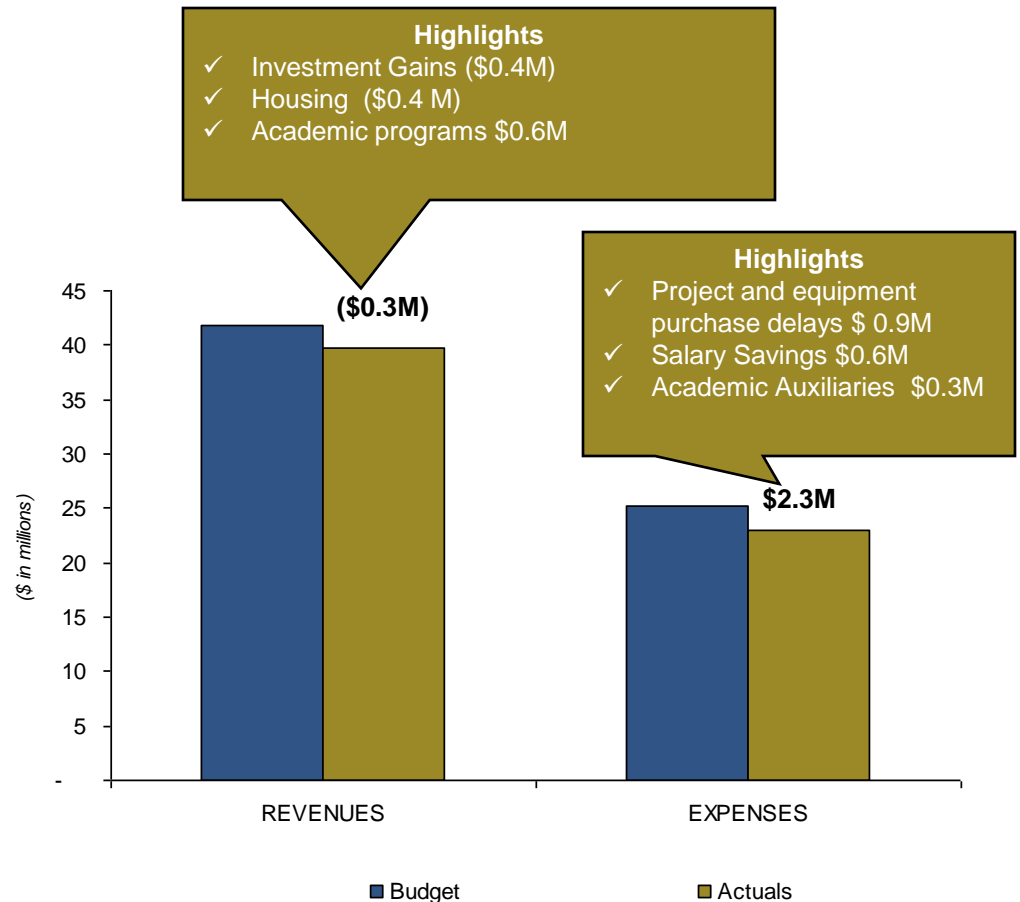
*Non-recurring projects excluded from Debt Ratio Calculation*

*Minimum occupancy needed for Spring Semester is 79%*

# AUXILIARY PERFORMANCE Q1

## Auxiliary variances driven by Investment Gains, Academic Programs and Housing

- ✓ Housing occupancy budgeted at 96% vs. actual at 92%
- ✓ Increased number of students generate \$0.6M additional revenue in Academic Affairs programs
- ✓ Salary Savings of \$0.6M from 70 unfilled positions



# TREASURY OPERATIONS

