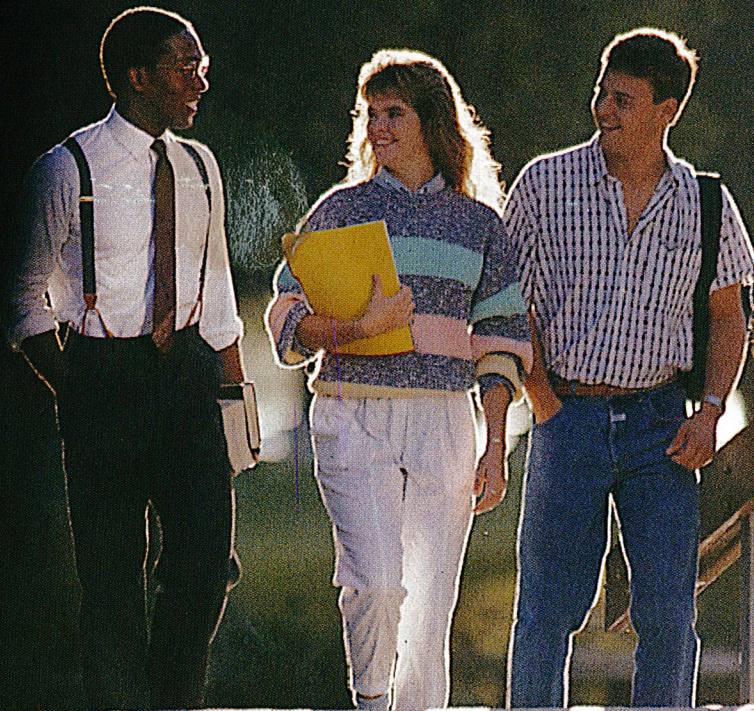


# **Florida International University**

## **Annual Financial Report For The Fiscal Year 1991-92**



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Dr. Modesto A. Maidique, President  
Florida International University  
University Park Campus  
Miami, Florida 33199

Dear President Maidique:

We are pleased to submit the annual Financial Report of Florida International University for the fiscal year ending June 30, 1992. The financial statements presented in this report have been prepared in accordance with generally accepted accounting principles, as delineated in the National Association of College and University Business Officers' publication College and University Business Administration.

The records used to prepare these financial statements have been audited by the State Auditor General prior to being provided to the Board of Regents for consolidation with the other universities in the State University System. The consolidated statements will be presented in the State-wide General Purpose Financial Statements issued by the State Comptroller's Office. The state-wide statements will be the subject of an opinion by the Florida Auditor General.

Sincerely,

James C. Ketzle  
Controller

Leonardo Rodriguez  
Vice President, Business and Finance

## INTRODUCTION

### THE UNIVERSITY: 20TH ANNIVERSARY

**F**lorida International University, established by the State Legislature in 1965, opened its doors to students twenty years ago in the Fall Semester of 1972. Since then FIU has become a comprehensive, multi-campus institution offering an array of undergraduate, graduate and doctoral programs. With two main campuses located in opposite sides of Miami, Florida International University has a student body of over 23,000 students and offers in excess of 200 academic programs.

*The many accomplishments of the University during its first twenty years can best be highlighted by the U.S. News and World Report study listing FIU as one of the best comprehensive regional universities in the country for three years in a row.*

### STUDENT PROFILE

The University's location in a large cosmopolitan area characterized by the diversity of its population has attracted a student body rich in its mixture of people, languages and cultures. Approximately ten percent of the student body is from abroad and about fifty percent attend the University part time. A typical student at FIU is between the ages of 20 and 34, enrolled in an undergraduate program and most likely attending the University Park Campus. A large number of students are enrolled in evening classes. Student enrollment during the Fall semester 1992 by College/School is presented on this page.

### Student Enrollment

	Under-Graduate	Graduate	Total
Arts & Sciences	3339	417	3756
Business	2783	813	3596
Education	1495	754	2249
Engineering	1056	237	1293
Health	412	140	552
Hospitality Management	689	174	863
Journalism	498	27	525
Nursing	351	35	386
Public Affairs	731	468	1199
Special/Other	4338	3630	7968
<b>Total</b>	<b>15692</b>	<b>6695</b>	<b>22387</b>

### UNIVERSITY FACILITIES

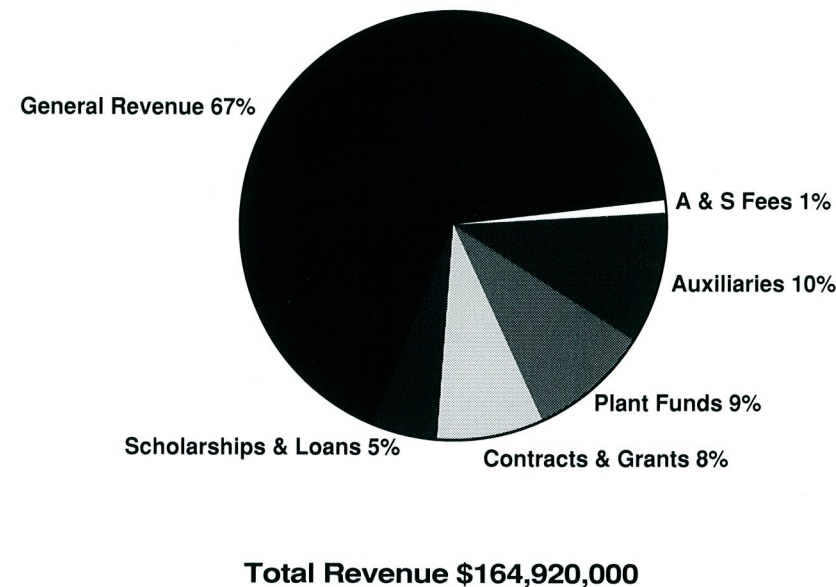
Florida International University has one of the most active construction programs in the State University System. At the University Park Campus eleven buildings have been erected during the past twenty years at a cost of \$79 million including a major library, a student union and conference center, an administration building, a 730 bed student housing complex and a number of academic buildings. The North Miami Campus has seven major buildings costing \$49 million. Facilities at this campus include an olympic size swimming pool, state of the art equipment for students in the Hospitality Management program, a library, a 550 bed student

housing complex and a number of academic buildings.

**New Construction:** During fiscal year 1991-92 two major buildings were completed at the University Park Campus. The College of Business building was inaugurated in the Spring 1992. The Student Health and Wellness building was built to accommodate a clinic and other health facilities for students. The cost of these buildings was \$5,700,000 and \$1,100,000 respectively.

**Renovations:** Extensive renovations and additions were made to the University House at a cost of \$10.3 million. This building is used primarily for student activities including a bookstore, a cafeteria, gamerooms, student lounges

## Sources of Revenue Fiscal Year 1991-92



and offices for members of the Student Government Association, and rooms to be used for conferences and other large group functions. The cafeteria was expanded and totally renovated more than doubling its sitting capacity and food preparation area. New eating facilities and ballrooms were added to the building. The building was re-named the Graham Center at the completion of the renovations.

## FINANCIAL HIGHLIGHTS

**State Appropriations:** The University is funded primarily from State appropriations allocated by the legislature to support the State University System. During 1991-92 \$111 million were appropriated for the support of the University's primary mission of instruction and public service.

**Student Fees:** Fees charged to the students for credit courses are based on a fee schedule approved by the Board of Regents annually. During the academic year 1991-92 the per credit hour fee was as follows:

	Resident	Non-Resident
Undergraduate	\$ 46.81	\$184.76
Graduate	84.43	286.84

Athletic and Health fees of \$10 and \$27, respectively, were assessed on a per student basis. A portion of the student fees was used to support the Student Government Association, athletics, financial aid and student health programs. During fiscal year 1991-92 the University collected \$35.7 million from student fees.

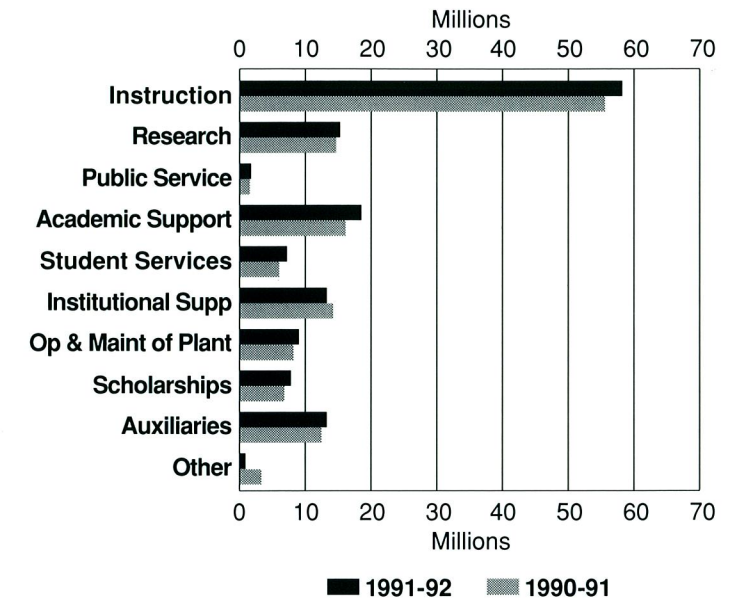
**Auxiliary Enterprises:** Auxiliary enterprises are self supported operations intended to provide services to students, faculty and staff. These services are essential to the educational program of

the University and include activities such as student housing, central stores, duplicating and food service. During the fiscal year 1991-92 revenues generated from these activities totaled \$16 million.

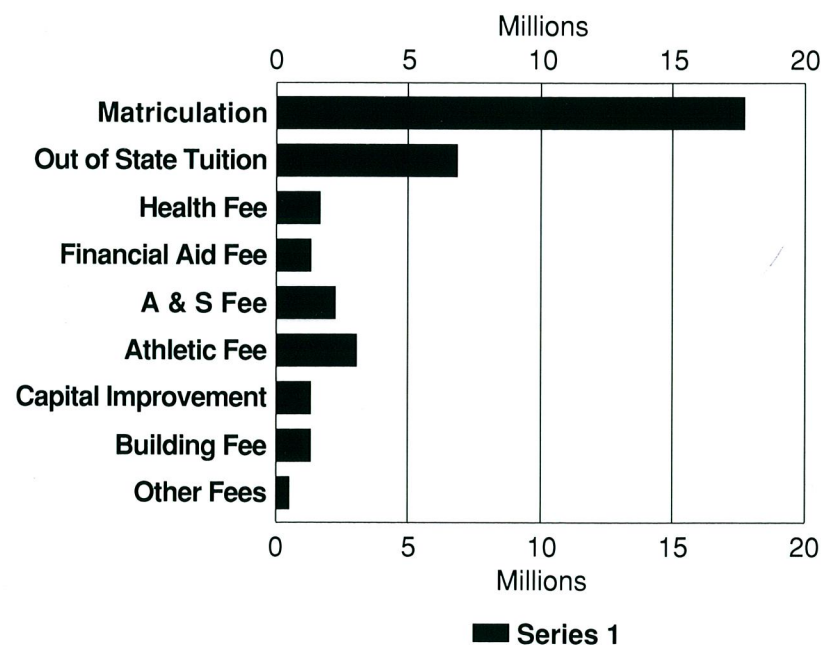
Expansions to auxiliary operations are currently under way to provide better service to students and the University community in general. A \$4.5 million project will renovate existing space and add 30,000 square feet to the Graham Center to house a new bookstore, credit union, fast food vendors, travel agency, post office and other service oriented operations. An expansion to the housing complex is in the development stages to add a 420 bed dormitory at the University Park Campus at a projected cost of \$12 million. Planning for a multi level parking garage is also in the development stages to create 1,000 additional parking spaces. The estimated cost of this project is \$5 million.

**Contracts and Grants:** Florida International University is striving to become one of the major research universities in the country. To that end, the sponsored research program has become a very integral part of this institution. During fiscal year 1991-92 revenues received from state, federal and private sources to support sponsored programs totaled \$13.7 million. Major agencies granting funds to the University included the Agency for International Development (AID), the Natural Science Foundation and the National Institute of Health. During the fiscal year 460 proposals were submitted to granting agencies for consideration. Forty six percent (211) of the proposals were accepted for a total award of \$15.7 million.

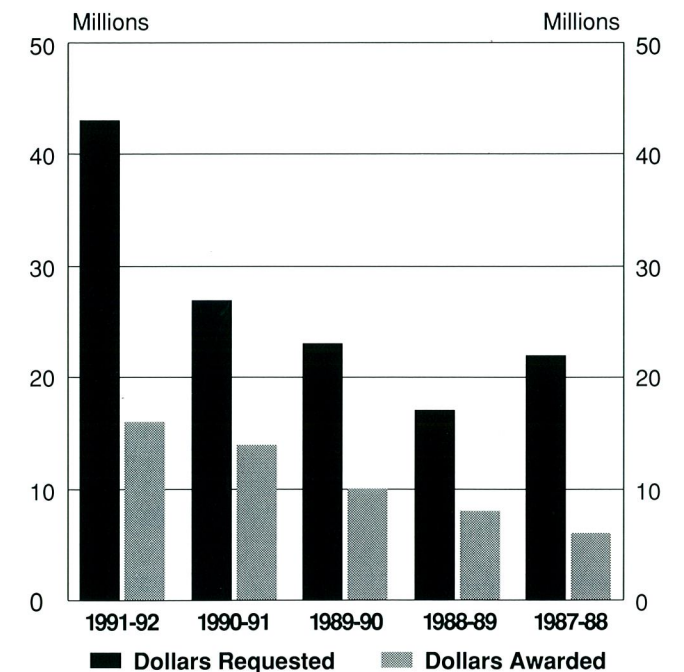
## Current Funds Expenditures by Category of Expenditure



## Student Fee Collections



## Analysis of Proposals



BALANCE SHEETS

June 30, 1992 with Comparative Totals

	CURRENT FUNDS		Loan Fund	Endowment Fund
	Unrestricted	Restricted		
ASSETS				
Cash	\$7,209,829	(\$652,246)	\$134,882	
Deposits				
Investments	\$9,876,210	\$3,143,482	\$699,633	\$50,180
Net Receivables	\$447,953	\$3,076,672	\$2,914,861	\$166
Inventories	\$618,245			
Due From Other Funds	\$777,975	\$150,000		
Due From Other State Agencies	\$4,778,147			
Amount to be Provided				
Deferred Charges	\$165,547			
Land & Land Improvements				
Buildings				
Equipment				
Library Books				
Leased Property				
Construction-in-Progress				
Total Assets	\$23,873,906	\$5,717,908	\$3,749,376	\$50,346
LIABILITIES				
Accounts Payable	\$1,275,262	\$450,765		
Accrued Liabilities	\$2,466,390	\$337,151		
Due to Other Funds	\$280,000			\$346
Due to Other State Agencies	\$100,000			
Due to Depositors	\$186,045			
Compensated Absences Liability	\$8,761,794			
Long Term Debt				
Total Liabilities	\$13,069,491	\$787,916	\$0	\$346
FUND BALANCE				
Reserve for Encumbrances	\$1,697,220	\$1,021,615		
Unallocated Fund Balance	(\$597,624)			
Allocated Fund Balance	\$9,704,819	\$3,908,377	\$978,242	\$50,000
Refundable Government Grants			\$2,771,134	
Investment in Plant				
Total Fund Balance	\$10,804,415	\$4,929,992	\$3,749,376	\$50,000
Total Liabilities and Fund Balance	\$23,873,906	\$5,717,908	\$3,749,376	\$50,346

See accompanying summary of significant accounting policies and notes to the financial statements.

PLANT FUNDS					
Unexpended	Retirement of Indebtedness	Investment in Plant	Agency Fund	Totals 1992	Totals 1991
			\$159,504	\$6,851,969	\$3,839,523
	\$606,727			\$606,727	\$601,637
\$25,153,000			\$612,753	\$14,382,258	\$11,685,149
			\$854,425	\$32,447,077	\$29,486,023
				\$618,245	\$358,688
\$10,611,824			\$130,000	\$1,057,975	\$1,682,959
				\$15,389,971	\$15,534,424
				\$0	\$8,528,170
\$18,241		\$37,727		\$221,515	\$228,064
		\$21,948,065		\$21,948,065	\$20,587,374
		\$132,409,590		\$132,409,590	\$125,143,254
		\$36,018,572		\$36,018,572	\$32,872,808
		\$27,076,700		\$27,076,700	\$24,634,351
		\$10,410,186		\$10,410,186	\$10,606,554
		\$2,991,336		\$2,991,336	\$4,070,323
\$35,783,065	\$606,727	\$230,892,176	\$1,756,682	\$302,430,186	\$289,859,301
\$846,240	\$269		\$51,975	\$2,624,511	\$2,079,986
				\$2,803,541	\$2,036,271
			\$777,629	\$1,057,975	\$1,682,958
			\$63,076	\$163,076	\$183,914
			\$864,002	\$1,050,047	\$1,237,564
				\$8,761,794	\$8,528,170
\$4,931,761		\$27,820,330		\$32,752,091	\$33,486,420
\$5,778,001	\$269	\$27,820,330	\$1,756,682	\$49,213,035	\$49,235,283
\$4,203,809				\$6,922,644	\$7,687,991
				(\$597,624)	\$7,840,752
\$25,801,255	\$606,458			\$41,049,151	\$32,951,000
				\$2,771,134	\$2,553,945
		\$203,071,846		\$203,071,846	\$189,590,330
\$30,005,064	\$606,458	\$203,071,846	\$0	\$253,217,151	\$240,624,018
\$35,783,065	\$606,727	\$230,892,176	\$1,756,682	\$302,430,186	\$289,859,301

# STATEMENT OF CHANGES IN FUND BALANCES

For Year Ended June 30, 1992 with Comparative Totals for 1991.

	CURRENT FUNDS		Loan Fund	Endowment Fund
	Unrestricted	Restricted		
REVENUES AND OTHER ADDITIONS				
Unrestricted Current Fund Revenues	\$114,639,539			
Auxiliary Enterprises Revenue	\$16,000,011			
State Appropriations - Restricted		\$136,292		
Governmental Grants and Contracts - Restricted		\$4,196,432		
Priv Gifts, Grants & Contracts - Restricted		\$2,396,044		
Federal Grants and Contracts - Restricted		\$12,529,378		
Investment Income - Restricted		\$221,805	\$25,306	\$3,081
Interest on Loans Receivable			\$150,835	
Resources Received From Univ/Bor	\$602,173			
Acquisition of Plant Facilities				
Retirement of Indebtedness				
Other Revenue and Additions			\$16,547	
TOTAL	\$131,241,723	\$19,479,951	\$192,688	\$3,081

## EXPENDITURES AND OTHER DEDUCTIONS:

Educational and General Expenditures	\$113,770,534	\$19,370,759		
Auxiliary Enterprises	\$13,470,203			
Refunded to Grantors			\$21,000	
Loan Cancellations & Rec Write-Offs			(\$201,356)	
Administrative and Collections Cost			\$196,741	
Resources Remitted to Bor/Univ	\$799,732			
Expended for Plant Facilities				
Disposal of Plant Facilities				
Other Expenditures & Deductions				
<b>TOTAL</b>	<b>\$128,040,469</b>	<b>\$19,370,759</b>	<b>\$16,385</b>	<b>\$0</b>

## TRANSFERS-ADDITIONS (DEDUCTIONS)

Interfund Transfers	(\$549,876)	\$113,703	\$241,123	(\$3,081)
<b>Net Increase (decrease)</b>	<b>\$2,651,378</b>	<b>\$222,895</b>	<b>\$417,426</b>	<b>\$0</b>
Fund Balance at Begining of Year	\$16,681,206	\$4,707,096	\$3,331,950	\$50,000
Fund Balance Adjustments	(\$8,528,170)			
<b>Fund Balance at End of Year</b>	<b>\$10,804,414</b>	<b>\$4,929,991</b>	<b>\$3,749,376</b>	<b>\$50,000</b>

	PLANT FUNDS			Totals 1992	Totals 1991
	Unexpended	Retirement of Indebtedness	Investment in Plant		
				\$114,639,539	\$115,909,370
				\$16,000,011	\$13,147,359
\$12,573,244				\$12,709,536	\$15,923,004
				\$4,196,432	\$13,234,700
\$1,360,000				\$3,756,044	\$3,233,209
				\$12,529,378	
		\$20,018		\$270,210	\$301,989
				\$150,835	\$71,017
				\$602,173	
			\$14,866,864	\$14,866,864	\$33,358,023
			\$470,044	\$470,044	\$388,843
		\$50,000		\$66,546	\$212,515
<b>\$13,933,244</b>	<b>\$70,018</b>	<b>\$15,336,908</b>		<b>\$180,257,612</b>	<b>\$195,780,029</b>

				\$133,141,289	\$128,402,947
				\$13,470,203	\$12,789,827
				\$21,000	\$105,754
				(\$201,356)	\$22,486
				\$196,741	\$83,940
				\$799,732	
\$9,853,308				\$9,853,308	\$10,948,616
			\$1,340,339	\$1,340,339	\$1,472,190
			\$515,055	\$515,055	\$16,099,537
<b>\$9,853,308</b>	<b>\$0</b>	<b>\$1,855,394</b>		<b>\$159,136,311</b>	<b>\$169,925,297</b>

\$198,131			\$0	\$0
<b>\$4,278,067</b>	<b>\$70,018</b>	<b>\$13,481,514</b>	<b>\$21,121,301</b>	<b>\$25,854,732</b>
\$25,726,997	\$536,440	\$189,590,331	\$240,624,020	\$214,769,288
			(\$8,528,170)	
<b>\$30,005,064</b>	<b>\$606,458</b>	<b>\$203,071,845</b>	<b>\$253,217,151</b>	<b>\$240,624,020</b>

# STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES

For the Fiscal Year Ended June 30, 1992 with Comparative Totals for 1991

	Current Funds		Total	Total Prior Year
	Unrestricted	Restricted		
REVENUES:				
Educational & General:				
Student Tuition and Fees	\$28,436,942		\$28,436,942	\$25,818,720
Governmental Appropriations - State	\$85,285,664	\$136,292	\$85,421,956	\$86,977,702
Grants, Contracts, and Gifts - Govt	\$15,455	\$5,512,183	\$5,527,638	\$12,623,430
Federal Contracts and Grants		\$11,312,299	\$11,312,299	
Grants, Contracts and Gifts - Private		\$2,397,985	\$2,397,985	\$2,557,759
Other Resources:				
Investment Income	\$104,276		\$104,276	\$140,225
Other	\$797,202	\$12,000	\$809,202	\$3,227,228
Total Educational & General Revenues	\$114,639,539	\$19,370,759	\$134,010,298	\$131,345,064
Auxiliary Enterprises:				
Sales & Services - Operations	\$11,066,421		\$11,066,421	\$8,683,201
Student Fees	\$4,406,045		\$4,406,045	\$3,970,856
Investment Income	\$527,545		\$527,545	\$493,302
Total Auxiliary Income	\$16,000,011	\$0	\$16,000,011	\$13,147,359
Total Current Revenues	\$130,639,550	\$19,370,759	\$150,010,309	\$144,492,423
EXPENDITURES:				
Educational & General:				
Instruction	\$55,481,685	\$3,110,345	\$58,592,030	\$55,411,137
Research	\$5,829,431	\$8,928,439	\$14,757,870	\$14,446,877
Public Service	\$987,924	\$737,701	\$1,725,625	\$1,615,071
Academic Support	\$18,581,183	\$110,802	\$18,691,985	\$16,295,601
Student Services	\$7,458,585	\$303,441	\$7,762,026	\$7,056,730
Institutional Support	\$13,353,339	\$168,614	\$13,521,953	\$14,267,843
Operations & Maintenance of Plant	\$9,589,751		\$9,589,751	\$9,494,307
Scholarships & Fellowships	\$2,488,636	\$6,011,417	\$8,500,053	\$7,440,256
Resources Remitted to the Board of Regents				\$2,375,126
Total Educational & General	\$113,770,534	\$19,370,759	\$133,141,293	\$128,402,948
Auxiliary Enterprises:				
Expenditures	\$13,470,203		\$13,470,203	\$12,789,826
Total Auxiliary Enterprises	\$13,470,203	\$0	\$13,470,203	\$12,789,826
Total Expenditures	\$127,240,737	\$19,370,759	\$146,611,496	\$141,192,774
Other Transfers & Additions/(Deductions)				
Excess of Restricted Receipts Over				
Transfers to Revenue		\$109,193	\$109,193	\$1,044,591
Interfund Trnasfers	(\$549,876)	\$113,702	(\$436,174)	(\$105,754)
Resources Received From Univ/BOR	\$602,173		\$602,173	(\$372,519)
Resources Remitted to Bor/Univ	(\$799,732)		(\$799,732)	(\$493,997)
Reversions - State Appropriations				
Total Other Transfers & Additions	(\$747,435)	\$222,895	(\$524,540)	\$72,321
Net Increase in Fund Balance	\$2,651,378	\$222,895	\$2,874,273	\$3,371,970
See accompanying summary of significant accounting policies and notes to the financial statements				

# NOTES TO THE FINANCIAL STATEMENTS

June 30, 1992

The significant accounting policies followed by Florida International University are described below to enhance the usefulness of the financial statements.

## A. Reporting Entity

Although the university is considered a separate entity for financial reporting purposes, it is a part of the State University System and accordingly is governed, regulated, and coordinated by the Department of Education, Board of Regents, subject to the general supervision of the State Board of Education. The President is responsible for the management of the university, but is under the general direction and control of the Chancellor of the State University System, who has ultimate responsibility for administering the policies prescribed by the Board of Regents.

The financial operations and financial position of the University's "direct support organization," as provided for in Section 240.299 Florida Statutes, and Board of Regents Rule 6C-9.011, are not included in the financial statements of the University. Summary financial data is included in the footnotes. This is a separate, not-for-profit corporation organized and operated exclusively to assist the university to achieve excellence by providing supplemental resources from private gifts and bequests, and valuable education support services. This organization is authorized to receive, hold, invest and administer property and to make expenditures to or for the benefit of the university. An annual post audit of the organization's financial statements is conducted by an independent certified public accountant. The annual report is submitted to the Auditor General and the Board of Regents for review. This not-for-profit corporation and its purpose is explained below:

Florida International University Foundation, Inc. is a nonprofit corporation and its purpose is to encourage, solicit, receive and administer gifts and requests of property and funds for the advancement of Florida International University.

## B. Basis of Accounting

The University's fiscal and accounting operations were essentially structured around the recommendations of the National Association of College and University Business Officers, constituting generally accepted accounting principles, as published under the title of COLLEGE AND UNIVERSITY BUSINESS ADMINISTRATION. Financial Statements were prepared in accordance with instructions provided by the Board of Regents.

Financial statements have been prepared on the accrual basis of accounting; however, depreciation of fixed assets is not recognized. The Reserve for Encumbrances portion of the Fund Balance is a representation of purchase commitments for which the merchandise or services have not been received. Notes receivable from students are reported in the Loan Fund at net value.

The Statement of Current Funds Revenues, Expenditures and Other Changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts provided are accounted for as: (1) expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization, interest, and equipment renewal and replacement; and (3) as transfers of a non-mandatory nature for all other cases.

Physical plant and equipment are recorded at cost at the date of acquisition or at appraised value at the date received in the case of gifts or purchases from the State Division of Surplus Property. Some items of equipment purchased from the Division of Surplus Property have title restrictions.

## C. Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the University, the financial records and accounts are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with the activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by one of the following fund groups.

**1. Current Funds** - This fund group includes those economic resources of the university which are expendable for operational purposes in performing the primary objectives of the university. Resources restricted by donors or other outside agencies for specific current operating purposes are reported as Restricted Current Funds.

NOTES TO THE FINANCIAL STATEMENTS

**2. Loan Funds** - This fund group consists of loans to students and of resources available for such purposes. The terms of the loan agreements usually specify that the money operate on a revolving basis, i.e., repayment of principal and interest are loaned to eligible students.

**3. Endowment Funds** - These are funds with respect to which the donors or outside agencies have stipulated, as a condition of the gift, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income which may either be expended or added to principal.

Quasi-endowment funds (funds functioning as endowment) are funds which the governing board of an institution has determined are to be retained and invested. These quasi-endowment funds are usually set aside to fulfill the same purpose as endowment funds and therefore, are accounted for in the same manner as endowment funds.

**4. Plant Funds** - This fund represents four separate self-balancing fund subgroups for which separate accountability and reporting is required. These fund subgroups are as follows:

**(A) Unexpended Plant Funds** account for the unexpended resources received directly by the university from various sources to finance the acquisition of long-lived plant assets and the associated liabilities.

**(B) Renewal and Replacement Plant Funds** provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements to plant.

**(C) Retirement of Indebtedness Funds** account for the accumulation of resources received directly by the university for interest and principal payments and other debt service charges, including contributions for sinking funds relating to plant fund indebtedness.

**(D) Investment in Plant** includes all long-lasting assets in the service of the university except for the long-lasting assets held as investments in Endowment Funds, as well as all associated liabilities. This account includes all construction in progress.

**5. Agency Funds** - This fund group consists of funds held by the university as custodian or fiscal agent for others.

**D. Other Significant Accounting Policies** - Other significant accounting policies are set forth in the financial statements and notes thereto.

E. Notes to the Financial Statements

**1. Compensated Absences Liability** - Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave pursuant to Section 6C-5.305, Florida Administrative Code; and pursuant to bargaining agreements between the Board of Regents and the United Faculty of Florida. Leave earned is accrued to the credit of the employee and records are kept on each employee's unpaid (unused) leave balance. Statement on Financial Accounting Standards No. 43 requires that the university accrue a liability in the Unrestricted Current Fund for employees' right to receive compensation for future absences, whereas State appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the liability is expected to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipations of future appropriations. Consequently, the recording of the liability for compensated absences without the corresponding recognition of such future resources, results in the appearance of a reduced ability to meet current obligations. At June 30, 1992, the estimated liability for annual and sick leave is \$4,170,296.99 and 4,591,496.89 respectively. The university's Unrestricted Current Fund Balance of \$10,804,413.73 at June 30, 1992 would have been \$19,332,583.86 had such liability for compensated absences not been applied against it.

**2. Investments** - Investments were made through the State Treasury and the State Board of Administration in accordance with the provisions of Section 215.515 and 215.49, Florida Statutes. Investments consisted of the instruments listed in Section 18.10, Florida Statutes. The investments are recorded at cost; however, the difference between market value and the cost of investments is negligible.

**3. Inventories** - Inventories are recorded by the following method(s):

Inventory	Method
Central Stores	Average Cost
Duplicating Center	Last Invoice Price
Computer Stores	Last Invoice Price

NOTES TO THE FINANCIAL STATEMENTS

**4. Student Fees and Other Collections** - Incidental Trust Fund collections are remitted directly to the State Treasurer on behalf of the Board of Regents. Subsequently, these incidental collections are returned to the university by State appropriation. Pursuant to generally accepted accounting principles, the total of budgeted incidental revenues has been offset against total State appropriations reported for the Unrestricted Current Funds. The revenue categories of the actual collections and the budgeted requirement are as follows:

	Actual Collections	Budgeted Requirement	Excess (Deficit)
Student Tuition and Fees:			
Matriculation	\$17,969,244.27	\$16,980,988	\$ 988,256.27
Out of State	7,147,038.88	7,082,422	64,616.88
Application	290,852.60	227,429	63,423.60
Late Registration	145,238.63	141,598	3,640.63
Miscellaneous		1,234	(1,234.00)
Total	\$25,552,374.38	\$24,433,671	\$1,118,703.38
Research Overhead	\$ 27,980.00	\$ 27,980	0.00
Other Revenues:			
Library Fines	\$ 60,403.62	\$ 27,213	\$ 33,190.62
Miscellaneous	9,412.02	\$ 1,352	8,060.02
Total Other Revenues	\$ 69,815.64	\$ 28,565	\$ 41,250.64
Redistribution of PY Excess	\$ 602,173.00	\$ 602,173	\$ 0.00
Pro-Rate to Appropriations	\$	\$ 210,945	\$ (210,945.00)
Budget Amendment	\$	\$ 149,277	\$ (149,277.00)
Totals	\$26,252,343.02	\$25,452,611	\$ 799,732.02

In accordance with generally accepted accounting principles, student tuition and fee revenues and scholarships and fellowships expenditures reported in the Unrestricted Current Fund on the Statement of Current Funds Revenues, Expenditure and Other Changes have been adjusted to include the value of tuition and fee waivers. Fees waived are as follows:

Matriculation Fees	\$199,678.54
Out-of-State Fees	519,978.61
Total Fees Waived	\$719,657.15

The following student fees were assessed and retained by the university and reported as revenue in the appropriate fund:

Athletic Fee	\$2,780,209.65
Activity & Service Fee	2,019,327.49
Student Financial Aid Fee	1,217,440.84
Health Fee	1,787,897.24
Total	\$7,804,875.22

In addition to the above, the following student fees were assessed and collected and remitted directly to the State Treasurer on behalf of the Board of Regents. Accordingly these fees were recognized as revenue by the Board of Regents and not the university.

Fee	Beg Bal	Collected	Remitted	A/R Adj	Balance
Capital Improvement	\$43,063.69	\$1,218,439.87	\$1,218,141.29	(11,025.01)	32,337.26
Building Fee	40,850.56	1,158,400.66	1,158,116.21	(10,396.18)	30,738.83
Total	\$83,914.25	\$2,376,840.53	\$2,376,257.50	(21,421.19)	\$63,076.09

**5. Interdepartmental Auxiliary Sales** - Interdepartmental transactions of Auxiliary Service Departments and other Institutional Departments have been accounted for as reductions of expenditures and not revenues of the Auxiliary Service Departments.

**6. Functional Distribution of Expenditures** - The Educational and General expenditures on Exhibit C are determined by applying the primary PCS or activity code set forth by the Board of Regents to the total expenditures for each department.

NOTES TO THE FINANCIAL STATEMENTS

7. Allowance for Doubtful Receivables - The amount of allowance for doubtful accounts and notes receivable at June 30, 1992 is estimated to be \$998,986.78. This amount was determined from aging schedules based on type, age, collection experience of the University as well as other pertinent data. Delinquent notes receivables where the Federal "due diligence" requirements have been fulfilled and all "in house" efforts have been exhausted, are considered doubtful. The reserves consist of the following:

Fund Group	
Current Funds	\$173,070.68
Perkins and Nursing Loans	188,100.13
University Loans	91,419.70
Agency Funds	546,396.27
Total	\$998,986.78

8. Long-Term Debt - The university's long-term indebtedness is reported in the Investment in Plant Fund and Unexpended Plant Fund.

A summary of pertinent information related to the university's indebtedness resulting from the issuance of certificates and bonds is as follows:

Bond Issue	Amount of Issue	Total Retired	Amount Outstanding			Int Rate	Date of Mat
			Principal	Discount	Interest		
1986	\$ 5,861,010.00	\$575,072.27	\$ 5,211,557.90	\$ 74,379.83	\$ 2,758,436.98	6.7%	2007
1987	4,448,147.36	22,424.03	4,390,077.05	35,646.28	5,653,591.48	11.3	2013
1991	5,267,537.40	195,488.78	4,931,760.73	140,287.89	6,114,278.23	5.8	2016
Total	\$15,576,694.76	\$792,985.08	\$14,533,395.68	\$250,314.00	\$14,526,306.69		

A. Revenue Certificates and Bonds Outstanding

Principal and interest payment for these revenue certificates and bonds are as follows:

INVESTMENT IN PLANT FUND:

Year Ending	Principal	Interest	Total
1993	\$ 434,704.22	\$762,958.72	\$ 1,197,662.94
1994	478,377.92	733,365.18	1,211,743.10
1995	500,554.45	699,729.91	1,200,284.36
1996	556,900.46	663,591.85	1,220,492.31
1997	619,357.42	622,474.31	1,241,831.73
Later Years	7,121,766.59	4,929,908.49	\$12,051,675.08
Subtotal	\$ 9,711,661.06	\$8,412,028.46	\$18,123,689.52
Less:			
Bond Disc	\$ (110,026.11)	\$	\$ (110,026.11)
Total	\$ 9,601,634.95	\$8,412,028.46	\$18,013,663.41

UNEXPENDED PLANT FUND:

Year Ending	Principal	Interest	Total
1993	\$ 213,019.02	\$ 368,024.94	\$ 581,043.96
1994	230,549.26	355,669.84	586,219.10
1995	248,079.51	342,297.98	590,377.49
1996	160,959.51	327,909.37	488,868.88
1997	151,397.56	318,412.76	469,810.32
Later Years	4,068,043.76	\$ 4,401,963.34	\$ 8,470,007.10
Subtotal	\$ 5,072,048.62	\$ 6,114,278.23	\$11,186,326.85
Less:			
Bond Disc	\$ (140,287.89)	\$	\$ (140,287.89)
Total	\$ 4,931,760.73	\$ 6,114,278.23	\$11,046,038.96

TOTAL ALL FUNDS	\$14,533,395.68	\$14,526,306.69	\$29,059,702.37
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NOTES TO THE FINANCIAL STATEMENTS

B. Certificates of Participation

In 1986, the State Comptroller entered into a consolidated equipment financing program whereby tax-exempt certificates of participation were issued. The purpose of the program is to acquire equipment and refinance equipment previously purchased by the state at lower financing costs than would otherwise be obtained. As of June 30, 1992 the University did not have any outstanding commitments under the Consolidated Equipment Financing Program.

C. Installment Purchase Contracts and Capital Leases

The university has a number of capital leases providing for the acquisition of machinery and equipment. The following is a schedule of future minimum payments

Year Ending	Capital Leases
1993	\$ 1,143,460.00
1994	1,134,550.00
1995	1,090,000.00
1996	1,127,500.00
1997	1,165,000.00
Later Years	28,880,285.00
Total Minimum Lease Payments	\$34,540,795.00
Less Interest	\$24,277,099.95
Total Present Value	\$10,263,695.05

The University entered into a lease agreement with a company to build and provide student housing at the University Park Campus. The complex consists of three buildings and 286 apartment units. The lease agreement is for a period of 30 years, with the option available to the University to purchase the housing complex. The "base rent" for this capital lease consists of total annual payments of \$1,040,000 during the first five years. Periodic increments to the base rent are scheduled during later years.

Installment purchase leases for equipment contain one of the following options: a) after the initial lease term, the University can purchase the property at its fair market value at the time of purchase, or b) the University can renew the lease for a specified period of time.

In most cases University management expects that in the normal course of business, leases will be renewed or replaced by other leases.

D. Other Long-Term Debt

During the fiscal year 1990-91 the Dade County Educational Facilities Authority issued a bond series of \$8,025,000 on behalf of the University. Proceeds from the sale for the 1991 bonds were loaned to the University to finance the cost of acquiring dormitories located at the North Miami Campus. The bonds, dated February 1, 1991, were issued as fully registered bonds in the denomination of \$5,000 each. Interest will be payable semiannually on April 1 and October 1 of each year, commencing October 1, 1992. Pursuant to a loan agreement entered into between the University and the Authority, the University is responsible for the semi annual payment to the bond trustee to pay when due the interest, maturing principal and sinking fund installments and redemption premiums, if any, on the bonds. Payment of the 1991 bonds are secured by pledged revenues of the University which include the net operating income of the dormitories at the North Miami Campus and net available income derived from certain auxiliary operations. This liability was presented in the balance sheet for the prior year as Bonds Payable. In the balance sheet prepared by the University as of the fiscal year ending June 30, 1992 the liability is classified as Other Long Term Debt to better represent the nature of the debt. Principal and interest payment for this long term debt is as follows:

Year Ending	Principal	Interest	Total
1993	\$ 140,000	\$682,022.50	\$822,022.50
1994	145,000	679,147.50	824,147.50
1995	155,000	680,631.25	835,631.25
1996	165,000	681,307.50	846,307.50
1997	175,000	681,190.00	856,190.00
Later Years	7,175,000	13,434,002.50	20,609,002.50
Total	\$7,955,000	\$16,838,301.25	\$24,793,301.25

9. Operating Leases - The university has long-term commitments for assets leased under operating leases. These assets are not recorded on the balance sheet, and operating lease payments are recorded as expenditures or expenses of the related funds when paid or incurred. Future minimum lease commitments for non-cancelable operating leases as of June 30, 1992 were as follows:

Fiscal Year Ending	Land and Buildings
1993	\$90,000

NOTES TO THE FINANCIAL STATEMENTS

10. Prior Period Adjustments - Fund balance adjustments were made only when amounts were considered material, or if there was a change in accounting practices. Reference APB #9 and #20 and FASB-16. All other non-material adjustments were reported through current year operations. The following tabulation summarizes the prior period adjustments to fund balances:

Fund Group	Explanation	Amount
Current	During fiscal year 1991-92 the	\$8,528,170.13
Unrestricted	University changed its method of accounting for compensated absences. Refer to Note 1 for an explanation of the change.	

11. Construction Commitments - The major construction commitments of the university for those projects for which the estimated cost is \$1 million or more at fiscal year end are as follows:

Project Number	Project Name	Total Est Cost At Yr End	Amount Expended At Yr End	Amount Unspent At Yr End
BR858	Engineering Bldg	\$12,619,000	\$12,619,000	\$ 0
BR861	Physical Science Bldg	16,322,440	14,456,205	1,866,235
BR866	U.H Remodeling	10,512,285	10,131,539	380,746
BR874	Trade Ctr Conversion	3,000,000	2,951,591	48,409
BR875	Off Bldg & IFS/Bus	6,788,000	6,190,180	597,820
BR880	Student Health Svc	1,369,634	1,061,923	307,711
BR881	Library Addition	11,592,000	1,442,492	10,149,508
BR887	Art Complex	9,820,000	0	9,820,000
BR888	Joint Center	2,157,400	11,000	2,146,400
BR892	Nautilus Fitness Ctr	1,370,000	901	1,369,099
BR894	Stadium Complex	1,503,000	0	1,503,000
BR896	Student Ctr Addition	2,126,000	0	2,126,000
BR800	Hospitality Mgt	2,180,000	0	2,180,000
Total		\$81,359,759	\$48,864,831	\$32,494,928

12. Direct Support Organizations - Summary financial information from the audited financial statements of the FIU Foundation, Inc, the university's Direct Support Organization mentioned in the Summary of Significant Accounting Policies is shown below:

Fiscal Year Ending	Assets	Liabilities	Revenues	Expenditures
12-31-91	\$10,337,489	\$681,961	\$3,788,478	\$2,113,148

13. Insurance - Risk Exposure - In accordance with a program for central insurance purchases adopted by the Florida Cabinet in 1969, the Department of General Services has been granted authority to purchase insurance on behalf of all state agencies. This authority was granted with the enactment of Section 287.022, Florida Statutes. Other actions by the Legislature have resulted in the development of State self-insurance funds providing hazard insurance for property and casualty insurance for state employees workers' compensation, general liability, fleet automotive liability. The university participates in these programs. Property losses in excess of \$4 million are commercially insured up to \$300 million per loss event. Payments on tort claims are limited to \$100,000 per person and \$200,000 per occurrence as set by Section 768.28, Florida Statutes. Premiums are calculated on the cash needs of the program and are based on the amount of risk exposure for each state agency. There have been no significant reductions in insurance coverage from the prior year coverage. Settlements have not exceeded insurance coverage during the past three years.

14. Other Footnotes

A. Restrictions on Fund Balances for Unrestricted Funds

As discussed in Note 9, the University entered into an agreement with the Dade County Educational Facilities Authority to finance the cost of acquiring dormitories at the North Miami Campus. The terms of this agreement requires that the University maintain a minimum available balance of \$350,000 in the Auxiliary Trust Fund in the event that net operating income is not sufficient to meet the debt service on the bonds.

NOTES TO THE FINANCIAL STATEMENTS

B. Subsequent Events

After the end of the fiscal year, the University suffered damages from hurricane Andrew estimated at a cost ranging between \$5,900,000 and \$7,300,000. As discussed in Note 14, the University has sufficient insurance coverage to recover most of the cost associated with the storm. In addition, the University has filed a claim with the Federal Emergency Management Agency (FEMA) requesting assistance for costs not recovered from the insurance. Since the cost of damages and recoveries from the insurance agencies have not been established as of the date of preparation of this annual report, we can not determine the extent of actual loss to the University.

C. Cash Balance - Local Bank Account

The University maintains in local bank accounts monies received for financial aid, student activities, concessions, and other activities. In the accounting records, these monies are accounted for separately and reported in the various fund groups. At June 30, 1992 the Current Restricted Fund showed a deficit cash balance of \$824,088.30. The deficit cash balance reflected in the books was created as a result of accounts receivable primarily from Federal grants for financial aid in transit at the end of the fiscal year. In the aggregate the bank accounts had a cash balance of \$513,278.11 at June 30, 1992.

15. State Retirement Plans

A. Florida Retirement System

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature established the Florida Retirement System to provide a retirement and survivor benefit program for participating public employees. Most employees working in regularly established positions of the University are covered by the Florida Retirement System, a State-administered cost-sharing multiple-employer public employee defined benefit retirement plan. Participating employers include all State departments, counties, district school boards, and community colleges. Many municipalities and special districts have elected to be participating employers.

Generally, regular employees' retirement pension benefits vest after 10 years of service and members are eligible for normal retirement benefits at age 62 with 10 years of service or at any age after 30 years of service which may include up to 4 years of credit for military service.

Employers pay all contributions for regular class employees. The rate assessed against regular class employees was 16.51 percent from July 1, 1991, through June 30, 1992. The University's liability for any unfunded pension benefit obligation is limited to the payment of the required contribution at the rates established by law on future payrolls of the University.

The University's 1991-92 fiscal year payroll for all employees totaled \$104,057,875 including \$48,119,644 paid to employees who were members of the Florida Retirement System. Required contributions made to the Florida Retirement System in the 1991-92 fiscal year totaled \$8,196,542 including \$21,015 from employee contributions, which represents 17.03 and .2 percent, respectively, of covered payroll.

Additional information on the Florida Retirement System, including the ten-year historical trend information and the total unfunded pension benefit obligation is presented in the annual financial report of the Florida Retirement System.

During the 1991-92 fiscal year and as of June 30, 1992, the Florida Retirement System held no securities issued by the University.

B. Optional Retirement Program

Pursuant to Section 121.40, Florida Statutes, the Florida Legislature created an Optional Retirement Program for eligible State University System faculty and administrators. The program, which became effective July 1, 1984, was expanded in 1988 to include the State University System Executive Service. The program is designed to aid the University system in recruiting employees by offering more portability to those employees who are not expected to remain in the Florida Retirement System for 10 or more years.

The Optional Retirement Program is a defined contribution plan which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions are allowed to make an irrevocable election to participate in the Optional Retirement Program rather than the Florida Retirement System, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes on behalf of the participant the same percentage of the participant's salary as would have been contributed to the Florida Retirement System. A portion of the total contribution is transferred to the Florida Retirement System Trust Fund to help amortize the unfunded actuarial accrued liability of the Florida Retirement System, and an additional small amount remains in the Optional Retirement Program Trust Fund for program administrative costs. The remaining contribution is invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement. The participant may contribute by salary reduction an amount not to exceed the percentage contributed by the University to his annuity account. There were 440 University participants during the 1991-92 fiscal year.

# NOTES TO THE FINANCIAL STATEMENTS

Required contributions made to the Optional Retirement Program in the 1991-92 fiscal year totaled \$4,476,919 including \$821,817 from employee contributions, which represents 20.8 and 3.8 percent, respectively, of covered payroll, which totaled \$21,513,257.

During the fiscal year and as of June 30, 1992, the Optional Retirement Program held no securities issued by the University.

### 16. Other Postemployment Benefits

To assist retirees of all State-administered retirement systems in paying health insurance costs, the Florida Legislature established the Retiree Health Insurance Subsidy (HIS). During fiscal year 1991-92, the HIS program was funded by required contributions consisting of .48% assessed against the payroll for all active employees covered in State-administered retirement systems.

Eligible retirees, spouses, or financial dependents under any State-administered retirement system must provide proof of health insurance coverage which can include Medicare. During the fiscal year 1991-92, participants received an extra \$3 per month for each year of creditable service completed at the time of retirement. If contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

# STATE AND UNIVERSITY OFFICIALS

### State Board of Education

Lawton Chiles	Governor
Jim Smith	Secretary of State
Bob Butterworth	Attorney General
Gerald Lewis	Comptroller
Bob Crawford	Commissioner of Agriculture
Betty Castor	Commissioner of Education
Tom Gallagher	Insurance Commissioner

### Florida Board of Regents

J. Clint Brown	Chairman, Tampa
Alec P. Courtelis	Vice Chairman, Miami
DuBose, Ausley	Tallahassee
Betty Castor	Commissioner of Education
Robert A. Dressler	Fort Lauderdale
Charles B. Edwards, Sr.	Fort Myers
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Elizabeth G. Lindsay	Sarasota
Jon C. Moyle	West Palm Beach
Thomas F. Petway, III	Jacksonville
Carolyn K. Roberts	Ocala
Timothy M. Cerio	Student Regent (UF)
Charles B. Reed	Chancellor, State University System

### University Officials

Modesto A. Maidique	President
James A. Mau	Provost and Vice President, Academic Affairs
Richard J. Correnti	Vice President, Student Affairs
Paul D. Gallagher	Vice President, North Miami Campus, Budget & IRM
Michael P. Morgan	Vice President, University Relations and Development
Leonardo Rodriguez	Vice President, Business and Finance

### Business and Finance

James C. Ketzle	Controller
Andy Fornaguera	Associate Controller
Rosie Montequin	Assistant Controller
Gilda Ruiz	Assistant Controller



