

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
June 22, 2023**

SUBJECT: Florida International University – Amendment of Fixed Capital Outlay Budget

PROPOSED COMMITTEE ACTION

Approve the amendment to Florida International University’s FY22-23 Fixed Capital Outlay Budget, as described.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Sections 1011.45 and 1013.31, Florida Statutes.

BACKGROUND INFORMATION

On November 9, 2022, the Board approved Florida International University’s (FIU) Fixed Capital Outlay Budget for FY2022-23, attached for reference.

One of the projects, *Engineering Building Phase I*, was approved with an estimated total project cost of \$64.7M, which has since increased by \$9.2M (14%) to approximately \$73.9M due to labor/material cost escalation as well as design progression from advanced schematics to full construction documents. FIU anticipates funding the increase from unrestricted treasury auxiliary, as reflected in the chart below.

Funding Sources	Amounts
State Appropriation, FY17-18, General Revenue	\$ 10,000,000
State Appropriation, FY18-19, General Revenue	10,641,537
State Appropriation, FY18-19, PECO	10,000,000
State Appropriation, FY20-21, PECO	8,266,104
E&G Carryforward	4,300,000
Treasury Auxiliary *	14,802,784
Overhead Auxiliary *	6,697,216
Original Budget:	<u>\$ 64,707,641</u>
Budget increase, funding source:	
Treasury Auxiliary *	9,173,131
Revised Budget:	<u><u>\$ 73,880,772</u></u>

* Represents cumulative interest earnings on auxiliary enterprises.

** Represents university ‘overhead’ charges to auxiliary enterprises.

For projects that received State appropriation, Board Regulation 14.003 requires that

project budget increases over \$5 million must be approved by the Board of Trustees and Board of Governors. The FIU Board of Trustees (BOT) approved the amended FCO Budget on February 23, 2023.

The project's current design includes 'shell' space that will be built out at a later date at additional cost. At this early juncture, those costs are undetermined, but amendments will be brought back before the BOT and Board, as necessary pursuant to Regulation 14.003.

Supporting Documentation Included: Original FIU FY22-23 FCO Budget

Facilitators/Presenters: Kevin Pichard