THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
Finance and Facilities Committee
November 21, 2024

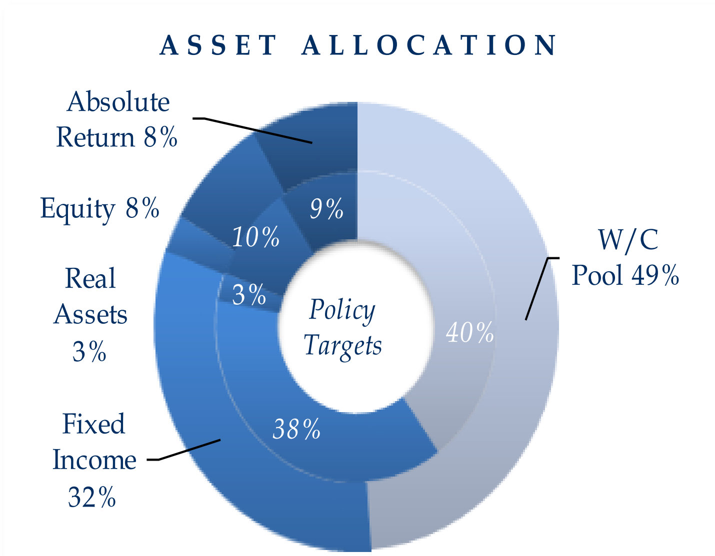
TREASURY REPORT *(For quarter ending September 30, 2024)*

Report *(For Information Only – no action required)*

OVERVIEW
The University's total liquidity position of $634.5 million was 3.9 times the University's debt position of $163.9 million at the end of FY 2025 1Q. Including direct support organization ("DSO") debt, the liquidity to total debt ratio was 3.5 times. These results are higher compared to the end of FY 2024 1Q, where the liquidity to University debt and the liquidity to total debt ratios were 3.3 times and 2.9 times, respectively. The improved liquidity to debt ratio was due to solid investment earnings, positive cash flows and the continuance of debt service payments.

INVESTMENTS
Composition
Asset allocations at the end of FY 2025 1Q remained within policy guidelines (See *Asset Allocation* chart for quarter end detail).

At the end of FY 2025 1Q, the market value of the University's operating funds portfolio and cash was $634.5 million. This balance reflects an increase of $87.4 million or 16.0 percent, from the previous quarter. The increase reflects the quarter-to-quarter positive increase in cash flows and investment earnings. The total portfolio market value was $70.8 million higher than the market value at the end of FY 2024 1Q. The increase was mostly due to solid investment returns and positive cash flows.

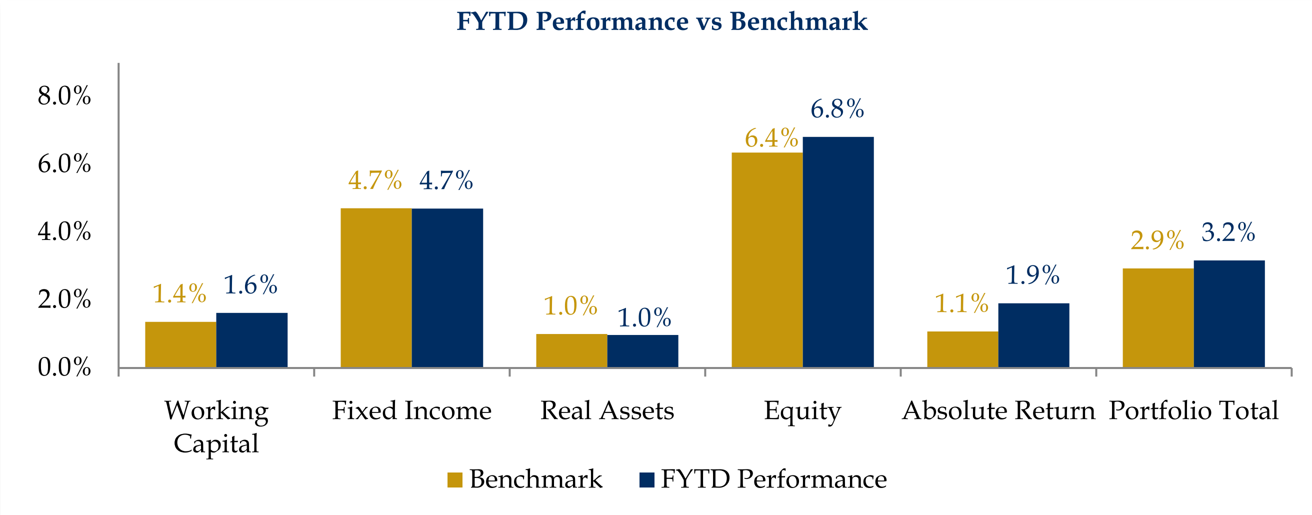


Forecast and Budget
Actual balances at the end of FY 2025 1Q were 15.6% percent higher than the rolling forecast, 13.2% percent higher than the budget, and 12.5% percent higher than prior year. For the next quarter, the University should experience a decrease in the cash and investment balances through the end of FY 2025 2Q due to the seasonal timing of cashflows.

Performance
FIU's operating portfolio continues to outperform the State Treasury investment pool ("SPIA"), returning 4.0 percent since inception versus the SPIA's 2.4 percent for the same period. At the end of FY 2025 1Q, the portfolio returned 3.2 percent. This compares favorably to a (0.3) percent negative return at the end of FY 2024 1Q. The Strategic Capital and Reserve Pools returned 4.4 percent while the Working Capital Pool gained

1.6 percent. Returns from the SPIA totaled 1.0 percent at the end of FY 2025 1Q (see *FY Performance vs. Benchmarks* chart for additional performance detail by asset class).

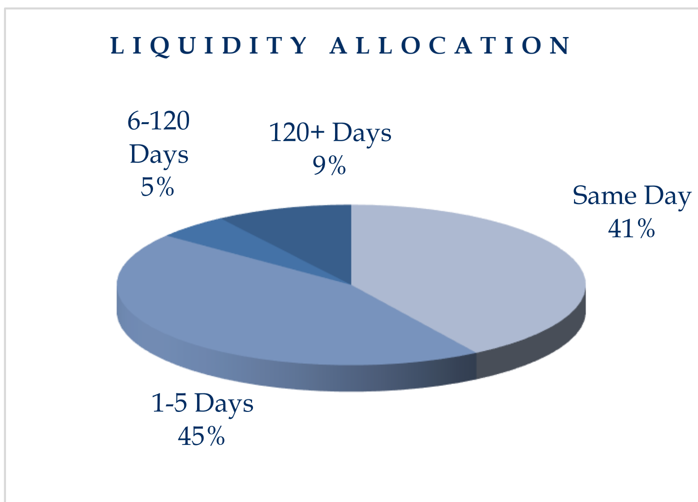
The Overall Portfolio was slightly higher than its aggregate benchmark due mostly to the equity and absolute return asset classes. The equity asset class outperformed its benchmark due to Small Cap Equities, which saw out performance in health and industrial sectors. The outperformance in absolute return was mostly due to Long/Short and Multi-Strategy Arbitrage strategies.



LIQUIDITY

Real Days Payable

At the end of FY 2025 1Q, $542.7 million, or 85.5 percent, of the liquidity position was accessible within 5 business days (see *Liquidity Allocation* chart for detail). At the end of FYTD 2025 1Q, the University had 98 real days payable[1] ("RDP") versus 85 RDP at the end of FYTD 2024 1Q.



Sources

The University started the fiscal year with $235.8 million in cash balances[2]. Total FYTD 2025 1Q inflows (state and operational) were $441.2 million as compared to $422.8 million for FYTD 2024 1Q. On average, $6.7 million flowed into the University each business day in FYTD 2025 1Q and $6.5 million in FYTD 2024 4Q. The higher inflows were mostly from Operations.

Uses

FYTD 2025 1Q, the University used $367.2 million as compared to $373.1 million in the same period last fiscal year. The FYTD 2025 1Q velocity cash outflow was $5.6 million per day and $5.7 million in FYTD 2024

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[1] Real Days Payable represents the available balance of liquid funds divided by the average cash outflows of the University. The calculation uses the available balance in the University's bank accounts plus the market value of investments that are accessible within five business days as its balance of liquid funds.

[2] Cash includes Working Capital Pool assets and cash balances in the concentration bank account.

1Q. The lower outflow was due to payroll. The University ended FY 2025 1Q with $309.8 million in cash balances.

Stress Tests/Performance Simulations

The University Office of the Treasurer ("Treasury") analyzes the effect of negative market performance on its liquidity position through both value-at-risk (VAR) analysis and Monte Carlo simulation analyses.

VAR analysis, completed quarterly, estimates the maximum potential loss during a specific time at a given level of confidence. VAR uses the historical behavior of each asset class over various time horizons (five years, ten years, full history). Our VAR analysis predicts that there is a five percent probability that the portfolio (as of the FYTD 2025 1Q ending balance) could have unrealized losses of up to $6.2 million and one percent probability of up to $20.5 million of unrealized losses within a twelve-month period.

The University conducts monthly performance simulations of the portfolio under various market scenarios. At the end of FY 2025 1Q, a 100 bps rise in the 10 year Treasury Bond rate would result in a $3.6 million, 0.6 percent unrealized gain. Liquidity, as measured by 5-day accessibility, would drop to 78.9 percent, or $506.4 million, of the total current available cash and investment balances. RDP would fall to 91 days based on current fiscal year outflows.

A 25 percent decline in the equity markets would result in a ($13.3) million (2.2) percent unrealized loss. Liquidity, as measured by 5-days accessibility, would decrease to $540.5 million or 88.9 percent of the total current available cash and investment balances. RDP would be 97 days based on fiscal year outflows in this stress scenario.

A scenario similar to the 2013 Federal Reserve "Taper Tantrum" would result in a ($9.1) million (1.5) percent unrealized loss. Liquidity, as measured by 5-day accessibility would drop to $473.8 million or 76.9 percent +of the total current available balances. RDP would drop to 85 days.

DEBT

Total Outstanding

The University and DSOs ended FY 2025 1Q with $183.3 million in outstanding debt versus $192.4 million at the end of FY 2024 1Q. The lower year over year outstanding debt was due to continued debt service payments. The weighted average interest rate for the University and DSO issuances was 3.9 percent which was flat to same period in the prior year.

Refunding

The University and the Athletics Finance Corporation (AFC) has refunded/modified all other eligible outstanding bond series. The refunding/modification are projected to save the University and AFC $32.2 million in interest expense over the term of the issuances. As of September 30, 2024, $11.9 million of interest savings have been realized from the refunding and modification activities. The University and AFC are expected to save $1.9 million in interest expense in Fiscal Year 2025 5and $8.3 million over the next 5 years.

AFC Loan Modification

The University anticipates that it will need to take remedial action and modify the AFC Stadium loan to remain compliant with Internal Revenue Service Post-Issuance Compliance Codes. This action is being taken because of the Pitbull Naming Rights Agreement.

Rating Agency Review

The University expects that it will have its annual rating agency review with S&P in August and Moody's in September. The rating agencies will review the Housing and Parking system bonds.

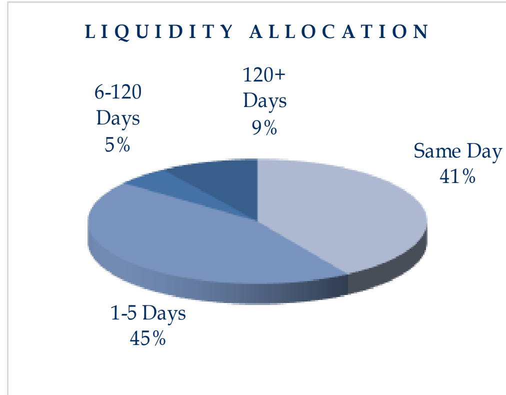
Period Ending September 30, 2024 (000's)

OVERVIEW

Liquidity/University Debt		**3.87**
Liquidity/Total Debt		**3.46**
Liquidity Position		
Cash + W/C Pool	$	309,808
Strategic + Reserve Pools		324,677
Total	**$**	**634,485**
Debt Position		
University Debt	$	163,935
DSO Debt		19,360
Total	**$**	**183,295**

LIQUIDITY

Availability		
Same Day	$	260,472
1-5 Days		282,247
6-120 Days		32,003
120+ Days		59,763
Total	**$**	**634,485**
Real Days Payable (<5 Days)		
MTD Outflows		**68**
QTD Outflows		**98**
YTD Outflows		**98**

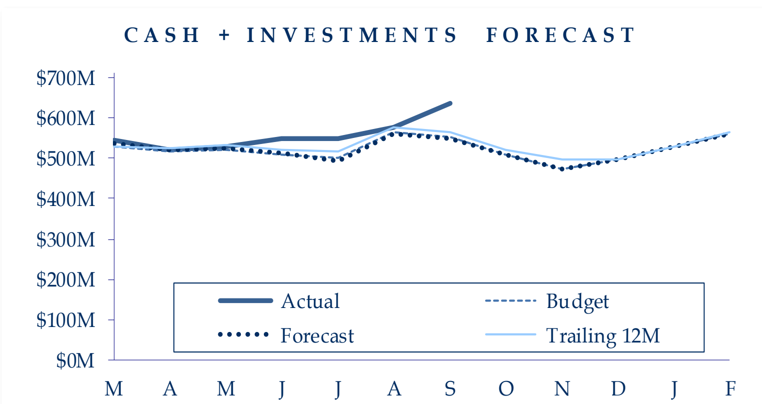


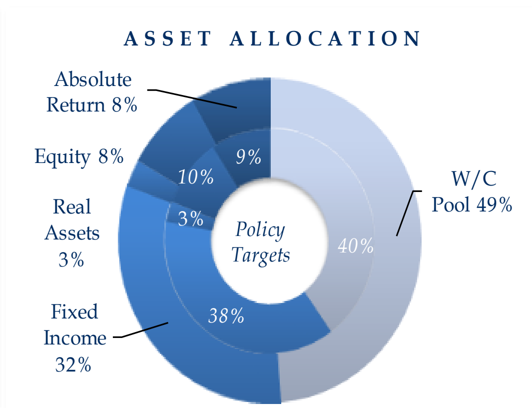
LIQUIDITY SOURCES AND USES

Sources		**MTD**		**QTD**		**YTD**
Opening W/C Pool Balance	$	216,550	$	192,628	$	192,628
Opening Cash Balance		38,863		43,124		43,124
From State		45,572		130,061		130,061
From Operations		168,222		311,177		311,177
Uses						
To Payroll	$	(60,939)	$	(172,353)	$	(172,353)
To Operations		(39,235)		(105,510)		(105,510)
To Students		(59,226)		(89,319)		(89,319)
Cash + W/C Pool	**$**	**309,808**	**$**	**309,808**	**$**	**309,808**

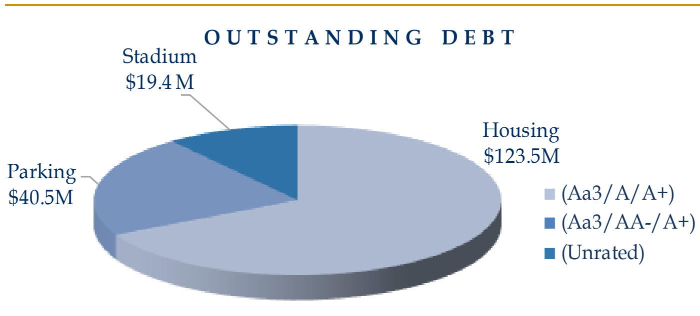
INVESTMENTS

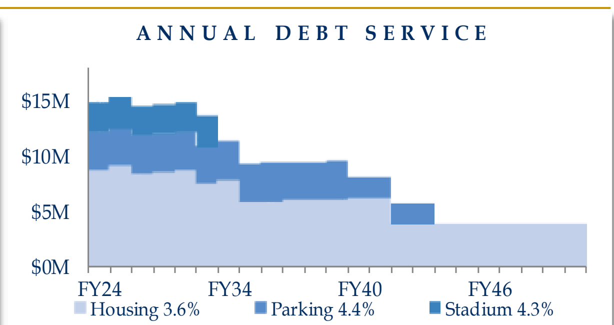
Cash + W/C Pool		**Balance**	**FYTD**	**Last 1Y**
W/C Pool	$	269,198	1.9%	2.0%
Cash		40,611	1.7%	1.7%
Strategic + Reserve Pools				
Fixed Income		201,321	0.8%	-4.9%
Real Assets		17,261	-7.9%	-12.7%
Equity		53,002	5.8%	-7.0%
Absolute Return		53,093	5.6%	2.4%
Total Portfolio	**$**	**634,485**	**2.1%**	**-1.6%**





DEBT





(Million's)

OPERATING FUNDS	MARKET VALUE[1]	BOOK VALUE	INCOME EARNED[2]
Working Capital[3]	**$309.8M**	**$270.7M**	**$3.0M**
Fixed Income	$201.3M	$193.5M	$1.3M
Equity	$53.0M	$33.8M	$0.1M
Real Assets	$17.3M	$18.6M	$0.0M
Absolute Return	$53.1M	$30.2M	$0.0M
Total Strategic/Reserve	**$324.7M**	**$276.1M**	**$1.4M**
Total Operating Funds	**$634.5M**	**$546.8M**	**$4.4M**

[1] Includes Dividend/Interest Receivable

[2] Investment Income Earnings - Dividends and Interest

[3] Includes Bank Cash

i) The total principal amount of variable rate debt to principal amount of total debt:

Florida International University and DSOs
As of June 30, 2024

Rate Type	Total Principal Amount	% of Total Debt
Variable	$0	0.0%
Synthetically Fixed[1]	$19,360,000	10.6%
Fixed[2]	$163,935,000	89.4%
Total	**$183,295,000**	**100.0%**

[1] Athletics Finance Corporation (Stadium) - Rate was is fixed by a swap agreement. The loan was restructured on November 1, 2024 to a fixed rate.

[2] Excludes accounting adjustments for bond discount/premium and Refunding of $17,531,663

ii) the amount of debt service accrued during the reporting period in relation to the pro-rata amount of annual budgeted debt service for the reporting period. If the amount of debt service which accrued during the reporting period exceeded the pro-rata amount of annual budgeted debt service for the period, the university shall explain what actions were taken to assure that there would be sufficient revenues and budget authority to make timely payments of debt service during the subsequent years

The Fiscal Year 2024 debt service budget was sufficient to meet debt service needs.

iii) the amount of variable rate debt in relation to the amount of the university's and/or DSO's short-term investments, and any other strategies used to hedge interest rate risk.

No Variable Rate Debt.