



February 13, 2025

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

OVERVIEW

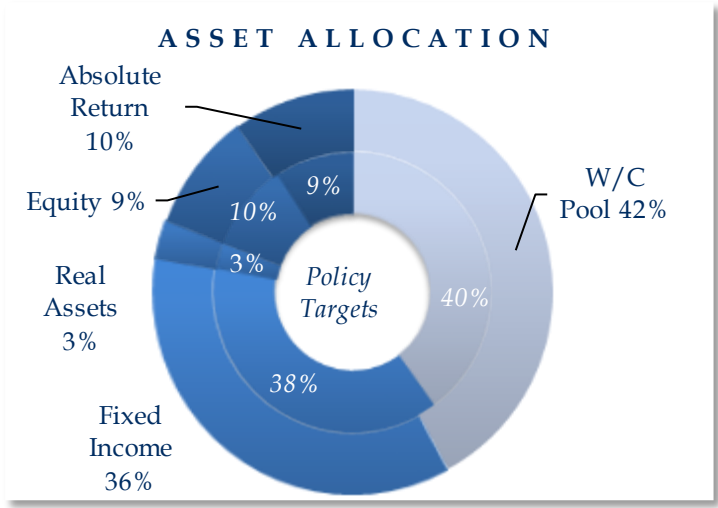
The University’s total liquidity position of \$550.8 million was 3.4 times the University’s debt position of \$163.9 million at the end of FY 2025 2Q. Including direct support organization (“DSO”) debt, the liquidity to total debt ratio was 3.0 times. These results are higher compared to the end of FY 2024 2Q, where the liquidity to University debt and the liquidity to total debt ratios were 2.9 times and 2.6 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 2Q remained within policy guidelines (See *Asset Allocation* chart for quarter end detail).

At the end of FY 2025 2Q, the market value of the University’s operating funds portfolio and cash was \$550.8 million. This balance reflects a decrease of -\$83.7 million or -13.2 percent, from the previous quarter. The decrease reflects the seasonal timing of tuition receipts. The total portfolio market value was \$53.2 million higher than the market value at the end of FY 2024 2Q. The increase was mostly due to positive cashflows and favorable investment returns.



Forecast and Budget

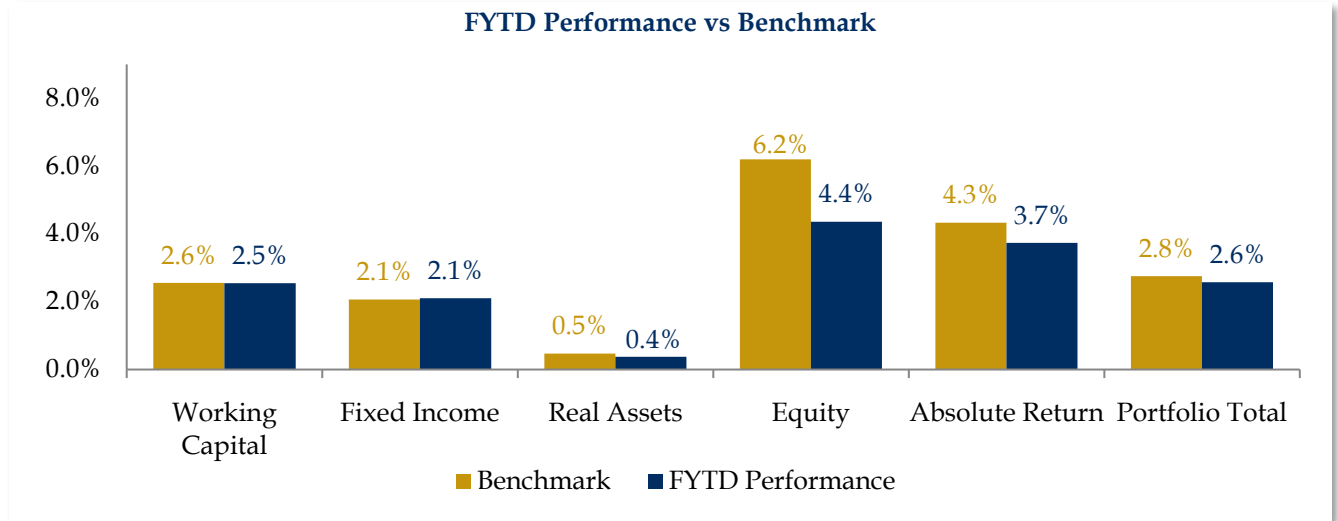
Actual balances at the end of FY 2025 2Q were 2.5 percent higher than the rolling forecast, 10.0 percent higher than the budget, and 10.7 percent higher than prior year. For the next quarter, the University should experience an increase in the cash and investment balances due to the Spring tuition receipts. The balances will gradually decline through the end of FY 2025 3Q.

Performance

FIU’s operating portfolio continues to outperform the State Treasury investment pool (“SPIA”), returning 4.0 percent since inception versus the SPIA’s 2.5 percent for the same period. At the end of FY 2025 2Q, the portfolio returned 2.6 percent. This compares to a 3.6 percent return at the end of FY 2024 2Q. The Strategic and Reserve Pools returned 2.6 percent while the Working Capital Pool gained 2.5 percent. Returns from

the SPIA totaled 2.0 percent at the end of FY 2025 2Q (see *FY Performance vs. Benchmarks* chart for additional performance detail by asset class).

The Overall Portfolio was in line with its aggregate benchmark. The Equity and Absolute Return asset classes underperformed their benchmarks. The underperformance in the Equity asset class was primarily due to the Private Markets Venture Capital sector.



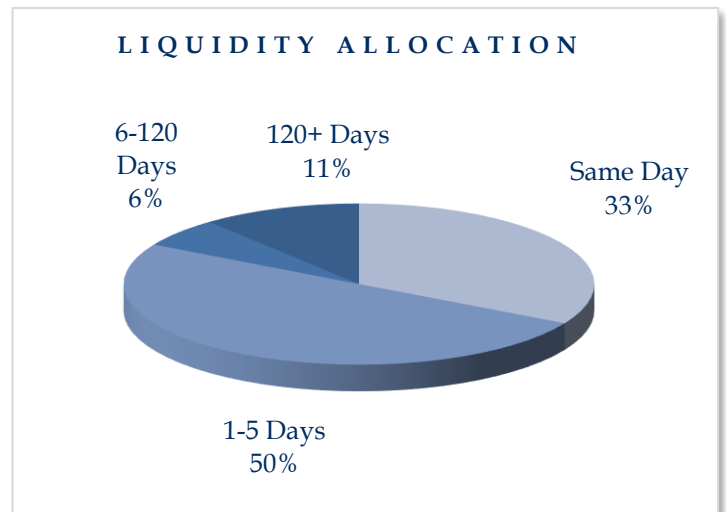
LIQUIDITY

Real Days Payable

At the end of FY 2025 2Q, \$458.0 million, or 83.2 percent, of the liquidity position was accessible within 5 business days (see *Liquidity Allocation* chart for detail). At the end of FYTD 2025 2Q, the University had 84 real days payable¹ (“RDP”) versus 77 RDP at the end of FYTD 2024 2Q.

Sources

The University started the fiscal year with \$235.8 million in cash balances². Total FYTD 2025 2Q inflows (state and operational) were \$717.9 million as compared to \$669.7 million for FYTD 2024 2Q. On average, \$5.4 million flowed into



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.

the University each business day in FYTD 2025 2Q and \$5.2 million in FYTD 2024 2Q. The higher inflows were mostly from Operations.

Uses

FYTD 2025 2Q, the University used \$722.1 million as compared to \$701.5 million in the same period last fiscal year. The FYTD 2025 2Q velocity cash outflow was \$5.5 million per day and \$5.2 million in FYTD 2024 2Q. The lower outflow was due to payroll. The University ended FY 2025 2Q with \$231.6 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 2Q ending balance) could have unrealized losses of up to \$7.9 million and one percent probability of up to \$21.9 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 2Q, a 100 bps rise in the 10 year Treasury Bond rate would result in a \$4.3 million, 0.8 percent unrealized gain. Liquidity, as measured by 5-day accessibility, would drop to 75.7 percent, or \$423.4 million, of the total current available cash and investment balances. RDP would fall to 77 days based on current fiscal year outflows.

A 25 percent decline in the equity markets would result in a (\$14.7) million (2.8) percent unrealized loss. Liquidity, as measured by 5-days accessibility, would decrease to \$454.5 million or 87.1 percent of the total current available cash and investment balances. RDP would be 83 days based on fiscal year outflows in this stress scenario.

A scenario similar to the 2013 Federal Reserve “Taper Tantrum” would result in a (\$8.8) million (1.6) percent unrealized loss. Liquidity, as measured by 5-day accessibility would drop to \$391.0 million or 73.3 percent of the total current available balances. RDP would drop to 71 days.

DEBT

Total Outstanding

The University and DSOs ended FY 2025 2Q with \$184.0 million in outstanding debt versus \$192.4 million at the end of FY 2024 2Q. 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 December 31, 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 and \$8.3 million over the next 5 years.

AFC Loan Modification

The University took remedial action on November 1, 2024 and modified the AFC Stadium loan to remain compliant Internal Revenue Service Post-Issuance Compliance Codes. The tax-exempt variable rate component of the loan was modified to a taxable fixed rate loan. The Swap associated with the tax-exempt variable rate tranches of the loan was terminated. The overall blended interest rate of the loan is 4.77 percent.

Rating Agency Review

The University had its annual rating agency review with S&P in August. S&P affirmed the AA- rating for the Parking Bonds and the A rating for the Housing Bonds, both segments were given stable outlooks.

The University had its annual ratings review with Moody's in November. Moody's affirmed the Aa3 ratings for both the Parking and Housing Bonds, both segments were given stable outlooks.

OVERVIEW

Liquidity/University Debt	3.36
Liquidity/Total Debt	2.99

Liquidity Position

Cash + W/C Pool	\$ 231,580
Strategic + Reserve Pools	319,184
Total	\$ 550,764

Debt Position

University Debt	\$ 163,935
DSO Debt	20,093
Total	\$ 184,028

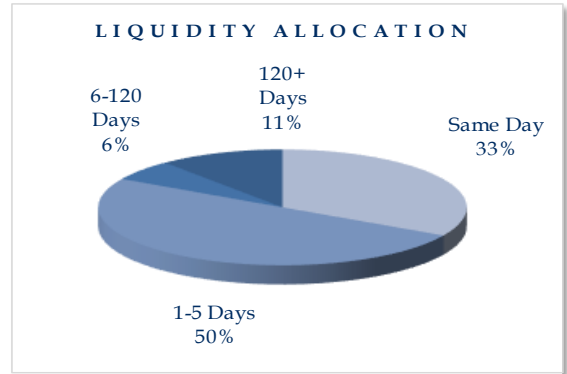
LIQUIDITY

Availability

Same Day	\$ 182,220
1-5 Days	275,741
6-120 Days	32,367
120+ Days	60,436
Total	\$ 550,764

Real Days Payable (<5 Days)

MTD Outflows	107
QTD Outflows	85
YTD Outflows	84

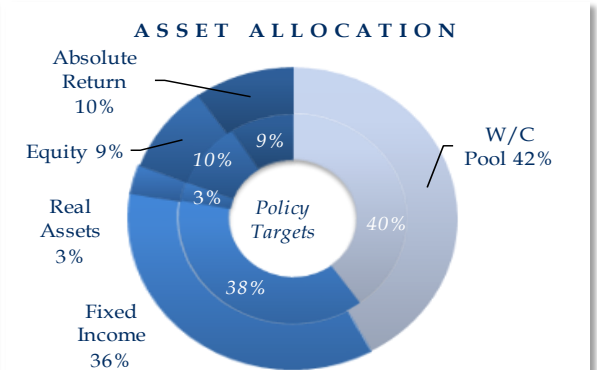
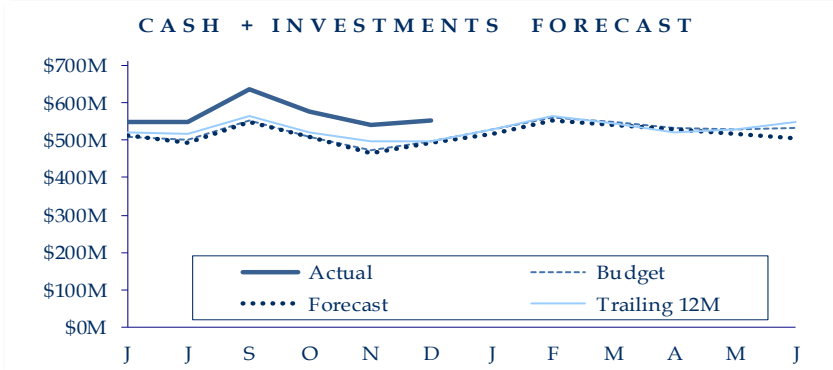


LIQUIDITY SOURCES AND USES

Sources	MTD	QTD	YTD
Opening W/C Pool Balance	\$ 175,935	\$ 269,198	\$ 192,628
Opening Cash Balance	41,000	40,611	43,124
From State	63,975	128,948	259,009
From Operations	45,237	147,745	458,923
Uses			
To Payroll	\$ (64,314)	\$ (234,901)	\$ (407,254)
To Operations	(27,388)	(99,116)	(204,626)
To Students	(2,864)	(20,904)	(110,223)
Cash + W/C Pool	\$ 231,580	\$ 231,580	\$ 231,580

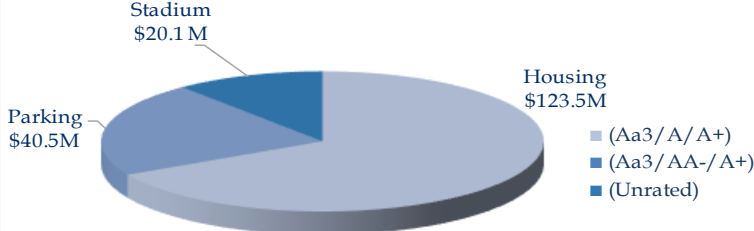
INVESTMENTS

Cash + W/C Pool	Balance	FYTD	Last 1Y
W/C Pool	\$ 160,563	1.9%	2.0%
Cash	71,017	1.7%	1.7%
Strategic + Reserve Pools			
Fixed Income	196,317	0.8%	-4.9%
Real Assets	17,152	-7.9%	-12.7%
Equity	51,792	5.8%	-7.0%
Absolute Return	53,922	5.6%	2.4%
Total Portfolio	\$ 550,764	2.1%	-1.6%

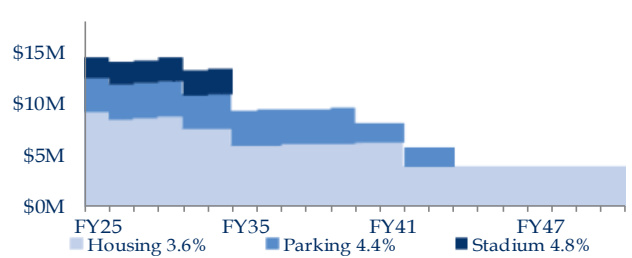


DEBT

OUTSTANDING DEBT



ANNUAL DEBT SERVICE





Period Ending December 31, 2024

(Million's)

<u>OPERATING FUNDS</u>	<u>MARKET VALUE¹</u>	<u>BOOK VALUE</u>	<u>INCOME EARNED²</u>
<u>Working Capital³</u>	\$231.6M	\$233.7M	\$5.7M
Fixed Income	\$196.3M	\$194.4M	\$2.2M
Equity	\$51.8M	\$34.1M	\$0.7M
Real Assets	\$17.2M	\$18.6M	\$0.0M
Absolute Return	\$53.9M	\$30.2M	\$0.0M
<u>Total Strategic/Reserve</u>	\$319.2M	\$277.3M	\$2.9M
<u>Total Operating Funds</u>	\$550.8M	\$511.0M	\$8.5M

¹ Includes Dividend/Interest Receivable

² Investment Income Earnings - Dividends and Interest

³ Includes Bank Cash