

Finance and Facilities Committee Meeting

Nov 19, 2020 1:00 PM EST

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UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Finance and Facilities Committee
Virtual Meeting
November 19, 2020, 1:00-3:00 p.m.**

Livestream:

<https://ucf.webex.com/ucf/onstage/g.php?MTID=e21363727e6607ec04a25825fc0083a40>

Conference call number: 1-408-418-9388, access code: 132 398 1019 #

AGENDA

- | | |
|--|---|
| 1. Call to order | Alex Martins, <i>Chair, Finance and Facilities Committee</i> |
| 2. Roll Call | Elizabeth Hamilton, <i>Assistant Vice President For Strategic Initiatives</i> |
| 3. Minutes of the October 14, 2020 meeting | Chair Martins |
| 4. Reports | Chair Martins |
| Discussion | COO/CFO Update
<i>Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operation Officer</i>
<i>Joseph Trubacz, Interim Vice President for Finance And Chief Financial Officer</i> |
| 5. New Business | Chair Martins |
| FFC-1 | 2015 Educational Plant Survey Revisions
<i>Misty Shepherd</i>
<i>Christy Miranda, Director, Space Administration</i> |
| FFC-2 | Approval of the 2020 Campus Development Agreement
<i>Misty Shepherd</i>
<i>Fred Kittinger, Senior Associate Vice President for Government and Community Relations</i> |

INFO-1	<p>Overview of UCFAA COVID-19 Financial Impact <i>Dr. Daniel J. White, Vice President and Director of Athletics</i> <i>Brad Stricklin, Executive Associate Athletics Director and Chief Financial Officer</i></p>
FFC-3	<p>UCFAA Request to Defer 2020-21 and 2021-22 Loan Payments to UCF <i>Dr. Daniel J. White</i> <i>Brad Stricklin</i></p>
FFC-4	<p>Temporary Support for UCF Athletics <i>Glen Dawes, Associate Vice President and Chief Financial Officer, UCF Advancement</i></p>
FFC-5	<p>Increase to Operating Line of Credit for UCFAA <i>Dr. Daniel J. White</i> <i>Brad Stricklin</i></p>
FFC-6	<p>Rent Concessions for Convocation Corporation Independent Retail Vendors <i>Misty Shepherd</i> <i>Kevin Sowers, Director, Business Services</i></p>
FFC-7	<p>Rent Concessions for Student Union, Recreation and Wellness Center, and John T. Washington Center Independent Retail Vendors <i>Misty Shepherd</i> <i>Kevin Sowers</i></p>
INFO-2	<p>University and Direct Support Organizations Debt Report <i>Joseph Trubacz</i> <i>Albert Francis, Assistant Vice President for Debt Management</i></p>
INFO-3	<p>DSOs' Financial Report, Ended June 30, 2020 – Fourth Quarter <i>Joseph Trubacz</i> <i>Christina Tant, Assistant Vice President for DSO Accounting and Reporting</i></p>
INFO-4	<p>FY20 University Draft Audited Financial Report <i>Joseph Trubacz</i> <i>Danta White, Assistant Vice President and University Controller</i></p>

INFO-5

University Operating Budget, Ended September 30,
2020 – First Quarter

Joseph Trubacz

*Kristie Harris, Associate Vice President for
Financial Affairs*

6. Adjournment

Chair Martins



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
October 14, 2020
President's Boardroom, Millican Hall

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 2:00 p.m. Committee members Harold Mills and William Yeargin attended by teleconference. Committee member David Walsh attended in person. Board of Trustees Chair Beverly Seay attended by teleconference. Trustee Joseph Harrington attended by teleconference.

MEETING MINUTES

Mills made a motion to approve the minutes of the September 10, 2020, Finance and Facilities Committee meeting. Walsh seconded the motion.

The committee unanimously approved the minutes of the September 10, 2020, Finance and Facilities Committee Meeting.

REPORTS

Joseph Trubacz, Interim Vice President for Finance and Chief Financial Officer, provided the committee with a brief financial update.

Semester credit hours are up 3.6 percent, resulting in a tuition revenue increase of \$5.7 million. Heading into the next fiscal year, the University is \$7.1 million ahead of projections for Summer and \$5.7 million ahead for Fall, for a total of \$12.8 million in new tuition revenue.

Housing has seen a significant increase in housing agreements for Spring 2021, with 618 new Spring agreements completed.

All units have had three percent of their recurring E&G allocations withheld, which approximates the Governor's six percent holdback of state appropriations. The University Budget Committee will be hearing plans from the administrative units on how they would handle an additional three percent cut and any impacts to the services offered by the units. The committee plans to make recommendations to the President about the additional three percent cuts in November. These budget reallocations will generate up to \$25.4 million that may be used to offset any cuts from the legislature if necessary.

Disbursement of CARES Act funding has continued. The university awarded an additional \$2.5 million of CARES Act institutional funds for financial aid, bringing the total financial aid to students from CARES Act funds to over \$28 million.

Trubacz provided the committee with items that will be presented at future committee meetings, including a revised budget for the current fiscal year, a revised format for presenting the University Operating Budget, a report from Brailsford and Dunlavey regarding housing operations, an update on the financial position of the auxiliaries and direct support organizations, an update on the Solar Farm project, and an update on the status of internal loans.

INFO-1 Enterprise Resource Planning Vendor and Software Implementation Partner Selection Process

Michael Sink, Interim Chief Information Officer, provided a comprehensive overview of the process used to select and procure the cloud-based Enterprise Resource Planning (ERP) vendor and software implementation partner prior to the presentation of the individual contracts for board action.

Sink reminded that committee that at the May 21, 2020, Board of Trustees retreat, a business case for implementing a new ERP system was presented. The primary benefits are to provide increased financial transparency and more accurate and timely reporting; to upgrade outdated, disparate, and duplicative systems; and to transform business processes.

The university selected Moran Technology Consulting (Moran) to provide consulting services for the selection of an ERP cloud solution. Moran worked closely with UCF leadership to assist in developing the ERP vendor and software implementation (SI) partner selection strategy and timeline. Moran partnered with UCF Procurement Services to develop the request for Oracle and Workday to submit specific, detailed information regarding their cloud software solutions and their applicability to UCF's requirements.

Sink explained the software vendors were scored based on the following criteria:

1. software functionality and experience
2. strategic direction of the vendor
3. vendor commitment to higher education
4. technical architecture of the platform
5. cost of ownership and pricing

Sink informed the committee that Workday scored higher than Oracle. The Business Owners' Council (BOC) accepted the ranking of the two vendors and forwarded that ranking to the Executive Steering Committee. The Executive Steering Committee also accepted the ranking and forwarded the information to Interim Provost Michael Johnson, who made the final decision to negotiate with Workday as the ERP cloud solution.

A similar process was followed to select a SI partner. The SI partners were scored based on the following criteria:

1. project plan and approach
2. project timeline

3. resource plan and staffing requirements for UCF and partner
4. training and communication plans
5. pricing
6. company and consulting team experience
7. company commitment to higher education

The results were presented to the BOC and accepted showing Accenture scored the highest. UCF Procurement Services, with support from Moran, negotiated with Accenture on a final contract, which was then accepted by Interim Provost Johnson.

Following the selection and negotiation process, the implementation of the new system is estimated to cost \$27,598,060 and is allocated as follows.

1. Workday License (2 of 10 years)	\$ 4,362,000
2. Software Implementation Partner	\$ 11,736,060
3. Temporary Staff and Backfill	\$ 7,500,000
4. Contingency	\$ 4,000,000

FFC-1 Approval of Enterprise Resource Planning Vendor Contract

Sink explained to committee members that UCF is adopting a Workday contract that had been previously bid and negotiated by a procurement consortium, pursuant to UCF Purchasing regulations, and achieved equal or better terms and pricing for the university during negotiations. The adopted contract stated a rate of \$408.63 per Full-Service Equivalent for the Human Resources, Finance, Grants Management, and Reporting and Analytics functions. During negotiations, UCF secured a rate of \$265.42 per Full-Service Equivalent, resulting in \$1.1 million in annual savings from contracted rate.

The total cost of the agreement with Workday is \$21,810,000 over a period of 10 years. The first two years of the Workday licensing (\$4,362,000) will be paid from the E&G Carryforward funds allocated for the acquisition and implementation of a new ERP system.

Mills made a motion to approve the Enterprise Resource Planning Vendor Contract. Yeargin seconded the motion.

The committee unanimously approved the Enterprise Resource Planning Vendor Contract.

FFC-2 Approval of Enterprise Resource Planning (ERP) Software Implementation Partner Contract

Sink informed the committee that UCF is also adopting an Accenture contract that had been previously bid and negotiated within the State University System, pursuant to UCF Purchasing regulations, and achieved equal or better terms and pricing for the university during negotiations.

The total cost of the agreement with Accenture is \$11,736,060 over a period of two years.

The full \$11,736,060 will be paid from the E&G Carryforward funds allocated for the acquisition and implementation of a new ERP system over the next two years.

The committee unanimously approved the Enterprise Resource Planning Software Implementation Partner contract with Accenture with the addition of a clause that the contract shall not exceed the Total Project Consulting Services Budget without written mutual agreement of the parties.

FFC-3 First Amendment to Promissory Note and Mortgage for the Lake Nona Cancer Center

Jennifer Cerasa, Senior Associate General Counsel, presented the committee with the First Amendment to the Promissory Note and Mortgage for the Lake Nona Cancer Center between the UCF Real Estate Foundation (UCFREF) and Orange County, which provides for a revised start date on the note repayment from December 1, 2020, to July 1, 2021.

Cerasa provided the committee with a brief background of the project, stating the building was purchased in 2018 by the UCFREF for the benefit and use of the University and UCF Academic Health to develop a cancer research and treatment center, with certain services to be provided by private partners. The property was purchased for \$50 million with a thirty-year interest free note from Orange County.

The first quarterly payment of the note is due on December 1, 2020. The proposed Amendment provides for a revised start date to begin payments on the note from December 1, 2020, to July 1, 2021. Cerasa noted that COVID-19 has impacted construction schedules for the University to convert the space from single-tenant to multi-tenant use, as well as build out by the private partners. This in turn impacts the repayment of the note because the private tenants will provide the source of revenue for the mortgage payment.

Yeargin made a motion to approve the First Amendment to Promissory Note and Mortgage for the Lake Nona Cancer Center. Mills seconded the motion.

The committee unanimously approved the First Amendment to Promissory Note and Mortgage for the Lake Nona Cancer Center.

INFO-2 Contract Prepayment Guidelines

Joel Levenson, Assistant Vice President for Tax, Payables, and Procurement, provided an update to the committee regarding a request submitted by then-trustee Garvy and Chair Martins that a discussion of prepayment for services be brought to a future committee meeting. Accordingly, the Division of Finance has updated its policy for advance payments, prohibiting such payments except in limited circumstances.

Advance payment of certain contracts will accelerate the timing of expenditures. The university's PeopleSoft financial system will prevent payments where the department does not have adequate budget for the expense.

INFO-3 Campus Master Plan Neighborhood Meeting Public Comments

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer, shared with the committee members the results of the minutes for the July 22, 2020, Neighborhood meeting. Shepherd shared that a notice was posted in the University Estates Facebook page and on the Nextdoor app to encourage participation. The outreach effort and online platform led to a significant increase in attendance and will be continued at future meetings.

Shepherd shared a quick overview of the items discussed during the neighborhood meeting.

INFO-4 Quarterly Operating Budget Report Ended June 30, 2020

Kristie Harris, Associate Vice President for Financial Affairs, provided the committee with a brief overview of the quarterly operating budget which includes revenues and expenditures for the year ended June 30, 2020, compared to the prior year. Overall, the university spent 82.7 percent of its budget in 2019-20, compared to 87.9 percent in the prior year. Additionally, the attached reports include statistical information primarily related to student enrollment. Student credit hours in 2019-20 were 3.4 percent higher than the enrollment plan and 1.9 percent higher than the prior year.

ADJOURNMENT

Martins adjourned the Finance and Facilities Committee meeting at 3:21 p.m.

Reviewed by:

Alex Martins	Date
Chair, Finance and Facilities Committee	

Respectfully submitted:

Janet Owen	Date
Associate Corporate Secretary	

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: 2015 Educational Plant Survey Revisions

☐ **Information**

☐ **Information for upcoming action**

☒ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

UCF is working to facilitate all of the capital project approvals required by Florida Statutes and BOG Regulations. BOG regulation 14.0025(1) states “No new construction or remodeling project shall be requested by a university for inclusion on the first year of the 3 year, PECO-eligible priority list without being recommended in an educational plant survey.”

Background Information:

The 2015 UCF Educational Plant Survey (EPS) was approved by the Board of Trustees on January 28, 2016; The Board of Governors (BOG) approved the EPS on June 23, 2016.

The Learning Laboratory was added to the Capital Improvement Plan (CIP) and approved by the BOG on July 19, 2018. The Downtown Parking Garage, Howard Phillips Hall Renovation, Florida Solar Energy Center Renovation, Biological Sciences Renovation and Theatre Renovation were listed on the CIP in 2019.

A minor amendment to add the Learning Laboratory to the 2015 Campus Master Plan (CMP) Update was approved by the Finance and Facilities Committee on August 15, 2018. The minor amendment moved forward to the full Board of Trustees on January 24, 2019.

The Howard Phillips Hall Renovation, Biological Sciences Renovation and Theatre Renovation were previously listed in the 2015 CMP Schedule of Capital Projects (SCP). The Florida Solar Energy Center Renovation was previously listed in the 2015 CMP SCP – Satellite Campus Chart.

In December 2018, UCF requested a Spot Survey from the BOG to add the Learning Laboratory and in May 2019, UCF requested another Spot Survey from the BOG to add the Downtown Parking Garage, Howard Phillips Hall Renovation, Florida Solar Energy Center Renovation, Biological Sciences Renovation and Theatre Renovation. UCF was advised that these changes could be made to the Form B of the 2015 EPS as all space categories indicated sufficient need.

Recommended Action:

Approve revisions to the 2015 EPS to facilitate the addition of the Learning Laboratory, Downtown Parking Garage, Howard Phillips Hall Renovation, Florida Solar Energy Center Renovation, Biological Sciences Renovation and Theatre Renovation.

Alternatives to Decision:

The project must be added to the current EPS by means of a “Spot Survey” approved by the Board of Governors staff; and the change must be approved by the UCF Board of Trustees.

Fiscal Impact and Source of Funding:

Learning Laboratory replaces the Multidisciplinary Education and Research Facility.

- Multidisciplinary Education and Research Facility has been on the 5-Year Capital Improvements Plan (CIP) for over 5 years. In 2018, it was expected to cost \$36,402,449.
- The Learning Laboratory is currently listed on the 2020-2021 CIP - estimated cost \$56,416,055.

The Downtown Parking Garage, Howard Phillips Hall Renovation, Florida Solar Energy Center Renovation, Biological Sciences Renovation and Theatre Renovation were added to the EPS Form B. No replacements were necessary.

Authority for Board of Trustees Action:

Delegation of Authority to the President, Items requiring specific authority of the Board (37). All items required by the BOG or Florida Legislature to be approved by the Board.

Contract Reviewed/Approved by General Counsel: ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda: ☒

Submitted by:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer

Supporting Documentation:

Attachment A: 2015 Educational Plant Survey

Attachment B: 2015 EPS Revised Form B

Facilitators/Presenters:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer

Christy Miranda, Director, Space Administration

UNIVERSITY OF CENTRAL FLORIDA



2015 EDUCATIONAL PLANT SURVEY

FACILITIES INVENTORY VALIDATION: OCTOBER 6, 2015
SPACE NEEDS ASSESSMENT: OCTOBER 7, 2015

EFFECTIVE JULY 1, 2016 – JUNE 30, 2021

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Educational Plant Survey Team

Survey team members participating in the 2015 Educational Plant Survey at University of Central Florida are as follows:

Facilities Inventory Validation

October 6, 2015

Survey Leader

Robin Anderson, Space Coordinator
Facilities Planning and Construction
University of West Florida

Team Members

Patricia Pasden, Coordinator
Facilities Planning
Florida Gulf Coast University

Tina D'Auria, Space Coordinator
Facilities Planning
University of Florida

Mary Mory, Coordinator
Facilities Planning
University of North Florida

Kenneth Ogletree, Senior Architect
Florida Board of Governors

Teira E. Farley
Capital Programs and Finance Specialist
Florida Board of Governors

Inventory Validation Facilitators

Christy Collier, Assistant Director
Space Planning Analysis and Administration, UCF

Stephen Villiotis, Coordinator
Space Planning Analysis and Administration, UCF

Bruce Mink, Building Specialist
Facilities & Safety, Office of AVP, UCF

John Siler, Assistant Director
Utilities and Energy Management, UCF

Dave Farrar, Vice President of Operations
Clancy & Theys Construction

Dan Tarczynski, Partner
Schenkel Shultz Architecture

Space Needs Assessment

October 7, 2015

Survey Leader

Robin Anderson, Space Coordinator
Facilities Planning and Construction
University of West Florida

Team Members

Patricia Pasden, Coordinator
Facilities Planning
Florida Gulf Coast University

Tina D'Auria, Space Coordinator
Facilities Planning
University of Florida

Mary Mory, Coordinator
Facilities Planning
University of North Florida

Kenneth Ogletree, Senior Architect
Florida Board of Governors

Teira E. Farley
Capital Programs and Finance Specialist
Florida Board of Governors

Needs Assessment Facilitators

Dr. Joel L. Hartman, Vice President
Information Technologies & Resources, UCF

Lee Kernek, Associate Vice President
Finance & Administration, Facilities & Safety, UCF

Bill Martin, Director
Facilities Planning and Construction, UCF

Montel Watson, Director
Resource Management, UCF

Christy Collier, Assistant Director
Space Planning Analysis and Administration, UCF

Stephen Villiotis, Coordinator
Space Planning Analysis and Administration, UCF

I. Introduction

An Educational Plant Survey (Survey) is required by Florida Statutes for all public educational entities. The State University System requires that, at a minimum of every five years, each university report on its existing facilities and also project its future facilities needs for the next five years.

Definitions and Requirements for the Educational Plant Survey

An Educational Plant Survey is defined in s.1013.01(8) Florida Statutes, as a “systematic study of present educational and ancillary plants and the determination of future needs to provide an appropriate educational program and services for each student based on projected capital outlay FTEs approved by the Department of Education.”

The term “educational plant” is defined in s.1013.01(7) F.S., as those areas comprising “the educational facilities, site, and site improvements necessary to accommodate students, faculty, administrators, staff, and the activities of the educational program of each plant.”

The term “ancillary plant” is defined in s.1013.01(1) F.S., as an area comprising “the building, site, and site improvements necessary to provide such facilities as vehicle maintenance, warehouses, maintenance, or administrative buildings necessary to provide support services to an educational program.

A Survey is required at least every five years pursuant to s.1013.31 (1) F.S. In addition, 1013.64(4)(a) F.S. requires that each remodeling and/or renovation project, included in the 3-year priority list, submitted to the legislature by the Florida Board of Governors be recommended pursuant to 1013.31 or be for the purpose of correcting health and safety deficiencies, and that the educational specifications be approved by the Florida Board of Governors in order for new construction to be included in the first year of the list.

PECO (Public Education Capital Outlay) Funds are the primary source available to universities for academic and support facilities. By definition, as found in Section 1013.01(16) Florida Statute, a PECO Funded Project is any “site acquisition, renovation, remodeling, construction projects, and site improvements necessary to accommodate buildings, equipment, other structures, and educational use areas that are built, installed, or established to serve primarily the educational instructional program of the district school board, Florida College System institution board of trustees, or university board of trustees.”

Surveys may be amended if conditions warrant a change in the construction program. Each *revised* Educational Plant Survey and each *new* Educational Plant Survey supersedes previous Surveys. This report may be amended, if conditions warrant, at the request of the department of the commissioner (s.1013.31(1)(a) F.S.). Recommendations contained in a Survey report are null and void when a new Survey is completed.

II. Overview of the Survey Process

The Purpose of the Educational Plant Survey

The purpose of the Survey is to aid in the formulation of five-year plans to house the educational programs and student population, faculty, staff, and auxiliary and ancillary services of the campus. Specific recommendations are provided to assist in the facilities planning process. The Survey should be considered as one element in the overall facilities planning process, which begins with the master planning process, and includes the capital improvement element of the Campus Master Plan for the long term physical development of the university, the shorter term Five-Year Capital Improvement Program, and the development of specific building programs prior to submitting a request for funding.

Types of Facilities Addressed in the Survey

The following nine categories of space have been identified as those needed to meet educational program requirements: Classroom, Teaching Laboratory, Study, Research Laboratory, Office, Auditorium/Exhibit, Instructional Media, Gymnasium, and Campus Support Services. These categories are included within the nationally recognized space classifications, as identified within the Postsecondary Education Facilities Inventory and Classification manual, dated May 2006. The need for merchandising facilities, residential facilities, and special purpose non-credit facilities, such as demonstration schools, continuing education centers, or dedicated intercollegiate athletic facilities, are not addressed within this report. An evaluation of facilities needs associated with these activities would require a separate analysis of demand measures and program requirements.

The Survey Process

The Survey process comprises two main components: the Facilities Inventory Validation component and the Needs Assessment component. The fieldwork portion of the process is carried out by a Survey team, which is directed by the Survey leader from one of the university's sister institutions. Other survey team members include an architect from the Florida Board of Governors and professional staff from other universities. A survey facilitator is assigned by the subject university to facilitate logistics, collection of data for inventory validation, development of the Survey workbook used by the Survey Team, coordination of university activities, and final preparation and publication of this document. Significant preparation is necessary before each of the two Survey components is conducted. Table 1 identifies the main Survey activities and lead responsibilities.

Table 1
Educational Plant Survey Activities

Activity	Responsibility		
	University	Board of Governors	Survey Team
Establish schedule	✓	✓	
Letter to president		✓	
Dates, procedures, responsibilities, designation of University representatives; determine inventory sample for validation	✓		
Identification of existing/proposed “ineligible” space	✓		
Prepare facilities inventory reports (site/building/room reports)	✓		
Coordinate logistics for validation field work	✓		
Perform validation (on-site field work)	✓		✓
Update inventory based on validation	✓		
Provide established enrollment projections		✓	
Perform formula space needs analysis	✓		
Develop proposed projects & justification	✓		
Develop survey workbook: schedule, mission statement, site data, academic programs, enrollment, space needs, inventory data, project summaries & justifications	✓		
Develop comments regarding degree program facility needs	✓		
Develop comments regarding proposed projects (CIP & Master Plan)	✓		
Coordinate logistics for needs assessment field work	✓		
Perform needs assessment (on-site field work): review proposed projects in relation to programs, space needs, data, current inventory, and any special justification	✓		✓
Exit meeting	✓		✓
Prepare initial summary of survey recommendations			✓
Prepare final summary of survey recommendations	✓		
Prepare written report	✓		
Validate survey		✓	

III. Facilities Inventory Validation

Purpose of Validation

The main purpose of the Inventory Validation component is to ensure that the facilities inventory data, used in the subsequent Space Needs Assessment component, fairly represents the existing facilities available to support educational programs.

Sampling Technique

The Inventory Validation component of the Survey is accomplished by a sampling technique. The sample of buildings and rooms is selected from the Physical Facilities Inventory Report, a mainframe-based inventory system that contains data about sites, buildings, and rooms. Annually, in July, changes in the Space File are reconciled to specific project activity and submitted to the Board of Governors. The buildings selected for Inventory Validation include all buildings constructed since the last Survey, all buildings affected by major renovation or remodeling, all buildings for which the university desires to change the designated condition to a satisfactory or unsatisfactory status, and additional buildings necessary to achieve a reasonable representation of all space categories (see [Table 2](#)).

An analysis of past legislative appropriations is conducted to ensure that all new buildings and buildings affected by major renovation are included. Table 2 identifies the buildings included in the sample for validation. Facilities inventory reports, with room details and schematic floor plans, are prepared to aid the Survey Team as it inspects rooms within the selected buildings.

Functions of Survey Team during Validation

The main function of the Survey Team is to compare existing conditions, identified by viewing the space, with the reported inventory data. Identification of condition changes, variance in room sizes, and proper room use or space category classifications are the objective of the team. A list of variances is prepared and used to update the facilities inventory. If significant classification errors are detected, a complete inventory validation is scheduled. There were no significant variances identified during this validation process.

The Resulting Adjusted Inventory Data

The resulting inventory file, with any required adjustments, enables preparation of reports used in the Needs Assessment portion of the Survey. Summary reports of building and net assignable space information are included in Section VIII of this report.

Table 2
Buildings Included in Inventory Validation

Building #	Building Name	GSF
	<u>Site 1 - Main Campus</u>	
	Remodel/Renovation	
0012	Mathematical Sciences	106,523
0018	Colbourn Hall	83,957
0040	Engineering I	130,885
	New Construction	
0098	Classroom II	79,998
	Demolition	
0039	Wayne Densch II	15,876
0042	Utility Building 8	1,500
0046	Utility Building 9	592
0630	Band Trailer	3,648
	<u>Site 2 – South Orlando</u>	
	Demolition	
0701	South Orlando I	6,690
0702	South Orlando II	5,167
	TOTAL	434,836

IV: The Space Needs Assessment

Objective

The objective of the Survey Team during the Space Needs Assessment component is to develop specific project recommendations consistent with approved programs in the Campus Master Plan. The Space Needs Assessment activity includes an evaluation of the following elements:

- 1- projects proposed by the university
- 2- the results of applying a quantitative space needs model
- 3- any special justification presented by the university

University officials provide supporting information and any special justification for the proposed projects to the Survey Team in the form of a Survey workbook and presentations.

Types of Recommendations

The projects proposed by the university include site acquisition, site improvements, renovation, remodeling, and new construction. The projects are presented as part of an overall development plan that include identification of proposed uses of spaces to be vacated as a result of occupying new buildings and the remodeling of existing buildings.

Space Needs Formula

The Space Needs model applied is the State University System Space Needs Generation Formula. The formula was designed to recognize space requirements for a site based on academic program offerings, student enrollment by level, and research programs. A more complete explanation of the formula is provided in Appendix B. The most important measure in the formula is full-time-equivalent (FTE) student enrollment. Other important measures include positions, research activity, and library materials. The following space categories are included in the formula:

Instructional/Research

Classrooms
Teaching Laboratories
Research Laboratories

Academic Support

Study Facilities
Instructional Media
Auditorium/Exhibition
Teaching Gymnasium

Institutional Support

Office/Computer
Campus Support

Application of the formula results in unmet space needs that are then compared to the effect of proposed projects on the facilities inventory. In cases where the formula does not support a proposed project, the justification provided by the university is considered. Such justification may include the unique space requirements associated with a particular program. In some cases, the proposed facilities meet program requirements that are not addressed in the formula. An example of such a case is a large wind tunnel facility or linear accelerator facility that far exceeds the space allowances provided in the formula. This type of space is regarded as ineligible to meet the space needs generated by the formula. Similar treatment is given to unique facilities within the existing facilities inventory, to ensure that formula space needs are compared to facilities designed to meet those needs. The results of applying the formula for the UCF Survey are identified within Section IX of this report.

V. Overview of the University

President

John C. Hitt, Ph.D.

Accreditation

University of Central Florida is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award baccalaureate, masters, and doctoral degrees.

Degree Programs

- 93 undergraduate degree programs
- 84 graduate degree programs
- 3 specialist programs
- 31 doctorate degree programs
- 1 professional (medicine) degree program

Colleges

- College of Arts and Humanities
- The Burnett Honors College
- College of Business Administration
- College of Education and Human Performance
- College of Engineering and Computer Science
- College of Graduate Studies
- College of Health and Public Affairs
- College of Medicine
- College of Nursing
- College of Optics and Photonics
- Rosen College of Hospitality Management
- College of Sciences
- Undergraduate Studies

Students

- Number of students: 54,513 undergraduate, 8,489 graduate
- Of all students, 24% are from Orange County; 69% are from other Florida counties; 7% are from other US states or are international
- Average SAT score for new students is 1256
- Average high school grade point average (GPA) for incoming UCF students is 3.92
- \$145.6 million received in research funding in 2013-2014
- 7,883 students reside in on-campus housing

Campus Sites

Site 1 – Main Campus

- 1,415 acres
- 1/3 of campus is managed for conservation
- 165 completed buildings
- 7,862,933 square feet

Site 2 – UCF South Orlando

- 20 acres
- 11,857 square feet
- 2 unoccupied buildings

Site 3 – UCF Cocoa

- 1 acre
- 71,940 square feet
- 2 joint-use facilities with Eastern Florida State College
- Florida Solar Energy Center secondary site

Site 4 – Daytona Beach #1

- 21 acres
- 1 building
- No UCF presence at this site

Site 6 – Daytona Beach #2

- 1 acre
- 90,103 square feet
- 1 joint-use building

Site 7 – Florida Solar Energy #1

- 1 acre
- Originally leased from the Port Canaveral Authority
- No UCF presence at this site

Site 8 – Florida Solar Energy #2

- 10 acres
- 13,645 square feet
- 2 permanent and 20 relocatable buildings
- Florida Solar Energy Center auxiliary site

Site 9 – McKay Tract

- 133.5 acres
- Undeveloped site

Site 10 – Florida Solar Energy #3

- 20 acres
- 94,600 square feet
- 11 UCF-owned buildings
- Site leased from Eastern Florida State College
- Florida Solar Energy Center primary site

Site 11 – UCF Executive Development Center

- 0.3 acres
- 32,693 square feet
- 1 building
- Historical site

Site 12 – Orlando Metro Area

- 0.1 acres
- 300,760 square feet
- 8 buildings
- Consists of various leased spaces

Site 13 – UCF Palm Bay

- 173.9 acres
- 139,014 square feet
- 2 buildings
- Joint-Use Library with Eastern Florida State College

Site 14 – Research Park

- 0.1 acres
- 403,794 square feet
- 11 buildings, 6 UCF-owned
- Consists of various leased administrative and research spaces

Site 15 – Rosen College of Hospitality Management

- 20 acres
- 305,770 square feet
- 1 educational building, 2 housing buildings

Site 16 – Health Sciences Campus

- 75.2 acres
- 374,100 square feet
- College of Medicine campus
- 2 educational buildings, 1 facilities building

University of Central Florida - Vision

UCF has embarked on a bold venture to become a new kind of university that provides leadership and service to the Central Florida city-state. While sustaining bedrock capabilities in the future, the university will purposely pursue new strengths by leveraging innovative partnerships, effective interdisciplinarity, and a culture of sustainability highlighted by a steadfast commitment to inclusiveness, excellence, and opportunity for all.

Approved by the UCF Board of Trustees, May 21, 2009.

University of Central Florida - Mission

The University of Central Florida is a public, multi-campus, metropolitan research university that stands for opportunity. The university anchors the Central Florida city-state in meeting its economic, cultural, intellectual, environmental, and societal needs by providing high-quality, broad-based education and experience-based learning; pioneering scholarship and impactful research; enriched student development and leadership growth; and highly relevant continuing education and public service initiatives that address pressing local, state, national, and international issues in support of the global community.

Approved by the UCF Board of Trustees, May 21, 2009.

University of Central Florida Values

The University of Central Florida's values comprise the foundational principles that guide the conduct, performance, and decisions of the university, its students, and its employees.

- **Integrity**

I will practice and defend academic and personal honesty.

- **Scholarship**

I will cherish and honor learning as a fundamental purpose of my membership in the UCF community.

- **Community**

I will promote an open and supportive campus environment by respecting the rights and contributions of every individual.

- **Creativity**

I will use my talents to enrich the human experience.

- **Excellence**

I will strive toward the highest standards of performance in any endeavor I undertake.

UCF will cultivate an engaging attitude of awareness, innovation, courage, and agile responsiveness in its members to promote discovery and address emerging needs within the university and the Central Florida city-state. The entire university community is empowered to identify, seek, develop, and capitalize on opportunities that arise in the future and meet the vision of the university.

Statement of Strategy

UCF will pursue its goals by favoring tactics that feature partnerships and interdisciplinary approaches to problems of significance to the university and the Central Florida city-state. We will sustain our abiding commitments to inclusiveness, excellence in all endeavors, and opportunity for all. UCF plans to sustain programs in its areas of historic strength – such as engineering, business, computer science, the natural sciences, and teacher education – and have the confidence and nimbleness to exploit strategic opportunities in areas as diverse as medicine, the performing arts, and emerging fields.

University of Central Florida – Guiding Principles

Goal 1: Offer the best undergraduate education available in Florida.

Goal 2: Achieve international prominence in key programs of graduate study and research.

Goal 3: Provide international focus to our curricula and research programs.

Goal 4: Become more inclusive and diverse.

Goal 5: Be America's leading partnership university.

University of Central Florida - Historical Perspective

The university was founded by the Florida Legislature on June 10, 1963, and opened in 1968 as the Florida Technological University. The university's mission included educating current and future students for promising space-age careers in engineering, electronics and other technological professions to support the growing U.S. space programs at the Kennedy Space Center and Cape Canaveral Air Force Station on Florida's Space Coast. The official university seal, Pegasus, the winged horse of the muses in Greek mythology was selected, with a single star, and the motto "Reach for the Stars" was introduced. The motto was a challenge and admonition to students always to aim high, try harder and go beyond what they believed possible.

On December 6, 1978, the Florida Legislature changed the institution's name to University of Central Florida. This name change reflected the changing role of the University in the Central Florida area. Initially, the university was developed as a "Space University," but as the academic scope expanded beyond its original focus on engineering and technology, the University began to acquire a broader educational mission.

Also in 1978, the Central Florida Research Park, the first of its kind in the state, was founded. Created by UCF in partnership with Orange County, the site is 1,400 acres of land contiguous to the campus and is home to the U.S. Naval Training Systems Center, Harris Corporation's Government Support Systems Division, and more than 60 other research and development tenants. The Central Florida Research Park is the seventh largest research park in the nation and the largest in Florida.

Presently the university's assigned role within the Florida Board of Education – Division of Colleges and Universities, is that of a general-purpose institution offering degree programs at all levels of instruction. In addition, the university has the responsibility of assisting in the economic development of the Central Florida region, especially in the areas of high technology and tourism. The University offers educational and research programs, which complement a diverse economy with strong components in such fields as aerospace, finance, electronics, health, and tourism.

Enrollment has increased substantially since the university opened in 1968. When classes began, 1,948 students were enrolled. Today, there are 63,002 students attending classes on the main campus and eleven area campuses. There are thirteen colleges offering over 212 academic programs. More than 281,389 degrees have been awarded since the first commencement on June 10, 1970.

Organization of University of Central Florida

The University of Central Florida is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award associate, baccalaureate, masters, and doctoral degrees. Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404-679-4500 for questions about the accreditation of University of Central Florida.

Professional Accreditations/Specialized Programs

Accreditation Committee of the Human Factors and Ergonomics Society

American Chemical Society (ACS) Committee on Professional Training

American Medical Association

American Psychological Association (APA)

Association of University Programs in Health Administration (AUPHA)

Commission on Accreditation of Athletic Training Education (CAATE)

Commission on Accreditation of Healthcare Management Education (CAHME)

Commission on Accreditation for Health Informatics and Information Management Education (CAHIIM)

Commission on Accreditation in Physical Therapy Education (CAPTE)

Commission on Collegiate Nursing Education (CCNE)

Computing Accreditation Commission (CAC) of ABET

Council on Academic Accreditation in Audiology and Speech Language Pathology (CAA)

Council for Accreditation of Counseling and Related Educational Programs (CACREP)

Council on Social Work Education (CSWE)

Engineering Accreditation Commission (EAC) of ABET Inc.

Florida Department of Education

Florida Board of Nursing

Liaison Committee on Medical Education Association of American Medical Colleges

National Accrediting Agency for Clinical Laboratory Sciences (NAACLS)

National Association of Schools of Music (NASM)

National Association of Schools of Public Affairs and Administration/Commission on Peer Review and Accreditation (NASPAA)

National Association of School Psychologists (NASP)

National Council for Accreditation of Teacher Education (NCATE)

Southern Association of Colleges & Schools Commission on Colleges (SACSCOC)

The Accreditation Council for Cooperative Education

The Association to Advance Collegiate Schools of Business (AACSB International)

The Commission on English Language Program Accreditation

University of Central Florida - Campuses and Other Locations

Main Campus (Site 1)

The University of Central Florida (UCF) is located in East Central Florida (Orange County), a region with a population of about two million people. Known principally for its tourist attractions, the area is one of the fastest growing regions in the nation. The Main Campus, Site 1, is located in the Orlando suburbs, 13 miles east of downtown Orlando, on 1,415 acres of land. The campus currently supports 165 buildings.

UCF South Orlando (Site 2)

The South Orlando Center (Orange Co.), Site 2, known as “UCF South Orlando Campus,” is located at 7300 Lake Eleanor Drive. The center consists of two permanent buildings set on 20 acres of land. The site was used primarily for non-credit courses; conferences; seminars; short courses; workshops; and undergraduate, graduate, and Florida Engineering Education delivery System credit courses. Currently, the site is closed.

UCF Cocoa and UCF Palm Bay (Sites 3 and 13)

The UCF Cocoa campus, Site 3, houses two joint-use facilities and is located at 1519 Clearlake Road in the northwest part of Cocoa (Brevard Co.). The Cocoa campus is the oldest and largest of the Eastern Florida State College (EFSC) campuses. The UCF Cocoa faculty also delivers programs and courses at the Palm Bay, Site 13, campus. The UCF Palm Bay campus is located at 250 Community College in Palm Bay (Brevard Co.). The UCF Palm Bay Campus offers several baccalaureate programs, including Early Childhood Education, Psychology, and Business.

Daytona Beach #1 (Site 4)

The Daytona State College Campus (DSCC) (Volusia Co.) is located in the west-central part of Daytona Beach. The Daytona Beach Center, Site 4, is located at 215 South Clyde Morris Boulevard on 21 acres of land. This special purpose center site is no longer used by UCF.

Daytona Beach #2 (Site 6)

The Daytona State College Campus (Volusia Co.) houses a joint-use facility in the west-central part of Daytona Beach. The joint-use facility, Site 6, known as the “Higher Education Center,” is located at 1200 W. International Speedway Blvd., is housed on 1 acre of land, and was established in 1987. The UCF Daytona State College allows students to earn an associate of arts degree at DSCC and a baccalaureate degree at UCF.

Florida Solar Energy #1 (Site 7)

This site was an off-site, leased property in Port Canaveral owned by the Port Canaveral Authority. It was used temporarily to offer credit, non-credit, and CEU classes, but has been inactive since the Florida Solar Energy Center was relocated to its main site (Site 10) in Cocoa.

Florida Solar Energy #2 and #3 (Sites 8 and 10)

The Florida Solar Energy Center (Brevard Co.) has two sites. The first site, Site 8 is owned by the university and is located at 800 Greensboro Road in Brevard County. This site, approximately 2.05 miles from Eastern Florida State Campus on ten acres of land, consists of two permanent and 20 relocatable buildings used for offices, labs, and the Central Energy Plant. The second site, Site 10, is located at Eastern Florida State Campus on 20 acres of land. This site consists of five permanent buildings which house the administration offices and test laboratories.

UCF Executive Development Center (Site 11)

The UCF Executive Development Center (The Center) (Orange Co.), a historical site, is located at 36 West Pine Street in Downtown Orlando, half a block from Orlando's main street, Orange Avenue. The Center is within easy walking distance from City Hall, the Federal Building, and the County Courthouse, making it particularly convenient to employees who work downtown. The two-story, brick building was built in 1920. The City of Orlando purchased the building in 1995 and donated it to the university. The Center offers courses including executive and professional master's degree programs in Business Administration, as well as specialized executive education programs for individuals and organizations in the local, state, national, and international business communities. The facility consists of one permanent building on a 0.3-acre parcel of land.

Orlando Metro Area (Site 12)

The Orlando Metro Area site includes various leased spaces in Orange and Seminole Counties, including: McKnight Center, Center for Emerging Media, UCF Health at Quadrangle, and University Tower. These facilities house programs in the School of Visual Arts and Design, Business, and Health Sciences.

Research Park (Site 14)

This Orange County-area site includes various leased space, including: Research Pavilion, Burnett Biomedical Research Annex, Orlando Tech Center (100-700), University Tower and Innovative Center. Buildings owned by UCF include: Bennett Buildings III and IV; and Partnership I, II, and III.

Rosen College of Hospitality Management (Site 15)

This Orlando-area site is home to the Rosen College of Hospitality Management. The site includes an educational building and two residential housing buildings. The educational building includes classrooms, an executive education center, a training dining room and bar, a beer and wine laboratory, test kitchens, an auditorium, a library, a café, and a bookstore. Rosen College's campus is the largest, most modern facility ever built for hospitality management education.

Health Sciences Campus (Site 16)

This Lake Nona-area site includes various health-related facilities including the University of Florida Research and Academic Center, the Veteran's Administration Hospital, the UCF College of Medicine, and Burnett Biomedical Sciences, as well as Nemours Children's Hospital, Sanford-Burnham Medical Research Institute, and the M.D. Anderson Cancer Research Institute. UCF was originally gifted 50 acres by a private land developer, and has added 25.2 additional acres.

VI. Academic Degree Programs

The academic degree programs of the university and student enrollment within the programs generate the primary demand for facilities. The approved programs for the university are identified within Table 3.

Table 3
Academic Degree Programs

<u>CIP</u>	<u>CIP TITLE</u>	<u>UCF</u>
4.0201	Architecture	B
4.0301	City/Urban, Community and Regional Planning	M
5.0107	Latin American Studies	B
9.0101	Speech Communication and Rhetoric	BM
9.0401	Journalism	B
9.0701	Radio and Television	B
9.0903	Advertising	B
11.0101	Computer and Information Sciences, General	BMR
11.0103	Information Technology	B
11.0199	Computer and Information Sciences, Other	M
13.0101	Education, General	MSR
13.0301	Curriculum and Instruction	M
13.0401	Educational Leadership and Administration, General	MSR
13.0404	Educational, Instructional, and Curriculum Supervision	M
13.0501	Educational/Instructional Technology	M
13.1001	Special Education and Teaching, General	BM
13.1101	Counselor Education/School Counseling and Guidance Services	M
13.1202	Elementary Education and Teaching	BM
13.121	Early Childhood Education and Teaching	BM
13.1299	Teacher Education and Professional Development, Specific Levels and Methods, Other	M
13.1302	Art Teacher Education	B
13.1305	English/Language Arts Teacher Education	B
13.1306	Foreign Language Teacher Education	B
13.1311	Mathematics Teacher Education	B
13.1312	Music Teacher Education	B
13.1314	Physical Education Teaching and Coaching	BM

13.1315	Reading Teacher Education	M
13.1316	Science Teacher Education/General Science Teacher Education	B
13.1317	Social Science Teacher Education	B
13.132	Trade and Industrial Teacher Education	BM
13.1399	Teacher Education and Professional Development, Specific Subject Areas, Other	M
13.1401	Teaching English as a Second or Foreign Language/ESL Language Instructor	M
14.0201	Aerospace, Aeronautical and Astronautical/Space Engineering	BM
14.0801	Civil Engineering, General	BMR
14.0803	Structural Engineering	B
14.0901	Computer Engineering, General	BMR
14.1001	Electrical and Electronics Engineering	BMR
14.1003	Laser and Optical Engineering	BMR
14.1401	Environmental/Environmental Health Engineering	BMR
14.1801	Materials Engineering	MR
14.1901	Mechanical Engineering	BMR
14.3501	Industrial Engineering	BMR
15.1501	Engineering/Industrial Management	M
15.1601	Nanotechnology	M
16.0101	Foreign Languages and Literatures, General	B
16.0901	French Language and Literature	B
16.0905	Spanish Language and Literature	BM
22.0302	Legal Assistant/Paralegal	B
23.0101	English Language and Literature, General	BM
23.1302	Creative Writing	M
23.1303	Professional, Technical, Business, and Scientific Writing	R
23.1304	Rhetoric and Composition	B
24.0102	General Studies	B
24.0103	Humanities/Humanistic Studies	B
26.0101	Biology/Biological Sciences, General	BM
26.0102	Biomedical Sciences, General	BMR
26.1201	Biotechnology	BM
26.1307	Conservation Biology	MR
27.0101	Mathematics, General	B

27.0301	Applied Mathematics, General	MR
27.0501	Statistics, General	BM
30	Multi-/Interdisciplinary Studies, General	BM
30.0601	Systems Science and Theory	MR
30.2001	International/Global Studies	B
31.0504	Sport and Fitness Administration/Management	M
38.0101	Philosophy	B
38.0201	Religion/Religious Studies	B
40.0501	Chemistry, General	BMR
40.0801	Physics, General	BMR
42.0101	Psychology, General	BMR
42.2801	Clinical Psychology	M
42.2804	Industrial and Organizational Psychology	M
42.2805	School Psychology	S
43.0104	Criminal Justice/Safety Studies	BMR
43.0106	Forensic Science and Technology	BM
44.0401	Public Administration	BM
44.0701	Social Work	BM
44.9999	Public Administration and Social Service Professions, Other	MR
45.0101	Social Sciences, General	B
45.0201	Anthropology	BM
45.0601	Economics, General	BR
45.0999	International Relations and National Security Studies, Other	R
45.1001	Political Science and Government, General	BM
45.1101	Sociology	BMR
50.0102	Digital Arts	BM
50.0501	Drama and Dramatics/Theatre Arts, General	BM
50.0602	Cinematography and Film/Video Production	BM
50.0605	Photography	B
50.0701	Art/Art Studies, General	B
50.0702	Fine/Studio Arts, General	BM
50.0901	Music, General	M
50.0903	Music Performance, General	B
51	Health Services/Allied Health/Health Sciences, General	BM

51.0204	Audiology/Audiologist and Speech-Language Pathology/Pathologist	BM
51.0701	Health/Health Care Administration/Management	B
51.0706	Health Information/Medical Records Administration/Administrator	BM
51.0913	Athletic Training/Trainer	B
51.1005	Clinical Laboratory Science/Medical Technology/Technologist	B
51.1201	Medicine	P
51.1505	Marriage and Family Therapy/Counseling	M
51.2308	Physical Therapy/Therapist	P
51.3801	Registered Nursing/Registered Nurse	BM
51.3808	Nursing Science	R
51.3818	Nursing Practice	P
52.0101	Business/Commerce, General	BM
52.0201	Business Administration and Management, General	BMR
50.0206	Non-Profit/Public/Organizational Management	M
52.0301	Accounting	BM
52.0601	Business/Managerial Economics	BM
52.0801	Finance, General	B
52.0901	Hospitality Administration/Management, General	BMR
52.0903	Tourism and Travel Services Management	M
52.0905	Restaurant/Food Services Management	B
52.0907	Meeting and Event Planning	B
52.1304	Actuarial Science	B
52.1401	Marketing/Marketing Management, General	B
52.1501	Real Estate	BM
52.1601	Taxation	M
54.0101	History, General	BM
Legend: B-Bachelors; M-Masters; A-Advanced Master; E-Engineering; S-Specialist; P-Professional Doctorate; R-Research Doctorate <i>From State University System of Florida Academic Program Inventory</i>		

VII. Analysis of Student Enrollment

Student enrollment is the single-most important measure used to develop facility requirements for a university. Enrollment is measured using full-time equivalent (FTE) enrollment. Each FTE is equivalent to 40 credit hours per academic year for undergraduates and 32 credit hours for graduates. First, FTE enrollment is reported by site, and then all enrollment not requiring facilities is deducted to determine the Capital Outlay FTE (COFTE). The level of enrollment used for Survey purposes is the level for the fifth year beyond the year the Survey is conducted. For this Survey, the projected enrollment used is for academic year 2019-2020.

The university's Board of Trustees approved the University Work Plan which includes planned enrollments for the next five years. This data was provided to the Survey Team and was used in the Survey. [Table 4](#) identifies the Statutorily Required Enrollment Plan (based on State-Fundable Florida FTE), taken from Page 18 of the [2014-15 University Work Plan](#).

Table 4
Enrollment Plan

Level	Funded	Planned Enrollment					
	2015-16	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<u>Florida Resident</u>							
Lower FTEs	n/a	11,355	11,637	11,896	12,123	12,384	12,615
Upper FTEs	n/a	21,623	22,152	22,650	23,083	23,576	24,015
Grad I FTEs	n/a	2,316	2,302	2,304	2,314	2,349	2,403
Grad II FTEs	n/a	595	615	632	661	685	709
Total	x,xxx	35,889	36,708	37,482	38,182	38,994	39,742
<u>Non-Resident</u>							
Lower FTEs	n/a	560	574	587	598	611	622
Upper FTEs	n/a	667	684	699	712	728	741
Grad I FTEs	n/a	375	373	373	375	381	390
Grad II FTEs	n/a	477	493	506	529	548	567
Total	x,xxx	2,079	2,123	2,165	2,214	2,267	2,320
<u>TOTALS</u>							
Lower FTEs	10,758	11,914	12,211	12,483	12,721	12,994	12,994
Upper FTEs	16,481	22,290	22,836	23,349	23,796	24,303	24,303
Grad I FTEs	2,899	2,691	2,676	2,677	2,689	2,730	2,730
Grad II FTEs	702	1,072	1,108	1,137	1,191	1,234	1,234
Total	30,840	37,968	38,831	39,647	40,396	41,261	42,062

*Note: Full-time Equivalent (FTE) student is a measure of instructional effort (and student activity) that is based on the number of credit hours for which a student enrolls. FTE is based on the Florida definition, which divides undergraduate credit hours by 40 and graduate credit hours by 32.

Medical Student Headcount Enrollment

Medical Doctorate Headcounts							
Resident	460	348	363	363	363	363	363
Non-Resident	xxx	112	117	117	117	117	117
Total	460	460	480	480	480	480	480

VIII. Inventory of Existing Sites and Buildings

The overview of the university includes a general description of the sites where educational program activity is carried out by the university. This section provides information about buildings located at the sites. Building numbering follows prescribed protocols; some numbers have not been assigned or have been removed due to facility removal from inventory.

The building information provided in Table 5 includes Status, Condition, Assignable Square Feet (ASF), and Gross Square Feet (GSF). Status identifies a building as permanent or temporary based on structural materials and life expectancy. A permanent building is a facility of either non-combustible or fire-resistive construction designed for a fixed location, with a life expectancy of more than 20 years. A temporary building is usually of wood frame type construction, with a life expectancy of less than 20 years.

Building condition identifies whether a building is satisfactory or unsatisfactory for its intended use. Determination of condition is based on the last Survey validation and any changes proposed by the university and concurred with by the Survey Team. Buildings considered satisfactory are classified as either satisfactory or in need of remodeling. Buildings considered unsatisfactory are classified as those to be terminated for use or scheduled for demolition, including modular and portable structures. Buildings found to be unsatisfactory during this Survey will be reflected in future reports.

The size of building spaces is provided as Assignable Square Feet (ASF), Non-ASF or Gross Square Feet (GSF). Building ASF refers to the sum of all areas on all floors assigned to, or available to be assigned to, and functionally usable by, an occupant, or equipment to support directly the program activities of the occupant. Building Non-ASF refers to the sum of all areas on all floors that are not available for program activities, such as circulation areas, custodial space, and mechanical areas. GSF is the sum of all floor areas included within the outside faces of exterior walls and other areas which have floor surfaces. All of the square footages that are listed in this document are based on the Physical Facilities submission to the BOG for FY 14-15.

The assignable space within educational buildings accommodates instructional, academic support, and institutional support functions of the university. As indicated within the Space Needs Assessment section, the following types of assignable spaces accommodate these functions:

<u>Instructional/Research</u>	<u>Academic Support</u>	<u>Institutional Support</u>
Classrooms	Study Facilities	Office/Computer
Teaching Laboratories	Instructional Media	Campus Support
Research Laboratories	Auditorium/Exhibition	
	Teaching Gymnasium	

Table 6 identifies the amount of satisfactory eligible space, by space type, for each building that supports the above-stated functions. As stated within the Space Needs Assessment section, eligible space refers to whether the space meets a need identified as a formula-generated space need. The buildings included within these tables are only those located on land the university leases from the State of Florida or land leased for a long term to the university and on which buildings have been constructed by the university. Title to State land is vested in the Internal Improvement Trust Fund for the State of Florida.

Table 5
Building Inventory Report

SITE 1 - MAIN CAMPUS					
Bldg. Name	Site	Bldg. Status	Bldg. Condition	GSF	NASF
1 Millican Hall	1	1	1	87,742	56,178
2 John C. Hitt Library	1	1	1	226,506	144,097
3 Utility Building I	1	1	1	14,420	13,979
4 Storm Water Research Lab	1	1	1	2,685	1,957
5 Chemistry Building	1	1	1	49,073	29,336
6 Theatre	1	1	1	29,469	14,269
7 Jimmie Ferrell Stud Serv Commons	1	1	1	93,860	61,433
8 Volusia Hall	1	1	0	24,456	14,596
9 Lake Hall	1	1	0	24,456	14,596
10 Osceola Hall	1	1	0	24,456	14,596
11 Polk Hall	1	1	0	24,456	14,556
12 Mathematical Sciences Building	1	1	1	106,523	63,038
13 Technology Commons I	1	1	1	10,779	5,615
14 Howard Phillips Hall	1	1	1	64,619	35,638
16 Facilities & Safety	1	1	1	103,286	89,300
18 Colbourn Hall	1	1	1	83,957	41,119
19 Rehearsal Hall	1	1	1	10,743	6,008
20 Biological Sciences Building	1	1	1	116,607	67,154
21 Educational Complex & Gym	1	1	1	110,272	70,831
22 Print Shop	1	1	1	12,515	10,680
24 Creative School for Children 1	1	1	1	5,751	4,729
25 Recreation Support Building	1	1	1	3,025	2,063
26 John T. Washington Center	1	1	1	59,071	36,622
27 Counseling & Psychological Ser	1	1	1	15,250	8,367
28 Early Childhood Center	1	1	1	3,627	2,419
29 Technology Commons II	1	1	0	33,370	17,908
30 Brevard Hall	1	1	0	27,926	17,223
31 Orange Hall	1	1	0	37,241	23,065
32 Seminole Hall	1	1	0	37,241	23,048
33 Libra Community Center	1	1	0	4,698	2,646
35 Bike Storage 1	1	2	1	840	-
36 Outdoor Study Pavilion	1	2	1	330	-
38 Wayne Densch 1	1	1	1	18,860	13,395
39 Wayne Densch 2	1	1	1	15,876	11,240
40 Engineering I	1	1	1	130,885	78,113
41 Utility Building 4	1	1	1	96	85
42 Utility Building 8	1	1	1	1,500	1,473

44 Siemens Energy Center	1	1	1	10,932	10,297
45 Business Administration I	1	1	1	121,074	70,662
46 Utility Building 9	1	1	1	592	564
47 Utility Building 5	1	1	1	1,432	0
48 Lab & Environmental Support	1	1	1	9,569	6,009
50 UCF Arena	1	1	1	7,043	4,731
51 Visual Arts Building	1	1	1	370,773	60,808
52 Student Union	1	1	1	85,000	56,092
53 CREOL Building	1	1	1	161,755	90,903
54 College of Sciences Building	1	1	1	111,891	56,386
55 Lake Claire Building 55	1	1	0	54,644	32,785
56 Lake Claire Building 56	1	1	0	14,652	9,568
57 Lake Claire Building 57	1	1	0	14,652	9,568
58 Lake Claire Building 58	1	1	0	14,652	9,568
59 Lake Claire Building 59	1	1	0	14,652	9,568
60 Lake Claire Building 60	1	1	0	14,652	9,568
61 Lake Claire Building 61	1	1	0	14,652	9,568
62 Lake Claire Building 62	1	1	0	14,652	9,568
63 Lake Claire Building 63	1	1	0	14,652	9,568
64 Lake Claire Building 64	1	1	0	14,652	9,568
65 Lake Claire Building 65	1	1	0	14,652	9,568
66 Lake Claire Building 66	1	1	0	3,788	9,568
67 Lake Claire Building 67	1	1	0	14,652	9,568
68 Lake Claire Building 68	1	1	0	14,652	9,568
69 Lake Claire Building 69	1	1	0	14,652	9,568
70 Lake Claire Building 70	1	1	0	14,652	9,568
71 Barbara Ying Center	1	1	1	5,789	2,908
72 Utility Building 2	1	1	1	11,500	3,446
73 Housing Administration Bldg.	1	1	0	6,675	3,546
74 Robinson Observatory	1	1	1	2,070	1,100
75 Nicholson School Communication	1	1	1	81,576	47,831
76 Engine Research Lab	1	1	1	3,569	3,198
77 Wayne Densch Sports Center	1	1	1	45,330	30,611
78 Parking Garage I	1	1	1	387,638	197,822
79 Classroom Building I	1	1	1	79,998	53,934
80 Siemens Energy Center	1	1	1	97,129	53,072
81 Barbara Ying Center - CMMS	1	1	1	23,685	12,543
82 Jay Bergman Field	1	1	1	26,944	23,064
83 Parking Garage C	1	1	1	387,638	324,135
84 Sumter Hall	1	1	0	59,200	35,480
85 Citrus Hall	1	1	0	37,100	22,537
86 Flagler Hall	1	1	0	59,200	35,480
87 College of Arts & Humanities	1	1	1	12,243	7,016

88 Recreation and Wellness Cntr	1	1	1	156,111	103,191
89 Parking Garage B	1	1	1	387,638	240,374
90 Health & Public Affairs II	1	1	1	61,904	35,946
91 Engineering II	1	1	1	105,545	62,398
92 Biology Field Research Center	1	1	1	8,000	6,813
93 Teaching Academy	1	1	1	68,094	38,145
94 Business Administration II	1	1	1	60,809	34,381
95 Burnett Honors College	1	1	1	22,220	8,728
96 University Welcome Center	1	1	1	18,717	11,543
97 Parking Garage D	1	1	1	387,638	197,704
98 Classroom Building II	1	1	0	86,250	40,609
99 Psychology Building	1	1	1	76,257	44,380
100 Burnett House	1	1	0	14,393	7,352
101 Nike Building 101	1	1	0	38,686	26,830
102 Nike Building 102	1	1	0	42,731	29,514
103 Nike Building 103	1	1	0	41,617	30,564
104 Nike Building 104	1	1	0	53,130	40,576
105 Nike Building 105	1	1	0	4,856	4,082
106 Nike Building 106	1	1	0	53,130	41,561
107 Nike Building 107	1	1	0	4,856	4,082
108 Hercules Building 108	1	1	0	38,686	26,825
109 Hercules Building 109	1	1	0	42,731	29,454
110 Hercules Building 110	1	1	0	41,617	30,114
111 Hercules Building 111	1	1	0	53,130	40,495
112 Hercules Building 112	1	1	0	4,856	4,282
113 Hercules Building 113	1	1	0	53,130	40,574
114 Hercules Building 114	1	1	0	4,856	4,082
115 Academic Village Mail Center	1	1	0	961	502
116 Harris Corp Engineering Center	1	1	1	113,866	64,886
117 Ara Drive Research Facility	1	1	1	2,720	1,445
118 Leisure Pool Services	1	1	0	5,326	798
119 Performing Arts Center	1	1	1	83,670	39,457
121 Physical Sciences Building	1	1	1	128,887	66,581
122 Morgridge Int'l Reading Center	1	1	0	16,726	9,816
124 Bio Transgenic Greenhouse	1	1	1	6,111	5,664
125 Softball Stadium	1	1	0	6,412	3,881
126 Fairwinds Alumni Center	1	1	1	26,953	12,998
127 Health Center	1	1	0	48,392	28,163
128 Nicholson Field House	1	1	0	81,337	79,848
129 Tower 1	1	1	0	200,933	93,680
130 Tower 2	1	1	0	200,933	94,546
131 Parking Garage G	1	1	1	387,638	239,239
132 Tower 3	1	1	0	187,647	115,821

133 Tower 4	1	1	0	200,933	93,946
134 Parking Garage E	1	1	1	387,638	239,239
135 UCF Bright House Network Stad.	1	1	0	76,527	27,457
137 Knights Plaza	1	1	0	31,666	-
140 Career Serv & Exp Learning	1	1	0	27,000	12,294
141 Parking Garage F	1	1	1	387,638	239,239
142 Track/Soccer Stadium	1	1	0	7,607	6,753
147 Parking Garage A	1	1	0	487,433	196,791
150 Public Safety Building	1	1	1	36,240	18,807
151 Parking Garage H	1	1	0	400,200	374,668
152 AMPAC Research Facility	1	1	0	7,432	2,152
153 Visitor and Parking Inf.	1	1	1	2,260	1,476
154 MAE/OM Laboratory	1	1	0	10,692	7,092
156 Neptune Building 156	1	1	0	60,088	33,209
157 Neptune Building 157	1	1	0	65,359	35,980
158 Neptune Building 158	1	1	0	83,379	45,698
159 Housing Administrative Service	1	1	0	12,769	4,211
160 Libra Garage	1	1	0	345,624	337,489
301 Water Tower	1	1	0	0	0
302 Lynx Transit Station	1	1	0	0	0
303 Electric Substation 1	1	1	0	0	0
304 South Telecom Switch Building	1	1	1	742	0
305 Housing Water Heater Building	1	1	1	1,073	0
306 Electric Substation 2	1	1	0	0	0
307 Utility Building 6	1	1	1	1,656	0
308 WUCF Antenna Tower	1	1	0	360	304
310 Kiosk	1	1	1	283	139
311 Lake Claire Restroom Bldg.	1	1	6	386	0
312 Utility Building 6	1	1	6	163	0
317 Recreation Svcs. Soccer Field	1	2	0	400	0
318 Recreation Service Pavilion	1	2	0	504	504
319 Engineering Research Pavilion	1	2	6	1,250	1,056
320 Recreation Svcs Field Restrnm	1	1	0	2,290	51
321 Recreation Svcs. Field Maint.	1	1	0	3,918	3,232
322 EH&S Storage	1	2	6	207	191
323 Facilities & Safety Storage	1	2	6	207	191
324 Facilities & Safety Bulk Stora	1	2	6	207	191
326 Communication Storage Shed	1	2	0	3,600	0
327 Recycling Center Shed	1	2	0	3,600	0
328 Master Lift Station	1	1	0	933	0
329 Timothy R. Newman Pavilion	1	2	0	2,961	-
331 Lake Claire Pavilion 1	1	2	0	600	600
332 Lake Claire Pavilion 2	1	2	0	2,750	2,700

333 Lake Claire Pavilion 3	1	2	0	144	144
334 Lake Claire Boathouse	1	2	0	3,600	3,500
335 Lake Claire Pavilion 4	1	2	0	600	600
336 Lake Claire Utility	1	1	0	700	0
341 Biology Electrical Room	1	1	0	320	0
350 Emergency Svcs Training Bldg.	1	1	0	987	755
351 Fire Station No. 65	1	1	1	5,978	0
354 Utility Building 3 (CHP)	1	1	0	6,140	4,871
401 Zeta Tau Alpha	1	1	0	10,230	3,525
402 Scholarship House	1	1	0	4,038	2,913
403 Delta Delta Delta	1	1	0	9,470	0
404 Alpha Xi Delta	1	1	0	5,200	0
405 Pi Beta Phi	1	1	0	8,450	0
406 Alpha Delta Pi	1	1	0	5,477	0
407 Kappa Delta	1	1	0	4,969	0
409 Theta Chi	1	1	0	13,151	6,764
410 Alpha Tau Omega	1	1	0	10,000	0
411 Kappa Alpha Theta	1	1	0	11,518	7,062
412 Sigma Chi	1	1	0	6,000	0
413 Kappa Sigma	1	1	0	6,000	0
415 Fraternity and Sorority Life	1	1	0	4,314	1,806
416 Chi Omega	1	1	0	12,950	7,816
417 Kappa Kappa Gamma	1	1	0	12,950	7,063
525 Arboretum Portable	1	3	6	1,440	981
529 Creative School 1 st Grade	1	3	6	1,200	864
540 Creative School Module 2	1	3	6	1,440	1,099
541 Arts & Humanities Annex	1	3	6	5,376	3,313
546 Orange Co. Schools Systems	1	3	0	840	721
548 ICA Football Storage	1	2	0	240	220
630 Band Trailer	1	3	6	3,648	2,065
8111 Ctr Pub Saty/Forensic Sic/Secu	1	1	0	67,687	41,213
8119 Partnership 2	1	1	0	116,771	75,238
8126 Partnership 3	1	1	1	117,442	69,207
W001 Administration Bldg Walkways	1	7	0	6,268	0
W002 Library Walkways	1	7	0	4,400	0
W005 Chemistry Walkways	1	7	0	190	0
W006 Theatre Walkways	1	7	0	464	0
W007 Stdt Resource Ctr Walkways	1	7	0	1,721	0
W012 Health & Physics Walkways	1	7	0	1,475	0
W013 Computer Center Walkways	1	7	0	768	0
W014 Howard Phillips Hall Walkways	1	7	0	854	0
W016 Physical Plant Walkways	1	7	0	643	0
W017 Bldg. Services Bldg. Walkways	1	7	0	643	0

W019 Rehearsal Walkways	1	7	0	368	0
W020 Biological Sci Bldg. Walkways	1	7	0	704	0
W021 Ed Complex & Gym Walkways	1	7	0	850	0
W022 Print Shop Walkways	1	7	0	73	0
W023 Visitor Info Ctr Walkways	1	7	0	10	0
W024 Creative for Child 1 Walkways	1	7	0	1,202	0
W026 Stdtd Services Bldg. Walkways	1	7	0	294	0
W027 Stdtd Health Ctr Walkways	1	7	0	207	0
W028 Early Childhood Ctr Walkways	1	7	0	774	0
W029 Computer Center 2 Walkways	1	7	0	502	0
W033 Commons Bldg. Walkways	1	7	0	598	0
W038 WDSC1 Walkways	1	7	0	3,358	0
W039 WDSC2 Walkways	1	7	0	866	0
W040 Engineering Walkways	1	7	0	1,388	0
W043 Health Resource Ctr Walkways	1	7	0	32	0
W044 Engineering Field Lab Walkways	1	7	0	256	0
W045 Business Admin Walkways	1	7	0	2,965	0
W049 Campus Police Walkways	1	7	0	296	0
W050 UCF Arena Walkways	1	7	0	5,340	0
W051 Visual Art Walkways	1	7	0	5,761	0
W071 Intl Stdtd Ctr Walkways	1	7	0	828	0
W075 Communication Bldg. Walkways	1	7	0	652	0
W310 Kiosk Walkways	1	7	0	78	0
W515 Portable Classroom 2 Walkways	1	7	0	613	0
W518 Band Trailer Walkways	1	7	0	12	0
W528 Portable Classroom 3 Walkways	1	7	0	417	0
W533 Insurance/Crime Walkways	1	7	0	55	0
W534 Health Phy Therapy Walkways	1	7	0	86	0
SITE 2 - SOUTH ORLANDO CAMPUS					
701 South Orlando Campus Bldg. 1	2	1	1	6,690	4,542
702 South Orlando Campus Bldg. 2	2	1	1	5,167	3,467
SITE 3 - UCF COCOA					
1999 Brevard Lifelong Education	3	1	1	71,940	39,343
SITE 4 - UCF DAYT BCH #1					
801 Daytona Bch Campus Building	4	1	1	5,663	3,904

SITE 6 – UCF DAYT BCH #2					
803 Daytona Joint Use Facility 1	6	1	0	47,133	26,993
804 Daytona Joint Use Facility 2	6	1	0	42,970	14,386
SITE 8 – FLA SOLAR EN #2					
1910 FSEC Office Trailer	8	3	1	1,680	1,111
1913 FSEC Storage 2	8	3	1	288	276
1914 FSEC Storage 3	8	3	1	200	190
1915 FSEC Storage 4	8	3	1	200	190
1919 FSEC Storage 5	8	3	1	288	279
1924 FSEC A/C Test Trailer	8	33	1	335	309
1925 FSEC Appliance Lab & Train 1	8	3	1	1,680	1,603
1926 FSEC Appliance Lab & Train 2	8	3	1	1,680	1,603
1927 FSEC Appliance Lab & Train 3	8	3	1	1,680	1,603
1931 FSEC Alt Storage	8	3	0	200	200
1933 FSEC PV Testing	8	3	1	192	192
1939 Power/Comm Utility	8	1	0	320	0
1940 FSEC Application Test Facility	8	1	0	3,750	3,340
1950 FSEC Radiant Barrier Systems	8	3	1	1,152	1,092
SITE 10 – FLA SOLAR EN #3					
1941 Night Cool Test Shed 1	10	2	1	192	176
1942 Night Cool Test 2	10	2	1	192	192
1943 Tank Shed	10	2	1	160	160
1944 PV Data Test Shed	10	2	0	228	227
2001 FSEC Office Building	10	1	1	56,666	34,813
2002 FSEC Lab Building	10	1	1	27,482	22,816
2003 FSEC Mechanical Building	10	1	1	2,080	0
2004 Science Lab & training Facilit	10	1	1	2,000	1,530
2005 Manufacturing Housing Lab	10	2	1	1,600	1,458
2006 Flex Res Test Home – East	10	1	0	2,000	1,936
2007 Flex Res Test Home – West	10	1	0	2,000	1,936
SITE 11 – UCF EXEC DEV CT					
902 UCF Downtown	11	1	0	32,693	17,415
SITE 12 – ORLANDO AREA					
820 Lake Sumter Community College	12	4	0	100	100
906 Center for Emerging Media	12	1	1	130,000	64,979

1025 UCF Health at Quadrangle	12	1	0	32,693	17,415
8106 Housing Storage (Leased)	12	1	0	9,001	9,000
8109 McKnight Center (Leased)	12	1	0	2,222	288
8118 University Tower (Leased)	12	1	0	105,744	55,700
8301 Lucent Technologies Inc.	12	1	0	21,000	0
SITE 13 - UCF PALM BAY					
1980 Fl. Advanced Technology Center	13	1	0	134,000	1,489
1982 BCC/Palm Bay Classroom Bldg. 3	13	1	0	5,014	4,271
SITE 14 - RESEARCH PARK					
8102 Research Pavilion (Leased)	14	1	1	150,000	56,314
8108 Hazardous Materials Building	14	1	1	1,400	1,015
8110 University Tech Center (Leased)	14	1	0	83,454	11,671
8112 Innovative Center (Leased)	14	1	0	37,869	37,869
8113 Orlando Tech Center (300) (Leased)	14	1	0	2,222	1,044
8114 Biomolecular Research Annex (Leased)	14	1	0	6,001	6,000
8116 Bennett Building 2	14	1	0	83,454	9,351
8120 Orlando Tech Cntr (500) (Leased)	14	1	0	10	1
8121 Orlando Tech Center (Bldg 600) (Leased)	14	1	0	0	0
8129 Bennett Building 3	14	1	0	23,256	14,569
8130 Bennett Building 4	14	1	0	16,128	14,108
SITE 15 - ROSEN COL HOSPI					
903 Rosen College of Hospitality	15	1	0	158,980	100,545
904 Rosen College Housing 1	15	1	0	73,599	54,624
905 Rosen College Housing 2	15	1	0	73,191	49,596
SITE 16 - HEALTH SCIENCES					
1001 Burnett Biomedical Sciences	16	1	1	198,200	105,900
1002 College of Medicine	16	1	1	175,000	75,871
1010 Lake Nona Maintenance Buil	16	1	0	900	810

Legend:

Building Status: 1 = Permanent, 2 = Temporary Non-Relocatable, 3 = Temporary Relocatable, 4 = Under Construction, 7 = Covered Walkway

Building Condition: 0 = Building not surveyed, 1 = Satisfactory, 6 = Termination

Table 6**Eligible Assignable Square Footage of Satisfactory Space, by Category, by Building**

	Classroom	Teach Lab	Study	Res Lab	Ofc EDP	Aud Exh	Inst Media	Stu Acad Support	Gym	Campus Sup Service	Res & Other	Total
Site 1 - Main Campus	203,798	264,826	154,649	274,329	683,904	27,143	9,727	0	14,438	101,078	192,977	1,926,869
Site 2 - So Orlando	3,937	1,252	0	0	2,125	0	0	0	0	0	451	7,765
Site 7 - Fla Solar En #1	0	0	0	0	0	0	0	0	0	0	0	0
Site 8 - Fla Solar En #2	0	0	0	3,340	0	0	0	0	0	0	0	3,340
Site 9 - Mckay (Undev)	0	0	0	0	0	0	0	0	0	0	0	0
Site 10 - Fla Solar En #3	0	0	0	4,627	0	0	0	0	0	0	0	4,627
Site 11 - UCF Exec Dev Ct	0	0	0	0	2,303	0	0	0	0	0	0	2,303
Site 12 - Orlando Metro Area	0	0	0	0	0	0	0	0	0	0		0
Site 14 - Research Park	0	4,320	0	20,450	13,990	0	0	0	0	0	0	38,760
Site 15 - Rosen Col Hospi	32,605	23,869	8,499	0	22,482	1,119	0	0	0	0	1,510	90,084
Site 16 - Health Sciences	11,383	12,372	11,231	75,293	63,642	0	0	0	1,943	810	4,849	181,523
TOTAL	257,297	309,770	186,027	418,915	1,020,913	51,920	11,467	1,501	159,243	1,972,666	1,308,963	5,698,682

Note: Sites 3, 4, 5, 6, and 13 are not reflected, as there is no eligible assigned square footage included at those locations in the State University Database System.

IX. Quantitative (Formula) Space Needs

The basic method used to determine the facilities required by a university to accommodate educational programs, student enrollment, personnel, and services, is the Fixed Capital Outlay Space Needs Generation Formula (formula). The formula provides the three general classifications of space: instructional, academic support, and institutional support. Within these classifications, nine categories of space are included: classroom, teaching laboratory, research laboratory, study, instructional media, auditorium and exhibition, gymnasium, office, and campus support services. While the FTE enrollment projection acts as primary generator, the formula recognizes variations in space requirements derived from discipline grouping, course levels, research programs, and library holdings, as well as faculty, staff, and contract and grant positions. The outcome of running the formula is a campus-wide aggregate of the nine categories of space, based on each individual university's make-up of students, programs, faculty, and staff.

Table 7 reports the results of comparing the generated space needs to the existing satisfactory and eligible facilities inventory for the main campus.

Table 8, also known as the "Form B," shows the details of these comparison results.

Table 7
Formula Generated Net Assignable Square Feet by Category

Space Category		Space Needs By Space Type	Satisfactory Space Inventory	Unmet Need
<u>Instructional</u>				
	Classroom	324,244	240,340	83,904
	Teaching Laboratory	618,915	296,831	324,648
	Research Laboratory	932,086	303,335	629,057
<u>Academic Support</u>				
	Study	682,870	163,148	519,722
	Instructional Media	82,522	9,727	72,795
	Auditorium/Exhibition	123,783	28,262	95,521
	Teaching Gymnasium	172,058	14,438	157,620
<u>Institutional Support</u>				
	Student Academic Support	0	0	0
	Office/Computer	996,247	726,834	271,443
	Campus Support Services	205,181	101,651	104,103
	Total	4,137,906	1,884,566	2,258,813

Table 8
Analysis of Space Need by Category (Form B)

ANALYSIS OF SPACE NEEDS BY CATEGORY - FORM B											
University of Central Florida											
All Campuses (except Health Sciences - Site 16)											
Net Assignable Square Feet Eligible for Fixed Capital Outlay Budgeting											
Prepared 02-Oct-15											
<div> TOTAL FTE= 41,261 On-Line FTE= 14,241 Total Less On Line FTE= 27,020 </div>											
		Class- room**	Teaching Lab	Study	Research Lab	Office	Audi/ Exhib.	Instruct. Media	Student Academic Support	Campus Gym Support Services	Total NASF
Space Needs by Space Type*:	2020-2021	324,244	618,915	682,870	932,086	996,247	123,783	82,522	0	172,058	4,137,906
1) Current Inventory as of:	June-15										
A)	Satisfactory Space	240,340	294,267	163,148	303,029	724,804	28,262	9,727	0	14,438	1,879,093
B)	Unsatisfactory Space to be Remodeled	0	0	0		0	0	0	0	0	0
C)	Unsatisfactory Space to be Demolished/Terminated (Utility Bldg. 8 & 9, Band Bldg., and South Orlando Bldg. 1 & 2)	0	2,564	0	306	2,030	0	0	0	573	5,473
D)	Total Under Construction	0	0	0	0	0	0	0	0	0	0
											0
											0
											0
TOTAL CURRENT INVENTORY:		240,340	296,831	163,148	303,335	726,834	28,262	9,727	0	14,438	1,884,566

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2) Projects Funded for Construction thru:		June-15											
													0
		Total Funded Construction:	0	0	0	0	0	0	0	0	0	0	0
Plus: Total Planned Demolition			0	2,564	0	306	2,030	0	0	0	0	573	5,473
Net Space Needs			83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Percent of:		Current Inventory and Funded Projects Minus Demolition											
		Space Needs	74%	48%	24%	33%	73%	23%	12%	0%	8%	49%	45%
(**Online FTE excluded from Classroom needs.)													
University of Central Florida 2020-2021			Class-room	Teaching Lab	Study	Research Lab	Office	Aud/Exhibition	Instruct. Media	Student Academic Support	Campus Gym	Support Services	Total NASF
Space Needs by Space Type		2020-2021	324,244	618,915	682,870	932,086	996,247	123,783	82,522	0	172,058	205,181	4,137,906
Net Space Needs from Form B			83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Percent of Space Needs			74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
3) Projects Funded for Planning													
Proj. 1)			0	0	0	0	0	0	0	0	0	0	0
		Sub Total Net Space Needs	83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
		Sub Total Percent	74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
Proj. 2)			0	0	0	0	0	0	0	0	0	0	0
		Sub Total Net Space Needs	83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
		Sub Total Percent	74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%

4) CIP Projects

Proj. 1)		0	0	0	0	0	0	0	0	0	0	0
Util./Infras./Cap.	Sub Total Net Space Needs	83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Renewal Roofs	Sub Total Percent	74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
Proj. 2)		0	0	0	22,850	12,930	0	0	0	0	0	35,780
Interdisciplinary	Sub Total Net Space Needs	83,904	324,648	519,722	606,207	258,513	95,521	72,795	0	157,620	104,103	2,223,033
Research and Incubator Facility	Sub Total Percent	74.12%	47.55%	23.89%	34.96%	74.05%	22.83%	11.79%	0.00%	8.39%	49.26%	46.28%
Proj. 3)		0	0	0	0	0	0	0	0	0	0	0
Colbourn Hall	Sub Total Net Space Needs	83,904	324,648	519,722	606,207	258,513	95,521	72,795	0	157,620	104,103	2,223,033
Renovation	Sub Total Percent	74.12%	47.55%	23.89%	34.96%	74.05%	22.83%	11.79%	0.00%	8.39%	49.26%	46.28%
Proj. 4)		5,000	3,750	0	0	39,550	0	0	0	0	12,250	60,550
Trevor Colbourn Hall	Sub Total Net Space Needs	78,904	320,898	519,722	606,207	218,963	95,521	72,795	0	157,620	91,853	2,162,483
	Sub Total Percent	75.67%	48.15%	23.89%	34.96%	78.02%	22.83%	11.79%	0.00%	8.39%	55.23%	47.74%
Proj. 5)		0	0	41,000	0	0	0	0	0	0	0	41,000
John C. Hitt Library Renovation, Phase II	Sub Total Net Space Needs	78,904	320,898	478,722	606,207	218,963	95,521	72,795	0	157,620	91,853	2,121,483
	Sub Total Percent	75.67%	48.15%	29.90%	34.96%	78.02%	22.83%	11.79%	0.00%	8.39%	55.23%	48.73%
Proj. 6)		28,000	28,000	10,714	0	17,333	8,333	20,000	0	0	0	112,380
UCF Downtown Campus Bldg. 1	Sub Total Net Space Needs	50,904	292,898	468,008	606,207	201,630	87,188	52,795	0	157,620	91,853	2,009,103
	Sub Total Percent	84.30%	52.68%	31.46%	34.96%	79.76%	29.56%	36.02%	0.00%	8.39%	55.23%	51.45%
Proj. 7)		2,000	36,991	0	0	4,000	63,804	0	0	0	0	106,795
Arts Complex Phase II Performance	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Proj. 8)		0	0	0	0	0	0	0	0	0	0	0
Millican Hall	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Renovation	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%

Proj. 9)		0	0	0	0	0	0	0	0	0	0	0	0
Business	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308	
Administration Renovation	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.45%	0.00%	8.39%	55.23%	54.03%	
Proj. 10)		0	0	0	0	0	0	0	0	0	0	0	0
Chemistry Renovation	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308	
	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.45%	0.00%	8.39%	55.23%	54.03%	
Proj. 11)		0	0	0	0	0	0	0	0	0	0	0	0
Facilities & Safety	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308	
Complex Renovation	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.45%	0.00%	8.39%	55.23%	54.03%	
Proj. 12)		0	0	0	0	0	0	0	0	0	0	0	0
Visual Arts Renovation	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308	
	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.45%	0.00%	8.39%	55.23%	54.03%	
Proj. 13)		0	10,696	2,572	0	2,579	5,344	0	0	0	0	21,191	
Visual Arts Expansion	Sub Total Net Space Needs	48,904	245,211	465,436	606,207	195,051	18,040	52,795	0	157,620	91,853	1,881,117	
	Sub Total Percent	84.92%	60.38%	31.84%	34.96%	80.42%	85.43%	36.45%	0.00%	8.39%	55.23%	54.54%	
Proj. 14)		0	8,000	0	26,117	20,000	0	5,000	0	0	0	59,117	
Multi-purpose Research and Education Bldg	Sub Total Net Space Needs	48,904	237,211	465,436	580,090	175,051	18,040	47,795	0	157,620	91,853	1,822,000	
	Sub Total Percent	84.92%	61.67%	31.84%	37.76%	82.43%	85.43%	42.08%	0.00%	8.39%	55.23%	55.97%	
Proj. 15)		0	78,130	4,800	5,000	40,105	8,150	0	0	0	4,800	140,985	
College of Nursing	Sub Total Net Space Needs	48,904	159,081	460,636	575,090	134,946	9,890	47,795	0	157,620	87,053	1,681,015	
	Sub Total Percent	84.92%	74.30%	32.54%	38.30%	86.45%	92.01%	42.08%	0.00%	8.39%	57.57%	59.38%	
Proj. 16)		10,600	0	0	17,950	10,000	0	0	0	0	0	38,550	
Interdisciplinary	Sub Total Net Space Needs	38,304	159,081	460,636	557,140	124,946	9,890	47,795	0	157,620	87,053	1,642,465	
Research Building II	Sub Total Percent	88.19%	74.30%	32.54%	40.23%	87.46%	92.01%	42.08%	0.00%	8.39%	57.57%	60.31%	

Proj. 17)		30,000	1,000	0	0	11,857	0	0	0	0	1,000	43,857
Classroom III	Sub Total Net Space Needs	8,304	158,081	460,636	557,140	113,089	9,890	47,795	0	157,620	86,053	1,598,608
	Sub Total Percent	97.44%	74.46%	32.54%	40.23%	88.65%	92.01%	42.08%	0.00%	8.39%	58.06%	61.37%
Proj. 18)		2,544	20,456	0	0	6,000	4,450	0	0	0	0	33,450
Civil and Environmental Engineering	Sub Total Net Space Needs	5,760	137,625	460,636	557,140	107,089	5,440	47,795	0	157,620	86,053	1,565,158
	Sub Total Percent	98.22%	77.76%	32.54%	40.23%	89.25%	95.61%	42.08%	0.00%	8.39%	58.06%	62.18%
Proj. 19)		0	1,200	500	850	1,000	0	0	0	1,200	4,750	9,500
Coastal Biology Station	Sub Total Net Space Needs	5,760	136,425	460,136	556,290	106,089	5,440	47,795	0	156,420	81,303	1,555,658
	Sub Total Percent	98.22%	77.96%	32.62%	40.32%	89.35%	95.61%	42.08%	0.00%	9.09%	60.37%	62.40%
Proj. 20)		0	0	0	0	7,000	4,000	0	0	0	650	11,650
Welcome Center	Sub Total Net Space Needs	5,760	136,425	460,136	556,290	99,089	1,440	47,795	0	156,420	80,653	1,544,008
Expansion	Sub Total Percent	98.22%	77.96%	32.62%	40.32%	90.05%	98.84%	42.08%	0.00%	9.09%	60.69%	62.69%
Proj. 21)		0	0	0	0	0	0	0	0	0	0	0
Center for Emerging Media Renovation	Sub Total Net Space Needs	5,760	136,425	460,136	556,290	99,089	1,440	47,795	0	156,420	80,653	1,544,008
	Sub Total Percent	98.22%	77.96%	32.62%	40.32%	90.05%	98.84%	42.08%	0.00%	9.09%	60.69%	62.69%
Proj. 22)		0	8,867	0	0	0	0	0	0	0	0	8,867
Band Building	Sub Total Net Space Needs	5,760	127,558	460,136	556,290	99,089	1,440	47,795	0	156,420	80,653	1,535,141
Phase II	Sub Total Percent	98.22%	79.39%	32.62%	40.32%	90.05%	98.84%	42.08%	0.00%	9.09%	60.69%	62.90%
Proj. 23)		0	0	0	0	2,000	0	0	0	0	21,056	23,056
Facilities and Safety Support Bldg at Lake Nona	Sub Total Net Space Needs	5,760	127,558	460,136	556,290	97,089	1,440	47,795	0	156,420	59,597	1,512,085
	Sub Total Percent	98.22%	79.39%	32.62%	40.32%	90.25%	98.84%	42.08%	0.00%	9.09%	70.95%	63.46%
Proj. 24)		0	0	0	0	0	0	0	0	0	10,000	10,000
UCF Downtown	Sub Total Net Space Needs	5,760	127,558	460,136	556,290	97,089	1,440	47,795	0	156,420	49,597	1,502,085
CHP Plant	Sub Total Percent	98.22%	79.39%	32.62%	40.32%	90.25%	98.84%	42.08%	0.00%	9.09%	75.83%	63.70%
Total Net Space Needs		5,760	127,558	460,136	556,290	97,089	1,440	47,795	0	156,420	49,597	1,502,085
Total Percent of Net Space Needs		98.22%	79.39%	32.62%	40.32%	90.25%	98.84%	42.08%	0.00%	9.09%	75.83%	63.70%

Prepared 23-Sep-15

	PROJECTED FTE 2020-2021			Year	Current Inventory as of:	Current Funded for Construction
	Total	On-Line	Main			
UCF	41,261	14,241	27,020	2020-2021	June-15	June-15

FTE Assumptions (Main Campus)

	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>
Lower Division	11,914	12,211	12,483	12,721	12,994	12,994
Upper Division	22,290	22,836	23,349	23,796	24,303	24,303
Grad I	2,691	2,676	2,677	2,689	2,730	2,730
Grad II	1,072	1,108	1,137	1,191	1,234	1,234
TOTAL MAIN FTE ¹	37,967	38,831	39,646	40,397	41,261	41,261
Avg Annual Growth Rate ²		2.07%	2.07%	2.07%	2.07%	2.07%
TOTAL FTE						41,261

NOTES

1 Total Main FTE source - 2015-16 University Work Plan, page 15

2 Five Year projected average annual growth rate taken from - 2015-16 University Work Plan, pg. 15

All Campuses, unless otherwise noted

Medical Headcounts excluded (if applicable)

SUS SPACE NEED FACTORS - 2014 Forward

The 2014 factors for classroom, teaching lab, auditorium, and instructional media have been standardized, and reflect values from the 1995 Spaces Needs Generation Formula. The standard .6 FTE for Student Academic Support has been moved to Study, as this space category has been eliminated

		Class room	Teach Lab	Study	Res Lab	Office	Audit/ Exhib	Instr. Media	Stu. Sup.	Acad. Gym	Camp Sup.	Total
UF	2014	12	15	27	53	54	3	2	0	4	8	178
	2012	11.30	15.46	26.40	52.64	54.04	3.00	0.73	0.60	4.01	8.41	176.59
FSU	2014	12	15	22	30	37	3	2	0	4	6	131
	2012	11.60	15.40	21.07	29.99	36.77	3.00	0.79	0.60	4.26	6.17	129.66
FAMU	2014	12	15	19	26	37	3	2	0	7	6	127
	2012	11.62	14.36	18.37	25.70	36.60	3.01	1.46	0.60	7.22	5.95	124.88
USF	2014	12	15	18	32	40	3	2	0	4	6	132
	2012	11.66	14.02	17.37	31.99	39.63	3.00	0.79	0.60	4.26	6.17	129.49
FAU	2014	12	15	22	23	30	3	2	0	5	6	117
	2012	11.78	16.35	21.39	22.65	29.67	3.00	1.04	0.60	5.37	5.59	117.44
UWF	2014	12	15	24	14	30	3	2	0	9	5	115
	2012	11.78	12.68	23.86	14.45	29.91	4.21	1.85	0.60	8.89	5.41	113.64
UCF	2014	12	15	17	23	24	3	2	0	4	5	105
	2012	11.70	14.41	15.95	22.59	24.15	3.00	0.77	0.60	4.17	4.87	102.20
FIU	2014	12	15	18	20	27	3	2	0	4	5	107
	2012	11.91	14.98	17.54	20.18	26.70	3.00	0.83	0.60	4.42	5.01	105.16
UNF	2014	12	15	20	14	26	3	2	0	6	5	104
	2012	11.97	13.77	19.47	14.25	26.38	3.00	1.29	0.60	6.45	4.86	102.04
FGCU	2014	12	15	20	30	28	3	2	0	10	6	126
	2012	12.02	9.79	19.47	29.94	28.14	4.98	2.09	0.60	9.97	5.85	122.85
NCF	2014	12	15	16	10	63	3	2	0	3	6	130
	2012	10.49	0.00	9.40	10.17	63.14	39.75	15.90	0.60	79.49	11.45	240.39
AVG	2014	12	15	20	25	36	3	2	0	6	6	125
	2012	11.62	12.84	19.12	24.96	35.92	6.63	2.50	0.60	12.59	6.34	133.12

X. Recommendations of Survey Team – October 8, 2015

Survey Team Members: Robin Anderson, Team Leader (UWF); Kenneth Ogletree (BOG); Teira E. Farley (BOG); Tina D'Auria (UF); Mary Mory (UNF); Patricia Pasden (FGCU)

Site Improvements Recommendations:

1.1 Land Acquisition – This project allows the university to continue purchasing properties surrounding all campuses as identified in the adopted Campus Master Plan.

1.2 Landscaping and Site Improvements – This is a general recommendation to continue landscaping, road, and site improvements, consistent with the adopted Campus Master Plan.

1.3 Utility Infrastructure – This is a general recommendation for modifications to, or expansion of, utility infrastructure, capital renewal, and roofs, consistent with the adopted Campus Master Plan.

Remodeling/Renovation Recommendations:

Remodeling/renovation recommendations are in accordance with the net square footage as described in the Form B. As presented, remodeling/renovation recommendations yield no significant changes to existing space use categories. Any changes to remodeling/renovation projects that exceed 100% of any space use categories will require a supplemental Survey. The following projects are recommended:

Main Campus

- 2.1 Colbourn Hall Renovation
- 2.2 John C. Hitt Library Renovation, Phase II
- 2.3 Business Administration Renovation
- 2.4 Millican Hall Renovation
- 2.5 Chemistry Renovation
- 2.6 Facilities and Safety Complex Renovation
- 2.7 Visual Arts Renovation

UCF Downtown

- 2.8 Center for Emerging Media Renovation

New Construction Recommendations:

New construction recommendations are in accordance with the presented net square footage and as described in the Form B. The following projects are recommended:

Main Campus

- 3.1 Interdisciplinary Research and Incubator Facility
- 3.2 John C. Hitt Library Renovation (Addition), Phase II

- 3.3 Trevor Colbourn Hall
- 3.4 Arts Complex, Phase II
- 3.5 Multi-Purpose Research and Education
- 3.6 Visual Arts Addition
- 3.7 Interdisciplinary Research, Building II
- 3.8 Classroom III
- 3.9 Civil and Environmental Engineering
- 3.10 Welcome Center Addition
- 3.11 Band Building

¹UCF Downtown

- 3.12 Building I
- 3.13 Central Energy Plant

Lake Nona

- 3.14 College of Nursing
- 3.15 Facilities and Safety Support Building

Demolition Recommendations:

Persuant to Board of Governors' Regulation 9.004, Razing of Buildings, demolition projects beneath the \$1,000,000 threshold do not require an Educational Plant Survey recommendation; however, all reductions in space categories should be appropriately reflected in the Form B.

The following demolitions are recommended:

- 4.1 Utility Building 8 (Building 42), 1,500 sq. ft.
- 4.2 Utility Building 9 (Building 46), 592 sq. ft.
- 4.3 Wayne Densch II (Building 39), 15,876 sq. ft.
- 4.4 Band Trailer (Building 630), 3,658 sq. ft.
- 4.5 South Orlando Building I (Building 701), 6,690 sq. ft.
- 4.6 South Orlando Building II (Building 702), 5,167 sq. ft.

Projects Based on Exception Procedure (New Construction):

- 5.1 N/A

Special Purpose Center Recommendations:

The following projects are recommended:

- 6.1 Coastal Biology Station at Brevard County

Standard University-wide Recommendations:

SR1. Projects for safety corrections are recommended.

SR2. Projects for corrections or modifications necessary to comply with the Americans with Disabilities Act are recommended.

SR3. Projects required to repair or replace a building's components are recommended provided that the total cost of the project does not exceed 25% of the replacement cost of the building.

SR4. Expansion, replacement, and upgrading of existing utilities/infrastructure systems to support projects identified within this Educational Plant Survey are recommended.

SR5. Projects requiring renovations to space vacated in conjunction with new construction that result in no significant changes in space categories, are recommended.

Notes:

A. The university is to write recommendation text in accordance with current Educational Plant Survey format criteria.

B. The Survey Team requires that projects recommended for approval are to be incorporated into the Campus Master Plan Update(s).

C. The Survey Team recommendations to the Board of Governors cannot exceed 100% utilization in any of the nine (9) space categories. Any project that exceeds 100% utilization must be modified to ensure approval by the Survey Team. The 100% threshold options are as follows:

1. Re-verify classification /utilization
2. Delete project or space utilization category
3. Reduce space utilization category
4. Trade with other space category within the project
5. Shift project priorities
6. Provide sufficient data to support any overage

D. Supplemental Surveys are required if any changes to project scope result in a space category exceeding 100% of formula-driven need.

¹ Recommendations are subject to the approval by the Board of Governors of the Type I Campus site designation of the UCF Downtown Campus. The University of Central Florida previously obtained approval from its Board of Trustees and acquired the required subsequent approval by the Board of Governors on March 2, 2016.

XI: Funding of Capital Projects

The projects recommended by the Survey Team may be funded based on the availability of funds authorized for such purposes. The primary source available to the university is Public Education Capital Outlay (PECO). PECO funds are provided pursuant to Art. XII, § 9(a)(2), Fla. Const., as amended. These funds are appropriated to the State University System pursuant to § 1013.64(4), Fla. Stat., which provides that a list of projects is submitted to the Commissioner of Education for inclusion within the Commissioner's Fixed Capital Outlay Legislative Budget Request. In addition, a lump sum appropriation may be provided for remodeling, renovation, maintenance, repair, and site improvements for existing satisfactory facilities. This lump sum appropriation is then allocated to the universities. The projects funded from PECO are normally for instructional, academic support, or institutional support purposes.

Another source for capital projects is Capital Improvement Fees. University students pay Building Fees and Capital Improvement Fees, for a total of \$6.76 per credit hour per semester. This revenue source is commonly referred to as Capital Improvement Fees and is used to finance university capital projects or debt service on bonds issued by the State University System. The projects financed from this revenue source are primarily student-related, meaning that the projects provide facilities such as student unions, outdoor recreation facilities, and athletic facilities. Periodically, a funding plan is developed for available and projected revenues. Universities receive an allocation and develop a list of projects that are submitted to the Division of Colleges and Universities for inclusion within a request to the Legislature for appropriation authority.

The Facilities Enhancement Challenge Grant, "Courtelis Program," established pursuant to § 1013.79, Fla. Stat., provided for the state matching of private donations for facilities projects that support instruction or research. Under this program, each private donation for a project is matched by state funds. The program is inactive at this time.

Section 1013.74, Fla. Stat., provides authority to accomplish capital projects from grants, and private gifts. In addition, authority is provided within this section to finance facilities to support auxiliary enterprises from the issuance of bonds supported by university auxiliary revenues. Legislative approval of the proposed projects is required.

A limited amount of general revenue funds has been appropriated for university capital projects.

Table 9 identifies the specific project appropriations made available to the university over the last ten years.

Table 9
Capital Outlay Allocations
State Appropriations
From 2006-07 through 2015-16

Project	Location	Phase *	Source	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Total
UTIL/ INFRASTRUCTURE	MAIN CAMPUS	P,C,E	PECO	8,000,000										
BIO-MED SCIENCE CTR	COM CAMPUS	P,C,E	PECO	11,868,952										
SCC-JOINT USE FACILITY	SCC CAMPUS	P,C	PECO	7,875,000										
PHYSICAL SCIENCE BLDG	MAIN CAMPUS	P,C,E	PECO	18,816,566										
PSYCHOLOGY CENTER	MAIN CAMPUS	E	PECO	2,500,000										
ENGINEERING BUILDING III	MAIN CAMPUS	E	PECO	3,797,800										
REM, REN, MAINT.REP. & SITE IMPR	MAIN CAMPUS	P,C,E	PECO	2,361,737										
PSYCHOLOGY BLDG	MAIN CAMPUS	E	LOTTERY	53,300										
COLLEGE OF OPTICS & PHONICS	MAIN CAMPUS	E	LOTTERY	68,970										
ENGINEERING III ENH	MAIN CAMPUS	E	LOTTERY	674,463										
BIOMEDICAL SCI CTR	COM CAMPUS	P,C,E	LOTTERY	6,423,500										
ALUMNI CENTER	MAIN CAMPUS	E	LOTTERY	20,677										
READING CENTER	MAIN CAMPUS	P,C	LOTTERY	500,000										
SIEMENS ENERGY CENTER	MAIN CAMPUS	E	LOTTERY	185,000										
PSYCHOLOGY BLDG	MAIN CAMPUS	E	CMTF	53,300										
COLLEGE OF OPTICS & PHONICS	MAIN CAMPUS	E	CMTF	68,970										
ENGINEERING III ENH	MAIN CAMPUS	E	CMTF	674,463										
BIOMEDICAL SCI CTR	COM CAMPUS	P,C,E	CMTF	6,423,500										
ALUMNI CENTER	MAIN CAMPUS	E	CMTF	20,677										
READING CENTER	MAIN CAMPUS	P,C	CMTF	500,000										
SIEMENS ENERGY CENTER	MAIN CAMPUS	E	CMTF	185,000										
UTIL/ INFRASTRUCTURE	MAIN CAMPUS	P,C,E	PECO		8,000,000									
PHYSICAL SCIENCES BUILDING	MAIN CAMPUS	E	PECO		2,565,895									
VCC-UCF JOINT USE FACILITY	VCC CAMPUS	P,C	PECO		10,125,000									
HAZARDOUS WASTE EXPANSION	MAIN CAMPUS	P,C,E	PECO		2,045,682									
ARTS COMPLEX II - PERFORMANCE	MAIN CAMPUS	P,C	PECO		17,611,071									
PUBLIC SAFETY BUILDING	MAIN CAMPUS	P,C,E	PECO		10,619,373									
REM, REN, MAINT.REP. & SITE IMPR	MAIN CAMPUS	P,C,E	PECO		3,038,848									
ALUMNI CTR- J&M HIT	MAIN CAMPUS	E	GEN REV		20,505									
ENGINEERING III	MAIN CAMPUS	E	GEN REV		694,420									
COLLEGE OF OPTICS & PHONICS	MAIN CAMPUS	E	GEN REV		78,930									
PSYCHOLOGY BUILDING	MAIN CAMPUS	E	GEN REV		58,175									
BURNETT BIO-MED SCI	COM CAMPUS	E	GEN REV		1,106,430									
LAB INSTRUCTION BUILDING	MAIN CAMPUS	P,C,E	GEN REV		16,609,016									
UTIL/ INFRASTRUCTURE	MAIN CAMPUS	P,C,E	PECO			12,500,000								
VCC-UCF JOINT USE FAC	VCC CAMPUS	P,C	PECO			1,125,000								
ARTS COMPLEX II- PERFORMANCE	MAIN CAMPUS	P,C,E	PECO			7,428,749								
PHYSICAL SCIENCE BLDG	MAIN CAMPUS	P,C,E	PECO			25,773,704								
PARTNERSHIP III BUILDING	MAIN CAMPUS	P,C,E	PECO			20,000,000								
REM, REN, MAINT.REP. & SITE IMPR	MAIN CAMPUS	P,C,E	PECO			1,976,499								
REC & WELNESS CT EXPAN-INDOOR	MAIN CAMPUS	P,C,E	CIF			10,150,000								
REC & WELNESS CT EXPAN-OUTDOOR	MAIN CAMPUS	P,C,E	CIF			4,000,000								
UCF HEALTH SERV-DENTAL CLINIC	MAIN CAMPUS	P,C	CIF			550,000								
STU UNION BOARD WALK REPLACEMNT	MAIN CAMPUS	P,C	CIF			500,000								
FOUNDATION STATUE PROJECT	MAIN CAMPUS	C	CIF			50,000								
CAREER SRV EXPR LEARN CTR	MAIN CAMPUS	P,C,E	CIF			6,800,000								
SGA AND OSI EXPANSION	MAIN CAMPUS	C	CIF			600,000								
STU UNION MASTR PLAN/MINOR PRJ	MAIN CAMPUS	C	CIF			347,156								
UTIL/ INFRASTRUCTURE	MAIN CAMPUS	P,C,E	PECO				5,251,319							
PHYSICAL SCIENCE BLDG PH II	MAIN CAMPUS	E	PECO				3,285,500							
PARTNERSHIP III BUILDING	RESEARH PARK	C,E	PECO				1,205,554							

Table 9
Capital Outlay Allocations
State Appropriations
From 2006-07 through 2015-16

Project	Location	Phase *	Source	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Total
REM. REN, MAINT, REP, & SITE IMPR	MAIN CAMPUS	P,C,E	PECO				1,815,040							
UTIL/ INFRASTRUCTURE	MAIN CAMPUS	P,C,E	PECO					7,844,870						
PHYSICAL SCIENCE BLDG PH II	MAIN CAMPUS	E	PECO					1,714,500						
PARTNERSHIP III BUILDING	MAIN CAMPUS	E	PECO					1,879,105						
CLASSROOM BLDG	MAIN CAMPUS	P,C,E	PECO					16,234,156						
INTERDISCIPLINARY RSCH/INCUBATOR	MAIN CAMPUS	P,C,E	PECO					5,924,183						
FAC REM. REN, MAINT, REP, & SITE	MAIN CAMPUS	P,C,E	PECO					3,572,336						
IMPR REM. REN, MAINT, REP, & SITE	MAIN CAMPUS	P,C,E	PECO						605,158					
IMPR CLASSROOM BLDG	MAIN CAMPUS	C,E	PECO							5,857,183				
INTERDISVISC RSCH/INCUBATOR FAC	MAIN CAMPUS	P,C,E	PECO							(5,857,183)				
REM. REN, MAINT, REP, & SITE IMPR	MAIN CAMPUS	P,C,E	PECO							305,900				
UCF MATH & PHYSICS BD REN/REM	MAIN CAMPUS	P,C,E	LOTTERY							3,877,895				
UCF ENGINEERING BUILDING 1 REN	MAIN CAMPUS	P,C,E	LOTTERY							3,620,723				
CLASSROOM BUILDING II	MAIN CAMPUS	E	PECO								1,317,262			
REM. REN, MAINT, REP, & SITE IMPR	MAIN CAMPUS	P,C,E	PECO								3,310,549			
UCF JOHN C. HITT LBR REN/PHI	MAIN CAMPUS	P,C,E	CIF								12,457,801			
UCF-PARTNERSHIP COMPLEX PH IV	RESEARH PARK	P,C,E	PECO									8,000,000		
CRITICAL DEFERRED MAINTENANCE	MAIN CAMPUS	P,C,E	PECO									2,185,937		
REM. REN, MAINT, REP, & SITE IMPR	MAIN CAMPUS	P,C,E	PECO									2,925,357		
UCF JOHN C. HITT LBR REN/PHI	MAIN CAMPUS	C,E	CIF									6,855,331		
PARTNERSHIP IV	RESEARH PARK	P,C,E	PECO										20,000,000	
REM. REN, MAINT, REP, & SITE IMPR	MAIN CAMPUS	P,C,E	PECO										2,671,659	
JOHN C HITT LIBRARY RENOV PHASE I	MAIN CAMPUS	C,E	CIF										5,770,635	
				71,071,875	72,573,345	91,801,108	11,557,413	37,169,150	605,158	7,804,518	17,085,612	19,965,625	28,442,294	358,077,098

Appendices

A. Overview of the Educational Plant Survey Process

EDUCATIONAL PLANT SURVEY PROCESS OVERVIEW

BOARD OF GOVERNORS
Office of Finance & Facilities
Chris Kinsley, Director

FOR THE STATE UNIVERSITY SYSTEM OF FLORIDA

Revised: January 25, 2011

Section 1013.31, Florida Statutes, requires that, at least once every five years, each University Board of Trustees shall arrange for an Educational Plant Survey to aid in providing physical facilities necessary to accommodate its academic programs, students, faculty, staff, and services during the next five-year period.

1. Designation of Responsibility

The University to be surveyed (the “University”) appoints the **Survey Team Coordinator**. The Survey Team Coordinator correlates information provided by the Survey Team Leader, the University Survey Team Facilitator, and the Board of Governors (the “Board”) staff during the Survey process. It is recommended in order to expedite the overall process and to maintain consistency and quality that the coordinator be a staff person from the Board.

It is recommended that the **Survey Team Leader** be requested from a university not being surveyed in the same year. In conjunction with the Survey Team Coordinator, the Survey Team Leader coordinates the work of the Survey Team members. All team members are also recommended to come from staff of other universities not being surveyed in that same year. The Survey Team Leader maintains contact with the Survey Team Coordinator and coordinates all activities with the Survey Team Facilitator at the University during the entire Survey process.

The University President appoints the **Survey Team Facilitator** for its University from its own staff. The Survey Team Facilitator maintains contact with the Survey Team Leader and coordinates personnel at the University during the Survey process. The Survey Team Facilitator will also coordinate the University activities for the team during the Survey process at the University.

For continuity and consistency of the final report, **Survey Team Members** will consist of staff from universities not being surveyed that year and should include a representative from a university to be surveyed in the next fiscal year, as well as a representative from a university surveyed in the previous fiscal year. Board staff should also be included.

2. Student Enrollment Projections

The Survey uses capital outlay full-time-equivalent student enrollment projections based on the work plans submitted annually to the Board by the universities pursuant to Board regulation 2.002. One undergraduate capital outlay full-time-equivalent represents enrollment in 40 credit hours during the academic year, while

one graduate capital outlay full-time-equivalent represents 32 credit hours. Projections are provided for all credit activity at each officially designated site for which facilities are required. Enrollments are identified by discipline group within level of student.

3. Educational Programs and Services

The Survey uses projections for programs approved by the Board of Governors through the academic program review process for the State University System. Staff of the University prepare a list of programs for the Survey, indicating which existing programs the University wishes to continue, expand and delete during the five-year period of the Survey, as well as those for which planning authorization or program approval has been granted.

The basic mechanism used to determine the facilities required to accommodate educational programs and services is the SUS Space Needs Generation Formula (the "Formula"). The Formula identifies space needs for instructional and research programs, and for academic and institutional support services.

While the capital outlay full-time-equivalent projection acts as primary generator, the Formula recognizes variations in space requirements derived from discipline groupings, course levels, research fields, library holdings, faculty, staff, contract & grant positions, as well as, minimum space allowances. Thus, the Formula results in aggregate space generations for nine (9) standard space categories based on the combination of students, programs, faculty and staff unique to the University.

4. Inventory Validation Segment of Survey

The first segment of the Survey is the Inventory Validation, whereby the physical facilities inventory is evaluated by the Survey team. The Inventory Validation is scheduled three (3) to four (4) months before the Needs Assessment segment of the Survey.

The validation segment entails visits to all sites of the University for the purpose of confirming or correcting information carried in the computerized Physical Facilities Space File, (the "Space File") as well as building schematics. The staff of the university and the validation team members visits all sites and selected buildings. The buildings to be visited for Inventory Validation purposes should include any buildings that have not been previously surveyed, buildings which the University desires to be assessed as unsatisfactory, and a sampling of other buildings to determine overall accuracy of the reported inventory.

The Space File includes information for all educational plants. For the Inventory Validation, University staff provides reports of Space File data and building schematic drawings for the buildings designated to be included in the validation.

An important part of the Inventory Validation process is the review of spaces to be exempt or ineligible. These are spaces not generated by the Formula and thus not included in the current inventory used in space needs analyses. University staff

furnishes a list of all ineligible spaces which identifies each space and justifies why it is excluded.

Together, the University Survey Team Facilitator and Survey Team Leader make arrangements for the Inventory Validation including: team assignments, guides, and transportation for team member visits to buildings and grounds, and lodging accommodations for team members. The Board of Governors will reimburse travel costs and pay standard per diem for members of the Inventory Validation team.

5. University Identification of Needs

Administrators and staff of the University undergoing the Survey prepare lists for each site of needs identified by the University for site acquisition, development and improvement, and remodeling, renovation, and new construction. Outdoor physical education facilities are included as site improvement. Because all previous Survey recommendations expire at the beginning of a new five-year Survey, the list of needs may include items recommended in the prior Survey which have not been started or funded through construction, but still are needed.

Requested projects should be reflected in the University's Campus Master Plan previously submitted to the University Office of Facilities Planning, or should be included in an official update to the Master Plan.

The basic method for identifying facility needs is the Formula approach. This method involves performance levels for space use by the University based on legislatively mandated, as well as generally accepted, utilization standards. The Formula generates campus wide square footage needs for nine categories of space. Needs are compared with the categorical square footage in inventory to determine space deficits and surpluses. Shortages demonstrate the need for remodeling or new construction recommendations to provide space, while overages may denote the need for remodeling recommendations to convert excess space to other uses.

Using the Formula, the Survey Team Coordinator ensures the preparation of space needs analyses by the University for each site showing categorical space need generations, existing space inventory, and resulting deficits and surpluses. Based on the results, University staff develops requests for remodeling recommendations to provide space for under built categories, as well as to reduce space of overbuilt categories, and for new construction recommendations to meet needs which cannot be satisfied through remodeling.

In conjunction with the Formula, Space Factors (the "Factors"), have been developed as part of the process and are used to expedite the use of the Formula in determining university space needs. The Factors are periodically reviewed and revised by the Board Office of Finance and Facilities. Each university at the time of its Survey, after the Inventory Validation and prior to the Needs Assessment, may make a presentation and request a recommendation from the Survey Team to revise one or all of their Factors as a result of data or policy actions taken by its Board of Trustees and its university. The presentation should include, at a minimum, data based on the projected space needs using existing factors, a presentation on changes at the University that make the current Factors inappropriate (i.e. the policy action by its Trustees or University),

and documentation of what the space impact of the requested revised Factors would be. In addition, a comparison against the other universities in the System should be included.

The Survey Team will review the data and make a recommendation to modify or leave the Factors unchanged as part of their Survey recommendations. The team will evaluate the request for consistency with other universities in the system and comparison for similar issues.

The alternative method for identifying facility needs is the "exception procedure." This method is used where the University has special problems or extraordinary needs not supported by the Formula. One example is unusual requirements for a particular type of teaching or research laboratory. Another example is minimal facilities for a program that are not provided by the space needs generated from the initial enrollment level of the program.

To exercise this option, University staff prepares written explanations along with quantitative displays, which justify exceptional needs. Justifications include relevant information such as requirements for specific programs, schedules of current classes, reports of space utilization, indications of effective space management, evidence of sound planning, feasibility studies for remodeling, and intended uses of space. The purpose is to present convincing evidence which demonstrates genuine facility needs beyond Formula generations. In addition, requests for remodeling or new construction recommendations to accommodate these special needs are developed.

Request items for remodeling and renovation recommendations should contain specific information: building number and name; room numbers; current functions of spaces, use codes, and square footage. Items for new construction recommendations specify needed function of spaces, use codes, and net square footage.

Cost estimates are provided by the university for site acquisition, development, and improvement items. They may be furnished for other items as well. Cost estimates for Survey recommendations involving new building construction are based on average cost figures for the System. It is important to note that cost estimates attached to Survey recommendations are not part of the recommendations per se. They are added only to provide a general idea of anticipated cost. They cannot be interpreted as accurate estimates for particular projects. Often, actual estimates will vary significantly from those included with recommendations.

The Survey automatically makes five university wide standard recommendations for: provision of custodial services facilities; provision of sanitation facilities; correction of safety deficiencies; replacement of building envelope systems; and modification of facilities for compliance with the Americans with Disabilities Act. Therefore, the university should not include requests related to these needs.

6. Survey Workbook

University staff prepares a Survey workbook for use by Survey staff during the Needs Assessment segment of the Educational Plant Survey. The workbook contains documentation related to preceding items 2, 3, 4, and 5, along with general

background information about the University. It is supplemented by available information regarding long-term plans for the institution, such as the master plan or other long-range planning documents. Additional information may also be included.

A copy of the Survey Workbook is provided to each Survey team member at least two weeks before the opening date of the Needs Assessment. Other copies may be distributed to Survey staff at the beginning of the Needs Assessment.

7. Financial Information

The Survey Team Coordinator provides particular financial information pertaining to capital outlay allocations by fund source and capital outlay allocations by project type for inclusion in the Survey Report.

8. Needs Assessment Segment of Survey

The Survey Team Leader and the University make arrangements for the Needs Assessment including: daily schedule of Survey activities; organizational meeting, discussion sessions, and final meeting for the Survey Team with university administrators, faculty, and staff; work space, materials, and equipment for the team; and lodging accommodations for team members. The Board of Governors will reimburse travel costs and pay standard state per diem for members of the Validation and Needs Assessment team. The Board will not pay for materials and supplies necessary to conduct the Survey.

9. Survey Recommendations

The Survey Team makes recommendations for site acquisition, development, and improvement; and remodeling, renovation, and new construction for officially designated sites and facilities.

Details about the status of previous Survey recommendations, identification of needs through the Formula approach, modification of Factors and the exception procedure, cost estimates for recommendations, and the university-wide standard recommendations are explained under item 5.

Recommendations for leased sites and facilities are made in accordance with the provisions of Sections 1013.31 Florida Statutes. Recommendations pertaining to additional branch campuses are considered only after a proposal for establishment, submitted by the University, has been recommended and authorized by the Legislature.

10. Written Survey Reports

The University prepares the draft and the final written report of the findings and recommendations of the Survey Team for review and approval by the University Board of Trustees (UBOT's). After approval by the UBOT's, the university must submit the official copy of the report to the Chancellor, State University System of Florida.

B. Explanation of the Space Needs Generation Formula

The Space Needs Generation Formula (Formula) uses three types of information to determine unmet space needs:

- Workload measures, such as enrollment, positions, and library materials
- Space standards, including station sizes and utilization levels
- Existing facilities inventory

The Formula was designed to recognize space requirements based on academic program offerings, student level, and research programs. Currently, space needs are generated for twenty university sites, including main campuses, branches, two health sciences centers, and the Institute of Food and Agricultural Sciences.

A revised factor list (2010) accompanies this report to provide updated data that has been incorporated to ensure that the factors better represent the current state of the universities.

FTE Enrollment Projections

Enrollment projections used for budgeting purposes are based on five-year projections of annual FTEs requiring facilities, excluding enrollments housed at non-owned sites. Annual FTE (one undergraduate FTE represents enrollment in 40 credit hours during the academic year; one graduate FTE represents enrollment in 32 credit hours during the academic year.) enrollment for each site, by discipline, by level is used as the primary variable within the formula. This level of detail allows recognition of differences in space needs based on size of programs, mix of science and non-science programs, variations in station sizes for laboratories, and variations between disciplines in the number of contact or weekly student hours required to be housed in classrooms and teaching laboratories.

Space Standards

Nine space categories are recognized within the Formula. The nine categories of assignable space include:

Instructional/Research

Classrooms
Teaching Laboratories
Research Laboratories

Academic Support

Study Facilities
Instructional Media
Auditorium/Exhibition
Teaching Gymnasium

Institutional Support

Office/Computer
Campus Support

Classroom Facilities

A classroom is defined as a room used for classes and not tied to a specific subject or discipline by equipment in the room or the configuration of the room. Included in this category are rooms generally used for scheduled instruction that require no special, restrictive equipment or configuration. These include lecture rooms, lecture-demonstration rooms, seminar rooms, and general purpose classrooms. Related service areas such as projection rooms, telecommunications control booths,

preparation rooms, closets, storage areas, etc., are included in this category if they serve classrooms.

The net assignable square feet (NASF) needed for classrooms is based upon 22 NASF per student station, 40 periods of room use per week, and 60% station occupancy. These standards result in a space factor of 0.92 NASF per FTE enrollment. Using this space factor, NASF requirements are determined by multiplying the FTE enrollment for each discipline, by level, times the number of weekly student hours per FTE that are scheduled in classrooms.

The effect of applying the formula to all universities by level and by discipline provides an average of 12 NASF per FTE for main campuses. An example for an upper level FTE student in Engineering is:

$$.92 \text{ (Space Factor)} \times 15.0 \text{ (Weekly Student Hours Per FTE)} = 13.8 \text{ NASF Per FTE}$$

$$\text{where Space Factor} = \frac{\text{Station Size}}{\text{Hours Per Week} \times \text{Occupancy Rate}} \quad \text{or} \quad \frac{22}{40 \times .60} = .92 \text{ NASF}$$

Teaching Laboratory Facilities

A teaching laboratory is defined as a room used primarily for scheduled classes that require special purpose equipment or a specific room configuration for student participation, experimentation, observation, or practice in an academic discipline. Included in this category are rooms generally called teaching laboratories, instructional shops, computer laboratories, drafting rooms, band rooms, choral rooms, music practice rooms, language laboratories, studios, theater stage areas used primarily for instruction, instructional health laboratories, and similar specially designed or equipped rooms if they are used primarily for group instruction in formally or regularly scheduled classes. Related service areas are also included in this category.

The NASF need for teaching laboratories is computed by discipline, by level, and is based on established station sizes, weekly student hours per FTE, and utilization levels for room use and station occupancy. The room use standard is 24 hours for lower level and 20 hours for upper level. The station occupancy rate is 80% for both levels.

The effect of applying the formula to all universities, by level, and by discipline, provides an average of 15 NASF per FTE for main campuses. An example for an upper level student in Engineering is:

$$7.81 \text{ (Space Factor)} \times 5.0 \text{ (Weekly Student Hours Per FTE)} = 39.05 \text{ NASF Per FTE}$$

$$\text{where Space Factor} = \frac{\text{Station Size}}{\text{Hours Per Week} \times \text{Occupancy Rate}} \quad \text{or} \quad \frac{125}{20 \times .80} = 7.81 \text{ NASF}$$

Although most universities in the State University System currently generate more than 50,000 NASF, a minimum facility need of 50,000 NASF is provided for the development of future campuses.

Research Laboratory Facilities

A research laboratory is defined as a room used primarily for laboratory experimentation, research or training in research methods, professional research and observation, or structured creative activity within a specific program. Included in this category are labs used for experiments, testing, or "dry runs" in support of instructional, research, or public service activities. Non-class public service laboratories which promote new knowledge in academic fields are included in this category (e.g., animal diagnostic laboratories and cooperative extension laboratories). Related service areas that directly serve these laboratories are included in this category.

The NASF need for research laboratories is based on an allotment of space by discipline for each research faculty FTE and graduate student FTE. Space needs are generated separately for research faculty and graduate students.

Research Faculty space needs are generated by discipline for Educational and General (E&G) and Contract and Grant (C&G) faculty. The number of E&G research faculty is based upon the E&G FTE faculty-to-FTE-student ratio and the percentage of E&G research faculty FTE for the actual or base year. The number of C&G research faculty FTE is based on a three-year average growth rate for C&G faculty applied to the actual or base year. The allotment of space for each research faculty FTE varies from 75 to 450 NASF, depending on the discipline.

Graduate Student space needs are generated, by discipline, for beginning and advanced graduate student FTE. Graduate student FTE enrollment is divided between beginning and advanced levels based upon the number of graduate credit hours completed by the student. (Advanced graduates are those with 36 or more graduate credit hours.)

Research laboratory space is generated for selected University Support Personnel System positions having research responsibilities that require laboratory facilities. The Beginning Graduate space factor is used for these positions.

Space allotments for advanced graduates are the same as those applied to research faculty (from 75 to 450 NASF). The allotment of space for a beginning graduate FTE considers sharing of research space and varies from 3 to 90 NASF. For example, the space allotment for an advanced graduate student in Engineering is 450 NASF.

Study Facilities

Study facilities include study rooms, stack areas, processing rooms, and study service areas. The NASF needed for study facilities is based on separately determined NASF needs for study rooms, carrel space, stack areas, and study service areas.

Study Rooms (Other than Computer Study Rooms). The NASF need for study rooms is based on 25 NASF per station for 25% of the undergraduate FTE.

Computer Study Rooms. The NASF need for computer study rooms is one station for every 15 FTE, with a station size of 30 NASF.

Carrels. The NASF need for carrels is based on 30 NASF per station for 25% of the beginning graduate FTE, for 50% of the law FTE, for 25% of the advanced graduate science FTE, and for 50% of the advanced graduate non-science FTE, plus 20 NASF per station for 5% of the science FTE faculty and for 25% of the non-science FTE faculty.

Stack Areas. The NASF need for stack areas is based on an amount of space per library volume, with all library materials converted to volume equivalents (includes all holdings such as bound volumes, video and audio tapes, cassettes, microfilms, etc.). The projected volume counts are based on current inventories plus a continuation of the previous year's acquisitions.

<u>Non-Law Stacks</u>	<u>Law Stacks</u>
0.10 NASF/volume for the first 150,000 volumes	0.14 NASF/volume for the first 150,000 volumes
0.09 NASF/volume for the second 150,000 volumes	0.12 NASF/volume for the second 150,000 volumes
0.08 NASF/volume for the next 300,000 volumes	0.10 NASF/volume for the next 300,000 volumes
0.07 NASF/volume for all volumes above 600,000	0.09 NASF/volume for all volumes above 600,000

Study Facilities Service Areas. The NASF need for study service areas is based on 5% of the total NASF needed for study rooms, carrels, and stack areas.

Instructional Media Facilities

Instructional Media rooms are used for the production or distribution of multimedia materials or signals. Included in this category are rooms generally called TV studios, radio studios, sound studios, photo studios, video or audio cassette and software production or distribution rooms, and media centers. Service areas such as film, tape, or cassette libraries or storage areas, media equipment storage rooms, recording rooms, engineering maintenance rooms, darkrooms, and studio control booths are also included in this category.

A minimum facility of 10,000 NASF and 0.5 NASF per FTE over 4,000 is provided for instructional media space on main campuses, and 0.5 NASF per FTE is provided for branch campuses, with no minimum facility allowance.

Auditorium/Exhibition Facilities

Auditorium/exhibition facilities are defined as rooms designed and equipped for the assembly of many persons for such events as dramatic, musical, devotional, livestock judging, or commencement activities, or rooms or areas used for exhibition of materials, works of art, artifacts, etc. and intended for general use by faculty, students, staff, and the public.

Service areas such as check rooms, ticket booths, dressing rooms, projection booths, property storage, make-up rooms, costume and scenery shops and storage, green rooms, multimedia and telecommunications control rooms, workrooms, and vaults are also included in this category.

The NASF need for auditorium/exhibition facilities is based on a space allotment of 3 NASF per FTE, with a 25,000 NASF minimum facility allowance for main campuses.

Teaching Gymnasium Facilities

A teaching gymnasium is defined as a room or area used by students, staff, or the public for athletic or physical education activities. Included in this category are rooms generally referred to as gymnasiums, basketball courts, handball courts, squash courts, wrestling rooms, weight or exercise rooms, racquetball courts, indoor swimming pools, indoor putting areas, indoor ice rinks, indoor tracks, indoor stadium fields, and field houses. Service areas such as locker rooms; shower rooms; ticket booths; and rooms for dressing, equipment, supply, storage, first-aid, towels, etc., are also included in this category.

The NASF need for teaching gymnasiums is based on a minimum facility for each main campus of 50,000 NASF for the first 5,000 FTE enrollment, plus an additional 3 NASF per FTE for enrollment over 5,000 FTE.

Office/Computer Facilities

An office is defined as a room housing faculty, staff, or students working at one or more desks, tables or workstations. A computer facility in this category is defined as a room used as a computer-based data processing or telecommunications center with applications that are broad enough to serve the overall administrative or academic equipment needs of a central group of users, department, college, school, or entire institution. Rooms that directly serve these areas are also included in this category, as well as are faculty and staff lounges.

The NASF need for offices/computer facilities is based on a space allotment of 145 NASF per FTE position requiring office space. Examples of positions not requiring space include maintenance mechanics, scientific photographers, and dental technicians. FTE positions are projected based upon the current ratio of FTE positions requiring space to annual FTE students. The number of C&G positions is based on a three-year average growth rate for C&G positions applied to the actual or base year. The need for faculty and staff lounges is based on 3 NASF per position.

Campus Support Facilities

Campus support facilities are defined as those areas used for institution-wide services. This includes maintenance shops, central storage areas, central service areas, vehicle storage facilities, and hazardous materials facilities, plus related service areas such as supply storage areas, closets, and equipment rooms.

The NASF need for campus support facilities is based on 5% of the total NASF generated by the formula plus other areas maintained by physical plant staff, such as continuing education buildings and clinic space.

Existing Facilities Inventory

The facilities inventory for each university is designed using the format and definitions prescribed in the Postsecondary Education Facilities Inventory and Classification Manual, 2006, published by the U. S. Department of Education, National Center for

Education Statistics. The inventory documentation consists of a file maintained by computer pursuant to the Physical Facilities Space File Specifications prepared by the State University System Office of Information Resource Management.

The inventory contains information about each site, each building, and each room that is owned, shared, or leased by a university. All spaces in buildings, including those that are permanent, temporary, or under construction, that are in satisfactory condition are considered in computing the total existing assignable square footage. Assignable space is that which is available for assignment to, and functionally usable by, an occupant.

The room records from the inventory are used to determine the amount of existing square footage in each of the nine assignable space categories. Each room record is assigned a room use code and is grouped into the appropriate space category. For each of the nine space categories, the existing assignable square footage is deducted from the cumulative space need. The assignable square footage used to determine unmet space needs does not include those spaces for which the formula does not generate a need. Examples of excluded space are leased space; special purpose lab equipment areas, such as a wind tunnel or linear accelerator; and intercollegiate athletics areas.

C. Executive Summary of the Campus Master Plan

Introduction

The 2015-2025 Campus Master Plan for the University of Central Florida represents the five-year update of the plan adopted in 2010 and outlines the university's Main Campus development plans for the years 2015 through 2025. The update was presented to the public, state, and local agencies referenced in section 1013.30(6), Florida Statutes, for their review and comment.

The Campus Master Plan consists of seventeen (17) elements indicated by a tab and corresponding element number. Each element contains the Master Plan Goals, Objectives, and Policies, with the corresponding maps and figures. Additionally, for reference purposes, the Data and Analysis for each element has been included as a separate section following the Master Plan Goals, Objectives, and Policies section. The Data and Analysis section consists of charts, statistics, graphics, and definitions that identify and define planning concepts and serve as supporting documentation for the Goals, Objectives, and Policies. The Master Plan document update was presented in a strike-through and underlined text format to indicate revisions to the 2010-2020 adopted Master Plan. Written comments were encouraged. UCF addressed any comments received, and the Plan was adopted by the Board of Trustees on November 20, 2014.

Upon adoption of this plan by the Board of Trustees, the University began negotiating Campus Development Agreement with the host local government, Orange County. This agreement will identify and help mitigate the University's impacts on public services. A Memorandum of Understanding (MOU) currently exists between Orange County and the University of Central Florida to further intergovernmental cooperation and coordination of development and permitting activity; to ensure frequent communication, and the exchange of mutually beneficial information; and to discuss other coordination issues as deemed appropriate by either party. The term of this agreement was established for a five-year period, effective August 3, 2010, and was subject to subsequent automatic one year renewals.

Academic Mission

The University of Central Florida is a public, multi-campus research university, whose mission is to offer opportunities for high-quality undergraduate, graduate, and continuing education. It pursues international prominence in key programs of graduate study and research and provides global focus to curriculum and research programs. The University strives to become more inclusive and diverse and affords services that enhance the intellectual, cultural, environmental, and economic development of central Florida. UCF is on a mission to be America's leading partnership university and continues to develop systematically and engage in programs that are responsive to the needs of the local, state, national, and global communities.

Academic Program

To fulfill its academic mission, the University must plan and support academic programs that accommodate projected enrollment and headcounts.

The following table shows the projected enrollment growth for the next five years at the Main Campus. These headcounts may include online classes and classes at other UCF campuses.

Year	Fall Main Campus Headcount
2015	50,714
2016	52,026
2017	53,295
2018	54,288
2019	54,155
2020	54,163

The above figures are based on official enrollment projections provided by Institutional Knowledge Management. Experience over the past decade indicates that these projections may fluctuate up or down due to:

- the increased number of courses available online;
- rising costs in education and difficult economic times;
- the addition of programs and classes on UCF's Regional Campuses;
- changes in the state population and the Central Florida region;
- UCF's increased "market share" among college-bound students compared to other universities in the state; and
- the growing emphasis on graduate studies at UCF.

Capital Improvements

Capital Improvements refers to the addition of permanent facilities or restoration of some aspect of the properties to meet the needs of the University, as identified in the Campus Master Plan. It involves estimating the cost of improvements for which the University has fiscal responsibility; analyzing the fiscal capability of the University to finance and construct improvements; adopting financial policies to guide the funding of improvements; and scheduling the funding and construction of improvements in a manner that insures they are provided when required, based on needs identified in the

Master Plan elements. All development is contingent upon the availability of funding.

All Capital Improvements activity at UCF is guided and directed by Florida Statute, the State University System of Florida's Board of Governors, and the University of Central Florida's Board of Trustees.

Sustainability Initiatives

Efforts toward a more sustainable campus are spearheaded by Sustainability Initiatives and the Department of Utilities and Energy Services (U&ES). Their mission is to obtain energy-efficient operation of building systems through education, optimization, and verification, while providing professional leadership and fostering sustainable growth. Through their educational and interactive programs, such as the proactive recycling initiatives through the Recycling Center, and implementation of Leadership in Energy and Environmental Design (LEED) standards, they are helping to create a campus population which is informed and actively participates in the University's sustainable growth.

The Facilities Planning and Construction department assures that all new construction on campus is registered with the US Green Building Council (USGBC) and that it meets a minimum LEED Silver rating. UCF stipulates thirty-three (33) of the LEED credits which have been identified as crucial to meeting UCF's goal to construct more energy-efficient and sustainable buildings. The remaining credits needed to achieve the minimum Silver rating are determined by the design team for each project, and approved by Sustainability Initiatives and U&ES. See the Conservation Element 2.13 of the Campus Master Plan for the breakdown of these specific LEED requirements.

The department of Landscape & Natural Resources creates and maintains a sustainable outdoor environment, provides high quality service for operational activities, and generates research and educational initiatives that guide conservation and stewardship of natural resources. They support the mission of UCF through a comprehensive outdoor laboratory that creates opportunities for relevant, experience-based learning, urban ecology research, and human connection with ecosystems and landscapes. Their inclusive program supports regional, state, national, and global efforts to develop sustainable urban environments.

Facilities Operations plays a vital role in the implementation and maintenance of the standards and practices established by the Energy and Sustainability Policy. The use of proactive routine maintenance, preventive maintenance, and capital renewal programs enhance and continue the benefits derived from energy and sustainability practices.

Note: Because of the large size of the Master Plan, please see the URL below linking you to the 2015-2025 UCF Campus Master Plan:

[2015-2025 UCF Campus Master Plan](#)

D. Unsatisfactory Space (as listed on Form B (1C) Unsatisfactory Space to be Demolished/Terminated)

SITE 1 – MAIN CAMPUS

(At the end of these modular/portable lifespans, office space will be redistributed to future facilities as listed on the Form B.)

- 39 Wayne Densch II
- 42 Utility Building 8
- 49 Utility Building 9
- 630 Band Building

SITE 2 – SOUTH ORLANDO CAMPUS

(Recommended demolitions by the Educational Plant Survey Team)

- Building 701, South Orlando I
- Building 702, South Orlando II

E. UCF President Acknowledgement of the Educational Plant Survey Recommendations



RECOMMENDATIONS OF SURVEY TEAM

UNIVERSITY OF CENTRAL FLORIDA

Date: January 28, 2016

Survey Team Members: Robin Anderson, Team Leader (UWF), Kenneth Ogletree (BOG), Teira E. Farley (BOG), Tina D'Auria (UF), Mary Mory (UNF), Patricia Pasden (FGCU)

Site Improvements Recommendations:

1.1 Land Acquisition – This project allows the university to continue purchasing properties surrounding all campuses as identified in the adopted Campus Master Plan.

1.2 Landscaping and Site Improvements – This is a general recommendation to continue landscaping, road and site improvements consistent with the adopted Campus Master Plan.

1.3 Utility Infrastructure – This is a general recommendation for modifications to or expansion of utility infrastructure, capital renewal, and roofs consistent with the adopted Campus Master Plan.

Remodeling/Renovation Recommendations:

Remodeling/renovation recommendations are in accordance with the net square footage as described in the Form B. As presented, remodeling/renovation recommendations yield no significant changes to existing space use categories. Any changes to remodeling/renovation projects that exceed 100% of any space use categories will require a supplemental survey.

Main Campus

- 2.1 Colbourn Hall Renovation
- 2.2 John C. Hitt Library Renovation, Phase II
- 2.3 Business Administration Renovation
- 2.4 Millican Hall Renovation
- 2.5 Chemistry Renovation
- 2.6 Facilities and Safety Complex Renovation
- 2.7 Visual Arts Renovation

UCF Downtown

- 2.8 Center for Emerging Media Renovation

P.O. Box 160002 • Orlando, FL 32816-0002 • (407) 823-1823 • Fax: (407) 823-2264 • jhitt@mail.ucf.edu

An Equal Opportunity and Affirmative Action Institution

New Construction Recommendations:

New construction recommendations are in accordance with the presented net square footage and as described in the Form B.

Main Campus

- 3.1 Interdisciplinary Research and Incubator Facility
- 3.2 John C. Hitt Library Renovation (Addition), Phase II
- 3.3 Trevor Colbourn Hall
- 3.4 Arts Complex, Phase II
- 3.5 Multi-Purpose Research and Education
- 3.6 Visual Arts Addition
- 3.7 Interdisciplinary Research, Building II
- 3.8 Classroom III
- 3.9 Civil and Environmental Engineering
- 3.10 Welcome Center Addition
- 3.11 Band Building

¹UCF Downtown

- 3.12 Building I
- 3.13 Central Energy Plant

Lake Nona

- 3.14 College of Nursing
- 3.15 Facilities and Safety Support Building

Demolition Recommendations:

Per Board Regulation 9.004, Razing of Buildings, demolition projects beneath the \$1,000,000 threshold do not require an Educational Plant Survey recommendation; however, all reductions in space categories should be appropriately reflected in the Form B.

- 4.1 Utility Building 8 (Building 42), 1,500 sq. ft.
- 4.2 Utility Building 9 (Building 46), 592 sq. ft.
- 4.3 Wayne Densch II (Building 39), 15,876 sq. ft.
- 4.4 Band Trailer (Building 630), 3,658 sq. ft.
- 4.5 South Orlando Building I (Building 701), 6,690 sq. ft.
- 4.6 South Orlando Building II (Building 702), 5,167 sq. ft.

Projects Based on Exception Procedure (New Construction):

- 5.1 N/A

Special Purpose Center Recommendations:

- 6.1 Coastal Biology Station at Brevard County

Standard University-wide Recommendations:

SR1. Projects for safety corrections are recommended.

SR2. Projects for corrections or modifications necessary to comply with the Americans with Disabilities Act are recommended.

SR3. Projects required to repair or replace a building's components are recommended provided that the total cost of the project does not exceed 25% of the replacement cost of the building.

SR4. Expansion, replacement, and upgrading of existing utilities/infrastructure systems to support projects identified within this Educational Plant Survey are recommended.

SR5. Projects requiring renovations to space vacated in conjunction with new construction that result in no significant changes in space categories, are recommended.

Notes:

A. University is to write recommendation text in accordance with current Educational Plant Survey format criteria.

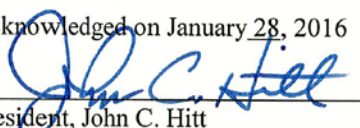
B. The Survey Team requires that projects recommended for approval are to be incorporated into the Master Plan Update(s).

C. The Survey Team recommendations to the Board of Governors cannot exceed 100% utilization in any of the nine (9) space categories. Any project that exceeds 100% utilization must be modified to ensure approval by the Survey Team. The 100% threshold options are as follows:

1. Re-verify classification /utilization
2. Delete project or space utilization category
3. Reduce space utilization category
4. Trade with other space category within the project
5. Shift project priorities
6. Provide sufficient data to support any overage

D. Supplemental surveys are required if any changes to project scope result in a space category exceeding 100% of formula-driven need.

Acknowledged on January 28, 2016



President, John C. Hitt

¹ Recommendations are subject to the approval by the Board of Governors of the Type I Campus site designation of the UCF Downtown Campus. The University of Central Florida previously obtained approval from its Board of Trustees and acquired the required subsequent approval by the Board of Governors on March 2, 2016.

F. State University Checklist for Submitting Educational Plant Survey Reports to the Florida Board of Governors

This checklist is to be used by the university before submitting state university Educational Plant Survey reports pursuant to Section 1013.31(1)(a), Florida Statutes. Checking the Survey report against this list will indicate if the report is complete and ready for submission.

A checkmark (✓) beside an item number indicates the answer is "Yes;" an ex (X) beside a number indicates "No."

1. Name of university: University of Central Florida
2. Date of previous five-year survey: February 8-11, 2011
3. Date of this survey: October 6-8, 2015
4. New survey out year: 2020
5. Three copies of survey report submitted to the Board of Governors (BOG). ✓
6. Was the survey report made available on the university web site? ✓
7. Was the survey conducted for official sites only? ✓
8. Is each site described in the report by its number, name, type, date it was established, address, acreage, and the number of buildings it contains? ✓
9. Throughout the report, are sites referred to by name and number? ✓
10. Is a copy of the current list of Institutional Sites by Type for the State University System attached? N/A
11. Has a current site inventory report for the university been forwarded to the Board of Governors? ✓
12. Is a copy of the approved current five-year planned enrollments for the university attached? ✓
13. Do FTE figures used in the survey report match those in the five-year planned enrollments? ✓
14. Does the survey report include a table showing total Capital Outlay Full Time Equivalent (COFTE) for the university, by level of student within each site, for the five years of the survey? ✓
15. Does the survey report include a table for each site showing COFTE by discipline category within level of student for the survey out year? ✓
16. Have all space needs been generated correctly? ✓
17. Are the generated aggregate amounts of square feet for the space categories for each site included in the space category aggregate square footage summary table for the site? ✓

18. Is a copy of the current building inventory report for the university available? ✓
19. Is a copy of a site plan showing building locations attached for each site? ✓
20. Is a copy of the current room inventory report for the university available? ✓
21. Is a copy of the current existing satisfactory aggregate assignable square feet by space category by site report for the university attached? ✓
22. Does the survey report contain a table for each site which lists the buildings on that site describing each by number, name, status, condition and area in assignable square feet, non-assignable square feet, and gross square feet? ✓
23. Throughout the report, are buildings referred to by number and name? ✓
24. Are the aggregate amounts of existing satisfactory square feet for the space categories for each site included in the space category aggregate square footage summary table for the site? ✓
25. Does the survey report contain recommendations for each site? ✓
26. Are the recommendations limited to fixed capital outlay items such as the acquisition, remodeling, renovation, and construction of real property? ✓
27. Does each recommendation contribute to resolving differences between the existing educational and ancillary plants and the determination of future needs? ✓
28. Does the survey report contain a space category aggregate square footage table for each site which shows by the nine space categories the amounts of square feet needed, amounts of satisfactory square feet existing, changes caused by remodeling, renovation, and new construction recommendations, and the total amounts of square feet planned? ✓
29. Are the amounts of square feet planned the same as the amounts of square feet needed? ✓


The Educational Plant Survey for the University of Central Florida was approved by the University Board of Trustees on January 28, 2016.

(Date)


University President

May 13, 2016

Date


Chairman, Board of Trustees

May 13, 2016

Date

G. Building System Condition Survey Forms

Building System Condition Survey Forms have been completed for the following buildings at the main campus (site 1) of University of Central Florida and the South Orlando campus (site 2) that have been recommended by the Educational Plant Survey (October 2015) for extensive remodeling and/or demolition:

Site 1:

- Building 39 Wayne Densch II
- Building 42 Utility Building 8
- Building 49 Utility Building 9
- Building 630 Band Building

Site 2:

- Building 701 South Orlando I
- Building 702 South Orlando II

BUILDING SYSTEM CONDITION SURVEY

STATE UNIVERSITY SYSTEM OF FLORIDA

University Name: UNIVERSITY OF CENTRAL FLORIDA Date: October 14, 2015

Building Name: Wayne Densch II Building No.: 39

Building Occupancy Date: 8-1-1983 Building Age: 32 years

Building Envelope:

(Data Element 10067)

Window/Glazing

Condition Code: 5

Exterior Wall

Condition Code: 3

Foundation

Condition Code: 2

Exterior Doors

Condition Code: 5

Condition Code: 4

Building Roof System (See CM-N-16 for components):

(Data Element 10068)

Condition Code: 5

Mechanical Systems:

(Data Element 10069)

HVAC System

Condition Code: 5

Elevator Systems

Condition Code: N/A

Condition Code: 5

Electrical System:

(Data Element 10070)

Lighting

Condition Code: 5

Grounding

Condition Code: 4

Internal Distribution

Condition Code: 5

Condition Code: 5

Plumbing System:

(Data element 10071)

Fixtures

Condition Code: 4

Piping

Condition Code: 4

Condition Code: 4

Building Interior:

(No Data Element)

Doors

Condition Code: 4

Ceilings

Condition Code: 4

Floors

Condition Code: 4

Walls/Partitions

Condition Code: 4

Condition Code: 4

Life Safety Systems:

(No Data Element)

Fire Alarm:

Condition Code: 5

Fire Suppression

Condition Code: N/A

Emergency Generator

Condition Code: N/A

Condition Code: 5

Notes: The building is a safety hazard. It has been recommended for demolition by the Educational Plant Survey 2015-2016.

Completed By: Christy Collier, Assistant Director, Space Utilization 10-14-15

Condition Codes:

1. Satisfactory. Building component is suitable for continued use with normal maintenance.
2. Renewal A. Needs minimal capital renewal. The approximate cost is not greater than 25% of the estimated replacement cost of the component.
3. Renewal B. Needs more than minimal capital renewal. The approximate cost is greater than 25% but not greater than 50% of the estimated replacement cost of the component.
4. Renewal C. Requires major capital renewal. The approximate cost is greater than 50% of the replacement cost of the component.
5. Replacement. Component should be replaced.

BUILDING SYSTEM CONDITION SURVEY

STATE UNIVERSITY SYSTEM OF FLORIDA

University Name: UNIVERSITY OF CENTRAL FLORIDA Date: October 14, 2015

Building Name: Utility Building 8 Building No.: 42

Building Occupancy Date: 8-1-1983 Building Age: 32 years

Building Envelope:

(Data Element 10067)

Window/Glazing

Condition Code: N/A

Exterior Wall

Condition Code: 5

Foundation

Condition Code: 3

Exterior Doors

Condition Code: 5

Condition Code: 5

Building Roof System (See CM-N-16 for components):

(Data Element 10068)

Condition Code: 5

Mechanical Systems:

(Data Element 10069)

HVAC System

Condition Code: N/A

Elevator Systems

Condition Code: N/A

Condition Code: 5

Electrical System:

(Data Element 10070)

Lighting

Condition Code: 5

Grounding

Condition Code: 5

Internal Distribution

Condition Code: 5

Condition Code: 5

Plumbing System:

(Data element 10071)

Fixtures

Condition Code: N/A

Piping

Condition Code: N/A

Condition Code: N/A

Building Interior:

(No Data Element)

Doors

Condition Code: 5

Ceilings

Condition Code: 5

Floors

Condition Code: 5

Walls/Partitions

Condition Code: 5

Condition Code: 5

Life Safety Systems:

(No Data Element)

Fire Alarm:

Condition Code: N/A

Fire Suppression

Condition Code: N/A

Emergency Generator

Condition Code: N/A

Condition Code: N/A

Notes: The building is a safety hazard. It has been recommended for demolition by the Educational Plant Survey 2015-2016.

Completed By: Christy Collier, Assistant Director, Space Utilization 10-14-15

Condition Codes:

1. Satisfactory. Building component is suitable for continued use with normal maintenance.
2. Renewal A. Needs minimal capital renewal. The approximate cost is not greater than 25% of the estimated replacement cost of the component.
3. Renewal B. Needs more than minimal capital renewal. The approximate cost is greater than 25% but not greater than 50% of the estimated replacement cost of the component.
4. Renewal C. Requires major capital renewal. The approximate cost is greater than 50% of the replacement cost of the component.
5. Replacement. Component should be replaced.

BUILDING SYSTEM CONDITION SURVEY

STATE UNIVERSITY SYSTEM OF FLORIDA

University Name: UNIVERSITY OF CENTRAL FLORIDA Date: October 14, 2015

Building Name: Utility Building 9 Building No.: 46

Building Occupancy Date: 8-1-1985 Building Age: 30 years

Building Envelope:

(Data Element 10067)

Window/Glazing

Condition Code: N/A

Exterior Wall

Condition Code: 5

Foundation

Condition Code: 2

Exterior Doors

Condition Code: 5

Condition Code: 5

Building Roof System (See CM-N-16 for components):

(Data Element 10068)

Condition Code: 5

Mechanical Systems:

(Data Element 10069)

HVAC System

Condition Code: 5

Elevator Systems

Condition Code: N/A

Condition Code: 5

Electrical System:

(Data Element 10070)

Lighting

Condition Code: 5

Grounding

Condition Code: 5

Internal Distribution

Condition Code: 5

Condition Code: 5

Plumbing System:

(Data element 10071)

Fixtures

Condition Code: N/A

Piping

Condition Code: N/A

Condition Code: N/A

Building Interior:

(No Data Element)

Doors

Condition Code: 5

Ceilings

Condition Code: 5

Floors

Condition Code: 5

Walls/Partitions

Condition Code: 5

Condition Code: 5

Life Safety Systems:

(No Data Element)

Fire Alarm:

Condition Code: N/A

Fire Suppression

Condition Code: N/A

Emergency Generator

Condition Code: N/A

Condition Code: N/A

Notes: The building is a safety hazard. It has been recommended for demolition by the Educational Plant Survey 2015-2016.

Completed By: Christy Collier, Assistant Director, Space Utilization 10-14-15

Condition Codes:

1. Satisfactory. Building component is suitable for continued use with normal maintenance.
2. Renewal A. Needs minimal capital renewal. The approximate cost is not greater than 25% of the estimated replacement cost of the component.
3. Renewal B. Needs more than minimal capital renewal. The approximate cost is greater than 25% but not greater than 50% of the estimated replacement cost of the component.
4. Renewal C. Requires major capital renewal. The approximate cost is greater than 50% of the replacement cost of the component.
5. Replacement. Component should be replaced.

BUILDING SYSTEM CONDITION SURVEY

STATE UNIVERSITY SYSTEM OF FLORIDA

University Name: UNIVERSITY OF CENTRAL FLORIDA Date: October 14, 2015

Building Name: Band Building Building No.: 630

Building Occupancy Date: 8-1-2004 Building Age: 11 years

Building Envelope:

(Data Element 10067)

Window/Glazing

Condition Code: 5

Exterior Wall

Condition Code: 5

Foundation

Condition Code: 4

Exterior Doors

Condition Code: 5

Condition Code: 5

Building Roof System (See CM-N-16 for components):

(Data Element 10068)

Condition Code: 5

Mechanical Systems:

(Data Element 10069)

HVAC System

Condition Code: 5

Elevator Systems

Condition Code: N/A

Condition Code: 5

Electrical System:

(Data Element 10070)

Lighting

Condition Code: 5

Grounding

Condition Code: 4

Internal Distribution

Condition Code: 5

Condition Code: 5

Plumbing System:

(Data element 10071)

Fixtures

Condition Code: 5

Piping

Condition Code: 5

Condition Code: 5

Building Interior:

(No Data Element)

Doors

Condition Code: 5

Ceilings

Condition Code: 5

Floors

Condition Code: 5

Walls/Partitions

Condition Code: 4

Condition Code: 5

Life Safety Systems:

(No Data Element)

Fire Alarm:

Condition Code: N/A

Fire Suppression

Condition Code: N/A

Emergency Generator

Condition Code: N/A

Condition Code: 5

Notes: The building is a safety hazard. It has been recommended for demolition by the Educational Plant Survey 2015-2016.

Completed By: Christy Collier, Assistant Director, Space Utilization 10-14-15

Condition Codes:

1. Satisfactory. Building component is suitable for continued use with normal maintenance.
2. Renewal A. Needs minimal capital renewal. The approximate cost is not greater than 25% of the estimated replacement cost of the component.
3. Renewal B. Needs more than minimal capital renewal. The approximate cost is greater than 25% but not greater than 50% of the estimated replacement cost of the component.
4. Renewal C. Requires major capital renewal. The approximate cost is greater than 50% of the replacement cost of the component.
5. Replacement. Component should be replaced.

BUILDING SYSTEM CONDITION SURVEY

STATE UNIVERSITY SYSTEM OF FLORIDA

University Name: UNIVERSITY OF CENTRAL FLORIDA Date: October 14, 2015

Building Name: South Orlando Building I Building No.: 701

Building Occupancy Date: 8-1-1983 Building Age: 32 years

Building Envelope:

(Data Element 10067)

Window/Glazing

Condition Code: 5

Exterior Wall

Condition Code: 5

Foundation

Condition Code: 2

Exterior Doors

Condition Code: 5

Condition Code: 5

Building Roof System (See CM-N-16 for components):

(Data Element 10068)

Condition Code: 5

Mechanical Systems:

(Data Element 10069)

HVAC System

Condition Code: 5

Elevator Systems

Condition Code: N/A

Condition Code: 5

Electrical System:

(Data Element 10070)

Lighting

Condition Code: 5

Grounding

Condition Code: 5

Internal Distribution

Condition Code: 5

Condition Code: 5

Plumbing System:

(Data element 10071)

Fixtures

Condition Code: 4

Piping

Condition Code: 5

Condition Code: 5

Building Interior:

(No Data Element)

Doors

Condition Code: 4

Ceilings

Condition Code: 4

Floors

Condition Code: 4

Walls/Partitions

Condition Code: 5

Condition Code: 4

Life Safety Systems:

(No Data Element)

Fire Alarm:

Condition Code: 5

Fire Suppression

Condition Code: N/A

Emergency Generator

Condition Code: N/A

Condition Code: 5

Notes: The building is a safety hazard. It has been recommended for demolition by the Educational Plant Survey 2015-2016.

Completed By: Christy Collier, Assistant Director, Space Utilization 10-14-15

Condition Codes:

1. Satisfactory. Building component is suitable for continued use with normal maintenance.
2. Renewal A. Needs minimal capital renewal. The approximate cost is not greater than 25% of the estimated replacement cost of the component.
3. Renewal B. Needs more than minimal capital renewal. The approximate cost is greater than 25% but not greater than 50% of the estimated replacement cost of the component.
4. Renewal C. Requires major capital renewal. The approximate cost is greater than 50% of the replacement cost of the component.
5. Replacement. Component should be replaced.

BUILDING SYSTEM CONDITION SURVEY

STATE UNIVERSITY SYSTEM OF FLORIDA

University Name: UNIVERSITY OF CENTRAL FLORIDA Date: October 14, 2015

Building Name: South Orlando II Building No.: 702

Building Occupancy Date: 8-1-1983 Building Age: 32 years

Building Envelope:

(Data Element 10067)

Window/Glazing

Condition Code: 5

Exterior Wall

Condition Code: 4

Foundation

Condition Code: 2

Exterior Doors

Condition Code: 5

Condition Code: 5

Building Roof System (See CM-N-16 for components):

(Data Element 10068)

Condition Code: 5

Mechanical Systems:

(Data Element 10069)

HVAC System

Condition Code: 5

Elevator Systems

Condition Code: N/A

Condition Code: 5

Electrical System:

(Data Element 10070)

Lighting

Condition Code: 5

Grounding

Condition Code: 5

Internal Distribution

Condition Code: 5

Condition Code: 5

Plumbing System:

(Data element 10071)

Fixtures

Condition Code: 4

Piping

Condition Code: 5

Condition Code: 5

Building Interior:

(No Data Element)

Doors

Condition Code: 4

Ceilings

Condition Code: 4

Floors

Condition Code: 4

Walls/Partitions

Condition Code: 5

Condition Code: 4

Life Safety Systems:

(No Data Element)

Fire Alarm:

Condition Code: 5

Fire Suppression

Condition Code: N/A

Emergency Generator

Condition Code: N/A

Condition Code: 5

Notes: The building is a safety hazard. It has been recommended for demolition by the Educational Plant Survey 2015-2016.

Completed By: Christy Collier, Assistant Director, Space Utilization 10-14-15

Condition Codes:

1. Satisfactory. Building component is suitable for continued use with normal maintenance.
2. Renewal A. Needs minimal capital renewal. The approximate cost is not greater than 25% of the estimated replacement cost of the component.
3. Renewal B. Needs more than minimal capital renewal. The approximate cost is greater than 25% but not greater than 50% of the estimated replacement cost of the component.
4. Renewal C. Requires major capital renewal. The approximate cost is greater than 50% of the replacement cost of the component.
5. Replacement. Component should be replaced.

Table 8

ANALYSIS OF SPACE NEEDS BY CATEGORY - FORM B

University of Central Florida
All Campuses (except Health Sciences - Site 16)

Net Assignable Square Feet Eligible for Fixed Capital Outlay Budgeting

Prepared 02-Oct-15 Updated 24-May-19

TOTAL FTE= 41,261

On-Line FTE= 14,241

Total Less On Line FTE= 27,020

		Teaching		Research		Audi/		Instruct.	Student	Campus		Total
		Classroom**	Lab	Study	Lab	Office	Exhib.	Media	Support	Gym	Support Services	NASF
Space Needs by Space Type*: 2020-2021		324,244	618,915	682,870	932,086	996,247	123,783	82,522	0	172,058	205,181	4,137,906
1) Current Inventory as of: June-15												
A)	Satisfactory Space	240,340	294,267	163,148	303,029	724,804	28,262	9,727	0	14,438	101,078	1,879,093
B)	Unsatisfactory Space to be Remodeled	0	0	0		0	0	0	0	0	0	0
C)	Unsatisfactory Space to be Demolished/Terminated	1,700	5,100	0	306	36,977	1,435	0	0	0	573	46,091
D)	Total Under Construction	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT INVENTORY:		242,040	299,367	163,148	303,335	761,781	29,697	9,727	0	14,438	101,651	1,925,184
2) Projects Funded for Construction thru: June-15												
Total Funded Construction:		0	0	0	0	0	0	0	0	0	0	0
Plus:Total Planned Demolition		1,700	5,100	0	306	36,977	1,435	0	0	0	573	46,091
Net Space Needs		83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Percent of: Current Inventory and Funded Projects												
Minus Demolition												
Space Needs		74%	48%	24%	33%	73%	23%	12%	0%	8%	49%	45%

(**Online FTE excluded from Classroom needs.)□

University of Central Florida
2020-2021

		Teaching		Research		Aud/		Instruct.	Student	Campus		Total
		Classroom**	Lab	Study	Lab	Office	Exhibition	Media	Academic	Gym	Support Services	NASF
Space Needs by Space Type	2020-2021	324,244	618,915	682,870	932,086	996,247	123,783	82,522	0	172,058	205,181	4,137,906
Net Space Needs from Form B		83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Percent of Space Needs		74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
3) Projects Funded for Planning												
Proj. 1)		0	0	0	0	0	0	0	0	0	0	0
Sub Total Net Space Needs		83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Sub Total Percent		74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
Proj. 2)		0	0	0	0	0	0	0	0	0	0	0
Sub Total Net Space Needs		83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Sub Total Percent		74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
4) CIP Projects												
Proj. 1)		0	0	0	0	0	0	0	0	0	0	0
Util./Infras./Cap		83,904	324,648	519,722	629,057	271,443	95,521	72,795	0	157,620	104,103	2,258,813
Renewal Roofs		74.12%	47.55%	23.89%	32.51%	72.75%	22.83%	11.79%	0.00%	8.39%	49.26%	45.41%
Proj. 2)		0	0	0	22,850	12,930	0	0	0	0	0	35,780
Interdisciplinary		83,904	324,648	519,722	606,207	258,513	95,521	72,795	0	157,620	104,103	2,223,033
Research & Incubator		74.12%	47.55%	23.89%	34.96%	74.05%	22.83%	11.79%	0.00%	8.39%	49.26%	46.28%
Facility												
Proj. 3)		0	0	0	0	0	0	0	0	0	0	0
Colbourn Hall		83,904	324,648	519,722	606,207	258,513	95,521	72,795	0	157,620	104,103	2,223,033
Renovation		74.12%	47.55%	23.89%	34.96%	74.05%	22.83%	11.79%	0.00%	8.39%	49.26%	46.28%
Proj. 4)		5,000	3,750	0	0	39,550	0	0	0	0	12,250	60,550
Trevor Colbourn		78,904	320,898	519,722	606,207	218,963	95,521	72,795	0	157,620	91,853	2,162,483
Hall		75.67%	48.15%	23.89%	34.96%	78.02%	22.83%	11.79%	0.00%	8.39%	55.23%	47.74%
Proj. 5)		0	0	41,000	0	0	0	0	0	0	0	41,000
John C. Hitt Library		78,904	320,898	478,722	606,207	218,963	95,521	72,795	0	157,620	91,853	2,121,483
Renovation, Phase II		75.67%	48.15%	29.90%	34.96%	78.02%	22.83%	11.79%	0.00%	8.39%	55.23%	48.73%
Proj. 6)		28,000	28,000	10,714	0	17,333	8,333	20,000	0	0	0	112,380
UCF Downtown		50,904	292,898	468,008	606,207	201,630	87,188	52,795	0	157,620	91,853	2,009,103
Campus Bldg. 1		84.30%	52.68%	31.46%	34.96%	79.76%	29.56%	36.02%	0.00%	8.39%	55.23%	51.45%

Proj. 7)		2,000	36,991	0	0	4,000	63,804	0	0	0	0	106,795
Arts Complex	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Phase II	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Performance												
Proj. 8)		0	0	0	0	0	0	0	0	0	0	0
Millican Hall	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Renovation	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Proj. 9)		0	0	0	0	0	0	0	0	0	0	0
Business	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Administration	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Renovation												
Proj. 10)		0	0	0	0	0	0	0	0	0	0	0
Chemistry	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Renovation	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Proj. 11)		0	0	0	0	0	0	0	0	0	0	0
Facilities & Safety	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Complex	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Renovation												
Proj. 12)		0	0	0	0	0	0	0	0	0	0	0
Visual Arts	Sub Total Net Space Needs	48,904	255,907	468,008	606,207	197,630	23,384	52,795	0	157,620	91,853	1,902,308
Renovation	Sub Total Percent	84.92%	58.65%	31.46%	34.96%	80.16%	81.11%	36.02%	0.00%	8.39%	55.23%	54.03%
Proj. 13)		0	10,696	2,572	0	2,579	5,344	0	0	0	0	21,191
Visual Arts	Sub Total Net Space Needs	48,904	245,211	465,436	606,207	195,051	18,040	52,795	0	157,620	91,853	1,881,117
Expansion	Sub Total Percent	84.92%	60.38%	31.84%	34.96%	80.42%	85.43%	36.02%	0.00%	8.39%	55.23%	54.54%
Proj. 14)		18,250	69,950	7,300	0	7,500	0	0	0	0	0	103,000
Learning Lab	Sub Total Net Space Needs	30,654	175,261	458,136	606,207	187,551	18,040	52,795	0	157,620	91,853	1,778,117
	Sub Total Percent	90.55%	71.68%	32.91%	34.96%	81.17%	85.43%	36.02%	0.00%	8.39%	55.23%	57.03%
Proj. 15)		0	78,130	4,800	5,000	40,105	8,150	0	0	0	4,800	140,985
College of Nursing	Sub Total Net Space Needs	30,654	97,131	453,336	601,207	147,446	9,890	52,795	0	157,620	87,053	1,637,132
	Sub Total Percent	90.55%	84.31%	33.61%	35.50%	85.20%	92.01%	36.02%	0.00%	8.39%	57.57%	60.44%

Proj. 16)		0	0	0	17,950	10,000	0	0	0	0	0	27,950
Interdisciplinary	Sub Total Net Space Needs	30,654	97,131	453,336	583,257	137,446	9,890	52,795	0	157,620	87,053	1,609,182
Research Building II	Sub Total Percent	90.55%	84.31%	33.61%	37.42%	86.20%	92.01%	36.02%	0.00%	8.39%	57.57%	61.11%
Proj. 17)		28,000	3,000	0	0	11,857	0	0	0	0	1,000	43,857
Classroom III	Sub Total Net Space Needs	2,654	94,131	453,336	583,257	125,589	9,890	52,795	0	157,620	86,053	1,565,325
	Sub Total Percent	99.18%	84.79%	33.61%	37.42%	87.39%	92.01%	36.02%	0.00%	8.39%	58.06%	62.17%
Proj. 18)		2,544	20,456	0	0	6,000	4,450	0	0	0	0	33,450
Civil and	Sub Total Net Space Needs	110	73,675	453,336	583,257	119,589	5,440	52,795	0	157,620	86,053	1,531,875
Environmental	Sub Total Percent	99.97%	88.10%	33.61%	37.42%	88.00%	95.61%	36.02%	0.00%	8.39%	58.06%	62.98%
Engineering												
Proj. 19)		0	1,200	500	850	1,000	0	0	0	1,200	4,750	9,500
Coastal Biology	Sub Total Net Space Needs	110	72,475	452,836	582,407	118,589	5,440	52,795	0	156,420	81,303	1,522,375
Station	Sub Total Percent	99.97%	88.29%	33.69%	37.52%	88.10%	95.61%	36.02%	0.00%	9.09%	60.37%	63.21%
Proj. 20)		0	0	0	0	7,000	4,000	0	0	0	650	11,650
Welcome Center	Sub Total Net Space Needs	110	72,475	452,836	582,407	111,589	1,440	52,795	0	156,420	80,653	1,510,725
Expansion	Sub Total Percent	99.97%	88.29%	33.69%	37.52%	88.80%	98.84%	36.02%	0.00%	9.09%	60.69%	63.49%
Proj. 21)		0	0	0	0	0	0	0	0	0	0	0
Center for	Sub Total Net Space Needs	110	72,475	452,836	582,407	111,589	1,440	52,795	0	156,420	80,653	1,510,725
Emerging Media	Sub Total Percent	99.97%	88.29%	33.69%	37.52%	88.80%	98.84%	36.02%	0.00%	9.09%	60.69%	63.49%
Renovation												
Proj. 22)		0	8,867	0	0	0	0	0	0	0	0	8,867
Band Building	Sub Total Net Space Needs	110	63,608	452,836	582,407	111,589	1,440	52,795	0	156,420	80,653	1,501,858
Phase II	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	88.80%	98.84%	36.02%	0.00%	9.09%	60.69%	63.70%
Proj. 23)		0	0	0	0	2,000	0	0	0	0	21,056	23,056
Facilities & Safety	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	59,597	1,478,802
Support Bldg. at	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	70.95%	64.26%
Lake Nona												
Proj. 24)		0	0	0	0	0	0	0	0	0	10,000	10,000
UCF Downtown	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	49,597	1,468,802
CHP Plant	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	75.83%	64.50%

Proj. 25)		0	0	0	0	0	0	0	0	0	8,366	8,366
UCF Downtown	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	41,231	1,460,436
Parking Garage	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	79.91%	64.71%
Proj. 26)		0	0	0	0	0	0	0	0	0	0	0
Howard Phillips Hall	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	41,231	1,460,436
Renovation	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	79.91%	64.71%
Proj. 27)		0	0	0	0	0	0	0	0	0	0	0
Florida Solar Energy	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	41,231	1,460,436
Center Renovation	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	79.91%	64.71%
Proj. 28)		0	0	0	0	0	0	0	0	0	0	0
Biological Sciences	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0.00%	156,420	41,231	0
Renovation	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	79.91%	64.71%
Proj. 29)		0	0	0	0	0	0	0	0	0	0	0
Theatre Renovation	Sub Total Net Space Needs	110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	41,231	0
	Sub Total Percent	99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	79.91%	64.71%
Total Net Space Needs		110	63,608	452,836	582,407	109,589	1,440	52,795	0	156,420	41,231	1,460,436
Total Percent of Net Space Needs		99.97%	89.72%	33.69%	37.52%	89.00%	98.84%	36.02%	0.00%	9.09%	79.91%	64.71%

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Approval of the 2020 Campus Development Agreement

☐ Information ☐ Information for upcoming action ☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Following the adoption of the 2020-30 Campus Master Plan in November 2019, the UCF Board of Trustees must enter into a Campus Development Agreement (CDA) with the Host Local Government - Orange County (the County). The CDA is intended to ensure consistency between the University's Campus Master Plan and the County's Comprehensive Plan.

Florida Statute 1013.30(10) Campus Master Plans and Campus Development Agreements states: "Upon adoption of a campus master plan, the university board of trustees shall draft a proposed campus development agreement for each local government and send it to the local government within 270 days after the adoption of the relevant campus master plan."

The statute continues by stating the requirements of a CDA, summarized here by Section of this CDA:

- 5.0 Establish the duration of the CDA (5 years).
- 6.0 Identify the geographic area of the campus (Context Area) and local government (Orange County) covered by the CDA.
- 7.0 Address public facilities and services including roads, sanitary sewer, solid waste, drainage, potable water, parks and recreation, and public transportation.
- 8.0 Identify the level-of-service standard established by the local government; and determine the entity that will provide the service to the campus.
- 9.0 Describe any financial arrangements relating to the provision of these facilities or services.
- 10.0 Determine the impact of existing and proposed campus development reasonably expected over the term of the CDA on each service or facility; and any deficiencies which the proposed campus development will create or to which it will contribute.
- 11.0 Determine improvements to facilities or services which are necessary to eliminate the deficiencies specifically listed in the campus development agreement.
- 12.0 Determine the university board of trustees' "fair share" of the cost of the measures stated. The university board of trustees is responsible for paying the fair share identified.

BOG Regulation 21.201 Definitions, states:

- "Campus Development Agreement" means the fair share mitigation agreement referenced in Section 1013.30(10) F.S.
- "Context area for Campus Development Agreements" means an area surrounding the university, within which on-campus development may impact local public facilities and services and natural resources, and within which off-campus development may impact university resources and facilities.

This 2020 CDA was negotiated and reviewed by the following UCF personnel:

- Misty Shepherd, Interim Vice President and Chief Operating Officer
- Fred Kittinger, Senior Associate Vice President, Government & Community Relations
- Jordan Clark, Associate General Counsel, Office of the General Counsel
- Duane Siemen, Interim Associate Vice President, Facilities & Safety
- Bill Martin, Senior Director, Facilities Planning & Construction

Background Information:

The 2020 CDA will replace the previous 2015 CDA, executed November 29, 2016.

Recommended Action:

Recommend to the Board of Trustees the approval of the 2020 CDA.

Upon approval by UCF, the County will hold two required public hearings with the Local Planning Agency and the Board of County Commissioners; and execute the CDA in accordance with f.s.1013.30.

Alternatives to Decision:

1. Board of Trustees may reject the CDA, direct UCF staff to renegotiate specific provisions, and bring a new CDA to the Board for future consideration.
2. Board of Trustees may recommend revisions to the CDA, and authorize the President to sign the CDA if those revisions are agreed to by the County.

Fiscal Impact and Source of Funding:

This CDA has been negotiated to mitigate UCF's "fair share" of the cost of identified deficiencies.

Partnership Projects proposed in the 2020 CDA may generate fiscal commitments:

11.6 (a) 1) Proposed pedestrian safety improvements along McCulloch Road are identified to be studied in the CDA; should UCF and the County agree that these improvements should move into design or construction, they may have attending costs (to be determined) shared between Orange County, Seminole County and UCF.

11.6 (a) 2) A conceptual mid-block crossing on McCulloch Road to improve the pedestrian safety of students walking from apartment complexes on the north side of the road to main campus is identified to be studied in the CDA; should UCF and the County agree that this improvement should move into design or construction, an on-campus walkway from a future McCulloch Road mid-block crossing to West Plaza Drive will need to be constructed and may have an attending cost to UCF (to be determined)

Partnership Projects included in the 2015 CDA are underway, and have outstanding fiscal commitments:

11.7 (a) 4) Alafaya Trail pedestrian scale lighting initial cost (actual, not to exceed \$75,000 one-time)

11.7 (a) 5) Alafaya Trail pedestrian scale lighting recurring costs (actual, not to exceed \$25,000 yearly)

11.7 (a) 6) Alafaya Trail and University Boulevard way-finding and signage (actual, not to exceed \$50,000 one-time)

Authority for Board of Trustees Action:

Florida Statute 1013.30 Campus Master Plans and Campus Development Agreements.

Signature authority for the CDA is granted to Dr. Alexander Cartwright by UCF Board of Trustees policy ("Delegation of Authority to the President" Policy BOT-4, dated May 2019).

Contract Reviewed/Approved by General Counsel ☒ N/A ☐

Associate General Counsel Jordan Clark was involved in the negotiation of this CDA.

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Misty Shepherd, Interim Vice President and Chief Operating Officer

Fred Kittinger, Senior Associate Vice President for Government and Community Relations

Supporting Documentation:

Attachment A: Contract Summary Form

Facilitators/Presenters:

Misty Shepherd, Interim Vice President and Chief Operating Officer

Fred Kittinger, Senior Associate Vice President for Government and Community Relations

Summary of Agreement

Purpose/Background	Florida Statute 1013.30(10) requires UCF to enter into a Campus Development Agreement (CDA) with its Host Local Government, Orange County, following the adoption of the University's Campus Master Plan (CMP). The CDA is intended to ensure consistency between the University's CMP and the County's Comprehensive Plan.
Parties	UCF Board of Trustees Orange County
Term	5 years
Obligations of UCF	Complete financial commitments from the previous CDA executed in 2016. Partner with Orange County to explore additional projects, in particular related to pedestrian safety on McCulloch Road. See agreement for additional details.
Obligations of other party	Complete financial commitments from the previous CDA executed in 2016. Partner with UCF to explore additional projects, in particular related to pedestrian safety on McCulloch Road. See agreement for additional details.
Financial terms	Complete financial commitments from the previous CDA executed in 2016. The agreement was negotiated to mitigate additional financial commitments from UCF. See agreement for additional details.
Termination rights	As the agreement is a requirement of Florida Statute 1013.30(10), an agreement must be in place. Termination is unlikely, but provisions for Amendment are listed under section 15.0 of the agreement should changes to the agreement become necessary.
Additional terms	See agreement for additional details.
Link to agreement	https://bot.ucf.edu/files/2020/11/FFC-2-CDA-between-UCF-and-the-County-Final-Version-10-23-20.pdf

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Overview of UCFAA COVID-19 Financial Impact

☒ **Information** ☐ **Information for upcoming action** ☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The attached document gives the Board a summary of the current budget impact due to the Covid-19 pandemic, the steps UCFAA has taken to minimize the impact, and remedies needed to fully mitigate the remaining projected budget and cash shortfalls.

Background Information:

As with all industries worldwide, intercollegiate athletics has been greatly impacted financially by the Covid-19 virus pandemic. Facility capacities for athletics events have been greatly diminished, expenses for testing, additional sanitization of facilities, and travel protocols have all increased. In some cases, games are being cancelled due to high levels of positive tests. The financial situation is not isolated to UCF and, in many instances, schools are facing much greater deficits.

Recommended Action:

N/A - For information prior to presentation of items that will require action.

Alternatives to Decision:

N/A - For information prior to presentation of items that will require action.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Dr. Daniel J. White, Vice President and Director of Athletics
 Brad A. Stricklin, Executive Associate Athletics Director and CFO, UCFAA

Supporting Documentation:

Attachment A: Pandemic / Financial Realities as of November 13, 2020

Facilitators/Presenters:

Brad A. Stricklin, Executive Associate Athletics Director and CFO, UCFAA

Pandemic / financial realities as of November 13, 2020

- **Projected financial realities for FY21**

- Projected \$12.7 million revenue loss due to reduced number of football home games and limited stadium capacity. The sources of revenue impacted are ticket sales, per-seat premiums, concessions and catering, and corporate partnerships.
- Projected \$1-2 million in increased expenses due to additional COVID-19-related expenses (student-athlete and staff testing, enhanced cleaning, and safety protocols for home events and team travel). This assumes some assistance from either CARES funding or insurance reimbursements.
- Resulting in approximately \$14-15 million in total projected losses and new expenses.

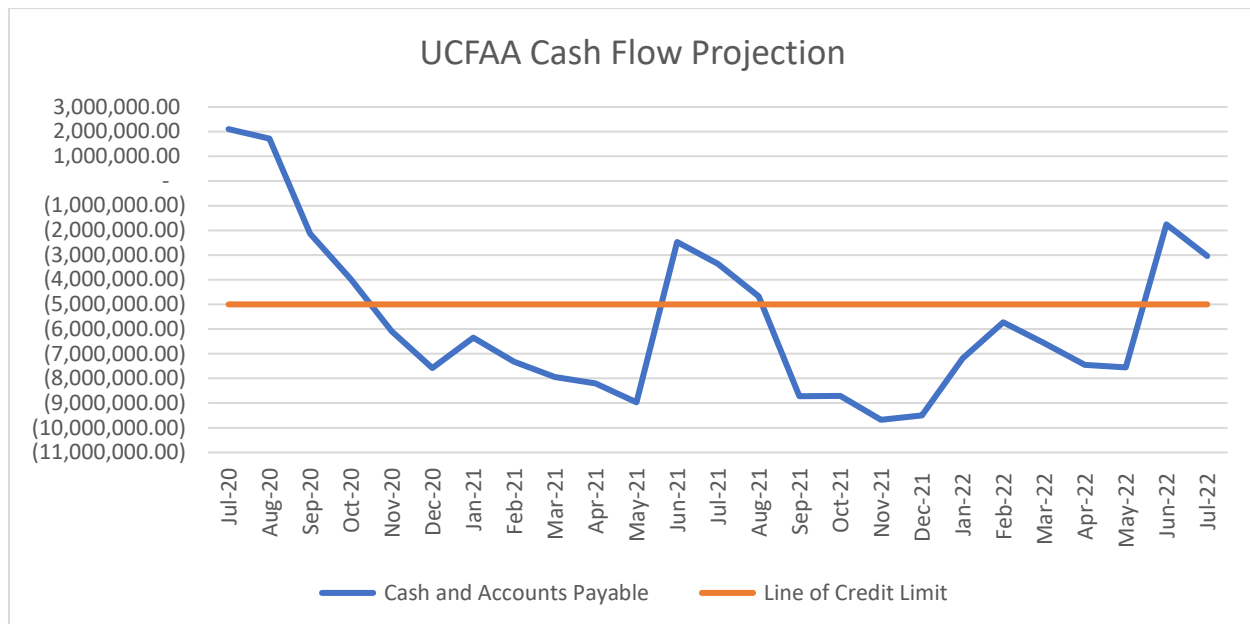
- **Minimizing expenses**

- A budget buffer of \$5.14 million was built into the FY21 budget in anticipation of reduced revenues. This amount includes the elimination of approximately \$1.6 million (or a 10% reduction in controllable expenses) within administrative and sport operating budgets when compared to the previous year. The remaining \$3.5 million in the buffer assumed vacated positions would not be filled and new positions and facility enhancement projects were not considered.
- The 2020-21 season was slated to be a year of enhanced momentum with significant financial growth and additional investments in core staffing and services for our student-athletes; we had planned to hire 21 new positions.
- Implemented a hiring freeze for unfilled positions for FY20 and FY21 (except for those associated with student-athlete safety). Currently, the number of vacated positions stand at 11. Combined with foregoing hiring the new positions, UCFAA has eliminated plans for hiring 32 full-time positions and 40 part-time positions that would work football gamedays. There is an anticipated savings of \$500,000.
- With recent NCAA decisions on limiting the amount of fall sport contests, recruiting delays and further operating cuts, we have targeted an additional \$2.8 million for FY21 from administrative and sport operating budgets. Total reductions of \$4.3 million, to include the \$1.6 million reduction in the originally approved budget, reflect a 20% cut from the 2019-20 administrative and sport operations budgets.
- Taking into account elimination of the full and part-time positions, the savings in operating budgets, deferral of facility related budget requests, and the funds projected to be collected from the Keep Charging On Fund, the budgetary cost containment would be between \$10-11 million. The current shortfall for the year is now projected between \$4-5 million. Once it is understood the amount of CARES funding or insurance coverage will be provided, we will be able to provide a more fine-tuned projection.

- We have strategically paused construction projects of approximately \$4.5 million for FY20 and FY21; continued to complete construction of the Roth Athletics Center (which opened in September 2020).
- **Maximizing revenues**
 - In July 2020, we created the Keep Charging On Fund with a goal of \$2 million in unrestricted gift revenues.
 - To protect our momentum, we launched the Keep Charging On Fund. It is a one-year charitable giving program to assist UCF Athletics. Proceeds generated from the KCOF are designated as unrestricted and will be used by UCF Athletics leadership to address critical priorities to sustain our momentum. We are soliciting our alumni, fans, donors, coaches and staff. All gifts to the KCOF are 100% tax-deductible.
 - Donations from our coaches and athletics staff to this fund is critical--it is a motivating factor to our fan-base and donors. We boldly aim to distinguish ourselves as university leaders who are reinvesting in each other at levels of impact--rather than trimming our payroll like so many other athletics departments have done.
 - Thus far, coaches and staff have committed \$1 million...alumni and friends immediately committed \$540,000 (from almost 800 donors).
- **Cash flow**
 - The shortfall of revenue has created additional cash flow challenges. Much of the ticket sales and per-seat contributions for the 2020 season were received in the spring of 2020. Typically, these funds are used as available cash until the Conference distribution is received in June which then covers the pledged obligation to the Stadium Corporation for stadium debt service. Those purchases were converted to credits in August 2020 and most will be applied to the 2021 season meaning funds normally received in the spring of each year will not be received this spring. In addition, typical single game tickets sales received each fall have not been received this fall due to stadium capacity limitations.
 - Approximately \$9.9 million in credits were applied to customers' accounts in August. Those credits have been applied as follows:
 - 2021 Season - \$6.8 million
 - Keep Charging On Fund - \$323,000
 - Refunds - \$1 million
 - 2020 Season - \$1.8 million

Thus, there is at least \$6.8 million in 2021 ticket sales/per-seat contributions that will not be paid in cash in the 2021 calendar year for the 2021 season.
 - To assist with the cash shortfall, UCFAA will be requesting the following remedies to not only cover the \$6.8 million shortfall but to provide cushion to further assist with timing issues during certain months where cash needs could approach \$10 million. A visual is included below and in the line of credit increase request in FF-6.

- A deferment of payment on the loan payback schedule to UCF of \$1 million in each of the next two fiscal years.
 - An increase to our current revolving line of credit from \$5 million to \$8 million. This increase would be needed regardless of the cash shortfall due to timing of Conference and NCAA payments during the year. The Conference distribution to UCFAA will increase a minimum of \$3.5 million annually due to the new conference television agreement with ESPN. This line would need to rest at \$0 for fourteen consecutive days before July 2022 but offers two extensions, if needed.
 - A \$3 million, 18-month loan from the UCF Foundation. This loan would mature in June 2022.
 - We are continuing to explore other financing options to provide additional cushion for timing issues through July 2022.
- This analysis assumes that there are no Covid related restrictions for the 2021 season and operating budgets are at the 2018-19 level; however, we have the ability to adjust operating budgets back to 2020-21 original budgets and even further if current capacity, scheduling and recruiting restrictions remain in place for next fiscal year. We believe that if operations are back to normal in our preparations for the 2022 football season, these remedies will allow us to keep the momentum we have had over the last three years in our pursuit of becoming a Top 25 athletics program.



UCF Athletics Association and UCF Stadium Corporation
Combined Statement of Operations
Revised FY 2021 Projections

	FY 21 Approved Budget	FY 21 Revised Projections	Over/(Under) Budget	Ref
Revenues				
Student Fees - Athletic Fees	\$ 24,064,502	\$ 24,064,502	\$ -	
Ticket Sales and Per-Seat Donations	14,149,800	4,316,800	(9,833,000)	A
Other Donations	1,141,925	2,516,925	1,375,000	C
Guarantees	360,700	250,000	(110,700)	A
Sponsorships	9,455,000	6,755,000	(2,700,000)	A
Pledges to be used for Debt Service	1,704,440	1,704,440	-	
NCAA / Conference Distributions	9,382,882	9,476,973	94,091	C
Scholarship Support	9,801,839	9,801,839	-	
Other Revenues	1,443,868	1,277,119	(166,749)	A
Total Revenues	71,504,956	60,163,598	(11,341,358)	
Expenses				
Scholarships	10,264,915	10,264,915	-	
Employee Compensation	26,992,700	26,505,793	486,907	C
Sport Operations	8,505,093	6,627,822	1,877,271	C
Support Operations	11,493,847	10,578,418	915,429	C
Non-Recurring Operations	2,396,600	3,671,100	(1,274,500)	A
Total Expenditures	59,653,155	57,648,048	2,005,107	
Debt Service				
Athletics Debt	2,834,440	2,834,440	-	
Stadium Debt	3,873,606	3,873,606	-	
Total Debt Service	6,708,046	6,708,046	-	
Net increase (decrease) from operations	\$ 5,143,755	\$ (4,192,496)	\$ (9,336,251)	B
A - Variances Directly Related to COVID-19	\$ (14,084,949)			
B - Previously Projected Surplus	5,143,755			
C - Additional Budget Cuts Made Since July 2020	4,748,698			
Projected Loss For FY 2021	\$ (4,192,496)			

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: UCFAA Request to Defer 2020-21 and 2021-22 Loan Payments to UCF

☐ Information ☐ Information for upcoming action ☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

UCFAA is currently in year seven of a eleven-year payback plan of loans received from the University between 2004-2008. The total amount of loans taken by the Association to fund operating expenses during that time was \$10,873,000 with \$1,400,000 having been repaid in 2007. Unpaid interest accrued over that period was \$1,943,632 for a total amount owed back to the University in the amount of \$12,816,632. Total principal payments in the amount of \$7,617,743 have been made since 2007 and the current amount of \$5,198,889 is due by June 30, 2025. The interest rate is determined on an annual basis and equals the average SPIA rate of return as of the preceding fiscal year. For the 2020-21 fiscal year, the interest rate will be 3.1631%.

For the 2020-21 budget, UCFAA budgeted a \$1 million debt service (principal and interest). Although UCFAA budgeted a contingency of \$5.1 million to account for lost revenue or additional expenses due to COVID-19, the loss of three home football games, reduced capacity in the stadium of 25% and protocols such as testing, additional cleaning, and quarantine expenses for our student-athletes created an initial shortfall of \$14-\$15 million. With the \$5.1 million contingency and an additional \$4.3 million in budget cuts made in September, the shortfall now stands at \$4-\$5 million. Deferring the loan payments for two years will allow UCFAA the ability to partially mitigate the shortfall over a two-year period.

Background Information:

In February 2008, the State's Auditor General's operational audit for UCF noted UCF made these loans without specific legal authority. In response, the University ceased any further loans to UCFAA. In March 2010, the State's Auditor General's operational audit for UCF noted that none of the loans had been repaid. A repayment was created in August 2009 and amended in June 2015.

Recommended Action:

Approve UCFAA's request to defer its loan payments to the University for a period of two years. The repayment schedule would be extended by two years per the attached schedule (Attachment B).

Alternatives to Decision:

Deny the request or approve a one-year deferral of loan payments.

Fiscal Impact and Source of Funding:

If a two year deferment is approved, accrued interest will be approximately \$360,000 that will have to be paid in addition to the deferred principal payments.

Authority for Board of Trustees Action:

University of Central Florida Board of Trustee Policy - Delegation of Authority to President (any changes to the terms of existing indebtedness)

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Dr. Daniel J. White, Vice President and Director of Athletics

Brad Stricklin, Executive Associate Athletics Director and CFO – UCFAA

Supporting Documentation:

Attachment A: Minutes from June 15, 2015 Finance and Facilities Committee meeting with current repayment schedule

Attachment B: Schedule of loan payment history and proposed restructured payment schedule

Facilitators/Presenters:

Brad Stricklin, Executive Associate Athletics Director and CFO - UCFAA

ITEM: FFC-2

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Amend Payment Schedule for UCFAA Loan to the University

DATE: June 15, 2015

PROPOSED COMMITTEE ACTION

Approval of an amended payment schedule for the UCF Athletics Association loan to the university.

BACKGROUND INFORMATION

The UCF Athletics Association received several loans from the university between 2004 and 2007. In 2009, those loans were consolidated into one loan. The current payment schedule, approved by the board in June 2012, took into consideration UCF's move to the Big East Conference planned for 2013-14. The Big East Conference became the American Athletic Conference with significantly lower conference distribution revenue than expected. The amended payment schedule reduces the payments for the 2015 through 2020 fiscal years with accelerated payments thereafter. The term also has been extended from the 2022 to the 2025 fiscal year.

Supporting documentation: Revised UCFAA Loan Payment Schedule

Prepared by: Brad Stricklin, Senior Associate Athletics Director and CFO for the UCF Athletics Association

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer

UCF Athletics Association, Inc.
Revised UCFAA Loan Payment Schedule
as of June 15, 2015

Loan Balance as of July 1, 2014

\$ 10,275,795

Fiscal Year Ending	Current Schedule Minimum Payment ¹	Proposed Schedule			
		Cash Payment	Principal ²	Interest ³	Balance
2015	\$ 750,000	\$ 400,000	\$ 329,238	\$ 70,762	\$ 9,946,557
2016	1,000,000	3,031,485	3,031,485	-	6,915,072
2017	1,000,000	500,000	285,533	214,467	6,629,539
2018	1,100,000	500,000	397,335	102,665	6,232,204
2019	1,100,000	500,000	403,488	96,512	5,828,716
2020	1,100,000	750,000	659,489	90,511	5,169,227
2021	1,100,000	1,000,000	919,949	80,051	4,249,278
2022	1,100,000	1,000,000	934,196	65,804	3,315,082
2023		1,100,000	1,048,663	51,337	2,266,419
2024		1,100,000	1,064,806	35,194	1,201,613
2025		1,220,221	1,201,613	18,608	-

¹ - Current schedule minimum cash payments excludes \$3,031,485 of funds held in the UCF Stadium Corporation restricted surplus account for the 2006A tax-exempt debt. In accordance with the loan agreement and previous communications to the board, these funds were credited against UCFAA's loan balance but not available to be transferred to UCF until repayment of the bonds.

² - The 2016 early release of the restricted surplus funds makes \$3,031,485 available to UCFAA significantly earlier than planned. UCFAA will use these funds in 2016 as a reduction of principal on the outstanding loan to the university, consistent with previous communications to the board.

³ - The 2015 interest rate is the average SPIA rate of return as of the preceding fiscal year as required under the loan agreement. Interest rates for 2016 and future years are projected based on the current average SPIA rate of return as of April 2015. Interest for 2016 will continue to accrue and will be included in the 2017 payment.

UCF Athletics Association, Inc.
Loan History and Proposed Restructured Payment Schedule
as of November 19, 2020

Activity History

	Principal	Accrued Interest	Principal Payment	Balance
2004	\$1,500,000			\$1,500,000
2005	\$1,000,000			\$2,500,000
2006	\$2,373,000	\$31,262		\$4,904,262
2007	\$4,000,000	\$444,974	(\$1,400,000)	\$7,949,236
2008	\$2,000,000	\$396,616		\$10,345,852
2009		\$402,290		\$10,748,142
2010		\$214,505	(\$300,000)	\$10,662,647
2011			(\$309,489)	\$10,353,158
2012		\$179,890		\$10,533,048
2013		\$172,519		\$10,705,567
2014			(\$416,702)	\$10,288,865
2015			(\$342,309)	\$9,946,556
2016		\$101,576	(\$3,031,485)	\$7,016,647
2017			(\$401,999)	\$6,614,648
2018			(\$404,147)	\$6,210,501
2019			(\$397,018)	\$5,813,483
2020			(\$614,594)	\$5,198,889
Totals	\$10,873,000	\$1,943,632	(\$7,617,743)	

Remaining payments owed (assumes 3.5% interest)

	Principal	Accrued Interest	Principal Payment	Balance
2021		\$181,961	\$0	\$5,380,850
2022		\$188,330	\$0	\$5,569,180
2023			(\$905,079)	\$4,664,101
2024			(\$936,756)	\$3,727,345
2025			(\$1,225,000)	\$2,502,345
2026			(\$1,250,000)	\$1,252,345
2027			(\$1,252,345)	\$0

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Temporary Support for UCF Athletics

☐ Information ☐ Information for upcoming action ☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The UCF Athletics Association (UCFAA) DSO is currently facing a cashflow deficit over the next 12 – 24 months due to the impact to operation from COVID-19. The cash shortfall over the next year has put UCFAA at risk of receiving a “going concern” opinion from their outside audit firm for the fiscal year ending June 30, 2020. Although no legal, statutory, or debt related events have been identified that the “going concern” opinion would trigger, there are a variety of operational, financial, and reputational risks that should be considered.

The total estimated cash needs through June 30, 2021 is approximately \$10M over and above the current \$5M line of credit UCFAA currently has with Fifth Third Bank. UCFAA has taken action to reduce operating expenses and established the ChargeOn fund to raise additional cash to close the gap, but still expects to have a cash deficit of \$10M or more. UCFAA is working with Fifth Third to increase the credit facility, but even if successful this will not be sufficient to cover the total cash needs for the next 12 months.

Background Information:

The UCF Foundation (UCFF) has been asked by UCFAA and the University for assistance in resolving the UCFAA cashflow issue and avoid the “going concern” opinion for the FY20 financial audit.

UCFF maintains financial reserves for both Facilities and Operations, and historically has excess reserves that can be utilized for short term emergency needs. The UCFF finance team has completed an analysis of the current reserve status and has determined that the current excess reserve balance available is approximately \$3M. UCFF has offered to provide UCFAA an 18-month revolving line of credit not to exceed \$3M with an annual interest rate of 3%, which may be renewed for up to (2) additional 12-month periods at the end of the current period maturity date. If UCFAA defaults on a payment, UCFF may invoice the University for repayment from collateral. Per the memorandum of understanding, Attachment A of this memo, collateral is defined as 100% of the student athletic fee receipts received by the UCFAA from the University which are imposed by the University on its students pursuant to Florida law.

Recommended Action:

Recommend approval for UCFF to issue a letter of credit to UCFAA, with the terms described above, to the UCF Board of Trustees.

Alternatives to Decision:

Decline to approve the proposed issuance of a letter of credit from UCFF to UCFAA.
 Request revisions to terms set forth within the MOU.

Fiscal Impact and Source of Funding:

The UCF Foundation will utilize cash reserves to support the letter of credit, the financial impact will be limited to the loss of investment earnings on the loan balance.

Authority for Board of Trustees Action:

Florida Statute 1004.28

Finance and Facilities Committee Charter 2.1

Contract Reviewed/Approved by General Counsel ☒ N/A ☐

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Glen Dawes, Associate Vice President & Chief Financial Officer, UCF Advancement

Supporting Documentation:

Attachment A: Memorandum of Understanding

Facilitators/Presenters:

Glen Dawes, Associate Vice President & Chief Financial Officer, UCF Advancement

Jennifer Cerasa, Legal Counsel to the UCF Foundation and Sr. Associate General Counsel, UCF

Memorandum of Understanding Use of Funds

This Memorandum of Understanding Use of Funds (“MOU”) is made and entered into this ____ day of December 2020 (the “Effective Date”) by and among the UCF Athletics Association, Inc. (“UCFAA”), the University of Central Florida Foundation, Inc. (“UCFF”) both direct support organizations of the University of Central Florida Board of Trustees (“University”).

WHEREAS, UCFAA has been uniquely impacted by the COVID-19 pandemic due to decreased ticket sales and increased operating costs which creates cash flow concerns from time to time; and

WHEREAS, UCFF has sufficient operating reserves to help alleviate operating cost concerns for UCFAA for a short term; and

WHEREAS, UCF, by and through its Board of Trustees, has consented to the form and agreement of this MOU.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Loan:** UCFF hereby establishes for a period of eighteen (18) months from the Effective Date (the “Maturity Date”) a revolving line of credit for UCFAA in the principal amount of Three Million and 00/100 Dollars (\$3,000,000.00) (the “Credit Limit”) which shall be evidenced by and repaid in accordance with the terms of this MOU. All funds advanced pursuant to the terms of this MOU shall become part of the principal. Upon agreement by both parties, this Credit Limit may be renewed for up to two (2) additional 12-month periods at the end of the current maturity date. UCFAA hereby acknowledges, agrees that that the following collateral secures UCFAA’s obligations under the Credit Limit: 100% of the student athletic fee receipts received by the UCFAA from the University which are imposed by the University on its students pursuant to Florida law (“Collateral”). UCFAA hereby agrees and confirms that said pledge remains in full force and effect and secures the Credit Limit. Further, the UCFAA represents to the UCFF that the Board of Trustees of the University has not rescinded or modified the pledge by the UCFAA of the Collateral to the repayment of the Credit Limit.

2. **Draws:** UCFAA may request funds from time to time and in such amounts as UCFAA may choose, provided however, any requested draw will not, when added to the outstanding principal balance of all previous draw, exceed the Credit Limit. Requests for draws must be made in writing in substantially the same form as provided on the attached **Exhibit “A”** from UCFAA’s Chief Financial Officer to UCFF’s Chief Financial Officer. Requested draws will be deposited in UCFAA’s account within ten (10) business days from receipt of the written request. UCFF will be responsible for maintaining records of the requested draws, balances, and accrued interest, which will be made available to UCFAA upon request.

3. **Interest:** All funds advanced pursuant to this MOU shall bear interest from the date each draw is deposited until paid in full at an interest rate of three percent (3%) simple interest per annum (the “Interest Rate”). Interest payments are due semi-annually on June 15th and December 15th, beginning on June 15th, 2021.

4. **Repayment:** This MOU anticipates all outstanding principal and accrued, but unpaid interest to be due and payable in full on or before the Maturity Date. UCFAA may elect to make additional payments during the term of this MOU. All payments received will be applied as follows: first to any accrued interest, second to principal. If default be made in the payment of any of the principal sums or interest mentioned herein within thirty (30) days after the same becomes due, then the entire principal sum and accrued interest shall at the option of the UCFF may become at once due and collectible without notice, time being of the essence; and said principal sum and accrued interest shall both bear interest from such time until paid. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. If UCFAA defaults on a payment, UCFF may invoice the University for repayment from Collateral. Notice of any defaults hereunder shall be presented as an informational item at the next upcoming board meeting for the University, UCFAA, and UCFF. Any modification or amendment of the terms of this MOU must be agreed upon by the parties in writing and approved by governing boards of the University, UCFAA, and UCFF.

5. **Purpose:** The use of funds is to provide temporary monetary relief to the UCFAA, allowing the UCAA to continue its operations due to the COVID-19 pandemic. The use of the proceeds is restricted to covering operating expenses only. These proceeds shall not be used for any capital projects or the repayment of any other outstanding debt.

6. **Applicable Law:** This MOU will be construed in accordance with, and the administration of the contribution received herein shall be pursuant to the laws of the State of Florida.

7. **Counterparts:** This MOU may be executed in any number of counterparts, each of which when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement.

[signatures on the following page]

IN WITNESS WHEREOF, each of the undersigned as duly authorized and validly existing representatives of the University of Central Florida have executed this MOU on the date as indicated below.

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES**

By: _____
Name: Alexander N. Cartwright, Ph.D.
Title: University President
Date: _____

UCF ATHLETICS ASSOCIATION, INC.

By: _____
Name: Dr. Daniel J. White
Title: President
Date: _____

**UNIVERSITY OF CENTRAL
FLORIDA FOUNDATION, INC.**

By: _____
Name: Michael J. Morsberger
Title: Chief Executive Officer
Date: _____

EXHIBIT "A"

FORM OF DRAW

Amount Requested: \$ _____

Total Disbursements to Date: \$ _____

1. The UCF Athletics Association ("UCFAA") hereby certifies that proceeds from this draw have been or will be used for Purpose as defined in the Memorandum of Understanding Use of Funds between UCFAA and University of Central Florida Foundation, Inc. dated _____ (the "MOU").

2. UCFAA hereby certifies that no event of default, or event that with the giving of notice or the passage of time would constitute an event of default, exists.

3. UCFAA hereby designates this draw to be used for:

4. The amount to be drawn does not, together with previous draws, exceed the Credit Limit available.

Unless otherwise noted, all capitalized terms herein shall have the meanings assigned to them in the MOU.

This _____ day of _____, 20____.

(SEAL)

UCF

ATHLETICS ASSOCIATION, INC

By: _____

Name: _____

Title: _____

APPROVED BY:

**UNIVERSITY OF CENTRAL FLORIDA
FOUNDATION, INC.**

By: _____

Name:

Title: _____

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Increase to Operating Line of Credit for UCFAA

☐ **Information**

☐ **Information for upcoming action**

☒ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

UCFAA currently has a line of credit with Fifth Third Bank in the amount of \$5 million to assist with seasonal cash needs. With the Conference's new media rights agreement, revenues received in June (end of the fiscal year) will increase by \$3.5 million. In addition, and the reason for the need for the early renewal and extension, UCFAA needs the additional cash availability in the spring to assist in navigating revenue shortfalls due to the Covid-19 pandemic.

Background Information:

UCFAA opened a line of credit in 2009-10 of \$1.2 million. With the growth of the annual budget, and the need to fund post-season bowl and other championship expenses months in advance of receiving the revenue needed to fund those expenses, the line was increased to \$2 million in 2012-13 and increased again to \$5 million in 2016-17. The increases have been appropriate with growth in the annual budget and the need to have cash available when funding expenses for New Year's Six bowl games and post-season basketball. At the time the 2016-17 increase, UCFAA revenues had increased from \$35 million to \$53 million and for the 2019-20 year, UCFAA's revenue was approximately \$64 million.

Recommended Action:

Approve the renewal of the UCFAA's line of credit through July 2022 and increase the line from \$5 million to \$8 million.

Alternatives to Decision:

Deny the increase and renewal, and search for alternative solutions.

Fiscal Impact and Source of Funding:

The interest rate on the line is 30-day LIBOR plus 2.75% with a LIBOR floor of .75%. As of November 12th, the LIBOR is .14%. If the entire \$8 million is used the entire year, UCFAA would pay interest in the amount of \$260,000. The impact to the \$3 million increase could be as high as \$97,500.

Authority for Board of Trustees Action:

UCFAA Bylaws

Contract Reviewed/Approved by General Counsel: ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda: ☒

Submitted by:

Dr. Daniel J. White, Vice President and Director of Athletics

Brad A. Stricklin, Executive Associate Athletics Director and CFO, UCFAA

Supporting Documentation:

Attachment A: Fifth Third Bank Line of Credit Term Sheet

Attachment B: Cash Flow Projection Graph

Facilitators/Presenters:

Brad A. Stricklin, Executive Associate Athletics Director and CFO, UCFAA



November 16, 2020

Mr. Brad A. Stricklin
 Executive Associate Athletics Director/Chief Financial Officer
 UCF Athletics Association, Inc.
 4465 Knights Victory Way
 Orlando, FL 32816

Re: UCF Athletics Association, Inc. – Increasing Existing \$5 million Revolving Credit Facility to \$8 million

Fifth Third Bank N.A. (hereafter the “Lender”) is pleased to offer UCF Athletics Association, Inc. (hereafter the “Borrower”) the following financing proposal (hereafter the “Loan”). This letter presents our proposed terms with preliminary credit approval secured and only subject to final structure and document review.

Borrower: UCF Athletics Association, Inc.

Facility: Existing Revolving Credit Facility - increase to \$8,000,000.

Purpose: The proceeds of the Loan will be used to fund general corporate operating expenses.

Closing: Currently anticipated for no later than December 31, 2020.

Term: Extend the existing Revolving Credit Facility with current Maturity Date of July 18, 2021 to July 31, 2022.

Interest Rate: After closing, all outstanding balances will bear interest at a variable interest rate of 1-month LIBOR + a spread of 2.75%.
 Additionally, there will be a LIBOR floor of .75%.

Interest Rate

Count Method: Actual # of days per month/360 days per year.

Repayment: Monthly interest only payments with full outstanding balance to be paid upon Maturity Date. An annual clean up provision of 14 consecutive days within each 12-month period. Given the Borrower has already satisfied



FIFTH THIRD BANK

this in July/August 2020, this will be applicable between the period of July 19, 2021 and the Maturity Date.

Additionally, during the loan term to the extent free cash flow is available for a paydown, it is required that preference shall be made for paying down the Loan balance vis a vis any other new form of Borrower's outstanding indebtedness originated on or after the Closing date, including the below mentioned loan from UCF Foundation or any other UCF related organization.

Condition Precedent To Closing

Borrower will have closed on or secured a formal fully binding commitment from the UCF Foundation or any other UCF related organization for a \$3 million revolving credit facility with a commensurate Maturity Date as the Loan and with terms and conditions acceptable to the Lender. This shall include the loan being in a subordinate preference to the Loan.

Revolver Unused Fee: .60%

Legal Fees: The Bank's legal fees will be paid by UCFAA. Existing loan documents will be utilized and modified accordingly.

Collateral: Pledge of 100% of Student Athletic Fee Revenues. Pledge of additional, currently unencumbered revenue sources, stadium naming rights revenues, TBD.

Prepayment: Prepayable in whole or part at any time without any prepayment penalties.

Financial Reporting: The following reporting covenants will be required:

1. University of Central Florida's annual audited statements within 180 days from its fiscal year end.
2. UCF Athletics Association, Inc. annual audited statements within 180 days from its fiscal year end with compliance certificate.
3. UCF Athletics Association, Inc. annual budget within 120 days of fiscal year end of 6/30.
4. UCF Athletics Association, Inc. quarterly interim financial statements within 30 days of fiscal quarter-end.



FIFTH THIRD BANK

5. UCF Athletics Association, Inc. quarterly update of cash flow projections from that quarter end to Maturity Date in same form previously submitted to Lender within 30 days of fiscal quarter-end.

Covenants: Existing clean up period provision for 14 consecutive days each 12-month period.

Deposits/Treasury For the duration of the Facilities, Borrower shall maintain its depository and treasury management relationship with Lender.

Management

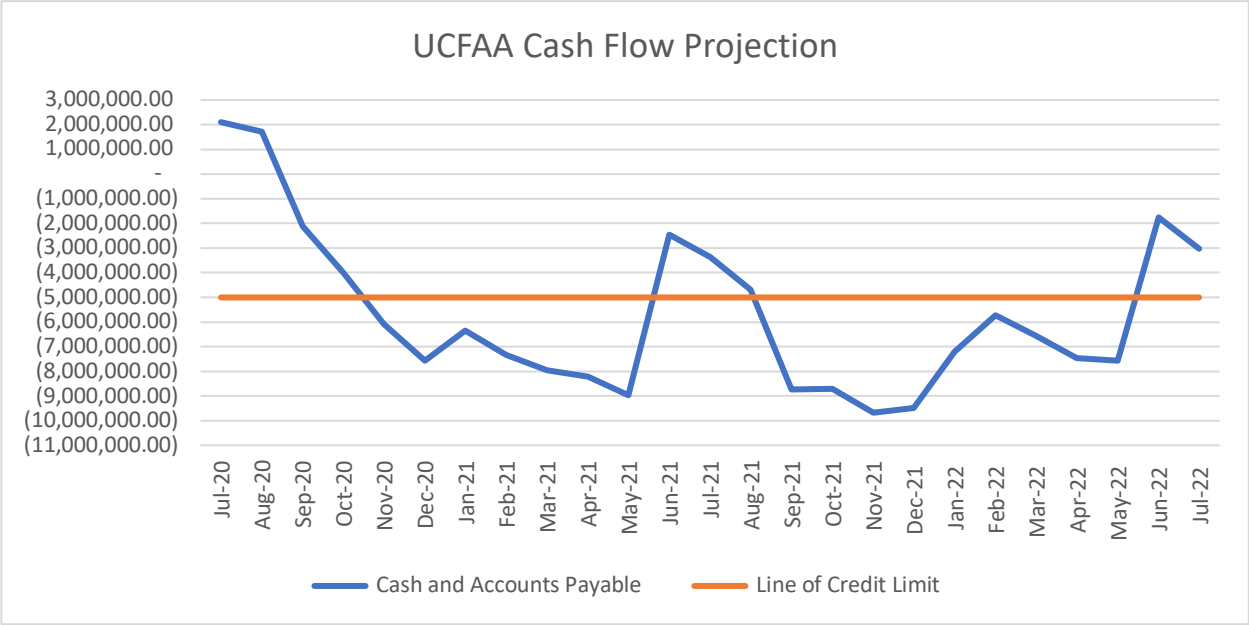
Other: This is a term sheet and not intended to be all inclusive.

Cross Default: Loan documents will include cross default provisions with other existing and future indebtedness provided by Fifth Third Bank.

We have enjoyed our long-standing relationship with UCF Athletics Association, Inc. and look forward to continuing to work with you on this financing opportunity.

Sincerely,

Steve Wortman
Vice President
Fifth Third Bank NA
407-341-6778
Steven.Wortman@53.com



UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Rent Concessions for Convocation Corporation Independent Retail Vendors

☐ **Information**

☐ **Information for upcoming action**

☒ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Staff respectfully request the Committee's consideration of rent forgiveness for the months of March through August for the independent, locally owned small business operators located at Knights Plaza under the Convocation Corporation.

Background Information:

In March, the university made the decision to depopulate campus in response to the pandemic. As a result of this decision, alongside local restrictions ordered for shelter in place, our independent retail vendors suffered financial hardships. Most tried to continue to operate, while a few had to cease operations due to a lack of campus traffic.

At Knights Plaza, vendors experienced a sales decline of over \$1.3M or 51 percent for the months of March through August 2020, as compared to prior years. There was one outlier in the mix of operators that saw only a six percent decline. Contributing factors that may have aided this particular vendor's ability to sustain operations include: 1) a reduced number of operating vendors and 2) their carry-out and delivery business. If the outlier is removed from the sales comparison, decline was 69 percent.

The majority of the retailers' rents are in arrears and continue to pose a significant burden on their ability to continue providing service for our campus. While we consider the financial benefit of these rents the university receives, the larger value provided comes from the vitality and options these vendors bring to on-campus life. These businesses also provide employment opportunities for our students and social spaces for interaction. During the Spring and Summer, two of the small business operators were forced into long-term closures of three months or more.

All reopened in August with anticipation of a return of the campus population, but due to the level of on-campus students, faculty and staff they continue to struggle to produce historical similar revenues. There is a current evaluation of the impact of the current environment of low face to face instruction, planned events, and changes to the normal athletic season for which these vendors rely on for stability to provide these valuable campus services. Once more sales data on the fall semester is gathered, there is a growing likelihood of a rent modification recommendation for the months starting in September 2020 that will be brought before the committee.

Recommended Action:

It is our recommendation that rents owed by locally owned small businesses through August 2020 be forgiven as a result of campus depopulation, the sales decline due to campus depopulation would render outstanding rents too great of a burden and jeopardize the long-term viability of these needed services provided by the locally owned small businesses.

Alternatives to Decision:

Enforce payment and collections of all rents due under lease agreements. This alternative would undoubtedly force some of the independents into closure.

Elect to renegotiate terms of each lease agreement to adjust rents.

Fiscal Impact and Source of Funding:

Forgiving rent for Knights Plaza (UCF Convocation Corporation) independent retail vendors for the periods of March through August 2020 would have the estimated financial impact of \$222,000.

Authority for Board of Trustees Action:

Board of Trustees' Delegation of Authority to the President

Contract Reviewed/Approved by General Counsel: ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda: ☒

Submitted by:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer

Supporting Documentation:

Attachment A: Knights Plaza (UCF Convocation Corporation) Retail Vendor Summary

Facilitators/Presenters:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer
Kevin Sowers, Director, Business Services

Knights Plaza – Convocation Corporation

- 7 Total small business retail locations
- 7 Currently operating
- 2 closed during April – August due to depopulation
- PY Retail Sales March – August
 - \$2.67M
- FY20 Retail Sales March – August
 - \$1.32M
- Sales Decline
 - (\$1.35M) or (51%)

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Rent Concessions for Student Union, Recreation and Wellness Center, and John T. Washington Center Independent Retail Vendors

☐ Information

☐ Information for upcoming action

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Staff respectfully request the Committee's consideration of rent forgiveness for the months of March through August for the independent, locally owned small business operators.

Background Information:

In March, the university made the decision to depopulate campus in response to the pandemic. As a result of this decision, alongside local restrictions ordered for shelter in place, our independent retail vendors suffered financial hardships. Most tried to continue to operate, while a few had to cease operations due to a lack of campus traffic.

Within the inner circle of campus, retailers were more severely impacted. Some of these vendors do not have the same franchise capabilities to offer delivery or ease of access for the surrounding community to utilize their services. For the period of March through August 2020, total retail sales were down 85 percent from the prior year.

These retailers' rents are in arrears and continue to pose a significant burden on their ability to continue providing service for our campus. While we consider the financial benefit of these rents the university receives, the larger value provided comes from the vitality and options these vendors bring to on-campus life. These businesses also provide employment opportunities for our students and social spaces for interaction. During the Spring and Summer, all of these small business operators were forced into long-term closures of three months or more.

Each of these small business operators reopened in August, but three have had to reclose in the heart of campus due to lack of sales as a result of low campus population and the inability of general public to easily access the services provided by these operators. There is a current evaluation of the impact of the current environment of low face to face instruction, planned events, and the remote work environment for many faculty and staff that these vendors rely on for stability to provide these valuable campus services. Once more sales data on the fall semester is gathered, there is a growing likelihood of a rent modification recommendation for the months starting in September 2020 that will be brought before the committee.

Recommended Action:

It is our recommendation that rents owed by locally owned small businesses through August 2020 be forgiven as a result of campus depopulation, the sales decline due to campus depopulation would render outstanding rents too great of a burden and jeopardize the long-term viability of these needed services provided by the locally owned small businesses.

Alternatives to Decision:

Enforce payment and collections of all rents due under lease agreements. This alternative would undoubtedly force some of the independents into closure.

Elect to renegotiate terms of each lease agreement to adjust rents.

Fiscal Impact and Source of Funding:

Forgiving rent for the Student Union, Recreation and Wellness Center, and John T. Washington Center independent retail vendors for the periods of March through August 2020 would have the estimated financial impact of \$73,000.

Authority for Board of Trustees Action:

Board of Trustees' Delegation of Authority to the President

Contract Reviewed/Approved by General Counsel: ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda: ☒

Submitted by:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer

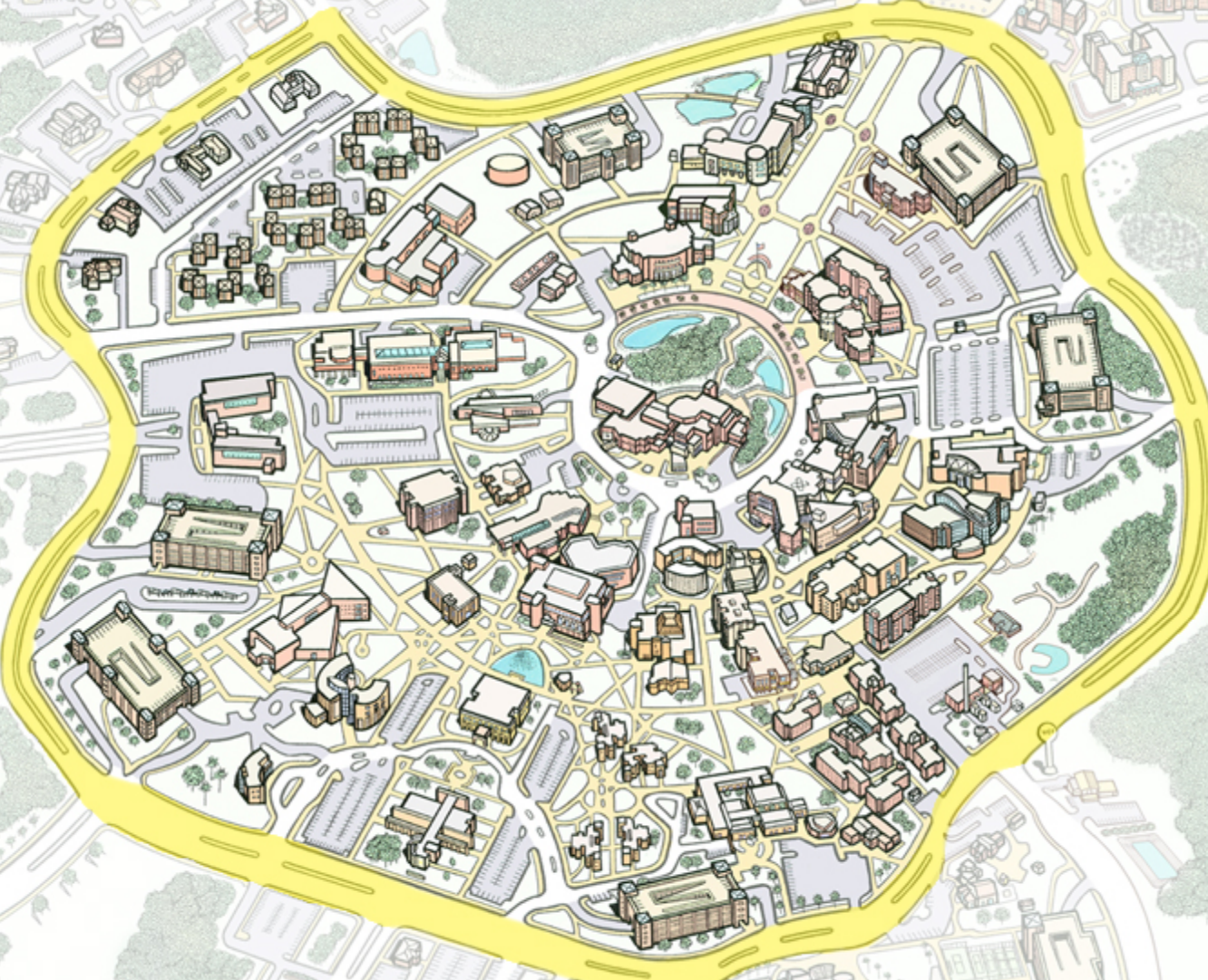
Supporting Documentation:

Attachment A: Student Union, Recreation and Wellness Center, and John T. Washington Center Independent Retail Vendor Summary

Facilitators/Presenters:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer
Kevin Sowers, Director, Business Services

Student Union, Recreation and Wellness Center, and John T. Washington Center

- 
- 23 Total retail locations
 - 12 Currently operating
 - 4 Locations have closed since Fall semester start (3 independents 1 Aramark)
 - PY Retail Sales March – August
 - \$5.06M
 - FY20 Retail Sales March – August
 - \$800K
 - Sales Decline
 - **(\$4,257M) or (85%)**

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: University and Direct Support Organizations Debt Report

☒ **Information** ☐ **Information for upcoming action** ☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Significant transactions and events since the last report submission (4/22/2019):

1. In June 2020, the University worked with the UCF Hospitality School Housing Foundation to revise the adjustable term rate on the existing bonds which were set to expire on June 30, 2020. The previous rate was calculated based on a formula of 81 percent of the sum of 30-day LIBOR plus 225 basis points. The new rate is now calculated based on a formula of 81 percent of the sum of 30-day LIBOR +200 basis points. At the time of refinancing this reduced the calculated interest rate by 21 basis points.
2. On June 5, 2020, the University, in collaboration with the State of Florida Division of Bond Finance, released a public disclosure outlining the projected impact of COVID-19 on the University's outstanding Dormitory Revenue Bonds. The disclosure informed the public of the impact of Housing refunds processed during the Spring 2020 semester as well as the impact from projected lost Summer 2020 Housing revenues. The disclosure projected a year end coverage ratio for the UCF Housing bonds of .86x prior to considering any nonoperating revenues from CARES or University E&G funds to help with offsetting operating losses. Based on the current draft financials for the UCF Housing system, the yearend coverage ratio is now calculated to be .88x.
3. On June 26, 2020, the University, in collaboration with the State of Florida Division of Bond Finance, released a public disclosure outlining the projected impact of COVID-19 on the University's outstanding Parking Facility Revenue Bonds. The disclosure informed the public of the impact of waiving summer transportation and access fees, the decline in permit and citation revenues, and a discussion of cost cutting measures taken by the University to offset the lost revenues. The disclosure projected a yearend coverage ratio for the UCF Parking bonds of 4.09x. Based on the current draft financials for the UCF Parking system, the yearend coverage ratio is now calculated to be 4.35x.
4. On October 6, 2020, the UCF Foundation refinanced \$8,340,000, the outstanding balance of the 2009 tax exempt note issued at 4.49 percent and secured by a mortgage of the buildings known as the Research Pavilion, the IST Building, and the Orlando Tech Center, with a taxable 2020 note issued at 2.39 percent, resulting in annual savings of \$132,000 or \$671,000 for the remaining life of the note that expires on October 1, 2025.
5. On October 6, 2020, the UCF Foundation refinanced \$5,685,000, the outstanding balance of the 2018 tax exempt note issued at 3.93 percent and secured by a mortgage of the Digital Learning building, with a 2020 tax exempt note issued at 2.70 percent, resulting in average annual savings of \$44,000 or \$579,000 for the remaining life of the note that expires on October 1, 2038.
6. On October 7, 2020, the University, in collaboration with the State of Florida Division of Bond Finance, released a second public disclosure outlining the projected impact of COVID-19 on the University's outstanding Dormitory Revenue Bonds for the Fall semester. This disclosure informed the public of the current Housing occupancy levels for Fall 2020, an overview of certain actions taken

by the University to ensure the safety of housing residents, and the projected financial impact for fiscal year 2021.

7. Due to delays in construction of the Lake Nona Cancer Center related to COVID 19, external rent-paying tenants have not been able to occupy the space. This revenue was expected to support quarterly debt payments for this building. To accommodate the lack of resources, the UCF Foundation worked with Orange County to adjust the debt payment schedule and the first payment, which was originally due in December 2020, will now be due in July 2021.
8. While not the debt of the University or a University DSO, on October 15, 2020, the Capital Projects Finance Authority (CAPFA) closed on a \$126,115,000 nontaxable debt refinancing with a net premium of \$14,613,264, and a \$22,200,000 taxable debt refinancing. This refinancing lowered the interest rate from the prior bonds which carried an average coupon rate of 5.05 percent to a new all in true interest cost rate of 3.80 percent. As a result of this refinancing, the UCF Foundation will resume receiving waterfall payments from the surplus funds of the project at the end of FY 2021 versus the expected waterfall payments under the old debt structure which were expected to be received again starting at the end of FY 2028. The waterfall payments projected for FY 2021 and FY 2022 are \$7,447,000 and \$15,340,000 respectively. These waterfall payments are estimated to be \$258,739,000 over the next 20 years.
9. The University met the required coverage ratio covenants for each University and DSO debt issuance through the end of FY 2020. Based on current projections we do not anticipate issues with continuing to meet each University and DSO debt covenant requirement for FY 2021.

Background Information:

This committee has requested a periodic report on the debt of the university and direct support organizations.

Recommended Action:

For information only.

Alternatives to Decision:

None.

Fiscal Impact and Source of Funding:

No financial impact.

Authority for Board of Trustees Action:

Specific trustee request.

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Joseph Trubacz, Interim Vice President for Finance and Chief Financial Officer

Supporting Documentation:

Attachment A: University and Direct Support Organization Debt Summary

Attachment B: University and Direct Support Organization Debt Summary Notes

Attachment C: University Global Amortization Schedule

Attachment D: DSO Global Amortization Schedule

Attachment E: UCF Housing May 2020 Public Disclosure

Attachment F: UCF Parking June 2020 Public Disclosure

Attachment G: UCF Housing October 2020 Public Disclosure

Facilitators/Presenters:

Joseph Trubacz, Interim Vice President for Finance and Chief Financial Officer

Albert Francis, Assistant Vice President for Debt Management

University and Direct Support Organization Debt

As of June 30, 2020

	Total Debt Outstanding	Debt Service FY 2021	Coverage Ratio	
			Actual	Required
University Issued Bonds				
Parking Bonds				
Parking Series 2011	\$ 1,035,000	\$ 546,150		
Parking Series 2012	5,510,000	558,850		
Parking Series 2018	3,345,000	942,250		
Parking Series 2019	5,915,000	830,750		
Total Parking Bonds	15,805,000	2,878,000	4.35	1.20
Housing Bonds				
Housing Series 2012	54,140,000	4,403,650		
Housing Series 2018	20,400,000	3,930,375		
Total Housing Bonds	74,540,000	8,334,025	0.88	1.20
Total University Issued Bonds	\$ 90,345,000	\$ 11,212,025		
Direct Support Organization Debt				
UCF Convocation Corporation				
Housing Series 2018 (Nontaxable)	\$ 95,670,000	\$ 8,053,632	1.98	1.20
Arena Series 2015A (Nontaxable)	48,385,000	1,988,963	1.34	1.20
Arena Series 2015B (Taxable)	22,140,000	4,024,545	1.34	1.20
Total UCF Convocation Corporation	166,195,000	14,067,140		
UCF Stadium Corporation				
Series 2015A (Nontaxable)	29,300,000	2,515,919		
Series 2015B (Taxable)	8,485,000	777,185		
Series 2015C Leadership Center (Nontaxable)	2,229,000	330,502		
Total UCF Stadium Corporation	40,014,000	3,623,606	4.14	1.20
UCF Finance Corporation				
Series 2017 Burnett BioMed (Nontaxable)	58,302,000	3,988,796	6.31	1.25
UCF Downtown Construction Note (Nontaxable)	4,045,399	3,550,000	NR	NR
Total UCF Finance Corporation	62,347,399	7,538,796		
UCF Athletics Association				
UCF Loan (Nontaxable)	5,198,890	1,000,000	NR	NR
Roth Athletic Center loan (Nontaxable)	8,550,000	1,315,440	NR	NR
Construction Line of Credit (Nontaxable)	5,375,000	401,172	NR	NR
Operating Line of Credit (Nontaxable)	-	118,828	NR	NR
Total UCF Athletics Association	19,123,890	2,835,440		
UCF Foundation				
Series 2009 (Nontaxable)	9,775,000	1,780,558	3.60	1.50
Series 2017 (Nontaxable)	5,920,000	769,728	NR	NR
Series 2018 (Nontaxable)	5,792,000	402,766	NR	NR
Lake Nona Cancer Center (Nontaxable)	50,000,000	-	NR	NR
Total UCF Foundation	71,487,000	2,953,052		
UCF Hospitality School Foundation				
Series 2004 (Nontaxable)	8,365,000	1,008,252	1.02	1.00
Total UCF Hospitality School Foundation	8,365,000	1,008,252		
Total Direct Support Organization Debt	\$ 367,532,289	\$ 32,026,285		
Total University and DSO Debt	\$ 457,877,289	\$ 43,238,310		

Note: See the attached Debt Summary Notes for more information on each debt issuance.

A "NR" note in the coverage ratio column indicates that a year end coverage ratio is not required for the specific debt instrument.

**Debt Summary Notes
As of June 30, 2020**

UCF Parking:

- The 2011A Bonds maturing in the years 2013 through 2021, are not redeemable prior to their stated dates of maturity. The 2011A bonds maturing in 2022 are redeemable prior to their stated date of maturity without premium.
- The 2012A Bonds maturing in the years 2013 through 2022, both inclusive, are not redeemable prior to their stated dates of maturity. The 2012A Bonds maturing in 2023 and thereafter are redeemable prior to their stated dates of maturity, without premium.
- The 2018A Bonds are not subject to redemption prior to maturity.
- The 2019A Bonds are not subject to redemption prior to maturity.
- The average amount of Pledged Revenues for the two immediately preceding fiscal years, as adjusted as provided for in the Resolution, must be equal to at least 120 percent of the Maximum Annual Debt Service on the bonds then Outstanding in order to issue Additional Parity Bonds.
- The Board of Regents (now Board of Governors) covenants that it will fix, establish, and collect such fees, rentals, or other charges to be derived from the operation of the Parking System, and revise the same from time to time whenever necessary, so that the Parking System Revenues shall be sufficient in each Fiscal Year to pay at least one hundred percent of an amount equal to the Current Expenses and Administrative Expenses, and so that the Pledged Revenues shall be sufficient in each Fiscal Year to pay at least one hundred percent of an amount equal to the Annual Debt Service Requirement for the Bonds and at least one hundred percent of all other payments required by the terms of this Resolution.

UCF Housing

- The 2012A Bonds maturing in the years 2013 through 2021, are not redeemable prior to their stated dates of maturity. The 2012A bonds maturing in 2022 and thereafter are redeemable prior to their stated date of maturity without premium.
- The 2018A Bonds are not subject to redemption prior to maturity.
- The average amount of Pledged Revenues for the two immediately preceding fiscal years, as adjusted as provided for in the Resolution, must be equal to at least 120 percent of the Maximum Annual Debt Service on the bonds then Outstanding in order to issue Additional Parity Bonds.

- The Board of Regents (now Board of Governors) covenants that it will fix, establish, and collect such fees, rentals, or other charges to be derived from the operation of the Housing System, and revise the same from time to time whenever necessary, so that the Housing System Revenues shall be sufficient in each Fiscal Year to pay at least one hundred percent of an amount equal to the Current Expenses and Administrative Expenses, and so that the Pledged Revenues shall be sufficient in each Fiscal Year to pay at least one hundred percent of an amount equal to the Annual Debt Service Requirement for the Bonds and at least one hundred percent of all other payments required by the terms of this Resolution.

UCF Convocation

- The Series 2018 Bonds are subject to redemption prior to maturity, at the option of the Issuer, in whole or in part on any Business Day on or after July 1, 2023, and if in part, in such manner as determined by the Issuer, at the redemption price of 100 percent of the principal amount of the Series 2018 Bonds to be redeemed, without redemption premium, plus accrued interest to the redemption date.
- The Series 2015A Bonds maturing on or after October 1, 2026, are subject to redemption prior to maturity, at the option of the Corporation, in whole or in part on any date on or after October 1, 2025, and if in part, in such manner as determined by the Trustee, at the redemption price of 100 percent of the principal amount of the Series 2015A Bonds to be redeemed, without redemption premium, plus accrued interest to the redemption date.
- The Series 2015B Bonds are subject to redemption prior to maturity, at the option of the issuer, on any business day, in whole or in part at a redemption price equal to the Make Whole Redemption Price. The Make Whole Redemption Price of any Series 2015B Bond to be redeemed is an amount equal to the greater of (i) 100 percent of the principal amount of such Series 2015B Bonds to be redeemed; or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Series 2015B Bonds, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2015B Bonds are to be redeemed, discounted on a semiannual basis to the date on which such Series 2015B Bonds are to be redeemed, discounted on a semiannual basis to the date on which Series 2015B Bonds are to be redeemed, assuming a 360 day year, at a Treasury Rate plus 30 basis points, in each case, accrued and unpaid interest on such Series 2015B bonds on such redemption date.
- The Issuer covenants that it will cause the University to fix, establish, and collect such fees, rentals and other charges from students, faculty members, and others using or being served by the Housing System, Arena System and the Retail Component, and revise them from time to time whenever necessary, so that the System Revenues shall be sufficient in each Fiscal Year to pay at least one hundred twenty percent of an amount equal to the annual Bond Service Requirement for all Bonds coming due in such Fiscal Year plus an amount equal to at least one hundred percent of an amount equal to the Operating Expenses coming due in such Fiscal Year.

UCF Stadium

- The Series 2015A Bonds maturing on or after March 1 2027, are subject to redemption prior to maturity, at the option of the Issuer, in whole or in part on any date on or after March 1, 2026, and if in part, in such manner as determined by the Trustee, at the redemption price of 100 percent of the principal amount of the Series 2015A Bonds to be redeemed, without redemption premium, plus accrued interest to the redemption date.
- The Series 2015B Bonds maturing on or after March 1 2027, are subject to redemption prior to maturity, at the option of the Issuer, in whole or in part on any date on or after March 1, 2026, and if in part, in such manner as determined by the Trustee, at the redemption price of 100 percent of the principal amount of the Series 2015B Bonds to be redeemed, without redemption premium, plus accrued interest to the redemption date.
- The Series 2015C Bond may be prepaid in whole or in part prior to the scheduled payment date on any date, upon five days prior written notice from the Issuer to the Lender.
- The University agrees in the Support Agreement, to the extent permitted by law, that in the event Facility Revenues available to pay debt service on the Series 2015 Bonds is expected to be less than 1.20 times the debt service payments for the succeeding Fiscal Year, based on the annual budget of the Stadium, prepared by the Corporation in accordance with the provisions of the Indenture, the University shall defer collecting from the Corporation any amount for all operating and maintenance expenditures until such time as the Facility Revenues available for debt service on the Series 2015 Bonds based on the current annual budget, as amended, is no less than 1.20 times debt service payments for the succeeding Fiscal Year. Any such charges deferred or paid pursuant to this provision may be collected by the University from any amounts available in the Surplus Fund.

UCF Finance

- The Burnett Biomed Note may be prepaid, in whole or in part, on any date with five Business Days written notice, without penalty. Any partial redemption shall be applied to the then remaining principal repayment schedule in inverse order.
- The Burnett Biomed Note shall maintain a ratio of Pledged Revenues to Base Rent and debt service payments on Obligations equal to 1.25.
- The UCF Downtown Construction Note shall be subject to prepayment by the Corporation prior to maturity without penalty.

- The UCF Downtown Construction Note balance reflected in the DSO Amortization schedule reflects only the required principal and interest payments. The Corporation anticipates making optional prepayments and interest payments during FY 2021 in the amount of \$3,550,000.

UCF Athletics

- The Roth Athletic Center Note may be prepaid, in whole or in part, on any date with five Business Days written notice to the Lender, without penalty.
- Upon receipt of its audited financial statements, the Issuer's total cash and accounts receivable-to-total debt ratio shall be no less than the following percentages in the following fiscal years, to be tested annually;
 - (i) Three percent by Fiscal Year end 2020;
 - (ii) Five percent by Fiscal Year end 2021; and
 - (iii) Seven percent by Fiscal Year end 2022 and each fiscal year end thereafter.

UCF Foundation

- The Series 2017 Note may be prepaid in whole, but not in part, on or after October 1, 2023 without penalty.
- On October 6, 2020, the UCF Foundation refinanced \$8,340,000, the outstanding balance of the 2009 tax exempt note issued at 4.49 percent and secured by a mortgage of the buildings known as the Research Pavilion, the IST Building, and the Orlando Tech Center, with a taxable 2020 note issued at 2.39 percent, resulting in annual savings of \$132,000 or \$671,000 for the remaining life of the note that expires on October 1, 2025.
- On October 6, 2020, the UCF Foundation refinanced \$5,685,000, the outstanding balance of the 2018 tax exempt note issued at 3.93 percent and secured by a mortgage of the Digital Learning building, with a 2020 tax exempt note issued at 2.70 percent, resulting in average annual savings of \$44,000 or \$579,000 for the remaining life of the note that expires on October 1, 2038.
- The UCF Foundation worked with Orange County to adjust the Lake Nona Cancer Center debt payment schedule. The first payment, which was originally due in December 2020, will now be due in July 2021. The Direct Support Organization's Amortization Schedule reflects the balances due as of June 30, 2020, but the estimated FY 2021 debt service total was updated to reflect no payments being due in FY 2021.

UCF Hospitality School Foundation

- During any Daily Period, Weekly Period or Adjustable Term Rate Period, the Bonds are subject to redemption by the Issuer, at the option and direction of the Company, in whole or in part at any time, at a redemption price of 100 percent of the Outstanding principal amount thereof plus accrued interest to (but not including) the redemption date.

- In June 2020, the University worked with the UCF Hospitality School Housing Foundation to revise the adjustable term rate on the existing bonds which was set to expire on June 30, 2020. The previous rate was calculated based on a formula of 81 percent of the sum of 30-day LIBOR plus 225 basis points. The new rate is now calculated based on a formula of 81 percent of the sum of 30-day LIBOR +200 basis points. At the time of refinancing this reduced the calculated interest rate by 21 basis points.

Attachment C

University Global Amortization Schedule Balances as of June 30, 2020																
FISCAL YEAR	Parking Series 2011A		Parking Series 2012A		Parking Parking 2018A		Parking Parking 2019A		Housing Series 2012A		Housing Series 2018A		Total Prinicipal & Interest		Total Debt Service	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total	
2021	510,000	36,150	370,000	188,850	775,000	167,250	535,000	295,750	2,285,000	2,118,650	2,985,000	945,375	7,460,000	3,752,025	11,212,025	
2022	525,000	15,750	390,000	170,350	815,000	128,500	565,000	269,000	2,410,000	2,001,275	1,895,000	823,375	6,600,000	3,408,250	10,008,250	
2023			410,000	150,850	855,000	87,750	590,000	240,750	2,530,000	1,877,775	1,995,000	726,125	6,380,000	3,083,250	9,463,250	
2024			425,000	134,450	900,000	45,000	620,000	211,250	2,660,000	1,748,025	2,095,000	623,875	6,700,000	2,762,600	9,462,600	
2025			440,000	117,450			650,000	180,250	2,775,000	1,639,900	2,200,000	516,500	6,065,000	2,454,100	8,519,100	
2026			455,000	104,250			685,000	147,750	2,855,000	1,555,450	2,310,000	403,750	6,305,000	2,211,200	8,516,200	
2027			470,000	90,600			720,000	113,500	2,940,000	1,464,850	2,435,000	285,125	6,565,000	1,954,075	8,519,075	
2028			480,000	76,500			755,000	77,500	3,035,000	1,367,756	1,420,000	188,750	5,690,000	1,710,506	7,400,506	
2029			495,000	62,100			795,000	39,750	3,140,000	1,263,488	1,495,000	115,875	5,925,000	1,481,213	7,406,213	
2030			510,000	47,250					3,260,000	1,151,488	1,570,000	39,250	5,340,000	1,237,988	6,577,988	
2031			525,000	31,950					3,385,000	1,026,738			3,910,000	1,058,688	4,968,688	
2032			540,000	16,200					1,675,000	927,631			2,215,000	943,831	3,158,831	
2033									1,740,000	861,425			1,740,000	861,425	2,601,425	
2034									1,810,000	788,163			1,810,000	788,163	2,598,163	
2035									1,890,000	709,538			1,890,000	709,538	2,599,538	
2036									1,975,000	627,406			1,975,000	627,406	2,602,406	
2037									2,060,000	541,663			2,060,000	541,663	2,601,663	
2038									2,150,000	452,200			2,150,000	452,200	2,602,200	
2039									2,240,000	358,913			2,240,000	358,913	2,598,913	
2040									2,340,000	261,588			2,340,000	261,588	2,601,588	
2041									2,440,000	160,013			2,440,000	160,013	2,600,013	
2042									2,545,000	54,081			2,545,000	54,081	2,599,081	
Total	1,035,000	51,900	5,510,000	1,190,800	3,345,000	428,500	5,915,000	1,575,500	54,140,000	22,958,013	20,400,000	4,668,000	90,345,000	30,872,713	121,217,713	

DSO Global Amortization Schedule																																			
Balances as of June 30, 2020																																			
Convocation (Housing Series 2018 (Notamortable))		Convocation (Arena Series 2015A (Notamortable))		Convocation (Arena Series 2015B (Taxable))		Stadium (Series 2015A (Notamortable))		Stadium (Series 2015B (Taxable))		Stadium (Series 2015C (Notamortable))		Finance (Series 2017 (Notamortable))		Finance (Downtown New (Notamortable))		Athletics (UCF Loan)		Athletics (Construction Line of Credit)		Athletics (Roth Athletic Center Loan)		Foundation (Series 2009 (Notamortable))		Foundation (Series 2017 (Notamortable))		Foundation (Series 2018 (Notamortable))		Foundation (Lake Nona Cancer Center (Notamortable))		UCF Hospitality School Foundation (Series 2016 (Notamortable))		Total Principal & Interest		Total Debt Service	
FISCAL YEAR	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total		
2021	4,770,000	3,383,632	1,988,963	3,355,000	769,545	1,285,000	1,230,919	380,000	597,165	275,000	55,502	2,621,000	1,387,766	-	21,832	879,240	120,760	256,000	106,172	1,158,000	159,440	1,435,000	449,252	572,000	197,728	217,000	228,861	1,500,000	880,000	128,252	19,520,240	10,555,638	30,025,878		
2022	4,930,000	3,112,612	1,989,963	3,360,000	695,280	1,350,000	1,366,659	395,000	584,651	350,000	49,652	2,694,000	1,394,136	-	21,832	869,853	103,357	305,000	98,796	2,002,000	127,840	1,555,000	379,340	591,000	179,620	225,000	219,935	2,000,000	880,000	124,642	21,468,643	9,920,436	31,329,089		
2023	5,100,000	2,938,384	1,990,963	3,480,000	547,200	1,420,000	1,409,169	405,000	570,225	280,000	41,633	2,750,000	1,238,608	81,650	4,045,359	1,000,561	79,439	320,000	68,110	2,619,000	161,650	1,585,000	299,798	614,000	158,884	235,000	210,870	2,000,000	910,000	109,148	26,792,860	9,277,150	36,070,110		
2024	5,270,000	2,793,672	1,991,963	3,610,000	412,588	1,490,000	1,529,169	425,000	554,845	206,000	34,437	2,816,000	1,172,126	55,887	-	1,044,113	339,000	330,000	68,213	1,618,000	39,380	1,665,000	219,138	692,000	136,376	244,000	207,653	2,000,000	945,000	92,847	23,388,113	8,571,151	30,969,264		
2025	5,465,000	2,584,036	1,989,963	3,735,000	270,475	1,560,000	1,553,669	440,000	538,165	303,000	27,068	2,885,000	1,103,724	31,481	-	1,353,312	31,481	345,000	79,002	1,155,000	11,550	1,750,000	134,416	656,000	117,167	255,000	191,586	2,000,000	950,000	76,241	22,874,312	7,884,461	30,762,773		
2026	5,665,000	2,360,312	1,989,963	3,810,000	114,243	1,640,000	1,573,669	455,000	523,365	311,000	19,522	2,955,000	1,033,644	-	-	-	-	360,000	71,476	-	-	1,855,000	45,906	680,000	95,257	265,000	187,526	2,000,000	950,000	59,607	21,011,000	7,174,602	28,185,602		
2027	5,850,000	2,168,912	1,989,968	3,885,000	-	1,725,000	1,589,669	480,000	508,860	318,000	11,778	3,027,000	981,860	-	-	-	-	370,000	63,745	-	-	-	-	702,000	72,545	275,000	170,667	2,000,000	950,000	42,972	19,752,000	6,539,370	26,291,370		
2028	6,050,000	1,957,472	1,987,963	3,950,000	1,822,325	1,780,000	1,611,919	505,000	478,420	-	-	3,100,000	888,336	-	-	-	-	385,000	55,690	-	-	-	-	725,000	49,698	285,000	160,940	2,000,000	950,000	26,338	19,883,000	5,981,505	25,864,505		
2029	6,260,000	1,740,816	1,986,000	4,060,000	1,053,638	1,865,000	1,652,919	525,000	452,520	155,000	3,860	3,176,000	813,024	-	-	-	-	400,000	47,339	-	-	-	-	747,000	24,950	297,000	148,135	2,000,000	950,000	9,703	20,735,000	5,347,302	26,082,302		
2030	6,480,000	1,576,992	1,978,992	4,170,000	1,438,663	1,920,000	1,662,308	550,000	428,245	-	-	3,250,000	735,878	-	-	-	-	420,000	38,691	-	-	-	-	-	-	300,000	136,181	2,000,000	-	-	10,607,000	4,896,624	24,193,624		
2031	6,705,000	1,394,000	1,974,000	4,285,000	1,048,666	2,000,000	1,676,666	575,000	402,365	-	-	3,332,000	656,856	-	-	-	-	435,000	29,489	-	-	-	-	-	-	322,000	123,790	2,000,000	-	-	20,179,000	4,018,566	24,197,566		
2032	6,945,000	1,244,296	1,968,000	4,400,000	1,028,625	2,085,000	1,692,669	600,000	372,763	-	-	3,413,000	573,916	-	-	-	-	450,000	20,084	-	-	-	-	-	-	340,000	111,076	2,000,000	-	-	20,623,000	3,383,381	24,206,381		
2033	7,185,000	1,101,125	1,958,000	4,520,000	876,008	2,165,000	1,702,281	630,000	341,625	-	-	3,498,000	493,058	-	-	-	-	470,000	10,241	-	-	-	-	-	-	360,000	97,313	2,000,000	-	-	21,054,000	2,700,201	24,204,201		
2034	7,430,000	938,384	1,948,000	4,640,000	771,200	2,240,000	1,718,923	670,000	309,923	-	-	3,581,000	408,084	-	-	-	-	490,000	-	-	-	-	-	-	-	380,000	83,307	2,000,000	-	-	22,213,000	1,983,668	24,196,668		
2035	7,685,000	772,184	1,938,000	4,760,000	688,100	2,325,000	1,735,000	705,000	274,418	-	-	3,667,000	321,158	-	-	-	-	510,000	-	-	-	-	-	-	-	400,000	68,144	2,000,000	-	-	22,438,000	1,275,554	23,763,554		
2036	7,945,000	618,376	1,928,000	4,880,000	618,000	2,410,000	1,750,000	740,000	241,110	-	-	3,750,000	232,020	-	-	-	-	530,000	-	-	-	-	-	-	-	420,000	53,739	2,000,000	-	-	19,080,000	608,945	19,695,945		
2037	8,210,000	468,000	1,918,000	5,000,000	558,000	2,495,000	1,765,000	775,000	208,666	-	-	3,840,000	146,760	-	-	-	-	550,000	-	-	-	-	-	-	-	440,000	37,625	2,000,000	-	-	6,266,000	178,685	6,434,685		
2038	8,485,000	318,000	1,908,000	5,120,000	508,000	2,580,000	1,780,000	810,000	176,110	-	-	3,930,000	57,000	-	-	-	-	570,000	-	-	-	-	-	-	-	460,000	21,409	2,000,000	-	-	6,345,000	68,701	6,433,701		
2039	8,770,000	168,000	1,898,000	5,240,000	458,000	2,665,000	1,795,000	845,000	145,110	-	-	4,020,000	7,000	-	-	-	-	590,000	-	-	-	-	-	-	-	480,000	4,465	2,000,000	-	-	2,218,000	4,365	2,222,365		
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2043	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2044	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2045	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2046	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2047	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2048	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2049	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2051	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total	95,670,000	28,498,224	48,385,000	22,895,681	22,140,000	2,798,365	29,300,000	10,989,689	8,485,000	3,960,088	2,229,000	248,311	59,302,000	13,494,504	4,045,359	65,498	5,108,600	387,004	5,375,000	800,889	8,550,000	419,780	9,775,000	1,524,332	5,920,000	1,032,628	5,792,000	2,450,871	59,000,000	-	8,395,000	699,749	387,639,288	90,122,489	467,654,778

**State of Florida
Board of Governors
University of Central Florida Dormitory Revenue Bonds**

Operating and Financial Impacts of COVID-19 on Housing System

**Voluntary Notice
Dated June 5, 2020**

The University of Central Florida (“UCF”) is voluntarily providing the following information regarding the effects of the COVID-19 pandemic on its housing system and outstanding Board of Governors, University of Central Florida Dormitory Revenue Bonds (the “State Bonds”). In addition to its 4,609 beds in residence halls that were financed with or are pledged to the repayment of State Bonds (the “UCF Housing Facilities”), UCF also operates and maintains residence halls that were financed through the UCF Convocation Corporation and the UCF Hospitality School Student Housing Foundation, Inc., both university direct support organizations (collectively, the “DSO Housing Facilities”), as part of its housing system. The DSO Housing Facilities include the 1,992 bed Towers at Knight Plaza, located on the northeast side of the main campus near the Convocation Center, and the 388 bed Rosen College Apartments, located 25 miles southwest of the main campus on the Rosen College of Hospitality Management campus. However, the financial obligations of the DSO Housing Facilities are separately secured and their revenues are not pledged to the outstanding State Bonds. Accordingly, the impacts of COVID-19 on the DSO Housing Facilities are not reflected in this voluntary notice.

In response to the public health crisis created by the COVID-19 pandemic, UCF converted all classes to remote instruction beginning March 23, 2020, through the remainder of the spring 2020 semester and directed students to vacate the residence halls. The University announced on April 9, 2020, that all summer 2020 classes will also be provided by remote instruction and that the residence halls will remain closed during the summer sessions.

As a result of the spring 2020 residence hall closures, UCF issued refunds to 4,237 students residing in UCF Housing Facilities for housing fees prorated from March 27, 2020, to April 28, 2020, the end of the spring semester. Approximately 200 students who had special circumstances making them unable to move out were allowed to remain in the residence halls. Refunds of approximately \$3.4 million were sent to students beginning on April 3, 2020. University education & general carryforward funds were transferred to the housing system to cover the cost of these refunds. In addition, UCF issued refunds of approximately \$1.9 million to 2,084 students residing in the DSO Housing Facilities; however such refunds were not made from housing system revenues and their impact is not reflected in this voluntary notice.

UCF is also projecting summer revenue losses to the UCF Housing Facilities of approximately \$1.3 million for Fiscal Year 2019-20 and approximately \$1.7 million for Fiscal Year 2020-21 as a result of the residence hall closures for all summer 2020 sessions. In response to the projected revenue losses to the UCF Housing Facilities, UCF has delayed planned capital projects, deferred planned renewal expenditures, reduced temporary staffing levels, and delayed significant purchases. These actions are expected to offset projected revenue losses by an

estimated \$1.0 million in Fiscal Year 2019-20 and further cost savings are anticipated for Fiscal Year 2020-21.

Factoring in the lost summer housing revenues and expense reductions discussed above, but without taking into account the spring 2020 housing fee refunds, UCF projects net revenues available for debt service for the State Bonds from the UCF Housing Facilities (“Pledged Revenues”) to be approximately \$10.5 million for Fiscal Year 2019-20, resulting in debt service coverage of 1.26x. This compares to Pledged Revenues of \$13.6 million and debt service coverage of 1.57x in Fiscal Year 2018-19. If the spring 2020 housing fee refunds of approximately \$3.4 million are used to reduce the operating revenues of the UCF Housing Facilities, projected Pledged Revenues would be reduced to approximately \$7.2 million and projected debt service coverage would be reduced to 0.86x for Fiscal Year 2019-20. However, UCF anticipates the spring 2020 housing fee refunds are a one-time, non-recurring revenue reduction and does not anticipate that Pledged Revenues would remain below 1.0x coverage beyond Fiscal Year 2019-20. Further, as indicated above, UCF transferred education & general carryforward funds to fund the spring 2020 housing fee refunds, which will offset the reduction in Pledged Revenues and debt service coverage. The financial information provided herein for Fiscal Year 2019-20, is based on annualized unaudited financial information and is subject to the cautionary statements and limitations set forth below.

As of April 30, 2020, UCF had received more than 42,600 undergraduate applications for fall 2020 enrollment, with applications for on-campus housing for fall 2020 similar to historical levels. Accordingly, UCF anticipates housing system occupancy for fall 2020 will be equivalent to historical levels (approximately 100%), assuming it is determined to be safe to reopen campus for classes and for students to return to on-campus housing. However, because of the uncertainties involved with COVID-19, guidance for social distancing and other measures to prevent its spread, and planning for safely reopening campus and on-campus housing, no assurances can be given regarding student enrollment or housing occupancy. Additionally, UCF is considering various scenarios for reopening for fall 2020, including alternative capacities and staggering the move-in process for on-campus housing. In the event some level of social distancing is enacted affecting on-campus housing, occupancy levels and Pledged Revenues would be reduced. The Board of Governors of the State University System adopted guidelines for the reopening of university campuses, including on-campus housing, for fall 2020, on May 28, 2020. The universities, including UCF, will present their individual plans, based on these guidelines, to the Board of Governors at a board meeting on June 23, 2020.

UCF does not anticipate any impacts to the payment of debt service on its outstanding State Bonds. UCF has budgeted sufficient funds to cover its debt service payments for its outstanding State Bonds in Fiscal Year 2020-21. UCF also maintains additional financial flexibility to cover unanticipated expenses or revenue declines of the UCF Housing Facilities. The annual debt service on the outstanding State Bonds in Fiscal Year 2020-21 is approximately \$8.3 million, with approximately \$6.9 million due on October 1, 2020. As of April 30, 2020, UCF had approximately \$12.4 million (unaudited) of unrestricted cash and investments within its housing system, which is available to the UCF Housing Facilities.

UCF expects to receive approximately \$51.1 million under the Coronavirus Aid, Relief, and Economic Security Act. At least half of that amount, or approximately \$25.5 million, must be disbursed to students as emergency financial aid grants, while the remainder may be used by UCF in accordance with guidance provided by the U.S. Department of Education.

This voluntary notice is intended to provide an overview of the currently known impacts of COVID-19 on the operations and financial position of the UCF Housing Facilities only and it is not intended to address the full extent of potential financial consequences to UCF. Due to the uncertainty of the duration of the COVID-19 pandemic, additional operating and financial impacts to the UCF Housing Facilities not currently anticipated and disclosed herein are possible.

Certain statements contained in this voluntary notice reflect not historical facts but forecasts and constitute “forward-looking statements.” No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe,” “budget” and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions and other forward-looking statements in this voluntary notice are expressly qualified in their entirety by the cautionary statement set forth above.

This information is subject to change without notice. This voluntary notice only speaks as of its date and does not imply there has been no change in any other information relating to UCF or any of UCF’s outstanding State Bonds. Nothing contained in this voluntary notice is, or should be construed as, a representation by the Board of Governors or UCF that the information included in this voluntary notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any securities issued by Board of Governors or otherwise related to UCF. Although the Board of Governors and UCF may provide additional information from time to time regarding the matters in this voluntary notice, they are not required to do so.

**State of Florida
Board of Governors
University of Central Florida
Parking Facility Revenue Bonds**

Operating and Financial Impacts of COVID-19 on Parking System

**Voluntary Notice
Dated June 26, 2020**

University of Central Florida (“UCF”) is voluntarily providing this information regarding the effects of the COVID-19 pandemic on its parking system and outstanding State of Florida, Board of Governors, University of Central Florida Parking Facility Revenue Bonds (the “Bonds”).

In response to the public health crisis created by the COVID-19 pandemic, UCF converted all courses to remote instruction beginning March 23, 2020, for the remainder of the spring 2020 semester. UCF also announced that all summer 2020 courses will be provided solely by remote instruction. As a result, UCF waived its summer transportation access fee. UCF estimates that approximately 40,000 students enrolled for summer 2020 would have been charged the transportation access fee of \$9.10 per credit hour when they registered for their courses. This is a one-time reduction of the summer 2020 transportation access fee charged to students and does not affect the summer 2020 parking permits.

UCF is projecting to lose estimated parking revenues of approximately \$2.17 million for Fiscal Year 2019-20 and approximately \$427,000 for Fiscal Year 2020-21 as a result of waiving the summer transportation access fee. Additionally, UCF is projecting that it will lose approximately \$751,000 for Fiscal Year 2019-20 and approximately \$1.5 million for Fiscal Year 2020-21 as a result of decreased citation revenue, permit sales, and guest, visitor, and event parking over the course of the summer. However, UCF has reduced temporary staffing levels and anticipates additional cost savings, reduced operating costs, and decreased utility usage. Additionally, UCF anticipates a significant reduction in shuttle expenses. These cost mitigation actions are expected to reduce expenses by approximately \$2.4 million in Fiscal Year 2019-20 and approximately \$1.5 million in Fiscal Year 2020-21.

As a result of the decreased parking system revenues and expense reductions for summer 2020 discussed above, UCF projects net revenues of the parking system available for debt service (the “Pledged Revenues”) will be approximately \$15.1 million for Fiscal Year 2019-20, which results in projected 4.09x coverage of annual debt service of \$3.7 million. This compares to Pledged Revenues of \$21.0 million and 5.35x coverage of annual debt service of \$3.9 million in Fiscal Year 2018-19.

UCF does not anticipate impacts to the payment of debt service on the Bonds and has already transferred sufficient funds to the Trustee for the July 1, 2020, debt service payment. UCF also has additional financial flexibility within its parking system to cover unanticipated expenses or revenue declines. The annual debt service on the outstanding Bonds in Fiscal Year 2020-21 is approximately \$2.9 million. As of June 1, 2020, the parking system has approximately \$11.8

million (unaudited) of unrestricted cash and investments, after providing for the July 1, 2020, debt service payment referenced above.

The transportation access fee is the source of a majority of UCF's parking system revenues and is charged to students when they register for classes each semester. UCF has received more than 42,600 undergraduate applications for fall 2020 enrollment. UCF is planning to reopen campus for the fall 2020 semester with a combination of remote and on-campus instruction. The Board of Governors has adopted guidelines for the reopening of university campuses for fall 2020, and UCF presented and received approval of its fall 2020 reopening plan, based on these guidelines, at the Board of Governors meeting on June 23, 2020. Because of the uncertainties involved with COVID-19, guidance for social distancing and other measures to prevent its spread, planning for safely reopening campus, and the extent to which instruction is provided online versus on campus, no assurances can be given regarding student enrollment.

This voluntary notice is intended to provide an overview of the currently known impacts of COVID-19 on the operations and financial position of the UCF parking system only and it is not intended to address the full extent of potential financial consequences to UCF. Due to the uncertainty of the duration of the COVID-19 pandemic, additional operating and financial impacts to the UCF parking system not currently anticipated and disclosed herein are possible.

Certain statements contained in this voluntary notice reflect not historical facts but forecasts and constitute "forward-looking statements." No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, the words "estimate," "forecast," "project," "anticipate," "expect," "intend," "believe," "budget" and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions and other forward-looking statements in this voluntary notice are expressly qualified in their entirety by the cautionary statement set forth above.

This information is subject to change without notice. This voluntary notice only speaks as of its date and does not imply there has been no change in any other information relating to UCF or any of UCF's outstanding bonds. Nothing contained in this voluntary notice is, or should be construed as, a representation by the Board of Governors or UCF that the information included in this voluntary notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any securities issued by Board of Governors or otherwise related to UCF. Although the Board of Governors and UCF may provide additional information from time to time regarding the matters in this voluntary notice, they are not required to do so.

State of Florida
Board of Governors
University of Central Florida Dormitory Revenue Bonds

Fall 2020 Reopening of UCF Housing System
Voluntary Notice
Dated October 7, 2020

Following the Spring 2020 conversion to remote instruction in response to the COVID-19 pandemic, the University of Central Florida (“UCF”) reopened its campus in August 2020 for the Fall semester in accordance with the reopening plan that was approved by the Board of Governors of the State University System. Classes began on August 24, 2020, and UCF’s residence halls financed with bonds issued by the Board of Governors (the “UCF Housing Facilities”) reopened for Fall 2020 occupancy. UCF also operates and maintains residence halls that were financed through the UCF Convocation Corporation and the UCF Hospitality School Student Housing Foundation, Inc., both university direct support organizations (collectively, the “DSO Housing Facilities”), as part of its housing system. Information concerning the reopening of the DSO Housing Facilities is not reflected in this disclosure.

Enrollment and Instructional Delivery

As of the first day of classes, UCF’s total Fall 2020 enrollment was 72,249, which is an increase over enrollment of 69,523 on the first day of classes in Fall 2019. As a result of the pandemic, the primary method of instructional delivery has changed since last year. The majority of classes (76%) are being provided entirely online, while 24% are in person. In Fall 2019, 76% of classes were provided in person, while only 24% were online. The change in the instructional delivery method to combat the spread of COVID-19 may have had some impact on on-campus housing occupancy set forth below.

Housing Occupancy

To safely reopen campus in accordance with UCF’s reopening plan, the UCF Housing Facilities converted 486 double occupancy rooms to single occupancy. Eighty beds were taken offline and reserved for COVID-19 isolation spaces for residents, if needed, resulting in a reduction of overall housing capacity of 566 beds. The table below shows the overall capacity for the UCF Housing Facilities, the number of students residing on campus, and the occupancy percentage for Fall 2020 compared to Fall 2019, as of September 15 of each year.

Capacity and Occupancy
(as of September 15 of each year)

	UCF Housing Facilities Capacity	Students Residing in UCF Housing Facilities	Occupancy Rate
Fall 2019	4,608	4,573	99.24%
Fall 2020	<u>4,042</u>	<u>3,490</u>	<u>86.34%</u>
Difference	(566)	(1,083)	(12.9%)
Percentage Reduction from Prior Year	12.3%	23.7%	N/A

UCF is also estimating approximately \$2.3 million of lost revenues for the Summer 2020 term, which will impact the Fiscal Year 2020-21 financial results of the UCF Housing Facilities. In response to the loss of operating revenues resulting from the reduction in occupancy for Fall 2020 and reduced Summer revenues, UCF has taken actions to reduce housing system expenditures, including reducing housing staff and other operating expenses and hiring freezes for unfilled personnel vacancies. UCF does not anticipate any difficulty in making its Fiscal Year 2020-21 annual debt service payments. UCF has already made the \$6.9 million debt service payment due on October 1, 2020, and has an additional debt service payment of approximately \$1.4 million due on April 1, 2021. As of June 30, 2020, UCF had approximately \$9.0 million of unrestricted cash on hand within its housing system, net of the funds set aside for the Fiscal Year 2020-21 debt service payments, which is available to the UCF Housing Facilities.

This voluntary disclosure is intended to provide preliminary enrollment and occupancy information for UCF's Fall restart amidst the COVID-19 pandemic. This information is subject to change without notice. This voluntary notice only speaks as of its date and does not imply there has been no change in any other information relating to UCF or any of UCF's outstanding bonds. Due to the uncertainty of the duration of the COVID-19 pandemic, additional operating and financial impacts to the UCF Housing Facilities not currently anticipated and disclosed herein are possible.

Nothing contained in this voluntary notice is, or should be construed as, a representation by the Board of Governors or UCF that the information included in this voluntary notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any securities issued by the Board of Governors or otherwise related to UCF. Although the Board of Governors and UCF may provide additional information from time to time regarding the matters in this voluntary notice, they are not required to do so.

Certain statements contained in this voluntary notice reflect not historical facts but forecasts and constitute "forward-looking statements." No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, the words "estimate," "forecast," "project," "anticipate," "expect," "intend," "believe," "budget" and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions and other forward-looking statements in this voluntary notice are expressly qualified in their entirety by the cautionary statement set forth above

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: Direct Support Organizations' 2019-20 Fourth-Quarter Financial Reports

☒ **Information**

☐ **Information for upcoming action**

☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

In keeping with UCF's Presidential goals to improve internal communications methods and channels to provide timely, relevant and transparent information to faculty and staff, this item is provided to the trustees quarterly for information purposes only.

Background Information:

The fourth-quarter financial statements for the university direct support organizations and the Central Florida Clinical Practice Organization are attached.

Issues to be Considered:

UCF Academic Health

UCF Academic Health, Inc supports planning and development of clinical initiatives and affiliated partnerships that serve the mission of the College of Medicine. It began operations in July 2019 with the leasing of space to outside tenants in the Lake Nona Cancer Center.

One lease started two months prior to the budget for fiscal 2020, which accounts for the favorable variance in real estate revenue. The common area maintenance and sales tax revenues associated with that lease account for the favorable variance in other revenue. The variance in facility expense reflects a change in accounting between budget and actual. It was decided, based on working with the external auditors, to reflect future mortgage payments as an accrued expense. The variance in other expense is due to liability insurance budgeted by the corporation and paid by UCF College of Medicine.

UCF Athletics Association and UCF Stadium Corporation

The Corporation receives pledged revenues from the Association, premium seat revenue, and other revenues including concessions, merchandise, and interest. Any surplus remaining after debt service and operating expenses is transferred back to the Association to fund its operations. This combined view is intended to present gross revenues and expenditures of the Association and provide a fuller understanding of the impact that the Corporation has on the Association's financial results. Notable variances are as follows:

- Revenue decreased from the prior year due to a lower football conference payout and the cancellation of the 2020 NCAA basketball tournament and all baseball and softball games resulting from the COVID-19 pandemic. Expenses decreased partially due to less travel and support costs incurred in connection with participating in an in-state football bowl game versus in Arizona in the prior year and the reduction in operations resulting from the cancellation of winter sports' regular and post-seasons in 2020. The Association implemented spending and hiring freezes.
- University allocations increased over prior year due to increased scholarships provided by the University.
- Sponsorships revenue increased over prior year primarily due to the Association now managing all sponsorship sales directly, compared to previously receiving sponsorship distributions from the University's Knights Partnership Alliance Program.
- Contributions revenue increased over prior year due to funds collected for the Roth Athletics Center.
- Employee compensation is higher than prior year primarily due to increases in coaches and larger

support staff.

- Other expenses exceed budget primarily due to \$1.4 million of stadium enhancement projects (Carl Black & Gold Cabana expansion and Northwest Loge addition). These projects were expected to be funded with a bank loan. A decision not to proceed with the bank loan was made after the budget was finalized.
- The Stadium Corporation received a mediated settlement totalling \$1.4 million which will be used for rust and remediation repairs on the football stadium in fiscal 2021.

UCF Convocation Corporation

The Corporation operates four student residence halls (Towers Knights Plaza), the convocation center (Addition Financial Arena and The Venue), surrounding retail space (Knights Plaza), and adjacent parking. The operation of these facilities fund the debt service obligations related to the housing and arena bonds.

Housing rental revenue was \$3,460,293 under budget because the University, acting in good faith and on public health guidance, made the decision to restrict on-campus housing residents from occupying their apartments for a portion of the spring and all summer semesters in response to the global coronavirus pandemic. These actions effectively resulted in the termination of housing contracts and a technical breach of the housing management agreement by the Division of Housing and Residence Life. As a result, the University provided a housing subsidy of \$5,547,481 to the Corporation to contractually perform under the housing management agreement. As presented to the board in May, this support was necessary in order to meet UCFCC debt obligations of the Arena bonds. This subsidy included \$1,661,629 for forgone spring housing revenue and \$3,885,851 for forgone summer revenue. The summer rent revenue would normally be received and available to meet Q1 debt service obligations, with a significant portion of the summer revenue deferred for revenue recognition purposes until the next fiscal year. Despite the optimistic look of the Q4 numbers, there are no excess funds and there will be a “leveling” effect during FY21 that will reveal additional lost revenues due to continued COVID impacts.

As a result of rapid and intentional action of corporation management, housing expenses were significantly reduced during the fourth quarter finishing the year \$795,821 under budget. These savings resulted from staff furloughs, energy reduction, hiring freeze and other cost- saving measures, as well as the deferral of maintenance.

Retail operations slightly exceeded budget by \$76,429. However, it is worth noting that retail revenue includes billed rental revenue and does not reflect any FY20 rent deferments that may be granted during FY21.

Arena operations exceeded budget by \$920,256 despite the cancellation and postponement of dozens of events in late spring and summer. This was accomplished by significantly reducing fourth quarter operating expenses resulting from staff furloughs, energy reductions, suspension of certain services and agreements and other cost-saving measures, as well as the deferral of maintenance and a scheduled \$500,000 arena scoreboard payment to the university.

UCF Finance Corporation

The Corporation has added great value to the University’s mission and its specific vision to construct a state-of-the-art facility for biomedical research. Transfers from University represents rent pursuant to the 2017 amended and restated operating lease agreement for the financing of facilities constructed on the health sciences campus in Lake Nona. An additional \$2.6 million has been received to fund principal on the building loan.

The Corporation continues to support the University by providing a construction note to secure the commitments for the University’s Downtown construction project which is funded by philanthropic pledges received by the UCF Foundation. Funds drawn on the UCF downtown construction note were transferred to the University to fund construction costs during fiscal 2020. No further draws on the note are planned. Transfers to UCF for construction of the downtown campus were significantly less than the \$11.1 million that was budgeted. The budget developed in the Spring of 2018 was based on the original \$20 million funding commitment reduced by the estimate of pledges available to transfer directly from the Foundation to the construction project. When funds were drawn on the note in the Fall of 2019, an additional \$1.1 million of

pledges had been received. The amount drawn on the note was further reduced by a \$3.0 million in-kind pledge. UCF Foundation later reported that pledge converted from an in-kind pledge to a cash pledge.

Year to date debt service includes scheduled principal (\$2.6 million) and interest (\$1.4 million) payments on the building loan and repayments (\$3.0 million) on the UCF downtown construction note. The repayment of the construction note is based on the amount of pledges scheduled to be received during the year. As of the end of the quarter, approximately \$4.0 million was outstanding on the note. Pledges, net of reserves, scheduled to be received by the note's maturity date were \$6.8 million.

The net decrease from operations represents year to date pledges of \$3.2 million received less \$7.0 million of draws and interest expense on the downtown construction note. There will be offsetting increases in net position as scheduled pledge payments are received in future years.

UCF Foundation

For the period ended June 30, 2020, the Foundation dispersed \$26 million on behalf of the university in support of programs, scholarships, and other university priorities. Resources for these expenditures comes in the form of spendable distributions from endowed funds as well as restricted and unrestricted gifts for current operations.

The market conditions as of March 31, 2020 resulted in 1.4% return on the endowment portfolio, which is a 10% increase from the third quarter. The Foundation fulfilled a \$5 million commitment to provide liquidity support to Legacy Point, a continuing care facility adjacent to campus and supported by the UCF community by representation on its board. Savings have resulted from a hiring freeze and the discontinuation of travel and stewardship events due to the COVID-19 pandemic.

UCF Limbitless Solutions

Limbitless produces artistic prosthetic medical devices, conducts research and promotes STEM/ STEAM education. In-kind philanthropic and sponsorship contributions valued at approximately \$243,617 resulted in an increase in expenses. Projected grant, speaking engagement, and educational workshop revenue of approximately \$85,500 did not materialize due to COVID-19 safety measures. This also contributed to expense savings that offset expenses related to in-kind support.

UCF Research Foundation

Operating revenue and expenses include contracts, grants, royalties, contributions, rents, conferences, unit residuals, and consortiums.

Operating revenues were lower than budget due to the timing of monies received on contracts and grants due in the fourth quarter as a result of the COVID-19 pandemic, but higher than the prior year due to increases in contributions and other agreements. Expenses were lower than both budget and prior year due to decreases in incubator costs paid with excluded pre-recorded residual income.

Central Florida Clinical Practice Organization

CFCPO was formed to support the medical education program and clinical faculty within the College of Medicine. Patient care revenues dropped sharply in March due to the COVID-19 pandemic. Revenue for the month was 65% of normal volume. Operating expenses show a positive variance to budget due to a major effort to reduce expenses in response to the pandemic. Non-operating expenses are transfers the CFCPO makes to cover related expenses and the actual expenses were lower than budgeted, especially for leasing facility space. The cash balance in the CFCPO is managed to remain above \$2 million.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Specific trustee request.

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Joseph Trubacz, Interim Vice President for Finance and Chief Financial Officer.

Supporting Documentation:

Attachment A: UCF Academic Health

Attachment B: UCF Athletics Association and Stadium Corporation

Attachment C: UCF Convocation Corporation

Attachment D: UCF Finance Corporation

Attachment E: UCF Foundation

Attachment F: UCF Limbitless Solutions

Attachment G: UCF Research Foundation

Attachment H: Central Florida Clinical Practice Organization

Facilitators/Presenters:

Joseph Trubacz, Interim Vice President for Finance and Chief Financial Officer

Christina Tant, Assistant Vice President for DSO Accounting and Reporting

UCF Academic Health, Inc.
Statement of Operations
For the year ended June 30, 2020

	2019-20 ¹			
	Actual	Budget	Variance Favorable (Unfavorable)	
Revenues				
Real Estate ²	\$ 222,903	\$ 166,451	\$ 56,452	33.9 %
Other	58,363	54,669	3,694	6.8 %
Total Revenues	281,266	221,120	60,146	27.2 %
Operating Expenses				
Professional Services	9,075	15,000	5,925	-
Facility Expense ³	265,026	54,669	(210,357)	(384.8)%
Information Technology	7,000	7,000	-	-
Other Operating Expense ⁴	165	23,200	23,035	99.3 %
Total Operating Expense	281,266	99,869	(181,397)	(181.6)%
Net increase	\$ 0	\$ 121,251	\$ (121,251)	(100.0)%

Notes:

¹ FY2020 is the first year of financial activity

² Amicus lease began in July 2019 vs budgeted to begin in September 2019

³ Reflects a change in accounting from budget. Future mortgage payments are being shown as accrued expenses in the financial statement

⁴ \$20 thousand was budgeted for liability and D&O Insurance. Actual expense was \$17 thousand and paid by COM

Attachment B

UCF Athletic Association and The UCF Stadium Corporation Consolidated Statement of Operations For the year ended June 30, 2020

	UCF Athletic Association	UCF Stadium Corporation	Combined	UCF Athletic Association	UCF Stadium Corporation	Combined	Variance to Budget		UCF Athletic Association	UCF Stadium Corporation	Combined	Variance to Prior Year	
	Actual 2019-2020	Actual 2019-2020	Actual 2019-2020	Budget 2019-2020	Budget 2019-2020	Budget 2019-2020	Favorable (Unfavorable)		Actual 2018-2019	Actual 2018-2019	Actual 2018-2019	Favorable (Unfavorable)	
Operating revenues													
Athletic events, including premium seating ¹	\$ 11,100,328	\$ 2,587,946	\$ 13,688,274	\$ 11,356,304	\$ 2,443,231	\$ 13,799,535	\$ (111,261)	(0.81)%	\$ 16,066,897	\$ 2,373,452	\$ 18,440,349	\$ (4,752,075)	(25.77)%
University allocations ²	33,691,829	-	33,691,829	33,742,690	-	33,742,690	(50,861)	(0.15)%	31,739,065	-	31,739,065	1,952,764	6.15 %
Sponsorship ³	8,940,557	250,000	9,190,557	6,080,156	2,044,000	8,124,156	1,066,401	13.13 %	6,205,596	800,000	7,005,596	2,184,961	31.19 %
Contributions ⁴	6,354,522	143,300	6,497,822	8,120,057	380,000	8,500,057	(2,002,235)	(23.56)%	4,941,789	421,820	5,363,609	1,134,213	21.15 %
Other	528,787	510,625	1,039,412	898,818	480,000	1,378,818	(339,406)	(24.62)%	466,588	1,019,592	1,486,180	(446,768)	(30.06)%
Total operating revenues	60,616,023	3,491,871	64,107,894	60,198,025	5,347,231	65,545,256	(1,437,362)	(2.19)%	59,419,935	4,614,864	64,034,799	73,095	0.11 %
Operating expenses													
Scholarships	10,107,504	-	10,107,504	9,522,149	-	9,522,149	(585,355)	(6.15)%	9,553,090	-	9,553,090	(554,414)	(5.80)%
Employee compensation ⁵	25,610,326	-	25,610,326	25,797,158	-	25,797,158	186,832	0.72 %	23,070,183	-	23,070,183	(2,540,143)	(11.01)%
Sport operations ¹	8,509,406	-	8,509,406	9,199,437	-	9,199,437	690,031	7.50 %	14,104,772	-	14,104,772	5,595,366	39.67 %
Support operations	12,135,540	-	12,135,540	12,344,420	-	12,344,420	208,880	1.69 %	12,859,240	-	12,859,240	723,700	5.63 %
Other ⁶	3,039,710	319,601	3,359,311	1,097,937	300,000	1,397,937	(1,961,374)	(140.30)%	1,281,023	146,234	1,427,257	(1,932,054)	(135.37)%
Total operating expenses	59,402,486	319,601	59,722,087	57,961,101	300,000	58,261,101	(1,460,986)	(2.51)%	60,868,308	146,234	61,014,542	1,292,455	2.12 %
Net operating income (loss)	1,213,537	3,172,270	4,385,807	2,236,924	5,047,231	7,284,155	(2,898,348)	(39.79)%	(1,448,373)	4,468,630	3,020,257	1,365,550	45.21 %
Nonoperating revenues (expenses)													
Net transfers (to Stadium Corp) / from UCFAA	710,898	(710,898)	-	1,608,368	(1,475,231)	133,137	(133,137)	-	697,143	(697,143)	-	-	-
Transfer from UCF Foundation	-	750,000	750,000	-	-	-	750,000	-	-	-	-	750,000	100.00 %
Interest income	-	121,287	121,287	-	60,000	60,000	61,287	102.15 %	-	64,620	64,620	56,667	87.69 %
Interest expense	(488,914)	(1,762,888)	(2,251,802)	(1,355,803)	(1,769,000)	(3,124,803)	873,001	(27.94)%	(381,600)	(1,840,587)	(2,222,187)	(29,615)	(1.33)%
Capital project donations - Athletics	1,266,649	-	1,266,649	1,247,952	-	1,247,952	18,697	1.50 %	1,075,021	-	1,075,021	191,628	17.83 %
Restricted accounts revenue	1,615,579	-	1,615,579	500,000	-	500,000	1,115,579	223.12 %	2,241,187	-	2,241,187	(625,608)	(27.91)%
Restricted accounts outlay	(969,387)	-	(969,387)	(500,000)	-	(500,000)	(469,387)	(93.88)%	(1,565,366)	-	(1,565,366)	595,979	38.07 %
Capital projects outlay	(590,662)	-	(590,662)	(500,000)	-	(500,000)	(90,662)	(18.13)%	(759,343)	-	(759,343)	168,681	22.21 %
Settlement Proceeds ⁷	-	1,400,000	1,400,000	-	-	-	1,400,000	100.00 %	-	-	-	1,400,000	100.00 %
Total nonoperating revenues (expenses)	1,544,163	(202,499)	1,341,664	1,000,517	(3,184,231)	(2,183,714)	2,125,378	97.33 %	1,307,042	(2,473,110)	(1,166,068)	1,107,732	(95.00)%
Net increase (decrease) from operations	\$ 2,757,700	\$ 2,969,771	\$ 5,727,471	\$ 3,237,441	\$ 1,863,000	\$ 5,100,441	\$ (772,970)		\$ (141,331)	\$ 1,995,520	\$ 1,854,189	\$ 2,473,282	
Debt service:													
Principal	\$ 894,594	\$ 1,863,000	\$ 2,757,594	\$ 2,489,489	\$ 1,940,000	\$ 4,429,489	\$ 1,671,895	37.74 %	\$ 397,017	\$ 2,031,000	\$ 2,428,017	\$ (329,577)	(13.57)%
Interest	488,914	1,762,888	2,251,802	1,355,803	1,683,606	3,039,409	787,607	25.91 %	381,600	1,840,587	2,222,187	(29,615)	(1.33)%
Total Debt Service	\$ 1,383,508	\$ 3,625,888	\$ 5,009,396	\$ 3,845,292	\$ 3,623,606	\$ 7,468,898	\$ 2,459,502	32.93 %	\$ 778,617	\$ 3,871,587	\$ 4,650,204	\$ (359,192)	(7.72)%

¹ Revenues decreased from the prior year due to a lower football conference payout and the cancellation of the 2020 NCAA basketball tournament and all baseball and softball games resulting from the COVID-19 pandemic. Expenses decreased partially due to less travel and support costs incurred in connection with participating in an in-state football bowl game versus in Arizona in the prior year and the reduction in operations resulting from the cancellation of winter sports' championships and spring sports' regular and post-seasons in 2020. The Association implemented spending and hiring freezes.

² University allocations increased over prior year due to increased scholarships provided by the University.

³ Sponsorships revenue increased over prior year primarily due to the Association now managing all sponsorship sales directly, compared to previously receiving sponsorship distributions from the University's Knights Partnership Alliance Program. With this being the fourth year UCF Athletics has had an 'in-house' sales team, great strides have been accomplished in building strong corporate partnerships in the community.

⁴ Contributions revenue increased over prior year due to per seat ticket donations. The fiscal 2020 budget shortfall is due to the delayed issuance of the debt for the Roth Athletics Center and not needing to use collected pledges to pay for a full year of debt service. Pledges have been collected and are accounted for in the Capital Projects Donations - Athletics row in the nonoperating section of the report. Those pledges, along with those collected in previous years, will be used as principal payments become due in future years.

⁵ Employee compensation increased over prior year primarily due to increases in coaches and larger support staff.

⁶ Other expenses exceed budget primarily due to \$1.4m of stadium enhancement projects (Carl Black & Gold Cabana expansion and Northwest Loge addition). These projects were expected to be funded with a bank loan. A decision not to proceed with the bank loan was made after the budget was finalized.

⁷ The Stadium Corporation received a mediated settlement totalling \$1.4 million which will be used for rust and remediation repairs on the football stadium in fiscal 2021.

UCF Convocation Corporation
Statement of Operations
For the year ended June 30, 2020

	2019-2020				2018-2019			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Housing Operations								
Revenues								
Apartment rentals	\$ 14,526,117	\$ 17,986,410	\$ (3,460,293)	(19.2)%	\$ 18,153,568	\$ 17,986,410	\$ 167,158	0.9 %
Housing Subsidy from UCF	5,547,481	-	5,547,481	100.0 %	-	-	-	-
Parking	1,036,388	1,036,388	-	-	1,036,388	1,036,388	-	-
Other	501,866	151,000	350,866	232.4 %	127,234	75,000	52,234	69.6 %
Total revenues	21,611,852	19,173,798	2,438,054	12.7 %	19,317,190	19,097,798	219,392	1.1 %
Expenses								
Expenses - operations	6,091,265	6,619,261	527,996	8.0 %	6,463,769	6,366,446	(97,323)	(1.5)%
Expenses - R&R	265,818	533,643	267,825	50.2 %	504,843	613,070	108,227	17.7 %
Total expenses	6,357,083	7,152,904	795,821	11.1 %	6,968,612	6,979,516	10,904	0.2 %
Net increase from housing operations	15,254,769	12,020,894	3,233,875	26.9 %	12,348,578	12,118,282	230,296	1.9 %
Retail Operations								
Total revenues	1,942,720	1,946,203	(3,483)	(0.2)%	1,874,448	1,934,755	(60,307)	(3.1)%
Total expenses	445,186	525,098	79,912	15.2 %	569,617	596,316	26,699	4.5 %
Net increase from retail operations	1,497,534	1,421,105	76,429	5.4 %	1,304,831	1,338,439	(33,608)	(2.5)%
Arena Operations								
Revenues								
Event related	4,334,107	5,874,989	(1,540,882)	(26.2)%	7,987,964	6,636,961	1,351,003	20.4 %
Premium seating and sponsorship	1,170,569	1,216,500	(45,931)	(3.8)%	1,181,662	1,388,500	(206,838)	(14.9)%
Rental Income	2,735,000	2,735,000	-	-	2,735,000	2,735,000	-	-
Other	182,930	150,596	32,334	21.5 %	159,022	143,552	15,470	10.8 %
Total revenues	8,422,606	9,977,085	(1,554,479)	(15.6)%	12,063,648	10,904,013	1,159,635	10.6 %
Expenses								
Direct event	3,284,086	4,492,059	1,207,973	26.9 %	6,212,214	5,112,142	(1,100,072)	(21.5)%
Operating and indirect event	3,620,464	3,983,925	363,461	9.1 %	4,511,978	3,920,936	(591,042)	(15.1)%
Direct premium seating	213,666	325,360	111,694	34.3 %	255,499	312,860	57,361	18.3 %
R&R expenses	744,700	1,036,307	291,607	28.1 %	613,070	1,129,902	516,832	45.7 %
Other	-	500,000	500,000	100.0 %	500,000	500,000	-	0.0 %
Total expenses	7,862,916	10,337,651	2,474,735	23.9 %	12,092,761	10,975,840	(1,116,921)	(10.2)%
Net increase (decrease) from arena operations	559,690	(360,566)	920,256	(255.2)%	(29,113)	(71,827)	42,714	(59.5)%
Net increase from total operations	\$ 17,311,993	\$ 13,081,433	\$ 4,230,560		\$ 13,624,296	\$ 13,384,894	\$ 239,402	
Debt Service								
Principal	\$ 7,755,000				\$ 7,471,000			
Interest	6,296,845				6,683,555			
Total Debt Service	\$ 14,051,845				\$ 14,154,555			

UCF Finance Corporation
Statement of Operations
For the year ended June 30, 2020

	2019-2020				2018-2019			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Favorable (Unfavorable)				Favorable (Unfavorable)	
Revenues								
Transfers from University	\$ 1,317,998	\$ 1,715,183	\$ (397,185)	(23.2)%	\$ 1,484,934	\$ 1,477,880	\$ 7,054	0.5 %
Transfers from Foundation - Downtown Pledges	3,206,805	3,983,269	(776,464)	(19.5)%	-	8,671,005	(8,671,005)	(100.0)%
Investment Income	133,600	35,000	98,600	281.7 %	22,301	35,000	(12,699)	(36.3)%
Total revenues	4,658,403	5,733,452	(1,075,049)	(18.8)%	1,507,235	10,183,885	(8,676,650)	(85.2)%
Expenses								
Operating	21,642	17,500	(4,142)	(23.7)%	16,595	22,240	5,645	25.4 %
Interest	1,455,120	1,732,683	277,563	16.0 %	1,490,640	1,546,409	55,769	3.6 %
Transfers to UCF - Downtown Construction ¹	7,000,000	11,132,136	4,132,136	37.1 %	-	8,615,236	8,615,236	100.0 %
Total expenses	8,476,762	12,882,319	4,405,557	34.2 %	1,507,235	10,183,885	8,676,650	85.2 %
Net decrease from operations ²	\$ (3,818,359)	\$ (7,148,867)	\$ 3,330,508		\$ -	\$ -	\$ -	
Debt Service								
Principal ³	\$ 5,513,601				\$ 2,498,000			
Interest ³	1,455,120				1,490,640			
Total Debt Service	\$ 6,968,721				\$ 3,988,640			

¹ Transfers to the UCF downtown construction project were funded by draws on the UCF downtown construction note. No additional transfers are anticipated and pledge receivables held by UCF Foundation exceed the balance remaining on the construction note. As of the end of the fiscal year, approximately \$4.0 million was outstanding on the note. Pledges, net of reserves, scheduled to be received by the note's maturity date were \$6.8 million.

Transfers to UCF for construction of the downtown campus are significantly less than the \$11.1 million that was budgeted. The budget developed in the Spring of 2018 was based on the original \$20 million funding commitment reduced by the estimate of pledges available to transfer directly from the Foundation to the construction project. When funds were drawn on the note in the Fall of 2019, an additional \$1.1 million of pledges had been received. The amount drawn on the note was further reduced by a \$3.0 million in-kind pledge. UCF Foundation later reported that pledge converted from an in-kind pledge to a cash pledge.

² Net decrease represents year to date pledges of \$3.2 million received less \$7.0 million of draws and interest expense on the downtown construction note. There will be offsetting increases in net position as scheduled pledge payments are received in future years.

³ Year to date debt service payments include scheduled principal (\$2.6 million) and interest (\$1.4 million) payments on the Burnett building loan and repayments (\$3.0 million) on the UCF downtown construction note.

**UCF Foundation
Unrestricted Operations
For the year ended June 30, 2020**

2019 - 20

2018 - 19

Unrestricted revenues

	Actual	Budget	Variance Favorable (Unfavorable)	
University and other related support	\$ 12,842,666	\$ 12,745,553	\$ 97,113	0.8 %
Gifts, fees, and investment earnings	6,498,870	5,943,250	555,620	9.3 %
Real estate operations	1,969,356	1,969,356	-	0.0 %
Total unrestricted revenue	21,310,892	20,658,159	652,733	3.2 %

Unrestricted expenses

Academic and university support	1,705,067	1,739,189	34,122	2.0 %
Development, alumni relations, and operations	17,747,187	18,918,970	1,171,783	6.2 %
Total unrestricted expenses	19,452,254	20,658,159	1,205,905	5.8 %

Net increase from unrestricted operations	\$ 1,858,638	\$ -	\$ 1,858,638	0.0 %
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Debt Service

Principal	\$2,131,000
Interest	952,906
Total Debt Service	\$ 3,083,906

	Actual	Budget	Variance Favorable (Unfavorable)	
\$	13,965,163	\$ 11,735,854	\$ 2,229,309	19.0%
	6,922,703	6,338,750	583,953	9.2%
	1,477,017	1,969,356	(492,339)	-25.0%
	22,364,883	20,043,960	2,320,923	11.6%
	3,365,363	1,797,932	(1,567,431)	-87.2%
	17,659,967	18,246,028	586,061	3.2%
	21,025,330	20,043,960	(981,370)	-4.9%
\$	1,339,553	\$ -	\$ 1,339,553	0.0 %
	\$1,837,000			
	742,494			
\$	2,579,494			

Limbitless Solutions Inc.
Statement of Operations
For the year ended June 30, 2020

	2019-20				2018-19			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
Donations ¹	\$ 333,665	\$ 350,000	\$ (16,335)	(4.7)%	\$ 396,882	\$ 750,000	\$ (353,118)	(47.1)%
Sponsorships ¹	90,809	150,000	(59,191)	(39.5)%	149,179	50,000	99,179	100.0 %
Other ²	18,347	95,000	(76,653)	(80.7)%	16,245	96,300	(80,055)	(83.1)%
Total revenues	442,821	595,000	(152,179)	(25.6)%	562,306	896,300	(333,994)	(37.3)%
Expenses								
Operating expenses ^{1, 2}	431,353	284,831	(146,522)	(51.4)%	127,807	293,728	165,921	56.5 %
Total expenses	431,353	284,831	(146,522)	(51.4)%	127,807	293,728	165,921	56.5 %
Net increase from operations	\$ 11,468	\$ 310,169	\$ (298,701)	(96.3)%	\$ 434,499	\$ 602,572	\$ (168,073)	(27.9)%

¹ Includes in-kind philanthropic and sponsorship contributions valued at \$243,617 resulting in an increase in expenses.

² Projected grant, speaking engagement, and educational workshop revenue of approximately \$85,500 did not materialize during FY20 due to COVID-19 safety measures. This also contributed to expense savings that offset expenses related to in-kind support.

**UCF Research Foundation
Statement of Operations
For the year ended June 30, 2020**

	2019-20				2018-19			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
Operating revenue ¹	\$ 12,095,705	\$ 12,730,000	\$ (634,295)	-5.2%	\$ 11,934,142	\$ 12,090,000	\$ (155,858)	(1.3)%
Management fees and other	995,119	800,000	195,119	19.6 %	848,491	655,000	193,491	22.8 %
Total revenues²	13,090,824	13,530,000	(439,176)	-3.4%	12,782,633	12,745,000	37,633	0.3 %
Expenses¹								
Total operating expenses ³	12,512,165	13,280,000	767,835	6.1 %	12,630,768	12,291,000	(339,768)	(2.7)%
Net increase	\$ 578,659	\$ 250,000	\$ 328,659	56.8%	\$ 151,865	\$ 454,000	\$ (302,135)	(198.9)%

¹ Operating revenue and expenses includes contracts, grants, royalties, contributions, rents, conferences, unit residuals, and consortiums.

² Operating revenues were lower than budget due to the timing of monies received on contracts and grants awards specifically due in the fourth quarter as a result of COVID-19. Conversely, operating revenues were higher than prior year due to a considerable increase in contributions and other agreements.

³ Operating expenses were lower than both budget and prior year due to decreases in incubator costs that were being paid with excluded prerecorded residual income.

Attachment H

Central Florida Clinical Practice Organization
Statement of Operations
For the year ended June 30, 2020

	2019-20				2018-19			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
Patient Care	\$ 6,657,564	\$ 7,530,349	\$ (872,785)	-12%	\$ 6,314,711	\$ 7,043,989	\$ (729,278)	-10%
Other	983,704	865,798	117,906	14%	947,794	1,137,739	(189,945)	-17%
Total Revenues	7,641,268	8,396,147	(754,879)	-9%	7,262,505	8,181,728	(919,223)	-11%
Operating Expenses								
Professional Services	566,381	405,381	(161,000)	-40%	798,338	495,312	(303,026)	-61%
Supplies and Repairs	1,012,809	1,352,640	339,831	25%	1,070,293	858,505	(211,788)	-25%
Facility Expense	229,188	192,305	(36,883)	-19%	239,231	137,706	(101,525)	-74%
Information Technology	441,850	636,174	194,324	31%	629,315	594,734	(34,581)	-6%
Other Operating Expense	87,590	283,989	196,399	69%	106,164	414,332	308,168	74%
Total Operating Expense ¹	2,337,817	2,870,489	532,672	19%	2,843,340	2,500,589	(342,751)	-14%
Non-Operating Expense								
Transfers Out								
<i>Faculty Salaries and Benefits</i>	1,657,725	936,540	(721,185)	-77%	3,430,743	2,336,624	(1,094,119)	-47%
<i>Staff Salaries and Benefits</i>	3,839,998	4,820,858	980,860	20%	3,332,655	4,766,165	1,433,510	30%
<i>Facility Rent</i>	131,147	1,242,602	1,111,455	89%	1,177,594	1,217,017	39,423	3%
<i>Other</i>	252,732	-	(252,732)	-	6,260	-	(6,260)	-
Total Non-Operating Expenses	5,881,601	7,000,000	1,118,399	16%	7,947,253	8,319,806	372,553	4%
Total Expenses	8,219,418	9,870,489	1,651,071	17%	10,790,593	10,820,395	29,802	0%
Net decrease	\$ (578,150)	\$ (1,474,342)	\$ 896,192	61%	\$ (3,528,088)	\$ (2,638,667)	\$ (889,421)	-34%
Cash Balance								
Beginning Balance for Fiscal Year Reported	\$ 3,925,770				\$ 6,565,885			
Change in Cash YTD	(1,583,711)				(2,640,115)			
Ending Cash Balance for June 30, 2020	\$ 2,342,059				\$ 3,925,770			

¹ In order for a direct comparison to the operating budget, depreciation is not included in the actual operating expenses.

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: FY20 University Draft Audited Financial Report

☒ **Information**

☐ **Information for upcoming action**

☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

This item is provided to the trustees annually for information purposes only.

Background Information:

In accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the State of Florida Auditor General's office is currently conducting the financial statement audit for the University of Central Florida and its aggregate discretely presented statements, which collectively comprise the University's basic financial statements, as of and for the fiscal year ended June 30, 2020. The audit is expected to be completed and report issued between January – March 2021. The final report will be provided to this committee for review.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Specific trustee request

Contract Reviewed/Approved by General Counsel: ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda: ☒

Submitted by:

Joseph Trubacz, Interim Vice President of Finance and Chief Financial Officer

Supporting Documentation:

Attachment A - University Draft Annual Financial Report 2019-20

Facilitators/Presenters:

Joseph Trubacz, Interim Vice President for Finance and Chief Financial Officer
 Danta White, Assistant Vice President and University Controller

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the University for the fiscal year ended June 30, 2020, and should be read in conjunction with the financial statements and notes thereto. The MD&A, and financial statements and notes thereto, are the responsibility of University management. The MD&A contains financial activity of the University for the fiscal years ended June 30, 2020, and June 30, 2019.

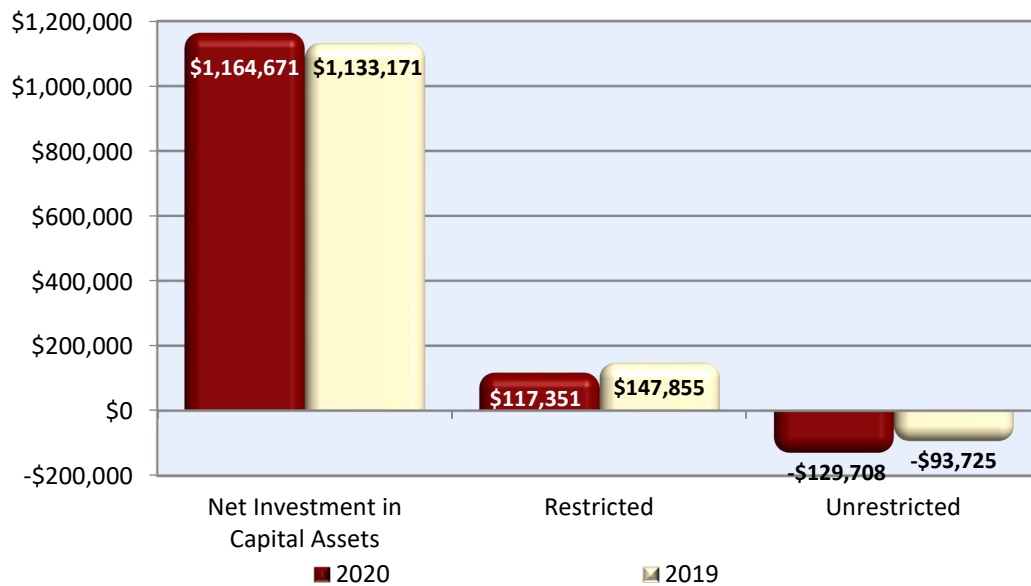
FINANCIAL HIGHLIGHTS

The University's assets and deferred outflows of resources totaled \$2.3 billion at June 30, 2020. This balance reflects a \$82.4 million, or 3.8 percent, increase as compared to June 30, 2019, resulting primarily from an increase of deferred outflows related to post-employment benefits. Liabilities and deferred inflows of resources increased by \$117.4 million, or 12 percent, totaling \$1.1 billion at June 30, 2020, resulting primarily from annual changes in actuarial determined amounts for other postemployment benefits and pensions. As a result, the University's net position decreased by \$35 million, resulting in a year-end balance of \$1.2 billion.

The University's operating revenues totaled \$566.3 million for the 2019-20 fiscal year, representing a 1.3 percent increase compared to the 2018-19 fiscal year. Operating expenses totaled \$1.3 billion for the 2019-20 fiscal year, representing an increase of 6.4 percent as compared to the 2018-19 fiscal year due mainly to increases in compensation and employee benefits and scholarships, fellowships, and waivers.

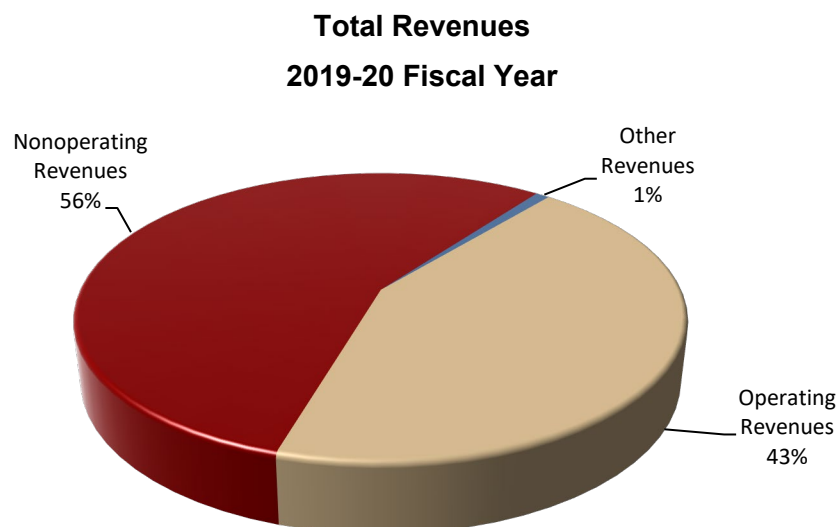
Net position represents the residual interest in the University's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. The University's comparative total net position by category for the fiscal years ended June 30, 2020, and June 30, 2019, is shown in the following graph:

Net Position (In Thousands)



The deficit unrestricted net position for 2020 and 2019 can be attributed primarily to the full recognition of certain long-term liabilities (i.e. compensated absences payable, other postemployment benefits payable and net pension liabilities) in the current unrestricted funds that are expected to be paid over time. Additional information about the University's deficit net position in individual funds is presented in Note 2 in the accompanying notes to financial statements.

The following chart provides a graphical presentation of University revenues by category for the 2019-20 fiscal year:



OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to GASB Statement No. 35, the University's financial report consists of three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The financial statements, and notes thereto, encompass the University and its component units. These component units include:

- Blended Component Units
 - UCF Finance Corporation
 - University of Central Florida College of Medicine Self-Insurance Program
- Discretely Presented Component Units
 - University of Central Florida Foundation, Inc.
 - University of Central Florida Research Foundation, Inc.
 - UCF Athletics Association, Inc.
 - UCF Convocation Corporation
 - UCF Stadium Corporation
 - Central Florida Clinical Practice Organization, Inc.
 - UCF Academic Health, Inc.

Information regarding these component units, including summaries of the blended and discretely presented component units' separately issued financial statements, is presented in the notes to financial statements. This MD&A focuses on the University, excluding the discretely presented component units. For those component units reporting under GASB standards, MD&A information is included in their separately issued audit reports.

The Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the University, using the accrual basis of accounting, and presents the financial position of the University at a specified time. Assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position, which is one indicator of the University's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the University's financial condition.

The following summarizes the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30:

Condensed Statement of Net Position at June 30

(In Thousands)

	2020	2019
Assets		
Current Assets	\$ 624,124	\$ 601,080
Capital Assets, Net	1,302,709	1,286,116
Other Noncurrent Assets	90,566	128,598
Total Assets	2,017,399	2,015,794
Deferred Outflows of Resources	234,747	153,916
Liabilities		
Current Liabilities	124,556	141,798
Noncurrent Liabilities	889,696	759,988
Total Liabilities	1,014,252	901,786
Deferred Inflows of Resources	85,580	80,623
Net Position		
Net Investment in Capital Assets	1,164,671	1,133,171
Restricted	117,351	147,855
Unrestricted	(129,708)	(93,725)
Total Net Position	\$ 1,152,314	\$ 1,187,301

Total liabilities as of June 30, 2020, increased by \$112.4 million or 12.5 percent. Deferred outflows of resources increased by \$80.8 million, or 52.5 percent. Deferred inflows of resources increased by \$5 million, or 6.2 percent. These changes were primarily related to annual changes in actuarial determined amounts for other postemployment benefits and pensions.

The Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the University's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the University's activity for the 2019-20 and 2018-19 fiscal years:

**Condensed Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years**

(In Thousands)

	2019-20	2018-19
Operating Revenues	\$ 566,256	\$ 558,896
Less, Operating Expenses	<u>1,278,481</u>	<u>1,201,207</u>
Operating Loss	(712,225)	(642,311)
Net Nonoperating Revenues	<u>666,127</u>	<u>627,432</u>
Income (Loss) Before Other Revenues	(46,098)	(14,879)
Other Revenues	<u>11,111</u>	<u>104,394</u>
Net Increase (Decrease) In Net Position	(34,987)	89,515
Net Position, Beginning of Year	1,187,301	1,097,786
Net Position, End of Year	<u><u>\$ 1,152,314</u></u>	<u><u>\$ 1,187,301</u></u>

Operating Revenues

GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either gives or receives something of equal or similar value.

The following summarizes the operating revenues by source that were used to fund operating activities for the 2019-20 and 2018-19 fiscal years:

**Operating Revenues
For the Fiscal Years**

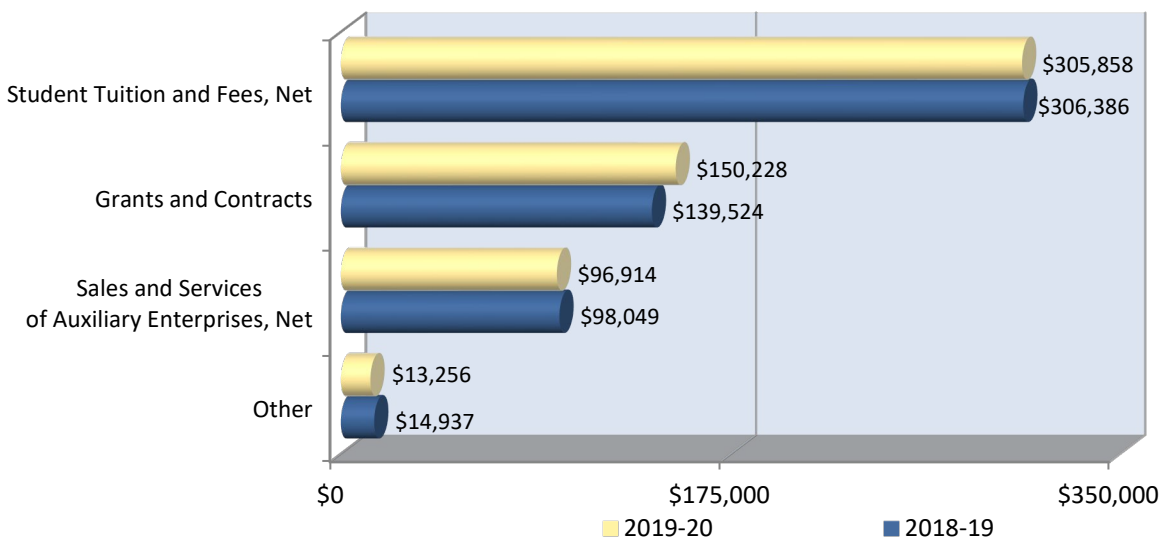
(In Thousands)

	2019-20	2018-19
Student Tuition and Fees, Net	\$ 305,858	\$ 306,386
Grants and Contracts	150,228	139,524
Sales and Services of Auxiliary Enterprises, Net	96,914	98,049
Other	<u>13,256</u>	<u>14,937</u>
Total Operating Revenues	<u><u>\$ 566,256</u></u>	<u><u>\$ 558,896</u></u>

The following chart presents the University's operating revenues for the 2019-20 and 2018-19 fiscal years:

**Operating
Revenues
(In Thousands)**

DRAFT



Operating Expenses

Expenses are categorized as operating or nonoperating. The majority of the University's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The University has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position and has displayed the functional classification in the notes to financial statements.

The following summarizes operating expenses by natural classification for the 2019-20 and 2018-19 fiscal years:

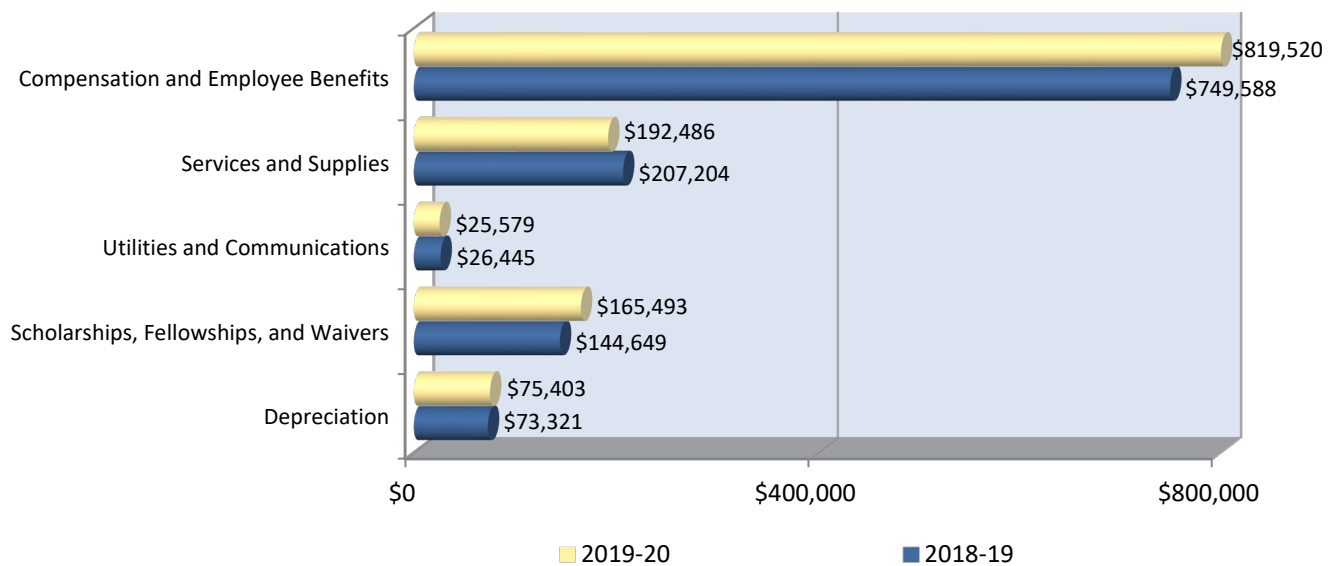
**Operating Expenses
For the Fiscal Years
(In Thousands)**

	<u>2019-20</u>	<u>2018-19</u>
Compensation and Employee Benefits	\$ 819,520	\$ 749,588
Services and Supplies	192,486	207,204
Utilities and Communications	25,579	26,445
Scholarships, Fellowships, and Waivers	165,493	144,649
Depreciation	75,403	73,321
Total Operating Expenses	<u><u>\$ 1,278,481</u></u>	<u><u>\$ 1,201,207</u></u>

The following chart presents the University's operating expenses for the 2019-20 and 2018-19 fiscal years:

**Operating
Expenses
(In Thousands)**

DRAFT



Operating expenses increased \$ 77.3 million, or 6.4 percent, over the 2018-19 fiscal year. Compensation and employee benefits increased by \$70 million. Salaries increased \$25.6 million due to investments in the University faculty hiring plan including support personnel, growth in post-doctoral medical resident programs, and annual salary increases. Retirement and benefit expenses including actuarial determined pension expenses and healthcare expenses increased \$44.4 million. Services and supplies decreased by \$14.7 million, or 7.1 percent, due to a decrease in startup costs related to the Downtown Campus and decreased travel expenses because of a travel freeze in response to COVID-19 pandemic. Scholarships, fellowships, and waivers increased by \$20.8 million, or 14.4 percent, resulting from increased awards for the Florida Bright Futures Scholarship Program and CARES Act funding.

Nonoperating Revenues and Expenses

Certain revenue sources that the University relies on to provide funding for operations, including State noncapital appropriations, Federal and State student financial aid, and investment income, are defined by GASB as nonoperating. Nonoperating expenses include capital financing costs and other costs related to capital assets. The following summarizes the University's nonoperating revenues and expenses for the 2019-20 and 2018-19 fiscal years:

Nonoperating Revenues (Expenses)
For the Fiscal Years
(In Thousands)

	<u>2019-20</u>	<u>2018-19</u>
State Noncapital Appropriations	\$ 378,429	\$ 383,229
Federal and State Student Financial Aid	264,065	231,707
Investment Income	28,695	31,338
Other Nonoperating Revenues	34,858	24,131
Loss on Disposal of Capital Assets	(323)	(614)
Interest on Capital Asset-Related Debt	(5,952)	(6,678)
Other Nonoperating Expenses	<u>(33,645)</u>	<u>(35,681)</u>
Net Nonoperating Revenues	<u><u>\$ 666,127</u></u>	<u><u>\$ 627,432</u></u>

Net nonoperating revenues increased by \$38.7 million, or 6.2 percent, primarily due to a rise in Federal and State student financial aid of \$32.4 million. The University received Federal CARES Act funding for emergency student financial aid awards in response to the COVID-19 pandemic and additional funds for the Florida Bright Futures Scholarship Program in the 2019-20 fiscal year.

Other Revenues

This category is composed of State capital appropriations, capital grants, contracts, donations, and fees. The following summarizes the University's other revenues for the 2019-20 and 2018-19 fiscal years:

Other Revenues
For the Fiscal Years
(In Thousands)

	<u>2019-20</u>	<u>2018-19</u>
State Capital Appropriations	\$ 9,338	\$ 13,849
Capital Transfers In	1,000	78,269
Capital Grants, Contracts, Donations, and Fees	<u>773</u>	<u>12,276</u>
Total	<u><u>\$ 11,111</u></u>	<u><u>\$ 104,394</u></u>

Other revenues were \$11.1 million for the 2019-20 fiscal year. This represents a \$93.3 million decrease compared to the 2018-19 fiscal year due primarily to the transfer of the convocation center residential, parking, and retail assets from the UCF Convocation Corporation to the University in 2018-19 and a decrease in donations related to the Downtown Campus.

The Statement of Cash Flows

The statement of cash flows provides information about the University's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the University's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the University. Cash flows from capital financing activities include all plant funds and related long-term debt activities. Cash flows from investing activities show the net source and

use of cash related to purchasing or selling investments, and earning income on those investments. Cash flows from non-capital financing activities include those activities not covered in other sections.

The following summarizes cash flows for the 2019-20 and 2018-19 fiscal years:

Condensed Statement of Cash Flows
For the Fiscal Years
(In Thousands)

	2019-20	2018-19
Cash Provided (Used) by:		
Operating Activities	\$ (587,238)	\$ (524,569)
Noncapital Financing Activities	632,128	602,054
Capital and Related Financing Activities	(82,972)	(100,304)
Investing Activities	75,155	25,309
Net Increase in Cash and Cash Equivalents	37,073	2,490
Cash and Cash Equivalents, Beginning of Year	28,274	25,784
Cash and Cash Equivalents, End of Year	\$ 65,347	\$ 28,274

Cash and cash equivalents increased \$37.1 million. Cash used by operating activities increased by \$62.7 million compared to the 2018-19 fiscal year primarily due to an increase in cash payments to and on behalf of employees for compensation and benefits and payments to students for scholarships and fellowships. Cash inflows from noncapital financing activities increased by \$30.1 million primarily due to an increase in cash received from Federal and State student financial aid and State appropriations net of pass-through disbursements and CARES Act funding. Cash used by capital and related financing activities decreased by \$17.3 million primarily due to decreased construction activities as many large projects such as the Downtown Campus were completed. Cash provided by investing activities increased by \$49.8 million primarily due to the liquidation of equity investments.

Major sources of funds came from State noncapital appropriations (\$379.2 million), net student tuition and fees (\$302.9 million), Federal and State student financial aid (\$264.1 million), grants and contracts (\$150.4 million), and net sales and services of auxiliary enterprises (\$100.5 million). Major uses of funds were for payments made to and on behalf of employees (\$769.5 million), payments to suppliers (\$219.2 million), payments to students for scholarships and fellowships (\$165.5 million), and payments related to the purchase or construction of capital assets (\$100 million).

**CAPITAL ASSETS, CAPITAL EXPENSES AND COMMITMENTS,
AND DEBT ADMINISTRATION**

Capital Assets

At June 30, 2020, the University had \$2.3 billion in capital assets, less accumulated depreciation of \$963.5 million, for net capital assets of \$1.3 billion. Depreciation charges for the current fiscal year totaled \$75.4 million. The following table summarizes the University's capital assets, net of accumulated depreciation, at June 30:

Capital Assets, Net at June 30**(In Thousands)**

	2020	2019
Land	\$ 43,016	\$ 43,016
Construction in Progress	34,516	113,518
Buildings	1,100,552	1,016,409
Infrastructure and Other Improvements	44,199	36,052
Furniture and Equipment	39,974	42,003
Library Resources	28,768	27,452
Leasehold Improvements	11,173	7,088
Works of Art and Historical Treasures	511	578
Capital Assets, Net	\$ 1,302,709	\$ 1,286,116

Additional information about the University's capital assets is presented in the notes to the financial statements.

Capital Expenses and Commitments

Major capital expenses through June 30, 2020, were incurred on projects completed: UCF Downtown Academic Building, the John C. Hitt Library Renovations Phase 1A, UCF Downtown Parking Garage, UCF Downtown Central Energy Plant and projects currently in progress: Partnership IV, the John C. Hitt Library Renovations Phase 2, Roth Athletic Center. and Student Union Expansion. The University's major construction commitments at June 30, 2020, are as follows:

	Amount (In Thousands)
Total Committed	\$ 43,305
Completed to Date	34,516
Balance Committed	\$ 8,789

Additional information about the University's construction commitments is presented in the notes to financial statements.

Debt Administration

As of June 30, 2020, the University had \$158.5 million in outstanding capital improvement debt payable, and loans and notes payable, representing a decrease of \$10.8 million, or 6.4 percent, from the prior fiscal year. The following table summarizes the outstanding long-term debt by type for the fiscal years ended June 30:

Long-Term Debt at June 30		
(In Thousands)		
	2020	2019
Capital Improvement Debt	\$ 96,126	\$ 108,453
Loans and Notes Payable	62,347	60,861
Total	\$ 158,473	\$ 169,314

Additional information about the University's long-term debt is presented in the notes to financial statements.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The University's economic condition is closely tied to that of the State of Florida. Because of limited economic growth and increased demand for State resources, a modest increase in State funding is anticipated in the 2020-21 fiscal year. The University manages this through the continual efficient and strategic use of resources and entrepreneurial efforts by academic, administrative, and auxiliary departments. The budget that the Florida Legislature adopted for the 2020-21 fiscal year included \$32.3 million in base-funding increases for the State University System of which the University received \$1.4 million.

In addition to State funding, the University relies on other revenue streams to maintain the open access to, and high quality of, its academic programs. Net tuition and fee revenue decreased 0.1 percent from 2018-19 to 2019-20. The decrease was primarily due to an 11.0 percent increase in tuition scholarship allowance. Overall, enrollment increased 1.4 percent with a student count of approximately 69,525. The change was primarily due to a 917 headcount increase in undergraduate students entering college for the first time and a 305 headcount increase in graduate Master's students. The University continues to invest in recruitment, retention, and academic advising initiatives to manage enrollment and support students' success.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and resulted in governments enacting emergency measures such as travel bans, quarantine periods and social distancing requirements to combat the spread of the virus. In response to the State University System of Florida Board of Governors directive, the University asked students to vacate University housing residences in March 2020 and moved to an online learning platform for the remainder of the Spring academic term then extended through the summer academic term. In June 2020, the State University System Board of Governor's approved the University's Fall 2020 reopening plan that includes

enhanced cleaning and disinfecting, required face coverings, modified classroom capacity for face-to-face instruction, increased online instruction, COVID-19 testing and contact tracing, and reopening of student housing at reduced occupancy levels to allow for social distancing and quarantine space. The University's fiscal 2021 financial results are anticipated to be affected as follows:

- Possible reduction of State funding, however, at this time these potential funding reductions are uncertain.
- No expected negative impact to Net tuition and fee revenue as Fall 2020 enrollment slightly increased compared to Fall 2019.
- Costs increases related to increased online instruction and safety measures taken to keep students, faculty, and staff safe. These costs will be partially covered by Federal CARES Act funding awarded to the University for institutional costs incurred in response to COVID-19.
- Reduced fall Housing revenues, however, these reduced revenues will be partially offset by Housing cost savings. Additionally, the University has reserved cash to cover the full 2021 Housing debt service payments.
- In order to provide additional support to students, faculty, and staff, the University extended existing parking permits originally expiring on August 2020 to December 2020. The reduction in parking permit revenue will be partially offset by cost savings and is not expected to have a material impact on the University's Parking segment. Additionally, the University has reserved cash to cover the full 2021 Parking debt service payments.

Management continues to monitor the extent to which the coronavirus may impact University operations, but the extent of the financial impact will depend on future developments, which are highly uncertain and cannot be predicted.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplemental information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the University Controller, University of Central Florida, 12424 Research Parkway, Suite 300, Orlando, Florida 32826-3249.

BASIC FINANCIAL STATEMENTS

UNIVERSITY OF CENTRAL FLORIDA A Component Unit of the State of Florida Statement of Net Position

June 30, 2020

	University	Component Units
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 49,198,478	\$ 18,082,752
Restricted Cash and Cash Equivalents	3,328,814	17,819,875
Investments	462,046,580	-
Accounts Receivable, Net	72,814,320	18,427,373
Loans and Notes Receivable, Net	477,611	-
Due from State	24,626,543	-
Due from Component Units	1,809,047	851,183
Due from University	-	25,157,084
Inventories	3,417,493	-
Other Current Assets	6,405,408	2,749,208
Total Current Assets	624,124,294	83,087,475
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	12,819,495	5,885,370
Restricted Investments	66,586,608	236,494,025
Loans and Notes Receivable, Net	3,104,605	12,614,980
Depreciable Capital Assets, Net	1,224,959,624	85,744,738
Nondepreciable Capital Assets	77,749,820	78,157,447
Due from Component Units	4,319,650	-
Other Noncurrent Assets	3,735,014	515,375
Total Noncurrent Assets	1,393,274,816	419,411,935
Total Assets	2,017,399,110	502,499,410
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	99,782,263	-
Pensions	123,390,111	-
Deferred Loss on Debt Refundings	11,575,149	4,539,859
Total Deferred Outflows of Resources	234,747,523	4,539,859
LIABILITIES		
Current Liabilities:		
Accounts Payable	13,480,150	6,467,580
Construction Contracts Payable	13,879,047	-
Salary and Wages Payable	8,945,639	-
Deposits Payable	7,146,083	-
Due to Component Units	25,157,084	851,183
Due to University	-	1,809,047
Unearned Revenue	31,421,704	15,904,897
Other Current Liabilities	3,340,699	2,182,567
Long-Term Liabilities - Current Portion:		
Capital Improvement Debt Payable	7,460,000	-
Bonds Payable	-	9,965,000
Loans and Notes Payable	2,621,000	5,175,000
Compensated Absences Payable	4,779,149	106,123
Other Postemployment Benefits Payable	5,172,704	-
Net Pension Liability	1,152,956	-
Total Current Liabilities	124,556,215	42,461,397

UNIVERSITY OF CENTRAL FLORIDA
A Component Unit of the State of Florida
Statement of Net Position (Continued)

June 30, 2020

	University	Component Units
LIABILITIES (Continued)		
Noncurrent Liabilities:		
Capital Improvement Debt Payable	88,665,838	-
Bonds Payable	-	198,911,527
Loans and Notes Payable	59,726,398	80,237,000
Compensated Absences Payable	56,914,453	653,327
Other Postemployment Benefits Payable	394,825,270	-
Net Pension Liability	284,486,662	-
Unearned Revenues	-	14,013
Due to University	-	4,319,650
Other Noncurrent Liabilities	5,077,523	318,973
Total Noncurrent Liabilities	889,696,144	284,454,490
Total Liabilities	1,014,252,359	326,915,887
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	67,971,397	-
Pensions	17,608,935	-
Total Deferred Inflows of Resources	85,580,332	-
NET POSITION		
Net Investment in Capital Assets	1,164,671,394	78,490,184
Restricted for Nonexpendable:		
Endowment	-	143,793,755
Restricted for Expendable:		
Debt Service	6,426	-
Loans	3,117,611	-
Capital Projects	82,874,539	4,387,079
Other	31,351,813	111,905,685
Unrestricted	(129,707,841)	(158,453,321)
TOTAL NET POSITION	\$ 1,152,313,942	\$ 180,123,382

The accompanying notes to financial statements are an integral part of this statement.

UNIVERSITY OF CENTRAL FLORIDA
A Component Unit of the State of Florida
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2020

	<u>University</u>	<u>Component Units</u>
REVENUES		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarship		
Allowances of \$221,585,494 (Pledged for Capital		
Improvement Debt: \$12,628,110 for Parking)	\$ 305,858,103	\$ -
Federal Grants and Contracts	111,049,095	-
State and Local Grants and Contracts	10,729,938	-
Nongovernmental Grants and Contracts	28,449,358	-
Sales and Services of Auxiliary Enterprises, Net		
(Pledged for Capital Improvement Debt:		
\$24,992,916 for Housing and \$6,076,165 for Parking)	96,914,456	-
Gifts and Donations	-	25,589,818
Interest on Loans and Notes Receivable	145,074	-
Other Operating Revenues		
Pledged for Capital Improvement Debt: \$534,864 for		
Housing and \$800,551 for Parking)	13,109,647	127,265,484
Total Operating Revenues	<u>566,255,671</u>	<u>152,855,302</u>
EXPENSES		
Operating Expenses:		
Compensation and Employee Benefits	819,520,266	22,108,092
Services and Supplies	192,485,669	118,919,140
Utilities and Communications	25,579,391	-
Scholarships, Fellowships, and Waivers	165,492,540	-
Depreciation	75,403,409	4,324,252
Total Operating Expenses	<u>1,278,481,275</u>	<u>145,351,484</u>
Operating Income (Loss)	<u>(712,225,604)</u>	<u>7,503,818</u>
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	378,428,621	-
Federal and State Student Financial Aid	264,065,349	-
Investment Income	28,695,380	1,276,895
Other Nonoperating Revenues	40,405,495	20,990,484
Loss on Disposal of Capital Assets	(323,191)	-
Interest on Capital Asset-Related Debt	(5,952,072)	(8,385,876)
Other Nonoperating Expenses	(39,191,726)	(6,186,861)
Net Nonoperating Revenues (Expenses)	<u>666,127,856</u>	<u>7,694,642</u>
Income (Loss) Before Other Revenues	<u>(46,097,748)</u>	<u>15,198,460</u>
State Capital Appropriations	9,337,817	-
Capital Grants, Contracts, Donations, and Fees	1,772,786	-
Additions to Permanent Endowments	-	4,613,816
Increase (Decrease) in Net Position	<u>(34,987,145)</u>	<u>19,812,276</u>
Net Position, Beginning of Year	1,187,301,087	145,174,106
Adjustment to Beginning Net Position	-	15,137,000
Net Position, Beginning of Year, as Restated	<u>1,187,301,087</u>	<u>160,311,106</u>
Net Position, End of Year	<u>\$ 1,152,313,942</u>	<u>\$ 180,123,382</u>

The accompanying notes to financial statements are an integral part of this statement.

UNIVERSITY OF CENTRAL FLORIDA
A Component Unit of the State of Florida
Statement of Cash Flows

For the Fiscal Year Ended June 30, 2020

	<u>University</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Student Tuition and Fees, Net	\$ 302,948,635
Grants and Contracts	150,434,449
Sales and Services of Auxiliary Enterprises, Net	100,541,191
Interest on Loans and Notes Receivable	147,924
Payments to Employees	(769,482,938)
Payments to Suppliers for Goods and Services	(219,209,679)
Payments to Students for Scholarships and Fellowships	(165,492,540)
Collection on Loans to Students	1,366,788
Other Operating Receipts	11,508,360
Net Cash Used by Operating Activities	<u>(587,237,810)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	379,237,888
Federal and State Student Financial Aid	264,065,349
Federal Direct Loan Program Receipts	219,797,295
Federal Direct Loan Program Disbursements	(219,797,295)
Net Change in Funds Held for Others	2,270,819
Other Nonoperating Disbursements	(13,446,463)
Net Cash Provided by Noncapital Financing Activities	<u>632,127,593</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Capital Debt and Leases	14,339,312
State Capital Appropriations	20,210,120
Capital Grants, Contracts, Donations and Fees	1,898,266
Other Receipts for Capital Projects	12,298,686
Purchase or Construction of Capital Assets	(100,046,248)
Principal Paid on Capital Debt and Leases	(25,678,794)
Interest Paid on Capital Debt and Leases	(5,993,957)
Net Cash Used by Capital and Related Financing Activities	<u>(82,972,615)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	1,008,223,848
Purchases of Investments	(950,917,978)
Investment Income	17,849,401
Net Cash Provided by Investing Activities	<u>75,155,271</u>
Net Increase in Cash and Cash Equivalents	37,072,439
Cash and Cash Equivalents, Beginning of Year	<u>28,274,348</u>
Cash and Cash Equivalents, End of Year	<u>\$ 65,346,787</u>

UNIVERSITY OF CENTRAL FLORIDA
A Component Unit of the State of Florida
Statement of Cash Flows (Continued)
For the Fiscal Year Ended June 30, 2020

	<u>University</u>
RECONCILIATION OF OPERATING LOSS	
TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (712,225,604)
Adjustments to Reconcile Operating Loss	
to Net Cash Used by Operating Activities:	
Depreciation Expense	75,403,409
Changes in Assets, Liabilities, Deferred Outflows of Resources,	
and Deferred Inflows of Resources:	
Receivables, Net	(3,967,903)
Inventories	(856,088)
Other Assets	(1,418,237)
Accounts Payable	(385,559)
Salaries and Wages Payable	(18,851,853)
Deposits Payable	193,071
Compensated Absences Payable	2,438,509
Unearned Revenue	4,522,237
Other Liabilities	1,459,536
Other Postemployment Benefits Payable	106,664,974
Net Pension Liability	36,340,029
Deferred Outflows of Resources Related to Other Postemployment Benefits	(93,563,263)
Deferred Inflows of Resources Related to Other Postemployment Benefits	8,903,397
Deferred Outflows of Resources Related to Pensions	12,051,301
Deferred Inflows of Resources Related to Pensions	(3,945,766)
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (587,237,810)</u></u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND	
CAPITAL FINANCING ACTIVITIES	
Unrealized losses on investments were recognized as a decrease to investment	
income on the statement of revenues, expenses, and changes in net position,	
but are not cash transactions for the statement of cash flows.	\$ 24,725,020
Losses from the disposal of capital assets were recognized on the statement of	
revenues, expenses, and changes in net position, but are not cash transactions	
for the statement of cash flows.	\$ (323,191)
Donation of capital assets were recognized on the statement of revenues,	
expenses, and changes in net position, but is not a cash transaction for the	
statement of cash flows.	\$ 256,967
Capital transfers from a component unit were recognized on the statement of	
revenues, expenses, and changes in net position, but are not cash transactions	
for the statement of cash flows.	\$ 1,000,000

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Reporting Entity. The University is a separate public instrumentality that is part of the State university system of public universities, which is under the general direction and control of the Florida Board of Governors. The University is directly governed by a Board of Trustees (Trustees) consisting of 13 members. The Governor appoints 6 citizen members and the Board of Governors appoints 5 citizen members. These members are confirmed by the Florida Senate and serve staggered terms of 5 years. The chair of the faculty senate and the president of the student body of the University are also members. The Board of Governors establishes the powers and duties of the Trustees. The Trustees are responsible for setting policies for the University, which provide governance in accordance with State law and Board of Governors Regulations, and selecting the University President. The University President serves as the executive officer and the corporate secretary of the Trustees and is responsible for administering the policies prescribed by the Trustees.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. These criteria were used to evaluate potential component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading. Based on the application of these criteria, the University is a component unit of the State of Florida, and its financial balances and activities are reported in the State's Comprehensive Annual Financial Report by discrete presentation.

Blended Component Units. Based on the application of the criteria for determining component units, the UCF Finance Corporation (Corporation) and the University of Central Florida College of Medicine Self-Insurance Program (Program) are included within the University's reporting entity as blended component units, and are therefore reported as if they are part of the University. The Corporation's purpose is to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the University. The Program's purpose is to provide comprehensive general liability and professional liability coverage for the University's Trustees and students for claims and actions arising from clinical activities of the College of Medicine, College of Nursing, UCF Health Services, College of Health Professions and Sciences (previously included in the College of Health and Public Affairs), and the Central Florida Clinical Practice Organization, Inc., faculty, staff, and resident physicians. Condensed financial statements for the University's blended component units are shown in a subsequent note. The condensed financial statements are reported net of eliminations.

Discretely Presented Component Units. Based on the application of the criteria for determining component units, the following direct-support organizations (as provided for in Section 1004.28, Florida Statutes, and Board of Governors Regulation 9.011) and the Central Florida Clinical Practice Organization, Inc. (an affiliated organization), are included within the University reporting entity as discretely presented component units. These legally separate, not-for-profit, corporations are organized and operated to assist the University to achieve excellence by providing supplemental resources from private gifts and bequests, and valuable education support services and are governed by separate

boards. Florida Statutes authorize these organizations to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the University. These organizations and their purposes are explained as follows:

- University of Central Florida Foundation, Inc. is a not-for-profit Florida Corporation whose principal function is to provide charitable and educational aid to the University.
- University of Central Florida Research Foundation, Inc. was organized to promote and encourage, as well as assist in, the research activities of the University's faculty, staff, and students.
- UCF Athletics Association, Inc. was organized to promote intercollegiate athletics to benefit the University and surrounding communities.
- UCF Convocation Corporation was created to finance and construct a convocation center, and to manage the Towers student housing and its related retail space on the north side of campus.
- UCF Stadium Corporation was created to finance, build, and administer an on-campus football stadium.
- Central Florida Clinical Practice Organization, Inc. is an affiliated organization component unit of the University and was formed for the purpose of supporting the medical education program and clinical faculty within the College of Medicine.
- UCF Academic Health, Inc. is a not-for-profit Florida Corporation whose purpose is to promote and support medical education, research, and patient care through the planning and development of clinical initiatives and affiliated partnerships that serve the education, research and clinical mission and objectives of the College of Medicine.
- Limbitless Solutions, Inc. is a not-for-profit Florida Corporation whose purpose is to develop affordable open source 3D printed bionic solutions for individuals with disabilities, increase accessibility with art infused bionics, and to promote access and engagement in STEM/STEAM education. Financial activities of this component unit are not included in the University's financial statements as the total assets related to this component unit represent less than one percent of the total aggregate component units' assets.

An annual audit of each organization's financial statements is conducted by independent certified public accountants. The annual reports are submitted to the Auditor General and the University Board of Trustees. Additional information on the University's discretely presented component units, including copies of audit reports, is available by contacting the University Controller. Condensed financial statements for the University's discretely presented component units are shown in a subsequent note.

Basis of Presentation. The University's accounting policies conform with accounting principles generally accepted in the United States of America applicable to public colleges and universities as prescribed by GASB. The National Association of College and University Business Officers (NACUBO) also provides the University with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB and the Financial Accounting Standards Board (FASB).

GASB allows public universities various reporting options. The University has elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and entitywide reporting including the following components:

- Management's Discussion and Analysis
- Basic Financial Statements:
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements
- Other Required Supplementary Information

Measurement Focus and Basis of Accounting. Basis of accounting refers to when revenues, expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources, are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The University's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The University follows GASB standards of accounting and financial reporting.

The University's discretely presented component units use the economic resources measurement focus and the accrual basis of accounting, and follow GASB standards of accounting and financial reporting.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been eliminated from revenues and expenses for reporting purposes.

The University's principal operating activities consist of instruction, research, and public service. Operating revenues and expenses generally include all fiscal transactions directly related to these activities as well as administration, operation and maintenance of capital assets, and depreciation of capital assets. Nonoperating revenues include State noncapital appropriations, Federal and State student financial aid, and investment income (net of unrealized gains or losses on investments). Interest on capital asset-related debt is a nonoperating expense. Other revenues generally include revenues for capital construction projects.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the University's policy to first apply the restricted resources to such programs, followed by the use of the unrestricted resources.

The statement of revenues, expenses, and changes in net position is presented by major sources and is reported net of tuition scholarship allowances. Tuition scholarship allowances are the difference between

the stated charge for goods and services provided by the University and the amount that is actually paid by the student or the third party making payment on behalf of the student. The University applied "The Alternate Method" as prescribed in NACUBO Advisory Report 2000-05 to determine the reported net tuition scholarship allowances. Under this method, the University computes these amounts by allocating the cash payments to students, excluding payments for services, on a ratio of total aid to the aid not considered third-party aid.

The statement of cash flows is presented using the direct method in compliance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Cash and Cash Equivalents. Cash and cash equivalents consist of cash on hand and cash in demand accounts, money market funds, and investments with original maturities of three months or less. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes. The University also holds \$17,013,865 in money market funds and short-term investments. The money market funds and investments are permissible under the current investment policy; the primary portion of these investments are held in Rule 2a-7 mutual funds and securities rated AAA (or its equivalent) by a nationally recognized statistical rating organization. The Corporation, a blended component unit, holds \$3,328,814 in money market funds. The money market funds are uninsured, but collateralized by securities held by the financial institutions, not in the name of the Corporation. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted.

Cash and Cash Equivalents – Discretely Presented Component Units. Cash and cash equivalents for the University's discretely presented component units are reported as follows:

<u>Component Unit</u>	<u>Cash in Bank</u>	<u>Money Market Funds</u>	<u>Total</u>
University of Central Florida Foundation, Inc.	\$ 8,935,961	\$ 7,781,497	\$ 16,717,458
University of Central Florida Research Foundation, Inc.	424,132	-	424,132
UCF Athletics Association, Inc.	3,769,974	-	3,769,974
UCF Convocation Corporation	404,288	17,752,866	18,157,154
UCF Stadium Corporation	-	116,473	116,473
UCF Academic Health, Inc.	298,764	-	298,764
Central Florida Clinical Practice Organization, Inc.	2,304,041	-	2,304,041
Total Component Units	<u>\$ 16,137,160</u>	<u>\$ 25,650,836</u>	<u>\$ 41,787,996</u>

The University holds certain cash balances for various discretely presented component units. Cash amounts held for University of Central Florida Research Foundation, Inc., UCF Convocation Corporation, and UCF Stadium Corporation were \$17,794,537, \$3,525,391, and \$3,571,957, respectively.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the component unit will not be able to recover deposits.

- **University of Central Florida Foundation, Inc.** – Cash deposits consist of non-interest-bearing demand deposits, money market, and cash deposits. At June 30, 2020, approximately \$8,559,721 in cash deposits were not insured by Federal deposit insurance and were not collateralized.
- **UCF Athletics Association, Inc.** – The Association does not have a deposit policy for custodial credit risk, although all demand deposits with banks are insured up to the FDIC limits. As of June 30, 2020, no part of the Association’s bank balance was exposed to custodial credit risk as uninsured and uncollateralized.
- **UCF Convocation Corporation** – At June 30, 2020, the Convocation Corporation held \$17,752,866 in a government money market fund. Money market funds are uninsured and collateralized by securities held by the institution, not in the Corporation’s name.
- **UCF Stadium Corporation** – At June 30, 2020, the Stadium Corporation held \$116,473 in a government money market fund. Money market funds are uninsured and collateralized by securities held by the institution, not in the Corporation’s name.
- **Central Florida Clinical Practice Organization, Inc.** – At June 30, 2020, The Central Florida Clinical Practice Organization, Inc. had deposits in banking institutions. A portion of the deposits, totaling \$2,126,940, were in excess of the Federal deposit insurance limit as of June 30, 2020.

Capital Assets. University capital assets consist of land, construction in progress, buildings, infrastructure and other improvements, furniture and equipment, library resources, leasehold improvements, works of art and historical treasures, computer software, and other capital assets. These assets are capitalized and recorded at cost at the date of acquisition or at acquisition value at the date received in the case of gifts and purchases of State surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The University has a capitalization threshold of \$4 million for intangible assets, which includes computer software, \$5,000 for tangible personal property, and \$250 for library resources. New buildings and improvements have a \$100,000 capitalization threshold. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings – 20 to 50 years
- Infrastructure and Other Improvements – 12 to 50 years
- Furniture and Equipment – 5 to 10 years
- Library Resources – 10 years
- Leasehold Improvements – the lessor of the remaining lease term, or the estimated useful life of the improvement
- Works of Art and Historical Treasures – 5 to 15 years
- Computer Software – 5 to 10 years

Noncurrent Liabilities. Noncurrent liabilities include capital improvement debt payable, loans and notes payable, compensated absences payable, other postemployment benefits payable, net pension liabilities, and other noncurrent liabilities that are not scheduled to be paid within the next fiscal year. Capital improvement debt is reported net of unamortized premium or discount. The University amortizes debt premiums and discounts over the life of the debt using the straight-line method.

Pensions. For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net positions have been determined on the same basis as they are reported by the FRS and the HIS plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

2. Adjustments(s) to Beginning Net Position

The beginning net position of the discretely presented UCF Academic Health, Inc. was increased by \$15,137,000 due to the inclusion of an equity investment which was not previously reported. UCFAH entered into an agreement with HCA to form CFHS for the purpose of constructing and operating a new hospital and medical center facility. The approximate ownership interests of CFHS are 80% by HCA and 20% by UCFAH. Equity will be rebalanced when the hospital begins operations to bring UCFAH's ownership to exactly 20%. The fair value of total contributions by UCFAH was \$52,740,112 of assets for the approximate 20% ownership. This included a 25.2- acre land lease, trade name, 11-acre land lease option, lien release, and transportation impact fee. The hospital is currently under construction but has not yet begun operations. At June 30, 2020 the value of the investment is \$15,137,000 as this was the carrying value of the contributed assets at the time of contribution, which is in accordance with GASB standards.

3. Deficit Net Position in Individual Funds

The University reported an unrestricted net position at June 30, 2020, which included a deficit in the current funds – unrestricted as shown below:

<u>Fund</u>	<u>Net Position</u>
Current Funds - Unrestricted	\$ (211,044,491)
Auxiliary Funds	<u>81,336,651</u>
Total	<u>\$ (129,707,841)</u>

As shown in the following schedule, this deficit can be attributed primarily to the full recognition of certain long-term liabilities (i.e. compensated absences payable, OPEB payable, and net pension liabilities) in the current unrestricted funds that are expected to be paid over time:

	<u>Amount</u>
Total Unrestricted Net Position Before Recognition of Certain Long-Term Liabilities, Deferred Outflows and Deferred Inflows of Resources	<u>\$ 480,031,311</u>
Amount Expected to be Paid in Future Years:	
Compensated Absences Payable	61,693,602
Other Post Employment Benefits Payable and Related Deferred Outflows and Deferred Inflows of Resources	368,187,108
Net Pension Liability and Related Deferred Outflows and Deferred Inflows of Resources	<u>179,858,442</u>
Total Amount Expected to be Paid in Future Years	<u>609,739,152</u>
Total Unrestricted Net Position	<u>\$ (129,707,841)</u>

4. Investments

Section 1011.42(5), Florida Statutes, authorizes universities to invest funds with the State Treasury and State Board of Administration (SBA) and requires that universities comply with the statutory requirements governing investment of public funds by local governments. Accordingly, universities are subject to the requirements of Chapter 218, Part IV, Florida Statutes. The Board of Trustees has adopted a written investment policy providing that surplus funds of the University shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Pursuant to Section 218.415(16), Florida Statutes, the University is authorized to invest in the Florida PRIME investment pool administered by the SBA; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits and savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open end or closed end management type investment companies; and other investments approved by the Board of Trustees as authorized by law.

Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

All of the University's recurring fair value measurements as of June 30, 2020, are valued using quoted market prices (Level 1 inputs), with the exception of corporate, municipal and other bonds, certain federal agency obligations and certificates of deposits which are valued using matrix pricing models which may consider quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices that are observable (Level 2 inputs) and investments with the State Treasury which are valued based on the University's share of the pool (Level 3 inputs).

The University's investments at June 30, 2020, are reported as follows:

Investments by fair value level	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
External Investment Pool:				
State Treasury Special Purpose Investment Account	\$ 225,515,595	\$ -	\$ -	\$ 225,515,595
SBA Debt Service Accounts	6,426	6,426	-	-
Certificates of Deposit	250,527	-	250,527	-
United States Government and Federally-Guaranteed Obligations	48,921,119	48,921,119	-	-
Federal Agency Obligations	33,579,576	202,956	33,376,620	-
Bonds and Notes	105,999,528	-	105,999,528	-
Mutual Funds				
Equities	93,819,702	93,819,702	-	-
Bonds	20,540,715	20,540,715	-	-
Total investments by fair value level	\$ 528,633,188	\$ 163,490,918	\$ 139,626,675	\$ 225,515,595

Investments held by the University's component units at June 30, 2020, are reported as follows:

Investments by fair value level	University of Central Florida Foundation Inc.	University of Central Florida Research Foundation Inc.	University of Central Florida Academic Health, Inc.	Total	Fair Value Measurements Using		
					Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity - Domestic	\$ 4,054,381	\$ 306,508	\$ -	\$ 4,360,889	\$ 4,267,316	\$ 62,797	\$ 30,776
Equity - International	29,925,457	-	-	29,925,457	29,925,457	-	-
Domestic - Fixed Income	48,333,690	-	-	48,333,690	48,333,690	-	-
Global All Assets	10,598,666	-	-	10,598,666	10,598,666	-	-
Real Assets	5,000,000	-	-	5,000,000	-	-	5,000,000
Total investments by fair value level	97,912,194	306,508	-	98,218,702	\$ 93,125,129	\$ 62,797	\$ 5,030,776
Investments measured at the net asset value (NAV)							
Equity - Domestic	13,859,603	-	-	13,859,603			
Equity - International	43,934,533	-	-	43,934,533			
Domestic - Fixed Income	3,100,083	-	-	3,100,083			
International Fixed Income	16,979,591	-	-	16,979,591			
Global All Assets	4,617,615	-	-	4,617,615			
Private Equity Funds	9,866,378	-	-	9,866,378			
Private Debt Funds	7,129,644	-	-	7,129,644			
Hedge Funds:							
Credit	7,835,923	-	-	7,835,923			
Event Driven	7,297,978	-	-	7,297,978			
Global Macro	4,923,700	-	-	4,923,700			
Long Short	118,654	-	-	118,654			
Long Short Credit	-	-	-	-			
Equity Linked	2,353,655	-	-	2,353,655			
Real Assets	1,120,966	-	-	1,120,966			
Total investments measured at the NAV	123,138,323	-	-	123,138,323			
Investments measured using the equity method	-	-	15,137,000	15,137,000			
Total investments	\$ 221,050,517	\$ 306,508	\$ 15,137,000	\$ 236,494,025			

All of the University's component units' recurring fair value measurements as of June 30, 2020, are valued using quoted market prices (Level 1 inputs), with the exception of equity investments valued quarterly by respective fund managers (Level 2 inputs) and real assets valued based on an appraisal utilizing recent sale and property comparisons of like assets (Level 3 inputs).

For the University's component units, the valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table:

Investments measured at the net asset value (NAV)	University of Central Florida Foundation Inc.	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Equity - Domestic	\$ 13,859,603	\$ -	Immediate	
Equity - International	43,934,533	-	Immediate	
Domestic - Fixed Income	3,100,083	-	Immediate	
International Fixed Income	16,979,591	-	Monthly	30 Days
Global All Assets	4,617,615	-	Immediate	
Private Equity Funds	9,866,378	9,564,116		
Private Debt Funds	7,129,644	3,820,017		
Hedge Funds:				
Credit	7,835,925	-	Monthly/Quarterly	30-90 Days
Event Driven	7,297,976	632,261	Monthly/Quarterly	60-90 Days
Global Macro	4,923,700	-	Monthly/Quarterly	30-62 Days
Long Short	118,654	-	Monthly	30 Days
Long Short Credit	-	-		
Equity Linked	2,353,655	-	Quarterly	60 Days
Real Assets	1,120,966	3,917,988		
Total investments measured at the NAV	\$ 123,138,323	\$ 17,934,382		

Net Asset Value.

GASB Statement No. 72, *Fair Value Measurement and Application*, permits the fair value of certain equity and debt investments that do not have readily determinable fair values to be based on their net asset value (NAV) per share. The investments held at net asset value reflect:

Domestic Equity and International Equity: These funds are operated by money managers and can be actively managed or passively managed to an index. These funds are privately placed, and the fair value cannot be observed through observable inputs through an exchange for the overall fund. The fair values of both funds are provided by the money managers which use a quoted price in active markets for the underlying assets.

Domestic Fixed Income: The fund is operated by a money manager and is passively managed to an index. The fund is privately placed, and its fair value cannot be observed through observable inputs through an exchange for the overall fund. The fair value of the fund is provided by the money manager which uses a quoted price in the active markets for the underlying assets.

International Fixed Income: Two of the funds invest in fixed income bonds ranging in credit ratings focused on domestic and international investments. One fund utilizes a focus on credit driven strategies for the underlying investments and can contain both domestic and international investments in the portfolio. These funds are privately placed, and the fair value cannot be observed through observable inputs through an exchange for the overall fund. The fair values of the three funds are provided by the money managers which use a quoted price in active markets for the underlying assets.

Global All Assets: The fund invests in a global strategy including domestic, international, and global companies and is privately placed, and the fair value cannot be observed through observable inputs through an exchange for the overall fund. The fair value of this fund is provided by the money manager which uses a quoted price in active markets for the underlying assets.

Private Equity and Private Debt Funds: Private equity and private debt includes distinct limited partnerships or limited liability companies. The investments can never be redeemed with these funds. Instead, the nature of the investments in this type is that distributions are received through the liquidation

of the underlying assets or notes of the fund. Private equity and private debt are not traded on a public, primary exchange. Private equity can include equity rights to private companies, capital lent to companies, or other privately held securities. Private equity commitments are not drawn immediately, therefore the capital deployed at any one time is likely less than the total contractual commitment. Private debt funds aim to take advantage of structural imbalances between demand and supply of credit for consumers, small and medium enterprises, and trade finance consisting of private notes and bonds with equity components. In this portfolio, private equity capital and private debt are invested with general partners of a legally formed limited partnership, whereby several investors pool their capital as limited partners. The fair values of the investments in this type have been determined using recent observable transaction information for similar investments and nonbinding bids received from potential buyers of the investments.

Credit and Long/Short Credit Hedge Funds: The credit linked class of hedge funds seeks to profit from the mispricing of related debt securities. Returns are not generally dependent on the general direction of market movements. This strategy utilizes quantitative and qualitative analysis to identify securities or spreads between securities that deviate from their fair value and/or historical norms. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

Event Driven Hedge Funds: The event driven hedge funds class includes investments in hedge funds that invest across the capital structure in equity and debt securities. Managers invest in situations with the expectation that a near term event will act as a catalyst changing the market's perception of a company, thereby increasing or decreasing the value of its equity or debt. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

Global Macro Hedge Funds: The global macro hedge fund class includes hedge funds that trade highly liquid instruments, long and short, including currencies, commodities, fixed income instruments and equity indices. Two types of strategies are employed in this portfolio: discretionary strategies that employ broad analysis of economic, financial and political data to identify themes, and systematic strategies that use algorithmic models to analyze historical data, both technical and fundamental. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

Long/Short Hedge Funds: The equity long/short hedge fund class includes investments in hedge funds that invest both long and short stocks and equity indices. Management of the hedge funds has the ability to shift investments across a variety of stocks, equity indices, and to a lesser extent, other securities from a net long position to a net short position. In this portfolio, the managers are focused primarily on the United States, Europe and Asia. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

Equity Linked Hedge Funds: The equity linked class of hedge funds includes investments in debt instruments and options on equities. The equities options provide investors with principal protection while providing exposure to equities. Returns are dependent on performance of the equities options. The fair values of the investments in this class have been estimated using the net asset value per share of the investments.

Real Assets: Real assets include two investment vehicles consisting of a distinct limited liability company. The investments can never be redeemed with these funds. Instead, the nature of the investments in this

type is that distributions are received through the liquidation of the underlying assets or notes of the fund. Real assets consist of capital not traded on a public, primary exchange. For purposes of this portfolio, real assets include private holdings in domestic and international real estate. Real asset commitments are not drawn immediately, therefore the capital deployed at any one time is likely less than the total contractual commitment. In this portfolio, real assets capital is invested with general partners of a legally formed limited partnership, whereby several investors pool their capital as limited partners. The fair values of the investments in this type have been determined using recent observable transaction information for similar investments and nonbinding bids received from potential buyers of the investments.

External Investment Pools.

The University reported investments at fair value totaling \$225,515,595 at June 30, 2020, in the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities. Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The State Treasury SPIA investment pool carried a credit rating of AA-f by Standard & Poor's, had an effective duration of 0.43 years, and fair value factor of 1.0291 at June 30, 2020. Participants contribute to the State Treasury SPIA investment pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participant's total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. The University relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to financial statements of the State's Comprehensive Annual Financial Report.

State Board of Administration Debt Service Accounts.

The University reported investments totaling \$6,426 at June 30, 2020, in the SBA Debt Service Accounts. These investments are used to make debt service payments on bonds issued by the State Board of Education for the benefit of the University. The University's investments consist of United States Treasury securities, with maturity dates of 6 months or less, and are reported at fair value. The University relies on policies developed by the SBA for managing interest rate risk and credit risk for these accounts. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State's Comprehensive Annual Financial Report.

Other Investments.

The University and its discretely presented component units invested in various debt and equity securities, mutual funds, and certificates of deposit. The following risks apply to the University's and its discretely presented component units' investments other than external investment pools:

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Pursuant to Section 218.415(16), Florida Statutes, the University's investments

in securities must provide sufficient liquidity to pay obligations as they come due. Investments of the University and its component units in debt securities, bond mutual funds, and debt related hedge funds, and their future maturities at June 30, 2020, are as follows:

University Debt Investments Maturities

Investment Type	Fair Value	Investments Maturities (In Years)		
		Less Than 1	1 - 5	More Than 5
U.S. Government and Federally-Guaranteed Obligations	\$ 48,921,119	\$ 6,193,647	\$ 35,019,557	\$ 7,707,915
Federal Agency Obligations	33,579,576	1,808,450	13,025,027	18,746,099
Bonds and Notes	105,999,528	10,080,812	71,963,898	23,954,818
Mutual Funds - Bonds	20,540,715	828,852	10,516,974	9,194,889
Total	\$ 209,040,938	\$ 18,911,761	\$ 130,525,456	\$ 59,603,721

Component Units' Debt Investments Maturities

Investment Type	Fair Value	Investments Maturities (In Years)			Investment Not Directly Subject To Interest Rate Risk (1)
		Less Than 1	1 - 5	More Than 5	
Domestic Fixed Income	\$ 51,433,773	\$ -	\$ 34,450,417	\$ 13,883,273	\$ 3,100,083
International Fixed Income	16,979,591	-	-	-	16,979,591
Global All Assets	15,216,280	-	4,895,734	5,702,931	4,617,615
Private Debt	7,129,644	-	-	-	7,129,644
Hedge Funds	7,835,923	-	-	-	7,835,923
Total	\$ 98,595,211	\$ -	\$ 39,346,151	\$ 19,586,204	\$ 39,662,856

- (1) Certain UCF Foundation alternative investments are held in funds and are not directly subject to credit risk. Alternative investments consist of funds that may include underlying securities including equities, fixed income, real estate, and other types of investments. The investments listed above with quality ratings reflect the credit risk related to debt-type securities that are directly held by the Foundation.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Obligations of the United States government or obligations explicitly guaranteed by the United States government are not considered to have credit risk and do not require disclosure of credit quality. The University's investment policy limits fixed income exposure to investment grade assets and provides credit quality guidelines applicable to the investment objective. The University's component units' investment policies provide information on asset classes, target allocations, and ranges of acceptable investment categories. The following schedule represents the ratings at June 30, 2020, of the University's and its component units' debt instruments using Moody's and Standard and Poor's nationally recognized rating agencies:

University Debt Investments Quality Ratings

Investment Type	Fair Value	AAA	AA	A	Less Than A
Federal Agency Obligations	\$ 33,579,576	\$ 28,157,648	\$ 5,421,928	\$ -	\$ -
Bonds and Notes	105,999,528	36,801,434	21,377,018	44,689,534	3,131,542
Mutual Funds - Bonds	20,540,715	-	4,084,001	793,177	15,663,537
Total	\$ 160,119,819	\$ 64,959,082	\$ 30,882,947	\$ 45,482,711	\$ 18,795,079

Component Units' Debt Investments Quality Ratings

Investment Type	Fair Value	AAA	AA	A	Less Than A	Investments Not Directly Subject To Credit Risk (1)
Domestic Fixed Income	\$ 51,433,773	\$ 2,871,720	\$ 29,860,149	\$ 15,601,821	\$ -	\$ 3,100,083
International Fixed Income	16,979,591	-	-	-	-	16,979,591
Global All Assets	15,216,280	-	5,702,931	-	4,895,734	4,617,615
Private Debt	7,129,644	-	-	-	-	7,129,644
Hedge Funds	7,835,923	-	-	-	-	7,835,923
Total	\$ 98,595,211	\$ 2,871,720	\$ 35,563,080	\$ 15,601,821	\$ 4,895,734	\$ 39,662,856

- (1) Certain UCF Foundation alternative investments are held in funds and are not directly subject to credit risk. Alternative investments consist of funds that may include underlying securities including equities, fixed income, real estate, and other types of investments. The investments listed above with quality ratings reflect the credit risk related to debt-type securities that are directly held by the Foundation.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the University's or its component units' investments in a single issuer. The University's and its component units' investment policies require diversification sufficient to reduce the potential of a single security, single sector of securities, or single style of management having a disproportionate or significant impact on the portfolio. The University's investment policy states that not more than five percent of the investment portfolio's assets shall be invested in securities on any one issuing company, and no single corporate bond issuer shall exceed five percent of the portfolio. Guidelines for individual sectors of the portfolio further indicate percentage limitations.

5. Receivables

Accounts Receivable. Accounts receivable represent amounts for student tuition and fees, contract and grant reimbursements due from third parties, various sales and services provided to students and third parties, and interest accrued on investments and loans receivable. As of June 30, 2020, the University reported the following amounts as accounts receivable:

<u>Description</u>	<u>Amount</u>
Student Tuition and Fees	\$ 37,421,677
Contracts and Grants	26,511,182
Other	8,881,461
Total Accounts Receivable	\$ 72,814,320

Loans and Notes Receivable. Loans and notes receivable represent all amounts owed on promissory notes from debtors, including student loans made under the Federal Perkins Loan Program and other loan programs.

Allowance for Doubtful Receivables. Allowances for doubtful accounts, and loans and notes receivable, are reported based on management's best estimate as of fiscal year-end considering type, age, collection history, and other factors considered appropriate. Accounts receivable and loans and notes receivable are reported net of allowances of \$2,877,899 and \$991,133, respectively, at June 30, 2020.

6. Due From State

The amount due from State primarily consists of \$24,626,543 of Public Education Capital Outlay, Capital Improvement Fee Trust Fund, or other allocations due from the State to the University for construction or purchase of University facilities.

7. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2020, is shown in the following table:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets:				
Land	\$ 43,016,240	\$ -	\$ -	\$ 43,016,240
Works of Art and Historical Treasures	218,000	-	-	218,000
Construction in Progress	113,517,972	60,301,782	139,304,174	34,515,580
Total Nondepreciable Capital Assets	\$ 156,752,212	\$ 60,301,782	\$ 139,304,174	\$ 77,749,820
Depreciable Capital Assets:				
Buildings	\$ 1,540,042,497	\$ 132,456,108	\$ -	\$ 1,672,498,605
Infrastructure and Other Improvements	70,894,787	11,167,660	-	82,062,447
Furniture and Equipment	239,974,070	15,690,825	6,838,486	248,826,409
Library Resources	146,093,373	6,347,143	-	152,440,516
Leasehold Improvements	17,436,155	5,677,678	-	23,113,833
Works of Art and Historical Treasures	1,677,354	-	-	1,677,354
Computer Software and Other Capital Assets	7,850,435	-	-	7,850,435
Total Depreciable Capital Assets	2,023,968,671	171,339,414	6,838,486	2,188,469,599
Less, Accumulated Depreciation:				
Buildings	523,633,312	48,313,573	-	571,946,885
Infrastructure and Other Improvements	34,843,222	3,020,294	-	37,863,516
Furniture and Equipment	197,970,880	17,380,293	6,498,597	208,852,576
Library Resources	118,641,687	5,030,917	-	123,672,604
Leasehold Improvements	10,348,421	1,592,206	-	11,940,627
Works of Art and Historical Treasures	1,317,205	66,126	-	1,383,331
Computer Software and Other Capital Assets	7,850,435	-	-	7,850,435
Total Accumulated Depreciation	894,605,162	75,403,409	6,498,597	963,509,974
Total Depreciable Capital Assets, Net	\$ 1,129,363,509	\$ 95,936,005	\$ 339,889	\$ 1,224,959,625

8. Unearned Revenue

Unearned revenue at June 30, 2020, includes grant and contract prepayments, auxiliary prepayments, and student tuition and fees received prior to fiscal year-end related to subsequent accounting periods. As of June 30, 2020, the University reported the following amounts as unearned revenue:

<u>Description</u>	<u>Amount</u>
Auxiliary Prepayments	\$ 21,997,419
Grant and Contracts	8,411,665
Student Tuition and Fees	1,012,620
Total Unearned Revenue	\$ 31,421,704

9. Deferred Outflow / Inflow of Resources

The deferred outflows and inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Total deferred outflows of resources related to pensions were \$123,390,111 and deferred inflows of resources related to pensions were \$17,608,935 for the year ended June 30, 2020. Note 11 includes a complete discussion of defined benefit pension plans.

The deferred outflows and inflows related to Other Postemployment Benefits (OPEB) are an aggregate of items related to OPEB as calculated in accordance with GASB Statement No. 75, *Accounting and*

Financial Reporting for Postemployment Benefits Other Than Pensions, for certain postemployment healthcare benefits administered by the State Group Health Insurance Program. Total deferred outflows of resources related to OPEB were \$99,782,263 and deferred inflows of resources related to OPEB were \$67,971,397 for the year ended June 30, 2020. Note 10 includes a complete discussion of Other Postemployment Benefits.

The total deferred outflows of resources related to the deferred loss on debt refunding's were \$11,575,149 for the year ended June 30, 2020. The deferred loss was created as a result of the UCF Finance Corp debt refinancing and will be amortized as a component of interest expense over the remaining life of the UCF Finance Corporation's series 2017 refunding term loan. Note 10 includes a complete discussion of the UCF Finance Corporation's debt refinancing.

10. Long-Term Liabilities

Long-term liabilities of the University at June 30, 2020, include capital improvement debt payable, loans and notes payable, compensated absences payable, other postemployment benefits payable, net pension liability, and other noncurrent liabilities. Long-term liabilities activity for the fiscal year ended June 30, 2020, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Capital Improvement Debt Payable	\$ 108,452,833	\$ 7,339,312	\$ 19,666,307	\$ 96,125,838	\$ 7,460,000
Loans and Notes Payable	60,861,000	7,000,000	5,513,602	62,347,398	2,621,000
Compensated Absences Payable	59,255,093	6,741,634	4,303,125	61,693,602	4,779,149
Other Postemployment Benefits Payable	293,333,000	182,219,858	75,554,884	399,997,974	5,172,704
Net Pension Liability	249,299,589	189,390,377	153,050,348	285,639,618	1,152,956
Other Noncurrent Liabilities	8,821,367	-	3,743,844	5,077,523	
Total Long-Term Liabilities	\$ 780,022,882	\$ 392,691,181	\$ 261,832,110	\$ 910,881,953	\$ 21,185,809

Capital Improvement Debt Payable. The University had the following capital improvement debt payable outstanding at June 30, 2020:

Capital Improvement Debt Type and Series	Amount of Original Debt	Amount Outstanding (1)	Interest Rates (Percent)	Maturity Date To
Student Housing Debt:				
2012A - Housing	\$ 66,640,000	\$ 55,990,260	3 to 5	2042
2018A - Housing	23,255,000	22,518,610	5	2030
Total Student Housing Debt	89,895,000	78,508,870		
Parking Garage Debt:				
2011A - Parking Garage	\$ 11,005,000	\$ 1,176,272	3 to 5	2022
2012A - Parking Garage	7,860,000	5,800,215	3 to 5	2032
2018A - Parking Garage	4,790,000	3,628,100	5	2024
2019A - Parking Garage	6,120,000	7,012,381	5	2029
Total Parking Garage Debt	29,775,000	17,616,968		
Total Capital Improvement Debt	\$ 119,670,000	\$ 96,125,838		

(1) Amount outstanding includes unamortized discounts and premiums.

The University has pledged a portion of future housing rental revenues, parking revenues, and health service facility fees based on credit hours to repay \$119,670,000 in capital improvement revenue bonds issued by the Florida Board of Governors on behalf of the University. Proceeds from the bonds provided financing to construct student housing, student health facilities, and student parking garages. The bonds are payable solely from housing rental revenues, parking and transportation fees, and student health fees and are payable through 2042. The University has committed to appropriate each year amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$121,217,713, and principal and interest paid for the current year totaled \$23,307,293. During the 2019-20 fiscal year, operating revenues generated from housing rentals, parking revenues, and student health fees totaled \$25,528,780, \$19,504,826, and \$18,312,165, respectively. During the 2019-20 fiscal year the University paid the remaining principal balance for the Student Health Center Series 2004A debt and Series 2010B Parking Facility Revenue Refunding Capital Improvement debt, which legally defeased both issuances.

On February 06, 2020, the Florida Board of Governors issued \$6,120,000 of University of Central Florida Parking Facility Revenue Refunding Capital Improvement Bonds, Series 2019A, with a net premium of \$1,219,312, and an interest rate of 5 percent. The University's portion of the refunding bonds, \$7,339,312, in addition to the release of the Parking Facility, Series 2010B, debt service reserve funds of \$1,288,672, plus \$488,740 of sinking funds held by the State Board of Administration on behalf of the University Parking Facility, were used to defease \$8,980,000 of the outstanding Capital Improvement Parking Facility Revenue Bonds, Series 2010B. Securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the defeased bonds. As a result of the refunding,

the University reduced its capital improvement debt service requirement by \$2,563,127 over the next 9 years and obtained an economic gain of \$1,089,273.

In the event of default, interest rates are subject to change and other fees and penalties may be assessed. Upon any such default, the non-defaulting party shall have the right to pursue any and all available legal remedies in order to protect and enforce its rights. In any event of default, the bonds are not subject to any acceleration clauses.

Annual requirements to amortize all capital improvement debt outstanding as of June 30, 2020, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2021	\$ 7,460,000	\$ 3,752,025	\$ 11,212,025
2022	6,600,000	3,408,250	10,008,250
2023	6,380,000	3,083,250	9,463,250
2024	6,700,000	2,762,600	9,462,600
2025	6,065,000	2,832,600	8,897,600
2026-2030	29,825,000	8,216,481	38,041,481
2031-2035	11,565,000	4,361,644	15,926,643
2036-2040	10,765,000	2,241,769	13,006,769
2041-2042	4,985,000	214,094	5,199,094
Subtotal	90,345,000	30,872,713	121,217,713
Net Discounts and Premiums	5,780,838	-	5,780,838
Total	\$ 96,125,838	\$ 30,872,713	\$ 126,998,551

Loans and Notes Payable. During the 2017-18 fiscal year, one of the University's blended component units, the UCF Finance Corporation (Corporation), issued a \$63,359,000 Refunding Term Loan, Series 2017, with a bank. The proceeds from the term loan were used to extinguish the Corporation's Series 2007 bonds and terminate an interest rate swap liability. The loan will mature on July 1, 2037, and bear interest at a fixed rate of 2.4 percent per annum with a 15-year interest put option. The loan is secured by the University's indirect cost revenues received by the University from Federal, State, and private grants.

The University agreed to use a ground sublease to lease to its blended component unit, the Corporation, a parcel of property located in Orange County, Florida, where approximately 198,000 square feet of classroom, laboratory, and administrative office space, together with related infrastructure was constructed. The facilities are used solely for education and research purposes and are operated and managed by the University. The University and the Corporation entered into an agreement whereby the Corporation leases the facilities to the University for the occupancy of the facilities. The University has agreed to pay a base rent equal to all amounts due and payable under the term loan.

In the event of default, interest rates are subject to change and other fees and penalties may be assessed. Upon any such default, the non-defaulting party shall have the right to pursue any and all available legal remedies in order to protect and enforce its rights. In any event of default, the loan is not subject to any acceleration clauses.

Annual requirements to amortize the outstanding term loan as of June 30, 2020, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2021	\$ 2,621,000	\$ 1,367,796	\$ 3,988,796
2022	2,684,000	1,304,136	3,988,136
2023	2,750,000	1,238,928	3,988,928
2024	2,816,000	1,172,136	3,988,136
2025	2,885,000	1,103,724	3,988,724
2026-2030	15,511,000	4,432,740	19,943,740
2031-2035	17,489,000	2,454,972	19,943,972
2036-2038	11,546,000	420,072	11,966,072
Total	\$ 58,302,000	\$ 13,494,504	\$ 71,796,504

On March 8, 2018, the Corporation entered into a note with a bank for up to \$20,000,000 to secure the construction commitments for a new University Downtown campus education facility. The note bears a variable rate of interest equal to a per annum rate of 81 percent multiplied by the sum of the LIBOR plus 0.50 percent and is subject to adjustment to reflect changes in the LIBOR Rate. The rate on June 30, 2020, was 0.70 percent. The balance of the note was \$4,045,399 and \$0 as of June 30, 2020 and 2019, respectively. Payments are made on an annual basis on March 8th of each year beginning March 8, 2020, with a final maturity date of March 8, 2023. The note is secured by an assignment of philanthropic pledges received by the UCF Foundation and the outstanding balance on the note cannot exceed the total pledges receivable. At June 30, 2020, the Foundation carried a pledge receivable balance of \$7,914,431.

In the event of default, no further draws would be permissible, and the Noteholder shall be entitled to sue for any amounts adjudged or decreed to be payable, and the interest rate shall increase to the lesser of the sum of the Prime Rate plus 4 percent, or the maximum lawful rate. The note is not subject to any acceleration clauses.

Compensated Absences Payable. Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave earned pursuant to Board of Governors regulations, University regulations, and bargaining agreements. Leave earned is accrued to the credit of the employee and records are kept on each employee's unpaid (unused) leave balance. The University reports a liability for the accrued leave; however, State noncapital appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the University expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2020, the estimated liability for compensated absences, which includes the University's share of the Florida Retirement System and FICA contributions, totaled \$61,693,602. The current portion of the compensated absences liability, \$4,779,149 is the amount expected to be paid in the coming fiscal year and is based on actual payouts over the last 3 years calculated as a percentage of those years' total compensated absences liability.

Other Postemployment Benefits Payable. The University follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits administered by the State Group Health Insurance Program.

General Information about the OPEB Plan

Plan Description. The Division of State Group Insurance's Other Postemployment Benefits Plan (OPEB Plan) is a multiple-employer defined benefit plan administered by the State of Florida. Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the University are eligible to participate in the State Group Health Insurance Program. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. A retiree means any officer or employee who retires under a State retirement system or State optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any officer or employee who retires under the Florida Retirement System Investment Plan is considered a "retiree" if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. The University subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan contribution requirements and benefit terms necessary for funding the OPEB Plan each year is on a pay-as-you-go basis as established by the Governor's recommended budget and the General Appropriations Act. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible.

Benefits Provided. The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

Proportionate Share of the Total OPEB Liability

The University's proportionate share of the total OPEB liability of \$399,997,973 was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2018. At June 30, 2020, the University's proportionate share, determined by its proportion of total benefit payments made, was 3.16 percent which was a slight increase from its proportionate share measured as of June 30, 2019.

Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60 percent
Payroll Growth	3.25 percent
Discount rate	2.79 percent
Healthcare cost trend rates	
Preferred Provider Option (PPO) Plan	6.7 percent for 2020, decreasing to an ultimate rate of 5.2 percent for 2072 and later years
Health Maintenance Organization (HMO) Plan	5.2 percent for 2020, decreasing to an ultimate rate of 5.3 percent for 2072 and later years
Retirees' share of benefit-related costs	100 percent of projected health insurance premiums for retirees

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

While an experience study had not been completed for the OPEB Plan, the actuarial assumptions that determined the total OPEB liability for the OPEB Plan were based on certain results of the most recent experience study for the FRS Plan.

The following changes have been made since the prior valuation:

- Census data reflects changes in status for the twenty-four (24) month period since July 1, 2019.
- The discount rate as of the measurement date for GASB Statement No. 75 purposes is 2.79 percent. The prior GASB Statement No. 75 report used 3.87 percent. The current GASB Statement No. 75 discount rate is based on the 20-year municipal bond rate as of June 30, 2019.
- The Excise Tax that will come into effect in 2022 was reflected in the data. The full impact of this change was an increase in liabilities of about twelve percent.
- Updates to the trend rates, mortality rates, and claims costs and premium rates were also made resulting in a decrease in the liability as of June 30, 2019.

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the University's proportionate share of the total OPEB liability, as well as what the University's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.79 percent) or 1 percentage point higher (3.79 percent) than the current rate:

	1% Decrease (1.79%)	Current Discount Rate (2.79%)	1% Increase (3.79%)
University's proportionate share of the total OPEB liability	\$510,113,625	\$399,997,974	\$317,231,171

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the University's proportionate share of the total OPEB liability, as well as what the University's proportionate share of the total OPEB liability would

be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
University's proportionate share of the total OPEB liability	\$305,492,937	\$399,997,974	\$533,710,886

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the fiscal year ended June 30, 2020, the University recognized OPEB expense of \$28,667,192. At June 30, 2020, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 10,298,209
Change of assumptions	50,152,269	56,564,312
Change in proportionate share	44,332,616	1,108,876
Transactions subsequent to the measurement date	5,297,378	-
Total	\$ 99,782,263	\$ 67,971,397

Of the total amount reported as deferred outflows of resources related to OPEB, \$5,297,379 resulting from transactions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability and included in OPEB expense in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 1,426,376
2022	1,426,376
2023	1,426,376
2024	1,426,376
2025	1,426,376
Thereafter	19,381,608
Total	\$ 26,513,488

Net Pension Liability. As a participating employer in the Florida Retirement System (FRS), the University recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2020, the University's proportionate

share of the net pension liabilities totaled \$285,639,619. Note 11 includes a complete discussion of defined benefit pension plans.

Other Noncurrent Liabilities. Other noncurrent liabilities primarily consist of the liability for the Federal Capital Contribution (advance) provided to fund the University's Federal Perkins Loan Program. Under the Perkins Loan program, the University receives Federal capital contributions that must be returned to the Federal Government if the program has excess cash or the University ceases to participate in the program. Federal capital contributions held by the University totaled \$4,926,728 as of June 30, 2020.

Certificate of Participation Payable and Bonds Payable – Component Units.

UCF Convocation Corporation

During the 2013-14 and 2014-15 fiscal years, the UCF Convocation Corporation issued two refunding certificates of participation, Series 2014A for \$58,645,000 and Series 2014B for \$58,930,000 related to the construction of four residential housing towers, two adjacent parking facilities, and certain surrounding commercial retail space during the 2004-05 and 2005-06 fiscal years. The refunding certificates were scheduled to mature on October 1, 2034, and October 1, 2035, respectively, and bore interest at a fixed rate of 3.61 and 3.80 percent, respectively, per annum.

In July 2018, the UCF Convocation Corporation issued a \$104,636,000 Refunding Revenue Bond, Series 2018 directly to a bank. The bond will mature on October 1, 2035 and bears interest at a fixed rate of 3.52 percent per annum. Proceeds of \$104,636,000 from the Refunding Revenue Bonds, plus an additional \$1,087,841 from the UCF Convocation Corporation's debt service accounts, were used to purchase \$105,723,838 of U.S. Treasury State and Local Government Series Securities. The securities were used to prepay the outstanding Series 2014A certificates of participation for \$51,823,629 and the 2014B certificates of participation for \$53,659,213, and fund \$241,000 related to cost of issuance expenses. As a result of the refunding, the UCF Convocation Corporation reduced its debt service requirement by \$5,916,949 over the next 17 years and obtained an economic gain of \$4,655,497.

The extinguishment of the defeased certificates terminated the ground lease between the UCF Convocation Corporation and the University. All related building and building improvement assets on the leased land transferred to the University.

During the 2015-16 fiscal year, the UCF Convocation Corporation issued a \$48,385,000 Refunding Revenue Bond, Series 2015A and a \$34,775,000 Taxable Refunding Revenue Bond, Series 2015B, related to the acquisition, construction, and installation of a new convocation center, renovation of the existing University Arena, and construction of related infrastructure during the 2005-06 fiscal year. The bonds will mature on October 1, 2035 and October 1, 2026, respectfully, and bear interest at fixed rates ranging from 2 to 5 percent per annum.

The outstanding balance of UCF Convocation Corporation revenue bonds at June 30, 2020, was \$95,670,000 related to direct borrowings and was \$70,525,000 related to non-direct borrowings before an unamortized premium of \$862,900.

With the Refunding Revenue Bonds debt issuances, in the event either party fails to perform the covenants and obligations provided in the respective debt agreements, and such failure continues for a period of thirty days following written notice from the other party, such failure shall constitute a default

under the terms and provisions of the agreements. In the event of default, interest rates are subject to change and other fees and penalties may be assessed. Upon any such default, the non-defaulting party shall have the right to pursue any and all available legal remedies in order to protect and enforce its rights. In any event of default, the Refunding Revenue Bonds are not subject to any acceleration clauses.

The University entered into an operating agreement with the UCF Convocation Corporation whereby the UCF Convocation Corporation will be solely responsible for management and operations of the convocation center and related facilities. The University assigned its rights, title, and interest in revenues generated from use of the facilities to the UCF Convocation Corporation and granted it the right to pledge revenues to secure repayment of the refunding revenue bonds. The University retained the right for priority use of the facilities for a period of at least 100 days annually. In exchange, the University agreed to pay UCF Convocation Corporation \$2,200,000 per year for the term of the agreement. The term of the agreement ends in 2036 and cannot be terminated prior to the time that all related bonds have been paid in full. Amounts paid to UCF Convocation Corporation for the fiscal year ended June 30, 2020, totaled \$2,200,000.

The University entered into a support agreement with the UCF Convocation Corporation such that it will fund certain deficiencies that may arise in the event the corporation is unable to make the minimum payments on the certificates or bonds. The University is obligated only to the extent it has legally available revenues to cover the unpaid amounts. In the event of certain deficiencies for debt service coverage requirements or reserve account shortfalls, the University agrees to defer collecting certain expenditures to cover any such deficiencies. The University is obligated only to the extent that it has legally available revenues to cover the unpaid amounts.

In fiscal year 2020, the UCF Convocation Corporation met requirements necessary to release certain restricted funds held by the trustee. The Corporation's governing board made the decision to remit a portion of these funds back to the University. Transfers to the University totaled \$270,480 for fiscal year ended June 30, 2020.

UCF Stadium Corporation

During the 2015-16 fiscal year, the UCF Stadium Corporation issued Series 2015A tax-exempt refunding revenue bonds for \$33,995,000 with a net premium of \$2,332,576, Series 2015B taxable refunding revenue bonds for \$10,250,000, and a Series 2015C non-taxable refunding revenue bond for \$3,810,000, to a bank, related to the construction of a football stadium on the campus at the University. The bonds include both term and serial bonds and are secured by a pledge from the UCF Athletics Association, Inc. of gross ticket revenues, rent, away game guarantees, conference distributions, and sponsorship revenues. The bonds bear fixed interest rates that range from 2.49 percent to 5.15 percent, and maturity dates that range from March 2029 to March 2036.

The outstanding balance of all UCF Stadium Corporation revenue bonds at June 30, 2020, was \$40,014,000, before an unamortized premium of \$1,804,627.

The University entered into a support agreement with the UCF Stadium Corporation such that it will fund certain deficiencies that may arise in the event either corporation is unable to make the minimum payments on the bonds. In addition, if the Corporation has deficiencies for debt service coverage or

reserve account shortfalls, the University agrees to transfer funds to cover any such deficiencies. The University is obligated only to the extent it has legally available revenues to cover the unpaid amounts.

With each of the UCF Stadium Corporation's debt issuances, in the event either party fails to perform the covenants and obligations provided in the respective debt agreements, and such failure continues for a period of thirty days following written notice from the other party, such failure shall constitute a default under the terms and provisions of the agreements. In the event of default, interest rates are subject to change and other fees and penalties may be assessed. Upon any such default, the non-defaulting party shall have the right to pursue any and all available legal remedies in order to protect and enforce its rights. In any event of default, the UCF Stadium Corporation's debt is not subject to any acceleration clauses.

Loans and Notes Payable – Component Units.

UCF Foundation, Inc.

During the 2004-05 fiscal year, the University of Central Florida Foundation, Inc. entered into a note with a bank for the purchase of land and buildings. The note is secured by the buildings valued at \$6,072,206 and lease revenues. In May 2017, the note was refinanced to a 3.34 percent fixed rate. The principal balance at the time of the refinance was \$7,535,000 with the note still maturing on April 1, 2029. As of June 30, 2020, the remaining outstanding principal was \$5,920,000.

During the 2009-10 fiscal year, the University of Central Florida Foundation, Inc. entered into a note with a bank for \$19,925,000. The note is comprised of a tax-exempt portion with a fixed rate of 4.96 percent and a taxable portion with a fixed rate of 5.83 percent which matures on October 1, 2025. The note is secured by buildings valued at \$12,264,572 and lease revenue. As of June 30, 2020, the taxable note was fully repaid and the remaining outstanding principal for the tax-exempt note was \$9,775,000. The taxable series was paid in full during fiscal year 2018.

In August 2018, the University of Central Florida Foundation, Inc. entered into a \$50,000,000 30-year interest free and tax-exempt note with Orange County, Florida for the purchase of a building and related land. The note is secured by a mortgage on the land, a building valued at \$46,689,000, and the lease revenue generated has been pledged for debt repayment. The maturity date of the loan is the thirtieth anniversary of the first principal payment date. As of June 30, 2020, the remaining outstanding principal was \$50,000,000.

In December 2018, the University of Central Florida Foundation, Inc. entered into a 20-year tax-exempt note with a bank for \$6,000,000 for the purchase of a building and related land. The note matures on October 1, 2038 at a fixed rate of 3.93 percent. The purchased property, valued at \$5,919,395, represents security for the loan, and lease revenues generated from this building have been pledged for debt repayment. As of June 30, 2020, the remaining outstanding principal was \$5,792,000.

In the event of default of the notes, interest rates are subject to change and other fees and penalties may be assessed. Upon any such default, the non-defaulting party shall have the right to pursue any and all available legal remedies in order to protect and enforce its rights. The notes are subject to acceleration if the lender reasonably deems itself insecure for any reason.

UCF Athletics Association, Inc.

During the 2014-15 fiscal year, the UCF Athletics Association, Inc. modified a construction line of credit with a local bank to a line of credit promissory note. The note matures June 2033, and the repayment schedule assumes the agreement is renewed annually. If the agreement is not renewed, the entire balance will be due in full at that time. In July 2019, the UCF Athletics Association, Inc. renewed the agreement until July 2033, which carries interest at 67 percent of LIBOR plus 1.34 percent (1.45 percent at June 30, 2020). The note is secured by an amount not to exceed 5 percent of the prior year's collection of student athletic fees and conference payments from the American Athletics Conference. In the event of default, the Lender may declare the loan and all obligations to be fully due and payable in their aggregate amount, together with accrued interest and all prepayment premiums, fees, and charges. The note is subject to acceleration if the lender reasonably deems itself insecure for any reason. As of June 30, 2020, the amount outstanding on the note was \$5,375,000.

In June 2019, the UCF Athletics Association, Inc. renewed an operating line of credit agreement with a local bank for \$5,000,000. The line carries an interest rate of LIBOR plus 2 percent (2.17 percent at June 30, 2020). The line is secured by all contract royalties under multimedia rights agreements, as well as, all NCAA grant-in-aid and sports sponsorship distributions. As of June 30, 2020, there was \$0 outstanding, leaving \$5,000,00 available on the operating line of credit.

In October 2019, the Association entered into a direct borrowing loan from a financial institution in the amount of \$8,550,000 to complete the buildout of phase two of the Roth Athletics Center located on the UCF campus. Principal payments are required by September 1st each year to reduce the loan balance to an agreed-upon amount negotiated annually. Interest on the loan is payable semi-annually at a fixed interest rate of 2 percent. The loan matures September 1, 2024 and is secured by certain pledged revenues of the Association.

Due to University – Component Units.

Four of its component units reported moneys due to the University totaling \$6,979,880. The UCF Athletics Association, Inc. received several loans from the University between 2004 and 2007. In 2009, those loans were consolidated into one loan. In July 2015, the Board of Trustees approved an amendment to the previous payment schedule. A payment of \$750,000 was made during the 2019-20 fiscal year with future years' payments ranging from \$1,000,000 to \$1,386,794. The loan matures in fiscal year 2025 and bears interest at a variable rate equal to the preceding fiscal year's average SPIA rate of return (2.32 percent at June 30, 2020). In the event of a default, after 30 days the entire principal sum and accrued interest becomes due at the option of the University and the interest rate shall increase to the highest rate allowable under Florida law. As of June 30, 2020, the amount outstanding, including interest, totaled \$5,198,890.

11. Retirement Plans – Defined Benefit Pension Plans**General Information about the Florida Retirement System (FRS).**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution

plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class employed by the State and faculty and specified employees in the State university system. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the University are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The University's FRS and HIS pension expense totaled \$69,145,560 for the fiscal year ended June 30, 2020.

FRS Pension Plan.

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of creditable service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost of living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS-participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00
Special Risk Class	3.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019-20 fiscal year were:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	8.47
FRS, Senior Management Service	3.00	25.41
FRS, Special Risk	3.00	25.48
Deferred Retirement Option Program (applicable to members from all of the above classes)	0.00	14.60
FRS, Reemployed Retiree	(2)	(2)

(1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The University's contributions to the Plan totaled \$21,542,453 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the University reported a liability of \$225,344,748 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The University's proportionate share of the net pension liability was based on the University's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the University's proportionate share was 0.654337567 percent, which was an increase of 0.013769135 from its proportionate share measured as of June 30, 2018.

For the year ended June 30, 2020, the University recognized pension expense of \$62,914,577. In addition, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 13,365,841	\$ 139,846
Change of assumptions	57,878,227	
Net difference between projected and actual earnings on FRS Plan investments		12,467,248
Changes in proportion and differences between University contributions and proportionate share of contributions	14,646,430	
University FRS contributions subsequent to the measurement date	21,542,453	
Total	\$ 107,432,951	\$ 12,607,094

The deferred outflows of resources totaling \$21,542,453, resulting from University contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 26,640,050
2022	9,840,405
2023	18,238,032
2024	13,704,346
2025	3,937,525
Thereafter	923,046
Total	\$ 73,283,404

Actuarial Assumptions. The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.90 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018. This is a change from the prior year mortality assumption which was based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.3%	3.3%	1.2%
Fixed Income	18%	4.1%	4.1%	3.5%
Global Equity	54%	8.0%	6.8%	16.5%
Real Estate (Property)	10%	6.7%	6.1%	11.7%
Private Equity	11%	11.2%	8.4%	25.8%
Strategic Investments	6%	5.9%	5.7%	6.7%
Total	100%			
Assumed inflation - Mean			2.6%	1.7%

(1) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.90 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments

of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2019 valuation was updated from 7.00 percent to 6.90 percent.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90 percent) or 1 percentage point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
University's proportionate share of the net pension liability	\$389,546,030	\$225,344,748	\$88,208,904

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

HIS Pension Plan.

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2020, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The University contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The University's contributions to the HIS Plan totaled \$3,157,543 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the University reported a liability of \$60,294,871 for its proportionate share of the net pension liability. The current portion of the net pension liability is the

University's proportionate share of benefit payments expected to be paid within 1 year, net of the University's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, and update procedures were used to determine liabilities as of June 30, 2019. The University's proportionate share of the net pension liability was based on the University's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the University's proportionate share was 0.538876355 percent, which was an increase of 0.006407918 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the University recognized pension expense of \$6,230,983. In addition, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 732,349	\$ 73,829
Change of assumptions	6,981,576	4,928,012
Net difference between projected and actual earnings on HIS Plan investments	38,907	
Changes in proportion and differences between University HIS contributions and proportionate share of HIS contributions	5,046,785	
University HIS contributions subsequent to the measurement date	3,157,543	
Total	\$ 15,957,160	\$ 5,001,841

The deferred outflows of resources totaling \$3,157,543 resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2020	\$ 2,778,928
2021	2,395,866
2022	1,544,342
2023	247,046
2024	281,058
Thereafter	550,536
Total	\$ 7,797,776

Actuarial Assumptions. The total pension liability at July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation

Municipal bond rate 3.50 percent

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 3.50 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2019 valuation was updated from 3.87 percent to 3.50 percent.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 3.50 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50 percent) or 1 percentage point higher (4.50 percent) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
University's proportionate share of the net pension liability	\$68,829,687	\$60,294,871	\$53,186,337

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Comprehensive Annual Financial Report.

12. Retirement Plans – Defined Contribution Pension Plans

FRS Investment Plan. The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. University employees already participating in the State University System Optional Retirement Program or DROP are not eligible to participate in the Investment Plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions, that are based on salary and membership class

(Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2019-20 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the University.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The University's Investment Plan pension expense totaled \$5,109,581 for the fiscal year ended June 30, 2020.

State University System Optional Retirement Program. Section 121.35, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible university instructors and administrators. The Program is designed to aid State universities in recruiting employees by offering more portability to employees not expected to remain in the FRS for 8 or more years.

The 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 can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes 5.14 percent of the participant's salary to the participant's account, 3.56 percent to cover the

unfunded actuarial liability of the FRS pension plan, and 0.01 percent to cover administrative costs, for a total of 8.71 percent, and employees contribute 3 percent of the employee's salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the University to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

The University's contributions to the Program totaled \$22,663,538, and employee contributions totaled \$12,600,879 for the 2019-20 fiscal year.

13. Construction Commitments

The University's major construction commitments at June 30, 2020, were as follows:

<u>Project Description</u>	<u>Total Commitment</u>	<u>Completed to Date</u>	<u>Balance Committed</u>
Student Union Expansion	\$ 11,665,817	\$ 10,224,227	\$ 1,441,590
Partnership IV	8,097,396	6,625,086	1,472,310
Roth Athletic Center	8,079,142	5,290,150	2,788,992
Biological Science HVAC Renovations	1,490,931	1,482,908	8,023
Biology Building Renovation	1,489,828	1,427,618	62,210
Subtotal	30,823,114	25,049,989	5,773,125
Other Projects (1)	12,482,035	9,465,591	3,016,444
Total	\$ 43,305,149	\$ 34,515,580	\$ 8,789,569

(1) Individual projects with current balance committed of less than \$1 million at June 30, 2020.

14. Operating Lease Commitments

The University leased buildings under operating leases, which expire in fiscal year 2055. These leased assets and the related commitments are not reported on the University's statement of net position. Operating lease payments are recorded as expenses when paid or incurred. Outstanding commitments resulting from these lease agreements are contingent upon future appropriations. Future minimum lease commitments for these noncancelable operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 14,448,804
2022	15,746,190
2023	15,307,890
2024	14,936,647
2025	9,931,340
2026-2030	16,118,390
2031-2035	14,045,993
2036-2040	14,113,426
2041-2045	5,000,005
2046-2050	5,000,005
2051-2055	1,000,005
Total Minimum Payments Required	\$ 125,648,695

The University of Central Florida Foundation, Inc. (Foundation) receives rents and reimbursement for certain operating expenses from the University for various buildings owned by the Foundation and occupied by the University. The Foundation and University are also parties to a long-term 99-year ground lease for use of the land at Lake Nona for the Health Sciences Campus. Rents and reimbursements paid by the University for the year ended June 30, 2020, were \$16,493,758.

The University has also entered into rental agreements with the UCF Convocation Corporation for use of various retail spaces surrounding the arena. Rents paid to the UCF Convocation Corporation for the year ended June 30, 2020, totaled \$1,397,355.

The University has entered into a 40-year lease for the use of a research and development center, with base rent of \$1 per year, and is responsible for all operating and maintenance charges for the center. The University has entered into a 5-year management services agreement with another entity to manage and operate the center. The entity will be responsible for payment of all operating and maintenance costs with some allowable costs reimbursed by the University.

15. State Self-Insurance Program

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Pursuant to Section 1001.72(2), Florida Statutes, the University participates in State self-insurance programs providing insurance for property and casualty, workers' compensation, general liability, fleet automotive liability, Federal Civil Rights, and employment discrimination liability. During the 2019-20 fiscal year, for property losses, the State retained the first \$2 million per occurrence for all perils except named windstorm and flood. The State retained the first \$2 million per occurrence with an annual aggregate retention of \$40 million for named windstorm and flood losses. After the annual aggregate retention, losses in excess of \$2 million per occurrence were commercially insured up to \$68.5 million for named windstorm and flood through February 14, 2020, and decreased to \$62.75 million starting February 15, 2020. For perils other than named windstorm and flood, losses in excess of \$2 million per occurrence were commercially insured up to \$225 million; and losses exceeding those amounts were retained by the State. No excess insurance coverage is provided for workers' compensation, general and automotive liability, Federal Civil Rights and employment action coverage; all losses in these categories are completely self-insured by the State through the State Risk Management Trust Fund established pursuant to Chapter 284, Florida Statutes. Payments on tort claims are limited to \$200,000 per person and \$300,000 per occurrence as set by Section 768.28(5), Florida Statutes. Calculation of premiums considers the cash needs of the program and the amount of risk exposure for each participant. Settlements have not exceeded insurance coverage during the past 3 fiscal years.

Pursuant to Section 110.123, Florida Statutes, University employees may obtain healthcare services through participation in the State group health insurance plan or through membership in a health maintenance organization plan under contract with the State. The State's risk financing activities associated with State group health insurance, such as risk of loss related to medical and prescription drug claims, are administered through the State Employees Group Health Insurance Trust Fund. It is the practice of the State not to purchase commercial coverage for the risk of loss covered by this Fund.

Additional information on the State's group health insurance plan, including the actuarial report, is available from the Florida Department of Management Services, Division of State Group Insurance.

16. University Self-Insurance Program

The University of Central Florida, College of Medicine Self-Insurance Program (Program) was established pursuant to Section 1004.24, Florida Statutes, on September 25, 2008. The Program's purpose is to provide comprehensive general liability and professional liability (malpractice) coverage for the University of Central Florida Board of Trustees and students for claims and actions arising from the clinical activities of the College of Medicine, College of Nursing, UCF Health Services, College of Health Professions and Sciences (previously included in the College of Health and Public Affairs), and the Central Florida Clinical Practice Organization, Inc., faculty, staff and resident physicians. The Program provides legislative claims bill protection. The Program is distinct from and entirely independent of the self-insurance programs administered by the State described in Note 15.

The University is protected for losses that are subject to Section 768.28, Florida Statutes, to the extent of the waiver of sovereign immunity as described in Section 768.28(5), Florida Statutes. The Program also provides \$1,000,000 per legislative claims bills inclusive of payments made pursuant to Section 768.28, Florida Statutes; \$250,000 per occurrence of protection for the participants that are not subject to the provisions of Section 768.28, Florida Statutes; \$250,000 per claim protection for participants who engage in approved community service and act as Good Samaritans; and student protections of \$200,000 for a claim arising from an occurrence for any one person, \$300,000 for all claims arising from an occurrence and professional liability required by a hospital or other healthcare facility for educational purposes not to exceed a per occurrence limit of \$1,000,000.

The Self-Insurance Program's estimated liability for unpaid claims at fiscal year-end is the result of management and actuarial analysis and includes an amount for claims that have been incurred but not reported. Changes in the balances of claims liability for the Self-Insurance Program during the 2018-19 and 2019-20 fiscal years are presented in the following table:

Fiscal Year	Claims Liabilities Beginning of Year	Current Claims and Changes in Estimates	Claim Payments	Claims Liabilities End of Year
June 30, 2019	\$ 601,495	\$ 245,170	\$ (10,622)	\$ 836,042
June 30, 2020	836,042	363,037	(163,998)	1,035,081

17. Litigation

The University is involved in several pending and threatened legal actions. The range of potential loss from all such claims and actions, as estimated by the University's legal counsel and management, should not materially affect the University's financial position.

18. Functional Distribution of Operating Expenses

The functional classification of an operating expense (instruction, research, etc.) is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. For example, activities of an academic department for which the primary

departmental function is instruction may include some activities other than direct instruction such as research and public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The operating expenses on the statement of revenues, expenses, and changes in net position are presented by natural classifications. The following are those same expenses presented in functional classifications as recommended by NACUBO:

<u>Functional Classification</u>	<u>Amount</u>
Instruction	\$ 424,880,359
Research	167,808,449
Public Services	20,764,334
Academic Support	105,636,203
Student Services	58,156,622
Institutional Support	106,514,115
Operation and Maintenance of Plant	72,313,423
Scholarships, Fellowships, and Waivers	165,492,540
Depreciation	75,403,409
Auxiliary Enterprises	81,300,376
Loan Operations	211,445
Total Operating Expenses	<u><u>\$ 1,278,481,275</u></u>

19. Segment Information

A segment is defined as an identifiable activity (or grouping of activities) that has one or more bonds or other debt instruments outstanding with a revenue stream pledged in support of that debt. In addition, the activity's related revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources are required to be accounted for separately. The following financial information for the University's Housing and Parking facilities represents identifiable activities for which one or more bonds are outstanding:

Condensed Statement of Net Position

	Housing Capital Improvement Debt	Parking Capital Improvement Debt
Assets		
Current Assets	\$ 9,518,503	\$ 11,477,268
Capital Assets, Net	84,021,709	68,282,273
Other Noncurrent Assets	10,264,313	7,681,004
Total Assets	103,804,525	87,440,545
Liabilities		
Current Liabilities	7,818,495	3,016,088
Noncurrent Liabilities	73,238,870	15,426,968
Total Liabilities	81,057,365	18,443,056
Net Position		
Net Investment in Capital Assets	5,512,840	46,629,566
Restricted - Expendable	9,987,334	8,283,376
Unrestricted	7,246,986	14,084,547
Total Net Position	\$ 22,747,160	\$ 68,997,489

Condensed Statement of Revenues, Expenses,
and Changes in Net Position

	Housing Capital Improvement Debt	Parking Capital Improvement Debt
Operating Revenues	\$ 25,563,780	\$ 19,504,826
Depreciation Expense	(4,380,268)	(2,860,618)
Other Operating Expenses	(18,880,077)	(11,798,982)
Operating Income	2,303,435	4,845,226
Nonoperating Revenues (Expenses):		
Nonoperating Revenue	1,229,586	1,360,000
Interest Expense	(2,991,322)	(616,139)
Other Nonoperating Expense	(5,787,693)	(9,942)
Net Nonoperating Revenue (Expenses)	(7,549,429)	733,919
Other Revenues, Expenses, Gains and Losses	6,185,789	(2,994,314)
Increase (Decrease) in Net Position	939,795	2,584,831
Net Position, Beginning of Year	21,807,365	66,412,658
Net Position, End of Year	\$ 22,747,160	\$ 68,997,489

Condensed Statement of Cash Flows

	Housing Capital Improvement Debt	Parking Capital Improvement Debt
Net Cash Provided (Used) by:		
Operating Activities	\$ 6,693,533	\$ 8,038,129
Noncapital Financing Activities	394,838	(2,895,664)
Capital and Related Financing Activities	(10,514,347)	(14,917,760)
Investing Activities	3,213,180	8,772,098
Net Increase in Cash and Cash Equivalents	(212,796)	(1,003,197)
Cash and Cash Equivalents, Beginning of Year	3,625,613	4,291,631
Cash and Cash Equivalents, End of Year	\$ 3,412,817	\$ 3,288,434

20. Blended Component Units

The University has two blended component units as discussed in Note 1. The following financial information is presented net of eliminations for the University's blended component units:

Condensed Statement of Net Position

	Blended Component Units					
	UCF Finance Corporation	University of Central Florida College of Medicine Self-Insurance Program	Total Blended Component Units	University	Eliminations	Total Primary Government
Assets:						
Other Current Assets	\$ 3,331,017	\$ 9,057,634	\$ 12,388,651	\$ 611,735,643	\$ -	\$ 624,124,294
Capital Assets, Net	-	-	-	1,302,709,444	-	1,302,709,444
Due From University / Blended CU	44,466,741	-	44,466,741	-	(44,466,741)	-
Other Noncurrent Assets	-	-	-	90,565,372	-	90,565,372
Total Assets	47,797,758	9,057,634	56,855,392	2,005,010,459	(44,466,741)	2,017,399,110
Deferred Outflows of Resources	11,575,149	-	11,575,149	223,172,374	-	234,747,523
Liabilities:						
Other Current Liabilities	3,355,503	1,133,263	4,488,766	120,067,449	-	124,556,215
Due To University / Blended CU	-	-	-	44,466,741	(44,466,741)	-
Noncurrent Liabilities	59,726,399	-	59,726,399	829,969,745	-	889,696,144
Total Liabilities	63,081,902	1,133,263	64,215,165	994,503,935	(44,466,741)	1,014,252,359
Deferred Inflows of Resources	-	-	-	85,580,332	-	85,580,332
Net Position:						
Net Investment in Capital Assets	-	-	-	1,164,671,394	-	1,164,671,394
Restricted - Expendable	(3,708,995)	7,924,371	4,215,376	113,135,013	-	117,350,389
Unrestricted	-	-	-	(129,707,841)	-	(129,707,841)
Total Net Position	\$ (3,708,995)	\$ 7,924,371	\$ 4,215,376	\$ 1,148,098,566	\$ -	\$ 1,152,313,942

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Blended Component Units			University	Eliminations	Total Primary Government
	UCF Finance Corporation	University of Central Florida College of Medicine Self-Insurance Program	Total Blended Component Units			
Operating Revenues	\$ -	\$ 1,881,607	\$ 1,881,607	\$ 566,255,671	\$ (1,881,607)	\$ 566,255,671
Depreciation Expense	-	-	-	(75,403,409)	-	(75,403,409)
Other Operating Expenses	(21,642)	(903,893)	(925,535)	(1,202,154,606)	2,275	(1,203,077,866)
Operating Income (Loss)	(21,642)	977,714	956,072	(711,302,344)	(1,879,332)	(712,225,604)
Nonoperating Revenues (Expenses):						
Nonoperating Revenue	(1,688,769)	409,170	(1,279,599)	714,847,545	(1,973,101)	711,594,845
Interest Expense	(2,140,183)	-	(2,140,183)	(3,811,889)	-	(5,952,072)
Other Nonoperating Expense	-	-	-	(43,367,350)	3,852,433	(39,514,917)
Net Nonoperating Revenues	(3,828,952)	409,170	(3,419,782)	667,668,306	1,879,332	666,127,856
Other Revenues	-	-	-	11,110,603	-	11,110,603
Increase (Decrease) in Net Position	(3,850,594)	1,386,884	(2,463,710)	(32,523,435)	-	(34,987,145)
Net Position, Beginning of Year	141,599	6,537,487	6,679,086	1,180,622,001	-	1,187,301,087
Net Position, End of Year	\$ (3,708,995)	\$ 7,924,371	\$ 4,215,376	\$ 1,148,098,566	\$ -	\$ 1,152,313,942

Condensed Statement of Cash Flows

	Blended Component Units			University	Eliminations	Total Primary Government
	UCF Finance Corporation	University of Central Florida College of Medicine Self-Insurance Program	Total Blended Component Units			
Net Cash Provided (Used) by:						
Operating Activities	\$ (21,642)	\$ 1,409,017	\$ 1,387,375	\$ (586,743,578)	\$ (1,881,607)	\$ (587,237,810)
Noncapital Financing Activities	-	-	-	626,490,120	5,637,473	632,127,593
Capital and Related Financing Activities	(75,080)	-	(75,080)	(79,141,669)	(3,755,866)	(82,972,615)
Investing Activities	133,600	(2,119,462)	(1,985,862)	77,141,133	-	75,155,271
Net Increase in Cash and Cash Equivalents	36,878	(710,445)	(673,567)	37,746,006	-	37,072,439
Cash and Cash Equivalents, Beginning of Year	3,291,936	2,205,523	5,497,459	22,776,889	-	28,274,348
Cash and Cash Equivalents, End of Year	\$ 3,328,814	\$ 1,495,078	\$ 4,823,892	\$ 60,522,895	\$ -	\$ 65,346,787

21. Discretely Presented Component Units

The University has seven discretely presented component units as discussed in Note 1. These component units comprise 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns of the financial statements. The following financial information is from the most recently available audited financial statements for the component units:

Condensed Statement of Net Position

	Direct-Support Organizations							Other	
	University of Central Florida Foundation, Inc.	University of Central Florida Research Foundation, Inc.	UCF Athletics Association, Inc.	UCF Convocation Corporation	UCF Stadium Corporation	UCF Academic Health, Inc.	Total Direct-Support Organizations	Central Florida Clinical Practice Organizations, Inc.	Total
Assets:									
Current Assets	\$ 27,867,971	\$ 21,010,868	\$ 6,662,043	\$ 19,705,224	\$ 4,124,587	\$ 298,764	\$ 79,669,457	\$ 3,418,018	\$ 83,087,475
Capital Assets, Net	131,946,506	-	31,068,125	732,883	-	-	163,747,514	154,671	163,902,185
Other Noncurrent Assets	237,090,054	306,508	-	2,802,606	-	15,137,000	255,336,168	173,582	255,509,750
Total Assets	396,904,531	21,317,376	37,730,168	23,240,713	4,124,587	15,435,764	498,753,139	3,746,271	502,499,410
Deferred Outflows of Resources	-	-	-	3,940,226	599,633	-	4,539,859	-	4,539,859
Liabilities:									
Current Liabilities	6,599,576	12,659,424	7,532,696	10,585,108	4,266,047	298,764	41,941,615	519,782	42,461,397
Noncurrent Liabilities	68,095,986	-	17,446,977	159,032,900	39,878,627	-	284,454,490	-	284,454,490
Total Liabilities	74,695,562	12,659,424	24,979,673	169,618,008	44,144,674	298,764	326,396,105	519,782	326,915,887
Net Position:									
Net Investment in Capital Assets	60,459,505	-	17,143,125	732,883	-	-	78,335,513	154,671	78,490,184
Restricted Nonexpendable	143,793,755	-	-	-	-	-	143,793,755	-	143,793,755
Restricted Expendable	93,875,472	1,821,076	4,387,079	16,209,137	-	-	116,292,764	-	116,292,764
Unrestricted	24,080,237	6,836,876	(8,779,709)	(159,379,089)	(39,420,454)	15,137,000	(161,525,139)	3,071,818	(158,453,321)
Total Net Position	\$ 322,208,969	\$ 8,657,952	\$ 12,750,495	\$ (142,437,069)	\$ (39,420,454)	\$ 15,137,000	\$ 176,896,893	\$ 3,226,489	\$ 180,123,382

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Direct-Support Organizations						Other	Total
	University of Central Florida Foundation, Inc.	University of Central Florida Research Foundation, Inc.	UCF Athletics Association, Inc.	UCF Convocation Corporation	UCF Stadium Corporation	UCF Academic Health, Inc.	Central Florida Clinical Practice Organizations, Inc.	
Operating Revenues	\$ 39,814,391	\$ 13,090,824	\$ 62,961,867	\$ 25,860,702	\$ 3,348,571	\$ 281,266	\$ 145,357,621	\$ 152,855,302
Depreciation Expense	(2,876,157)	-	(1,183,772)	(196,448)	-	-	(4,256,377)	(4,324,252)
Operating Expenses	(53,101,852)	(12,512,165)	(58,449,925)	(14,306,192)	(38,015)	(281,266)	(138,689,415)	(141,027,232)
Operating Income	(16,163,618)	578,659	3,328,170	11,358,062	3,310,556	-	2,411,829	7,503,818
Net Nonoperating Revenues (Expenses):								
Nonoperating Revenues	12,094,794	1,244,909	1,309,458	6,134,380	1,363,574	-	22,147,115	22,290,701
Interest Expense	-	-	(288,656)	(6,437,673)	(1,659,547)	-	(8,385,876)	(8,385,876)
Other Nonoperating Expenses	(34,780)	-	-	(293,802)	-	-	(328,582)	(6,210,183)
Net Nonoperating Revenues (Expenses)	12,060,014	1,244,909	1,020,802	(597,095)	(295,973)	-	13,432,657	7,694,642
Other Revenues, Expenses, Gains, and Losses	4,613,816	-	-	-	-	-	4,613,816	4,613,816
Increase (Decrease) in Net Position	510,212	1,823,568	4,348,972	10,760,967	3,014,583	-	20,458,302	19,812,276
Net Position, Beginning of Year	321,698,757	6,834,384	8,401,523	(153,198,036)	(42,435,037)	-	141,301,591	145,174,106
Adjustment to Beginning Net Position	-	-	-	-	-	15,137,000	15,137,000	15,137,000
Net Position, Beginning of Year, as Restated	321,698,757	6,834,384	8,401,523	(153,198,036)	(42,435,037)	15,137,000	156,438,591	160,311,106
Net Position, End of Year	\$ 322,208,969	\$ 8,657,952	\$ 12,750,495	\$ (142,437,069)	\$ (39,420,454)	\$ 15,137,000	\$ 176,896,893	\$ 180,123,382

The UCF Convocation Corporation and the UCF Stadium Corporation have a deficit net position of \$142,437,069 and \$39,420,454, respectively, as of June 30, 2020. These deficits are attributed to the transfer of buildings and building improvements to the University as a result of the August 2015, December 2015, and July 2018 debt refunding's which terminated the ground leases between the UCF Convocation Corporation and the University, and the UCF Stadium Corporation and the University. As the UCF Convocation Corporation and the UCF Stadium Corporation continue to reduce its outstanding long-term debt obligations, the deficit net position will decrease.

22. Subsequent Events

In October 2020, the University of Central Florida Foundation (Foundation) refinanced \$8,340,000, the outstanding balance of the 2009 tax exempt note issued at 4.49 percent and secured by a mortgage of the buildings known as the Research Pavilion, the IST Building, and the Orlando Tech Center, with a taxable 2020 note issued at 2.39 percent, resulting in annual savings of \$132,000 or \$671,000 for the remaining life of the note that expires on October 1, 2025.

In October 2020, the Foundation refinanced \$5,685,000, the outstanding balance of the 2018 tax exempt note issued at 3.93 percent and secured by a mortgage of the Digital Learning building, with a 2020 tax exempt note issued at 2.70 percent, resulting in average annual savings of \$44,000 or \$579,000 for the remaining life of the note that expires on October 1, 2038.

In October 2020, the Foundation and Orange County, Florida, agreed to adjust the debt payment schedule of the \$50,000,000 30-year interest free and tax-exempt note. Due to delays in construction of the Lake Nona Cancer Center related to COVID 19, the first payment, which was originally due in December 2020, is now due in July 2021

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the University's Proportionate Share of the Total Other Postemployment Benefits Liability

	2019	2018	2017
University's proportion of the total other postemployment benefits liability	3.16%	2.78%	2.78%
University's proportionate share of the total other postemployment benefits liability	\$ 399,997,974	\$ 293,333,000	\$ 300,512,000
University's covered-employee payroll	\$ 439,921,546	\$ 418,056,891	\$ 396,397,337
University's proportionate share of the total other postemployment benefits liability as a percentage of its covered-employee payroll	90.92%	70.17%	75.81%

Schedule of the University's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan

	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)
University's proportion of the FRS net pension liability	0.654337567%	0.640568432%	0.596715076%	0.559865856%	0.538161499%	0.484303900%	0.360374086%
University's proportionate share of the FRS net pension liability	\$ 225,344,748	\$ 192,942,532	\$ 176,504,316	\$ 141,366,568	\$ 69,510,775	\$ 29,549,662	\$ 62,036,419
University's covered payroll (2)	\$ 439,921,546	\$ 418,056,891	\$ 396,397,337	\$ 364,535,289	\$ 333,695,268	\$ 305,107,256	\$ 289,894,138
University's proportionate share of the FRS net pension liability as a percentage of its covered payroll	51.22%	46.15%	44.53%	38.78%	20.83%	9.69%	21.40%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%	88.54%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State university system optional retirement program members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

**Schedule of University Contributions –
Florida Retirement System Pension Plan**

	2020 (1)	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
Contractually required FRS contribution	\$ 21,542,453	\$ 20,289,186	\$ 18,255,686	\$ 15,533,963	\$ 13,653,222	\$ 13,120,834	\$ 10,608,311
FRS contributions in relation to the contractually required contribution	(21,542,453)	(20,289,186)	(18,255,686)	(15,533,963)	(13,653,222)	(13,120,834)	(10,608,311)
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered payroll (2)	\$ 454,818,440	\$ 439,921,546	\$ 418,056,891	\$ 396,397,337	\$ 364,535,289	\$ 333,695,268	\$ 305,107,256
FRS contributions as a percentage of covered payroll	4.74%	4.61%	4.37%	3.92%	3.75%	3.93%	3.48%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State university system optional retirement program members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

**Schedule of the University's Proportionate Share
of the Net Pension Liability –
Health Insurance Subsidy Pension Plan**

	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)
University's proportion of the HIS net pension liability	0.538876355%	0.532468436%	0.529705387%	0.499690735%	0.469662225%	0.430757459%	0.415357381%
University's proportionate share of the HIS net pension liability	\$ 60,294,871	\$ 56,357,057	\$ 56,638,544	\$ 58,236,885	\$ 47,898,159	\$ 40,276,874	\$ 36,162,321
University's covered payroll (2)	\$ 167,822,905	\$ 167,400,707	\$ 166,665,368	\$ 153,090,572	\$ 140,702,712	\$ 127,489,508	\$ 122,964,996
University's proportionate share of the HIS net pension liability as a percentage of its covered payroll	35.93%	33.67%	33.98%	38.04%	34.04%	31.59%	29.41%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%	1.78%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

**Schedule of University Contributions –
Health Insurance Subsidy Pension Plan**

	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
Contractually required HIS contribution	\$ 3,157,543	\$ 2,992,328	\$ 2,887,590	\$ 2,803,354	\$ 2,561,234	\$ 1,795,341	\$ 1,475,630
HIS contributions in relation to the contractually required HIS contribution	<u>(3,157,543)</u>	<u>(2,992,328)</u>	<u>(2,887,590)</u>	<u>(2,803,354)</u>	<u>(2,561,234)</u>	<u>(1,795,341)</u>	<u>(1,475,630)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
University's covered payroll (2)	\$ 187,973,508	\$ 167,822,905	\$ 167,400,707	\$ 166,665,368	\$ 153,090,572	\$ 140,702,712	\$ 127,489,508
HIS contributions as a percentage of covered payroll	1.68%	1.78%	1.72%	1.68%	1.70%	1.28%	1.16%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. Schedule of the University's Proportionate Share of the Total Other Postemployment Benefits Liability

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes in Assumptions. Changes in assumptions reflect a change in the discount rate from 3.87% for the reporting period ended June 30, 2019 to 2.79% for the reporting period ended June 30, 2020.

2. Schedule of Net Pension Liability and Schedule of Contributions – Florida Retirement System Pension Plan

Changes of Assumptions. The long-term expected rate of return was decreased from 7.00 percent to 6.90 percent, and the active member mortality assumption was updated.

3. Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes of Assumptions. The municipal rate used to determine total pension liability increased from 3.87 percent to 3.50 percent.

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Finance and Facilities Committee
 November 19, 2020

Title: University Operating Budget, Ended September 30, 2020 – First Quarter

☒ **Information**

☐ **Information for upcoming action**

☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

This quarterly report provides a preliminary update to the approved Continuation Budget from the June 17, 2020 FFC meeting, a summary analysis of FY2021 actuals compared to the FY2021 preliminary projections, a comparison of 1st quarter FY2021 compared to 1st quarter FY2020, and an enrollment summary.

Background Information:

This item provides quarterly operating financial information to the trustees for information purposes only.

Recommended Action:

For information only

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel: ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda: ☒

Submitted by:

Joseph Trubacz, Interim Vice President for Financial Affairs and Chief Financial Officer

Supporting Documentation:

Attachment A: 1st Quarter Financial Update

Facilitators/Presenters:

Joseph Trubacz, Interim Vice President for Financial Affairs and Chief Financial Officer
 Kristie Harris, Associate Vice President for Financial Affairs

1st Quarter Financial Update

Division of Finance
November 19, 2020

University of Central Florida

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- **Enrollment Summary**

A wide-angle photograph of a university campus at sunset or sunrise, with a warm golden-yellow color cast. In the foreground, a large, active fountain sprays water into the air. To the left, a large, modern building with a curved facade and many windows is visible. Two people are sitting on the grass in the lower left. The sky is filled with soft, golden clouds, and tree branches hang down from the top of the frame.

University Continuation Budget Update

University of Central Florida

University Continuation Budget Update - Summary

	FY 2021 Continuation Budget	FY 2021 Projected Budget	\$ Variance	% Variance
Operating Revenues:				
Education and General (Main)	\$ 644,101,818	\$ 647,072,788	\$ 2,970,970	0.5%
Education and General (COM)	46,782,551	49,567,523	2,784,972	6.0%
Education and General (FCSWUA)	8,984,565	8,984,565	-	0.0%
Contracts & Grants	194,333,783	240,953,312	46,619,529	24.0%
Auxiliaries	288,227,216	290,602,265	2,375,049	0.8%
Local Funds	761,359,922	776,327,540	14,967,618	2.0%
Faculty Practice Plan	9,603,362	14,337,356	4,733,994	49.3%
Total Operating Revenues	1,953,393,217	2,027,845,349	74,452,132	3.8%
Operating Expenditures:				
Education and General (Main)	644,101,818	647,072,788	2,970,970	0.5%
Education and General (COM)	46,782,551	49,567,523	2,784,972	6.0%
Education and General (FCSWUA)	8,984,565	8,984,565	-	0.0%
Contracts and Grants	188,528,000	234,462,448	45,934,448	24.4%
Auxiliaries	302,385,900	310,386,862	8,000,962	2.6%
Local Funds	760,854,854	772,048,884	11,194,030	1.5%
Faculty Practice Plan	9,603,362	6,837,356	(2,766,006)	(28.8%)
Total Operating Expenditures	1,961,241,050	2,029,360,426	68,119,376	3.5%

University of Central Florida

University Continuation Budget Update - Main (Revenues)

	FY 2021 Continuation Budget	FY 2021 Projected Budget	\$ Variance	% Variance
Operating Revenues:				
Education & General Main				
General Revenue (including Lottery) \$	336,391,302	\$ 325,869,314	\$ (10,521,988)	(3.1%)
Student Tuition	304,640,516	318,133,474	13,492,958	4.4%
Other Revenue	3,070,000	3,070,000	-	0.0%
Contracts & Grants				
Federal Grants	107,452,526	149,471,857	42,019,331	39.1%
State Grants	9,722,145	9,498,480	(223,665)	(2.3%)
Other Grants and Revenue	25,229,072	27,500,235	2,271,163	9.0%
Transfers In	51,930,040	54,482,740	2,552,700	4.9%
Auxiliaries				
Fees	64,864,697	69,362,605	4,497,908	6.9%
Market Rate Tuition	12,952,757	12,956,735	3,978	0.0%
Interest and Miscellaneous Receipts	160,165,832	141,726,595	(18,439,237)	(11.5%)
Transfers In	50,243,930	66,556,330	16,312,400	32.5%
Local Funds				
Student Activities	21,405,886	22,130,519	724,633	3.4%
Student Financial Aid	659,877,204	673,685,286	13,808,082	2.1%
Concessions	577,692	144,423	(433,269)	(75.0%)
Intercollegiate Athletics	67,388,208	67,466,248	78,040	0.1%
Technology Fee	9,416,069	10,649,978	1,233,909	13.1%
Self Insurance Plan	2,694,863	2,251,086	(443,777)	(16.5%)
Faculty Practice Plan				
Miscellaneous Receipts	7,717,475	6,837,356	(880,119)	(11.4%)
Transfers In	1,885,887	7,500,000	5,614,113	297.7%
Total Operating Revenues	\$ 1,897,626,101	\$ 1,969,293,261	\$ 71,667,160	3.8%

University of Central Florida

University Continuation Budget Update - Main (Expenditures)

	FY 2021 Continuation Budget	FY 2021 Projected Budget	\$ Variance	% Variance
<u>Operating Expenditures:</u>				
Education & General Main				
Salaries & Benefits	\$ 419,871,984	\$ 422,987,209	\$ 3,115,225	0.7%
Other Personal Services	34,042,861	34,201,559	158,698	0.5%
Expenses	149,309,171	150,518,290	1,209,119	0.8%
Financial Aid	40,877,802	39,365,730	(1,512,072)	(3.7%)
Contracts & Grants				
Salaries & Benefits	49,318,052	54,379,194	5,061,142	10.3%
Other Personal Services	33,770,105	36,407,500	2,637,395	7.8%
Expenses	46,230,794	58,201,106	11,970,312	25.9%
Operating Capital Outlay	5,931,977	6,437,833	505,856	8.5%
Transfers Out	53,277,072	79,036,815	25,759,743	48.4%
Auxiliaries				
Salaries & Benefits	78,351,579	77,824,106	(527,473)	(0.7%)
Other Personal Services	36,772,411	38,391,152	1,618,741	4.4%
Expenses	124,963,975	126,953,539	1,989,564	1.6%
Operating Capital Outlay	71,240	6,503,114	6,431,874	9028.5%
Debt Service	12,864,841	11,263,291	(1,601,550)	(12.4%)
Transfers Out	49,361,854	49,451,660	89,806	0.2%
Local Funds				
Student Activities	24,760,828	24,932,828	172,000	0.7%
Student Financial Aid	659,877,204	673,685,286	13,808,082	2.1%
Concessions	800,000	400,000	(400,000)	(50.0%)
Intercollegiate Athletics	64,811,544	62,437,595	(2,373,949)	(3.7%)
Technology Fee	10,028,400	10,028,400	-	0.0%
Self Insurance Plan	576,878	564,775	(12,103)	(2.1%)
Faculty Practice Plan				
Salaries & Benefits	5,551,957	4,811,795	(740,162)	(13.3%)
Expenses	4,051,405	2,025,561	(2,025,844)	(50.0%)
Operating Expenditures	\$ 1,905,473,934	\$ 1,970,808,338	\$ 65,334,404	3.4%

University of Central Florida

University Continuation Budget Update - College of Medicine

	FY 2021 Continuation Budget	FY 2021 Projected Budget	\$ Variance	% Variance
<u>Operating Revenues:</u>				
Education & General				
General Revenue	\$ 30,773,894	\$ 30,920,583	\$ 146,689	0.5%
Student Tuition	15,708,657	18,346,940	2,638,283	16.8%
Other Revenue	300,000	300,000	-	0.0%
Total Operating Revenues	46,782,551	49,567,523	2,784,972	6.0%
<u>Operating Expenditures:</u>				
Education & General				
Salaries & Benefits	33,835,851	37,237,179	3,401,328	10.1%
Other Personal Services	2,477,378	2,185,225	(292,153)	(11.8%)
Expenses	7,469,322	7,145,119	(324,203)	(4.3%)
Financial Aid	3,000,000	3,000,000	-	0.0%
Total Operating Expenditures	46,782,551	49,567,523	2,784,972	6.0%

University of Central Florida

University Continuation Budget Update - Florida Center for Students with Unique Abilities

	FY 2021 Continuation Budget	FY 2021 Projected Budget	\$ Variance	% Variance
<u>Operating Revenues:</u>				
Education & General				
General Revenue	\$ 8,984,565	\$ 8,984,565	\$ -	0.0%
Total Operating Revenues	8,984,565	8,984,565	-	0.0%
<u>Operating Expenditures:</u>				
Education & General				
Salaries & Benefits	5,528,818	791,606	(4,737,212)	(85.7%)
Other Personal Services	320,738	36,212	(284,526)	(88.7%)
Expenses	3,135,009	8,156,747	5,021,738	160.2%
Total Operating Expenditures	8,984,565	8,984,565	-	0.0%



Projected Budget to Actuals Summary

University of Central Florida

Projected Budgeted to Actuals - Summary

	FY 2021 Projected Budget	3-Month Actuals As of 09/30/20	Projected Remaining Budget \$	Projected Budget Realized %
Operating Revenues:				
Education and General (Main)	\$ 647,072,788	\$ 209,630,832	\$ 437,441,956	32.4%
Education and General (COM)	49,567,523	11,528,912	38,038,611	23.3%
Education and General (FCSWUA)	8,984,565	2,111,376	6,873,189	23.5%
Contracts & Grants	240,953,312	66,266,619	174,686,693	27.5%
Auxiliaries	290,602,265	76,120,814	214,481,451	26.2%
Local Funds	776,327,540	272,704,403	503,623,137	35.1%
Faculty Practice Plan	14,337,356	9,553,305	4,784,051	66.6%
Total Operating Revenues	2,027,845,349	647,916,261	1,379,929,088	32.0%
Operating Expenditures:				
Education and General (Main)	647,072,788	133,761,990	513,310,798	20.7%
Education and General (COM)	49,567,523	8,613,468	40,954,055	17.4%
Education and General (FCSWUA)	8,984,565	839,369	8,145,196	9.3%
Contracts and Grants	234,462,448	60,301,331	174,161,117	25.7%
Auxiliaries	310,386,862	69,427,370	240,959,492	22.4%
Local Funds	772,048,884	266,535,029	505,513,855	34.5%
Faculty Practice Plan	6,837,356	1,875,965	4,961,391	27.4%
Total Operating Expenditures	2,029,360,426	541,354,522	1,488,005,904	26.7%



Year over Year Actuals Analysis

University of Central Florida

Year Over Year Actuals Analysis - Summary

	3-Month Actuals As of 09/30/20	3-Month Actuals As of 09/30/19	\$ Variance	% Variance
Operating Revenues:				
Education and General (Main)	\$ 209,630,832	\$ 212,316,335	\$ (2,685,503)	(1.3%)
Education and General (COM)	11,528,912	11,626,799	(97,887)	(0.8%)
Education and General (FCSWUA)	2,111,376	2,246,141	(134,765)	(6.0%)
Contracts & Grants	66,266,619	47,414,675	18,851,944	39.8%
Auxiliaries	76,120,814	86,984,231	(10,863,417)	(12.5%)
Local Funds	272,704,403	283,128,591	(10,424,188)	(3.7%)
Faculty Practice Plan	9,553,305	2,016,541	7,536,764	373.7%
Total Operating Revenues	647,916,261	645,733,313	2,182,948	0.3%
Operating Expenditures:				
Education and General (Main)	133,761,990	134,511,035	(749,045)	(0.6%)
Education and General (COM)	8,613,468	8,877,196	(263,728)	(3.0%)
Education and General (FCSWUA)	839,369	982,030	(142,661)	(14.5%)
Contracts and Grants	60,301,331	44,525,725	15,775,606	35.4%
Auxiliaries	69,427,370	67,403,026	2,024,344	3.0%
Local Funds	266,535,029	267,067,597	(532,568)	(0.2%)
Faculty Practice Plan	1,875,965	2,255,761	(379,796)	(16.8%)
Total Operating Expenditures	541,354,522	525,622,370	15,732,152	3.0%

University of Central Florida

Year Over Year Actuals Analysis - Main (Revenues)

	3-Month Actuals As of 09/30/20	3-Month Actuals As of 09/30/19	\$ Variance	% Variance
<u>Operating Revenues:</u>				
Education & General Main				
General Revenue (including Lottery) \$	66,526,612	\$ 75,237,924	\$ (8,711,312)	(11.6%)
Student Tuition	141,364,582	134,693,492	6,671,090	5.0%
Other Revenue	1,739,638	2,384,919	(645,281)	(27.1%)
Contracts & Grants				
Federal Grants	40,420,325	30,607,590	9,812,735	32.1%
State Grants	3,775,774	736,724	3,039,050	412.5%
Other Grants and Revenue	4,393,427	6,346,341	(1,952,914)	(30.8%)
Transfers In	17,677,093	9,724,020	7,953,073	81.8%
Auxiliaries				
Fees	27,092,884	25,885,306	1,207,578	4.7%
Market Rate Tuition	4,756,447	4,579,818	176,629	3.9%
Interest and Miscellaneous Receipts	24,692,339	34,419,243	(9,726,904)	(28.3%)
Transfers In	19,579,144	22,099,864	(2,520,720)	(11.4%)
Local Funds				
Student Activities	8,643,837	8,698,859	(55,022)	(0.6%)
Student Financial Aid	241,769,150	247,828,703	(6,059,553)	(2.4%)
Concessions	2,643	27,192	(24,549)	(90.3%)
Intercollegiate Athletics	17,512,259	21,955,779	(4,443,520)	(20.2%)
Technology Fee	4,213,742	4,113,709	100,033	2.4%
Self Insurance Plan	562,772	504,349	58,423	11.6%
Faculty Practice Plan				
Miscellaneous Receipts	2,021,635	1,805,997	215,638	11.9%
Transfers In	7,531,670	210,544	7,321,126	3477.2%
Total Operating Revenues	\$ 634,275,973	\$ 631,860,373	\$ (2,415,600)	(0.4%)

University of Central Florida

Year Over Year Actuals Analysis - Main (Expenditures)

	3-Month Actuals As of 09/30/20		3-Month Actuals As of 09/30/19		\$ Variance	% Variance
<u>Operating Expenditures:</u>						
Education & General Main						
Salaries & Benefits	\$	81,550,649	\$	83,745,905	\$ (2,195,256)	(2.6%)
Other Personal Services		6,501,452		6,621,327	(119,875)	(1.8%)
Expenses		27,571,158		25,948,113	1,623,045	6.3%
Financial Aid		18,138,731		18,195,690	(56,959)	(0.3%)
Contracts & Grants						
Salaries & Benefits		12,969,730		12,936,340	33,390	0.3%
Other Personal Services		8,096,419		8,199,210	(102,791)	(1.3%)
Expenses		20,442,071		11,686,750	8,755,321	74.9%
Operating Capital Outlay		1,594,224		1,422,492	171,732	12.1%
Transfers Out		17,198,887		10,280,933	6,917,954	67.3%
Auxiliaries						
Salaries & Benefits		14,412,696		12,757,668	1,655,028	13.0%
Other Personal Services		6,548,755		6,889,860	(341,105)	(5.0%)
Expenses		23,691,535		32,863,578	(9,172,043)	(27.9%)
Operating Capital Outlay		74,921		539,628	(464,707)	(86.1%)
Debt Service		6,885,189		9,491,598	(2,606,409)	(27.5%)
Transfers Out		17,814,274		4,860,694	12,953,580	266.5%
Local Funds						
Student Activities		3,152,868		4,330,940	(1,178,072)	(27.2%)
Student Financial Aid		245,158,669		241,543,051	3,615,618	1.5%
Concessions		29,566		75,725	(46,159)	(61.0%)
Intercollegiate Athletics		15,795,045		18,103,331	(2,308,286)	(12.8%)
Technology Fee		2,257,687		2,838,336	(580,649)	(20.5%)
Self Insurance Plan		141,194		176,214	(35,020)	(19.9%)
Faculty Practice Plan						
Salaries & Benefits		1,222,483		1,520,929	(298,446)	(19.6%)
Expenses		653,482		734,832	(81,350)	(11.1%)
1 Operating Expenditures	\$	531,901,685	\$	515,763,144	\$ (16,138,541)	(3.1%)

University of Central Florida

Year Over Year Actuals Analysis – College of Medicine

	3-Month Actuals As of 09/30/20	3-Month Actuals As of 09/30/19	\$ Variance	% Variance
<u>Operating Revenues:</u>				
Education & General				
General Revenue	\$ 7,266,337	\$ 7,603,660	\$ (337,323)	(4.4%)
Student Tuition	4,188,760	3,937,430	251,330	6.4%
Other Revenue	73,815	85,709	(11,894)	(13.9%)
Total Operating Revenues	11,528,912	11,626,799	(97,887)	(0.8%)
<u>Operating Expenditures:</u>				
Education & General				
Salaries & Benefits	7,306,591	7,174,678	131,913	1.8%
Other Personal Services	287,803	227,037	60,766	26.8%
Expenses	1,004,074	1,460,331	(456,257)	(31.2%)
Financial Aid	15,000	15,150	(150)	(1.0%)
Total Operating Expenditures	8,613,468	8,877,196	(263,728)	(3.0%)

University of Central Florida

Year Over Year Actuals Analysis - Florida Center for Students with Unique Abilities

	3-Month Actuals As of 09/30/20	3-Month Actuals As of 09/30/19	\$ Variance	% Variance
<u>Operating Revenues:</u>				
Education & General				
General Revenue	\$ 2,111,376	\$ 2,246,141	\$ (134,765)	(6.0%)
Total Operating Revenues	2,111,376	2,246,141	(134,765)	(6.0%)
<u>Operating Expenditures:</u>				
Education & General				
Salaries & Benefits	148,256	174,368	(26,112)	(15.0%)
Other Personal Services	4,802	13,683	(8,881)	(64.9%)
Expenses	686,311	793,979	(107,668)	(13.6%)
Total Operating Expenditures	839,369	982,030	(142,661)	(14.5%)



Enrollment Summary

University of Central Florida

Enrollment Summary As of September 30, 2020

Student Enrollment (including College of Medicine)

<i>Actual Compared to UCF Plan</i>	2020-21				2019-20			
	Actual	Plan	Difference	% Variance	Actual	Plan	Difference	% Variance
Summer	330,773	269,653	61,120	22.7%	296,221	269,653	26,568	9.9%
Fall	780,939	743,617	37,322	5.0%	751,594	743,617	7,977	1.1%
Spring**	689,301	689,301	-	0.0%	707,325	689,301	18,024	2.6%
	1,801,013	1,702,571	98,442	5.8%	1,755,140	1,702,571	52,569	3.1%

<i>Current Year Compared to Prior Year</i>	2020-21	2019-20	Difference	% Variance	2019-20	2018-19	Difference	% Variance
Summer	330,773	296,221	34,552	11.7%	296,221	278,485	17,736	6.4%
Fall	780,939	751,594	29,345	3.9%	751,594	741,314	10,280	1.4%
Spring**	689,301	707,325	(18,024)	-2.5%	707,325	686,316	21,009	3.1%
	1,801,013	1,755,140	45,873	2.6%	1,755,140	1,706,115	49,025	2.9%

Additional Statistical Information

	2020-21	2019-20	Difference	% Variance
Student headcount - Fall 2020 and 2019	72,231	69,525	2,706	3.9%
Percent in-state students - Fall 2020 and 2019	89.9%	90.8%	-0.9%	
UCF Online headcount - Fall 2020 and 2019	6,652	5,511	1,141	20.7%
Percent UCF Online students - Fall 2020 and 2019	9.2%	7.9%	1.3%	

**** For Spring 2021, plan numbers are used in place of actuals.**

University of Central Florida Operating Budget Status

September 30, 2020

EXECUTIVE SUMMARY

This quarterly report provides a preliminary update to the approved Continuation Budget from the June 17, 2020 FFC meeting, a summary analysis of FY2021 actuals compared to the FY2021 preliminary projections, a comparison of 1st quarter FY2021 compared to 1st quarter FY2020, and an enrollment summary. Overall, projected revenues increased \$74.5 million, or 3.8 percent, while projected expenditures increased \$68.1 million, or 3.5 percent, compared to the continuation budget. As of the end of the 1st quarter, 26.7 percent of the projected operating budget had been realized. Actual revenues for the 1st quarter increased \$2.2 million, or 0.3 percent, while expenditures increased \$15.7 million, or 3.0 percent, compared to the 1st quarter of the prior year.

Fall enrollment is up 3.9 percent in headcount compared to the prior year. Specific activities and variances are described below in further detail.

UNIVERSITY CONTINUATION BUDGET UPDATE – MAIN CAMPUS

Revenues

Education & General:

Overall, general revenue and lottery funds decreased by \$10.5 million, or 3.1 percent. This reduction is primarily due to \$1.5 million less in performance-based funding, a non-recurring carryforward reduction of \$7.3 million, and the Governor's veto of \$5 million for the Advanced Manufacturing Sensor Project. However, health insurance and risk management allocations increased by \$3.3 million.

Amendments to the university's operating budget for general revenue and lottery may occur in the current year if the Legislature convenes a Special Session to address any potential budget shortfalls. This could also occur at the upcoming regular Session starting in March.

Student Tuition is up \$13.5 million, or 4.4 percent from the continuation budget, due to increased enrollment projections for FY2021.

Contracts & Grants:

The projected budget for Contracts and Grants increased by \$46.6 million, or 24.0 percent. The increase is primarily due to \$23.7 million in non-recurring federal funds received through the CARES Act initiative. Furthermore, awards are trending 11.8 percent higher resulting in increased revenues. Award activity includes \$12.1 million in grants from the State of Florida, with the largest awards associated with the Florida Center for Students with Unique Abilities and the UCF Community Partnership Schools. In addition,

University of Central Florida Operating Budget Status

September 30, 2020

there is activity from the National Institutes of Health (NIH) for \$5.9 million, the NASA Shared Services Center (NSSC) for \$2.4 million, and the Federal Aviation Administration (FAA) for \$1.6 million.

Auxiliary Enterprises:

Overall, the projected revenue budget for the Auxiliary enterprise remained relatively unchanged, increasing by \$2.4 million, or 0.8 percent.

The breakdown of the categories under Auxiliary revenues is as follows:

Fee Collections of \$4.5 million are primarily driven by an increase in student enrollment. However, other increases to fees include the new Physical Therapy Program offered by the College of Health Professions and Sciences, resulting in \$700,000 more in fee revenues.

Interest and Miscellaneous Receipts are generated by auxiliary sales and investment activity. As a result, the University is projecting a decrease of \$18.4 million in receipts primarily due to a decline in the student population on campus relating to COVID-19 measures. Specifically, Housing Operations is projecting a decrease in revenue of \$5.8 million due to limited occupancy, and Parking is projecting a decrease of \$4.4 million due to limited on-campus operations.

Transfers-In¹ activities include \$40 million in internal billings related to utility costs, \$10 million in Auxiliary Overhead charges, and roughly \$10 million in funding movements to pay back the internal loan related to the Trevor Colbourn Hall investigation. The remaining amounts relate to various other cash transfers within auxiliary units.

Local Funds:

Projected local funds increased by \$15.0 million, or 2.0 percent, primarily due to federal funds received through the CARES Act Initiative to support student financial aid awards.

Projected revenues associated with the self-insurance plan decreased due to reduced billings by the managing program overseen by the University of Florida.

Concessions revenues and expenditures are projected to decrease due to reduced student presence on campus and COVID-19 restrictions at various campus-related events.

¹ Transfer activity results in internal cash movements within the University which result in both a transfer revenue and a transfer expense. This transfer activity can occur both solely within Auxiliaries (intrafund transfers) as well as between budget entities (interfund transfers). In instances of an interfund transfer in, the unit sending the money to auxiliaries will show a transfer expense and auxiliary will show a transfer revenue. As such, transfer activity is not comparable year over year. When reviewing transfer activity, the specific activities within a given year are taken into consideration.

University of Central Florida Operating Budget Status

September 30, 2020

Faculty Practice Plan (FPP):

The Faculty Practice Plan projected revenues increased by \$4.7 million, or 49.3 percent, primarily due to the transfer-in from Auxiliaries to pay off the internal loan for the Quadrangle building of \$7.5 million, offset by a projected decrease in premium revenues received by the plan.

Expenditures

Education & General:

Salary & Benefits increased by \$3.1 million, or 0.7 percent, due to health insurance and risk premium increases as seen in the appropriation increase from the state. These charges are billed through the Comprehensive Fringe Benefit rate charged by the University.

Contracts & Grants:

Overall C&G projected expenditures increased by \$45.9 million, or 24.4 percent. This is a result of \$23.7 million in CARES Act expenses in the current year. Expenditures are also projected to increase due to the increased award activity noted in the revenue section above.

Current expense activity includes \$9 million of CARES Act funds used to support housing and meal plan refunds.²

The increase to budgeted transfers noted in FY2021 is due to (1) CARES Act reimbursements to other budget entities who incurred the expense and (2) the increased award activity.³

Auxiliary Enterprises:

² In FY 2020, the E&G carryforward fund initially incurred the expense to support the refunds. However, once the CARES Act funds were made available, the expense was recorded under Contracts and Grants and the E&G carryforward fund was reimbursed and properly adjusted.

³ The nature of the Contracts and Grants budget entity includes indirect cost recoveries noted as internal transfers. These transfers are recorded as a revenue and expense. As award activities increase, the transfer activity increases.

University of Central Florida Operating Budget Status

September 30, 2020

Overall Auxiliary projected expenditures, including Operating Capital Outlay and transfers, increased by \$8.0 million, or 2.6 percent, based on the following key observations:

- \$7.5 million transfer to the Faculty Practice Plan to pay off the Quadrangle Building internal loan.
- \$4.1 million expense for the John T. Washington Student Union Roof Replacement project.
- \$4.7 million increase to the COM Graduate Medical Education program due to increased enrollment in the current year.
- \$3.0 million increase for non-recurring UCF IT infrastructure projects (network hardware and software replacement/improvements).
- \$2.3 million increase in internal loan payback in FY2021 compared to FY2020 in accordance with original loan payback schedule.
- \$6.3 million decrease in expense due to cost savings estimated by housing. Some of the cost savings includes \$1.3 million for 25 unfilled vacancies and \$400,000 for the elimination of the Residence Hall Auxiliary Patrol (RHAP) program. In addition, the deferral of \$1.4 million in repairs and maintenance programs and the reduction of \$2.5 million to general operating expenses contribute to the decrease.
- Nominal net decreases among various other units.

The breakdown of the appropriation categories under Auxiliary expenditures is as follows:

Salaries and Benefits are projected to decrease by \$527,000. Within this decrease, there are projected increases for adjunct faculty hiring in the Continuing Education Program for the College of Business of \$175,000. The remaining units show a net decrease of \$725,000 due to COVID-19 hiring restrictions.

Other Personal Services are projected to increase by \$1.6 million. This is primarily due to new resident students recruited into the Graduate Medical Education program in the College of Medicine. Additionally, Digital Learning projects a \$845,000 increase to assist academic units in transitioning courses online. The remaining departments project a net decrease of \$2.3 million due to COVID-19 hiring restrictions across multiple divisions.

Expenses are projected to increase by \$2.0 million due to water valve testing, repairs, and replacements totaling an estimated \$1.7 million. Other items include increased operational expenses of \$600,000 for the Graduate Medical Education program and operational expenses of \$625,000 associated with the College of Health Professions and Sciences' Physical Therapy program. The remaining departments project a net decrease of \$1.0 million for various operational expense activities.

University of Central Florida Operating Budget Status

September 30, 2020

Operating Capital Outlay is projected to increase in FY2021 based on the following observations:

- \$4.1 million in expenses for the John T. Washington Student Union Roof Replacement project.
- \$1.7 million for the upgraded equipment in the College of Engineering supported with revenues generated from the Material Supply and Equipment fee.
- The remaining amount is used to support small upgrades for various projects primarily paid from revenues generated by the Material Supply and Equipment fee.

Local Funds:

Projected expenditures for local funds increased by \$11.1 million, or 1.4 percent, due primarily due to \$9.4 million in CARES Act expenses for student financial aid.

Faculty Practice Plan (FPP):

Projected expenditures decreased by \$2.7 million, or 28.8 percent, due to decreased planned expenditures relating to a reduction in patient activity, resulting in less support needed from the College of Medicine.

UNIVERSITY CONTINUATION BUDGET UPDATE – COLLEGE OF MEDICINE

Revenues

Projected budget increased by close to \$147,000 due to health insurance adjustments made by the Legislature.

Expenditures

Projected salaries increased \$3.4 million, or 10.1 percent, due primarily to moving individuals formerly paid by the Student Health Auxiliary to the College of Medicine E&G in FY2021.

UNIVERSITY CONTINUATION BUDGET – FLORIDA CENTER FOR STUDENTS WITH UNIQUE ABILITIES (FCSWUA)

Expenditures

University of Central Florida Operating Budget Status

September 30, 2020

Total expenditures remain unchanged compared to the prior year budget. The update to the Appropriation Categories was a result of realigning the budget to better reflect the proper categories in which actual expenditures occur.

FY 2021 PROJECTED BUDGET TO ACTUALS - SUMMARY

Revenues

Education and General – Main:

Revenue is at 32.4 percent of the projected budget. This is primarily due to the timing of receipts at the Fall semester. Most receipts for the Fall semester have been fully received by the end of the 1st Quarter. Additionally, the state is currently withholding 6% of the state appropriation pending a potential Legislative Special Session to address any State budget shortfalls. As seen in the comparison to prior year actuals, this amount is in line with expectations.

Education and General – College of Medicine:

Revenue is at 23.3% of the projected budget. This is primarily due to the state currently withholding 6% of the state appropriation pending a potential Legislative Special Session to address any State budget shortfalls.

Education and General – FCSWUA:

Revenue is at 23.5% of the projected budget. This is primarily due to the state currently withholding 6% of the state appropriation pending a potential Legislative Special Session to address any State budget shortfalls.

Local Funds:

Local Fund revenues is at 35.1 percent of projected budget due to the timing of collection of student fees, specifically within Student Activities, Student Financial Aid and Technology Fee. These fees are collected at the beginning of academic semesters and are currently trending as expected.

Faculty Practice Plan (FPP):

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Revenue is at 66.6 percent of the projected budget. This is primarily due to the \$7.5 million transfer in from Auxiliaries to pay off the internal loan related to the Quadrangle Building. This is a one-time receipt causing revenue to appear elevated in the 1st quarter.

Expenditures

Local Funds:

Expenses are at 34.5% due primarily to the nature and timing of Student Financial Aid expenses. These expenses are incurred at the beginning of academic semesters and are currently trending as expected.

YEAR OVER YEAR ACTUALS ANALYSIS – MAIN CAMPUS

Revenues

Education & General:

General Revenue is down \$8.7 million, or 13.1 percent compared to prior year primarily due to the appropriation adjustments from the state noted previously. These reductions from the state are spread throughout the year and the full effect of these adjustments will not be seen until year end. In addition, the state is currently withholding 6.0 percent of the appropriation pending a potential Legislative Special Session to address any State budget shortfalls.

Student Tuition is up \$6.7 million, or 5.0 percent compared to prior year. This is due to increased enrollment resulting in additional student credit hours.

Other Revenue is down \$645,000, or 27.1 percent due to a decrease in E&G interest earnings in FY2021 compared to FY2020.

Contracts & Grants:

Federal Grants are up \$9.8 million, or 32.1 percent, due to recognizing \$9.1 million in CARES Act revenue in the 1st quarter of FY2021.

State Grants are up \$3.0 million, or 412.5 percent, which is expected based on the \$12 million increase in state awards noted previously.

Other Grants and Donations are down \$2.0 million, or 30.8 percent due to decreased award activity from Corporations and Non-Profit Organizations.

University of Central Florida Operating Budget Status

September 30, 2020

Transfers In are up \$8.0 million, or 87.8 percent, due primarily to \$8.1 million in cash transfers to fund departments in cash deficits during the 1st quarter of 2021. These transfers are typically done periodically during fiscal years and any year-over-year difference is due to the timing of these transactions.

Auxiliary Enterprises:

Fees are up \$1.2 million, or 4.7 percent, primarily due to increased enrollment resulting in increased fee collections.

Interest and Miscellaneous Receipts are down \$9.7 million, or 28.3 percent, due to the following:

- \$4.4 million decrease in Parking revenue⁴
- \$3.1 million decrease in Housing revenues
- \$1.3 million decrease due to reduced Auxiliary sales from Student Health Services, SGA Ticket Office, Food Services, and The Print Shop

Transfers In are down \$2.5 million, or 11.4 percent, primarily due to \$1.3 million in reduced inter-departmental sales activity with the Computer Store and a \$1.0 million transfer from Housing to E&G Carryforward to cover the summer Union West and Northview housing refunds. The housing refunds occurred in FY2020 E&G Carryforward. Therefore, these transfers from housing in FY2021 was leveraged to reimburse Carryforward. As these were acting as a refund, a contra-revenue transfer was leveraged.

Local Funds:

Student Financial Aid is down \$6.1 million, or 2.4 percent, due to the following:

- \$10.6 million decrease in Direct Federal Loan activity
- \$4.3 million decrease due to Carryforward contributions to financial aid in FY20 that did not occur in FY21.
- \$2.4 million decrease in PELL Grants
- \$9.4 million increase in CARES Act Funding
- \$1.7 million increase in Bright Futures

Athletics is down \$4.4 million, or 20.2 percent. This data is still preliminary, and the athletics finance team will provide a more detailed update at a later date.

⁴ This revenue decrease includes a correcting journal entry in the 1st quarter of FY2021 totaling \$1.3 million related to activity from FY2020. This amount was properly corrected for the FY2020 financial statements but are reported for budgetary reporting purposes in FY2021.

University of Central Florida Operating Budget Status

September 30, 2020

Concessions revenues are down significantly as expected due to reduced student presence on campus and COVID-19 restrictions at various campus-related events.

Faculty Practice Plan (FPP):

Transfers In are up \$7.3 million, or 3,477.2 percent, primarily due to a \$7.5 million transfer from Auxiliary Enterprises to pay off the internal loan related to the Quadrangle Building. The internal loan was recorded as a negative fund balance within FPP. The transfer in eliminated this negative fund balance which is why no offsetting expense is noted.

Expenditures

Education & General:

Salaries and Benefits are down \$2.2 million, or 2.6 percent, primarily due to a decrease in 9 Month Faculty Expense year over year. The largest decreases of \$780,000 and \$479,000 occurred in the College of Arts and Humanities and the College of Hospitality Management, respectively. Additionally, Facilities Operations reduced Staff (USPS) Salaries by \$707,000.

Expenses are up \$1.6 million, or 6.3 percent, due to timing of a \$2.2 million payment related to Facilities Operation's 100-day lease of the Convocation Center. In FY2020, this payment occurred in the 2nd quarter, whereas in FY2021, this payment occurred in the 1st quarter.

Contracts & Grants:

Expenses are up \$8.8 million, or 74.9 percent, primarily due to the following:

- \$3.6 million related to student housing refunds from the CARES Act funding. This expense was paid out of E&G Carryforward in FY2020. In FY2021, Carryforward was reimbursed from Contracts & Grants after the CARES Act draw occurred.
- \$2.8 million increase in subcontractor charges in FY2021 compared to FY2020.
- \$1.5 million increase in Student Awards in FY2021 compared to FY2020.

Transfers Out are up \$6.9 million, or 67.3 percent, due primarily to \$8.1 million in cash transfers to fund departments in cash deficits at year end. These transfers occurred in the 1st quarter of FY2021.

Auxiliary Enterprises:

University of Central Florida Operating Budget Status

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Salaries and Benefits are up \$1.7 million, or 13.0 percent, primarily due to a \$2.9 million increase in Fringe Benefit Expense due to reduced Comprehensive Fringe Benefit charges to units compared to prior year. This increase is offset by a combined \$1.3 million decrease in salary and benefit expense across all divisions in the University.

Expenses are down \$9.2 million, or 27.9 percent, primarily due to:

- \$2.7 million decrease in Housing Operations
- \$2.2 million decrease in expenses incurred by the Technology Product Center
- \$1.1 million decrease in Parking expenses related to the shuttle contract
- \$1.0 million decrease in expenses incurred by the Student Government Ticket Center

Debt Service is down \$2.6 million, or 27.5 percent, due to the payoff of the Student Health Bonds in FY2020. Since these bonds were paid off, no additional debt service payments for Student Health occurred in FY2021.

Transfers Out are up \$13.0 million, or 266.5 percent, primarily due to a \$7.5 million funding transfer to the FPP to pay off the Quadrangle Building. Other transfers include \$2.6 million in additional construction transfers in FY2021 compared to FY2020 and \$1.3 million in transfers to the Internal Loan in FY2021. This Internal Loan transfer is a timing difference as the total Internal Loan transfer in FY2021 will agree to the amount from FY2020.

Local Funds:

Student Activities is down \$1.2 million, or 27.2 percent, primarily due to a decrease in student assistants of \$316,000, reduced entertainment expenses from the SGA of \$170,000, and decreases in utility costs of \$85,000.

Technology Fee is down \$581,000, or 20.5 percent, primarily due to reduced expenses related to Telephone Equipment installation in the 1st quarter in FY2020 compared to the same time frame in FY2021.

Faculty Practice Plan (FPP):

Salaries & Benefits and Expenses are down compared to prior year which is in line with expected budget.

YEAR OVER YEAR ACTUALS ANALYSIS – COLLEGE OF MEDICINE

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Revenues

General Revenues are down \$337,000, or 4.4 percent, primarily due to the state withholding of budget noted under E&G Main.

Student Tuition is up \$251,000, or 6.4 percent, due to increased enrollment.

Expenditures

Expenses are down \$456,000, or 31.2 percent, primarily due to decreased expenditures in FY2021 compared to FY2020 including \$122,000 in Equipment, \$90,000 in Travel and \$68,000 in Computer Hardware/Software.

YEAR OVER YEAR ACTUALS ANALYSIS – FCSWUA

Revenues

General Revenues are down \$135,000, or 6.0 percent, due to the state withholding of budget noted under E&G Main.

ENROLLMENT SUMMARY

Fall headcount compared to prior year is up 3.9 percent. We see increases to tuition and fees, as well as fee revenue in Auxiliaries and Local Fees.