University of Central Florida

Board of Trustees
Finance and Facilities Committee Meeting
October 16, 2013
8:30 a.m.
President's Boardroom, Millican Hall, 3rd floor
Conference call in phone number 800-442-5794, passcode 463796

AGENDA

I.	**CALL TO ORDER**	Olga M. Calvet *Chair of the Finance and Facilities Committee*
II.	**ROLL CALL**	Sheree Morgan *Senior Administrative Assistant to the Vice President for Administration and Finance and Chief Financial Officer*
III.	**NEW BUSINESS**	Chair Calvet
	• Minor Amendment to the 2010 Campus Master Plan – Facilities Support Building (FFC-1)	William F. Merck II *Vice President for Administration and Finance and Chief Financial Officer* W. Scott Cole *Vice President and General Counsel* Lee Kernek *Associate Vice President for Facilities and Safety*
	• Minor Amendment to the 2010 Campus Master Plan – Facilities and Safety Warehouse Building (FFC-2)	William F. Merck II W. Scott Cole Lee Kernek
	• Minor Amendment to the 2010 Campus Master Plan – Greenhouse Building (FFC-3)	William F. Merck II W. Scott Cole Lee Kernek
	• Draft 2012-13 University Audited Financial Statements review (INFO-1)	William F. Merck II Tracy Clark *Assistant Vice President and Controller*
IV.	**OTHER BUSINESS**	Chair Calvet
V.	**CLOSING COMMENTS**	Chair Calvet

ITEM: FFC-1

University of Central Florida
Board of Trustees
Finance and Facilities Committee

SUBJECT: Minor Amendment to 2010 Campus Master Plan - Facilities Support Building

DATE: October 16, 2013

PROPOSED COMMITTEE ACTION

Approve a minor amendment to the University of Central Florida Campus Master Plan to construct a two-story, 9,000 gross-square-foot Facilities Support Building to replace two pre-engineered steel buildings.

BACKGROUND INFORMATION

The purpose of the proposed amendment is to include this facility in the Capital Improvements and Urban Design Elements of the 2010 Campus Master Plan. The Facilities Support Building will provide support space for the operations and maintenance personnel servicing the southern sector of the main campus. The project includes the demolition of buildings 42 and 46 in order to prepare the site for the construction of a single building to support repair and maintenance staff. The Facilities Support Building will provide strategic placement of individuals, tools, and equipment to maintain the geographic zone for which they are responsible. As more particularly outlined in the attached memorandum, the amendment would constitute a minor amendment that needs only Board of Trustees approval for adoption. Prior to construction, the university will obtain approval from Orange County.

Supporting documentation:

Memorandum from Maria Yebra-Teimouri (Attachment A)
Project Location (Attachment B)
Capital Improvements List (Attachment C)
Urban Design Map (Attachment D)

Prepared by: W. Scott Cole, Vice President and General Counsel

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

Attachment A

MEMORANDUM

TO:	Scott Cole, Vice President and General Counsel
FROM:	Maria Yebra-Teimouri, Coordinator, Facilities Planning
SUBJECT:	Minor Amendment to 2010 Campus Master Plan
DATE:	October 16, 2013

The University of Central Florida proposes a minor amendment to its 2010 Campus Master Plan to amend the Capital Improvements and Urban Design Elements to replace two pre-engineered steel buildings with a single pre-engineered Facilities Support Building (FSB). The project includes the demolition of buildings 42 and 46 with a combined gross square footage of 2,092 in order to prepare the site for the construction of a two-story 9,000 gross square foot building to support the repair and maintenance staff. The FSB is designed to strategically place a team of individuals who possess all the necessary skill sets within one facility and in a particular geographic zone which they are responsible for maintaining. Staff at the FSB will include 4 maintenance team supervisors each one responsible for a team of 10 technicians who will be working in the surrounding geographic zone.

Please find below an analysis of the statutory thresholds and university responses that reflect the nature of the amendment request as a minor amendment. The thresholds are referenced under section 1013.30(9), F.S.

An amendment to a campus master plan must be reviewed and adopted under subsections (6)-(8) if such amendment, alone or in conjunction with other amendments, would:

(a) Increase density or intensity of use of land on the campus by more than ten percent;

University Response: The proposed FSB is a 9,000 GSF facility and it is replacing the combined GSF of 2,092 GSF for both buildings 42 and 46. This results in an increase of 6,908 square feet of support space. The current campus land designated for support space is 2,000,000 square feet. The percentage of change in support space resulting from this facility is .0034% and it therefore does not trip the ten percent threshold for the use or land.

(b) Decrease the amount of natural areas, open space, or buffers on the campus by more than ten percent:

University Response: The proposed amendment will not affect natural areas, open space or buffers by more than ten percent since the facility will be built on the same location of two previously existing facilities and its footprint does not exceed the previous ones by more than ten percent.

(c) Rearrange land uses in a manner that will increase the impact of any proposed campus development by more than 10 percent on a road or on another public facility or service provided or maintained by the state, the county, the host local government, or any affected local government.

University Response: The proposed facility will not generate an increase in capacity on any proposed campus development, road, or public facility by greater than ten percent. The functions previously contained in two facilities will be relocated to a single two-story facility as a means of strategically uniting the necessary skill sets within one location..

In summary, the proposed land use change does not exceed the amendment threshold criteria in 1013.30 (9), F.S. and may therefore be treated as a minor amendment.

Thank you for your time and attention to this matter. If you require additional information, please contact me at (407) 823-3893.

Attachment B

Attachment C

UNIVERSITY OF CENTRAL FLORIDA
CAPITAL IMPROVEMENTS LIST

	MAIN CAMPUS FTE / PROJECT LIST Revised 8/18/2011 (July 1, 2010 - June 30, 2020)	2010-2011 YR #1	2011-12 YR #2	2012-13 YR #3	2013-14 YR #4	2014-15 YR #5	2015-16 YR #6	2016-17 YR #7	2017-18 YR #8	2018-19 YR #9	2019-20 YR #10	Net	Gross	Total Estimated Cost ($M)
	MAIN CAMPUS FTE	42,576	42,498	42,710	42,963	43,158	43,329	43,758	44,042	44,309	44,762			
	PECO													
1	UTILITIES, INFRASTRUCTURE	$5,231,102	$11,665,740	$9,003,372	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	N/A	N/A	$123,926,222
2	PHYSICAL SCIENCES II COMPLETION	$1,077,300	$637,000									30,000	45,000	$1,714,300
3	PARTNERSHIP III BUILDING COMPLETION	$546,750	$1,332,353									75,294	117,442	$1,879,103
4	CLASSROOM BUILDING II		$5,039,000	$18,436,513								63,443	91,444	$23,475,601
5	MATH & PHYSICS BLDG. REMODELING AND RENOVATION			$1,546,527	$6,711,263							100,289	104,529	$7,755,790
6	MAIN UTILITY PLANT RENOVATION			$679,774								14,220	14,420	$679,774
7	ENGINEERING BLDG. I RENOVATION			$733,118	$6,480,335							115,188	120,000	$7,241,443
8	INTERDISC. RESEARCH & INCUBATOR FAC.				$5,924,183	$13,852,470						75,476	118,013	$19,776,653
9	MULTI PURPOSE RESEARCH AND EDUCATION BUILDING				$2,268,726	$23,254,436	$2,835,907					47,310	75,584	$28,359,071
10	BUSINESS ADMINISTRATION RENOVATION				$7,118,804							118,424	121,074	$7,118,804
11	LIBRARY RENOVATION				$14,212,564							222,387	256,508	$14,212,564
12	CHEMISTRY RENOVATION				$2,864,067							45,265	49,075	$2,864,067
13	ARTS COMPLEX PHASE II (PERFORMANCE)					$6,750,000	$62,250,000	$6,000,000				100,396	150,594	$75,000,000
14	FACILITIES AND SAFETY COMPLEX RENOVATION					$4,856,238						96,783	103,296	$4,856,238
15	VISUAL ARTS RENOVATION					$4,724,007						79,373	85,000	$4,724,007
16	HOWARD PHILLIPS HALL RENOVATION					$3,351,427						56,903	64,619	$3,351,427
17	COLLEGE OF NURSING						$13,476,712	$27,813,698	$13,476,712			119,206	170,604	$54,767,122
18	COLBOURN HALL RENOVATION						$4,968,246					73,511	83,957	$4,968,246
19	FERRELL COMMONS (E AND G SPACE) RENOVATION						$5,418,854					96,149	93,860	$5,418,854
20	COMPUTER CENTER I RENOVATION						$489,218					9,372	10,779	$489,218
21	LIBRARY EXPANSION							$44,114,393	$41,471,926	$39,471,926		319,392	463,542	$125,058,251
22	MILLICAN HALL RENOVATION							$802,291	$6,418,326	$802,290		87,740	88,680	$8,022,907
23	COMPUTER CENTER II RENOVATION							$123,161	$985,286	$123,160		25,282	33,370	$1,231,607
24	COLLEGE OF SCIENCES BUILDING RENOVATION							$317,437	$2,539,494	$317,436		40,580	54,644	$3,174,367
25	LIBRA ROAD WIDENING											N/A	N/A	$0
26	REHEARSAL HALL RENOVATION							$48,007	$384,055	$48,006		9,322	10,743	$480,068
27	THEATER BLDG. RENOVATION							$142,801	$1,142,404	$142,800		22,044	29,469	$1,428,005
28	FACILITIES BUILDING AT LAKE NONA								$600,000	$4,800,000	$600,000	26,446	40,000	$6,000,000
29	SOUTH CAMPUS RENOVATION								$591,305			15,581	11,897	$591,305
30	RECYCLING CENTER								$2,300,000	$18,400,000	$2,300,000	26,446	40,000	$23,000,000
31	HUMANITIES & FINE ARTS II								$2,772,353	$17,060,631	$2,772,353	58,562	87,543	$22,605,337
32	FILM - ARTS & HUMANITIES II BLDG.								$1,107,260	$8,800,076	$1,107,260	27,364	41,045	$11,014,596
33	SIMULATION AND TRAINING BUILDING								$2,370,334	$18,610,374	$2,370,334	39,950	55,926	$23,351,046
34	BUSINESS ADMIN. III BLDG.								$1,584,527	$12,307,012	$1,584,527	41,118	61,677	$15,476,066
35	EMERGENCY OPERATIONS CENTER (EOC) RENOVATION								$43,629	$349,034	$43,629	19,885	29,413	$436,292
36	MORGRIDGE INTERNATIONAL READING CENTER PHASE II (EDUCATION)								$2,062,348	$15,594,083	$2,062,348	11,479	17,219	$19,718,779
37	HAND BUILDING								$495,045	$2,800,279	$495,045	10,924	13,539	$3,710,369
38	ARTS COMPLEX PHASE III								$1,210,857	$7,627,447	$1,210,857	25,447	38,171	$10,049,161
39	INTERDISC. RESEARCH BLDG. II								$2,379,356	$17,330,596	$2,379,356	45,543	65,815	$22,071,268
40	JOINT USE FACILITY								$1,000,000	$9,000,000	$1,000,000	26,904	40,356	$11,000,000
41	PARTNERSHIP CAMPUS											N/A	N/A	$0
42	SUSTAINABILITY CENTER								$5,000,000			5,000	7,500	$5,000,000
43	CENTER FOR EMERGING MEDIA BUILD OUT								$6,360,358			16,544	24,816	$6,360,358
44	CAPITAL IMPROVEMENT RESERVE											N/A	N/A	$0
	COURTELIS													
45	LABORATORY INSTRUCTION BUILDING PHASE I	$9,403,350	$9,407,634									11,470	16,356	$18,680,904
46	BURNETT BIO MEDICAL SCIENCE CTR	$2,526,605										132,900	198,000	$2,526,608
47	ARTS COMPLEX II ENHANCEMENT	$500,000										N/A	N/A	$500,000
48	MEDICAL SCHOOL LIBRARY	$4,000,000										10,572	15,760	$4,000,000
49	MORGRIDGE INTERNATIONAL READING CENTER	$2,064,149										50,000	75,000	$2,064,149
50	PSYCHOLOGY BUILDING	$80,540										N/A	N/A	$80,540
51	ENGINEERING III ENHANCEMENT	$1,284,970	$1,099,093									13,291	17,783	$2,384,063
52	ALUMNI CENTER/JOHN & MARTHA HITT LIBRARY	$7,049										N/A	N/A	$7,049
53	OPTICS AND PHOTONICS ENHANCEMENT	$69,085										1,537	2,305	$69,085
54	RESEARCH LAB, LAKE NONA	$6,472,845	$97,268,758	$9,180,000								11,099	14,648	$112,861,608
55	CARACOL in BELIZE		$350,000									49,570	73,566	$350,000
56	COLLEGE OF NURSING		$3,871									3,750	2,435	$3,871
57	BURNETT BIO MEDICAL SCIENCE CTR INFRASTRUCTURE		$7,500,000									6,271	9,607	$7,500,000
58	CIVIL AND ENVIRONMENTAL ENGINEERING		$1,160,667	$14,508,333	$1,748,000							50,000	75,000	$17,416,000
59	ORLANDO REPERTORY THEATRE III RENOVATIONS		$75,000	$75,000	$75,000							8,000	12,000	$225,000
60	ATHLETIC ACADEMIC PERFORMANCE CENTER		$12,000,000									45,418	68,127	$12,000,000
61	SUSTAINABILITY CENTER			$250,000	$2,000,000	$250,000						5,000	7,500	$2,500,000
	PRIVATE													
62	PHOTO-VOLTAIC ARRAY AND SUPPORT BUILDING		$2,300,000									3,300	5,000	$2,300,000
63	MECHANICAL, MATERIALS AND AEROSPACE ENGINEERING (MMAE)	$1,600,000												$1,600,000
64	RETAIL SUPPORT SPACE			$2,600,000								2,000	3,000	$2,000,000
65	CENTER FOR MULTILINGUAL MULTICULTURAL EXPANSION			$1,250,000								3,684	5,526	$1,250,000
66	SCIENCE ANNEX ENHANCEMENT	$5,000,000										N/A	N/A	$5,000,000
67	SPECIAL PURPOSE HOUSING AND PARKING GARAGE I	$25,000,000										106,447	160,000	$25,000,000
68	SPECIAL PURPOSE HOUSING II	$8,000,000										21,330	32,000	$8,000,000
69	PARKING DECK (ATHLETIC COMPLEX)	$5,000,000										112,000	168,000	$5,000,000
70	LIBRARY EXPANSION	$113,472,000										109,703	164,554	$113,472,000
71	STRATEGIC LAND AND PROPERTY	$100,000,000										N/A	N/A	$100,000,000
72	GRADUATE HOUSING	$50,000,000										100,000	150,000	$50,000,000
73	ATHLETIC ACADEMIC PERFORMANCE CENTER	$12,000,000										45,418	68,127	$12,000,000
74	REFINANCE UCF FOUNDATION PROPERTIES	$37,410,000										288,167	472,250	$37,410,000
75	NORTHEAST CAMPUS MIXED USE DEVELOPMENT	$50,000,000										133,330	200,000	$50,000,000
76	STUDENT HOUSING	$150,000,000										149,335	224,000	$150,000,000
77	BRIGHTHOUSE NETWORKS STADIUM TOWER EXPANSION	$5,000,000										14,225	21,337	$5,000,000
78	TRACK/SOCCER STADIUM	$1,000,000										N/A	N/A	$1,000,000
79	EXPANSION OF JAY BERGMAN FIELD PHASE I	$500,000										3,800	5,700	$500,000
80	TENNIS COMPLEX	$500,000										4,980	7,470	$500,000
81	TRACK/SOCCER CLUB HOUSE	$850,000										2,800	4,200	$850,000
82	EXPANSION OF JAY BERGMAN FIELD PHASE II	$4,500,000										3,800	5,700	$4,500,000
83	WAYNE DENSCH SPORTS CENTER EXPANSION	$4,000,000										12,000	18,000	$4,000,000
84	SOFTBALL PRACTICE FIELD	$250,000										N/A	N/A	$250,000
85	ATHLETICS PRACTICE FIELD	$500,000										N/A	N/A	$500,000
86	WOMENS COMPETITION/PRACTICE FIELD	$2,000,000										N/A	N/A	$2,000,000
87	BASEBALL PRACTICE FIELD	$400,000										N/A	N/A	$400,000
88	BASKETBALL PRACTICE FACILITY	$12,000,000										32,000	48,000	$12,000,000
89	AQUATICS CENTER	$20,000,000										5,200	7,800	$20,000,000
90	EAST ATHLETICS CENTER	$25,000,000										11,706	17,559	$15,000,000
91	RESEARCH LAB, LAKE NONA	$112,861,600										132,015	198,027	$112,861,600
92	CLASSROOM/LAB BUILDING, LAKE NONA	$23,475,601										60,976	91,464	$23,475,601
93	LIFE SCIENCES INCUBATOR, LAKE NONA	$30,000,000										36,667	55,000	$30,000,000
94	EXPO CENTER HOUSING	$16,000,000										68,667	103,000	$16,000,000
95	HOTEL/CONFERENCE CENTER	$60,000,000										190,000	250,000	$60,000,000
	BOND													
96	ORGANIC GROCERY	$25,000,000										106,447	160,000	$25,000,000
97	SPECIAL PURPOSE HOUSING AND PARKING GARAGE I	$8,000,000										21,330	32,000	$8,000,000
98	SPECIAL PURPOSE HOUSING II	$20,000,000										242,667	364,000	$20,000,000
99	PARKING GARAGE VII	$17,000,000										112,000	168,000	$17,000,000
100	PARKING DECKS	$113,472,000										109,703	164,554	$113,472,000
101	LIBRARY EXPANSION	$100,000,000										N/A	N/A	$100,000,000
102	STRATEGIC LAND AND PROPERTY	$50,000,000										100,000	150,000	$50,000,000
103	GRADUATE HOUSING	$37,410,000										288,167	472,250	$37,410,000
104	REFINANCE UCF FOUNDATION PROPERTIES	$900,000										2,200	3,300	$900,000
105	VISITOR INFORMATION CENTER	$8,000,000										20,000	30,000	$8,000,000
106	BOOKSTORE EXPANSION	$12,000,000										45,418	68,127	$12,000,000
107	ATHLETIC ACADEMIC PERFORMANCE CENTER	$150,000,000										149,335	224,000	$150,000,000
108	STUDENT HOUSING	$5,000,000										14,225	21,337	$5,000,000
109	BRIGHTHOUSE NETWORKS STADIUM TOWER EXPANSION	$1,000,000										N/A	N/A	$1,000,000
110	TRACK/SOCCER STADIUM	$500,000										3,800	5,700	$500,000
111	EXPANSION OF BASEBALL STADIUM PHASE I	$500,000										4,980	7,470	$500,000
112	TENNIS COMPLEX	$850,000										2,600	4,200	$850,000
113	TRACK/SOCCER CLUB HOUSE	$4,500,000										3,800	5,700	$4,500,000
114	EXPANSION OF BASEBALL STADIUM PHASE II	$4,000,000										12,000	18,000	$4,000,000
115	WAYNE DENSCH SPORTS CENTER EXPANSION	$250,000										N/A	N/A	$250,000
116	SOFTBALL PRACTICE FIELD	$500,000										N/A	N/A	$500,000
117	ATHLETICS PRACTICE FIELD	$2,000,000										N/A	N/A	$2,000,000
118	WOMENS COMPETITION/PRACTICE FIELD	$400,000										N/A	N/A	$400,000
119	BASEBALL PRACTICE FIELD	$12,000,000										32,000	48,000	$12,000,000
120	BASKETBALL PRACTICE FACILITY	$20,000,000										5,200	7,800	$20,000,000
121	AQUATICS CENTER	$25,000,000										11,706	17,559	$15,000,000
122	EAST ATHLETICS CENTER	$5,000,000										33,891	50,837	$5,000,000
123	GARAGE EXPANSION	$112,861,600										132,018	198,027	$112,861,600
124	RESEARCH LAB, LAKE NONA	$23,475,601										60,976	91,464	$23,475,601
125	CLASSROOM/LAB BUILDING, LAKE NONA	$30,000,000										36,667	55,000	$30,000,000
126	LIFE SCIENCES INCUBATOR, LAKE NONA	$6,000,000										13,866	20,799	$6,000,000
127	FACILITIES BUILDING AT LAKE NONA	$16,000,000										68,667	103,000	$16,000,000
128	EXPO CENTER HOUSING	$100,000,000										40,000	60,000	$100,000,000
129	REGIONAL CAMPUSES MULTI-PURPOSE BUILDINGS	$14,000,000										N/A	N/A	$14,000,000
130	BRIGHTHOUSE NETWORKS STADIUM EXPANSION - SEATING													
	CITF													
131	LAKE CLAIRE RENOVATION	$3,000,000										100,000	150,000	$3,000,000
132	STUDENT UNION II	$14,000,000										37,800	54,700	$14,000,000
133	RECREATION AND WELLNESS FIELDS	$2,000,000										N/A	N/A	$2,000,000
134	STUDENT UNION II PHASE II	$6,000,000										17,000	25,500	$6,000,000
135	STUDENT UNION II PHASE III	$21,000,000										60,000	90,000	$21,000,000
136	RWC EXPANSION	$15,000,000										60,000	90,000	$15,000,000
137	RWC II, NORTH END	$3,000,000										N/A	N/A	$3,000,000
138	RWC PLAYING FIELDS	$2,000,000										N/A	N/A	$2,000,000
139	SOFTBALL COMPLEX	$5,000,000										32,000	32,000	$5,000,000
	OTHER													
140	CREOL OPTICS LAB			$1,500,000								4,500	6,750	$1,500,000
141	COMBINED HEAT AND POWER FACILITY	$6,500,000										5,000	5,000	$6,500,000
142	ARBORETUM GREENHOUSE				$340,000							1,000	1,000	$340,000
143	FACILITIES SUPPORT BUILDING				$1,000,000							4,020	4,489	$1,000,000
	TOTAL													

	Net	Gross
New Campus Sq. Ft.	2,845,551	5,334,573
Off Campus Sq. Ft.	2,429,700	2,491,670

Funding sources denote probable building completion year
Projects in green denote projects planned off campus.
Projects in blue denote renovation and/or remodeling projects

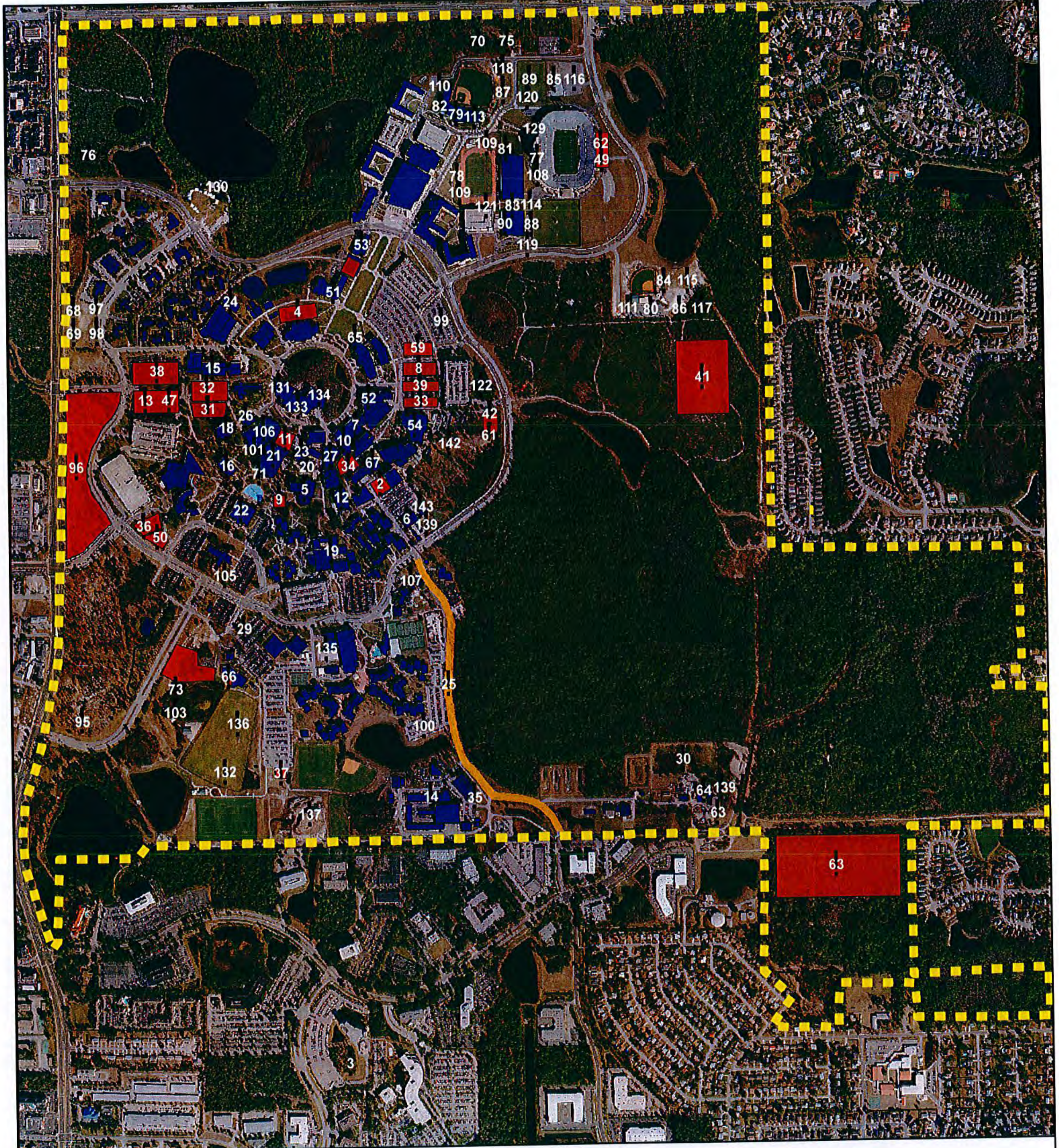


Figure 3-1

Urban Design and Capital Improvements

Comprehensive Master Plan Update
University of Central Florida
Orlando, Florida
2010-2020

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Rev. 20130916

Legend

- ! Capital Improvements List
- Boundary
- Proposed Building Sites
- Proposed Road Widening
- Existing Buildings

0 1,000 2,000 4,000 Feet

ITEM: FFC-2

University of Central Florida
Board of Trustees
Finance and Facilities Committee

SUBJECT: Minor Amendment to 2010 Campus Master Plan – Facilities and Safety Warehouse Building

DATE: October 16, 2013

PROPOSED COMMITTEE ACTION

Approve a minor amendment to the University of Central Florida Campus Master Plan to construct 6,800 square-feet of building and dock space adjacent to the existing Facilities and Safety Warehouse.

BACKGROUND INFORMATION

The purpose of the proposed amendment is to include this facility in the Capital Improvements, Urban Design and Future Land Use Elements of the 2010 Campus Master Plan. The department of Facilities and Safety is in need of additional highly accessible, low-cost warehousing and storage space to support current operational demands, provide additional space for revenue-generating programs, and reduce or eliminate the need for off-campus warehouse storage. This project will address these needs and provide storage support space for Facilities and Safety, including Environmental Health and Safety, Surplus Property Retail, the Pack and Ship store, UCF Police Department, and the Office of Emergency Management, as well as university partners in E&G buildings, such as the Colleges, the Office of Research and Commercialization, and the Theatre. As more particularly outlined in the attached memorandum, the amendment would constitute a minor amendment that needs Board of Trustees approval for adoption. Prior to construction, the university will obtain approval from Orange County.

Supporting documentation:

Memorandum from Maria Yebra-Teimouri (Attachment A)
Project Location (Attachment B)
Capital Improvements List (Attachment C)
Urban Design Map (Attachment D)
Future Land Use Map (Attachment E)

Prepared by: W. Scott Cole, Vice President and General Counsel

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

Attachment A

MEMORANDUM

TO:	Scott Cole, Vice President and General Counsel
FROM:	Maria Yebra-Teimouri, Coordinator, Facilities Planning
SUBJECT:	Minor Amendment to 2010 Campus Master Plan
DATE:	October 16, 2013

The University of Central Florida proposes a minor amendment to its 2010 Campus Master Plan to amend the Capital Improvements, Urban Design and Future Land Use Elements by adding 6,800 square feet of warehouse support space. The proposed location for this facility is adjacent to the existing Facilities and Safety Warehouse Building 16E.

Please find below an analysis of the statutory thresholds and university responses that reflect the nature of the amendment request as a minor amendment. The thresholds are referenced under section 1013.30(9), F.S.

An amendment to a campus master plan must be reviewed and adopted under subsections (6)-(8) if such amendment, alone or in conjunction with other amendments, would:

(a) Increase density or intensity of use of land on the campus by more than ten percent;

University Response: The current campus land designated for Support Space is over 2,000,000 square feet. Adding 6,800 square feet constitutes a .0034% change and therefore does not trip the ten percent threshold for the use of land.

(b) Decrease the amount of natural areas, open space, or buffers on the campus by more than ten percent: or

University Response: The proposed amendment will not affect natural areas, open space or buffers by more than ten percent. Acreage on campus designated for natural areas, open space, and buffers exceeds 1,000 acres. Thus the proposed .15 acre site will not exceed the 10% threshold.

(c) Rearrange land uses in a manner that will increase the impact of any proposed campus development by more than 10 percent on a road or on another public facility or service provided or maintained by the state, the county, the host local government, or any affected local government.

University Response: The proposed facility will not generate an increase in capacity on any proposed campus development, road, or public facility by greater than ten percent.

In summary, the proposed land use change does not exceed the amendment threshold criteria in 1013.30 (9), F.S. and may therefore be treated as a minor amendment.

Thank you for our time and attention to this matter. If you require additional information, please contact me at (407) 823-3893.

Attachment B

Attachment C

UNIVERSITY OF CENTRAL FLORIDA

CAPITAL IMPROVEMENTS LIST

#	MAIN CAMPUS FTE	41,570	42,496	42,730	42,983	43,135	43,539	43,753	44,043	44,300	44,763			
	PROJECT LIST Revised 5/16/2013	2010-2011 YR #1	2011-12 YR #2	2012-13 YR #3	2013-14 YR #4	2014-15 YR #5	2015-16 YR #6	2016-17 YR #7	2017-18 YR #8	2018-19 YR #9	2019-20 YR #10	Net	Gross	Total Estimated Cost ($M)
	(July 1, 2010 - June 30, 2020)													
	PECO													
1	UTILITIES, INFRASTRUCTURE	$5,231,102	$11,685,748	$9,033,373	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	N/A	N/A	$123,920,222
2	PHYSICAL SCIENCES II COMPLETION	$1,077,500	$637,000									30,000	45,000	$1,714,500
3	PARTNERSHIP III BUILDING COMPLETION	$146,750	$1,332,355									78,294	117,442	$1,879,105
4	CLASSROOM BUILDING II		$5,039,088	$18,436,513								63,443	91,464	$23,475,601
5	MATH & PHYSICS BLDG. REMODELING AND RENOVATION			$1,344,527	$6,211,263							100,289	104,523	$7,555,790
6	MAIN UTILITY PLANT RENOVATION			$879,756								14,220	14,420	$879,756
7	ENGINEERING BLDG. I RENOVATION			$753,110	$6,488,335							118,186	130,885	$7,241,445
8	INTERDISC. RESEARCH & INCUBATOR FAC.				$5,924,183	$33,852,470						78,676	118,013	$39,776,653
9	MULTI-PURPOSE RESEARCH AND EDUCATION BUILDING				$2,268,726	$23,254,438	$2,835,907					47,310	75,364	$28,359,071
10	BUSINESS ADMINISTRATION RENOVATION				$7,118,804							118,624	121,074	$7,118,804
11	LIBRARY RENOVATION				$14,212,564							272,987	224,506	$14,212,564
12	CHEMISTRY RENOVATION				$2,984,067							43,245	49,073	$2,984,067
13	ARTS COMPLEX PHASE II (PERFORMANCE)					$6,750,000	$62,250,000	$6,000,000				100,396	150,594	$75,000,000
14	FACILITIES AND SAFETY COMPLEX RENOVATION					$4,856,238						96,763	103,286	$4,856,238
15	VISUAL ARTS RENOVATION					$4,724,007						79,373	85,000	$4,724,007
16	HOWARD PHILLIPS HALL RENOVATION					$3,551,427						56,903	64,619	$3,551,427
17	COLLEGE OF NURSING						$3,476,712	$27,813,698	$3,476,712			119,206	178,684	$34,767,122
18	COLBOURN HALL RENOVATION						$4,968,240					75,511	83,957	$4,968,240
19	FERRELL COMMONS (E AND G SPACE) RENOVATION						$5,418,854					88,140	93,860	$5,418,854
20	COMPUTER CENTER I RENOVATION						$489,218					9,372	10,779	$489,218
21	LIBRARY EXPANSION							$44,114,399	$40,471,926	$40,471,926		319,302	465,542	$125,058,251
22	MILLICAN HALL RENOVATION							$892,291	$6,418,324	$892,290		67,742	88,680	$8,022,907
23	COMPUTER CENTER II RENOVATION							$123,161	$985,284	$123,160		25,282	33,370	$1,231,607
24	COLLEGE OF SCIENCES BUILDING RENOVATION							$317,437	$2,539,494	$317,436		49,580	54,644	$3,174,367
25	LIBRA ROAD WIDENING											N/A	N/A	$0
26	REHEARSAL HALL RENOVATION							$48,007	$384,053	$48,006		9,922	10,743	$480,068
27	THEATER BLDG. RENOVATION							$142,801	$1,142,404	$142,800		22,664	29,469	$1,428,005
28	FACILITIES BUILDING AT LAKE NONA								$600,000	$4,800,000	$600,000	26,666	40,000	$6,000,000
29	SOUTH CAMPUS RENOVATION								$551,305			13,561	11,857	$551,305
30	RECYCLING CENTER								$2,300,000	$18,400,000	$2,300,000	26,666	40,000	$23,000,000
31	HUMANITIES & FINE ARTS II								$2,772,353	$17,060,631	$2,772,353	58,362	87,543	$22,605,337
32	FILM - ARTS & HUMANITIES II BLDG.								$1,107,260	$8,600,076	$1,107,260	27,264	41,045	$10,814,596
33	SIMULATION AND TRAINING BUILDING								$2,370,336	$18,410,374	$2,370,336	39,950	59,924	$23,151,046
34	BUSINESS ADMIN. III BLDG.								$1,584,527	$12,507,012	$1,584,527	41,118	61,677	$15,676,066
35	EMERGENCY OPERATIONS CENTER (EOC) RENOVATION								$43,629	$349,034	$43,629	19,880	29,413	$436,292
36	MORGRIDGE INTERNATIONAL READING CENTER PHASE II (EDUCATION)								$2,042,348	$15,634,083	$2,042,348	51,479	77,219	$19,718,779
37	BAND BUILDING								$455,045	$2,800,279	$455,045	10,424	13,529	$3,710,369
38	ARTS COMPLEX PHASE III								$1,210,857	$7,627,447	$1,210,857	25,447	38,171	$10,049,161
39	INTERDISC. RESEARCH BLDG. II								$2,370,336	$17,330,598	$2,370,336	40,543	60,815	$22,071,266
40	JOINT USE FACILITY								$1,000,000	$9,000,000	$1,000,000	26,904	40,356	$11,000,000
41	PARTNERSHIP CAMPUS											N/A	N/A	$0
42	SUSTAINABILITY CENTER								$5,000,000			5,000	7,500	$5,000,000
43	CENTER FOR EMERGING MEDIA BUILD OUT								$4,360,339			16,544	24,816	$4,360,339
44	CAPITAL IMPROVEMENT RESERVE											N/A	N/A	$0
	COURTELIS													
45	LABORATORY INSTRUCTION BUILDING PHASE I	$9,483,350	$9,407,634									11,670	16,338	$18,890,984
46	BURNETT BIO MEDICAL SCIENCE CTR	$2,528,605										132,000	198,000	$2,528,605
47	ARTS COMPLEX II ENHANCEMENT	$500,000										N/A	N/A	$500,000
48	MEDICAL SCHOOL LIBRARY	$4,000,000										10,573	15,760	$4,000,000
49	MORGRIDGE INTERNATIONAL READING CENTER	$2,064,149										50,000	75,000	$2,064,149
50	PSYCHOLOGY BUILDING	$80,540										N/A	N/A	$80,540
51	ENGINEERING III ENHANCEMENT	$1,284,970	$1,099,493									13,291	17,763	$2,384,463
52	ALUMNI CENTER/JOHN & MARTHA HITT LIBRARY	$7,049										N/A	N/A	$7,049
53	OPTICS AND PHOTONICS ENHANCEMENT	$69,085										1,537	2,305	$69,085
54	RESEARCH LAB, LAKE NONA	$6,412,843	$97,268,760	$9,180,000								11,999	16,448	$112,861,603
55	CARACOL in BELIZE		$350,000									43,576	72,558	$350,000
56	COLLEGE OF NURSING		$3,873									1,750	2,625	$3,873
57	BURNETT BIO MEDICAL SCIENCE CTR INFRASTRUCTURE		$7,500,000									6,271	9,407	$7,500,000
58	CIVIL AND ENVIRONMENTAL ENGINEERING		$1,160,667	$14,508,333	$1,741,000							50,000	75,000	$17,410,000
59	ORLANDO REPERTORY THEATRE III RENOVATIONS		$75,000	$75,000	$75,000							8,000	12,000	$225,000
60	ATHLETIC ACADEMIC PERFORMANCE CENTER		$12,000,000									45,418	68,127	$12,000,000
61	SUSTAINABILITY CENTER			$250,000	$2,000,000	$250,000						5,000	7,500	$2,500,000
	PRIVATE													
62	PHOTO VOLTAIC ARRAY AND SUPPORT BUILDING		$2,300,000									3,500	5,000	$2,300,000
63	MECHANICAL, MATERIALS AND AEROSPACE ENGINEERING (MMAE)	$1,600,000												$1,600,000
64	RETAIL SUPPORT SPACE			$2,000,000								2,000	3,000	$2,000,000
65	CENTER FOR MULTILINGUAL MULTICULTURAL EXPANSION			$1,250,000								3,684	5,526	$1,250,000
66	SCIENCE ANNEX ENHANCEMENT	$5,000,000										N/A	N/A	$5,000,000
67	SPECIAL PURPOSE HOUSING AND PARKING GARAGE I	$25,000,000										106,667	160,000	$25,000,000
68	SPECIAL PURPOSE HOUSING II	$8,000,000										21,333	32,000	$8,000,000
69	PARKING DECK (ATHLETIC COMPLEX)	$5,000,000										112,000	168,000	$5,000,000
70	LIBRARY EXPANSION	$113,472,000										109,703	164,554	$113,472,000
71	STRATEGIC LAND AND PROPERTY	$100,000,000										N/A	N/A	$100,000,000
72	GRADUATE HOUSING	$50,000,000										100,000	150,000	$50,000,000
73	ATHLETIC ACADEMIC PERFORMANCE CENTER	$12,000,000										45,418	68,127	$12,000,000
74	REFINANCE UCF FOUNDATION PROPERTIES	$37,410,000										288,167	432,250	$37,410,000
75	NORTHEAST CAMPUS MIXED USE DEVELOPMENT	$50,000,000										133,333	200,000	$50,000,000
76	STUDENT HOUSING	$150,000,000										149,333	224,000	$150,000,000
77	BRIGHTHOUSE NETWORKS STADIUM TOWER EXPANSION	$5,000,000										14,225	21,337	$5,000,000
78	TRACK/SOCCER STADIUM	$1,000,000										N/A	N/A	$1,000,000
79	EXPANSION OF JAY BERGMAN FIELD PHASE I	$500,000										3,800	5,700	$500,000
80	TENNIS COMPLEX	$500,000										4,980	7,470	$500,000
81	TRACK/SOCCER CLUB HOUSE	$850,000										2,800	4,200	$850,000
82	EXPANSION OF JAY BERGMAN FIELD PHASE II	$4,500,000										3,800	5,700	$4,500,000
83	WAYNE DENSCH SPORTS CENTER EXPANSION	$4,000,000										12,000	18,000	$4,000,000
84	SOFTBALL PRACTICE FIELD	$250,000										N/A	N/A	$250,000
85	ATHLETICS PRACTICE FIELD	$500,000										N/A	N/A	$500,000
86	WOMENS COMPETITION/PRACTICE FIELD	$2,000,000										N/A	N/A	$2,000,000
87	BASEBALL PRACTICE FIELD	$400,000										N/A	N/A	$400,000
88	BASKETBALL PRACTICE FACILITY	$12,000,000										32,000	48,000	$12,000,000
89	AQUATICS CENTER	$20,000,000										5,200	7,800	$20,000,000
90	EAST ATHLETICS CENTER	$15,000,000										11,706	17,559	$15,000,000
91	RESEARCH LAB, LAKE NONA	$112,861,603										132,618	198,927	$112,861,603
92	CLASSROOM/LAB BUILDING, LAKE NONA	$23,475,601										60,976	91,464	$23,475,601
93	LIFE SCIENCES INCUBATOR, LAKE NONA	$30,000,000										36,667	55,000	$30,000,000
94	EXPO CENTER HOUSING	$16,000,000										68,667	103,000	$16,000,000
95	HOTEL/CONFERENCE CENTER	$60,000,000										166,800	250,000	$60,000,000
	BOND													
96	ORGANIC GROCERY													
97	SPECIAL PURPOSE HOUSING AND PARKING GARAGE I	$25,000,000										106,667	160,000	$25,000,000
98	SPECIAL PURPOSE HOUSING II	$8,000,000										21,333	32,000	$8,000,000
99	PARKING GARAGE VII	$20,000,000										242,667	364,000	$20,000,000
100	PARKING DECKS	$17,000,000										112,000	168,000	$17,000,000
101	LIBRARY EXPANSION	$113,472,000										109,703	164,554	$113,472,000
102	STRATEGIC LAND AND PROPERTY	$100,000,000										N/A	N/A	$100,000,000
103	GRADUATE HOUSING	$50,000,000										100,000	150,000	$50,000,000
104	REFINANCE UCF FOUNDATION PROPERTIES	$37,410,000										288,167	432,250	$37,410,000
105	VISITOR INFORMATION CENTER	$900,000										2,200	3,300	$900,000
106	BOOKSTORE EXPANSION	$8,000,000										20,000	30,000	$8,000,000
107	ATHLETIC ACADEMIC PERFORMANCE CENTER	$12,000,000										45,418	68,127	$12,000,000
108	STUDENT HOUSING	$150,000,000										149,333	224,000	$150,000,000
109	BRIGHTHOUSE NETWORKS STADIUM TOWER EXPANSION	$5,000,000										14,225	21,337	$5,000,000
110	TRACK/SOCCER STADIUM	$1,000,000										N/A	N/A	$1,000,000
111	EXPANSION OF BASEBALL STADIUM PHASE I	$500,000										3,800	5,700	$500,000
112	TENNIS COMPLEX	$500,000										4,980	7,470	$500,000
113	TRACK/SOCCER CLUB HOUSE	$850,000										2,800	4,200	$850,000
114	EXPANSION OF BASEBALL STADIUM PHASE II	$4,500,000										3,800	5,700	$4,500,000
115	WAYNE DENSCH SPORTS CENTER EXPANSION	$4,000,000										12,000	18,000	$4,000,000
116	SOFTBALL PRACTICE FIELD	$250,000										N/A	N/A	$250,000
117	ATHLETICS PRACTICE FIELD	$500,000										N/A	N/A	$500,000
118	WOMENS COMPETITION/PRACTICE FIELD	$2,000,000										N/A	N/A	$2,000,000
119	BASEBALL PRACTICE FIELD	$400,000										N/A	N/A	$400,000
120	BASKETBALL PRACTICE FACILITY	$12,000,000										32,000	48,000	$12,000,000
121	AQUATICS CENTER	$20,000,000										5,200	7,800	$20,000,000
122	EAST ATHLETICS CENTER	$15,000,000										11,706	17,559	$15,000,000
123	GARAGE EXPANSION	$5,000,000										33,891	50,837	$5,000,000
124	RESEARCH LAB, LAKE NONA	$112,861,603										132,618	198,927	$112,861,603
125	CLASSROOM/LAB BUILDING, LAKE NONA	$23,475,601										60,976	91,464	$23,475,601
126	LIFE SCIENCES INCUBATOR, LAKE NONA	$30,000,000										36,667	55,000	$30,000,000
127	FACILITIES BUILDING AT LAKE NONA	$6,000,000										13,864	20,799	$6,000,000
128	EXPO CENTER HOUSING	$16,000,000										68,667	103,000	$16,000,000
129	REGIONAL CAMPUSES MULTI PURPOSE BUILDINGS	$100,000,000										40,000	60,000	$100,000,000
130	BRIGHTHOUSE NETWORKS STADIUM EXPANSION - SEATING	$14,000,000										N/A	N/A	$14,000,000
	CITF													
131	LAKE CLAIRE RENOVATION	$3,000,000										100,000	150,000	$3,000,000
132	STUDENT UNION II	$14,000,000										37,800	54,700	$14,000,000
133	RECREATION AND WELLNESS FIELDS	$2,000,000										N/A	N/A	$2,000,000
134	STUDENT UNION II PHASE II	$6,000,000										17,000	25,500	$6,000,000
135	STUDENT UNION II PHASE III	$21,000,000										60,000	90,000	$21,000,000
136	RWC EXPANSION	$15,000,000										60,000	90,000	$15,000,000
137	RWC II, NORTH END	$3,000,000										N/A	N/A	$3,000,000
138	RWC PLAYING FIELDS	$2,000,000										N/A	N/A	$2,000,000
139	SOFTBALL COMPLEX	$5,000,000										22,000	22,000	$5,000,000
	OTHER													
140	CREOL OPTICS LAB			$1,500,000								4,500	6,750	$1,500,000
141	COMBINED HEAT AND POWER FACILITY	$8,300,000										5,000	5,000	$8,300,000
142	ARBORETUM GREENHOUSE				$340,000							1,000	1,000	$340,000
143	FACILITIES SUPPORT BUILDING				$1,000,000							4,020	4,489	$1,000,000
144	WAREHOUSE SUPPORT BUILDING				$950,000							5,989	4,568	$950,000
	TOTAL										New Campus Sq. Ft.	2,851,540	5,341,161	
											Off Campus Sq. Ft.	2,435,700	2,401,470	

Funding sources denote probable building completion year
Projects in green denote projects planned off campus
Projects in blue denote renovation and/or remodeling projects

Attachment D

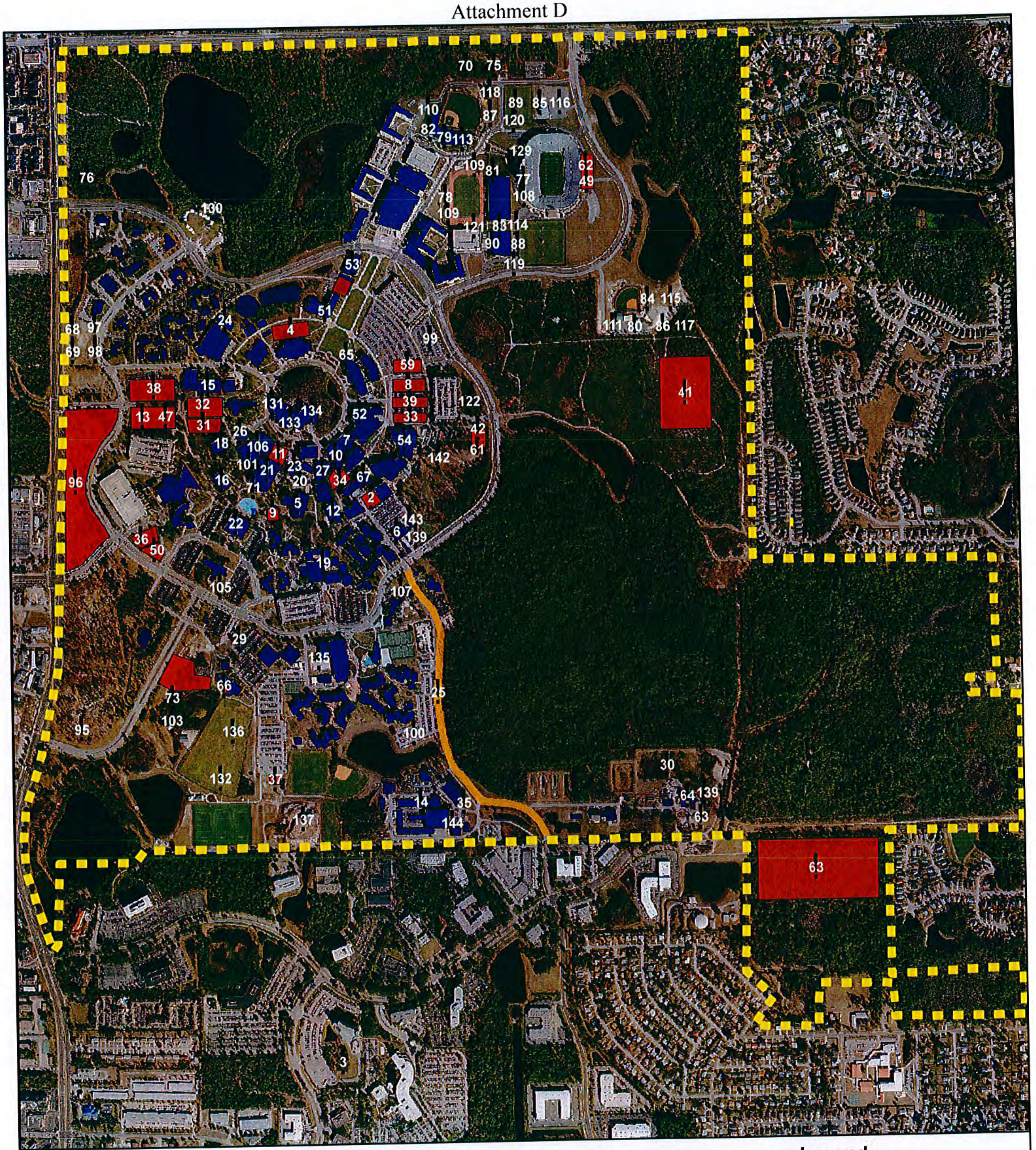


Figure 3-1
Urban Design and Capital Improvements

Comprehensive Master Plan Update
University of Central Florida
Orlando, Florida
2010-2020

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Rev. 20130916

Legend
- Capital Improvements List
- Boundary
- Proposed Building Sites
- Proposed Road Widening
- Existing Buildings

0 1,000 2,000 4,000 Feet

Attachment E

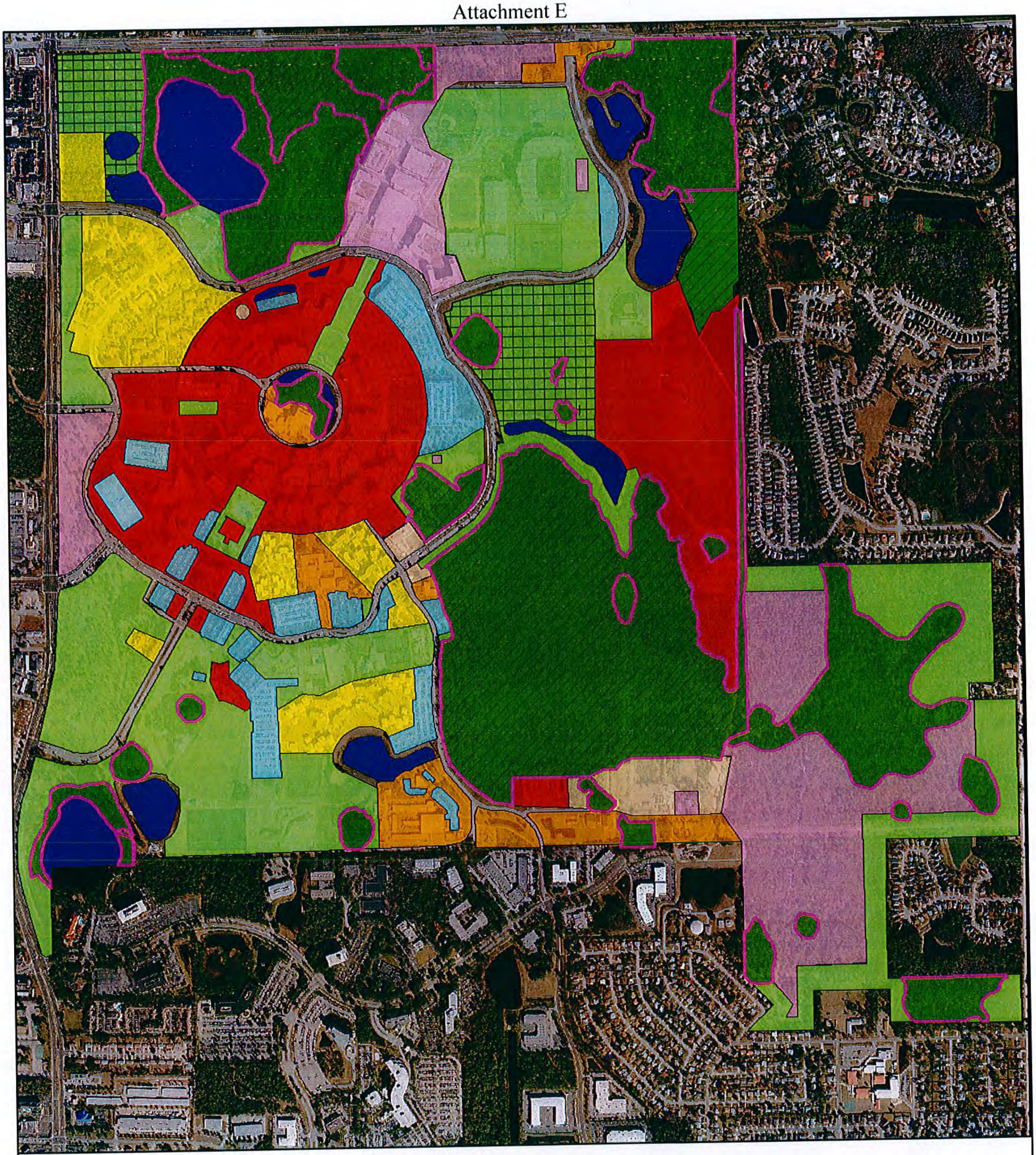


Figure 4-1

Future Land Use

Comprehensive Master Plan Update

University of Central Florida

Orlando, Florida

2010-2020

Legend

- Parking
- Support
- Academic/Research
- Lakes
- Utility
- Conservation (wetland)
- Conservation (upland)
- Conservation Easements
- Residential
- Recreation/Open Space
- Mixed Use

0 1,000 2,000 4,000 Feet

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Rev 20130916

ITEM: FFC-3

University of Central Florida
Board of Trustees
Finance and Facilities Committee

SUBJECT: Minor Amendment to 2010 Campus Master Plan – Greenhouse Building

DATE: October 16, 2013

PROPOSED COMMITTEE ACTION

Approve a minor amendment to the University of Central Florida Campus Master Plan to construct a 1,000 square foot greenhouse in the Arboretum to replace a damaged former greenhouse.

BACKGROUND INFORMATION

The purpose of the proposed amendment is to change the classification for this facility from "Recreation and Open Space" to "Mixed Use" and to include the facility in the Capital Improvements, Recreation and Open Space, Urban Design and Future Land Use Elements of the 2010 Campus Master Plan. The Arboretum is proposing to build a glass greenhouse near Parking Lot C2 in a site previously permitted for greenhouse construction. The proposed structure will replace the former classic Stockard Conservatory greenhouse, which was damaged by the 2004 hurricanes. The new structure will be a 25' x 40' classic greenhouse with 12' roof clearance, built to existing codes. The multi-use structure will support education, research, and outreach functions in the Arboretum and Biology Department, and it will provide space for nursery propagation for the Arboretum and Department of Landscape and Natural Resources. Prior to construction, the university will obtain approval from Orange County.

Supporting documentation:

Memorandum from Maria Yebra-Teimouri (Attachment A)
Project Location (Attachment B)
Capital Improvements List (Attachment C)
Urban Design Map (Attachment D)
Future Land Use Map (Attachment E)
Recreation and Open Space (Attachment F)

Prepared by: W. Scott Cole, Vice President and General Counsel

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

Attachment A

MEMORANDUM

TO: Scott Cole, Vice President and General Counsel

FROM: Maria Yebra-Teimouri, Coordinator, Facilities Planning

SUBJECT: Minor Amendment to 2010 Campus Master Plan

DATE: October 16, 2013

The University of Central Florida proposes a minor amendment to its 2010 Campus Master Plan to amend the Capital Improvements, Urban Design, Recreation and Open Space and Future Land Use Elements by replacing the existing Stockard Conservatory greenhouse with 1,000 gross square feet of Mixed Use Space to house a new classic glass greenhouse. The proposed location for this facility is in the Arboretum near Parking Lot C2 in a site previously permitted for greenhouse construction.

Please find below an analysis of the statutory thresholds and university responses that reflect the nature of the amendment request as a minor amendment. The thresholds are referenced under section 1013.30(9), F.S.

An amendment to a campus master plan must be reviewed and adopted under subsections (6)-(8) if such amendment, alone or in conjunction with other amendments, would:

(a) Increase density or intensity of use of land on the campus by more than ten percent;

University Response: The replacement glass greenhouse is similar in size and gross square footage to the former structure it replaces therefore it does not increase the density or intensity of use of land on campus.

(b) Decrease the amount of natural areas, open space, or buffers on the campus by more than ten percent:

University Response: The proposed amendment will have no impact on natural areas and will have a negligible impact on open space or buffers due to the relatively small size of the structure and the fact there was previously a similar structure at the same site location.

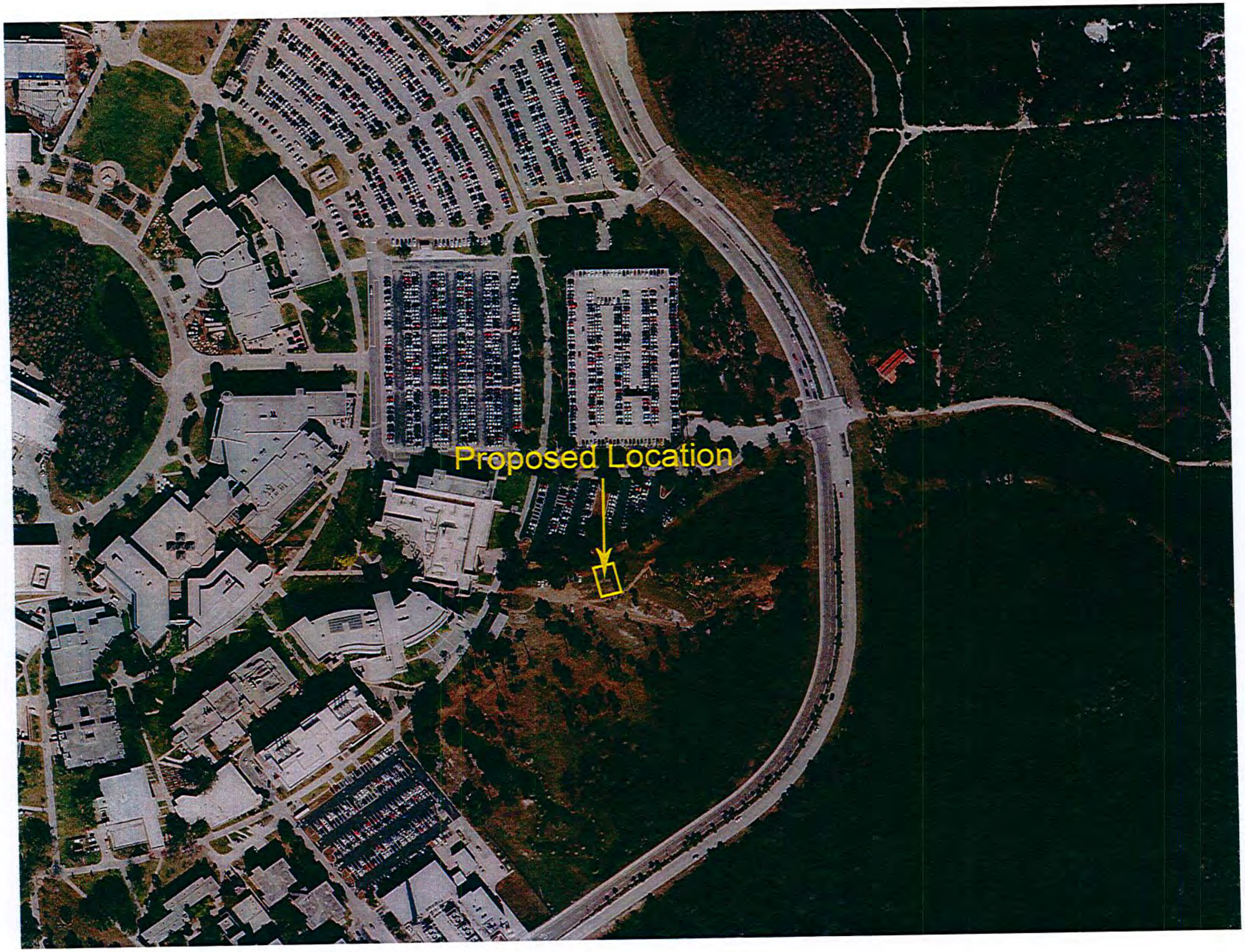
(c) Rearrange land uses in a manner that will increase the impact of any proposed campus development by more than 10 percent on a road or on another public facility or service provided or maintained by the state, the county, the host local government, or any affected local government.

University Response: The proposed facility will have a minimal impact and will not generate an increase in capacity on any proposed campus development, road, or public facility by greater than ten percent. It does not add employees or staff but rather acts as support of education and research for existing programs within the Arboretum, Biology Department, and Department of Landscape and Natural Resources. These diverse support functions already in place are the reason for changing the land use classification from Recreation and Open Space to Mixed Use.

In summary, the proposed land use change does not exceed the amendment threshold criteria in 1013.30 (9), F.S. and may therefore be treated as a minor amendment.

Thank you for your time and attention to this matter. If you require additional information, please contact me at (407) 823-3893.

Attachment B



Attachment C

UNIVERSITY OF CENTRAL FLORIDA

CAPITAL IMPROVEMENTS LIST

#	MAIN CAMPUS FTE	42,570	42,498	42,710	42,803	43,135	43,539	43,755	44,041	44,500	44,782			
	PROJECT LIST Revised 5/11/2011	2010-2011 YR #1	2011-12 YR #2	2012-13 YR #3	2013-14 YR #4	2014-15 YR #5	2015-16 YR #6	2016-17 YR #7	2017-18 YR #8	2018-19 YR #9	2019-20 YR #10	Net	Gross	Total Estimated Cost ($M)
	(July 1, 2010 - June 30, 2020)													
	PECO													
1	UTILITIES, INFRASTRUCTURE	$5,231,102	$11,685,746	$9,003,372	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000	N/A	N/A	$123,920,722
2	PHYSICAL SCIENCES II COMPLETION	$1,077,500	$637,000									30,000	45,000	$1,714,500
3	PARTNERSHIP III BUILDING COMPLETION	$546,750	$1,332,355									78,294	117,442	$1,879,105
4	CLASSROOM BUILDING II		$5,039,098	$18,436,513								63,643	91,464	$23,475,611
5	MATH & PHYSICS BLDG. REMODELING AND RENOVATION			$1,544,527	$6,211,263							100,289	106,525	$7,755,790
6	MAIN UTILITY PLANT RENOVATION			$879,756								14,220	14,420	$879,756
7	ENGINEERING BLDG. I RENOVATION			$753,110	$6,488,335							118,188	130,885	$7,241,445
8	INTERDISC. RESEARCH & INCUBATOR FAC.				$5,924,183	$33,852,470						78,676	118,013	$39,776,653
9	MULTI-PURPOSE RESEARCH AND EDUCATION BUILDING				$2,368,726	$23,254,438	$2,835,907					67,910	75,384	$28,359,071
10	BUSINESS ADMINISTRATION RENOVATION				$7,118,804							118,624	121,074	$7,118,804
11	LIBRARY RENOVATION				$14,212,564							222,387	224,506	$14,212,564
12	CHEMISTRY RENOVATION				$2,864,067							43,768	49,079	$2,864,067
13	ARTS COMPLEX PHASE II (PERFORMANCE)					$6,750,000	$62,250,000	$6,000,000				106,396	150,594	$75,000,000
14	FACILITIES AND SAFETY COMPLEX RENOVATION					$4,856,238						96,763	103,286	$4,856,238
15	VISUAL ARTS RENOVATION					$4,724,007						79,373	85,000	$4,724,007
16	HOWARD PHILLIPS HALL RENOVATION					$3,551,427						56,908	64,619	$3,551,427
17	COLLEGE OF NURSING						$3,476,712	$27,813,698	$3,476,712			119,206	170,684	$34,767,122
18	COLBOURN HALL RENOVATION						$4,968,246					73,511	83,957	$4,968,246
19	FERRELL COMMONS (E AND G SPACE) RENOVATION						$5,418,854					86,149	93,860	$5,418,854
20	COMPUTER CENTER I RENOVATION						$489,218					9,372	10,779	$489,218
21	LIBRARY EXPANSION							$64,114,399	$60,471,926	$471,926		319,902	465,542	$125,058,251
22	MILLICAN HALL RENOVATION							$802,291	$6,418,326	$802,290		87,742	88,680	$8,022,907
23	COMPUTER CENTER II RENOVATION							$123,161	$985,286	$123,160		25,282	33,370	$1,231,607
24	COLLEGE OF SCIENCES BUILDING RENOVATION							$317,437	$2,539,494	$317,436		69,580	54,644	$3,174,367
25	LIBRA ROAD WIDENING											N/A	N/A	$0
26	REHEARSAL HALL RENOVATION							$48,007	$384,055	$48,006		9,322	10,740	$480,068
27	THEATER BLDG. RENOVATION							$142,801	$1,142,404	$142,800		22,064	29,469	$1,428,005
28	FACILITIES BUILDING AT LAKE NONA								$400,000	$4,800,000	$800,000	26,666	40,000	$6,000,000
29	SOUTH CAMPUS RENOVATION								$551,385			10,581	11,857	$551,385
30	RECYCLING CENTER								$2,300,000	$18,400,000	$2,300,000	26,666	40,000	$23,000,000
31	HUMANITIES & FINE ARTS II								$2,772,353	$17,060,631	$2,772,353	58,542	87,540	$22,605,337
32	FILM - ARTS & HUMANITIES II BLDG.								$1,107,260	$8,600,076	$1,107,260	27,264	41,045	$10,814,596
33	SIMULATION AND TRAINING BUILDING								$2,370,336	$18,420,974	$2,370,336	38,950	53,924	$23,161,646
34	BUSINESS ADMIN. III BLDG.								$1,584,527	$12,307,012	$1,584,527	41,318	61,477	$15,476,066
35	EMERGENCY OPERATIONS CENTER (EOC) RENOVATION								$43,429	$349,434	$43,429	19,880	29,413	$436,292
36	MORGRIDGE INTERNATIONAL READING CENTER PHASE II (EDUCATION)								$2,062,348	$15,594,083	$2,062,348	58,479	77,219	$19,718,779
37	BAND BUILDING								$455,045	$2,800,279	$455,045	10,024	13,529	$3,710,369
38	ARTS COMPLEX PHASE III								$1,210,857	$7,627,447	$1,210,857	25,467	38,171	$10,049,161
39	INTERDISC. RESEARCH BLDG. II								$2,370,336	$17,330,596	$2,370,336	60,543	60,815	$22,071,268
40	JOINT USE FACILITY								$1,000,000	$9,000,000	$1,000,000	28,904	43,356	$11,000,000
41	PARTNERSHIP CAMPUS											N/A	N/A	$0
42	SUSTAINABILITY CENTER								$5,000,000			5,000	7,500	$5,000,000
43	CENTER FOR EMERGING MEDIA BUILD OUT								$6,360,339			16,544	24,816	$6,360,339
44	CAPITAL IMPROVEMENT RESERVE											N/A	N/A	$0
	COURTELIS													
45	LABORATORY INSTRUCTION BUILDING PHASE I	$9,483,350	$9,407,634									11,670	16,330	$18,890,984
46	BURNETT BIO MEDICAL SCIENCE CTR	$2,528,605										132,000	198,000	$2,528,605
47	ARTS COMPLEX II ENHANCEMENT	$500,000										N/A	N/A	$500,000
48	MEDICAL SCHOOL LIBRARY	$4,000,000										[illegible]	15,760	$4,000,000
49	MORGRIDGE INTERNATIONAL READING CENTER	$2,064,149										50,000	75,000	$2,064,149
50	PSYCHOLOGY BUILDING	$80,540										N/A	N/A	$80,540
51	ENGINEERING III ENHANCEMENT	$1,284,970	$1,019,493									13,291	17,780	$2,304,463
52	ALUMNI CENTER/JOHN & MARTHA HITT LIBRARY	$7,049										N/A	N/A	$7,049
53	OPTICS AND PHOTONICS ENHANCEMENT	$69,083										1,537	2,305	$69,685
54	RESEARCH LAB, LAKE NONA	$6,432,845	$97,248,758	$9,180,000								11,099	16,648	$112,861,603
55	CARACOL & BELIZE		$250,000									49,572	72,558	$250,000
56	COLLEGE OF NURSING		$9,871									1,750	2,625	$9,871
57	BURNETT BIO MEDICAL SCIENCE CTR INFRASTRUCTURE		$7,500,000									4,271	9,407	$7,500,000
58	CIVIL AND ENVIRONMENTAL ENGINEERING		$1,360,667	$14,308,333	$1,741,000							50,000	75,000	$17,410,000
59	ORLANDO REPERTORY THEATRE III RENOVATIONS		$75,000	$75,000	$75,000							8,000	12,000	$225,000
60	ATHLETIC ACADEMIC PERFORMANCE CENTER		$12,000,000									45,418	68,127	$12,000,000
61	SUSTAINABILITY CENTER			$250,000	$2,000,000	$250,000						5,000	7,500	$2,500,000
	PRIVATE													
62	PHOTO-VOLTAIC ARRAY AND SUPPORT BUILDING		$2,300,000									3,300	5,000	$2,300,000
63	MECHANICAL, MATERIALS AND AEROSPACE ENGINEERING (MMAE)	$1,600,000												$1,600,000
64	RETAIL SUPPORT SPACE			$2,000,000								2,000	3,000	$2,000,000
65	CENTER FOR MULTILINGUAL MULTICULTURAL EXPANSION			$1,250,000								3,684	5,526	$1,250,000
66	SCIENCE ANNEX ENHANCEMENT	$5,000,000										N/A	N/A	$5,000,000
67	SPECIAL PURPOSE HOUSING AND PARKING GARAGE I	$25,000,000										106,667	160,000	$25,000,000
68	SPECIAL PURPOSE HOUSING II	$8,000,000										21,333	32,000	$8,000,000
69	PARKING DECK (ATHLETIC COMPLEX)	$5,000,000										112,000	168,000	$5,000,000
70	LIBRARY EXPANSION	$113,472,000										109,703	164,554	$113,472,000
71	STRATEGIC LAND AND PROPERTY	$100,000,000										N/A	N/A	$100,000,000
72	GRADUATE HOUSING	$50,000,000										100,000	150,000	$50,000,000
73	ATHLETIC ACADEMIC PERFORMANCE CENTER	$12,000,000										45,418	68,127	$12,000,000
74	REFINANCE UCF FOUNDATION PROPERTIES	$37,410,000										298,167	412,250	$37,410,000
75	NORTHEAST CAMPUS MIXED USE DEVELOPMENT	$50,000,000										133,333	200,000	$50,000,000
76	STUDENT HOUSING	$150,000,000										149,333	224,000	$150,000,000
77	BRIGHTHOUSE NETWORKS STADIUM TOWER EXPANSION	$5,000,000										14,225	21,337	$5,000,000
78	TRACK/SOCCER STADIUM	$1,000,000										N/A	N/A	$1,000,000
79	EXPANSION OF JAY BERGMAN FIELD PHASE I	$500,000										3,800	5,700	$500,000
80	TENNIS COMPLEX	$500,000										4,980	7,470	$500,000
81	TRACK/SOCCER CLUB HOUSE	$850,000										2,800	4,200	$850,000
82	EXPANSION OF JAY BERGMAN FIELD PHASE II	$4,500,000										3,800	5,700	$4,500,000
83	WAYNE DENSCH SPORTS CENTER EXPANSION	$4,000,000										12,000	18,000	$4,000,000
84	SOFTBALL PRACTICE FIELD	$250,000										N/A	N/A	$250,000
85	ATHLETICS PRACTICE FIELD	$500,000										N/A	N/A	$500,000
86	WOMENS COMPETITION/PRACTICE FIELD	$2,000,000										N/A	N/A	$2,000,000
87	BASEBALL PRACTICE FIELD	$400,000										N/A	N/A	$400,000
88	BASKETBALL PRACTICE FACILITY	$12,000,000										32,000	48,000	$12,000,000
89	AQUATICS CENTER	$20,000,000										5,200	7,800	$20,000,000
90	EAST ATHLETICS CENTER	$15,000,000										11,706	17,559	$15,000,000
91	RESEARCH LAB, LAKE NONA	$112,861,603										132,018	198,027	$112,861,603
92	CLASSROOM/LAB BUILDING, LAKE NONA	$23,475,601										60,976	91,464	$23,475,601
93	LIFE SCIENCES INCUBATOR, LAKE NONA	$30,000,000										36,667	55,000	$30,000,000
94	EXPO CENTER HOUSING	$16,000,000										68,667	103,000	$16,000,000
95	HOTEL/CONFERENCE CENTER	$60,000,000										100,000	250,000	$60,000,000
	BOND													
96	ORGANIC GROCERY													
97	SPECIAL PURPOSE HOUSING AND PARKING GARAGE I	$25,000,000										106,667	160,000	$25,000,000
98	SPECIAL PURPOSE HOUSING II	$8,000,000										21,333	32,000	$8,000,000
99	PARKING GARAGE VII	$20,000,000										242,667	364,000	$20,000,000
100	PARKING DECKS	$17,000,000										112,000	168,000	$17,000,000
101	LIBRARY EXPANSION	$113,472,000										109,703	164,554	$113,472,000
102	STRATEGIC LAND AND PROPERTY	$100,000,000										N/A	N/A	$100,000,000
103	GRADUATE HOUSING	$50,000,000										100,000	150,000	$50,000,000
104	REFINANCE UCF FOUNDATION PROPERTIES	$37,410,000										298,167	412,250	$37,410,000
105	VISITOR INFORMATION CENTER	$900,000										2,200	3,300	$900,000
106	BOOKSTORE EXPANSION	$8,000,000										20,000	30,000	$8,000,000
107	ATHLETIC ACADEMIC PERFORMANCE CENTER	$12,000,000										45,418	68,127	$12,000,000
108	STUDENT HOUSING	$150,000,000										149,333	224,000	$150,000,000
109	BRIGHTHOUSE NETWORKS STADIUM TOWER EXPANSION	$5,000,000										14,225	21,337	$5,000,000
110	TRACK/SOCCER STADIUM	$1,000,000										N/A	N/A	$1,000,000
111	EXPANSION OF BASEBALL STADIUM PHASE I	$500,000										3,800	5,700	$500,000
112	TENNIS COMPLEX	$500,000										4,980	7,470	$500,000
113	TRACK/SOCCER CLUB HOUSE	$850,000										2,800	4,200	$850,000
114	EXPANSION OF BASEBALL STADIUM PHASE II	$4,500,000										3,800	5,700	$4,500,000
115	WAYNE DENSCH SPORTS CENTER EXPANSION	$4,000,000										12,000	18,000	$4,000,000
116	SOFTBALL PRACTICE FIELD	$250,000										N/A	N/A	$250,000
117	ATHLETICS PRACTICE FIELD	$500,000										N/A	N/A	$500,000
118	WOMENS COMPETITION/PRACTICE FIELD	$2,000,000										N/A	N/A	$2,000,000
119	BASEBALL PRACTICE FIELD	$400,000										N/A	N/A	$400,000
120	BASKETBALL PRACTICE FACILITY	$12,000,000										32,000	48,000	$12,000,000
121	AQUATICS CENTER	$20,000,000										5,200	7,800	$20,000,000
122	EAST ATHLETICS CENTER	$15,000,000										11,706	17,559	$15,000,000
123	GARAGE EXPANSION	$5,000,000										33,891	50,837	$5,000,000
124	RESEARCH LAB, LAKE NONA	$112,861,603										132,018	198,027	$112,861,603
125	CLASSROOM/LAB BUILDING, LAKE NONA	$23,475,601										60,976	91,464	$23,475,601
126	LIFE SCIENCES INCUBATOR, LAKE NONA	$30,000,000										36,667	55,000	$30,000,000
127	FACILITIES BUILDING AT LAKE NONA	$6,000,000										13,866	20,799	$6,000,000
128	EXPO CENTER HOUSING	$16,000,000										68,667	103,000	$16,000,000
129	REGIONAL CAMPUSES MULTI-PURPOSE BUILDINGS	$100,000,000										60,000	60,000	$100,000,000
130	BRIGHTHOUSE NETWORKS STADIUM EXPANSION - SEATING	$14,000,000										N/A	N/A	$14,000,000
	CITF													
131	LAKE CLAIRE RENOVATION	$3,000,000										100,000	150,000	$3,000,000
132	STUDENT UNION II	$14,000,000										37,800	54,700	$14,000,000
133	RECREATION AND WELLNESS FIELDS	$2,000,000										N/A	N/A	$2,000,000
134	STUDENT UNION II PHASE II	$6,000,000										37,000	25,500	$6,000,000
135	STUDENT UNION II PHASE III	$21,000,000										60,000	90,000	$21,000,000
136	RWC EXPANSION	$15,000,000										60,000	90,000	$15,000,000
137	RWC II, NORTH END	$3,000,000										N/A	N/A	$3,000,000
138	RWC PLAYING FIELDS	$2,000,000										N/A	N/A	$2,000,000
139	SOFTBALL COMPLEX	$5,000,000										30,000	32,000	$5,000,000
	OTHER													
140	CREOL OPTICS LAB			$1,500,000								4,500	6,750	$1,500,000
141	COMBINED HEAT AND POWER FACILITY	$8,300,000										5,000	5,000	$8,300,000
142	ARBORETUM GREENHOUSE				$340,000							1,000	1,000	$340,000
	TOTAL									New Campus Sq. Ft.		2,841,531	5,130,084	
										Off Campus Sq. Ft.		2,425,700	2,401,470	

Funding sources denote probable building completion year
Projects in green denote projects planned **off campus**.
Projects in blue denote renovation and/or remodeling projects

Attachment D

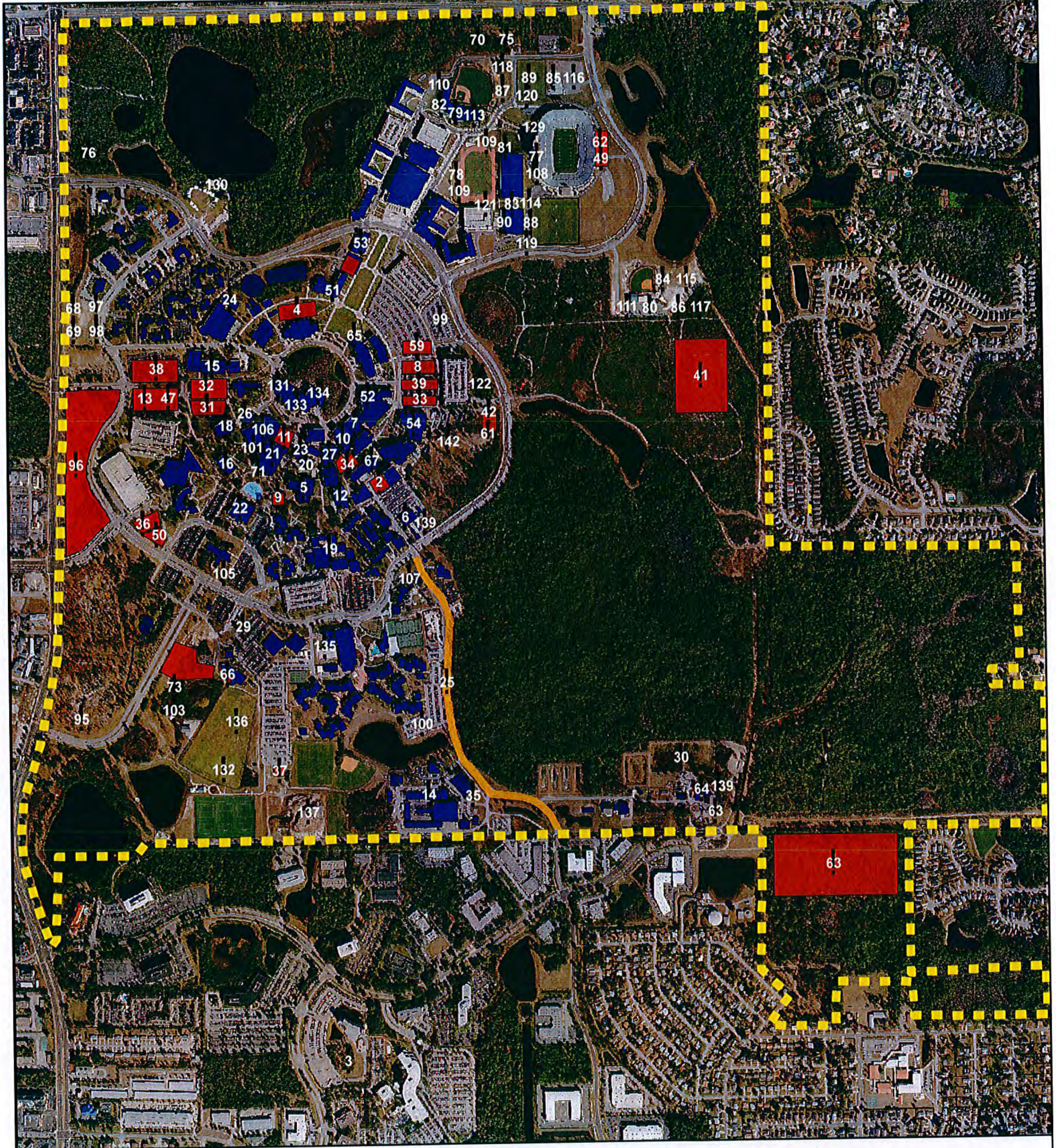


Figure 3-1

Urban Design and Capital Improvements

Comprehensive Master Plan Update

University of Central Florida

Orlando, Florida

2010-2020

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Rev. 20130911

0 1,000 2,000 4,000 Feet

Legend

- ! Capital Improvements List
- Boundary
- Proposed Building Sites
- Proposed Road Widening
- Existing Buildings

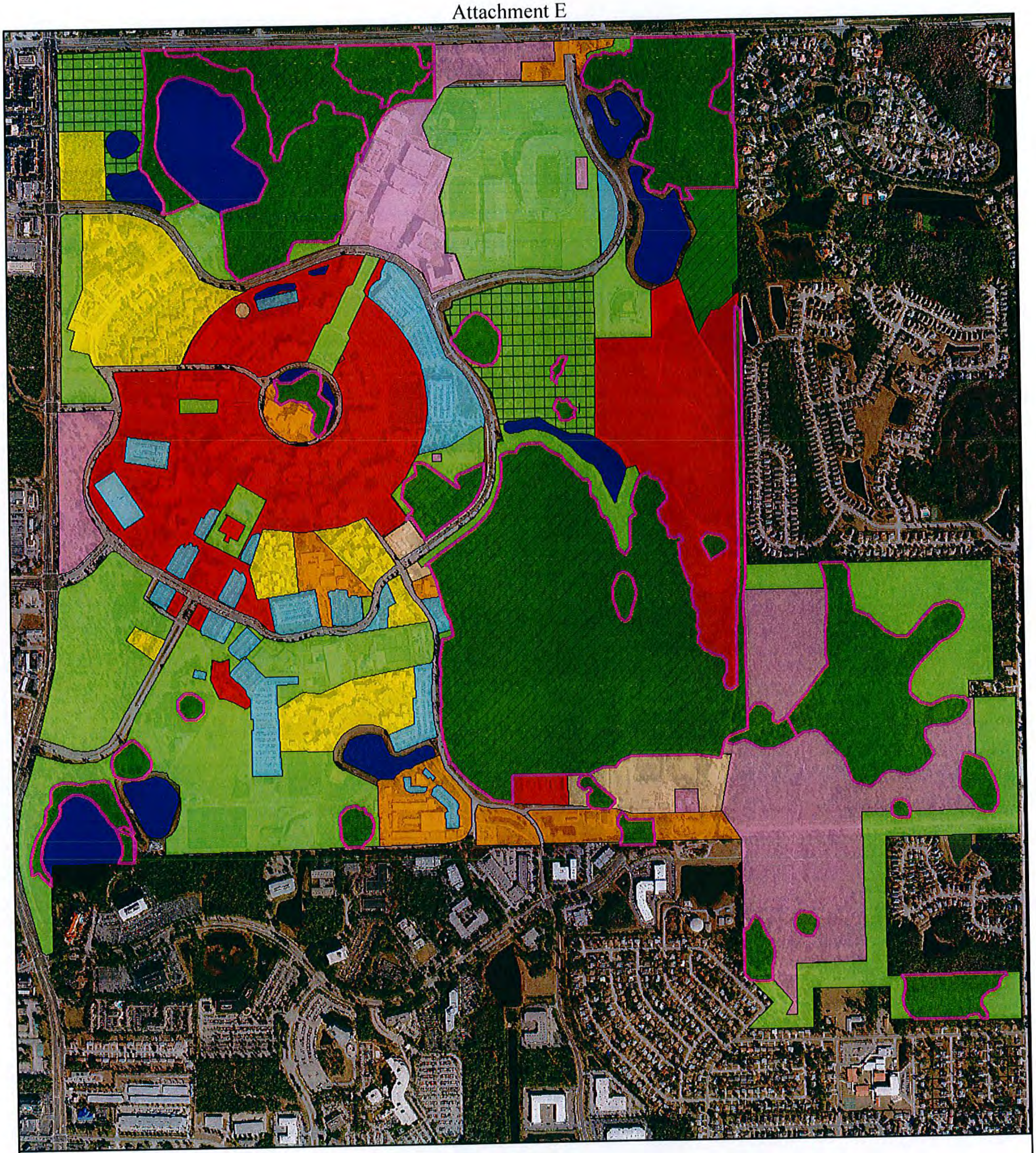


Figure 4-1

Future Land Use

Comprehensive Master Plan Update
University of Central Florida
Orlando, Florida
2010-2020

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Legend

- Parking
- Support
- Academic/Research
- Lakes
- Utility
- Conservation (wetland)
- Conservation (upland)
- Conservation Easements
- Residential
- Recreation/Open Space
- Mixed Use

Rev 20130911

0 1,000 2,000 4,000 Feet

Figure 8-1

Recreation and Open Space

Comprehensive Master Plan Update
University of Central Florida
Orlando, Florida
2010-2020

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Legend

- Recreation and Open Space
- Lakes
- Proposed Little Econ Greenway Trail
- Boundary

0 1,050 2,100 4,200 Feet

Rev 20130911

ITEM: INFO-1

University of Central Florida
Board of Trustees
Finance and Facilities Committee

SUBJECT: Draft 2012-13 University Audited Financial Statements review

DATE: October 16, 2013

For information only.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The 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, 2013, and should be read in conjunction with the financial statements and notes thereto. This overview is required by Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements–and Management's Discussion and Analysis–for Public Colleges and Universities*, as amended by GASB Statements Nos. 37 and 38. The MD&A, and financial statements and notes thereto, are the responsibility of university management.

OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to GASB Statement No. 35, the university's financial report includes 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
  - The UCF Finance Corporation
  - The University of Central Florida College of Medicine Self-Insurance Program
- Discretely Presented Component Units
  - The University of Central Florida Foundation, Inc.
  - The University of Central Florida Research Foundation, Inc.
  - The UCF Athletics Association, Inc.
  - The UCF Convocation Corporation
  - The Golden Knights Corporation
  - The Central Florida Clinical Practice Organization, 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. MD&A information for the discretely presented component units is included in separately issued audit reports.

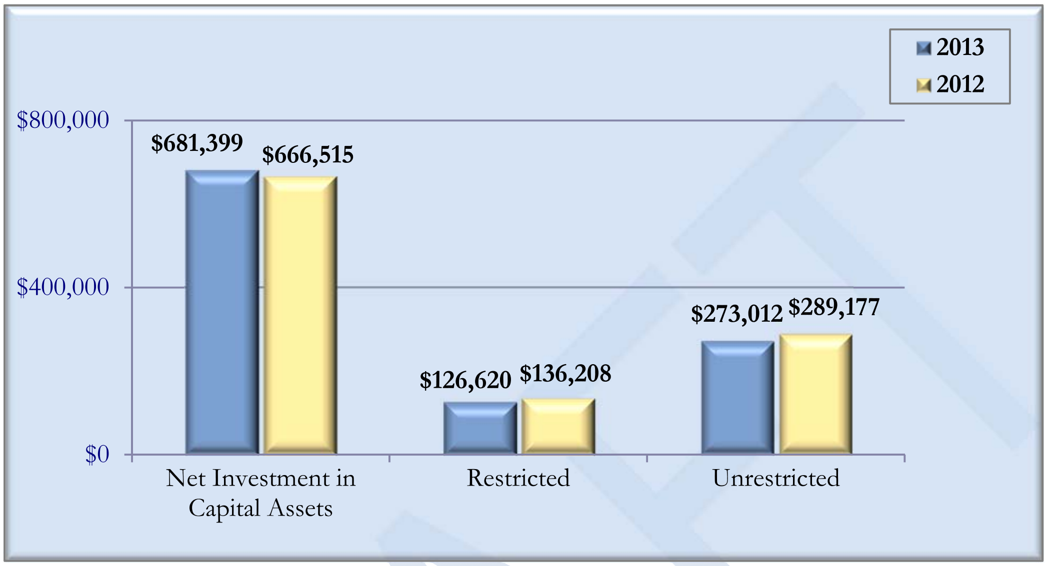
FINANCIAL HIGHLIGHTS

The university's assets and deferred outflows of resources totaled $1.5 billion at June 30, 2013. This balance reflects a $9.4 million, or 0.6 percent increase as compared to the prior fiscal year. Liabilities increased by a greater amount of $20.3 million, or 5.6 percent, totaling $378.8 million at June 30, 2013, as compared to $358.5 million at June 30, 2012. The primary reason for the increase is a $14.2 million increase related to the construction and improvement of classrooms, student housing, and a parking garage. As a result, the university's net position decreased by $10.9 million, resulting in a year-end balance of $1.1 billion.

The university's operating revenues totaled $435.5 million for the 2012-13 fiscal year, representing a 4.3 percent increase over the 2011-12 fiscal year due primarily to an increase in net tuition and fees. Operating expenses totaled $775.3 million for the 2012-13 fiscal year, representing a slight increase of 2.0 percent over the 2011-12 fiscal year. Net nonoperating revenues totaled $318.6 million for the 2012-13 fiscal year, representing a 5.9 percent decrease from the 2011-12 fiscal year due primarily to a decrease in state noncapital appropriations, offset by a decrease in other nonoperating expenses.

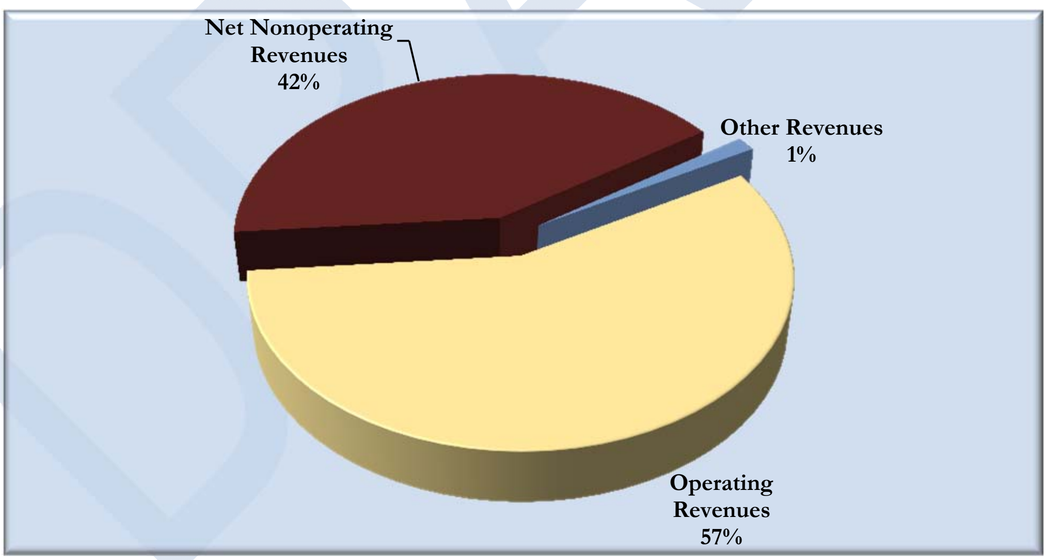
Net position represents the residual interest in the university's assets and deferred outflows of resources after deducting liabilities. The university's comparative total net position by category for the fiscal years ended June 30, 2013 and 2012, is shown in the following graph.

Net Position (In Thousands)



The following chart provides a graphical presentation of university revenues by category for the 2012-13 fiscal year.

Total Revenues



The Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, and liabilities of the university, using the accrual basis of accounting, and it presents the financial position of the university at a specified time. Assets, plus deferred outflows of resources, less liabilities 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, and net position at June 30.

Condensed Statement of Net Position at June 30
For the Fiscal Years
(In Thousands)

	2013	2012
Assets		
Current Assets	$ 468,619	$ 485,149
Net Capital Assets	869,179	829,362
Other Noncurrent Assets	110,416	118,414
Total Assets	1,448,214	1,432,925
Deferred Outflows of Resources	11,583	17,494
Liabilities		
Current Liabilities	79,606	66,028
Noncurrent Liabilities	299,160	292,491
Total Liabilities	378,766	358,519
Net Position		
Net Investment in Capital Assets	681,399	666,515
Restricted	126,620	136,208
Unrestricted	273,012	289,177
Total Net Position	$ 1,081,031	$ 1,091,900

Total assets and deferred outflows of resources as of June 30, 2013, increased by $9.4 million or 0.6 percent. Net capital assets increased by $39.8 million primarily due to an increase in construction work in progress, buildings, and furniture and equipment, offset by current year depreciation. The university adopted GASB 63 for fiscal year 2012-13. As a result accumulated decreases in fair value of hedging derivatives related to an interest rate swap agreement used to manage the risk of rising interest rates on variable rate-based debt are now presented separately on the statement of net position under the caption Deferred Outflows of Resources. Prior to adoption, these accumulated decreases in fair value were included as a component of Other Noncurrent Assets.

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 2012-13 and 2011-12 fiscal years.

Condensed Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years
(In Thousands)

	2012-13	2011-12
Operating Revenues	$ 435,463	$ 417,401
Operating Expenses	775,254	760,403
Operating Loss	(339,791)	(343,002)
Net Nonoperating Revenues	318,630	338,479
Loss Before Other Revenues, Expenses, Gains, or Losses	(21,161)	(4,523)
Other Revenues, Expenses, Gains, or Losses	10,292	8,546
Net Increase (Decrease) In Net Position	(10,869)	4,023
Net Position, Beginning of Year	1,091,900	1,087,877
Net Position, End of Year	$ 1,081,031	$ 1,091,900

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 give up or receive something of equal or similar value.

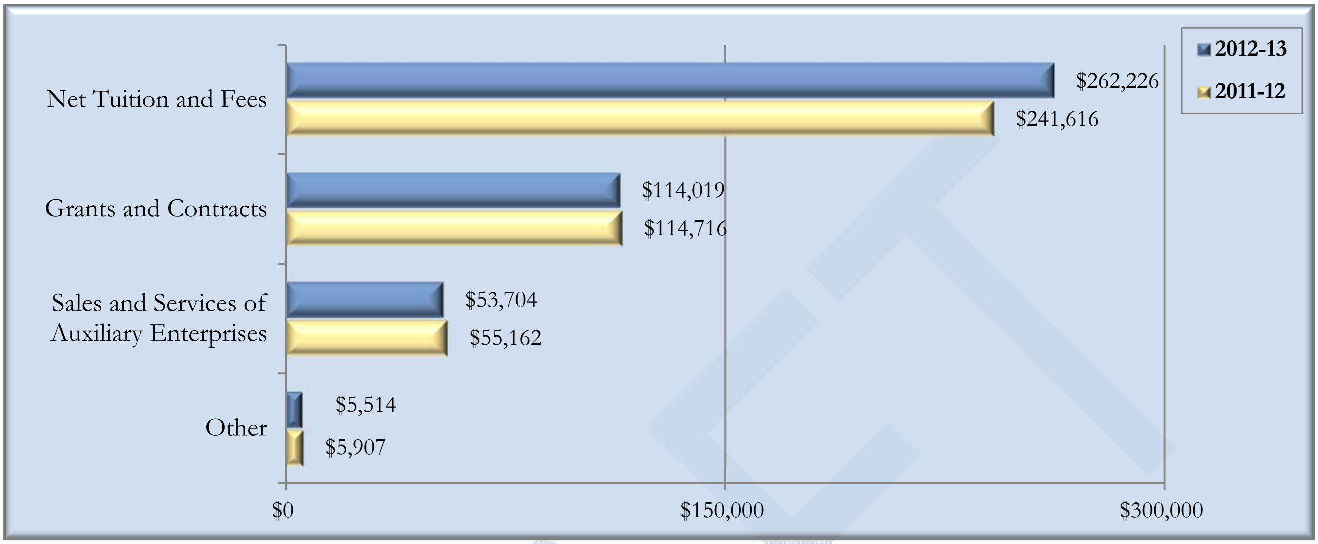
The following summarizes the operating revenues by source that were used to fund operating activities for the 2012-13 and 2011-12 fiscal years.

Operating Revenues
For the Fiscal Years
(In Thousands)

	2012-13	2011-12
Net Tuition and Fees	$ 262,226	$ 241,616
Grants and Contracts	114,019	114,716
Sales and Services of Auxiliary Enterprises	53,704	55,162
Other	5,514	5,907
Total Operating Revenues	$ 435,463	$ 417,401

The following chart presents the university's operating revenues for the 2012-13 and 2011-12 fiscal years.

Operating Revenues
(In Thousands)



Total operating revenues increased $18.1 million or 4.3 percent. Net tuition and fees increased $20.6 million, or 8.5 percent. The increase was due to an increase in the university's tuition and fee rates.

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.

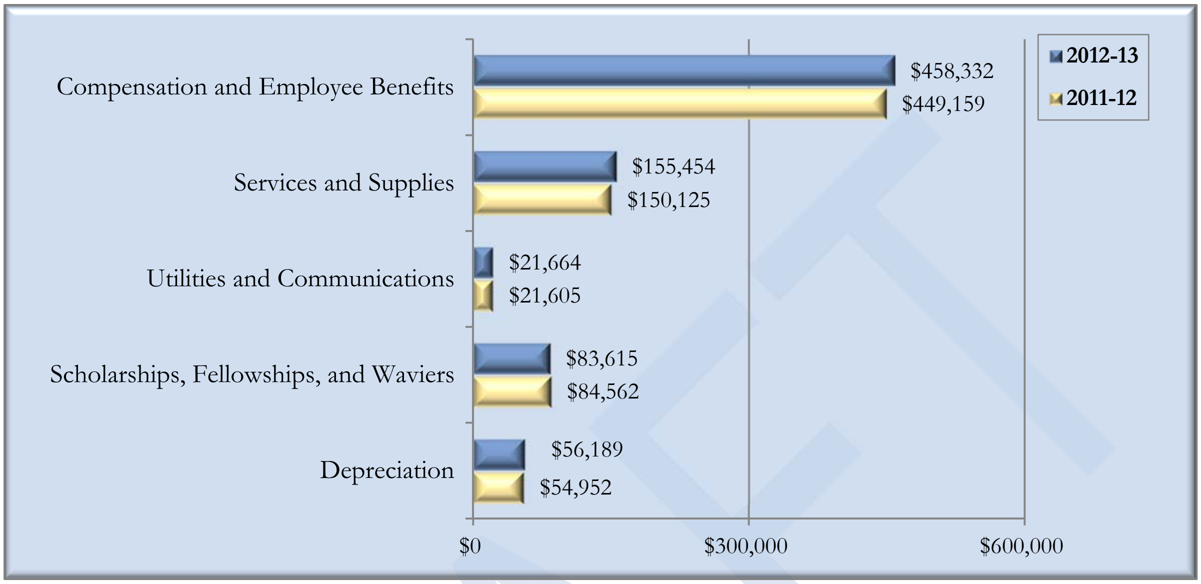
The following summarizes the operating expenses by natural classifications for the 2012-13 and 2011-12 fiscal years.

Operating Expenses
For the Fiscal Years
(In Thousands)

	2012-13	2011-12
Compensation and Employee Benefits	$ 458,332	$ 449,159
Services and Supplies	155,454	150,125
Utilities and Communications	21,664	21,605
Scholarships, Fellowships, and Waivers	83,615	84,562
Depreciation	56,189	54,952
Total Operating Expenses	$ 775,254	$ 760,403

The following chart presents the university's operating expenses for the 2012-13 and 2011-12 fiscal years.

Operating Expenses
(In Thousands)



Operating expenses totaled $775.3 million for the 2012-13 fiscal year. This represents a $14.9 million, or 2.0 percent increase over the 2011-12 fiscal year. The increase in compensation and employee benefits of $9.2 million, or 2.0 percent, was primarily due to an increase in salaries of $9.3 million and health care contributions of $2.4 million, which were offset by a decrease in retirement contributions of $2.8 million. Services and supplies increased $5.3 million, or 3.5 percent, primarily as a result of an increase in licenses and shuttle services.

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, certain gifts and grants, 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 2012-13 and 2011-12 fiscal years.

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

	2012-13	2011-12
State Noncapital Appropriations	$ 195,589	$ 245,359
Federal and State Student Financial Aid	135,539	138,119
Investment Income	10,142	8,843
Other Nonoperating Revenues	9,413	8,021
Loss on Disposal of Capital Assets	(489)	(121)
Interest on Capital Asset-Related Debt	(8,402)	(8,187)
Other Nonoperating Expenses	(23,162)	(53,555)
Net Nonoperating Revenues	$ 318,630	$ 338,479

Net nonoperating revenues decreased by $19.8 million, or 5.9 percent, primarily due to a decrease in state noncapital appropriations of $49.8 million. This was offset by a decrease in other nonoperating expenses of $30.4 million related to a one-time adjustment in the prior year of $18.7 million to write off previously capitalized assets and other non-recurring expenditures recognized in the prior year.

Other Revenues, Expenses, Gains, or Losses

This category is mainly composed of state capital appropriations and capital grants, contracts, donations, and fees. The following summarizes the university's other revenues, expenses, gains, or losses for the 2012-13 and 2011-12 fiscal years.

Other Revenues, Expenses, Gains, or Losses
For the Fiscal Years
(In Thousands)

	2012-13	2011-12
State Capital Appropriations	$ 8,410	$ 5,000
Capital Grants, Contracts, Donations, and Fees	1,882	3,546
Total	$ 10,292	$ 8,546

Other revenues, expenses, gains, or losses totaled $10.3 million for the 2012-13 fiscal year. This represents a 20.4 percent increase compared to the 2011-12 fiscal year due primarily to an increase in state capital appropriations.

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 noncapital financing activities include those activities not covered in other sections.

The following summarizes cash flows for the 2012-13 and 2011-12 fiscal years.

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

	2012-13	2011-12
Cash Provided (Used) by:		
Operating Activities	$ (271,785)	$ (283,171)
Noncapital Financing Activities	320,040	359,689
Capital and Related Financing Activities	(70,537)	(32,172)
Investing Activities	(29,364)	(32,974)
Net Increase (Decrease) in Cash and Cash Equivalents	(51,646)	11,372
Cash and Cash Equivalents, Beginning of Year	108,056	96,684
Cash and Cash Equivalents, End of Year	$ 56,410	$ 108,056

Cash and cash equivalents decreased $51.6 million. Cash used by operating activities decreased by $11.4 million compared to fiscal year 2011-12 due primarily to a $21.5 million increase in cash received from tuition and fees offset by a $10.4 million increase in cash payments to employees for compensation. Cash provided by noncapital financing activities decreased by $39.6 million primarily due to decreases in cash received from state noncapital appropriations. Cash used by capital and related financing activities increased $38.4 million. Purchase or construction of capital assets increased $13.6 million related primarily to student housing, parking garages, and classroom facility construction in progress. In addition, fewer bond proceeds for capital debt were received in fiscal year 2012-13 than in the prior year. Total cash used by investing activities remained relatively unchanged from fiscal 2011-12.

Major sources of funds came from net tuition and fees ($260.3 million), state noncapital appropriations ($195.6 million), federal and state student financial aid ($137.2 million) and grants and contracts ($115.2 million). Major uses of funds were for payments made to employees ($445.5 million), payments to suppliers for goods and services ($177.7 million), payments to students for scholarships and fellowships ($83.6 million), and purchase or construction of capital assets ($81.6 million).

CAPITAL ASSETS, CAPITAL EXPENSES AND COMMITMENTS, AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2013, the university had $1.4 billion in capital assets, less accumulated depreciation of $573.6 million, for net capital assets of $869.2 million. Depreciation charges for the current fiscal year totaled $56.2 million. The following table summarizes the university's capital assets net of accumulated depreciation, at June 30.

Net Capital Assets at June 30
(In Thousands)

	2013	2012
Land	$ 24,822	$ 24,822
Buildings	677,063	685,125
Construction in Progress	55,945	8,243
Infrastructure and Other Improvements	34,094	32,251
Furniture and Equipment	47,414	44,729
Library Resources	23,300	25,634
Leasehold Improvements	5,675	7,404
Works of Art and Historical Treasures	865	879
Other Capital Assets		275
Net Capital Assets	$ 869,178	$ 829,362

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

CAPITAL EXPENSES AND COMMITMENTS

Major capital expenses through June 30, 2013, were incurred on the following projects currently in progress: Academic Villages II, Classroom Building II, and Parking Garage VII. The university's major capital commitments at June 30, 2013, are as follows.

	Amount (In Thousands)
Total Committed	$ 68,354
Completed to Date	(55,945)
Balance Committed	**$ 12,409**

Additional information about the university's capital commitments is presented in the notes to financial statements.

DEBT ADMINISTRATION

As of June 30, 2013, the university had $217.5 million in outstanding capital improvement debt, bonds payable, and installment purchase payable, representing an increase of $2.1 million, or 1 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)

	2013	2012
Capital Improvement Debt	$ 158,975	$ 157,577
Bonds Payable	56,620	57,795
Installment Purchase Payable	1,900	
Total	$ 217,495	$ 215,372

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. The budget adopted by the Florida Legislature for the 2013-14 fiscal year provided an 18 percent increase to state universities, approximately half of which restored a $300 million non-recurring budget reduction from the prior year ($52 million of which was restored to the University of Central Florida). Overall, economic recovery and increased demand for state resources will continue to influence appropriations to higher education. The university manages these influences through the continual conservation and efficient use of resources and entrepreneurial efforts by academic, administrative, and auxiliary departments.

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. For the 2012-13 fiscal year, gross tuition and fee revenues increased by $27 million, in part due to a 15 percent increase in undergraduate differential tuition. Undergraduate tuition for the 2013-14 academic year increased 1.7 percent, an amount equivalent to the consumer price index. Enrollment remained constant at 59,700. The university continues to invest in recruitment, retention, and academic advising initiatives to manage enrollment and support students' success.

The university's College of Medicine graduated its inaugural class of medical students in fiscal year 2012-13, and it continues to increase its enrollment numbers, currently 353 students. Legislative funding for the College of Medicine has not been impacted by budget cuts of recent years.

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 Tracy Clark, CPA, Assistant Vice President for Finance and Controller, University of Central Florida, 12424 Research Parkway, Suite 300, Orlando, Florida 32826-3249.

UNIVERSITY OF CENTRAL FLORIDA
A COMPONENT UNIT OF THE STATE OF FLORIDA
STATEMENT OF NET POSITION
June 30, 2013

	University	Component Units
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 42,979,244	$ 24,419,930
Restricted Cash and Cash Equivalents	4,093,111	14,701,296
Investments	334,698,983	2,205,663
Net Accounts Receivable	42,239,652	6,428,090
Net Loans and Notes Receivable	937,155	
Due from State	35,683,346	
Due from Component Units	902,747	1,190,714
Due from University		6,370,133
Inventories	2,465,544	
Other Current Assets	4,619,190	1,011,963
Total Current Assets	468,618,972	56,327,789
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	9,337,951	24,814,194
Restricted Investments	84,638,413	153,009,695
Net Loans and Notes Receivable	4,003,579	5,655,519
Net Depreciable Capital Assets	788,193,612	266,048,800
Nondepreciable Capital Assets	80,985,162	54,782,584
Due from Component Units	10,526,076	
Other Noncurrent Assets	1,909,940	10,282,068
Total Noncurrent Assets	979,594,733	514,592,860
Total Assets	$ 1,448,213,705	$ 570,920,649
DEFERRED OUTFLOWS OF RESOURCES		
Accumulated Decrease in Fair Value of Hedging Derivatives	$ 11,583,087	$
LIABILITIES		
Current Liabilities:		
Accounts Payable	$ 12,423,939	$ 5,692,963
Construction Contracts Payable	17,163,854	
Salaries and Wages Payable	9,506,453	
Deposits Payable	5,664,818	
Due to Component Units	6,370,133	1,190,714
Due to University		902,747
Unearned Revenue	12,267,057	10,180,161
Other Current Liabilities	4,068,795	9,640,057
Long-Term Liabilities - Current Portion:		
Capital Improvement Debt Payable	7,160,000	
Bonds Payable	1,240,000	
Certificates of Participation Payable		6,610,000
Loans and Notes Payable		3,220,282
Installment Purchase Payable	950,000	
Compensated Absences Payable	2,791,470	111,141
Total Current Liabilities	79,606,519	37,548,065

UNIVERSITY OF CENTRAL FLORIDA
A COMPONENT UNIT OF THE STATE OF FLORIDA
STATEMENT OF NET POSITION (CONTINUED)
June 30, 2013

	University	Component Units
LIABILITIES (Continued)		
Noncurrent Liabilities:		
Capital Improvement Debt Payable	$ 151,814,647	$
Bonds Payable	55,380,000	
Installment Purchase Payable	950,000	
Certificates of Participation Payable		257,428,407
Loans and Notes Payable		40,321,345
Compensated Absences Payable	37,086,663	654,819
Other Postemployment Benefits Payable	35,492,000	
Unearned Revenues		2,753,819
Due to University		10,526,076
Other Noncurrent Liabilities	18,436,419	129,499
Total Noncurrent Liabilities	299,159,729	311,813,965
Total Liabilities	378,766,248	349,362,030
NET POSITION		
Net Investment in Capital Assets	681,398,539	18,951,351
Restricted for Nonexpendable:		
Endowment		116,561,428
Restricted for Expendable:		
Debt Service	1,421,709	
Loans	3,799,858	
Capital Projects	80,460,004	
Other	40,938,569	77,538,374
Unrestricted	273,011,865	8,507,466
TOTAL NET POSITION	$ 1,081,030,544	$ 221,558,619

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, 2013

	University	Component Units
REVENUES		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarship Allowances of $101,651,427 (Pledged for Capital Improvement Debt: $13,243,032 for Student Health; and $11,698,468 for Parking)	$ 262,225,771	$
Federal Grants and Contracts	87,096,780	
State and Local Grants and Contracts	7,987,312	
Nongovernmental Grants and Contracts	18,935,398	
Sales and Services of Auxiliary Enterprises (Pledged for Capital Improvement Debt: $1,556,129 for Bookstore; $3,835,132 for Student Health; $24,321,228 for Housing; and $5,955,644 for Parking)	53,703,537	
Royalties and Licensing Fees		9,754,998
Gifts and Donations		16,601,834
Interest on Loans and Notes Receivable	115,136	
Other Operating Revenues (Pledged for Capital Improvement Debt: $346,089 for Housing; and $1,092,035 for Parking)	5,399,344	93,752,428
Total Operating Revenues	435,463,278	120,109,260
EXPENSES		
Operating Expenses:		
Compensation and Employee Benefits	458,331,759	13,270,401
Services and Supplies	155,453,624	72,791,280
Utilities and Communications	21,664,559	
Scholarships, Fellowships, and Waivers	83,615,196	
Depreciation	56,188,801	10,573,289
Total Operating Expenses	775,253,939	96,634,970
Operating Income (Loss)	(339,790,661)	23,474,290
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	195,589,607	
Federal and State Student Financial Aid	135,538,786	
Investment Income	10,141,632	822,812
Other Nonoperating Revenues	9,413,480	14,789,363
Loss on Disposal of Capital Assets	(489,242)	(12,083,597)
Interest on Capital Asset-Related Debt	(8,402,236)	(13,013,137)
Other Nonoperating Expenses	(23,162,116)	(9,245,850)
Net Nonoperating Revenues (Expenses)	318,629,911	(18,730,409)
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(21,160,750)	4,743,881
State Capital Appropriations	8,409,676	
Capital Grants, Contracts, Donations, and Fees	1,881,991	
Additions to Permanent Endowments		2,314,942
Increase (Decrease) in Net Position	(10,869,083)	7,058,823
Net Position, Beginning of Year	1,091,899,627	214,499,796
Net Position, End of Year	$ 1,081,030,544	$ 221,558,619

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, 2013

DRAFT

	University
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Tuition and Fees	$ 260,250,234
Grants and Contracts	115,201,634
Sales and Services of Auxiliary Enterprises	53,409,332
Interest on Loans and Notes Receivable	114,081
Payments to Employees	(445,532,521)
Payments to Suppliers for Goods and Services	(177,653,729)
Payments to Students for Scholarships and Fellowships	(83,615,196)
Loan Disbursements to Students	1,043,430
Loan Receipts from Students	(614,180)
Other Operating Receipts	5,612,385
Net Cash Used by Operating Activities	(271,784,530)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	195,589,607
Federal and State Student Financial Aid	137,154,180
Federal Direct Loan Program Receipts	250,338,437
Federal Direct Loan Program Disbursements	(250,338,437)
Net Change in Funds Held for Others	1,817,521
Other Nonoperating Disbursements	(14,521,673)
Net Cash Provided by Noncapital Financing Activities	320,039,635
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Capital Debt	8,233,289
State Capital Appropriations	19,548,248
Capital Grants, Contracts, and Donations	1,835,757
Capital Subsidies and Transfers	(2,454,770)
Other Receipts for Capital Projects	402,765
Purchase or Construction of Capital Assets	(81,602,510)
Principal Paid on Capital Debt	(7,955,000)
Interest Paid on Capital Debt	(8,544,502)
Net Cash Used by Capital and Related Financing Activities	(70,536,723)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	890,182,045
Purchase of Investments	(940,687,073)
Investment Income	21,141,256
Net Cash Used by Investing Activities	(29,363,772)
Net Decrease in Cash and Cash Equivalents	(51,645,390)
Cash and Cash Equivalents, Beginning of Year	108,055,695
Cash and Cash Equivalents, End of Year	$ 56,410,305

UNIVERSITY OF CENTRAL FLORIDA
A COMPONENT UNIT OF THE STATE OF FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
For the Fiscal Year Ended June 30, 2013

		University
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Loss	$	(339,790,661)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation Expense		56,188,801
Change in Assets and Liabilities:		
Net Receivables		(712,775)
Inventories		(141,895)
Other Assets		(1,097,466)
Accounts Payable		(1,289,579)
Salaries and Wages Payable		931,953
Deposits Payable		204,213
Compensated Absences Payable		2,203,285
Deferred Revenue		113,344
Other Liabilities		1,942,250
Other Postemployment Benefits Payable		9,664,000
NET CASH USED BY OPERATING ACTIVITIES	$	(271,784,530)

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND CAPITAL FINANCING ACTIVITIES

Unrealized losses on investments were recognized as a reduction 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.	$	(10,600,725)
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.	$	(489,242)

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

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 consisting of thirteen members. The governor appoints six citizen members, and the Board of Governors appoints five citizen members. These members are confirmed by the Florida Senate and serve staggered terms of five 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. The trustees select 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 (Finance 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 they are therefore reported as if they are part of the university. The Finance 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 the clinical activities of the College of Medicine, College of Nursing, UCF Health Services, 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.

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) are included within the university reporting entity as discretely presented component units. These legally separate, not-for-profit corporations are organized and operated exclusively to assist the university to achieve excellence by providing supplemental resources from private gifts and bequests, and valuable education support services. The statute authorizes 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.

- The 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.
- The University of Central Florida Research Foundation, Inc., was organized to promote, encourage, and assist in the research activities of the university's faculty, staff, and students.
- The UCF Athletics Association, Inc., was organized to promote intercollegiate athletics to benefit the university and surrounding communities.
- The 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.
- The Golden Knights Corporation was created to finance, build, and administer an on-campus football stadium.
- The Central Florida Clinical Practice Organization, Inc. is an affiliated organization of the university and was formed for the purpose of supporting the medical education program and clinical faculty within the College of Medicine.

An annual audit of each organization's financial statements is conducted by independent certified public accountants. The annual report is 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's Assistant Vice President for Finance and 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. 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

Basis of Accounting. "Basis of accounting" refers to when revenues, expenses, related assets, deferred outflows of resources, and liabilities 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, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, and liabilities resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met.

The university's blended and discretely presented component units use the economic resources measurement focus and accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred, and follow GASB standards of accounting and financial reporting.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been accounted for as reductions of expenses and not revenues of those departments.

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 on capital assets. Nonoperating revenues include state noncapital appropriations, federal and state student financial aid, investment income (net of unrealized gains or losses on investments), and revenues for capital construction projects. Interest on capital asset-related debt is a nonoperating expense.

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 it is reported net of tuition scholarship allowances. Tuition scholarship allowances are the differences between the stated charge for goods and services provided by the university and the amount that is actually paid by a student or a 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. Amounts reported as cash and cash equivalents consist of cash on hand, cash in demand accounts, money market funds, and investments with original maturities of three months or less. The university's 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 holds $38,258,408 in money market funds and short-term investments. The money market funds and investments are permissible under the current investment policy and are primarily rated AAA by Moody's and Standard & Poor's. The Finance Corporation, a blended component unit, holds $6,064,896 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.

<u>Cash and Cash Equivalents – Discretely Presented Component Units.</u>

Cash and cash equivalents for the university's discretely presented component units are reported as follows.

Component Unit	Cash in Bank	Money Market Funds	Short-Term Guaranteed Investment Contracts	Total
The University of Central Florida Foundation, Inc.	$ 8,067,976	$ 11,546,839	$	$ 19,614,815
The University of Central Florida Research Foundation, Inc.	5,469,408			5,469,408
The UCF Athletics Association, Inc.	1,280,857			1,280,857
The UCF Convocation Corporation		18,285,256	9,847,980	28,133,236
The Golden Knights Corporation		5,995,361	3,031,485	9,026,846
The Central Florida Clinical Practice Organization, Inc.	410,258			410,258
Total Component Units	$ 15,228,499	$ 35,827,456	$ 12,879,465	$ 63,935,420

<u>UCF Convocation Corporation and Golden Knights Corporation</u>. These component units follow the investment policy of the university for managing credit risks. Money market funds are uninsured and collateralized by securities held by the institution, not in the corporation's name. The money market funds invest in diversified portfolios of high-quality, dollar-denominated short-term debt securities. Short-term guaranteed investment contracts are investment vehicles that guarantee a return on principal invested in the account over the life of the investment. For the year ended June 30, 2013, the corporations had benefit-responsive investment contracts with an insurance company that maintains the funds in guaranteed interest accounts. The accounts are credited with earnings on the underlying investments and are subject to withdrawals. The contracts are included in the financial statements at fair value as reported to the corporation by the insurance company. Fair value represents contributions made under the contract, plus earnings, less plan withdrawals. There are no reserves against fair values for credit risk of the contract issuer or otherwise. For 2013, the average yield and crediting interest rates were 5 percent for the Convocation Corporation and 4.72 percent for the Golden Knights Corporation, based on maturities through June 30, 2015, and June 30, 2013, respectively. These assets are segregated and subject to withdrawal by the authorized trustee. The guaranteed investment contracts were purchased by the corporations to invest the unused proceeds received from the issuance of debt.

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 corporations' investments in securities must provide sufficient liquidity to pay obligations as they come due.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The university's investment policy limits fixed income exposure to investment grade assets and provides credit quality guidelines applicable to the investment objective. The investment policies provide information on asset classes, target allocations, and ranges of acceptable investment categories.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the corporations will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In order to manage the custodial credit risk, the university's investment policy specifies certain requirements to pre-qualify financial institutions and brokers or dealers and requires an annual review of the institutions used. The corporations' investments are held by a third party custodian, not in the name of the corporations.

Other Component Units

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of the 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 swept on an overnight basis from operating bank accounts into interest-bearing money market accounts with maturity dates of less than 90 days. At June 30, 2013, approximately $18,313,817 in cash deposits were not insured by federal deposit insurance and were not collateralized.

- **University of Central Florida Research Foundation, Inc. –** At June 30, 2013, the Research Foundation had deposits in banking institutions in excess of the federal insurance limit. The amount in excess of the FDIC limit is $79,799 as of June 30, 2013.

  The Research Foundation maintains a repurchase sweep account with a local bank. The target balance in the main operating account is "swept" overnight by the bank and is collateralized by mortgage-backed securities issued by the Federal National Mortgage Association and/or the Federal Home Loan Mortgage Corporation which have been temporarily sold to the Research Foundation under the terms of the repurchase agreement. The balance in the repurchase account as of June 30, 2013, was $1,062,923. This amount is not included in the deposit amount uninsured by FDIC.

- **UCF Athletics Association, Inc. –** The Association does not have a deposit policy for custodial credit risk, although all demand deposits with banks are federally insured up to FDIC limits. As of June 30, 2013, $1,154,485 of the Association's bank balance was exposed to custodial credit risk as uninsured and uncollateralized.

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; and other capital assets. These assets are capitalized and recorded at cost at the date of acquisition or at estimated fair 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, and $5,000 for tangible personal property. 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 – 20-50 years
- Infrastructure and Other Improvements – 12-50 years
- Furniture and Equipment – 5-10 years
- Library Resources – 10 years
- Leasehold Improvements – the lesser of the remaining lease term, or the estimated useful life of the improvement
- Works of Art and Historical Treasures – 5-15 years
- Computer Software and Other Capital Assets – 5-10 years

Noncurrent Liabilities. Noncurrent liabilities include principal amounts of capital improvement debt payable, bonds payable, installment purchase payable, compensated absences payable, other postemployment benefits payable, 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 and deferred losses on refunding. The university amortizes debt premiums and discounts over the life of the debt using the straight-line method. Deferred losses on refundings are amortized over the life of the old debt or new debt (whichever is shorter) using the straight-line method. Issuance costs paid from the debt proceeds are reported as deferred charges, and they are amortized over the life of the debt using the straight-line method.

2. 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 university's Board of Trustees has adopted a written investment policy and investment manual establishing investment parameters within applicable 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; 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; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and other investments approved by the university's 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's investments at June 30, 2013, are reported at fair value, as follows.

Investment Type	Amount
External Investment Pools:	
State Treasury Special Purpose Investment Account	$ 232,225,999
SBA Florida PRIME	1,362
SBA Fund B Surplus Funds Trust Fund	94
SBA Debt Service Accounts	1,412,998
Certificates of Deposit	491,786
United States Government and Federally-Guaranteed Obligations	50,515,550
Federal Agency Obligations	27,250,085
Bonds and Notes	44,191,369
Mutual Funds - Equities	63,248,153
Total University Investments	$ 419,337,396

Investments held by the university's component units at June 30, 2013, are reported at fair value, as follows.

Investment Type	University of Central Florida Foundation, Inc.	University of Central Florida Research Foundation, Inc.	Total
Mutual Funds - Bonds	$ 47,222,716	$	$ 47,222,716
Mutual Funds - Equities	86,188,058	68,958	86,257,016
Mutual Funds - Real Assets	807,904		807,904
Hedge Funds	16,359,338		16,359,338
Private Equity Funds	93,002		93,002
Real Estate Assets - REITS	210,535		210,535
Real Estate Fixed Income	991,467		991,467
Exchanged Traded Funds	815,130		815,130
Stocks and Other Equity Securities	2,122,682	335,568	2,458,250
Total Component Unit Investments	$ 154,810,832	$ 404,526	$ 155,215,358

External Investment Pools

State Treasury Special Purpose Investment Account. The university reported investments at fair value totaling $232,225,999 at June 30, 2013, in the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities. The SPIA carried a credit rating of A+f by Standard & Poor's and had an effective duration of 2.65 years at June 30, 2013. 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 $1,412,998 at June 30, 2013, in the SBA Debt Service Accounts. These investments are used to make debt service payments on bonds issued by the State Board of Administration for the benefit of the university. The university's investments consist of United States Treasury securities, with maturity dates of six months or less, and are reported at fair value. The university relies on policies developed by the SBA for managing interest rate risk or 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, money market funds, 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 and bond mutual funds, and their future maturities at June 30, 2013, are as follows.

University Debt Investments Maturities

Investment Type	Fair Value	Investments Maturities (In Years)		
		Less Than 1	1 - 5	More Than 5
United States Government and Federally-Guaranteed Obligations	$ 50,515,550	$ 11,324,794	$ 37,537,493	$ 1,653,263
Federal Agency Obligations	27,250,085		8,835,716	18,414,369
Bonds and Notes	44,191,369	2,472,830	32,437,858	9,280,681
Total University	$ 121,957,004	$ 13,797,624	$ 78,811,067	$ 29,348,313

Component Units' Debt Investments Maturities

Investment Type	Fair Value	Investments Maturities (In Years)		
		Less Than 1	1 - 5	More Than 5
Mutual Funds - Bonds	$ 47,222,716	$ 7,375,205	$ 25,027,712	$ 14,819,799
Real Assets Fixed Income	991,467		991,467	
Total Component Units	$ 48,214,183	$ 7,375,205	$ 26,019,179	$ 14,819,799

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, 2013, of the university's and its component units' debt instruments using Moody's and Standard & Poor's nationally recognized rating agencies.

University Debt Investments Quality Ratings

Types of Investments	Fair Value	AAA	AA	A	Less Than A or Not rated	
Federal Agency Obligations	$ 27,250,085	$ 27,250,085	$	$	$	
Bonds and Notes	44,191,369	10,716,413	10,449,691	20,633,391	2,391,874	(1)
Total University	$ 71,441,454	$ 37,966,498	$ 10,449,691	$ 20,633,391	$ 2,391,874	

Component Units' Debt Investments Quality Ratings

Investment Type	Fair Value	AAA	AA	A	Less Than A
Mutual Funds - Bonds	$ 47,222,716	$ 11,807,516	$ 23,881,805	$ 2,543,542	$ 8,989,853
Real Assets Fixed Income	991,467		991,467		
Total Component Units	$ 48,214,183	$ 11,807,516	$ 24,873,272	$ 2,543,542	$ 8,989,853

Notes: (1) Investments of $1,335,681 were not rated.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the university's or its component unit's 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 policy states that not more than 5 percent of the investment portfolio's assets shall be invested in securities of any one issuing company, and no single corporate bond issuer shall exceed five percent of the portfolio. The university's component units' policies require diversification of investments sufficient to reduce the potential of a single security, single sector of securities, or a single style of management having a disproportionate or significant impact on the portfolio. Guidelines for individual sectors of the portfolio further indicate percentage limitations.

3. RECEIVABLES

Accounts Receivable. Accounts receivable represent amounts for grant and contract reimbursements due from third parties, tuition and fees, various sales and services provided to students and third parties, and interest accrued on investments and loans receivable. As of June 30, 2013, the university reported the following amounts as accounts receivable:

Description	Amount
Grants and Contracts	$ 21,204,520
Tuition and Fees	16,432,800
Other	4,602,332
Total Net Accounts Receivable	$ 42,239,652

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 $1,547,332 and $719,356, respectively, at June 30, 2013.

4. DUE FROM STATE

This amount consists of $35,683,346 of Public Education Capital Outlay, Capital Improvement Fee Trust Fund and other allocations due from the state to the university for construction of university facilities.

5. CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2013, is shown below.

Description	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable Capital Assets:				
Land	$ 24,821,959	$	$	$ 24,821,959
Works of Art and Historical Treasures	218,000			218,000
Construction in Progress	8,243,391	54,859,610	7,157,798	55,945,203
Total Nondepreciable Capital Assets	$ 33,283,350	$ 54,859,610	$ 7,157,798	$ 80,985,162
Depreciable Capital Assets:				
Buildings	$ 957,385,046	$ 22,275,003	$	$ 979,660,049
Infrastructure and Other Improvements	50,054,404	4,059,898		54,114,302
Furniture and Equipment	175,680,967	19,571,789	6,532,215	188,720,541
Library Resources	110,509,595	2,468,519	33,989	112,944,125
Leasehold Improvements	16,841,880	240,403		17,082,283
Works of Art and Historical Treasures	1,301,300	109,000		1,410,300
Computer Software and Other Capital Assets	8,296,037		445,602	7,850,435
Total Depreciable Capital Assets	1,320,069,229	48,724,612	7,011,806	1,361,782,035
Less, Accumulated Depreciation:				
Buildings	272,260,415	30,336,226		302,596,641
Infrastructure and Other Improvements	17,803,597	2,216,830		20,020,427
Furniture and Equipment	130,951,861	16,691,428	6,336,387	141,306,902
Library Resources	84,875,358	4,799,902	31,266	89,643,994
Leasehold Improvements	9,438,065	1,968,899		11,406,964
Works of Art and Historical Treasures	640,520	122,539		763,059
Computer Software and Other Capital Assets	8,021,263	52,977	223,804	7,850,436
Total Accumulated Depreciation	523,991,079	56,188,801	6,591,457	573,588,423
Total Net Depreciable Capital Assets	$ 796,078,150	$ (7,464,189)	$ 420,349	$ 788,193,612

6. UNEARNED REVENUE

Unearned revenue includes grant and contract prepayments, auxiliary prepayments, and tuition and fees received prior to fiscal year-end related to subsequent accounting periods. As of June 30, 2013, the university reported the following amounts as unearned revenue:

Description	Amount
Grant and Contract Prepayments	$ 7,342,683
Auxiliary Prepayments	4,131,316
Tuition and Fees	793,058
Total Unearned Revenue	$ 12,267,057

7. DEFERRED INFLOW / OUTFLOW OF RESOURCES

The Finance Corporation entered into an interest rate swap agreement in connection with its $60 million bond issuance to manage the risk of rising interest rates on its variable rate-based debt. Deferred outflow of resources includes the effect of deferring accumulated decreases in fair value of a hedging derivative related to this interest rate swap agreement. The Bonds Payable section of Note 8 below includes complete discussion of the swap agreement.

8. LONG-TERM LIABILITIES

Long-term liabilities of the university at June 30, 2013, include capital improvement debt payable, bonds payable, installment purchase payable, compensated absences payable, other postemployment benefits payable, and other noncurrent liabilities. Long-term liabilities activity for the fiscal year ended June 30, 2013, is shown below.

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Capital Improvement Debt Payable	$ 157,576,527	$ 8,335,630	$ 6,937,510	$ 158,974,647	$ 7,160,000
Bonds Payable	57,795,000		1,175,000	56,620,000	1,240,000
Installment Purchase Payable		1,900,000		1,900,000	950,000
Compensated Absences Payable	37,674,848	4,677,766	2,474,481	39,878,133	2,791,470
Other Postemployment Benefits Payable	25,828,000	11,519,000	1,855,000	35,492,000	
Other Noncurrent Liabilities	24,395,687	12,121	5,971,389	18,436,419	
Total Long-Term Liabilities	$ 303,270,062	$ 26,444,517	$ 18,413,380	$ 311,301,199	$ 12,141,470

Capital Improvement Debt Payable. The university had the following capital improvement debt payable outstanding at June 30, 2013.

Capital Improvement Debt Type and Series	Amount of Original Debt	Amount Outstanding (1)	Interest Rates (Percent)	Maturity Date To
Student Housing Debt:				
2002 - Housing	$ 14,055,000	$ 8,341,510	3.75 - 4.50	2021
2007A - Housing	38,780,000	32,996,441	4.0 - 5.5	2030
2012A - Housing	66,640,000	69,139,766	2.5 - 5.0	2042
Total Student Housing Debt	119,475,000	110,477,717		
Bookstore Debt:				
1997	3,570,000	1,031,572	5.10 - 5.125	2017
Student Health Center Debt:				
2004A	8,000,000	5,159,903	4.2 - 5.0	2024
Parking Garage Debt:				
2004A - Parking Garage	18,455,000	10,168,474	3.5 - 4.2	2024
2010A - Parking Garage	3,855,000	2,068,754	4.0	2016
2010B - Parking Garage	11,140,000	11,140,000	4.5 - 6.2	2029
2011A - Parking Garage	11,005,000	10,798,720	3.0 - 5.0	2022
2012A - Parking Garage	7,860,000	8,129,507	3.0 - 5.0	2032
Total Parking Garage Debt	52,315,000	42,305,455		
Total Capital Improvement Debt	$ 183,360,000	$ 158,974,647		

Note: (1) Amount outstanding includes unamortized discounts and premiums, and deferred losses on refunding issues.

The university has pledged a portion of future housing rental revenues, bookstore revenues, parking and transportation fees, and health service facility fees based on credit hours to repay $183,360,000 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, a bookstore, student health facilities, and student parking garages. The bonds are payable solely from housing rental revenues, bookstore revenues, parking and transportation fees, and student health fees, and they 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 $229,123,225, and principal and interest paid for the current year totaled $14,096,101. During the 2012-13 fiscal year operating revenues generated from housing rental revenues, bookstore revenues, parking and transportation fees, and health service fees totaled $24,733,117, $1,556,287, $18,746,147, and $17,081,236, respectively.

On October 18, 2012, the Board of Governors issued $7,860,000 Series 2012A Tax-Exempt Bonds for the purpose of financing the cost of construction of the seventh parking facility on the main campus of the university. The interest on the University Parking Revenue Bonds Series 2012A with rates ranging from 3 percent to 5 percent and a maturity date of July 1, 2032 are excluded from gross income of the holders for purposes of federal income taxation.

Annual requirements to amortize all capital improvement debt outstanding as of June 30, 2013, are as follows.

Fiscal Year Ending June 30	Principal	Interest	Total
2014	$ 7,160,000	$ 6,833,904	$ 13,993,904
2015	8,280,000	6,534,436	14,814,436
2016	8,610,000	6,209,420	14,819,420
2017	8,435,000	5,832,471	14,267,471
2018	8,520,000	5,430,116	13,950,116
2019-23	40,895,000	21,009,726	61,904,726
2024-28	34,610,000	11,915,848	46,525,848
2029-33	19,805,000	5,638,741	25,443,741
2034-38	9,885,000	3,118,969	13,003,969
2039-43	9,565,000	834,594	10,399,594
Subtotal	155,765,000	73,358,225	229,123,225
Plus: Net Bond Discounts, Premiums, and Losses on Bond Refundings	3,209,647		3,209,647
Total	$ 158,974,647	$ 73,358,225	$ 232,332,872

Bonds Payable. The Finance Corporation issued $60 million in bonds to finance the construction of the Burnett Biomedical Sciences Building, part of the university's medical school. The bonds are secured by indirect cost revenues received by the university from federal, state, and private grants and further secured by a letter of credit issued by a local bank not to exceed $60 million. The bonds are variable interest rate bonds with a synthetic interest rate of 4.52 percent at June 30, 2013. They mature on July 1, 2037.

The university agreed to use a ground sublease to lease to the Finance 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 where 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 bond indenture and all amounts required to be paid associated with the bond issuance.

Annual requirements to amortize the outstanding bonds as of June 30, 2013 are as follows.

Fiscal Year Ending June 30	Principal	Interest	Total
2014	$ 1,240,000	$ 2,500,961	$ 3,740,961
2015	1,295,000	2,437,070	3,732,070
2016	1,355,000	2,376,014	3,731,014
2017	1,415,000	2,312,254	3,727,254
2018	1,490,000	2,245,115	3,735,115
2019-2023	8,545,000	10,106,057	18,651,057
2024-2028	10,740,000	7,893,160	18,633,160
2029-2033	13,520,000	5,108,678	18,628,678
2034-2038	17,020,000	1,604,136	18,624,136
Total	$ 56,620,000	$ 36,583,445	$ 93,203,445

The Finance Corporation entered into an interest rate swap agreement in connection with its $60 million variable-rate bond issuance as a means to lower its borrowing costs when compared with fixed-rate bonds at the time of their issuance in June 2007. The corporation utilizes such derivatives to manage the risk of rising interest rates on its variable interest rate-based debt. The counterparty to the interest rate swap agreement is a regional bank. Credit loss from counterparty nonperformance is not anticipated. Under the swap agreement, the corporation pays the counterparty a fixed payment of 4.38 percent and receives a variable payment based on the Securities Industry and Financial Market Association swap index (0.06 percent at June 30, 2013). The variable-rate coupons of the bonds are reset weekly by auction. As of June 30, 2013, the corporation was not exposed to credit risk on this swap agreement because it had a negative fair value of $11,583,087, which is reported in other noncurrent liabilities on the statement of net position. This liability reflects the theoretical settlement amount the corporation would have to pay on June 30, 2013, to cancel the interest swap agreement. The liability is estimated based on valuation models. If interest rates change and the fair value of the swap agreement becomes positive, the corporation would have a gross exposure to credit risk in the amount of the derivative's fair value. In accordance with the corporation's policy to mitigate the potential for credit risk, the corporation may require that the fair value of the swap agreement be fully collateralized by a letter of credit if the counterparty's credit quality falls below AA or Aa. As of June 30, 2013, collateralization was not required.

The university entered into a support agreement such that it will fund certain deficiencies that may arise in the event the Finance Corporation is unable to make the minimum payments on the bonds. The university is obligated only to the extent it has legally available revenues to cover the unpaid amounts.

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, 2013, the estimated liability for compensated absences, which includes the university's share of the Florida Retirement System and FICA contributions, totaled $39,878,133. The current portion of the compensated absences liability of $2,791,470 is the amount expected to be paid in the coming fiscal year, and that amount is based on actual payouts over the last three years calculated as a percentage of those years' total compensated absences liability.

Other Postemployment Benefits Payable. The university follows GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits administered by the State Group Health Insurance Program.

Plan Description. 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, an agent multiple-employer, defined-benefit plan (Plan). The university subsidizes the premium rates paid by retirees by allowing them to participate in the 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, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. A stand-alone report is not issued and the Plan information is not included in the report of a public employee retirement system or another entity.

Funding Policy. Plan benefits are pursuant to the provisions of Section 112.0801, Florida Statutes, and benefits and contributions can be amended by the Florida Legislature. The university has not advance-funded or established a funding methodology for the annual other postemployment benefit (OPEB) costs or the net OPEB obligation, and the Plan is financed on a pay-as-you-go basis. For the 2012-13 fiscal year, 428 retirees received postemployment healthcare benefits. The university provided required contributions of $1,855,000 toward the annual OPEB cost, comprised of benefit payments made on behalf of retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums. Retiree contributions totaled $2,565,000.

Annual OPEB Cost and Net OPEB Obligation. The university's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the university's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the university's net OPEB obligation.

Description	Amount
Normal Cost (Service Cost for One Year)	$ 6,887,000
Amortization of Unfunded Actuarial Accrued Liability	4,056,000
Interest on Normal Cost and Amortization	438,000
Annual Required Contribution	11,381,000
Interest on Net OPEB Obligation	1,033,000
Adjustment to Annual Required Contribution	(895,000)
Annual OPEB Cost (Expense)	11,519,000
Contribution Toward the OPEB Cost	(1,855,000)
Increase in Net OPEB Obligation	9,664,000
Net OPEB Obligation, Beginning of Year	25,828,000
Net OPEB Obligation, End of Year	$ 35,492,000

The university's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation as of June 30, 2013, and for the two preceding fiscal years, were as follows.

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010-11	$ 6,754,000	23.3%	$ 15,988,000
2011-12	11,469,000	14.2%	25,828,000
2012-13	11,519,000	16.1%	35,492,000

Funded Status and Funding Progress. As of July 1, 2011, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $118,673,000, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability of $118,673,000 and a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was $289,894,138 for the 2012-13 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 40.9 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan provisions as understood by the employer and participating members, and they include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The university's OPEB actuarial valuation as of July 1, 2011, used the entry-age cost actuarial method to estimate the actuarial accrued liability as of June 30, 2013, and the university's 2012-13 fiscal year ARC. This method was selected because it is the same method used for the valuation of the Florida Retirement System. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent rate of return on invested assets. The actuarial assumptions also included a payroll growth rate of 4 percent per year and an inflation rate of 3 percent. Initial healthcare cost trend rates were 8.29 percent, 9.16 percent, and 8.13 percent for the first three years, respectively, for all retirees in the Preferred Provider Option (PPO) Plan, and 10.43 percent, 4.92 percent, and 8.80 percent for the first three years for all retirees in the Health Maintenance Organization (HMO) Plan. The PPO and HMO healthcare trend rates are both 6.5 percent in the fourth year grading identically to 5 percent over 70 years. The unfunded actuarial accrued liability is being amortized over 30 years using the level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2013, was 24 years.

Other Noncurrent Liabilities. Other noncurrent liabilities consist mainly of the liability for the Federal Capital Contribution (advance) provided to fund the university's Federal Perkins Loan Program and an interest rate swap agreement. 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 $6,793,332 at June 30, 2013.

As described previously in the Bonds Payable paragraph above, the Finance Corporation entered into an interest rate swap agreement in connection with its $60 million bond issuance. As of June 30, 2013, this interest rate swap agreement had a negative fair value of $11,583,087.

Certificates of Participation Payable – Component Units. During the 2004-05 and 2005-06 fiscal years, two certificates of participation were issued by the UCF Convocation Corporation to fund the construction of four residential housing towers, two adjacent parking facilities, and certain surrounding commercial retail space. Also during the 2005-06 fiscal year, the UCF Convocation Corporation issued two additional certificates of participation to fund the acquisition, construction, and installation of a new convocation center, renovation of the existing university Arena, and construction of related infrastructure. The outstanding balance of these certificates at June 30, 2013, was $217,585,000 before an unamortized premium of $4,318,137.

During the 2006-07 fiscal year, certificates of participation were issued by the Golden Knights Corporation for the construction of a football stadium on the campus of the university. The outstanding balance of these certificates at June 30, 2013, was $41,700,000, before an unamortized premium of $435,270. The certificates are secured by a pledge from the UCF Athletic Association, Inc., of gross ticket revenues, Association rent, conference distributions, and sponsorship revenue.

The university entered into support agreements with the UCF Convocation Corporation and the Golden Knights 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. The university is obligated only to the extent it has legally available revenues to cover the unpaid amounts.

Loans and Notes Payable – Component Units. During the 2007-08 fiscal year, the Golden Knights Corporation entered into a loan agreement with a bank. The proceeds of the loan were used to purchase all of the formerly issued and outstanding Series 2006B Taxable certificates of participation. Those certificates of participation are held in trust and have been registered in the name of the bank as pledgee. The note is payable from and secured by a lien upon and pledge of all the payments received with respect to the certificates. The outstanding balance of the note payable at June 30, 2013, was $11,990,000.

During the 2009-10 fiscal year, the University of Central Florida Foundation, Inc. entered into a loan agreement with a bank. The note is comprised of both a tax exempt portion and a taxable portion. The note is secured by building and lease revenue. The outstanding balance for both the taxable and tax exempt portions was $17,935,000, before unamortized deferred amounts on refunding of $154,919.

The University of Central Florida Foundation, Inc. also has various notes payable with banks for land and buildings purchased. The notes are secured by the land and lease revenues. The outstanding balances of the notes payable at June 30, 2013, were $10,820,000.

The University of Central Florida Foundation, Inc. entered into a line of credit with a credit union for construction of the Alumni Center. As of June 30, 2013, the outstanding principal balance of the line of credit was $485,137.

The University of Central Florida Foundation, Inc. has renewal annuity notes payable with two Charitable Remainder Annuity Trusts for which the Foundation is named as irrevocable beneficiary. As of June 30, 2013, the outstanding principal balance of the notes payable was $1,968,352, and annuity obligations were $498,057.

9. RETIREMENT PROGRAMS

Florida Retirement System. Essentially all regular employees of the university are eligible to enroll as members of the State-administered Florida Retirement System (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 Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and it consists of two cost-sharing, multiple-employer retirement plans, and other nonintegrated programs. These include a defined-benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the Florida Retirement System Investment Plan (Investment Plan).

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight 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 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 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 service. Members of both Plans may include up to four 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.

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 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.

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 this program. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service for employer contributions and vest fully and immediately for employee contributions.

The State of Florida establishes contribution rates for participating employers and employees. Contribution rates during the 2012-13 fiscal year were as follows.

Class	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	3.00	5.18
Florida Retirement System, Senior Management Service	3.00	6.30
Florida Retirement System, Special Risk	3.00	14.90
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	5.44
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.11 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include .03 percent for administrative costs of the Investment Plan.

(B) Contribution rates are dependent upon retirement class in which reemployed.

The university's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the university. The university's contributions including employee contributions for the fiscal years ended June 30, 2011, June 30, 2012, and June 30, 2013, totaled $10,553,207, $7,435,235, and $7,750,823, respectively, which were equal to the required contributions for each fiscal year.

There were 729 university participants in the Investment Plan during the 2012-13 fiscal year. The university's contributions including employee contributions to the Investment Plan totaled $2,189,031, which was equal to the required contribution for the 2012-13 fiscal year.

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services. An annual report on 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, Division of Retirement.

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 FRS for six 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 FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes on behalf of the participant 5.64 percent of the participant's salary, less a small amount used to cover administrative costs 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.

There were 2,157 university participants during the 2012-13 fiscal year. The university's contributions to the Program totaled $9,344,922 and employee contributions totaled $8,884,675 for the 2012-13 fiscal year.

10. CONSTRUCTION COMMITMENTS

The university's construction commitments at June 30, 2013, are as follows.

Project Description	Total Committed	Completed to Date	Balance Committed
Academic Villages II	$ 35,575,197	$ 31,196,513	$ 4,378,684
Classroom Building II	18,687,658	15,758,633	2,929,025
Parking Garage VII	10,519,276	5,793,625	4,725,651
Other Projects (1)	3,571,797	3,196,432	375,365
Total	$ 68,353,928	$ 55,945,203	$ 12,408,725

Note: (1) Individual projects with current balance committed of less than $1 million at June 30, 2013.

11. OPERATING LEASE COMMITMENTS

The university leased buildings under operating leases, which expire in various intervals through 2038. 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 noncancelable operating leases are as follows.

Fiscal Year Ending June 30	Amount
2014	$ 12,359,753
2015	9,366,195
2016	9,376,435
2017	9,025,119
2018	8,659,892
2019-2023	8,989,331
2024-2028	8,519,615
2029-2033	9,876,568
2034-2038	9,022,384
Total Minimum Payments Required	$ 85,195,292

12. RISK MANAGEMENT PROGRAMS

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 2012-13 fiscal year, for property losses the state retained the first $2 million per occurrence for all perils except named windstorm and flood losses. 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 $50 million for named windstorm and flood losses. For perils other than named windstorm and flood, losses in excess of $2 million per occurrence were commercially insured up to $200 million. 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 three 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.

University Self-Insurance Program

The University of Central Florida College of Medicine Self-Insurance Program (the 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 and Public Affairs, and the Central Florida Clinical Practice Organization, Inc., faculty, staff, and resident physicians. The Program provides legislative claims bill protection.

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(9), 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 per occurrence limit of $1,000,000.

The 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 Program during the 2011-12 and 2012-13 fiscal years are presented in the following table.

Fiscal Year Ended	Claims Liabilities Beginning of Year	Current Claims and Changes in Estimates	Claim Payments	Claims Liabilities End of Year
June 30, 2012	$ 70,715	$ 29,977	$ (6,297)	$ 94,395
June 30, 2013	94,395	(51,092)		43,303

13. 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.

14. 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 academic departments 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.

Functional Classification	Amount
Instruction	$ 238,675,925
Research	102,808,304
Public Services	8,129,552
Academic Support	55,486,156
Student Services	42,487,065
Institutional Support	81,698,831
Operation and Maintenance of Plant	37,699,467
Scholarships, Fellowships, and Waivers	83,615,196
Depreciation	56,188,801
Net Auxiliary Enterprises	68,154,938
Loan Operations	309,704
Total Operating Expenses	$ 775,253,939

15. 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, and liabilities are required to be accounted for separately. The following financial information for the university's Bookstore, Housing, Parking, and Health Services facilities represents identifiable activities for which one or more bonds are outstanding.

Condensed Statement of Net Position

	Bookstore Capital Improvement Debt	Housing Capital Improvement Debt	Parking Capital Improvement Debt	Health Service Capital Improvement Debt
Assets				
Current Assets	$ 3,063,620	$ 10,410,409	$ 10,185,559	$ 6,447,319
Net Capital Assets	3,328,648	100,909,308	55,970,445	8,444,707
Other Noncurrent Assets	580,058	26,527,041	17,728,184	3,162,627
Total Assets	6,972,326	137,846,758	83,884,188	18,054,653
Liabilities				
Current Liabilities	240,783	14,771,529	7,428,353	705,398
Noncurrent Liabilities	791,571	107,640,460	39,182,484	5,353,621
Total Liabilities	1,032,354	122,411,989	46,610,837	6,059,019
Net Position				
Net Investment in Capital Assets	2,318,623	3,951,491	19,641,860	3,360,339
Restricted - Expendable	564,436	3,001,307	8,330,987	3,095,741
Unrestricted	3,056,913	8,481,971	9,330,504	5,539,554
Total Net Position	$ 5,939,972	$ 15,434,769	$ 37,303,351	$ 11,995,634

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

	Bookstore Capital Improvement Debt	Housing Capital Improvement Debt	Parking Capital Improvement Debt	Health Service Facility Capital Improvement Debt
Operating Revenues	$ 1,556,287	$ 24,733,117	$ 18,746,147	$ 17,081,236
Depreciation Expense	(188,928)	(3,669,678)	(2,068,269)	(515,390)
Other Operating Expenses	(400,888)	(14,208,368)	(11,906,310)	(13,864,793)
Operating Income (Loss)	966,471	6,855,071	4,771,568	2,701,053
Nonoperating Revenues (Expenses):				
Nonoperating Revenue	(4,509)	454,904	429,092	11,775
Interest Expense	(65,520)	(3,907,907)	(1,588,401)	(259,827)
Other Nonoperating Expense	(5,387)	(139,053)	(53,586)	(6,295)
Net Nonoperating Expenses	(75,416)	(3,592,056)	(1,212,895)	(254,347)
Income Before Other Revenues Expenses, Gains, or Losses	891,055	3,263,015	3,558,673	2,446,706
Other Revenue, Expenses, Gains, or Losses	(1,382,526)	(1,319,889)	(870,988)	(659,546)
Increase (Decrease) in Net Position	(491,471)	1,943,126	2,687,685	1,787,160
Net Position, Beginning of Year	6,431,443	13,491,643	34,585,666	10,208,474
Net Position, End of Year	$ 5,939,972	$ 15,434,769	$ 37,273,351	$ 11,995,634

Condensed Statement of Cash Flows

	Bookstore Capital Improvement Debt	Housing Capital Improvement Debt	Parking Capital Improvement Debt	Health Service Capital Improvement Debt
Net Cash Provided (Used) by:				
Operating Activities	$ 1,162,696	$ 10,282,187	$ 7,397,686	$ 3,053,269
Noncapital Financing Activities	(1,660,945)	(2,084,699)	(730,204)	(1,028,873)
Capital and Related Financing Activities	(294,663)	(34,602,912)	655,374	(752,296)
Investing Activities	55,865	21,836,650	(9,551,678)	(2,237,708)
Net Decrease in Cash and Cash Equivalents	(737,047)	(4,568,774)	(2,228,822)	(965,608)
Cash and Cash Equivalents, Beginning of Year	1,102,673	7,081,793	4,075,474	1,878,500
Cash and Cash Equivalents, End of Year	$ 365,626	$ 2,513,019	$ 1,846,652	$ 912,892

16. COMPONENT UNITS

The university has six 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 June 30, 2013, audited financial statements for the component units.

	Direct Support Organizations						Other Component Unit	
	University of Central Florida Foundation, Inc.	University of Central Florida Research Foundation, Inc.	UCF Athletics Association, Inc.	UCF Convocation Corporation	Golden Knights Corporation	Total Direct Support Organizations	Central Florida Clinical Practice Organization, Inc.	Total
Condensed Statement of Net Position								
Assets:								
Current Assets	$ 21,842,033	$ 8,950,407	$ 3,405,399	$ 20,089,092	$ 1,462,555	$ 55,749,486	$ 578,303	$ 56,327,789
Net Capital Assets	80,062,990		16,372,136	174,064,059	49,864,979	320,364,164	467,220	320,831,384
Other Noncurrent Assets	161,865,307	404,526		21,108,509	10,383,134	193,761,476		193,761,476
Total Assets	263,770,330	9,354,933	19,777,535	215,261,660	61,710,668	569,875,126	1,045,523	570,920,649
Liabilities:								
Current Liabilities	5,547,050	5,869,103	10,743,192	11,324,675	3,243,485	36,727,505	820,560	37,548,065
Noncurrent Liabilities	31,431,962		10,963,596	216,393,137	53,025,270	311,813,965		311,813,965
Total Liabilities	36,979,012	5,869,103	21,706,788	227,717,812	56,268,755	348,541,470	820,560	349,362,030
Net Position:								
Net Investment in Capital Assets of Related Debt	51,462,909		9,301,917	(39,546,741)	(2,733,954)	18,484,131	467,220	18,951,351
Restricted	160,602,978	477,403		24,648,081	8,371,340	194,099,802		194,099,802
Unrestricted	14,725,431	3,008,427	(11,231,170)	2,442,508	(195,473)	8,749,723	(242,257)	8,507,466
Total Net Position	$ 226,791,318	$ 3,485,830	$ (1,929,253)	$ (12,456,152)	$ 5,441,913	$ 221,333,656	$ 224,963	$ 221,558,619
Condensed Statement of Revenues, Expenses, and Changes in Net Position								
Operating Revenues	$ 45,860,719	$ 4,908,124	$ 36,539,577	$ 28,555,552	$ 2,830,826	$ 118,694,798	$ 1,414,462	$ 120,109,260
Operating Expenses	(33,759,133)	(4,799,741)	(35,922,957)	(18,215,381)	(2,610,644)	(95,307,856)	(1,327,114)	(96,634,970)
Operating Income (Loss)	12,101,586	108,383	616,620	10,340,171	220,182	23,386,942	87,348	23,474,290
Net Nonoperating Revenues (Expenses)	6,329,684	(11,924,505)	(1,676,633)	(11,116,679)	(147,829)	(18,535,962)	(194,447)	(18,730,409)
Other Revenues, Expenses, Gains, and Losses	2,314,942					2,314,942		2,314,942
Increase (Decrease) in Net Position	20,746,212	(11,816,122)	(1,060,013)	(776,508)	72,353	7,165,922	(107,099)	7,058,823
Net Position, Beginning of Year	206,045,106	15,301,952	(869,240)	(11,679,644)	5,369,560	214,167,734	332,062	214,499,796
Net Position, End of Year	$ 226,791,318	$ 3,485,830	$ (1,929,253)	$ (12,456,152)	$ 5,441,913	$ 221,333,656	$ 224,963	$ 221,558,619

17. BLENDED COMPONENT UNITS

The university has two blended component units as discussed in note 1. The following financial information is presented for the university's blended component units.

Condensed Statement of Net Position

	Blended Component Units					
	UCF Finance Corporation	UCF College of Medicine Self-Insurance Program	Total Blended Component Units	University	Eliminations	Total Primary Government
Assets						
Current Assets	$ 4,094,120	$ 3,424,062	$ 7,518,182	$ 461,100,790	$	$ 468,618,972
Net Capital Assets				870,119,042		870,119,042
Due From University / Blended CU	50,623,513		50,623,513		(50,623,513)	-
Other Noncurrent Assets	2,508,433		2,508,433	107,907,526		110,415,959
Total Assets	57,226,066	3,424,062	60,650,128	1,439,127,358	(50,623,513)	1,449,153,973
Deferred Outflows of Resources	11,583,087		11,583,087			11,583,087
Liabilities						
Current Liabilities	1,456,044	43,303	1,499,347	78,107,172		79,606,519
Due To University / Blended CU				50,623,513	(50,623,513)	
Other Noncurrent Liabilities	66,963,087		66,963,087	232,196,642		299,159,729
Total Liabilities	68,419,131	43,303	68,462,434	360,927,327	(50,623,513)	378,766,248
Net Position						
Net Investment in Capital Assets				682,338,807		682,338,807
Restricted - Expendable	6,162,839		6,162,839	120,457,301		126,620,140
Unrestricted	(5,772,817)	3,380,759	(2,392,058)	275,403,923		273,011,865
Total Net Position	$ 390,022	$ 3,380,759	$ 3,770,781	$ 1,078,200,031	$	$ 1,081,970,812

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

	Blended Component Units: UCF Finance Corporation	Blended Component Units: UCF College of Medicine Self-Insurance Program	Total Blended Component Units	University	Eliminations	Total Primary Government
Operating Revenues	$	$ 201,936	$ 201,936	$ 435,463,278	$ (201,936)	$ 435,463,278
Depreciation Expense				(56,188,801)		(56,188,801)
Other Operating Expenses	(190,014)	(19,740)	(209,754)	(718,855,384)		(719,065,138)
Operating Income (Loss)	(190,014)	182,196	(7,818)	(339,580,907)	(201,936)	(339,790,661)
Nonoperating Revenues (Expenses):						
Nonoperating Revenue	3,105,404	5,863	3,111,267	350,558,963	(3,475,967)	350,194,263
Interest Expense	(2,537,813)		(2,537,813)	(5,864,423)		(8,402,236)
Other Nonoperating Expense	(387,680)		(387,680)	(27,452,339)	4,677,903	(23,162,116)
Net Nonoperating Revenues	179,911	5,863	185,774	317,242,201	1,201,936	318,629,911
Other Revenues, Expenses, Gains, and Losses				10,291,667		10,291,667
Increase (Decrease) in Net Position	(10,103)	188,059	177,956	(12,047,039)	1,000,000	(10,869,083)
Net Position, Beginning of Year	400,125	2,192,700	2,592,825	1,089,306,802		1,091,899,627
Capital Contribution		1,000,000	1,000,000		(1,000,000)	
Net Position, End of Year	$ 390,022	$ 3,380,759	$ 3,770,781	$ 1,077,259,763	$	$ 1,081,030,544

Condensed Statement of Cash Flows

	Blended Component Units: UCF Finance Corporation	Blended Component Units: UCF College of Medicine Self-Insurance Program	Total Blended Component Units	University	Eliminations	Total Primary Government
Net Cash Provided (Used) by:						
Operating Activities	$ (191,200)	$ 82,985	$ (108,215)	$ (271,468,625)	$ (207,690)	$ (271,784,530)
Noncapital Financing Activities				315,185,380	4,854,255	320,039,635
Capital and Related Financing Activities	(78,584)	1,000,000	921,416	(66,811,574)	(4,646,565)	(70,536,723)
Investing Activities	18,000	(5,863)	12,137	(29,375,909)		(29,363,772)
Net Increase (Decrease) in Cash and Cash Equivalents	(251,784)	1,077,122	825,338	(51,645,390)		(51,645,390)
Cash and Cash Equivalents, Beginning of Year	6,610,851	3,418,983	10,029,834	98,025,861		108,055,695
Cash and Cash Equivalents, End of Year	$ 6,359,067	$ 4,496,105	$ 10,855,172	$ 46,380,471	$	$ 56,410,305

UNIVERSITY OF CENTRAL FLORIDA
OTHER REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS –
OTHER POSTEMPLOYMENT BENEFITS PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (1) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/2007	$	$ 52,106,000	$ 52,106,000	0%	$ 255,646,117	20.4%
7/1/2009		83,256,000	83,256,000	0%	255,712,129	32.6%
7/1/2011		118,673,000	118,673,000	0%	280,490,639	42.3%

Note: (1) The entry-age actuarial cost method was used to calculate the actuarial accrued liability.

UNIVERSITY OF CENTRAL FLORIDA
OTHER REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS PLAN

The July 1, 2011, unfunded actuarial liability of $118,673,000 was significantly higher than the July 1, 2009, liability of $83,256,000 as a result of changes in the methodology used by the actuary to calculate this liability. The most significant of these modifications were due to changes in the long-term trend model, an increase in the coverage election assumption, and the passage of the Patient Protection and Affordable Care Act.