



**Board of Trustees
Finance and Facilities Committee Meeting
May 23, 2013
10:45 a.m. – 12:00 p.m.
Live Oak Center
Conference call in phone #800-442-5794, passcode 463796**

AGENDA

- | | |
|--|--|
| I. CALL TO ORDER | Jim Atchison
<i>Vice Chair of Finance and Facilities Committee</i> |
| II. ROLL CALL | Sheree Morgan
<i>Senior Administrative Assistant to the Vice President for Administration and Finance and Chief Financial Officer</i> |
| III. MEETING MINUTES | Vice Chair Atchison |
| <ul style="list-style-type: none">• Approval of the February 20, 2013, Finance and Facilities Committee meetings minutes | |
| IV. NEW BUSINESS | Vice Chair Atchison |
| <ul style="list-style-type: none">• 2013-14 Tuition and Fees, Amendments to University Tuition and Fee Regulations UCF 9.001 and UCF 9.006 (FFC-1) | William F. Merck II
<i>Vice President for Administration and Finance and Chief Financial Officer</i>
Tracy Clark
<i>Assistant Vice President for Finance and Controller</i> |
| <ul style="list-style-type: none">• University Operating Budget report quarter ended March 31, 2013 (INFO-1) | William F. Merck II
Tracy Clark |
| <ul style="list-style-type: none">• 2013-14 University Operating Budget (FFC-2) | William F. Merck II
Tracy Clark |

- 2013-14 Capital Outlay Budget (FFC-3)

William F. Merck II
 Lee Kernek
*Associate Vice President
 for Administration and Finance
 (Facilities and Safety)*
- 2013-14 College of Medicine Self-insurance
 Program Budget (FFC-4)

Tony G. Waldrop
Provost and Executive Vice President
 Deborah C. German
*Vice President for Medical Affairs
 and Dean of the College of Medicine*
 Steve Omli
*Director of Finance and Accounting
 for the College of Medicine*
- 2013-14 College of Medicine Faculty
 Practice Plan Budget (FFC-5)

Tony G. Waldrop
 Deborah C. German
 Steve Omli
- UCF Investments Policy Amendment (FFC-6)

William F. Merck II
 Tracy Clark
- University Depositories (FFC-7)

William F. Merck
 Tracy Clark
- Direct Support Organizations' 2012-13
 second-quarter financial reports (INFO-2)
 - Golden Knights Corporation
 - UCF Athletic Association
 - UCF Convocation Corporation
 - UCF Finance Corporation
 - UCF Foundation
 - UCF Research Foundation

William F. Merck II
 John C. Pittman
*Assistant Vice President
 for Debt Management*
- University and DSO debt report (INFO-3)

William F. Merck II
 John C. Pittman

V. OTHER BUSINESS

Vice Chair Atchison

VI. CLOSING COMMENTS

Vice Chair Atchison



Board of Trustees
Finance and Facilities Committee Meeting
President's Boardroom, Millican Hall, 3rd floor
February 20, 2013

MINUTES

CALL TO ORDER

Trustee Olga M. Calvet, chair of the Finance and Facilities Committee, called the meeting to order at 8:30 a.m. Committee members Ida Cook, Marcos Marchena, and Cortez Whatley were present. Committee members Robert Garvy and John Sprouls attended via teleconference. Trustee Michael Grindstaff was present. There were no other trustees attending either in person or via teleconference.

NEW BUSINESS

Minutes

The minutes of the December 12, 2012, Finance and Facilities Committee meeting were approved as submitted.

Revised 2013 Finance and Facilities Committee meeting dates (INFO-1)

Chair Calvet noted the revised 2013 Finance and Facilities Committee meeting dates.

Rename the Natural Resource Pavilion to the "Timothy R. Newman Pavilion" (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, reported that Tim Newman came to UCF in 1998 as a senior groundskeeper, and by 2007 his distinguished service brought him to the position of Campus Landscape Superintendent. Tim was a highly valued, selfless employee who combined great practical knowledge of horticulture and landscape maintenance with a creative, imaginative sense of landscape aesthetics. He was well known and respected by the campus community and many local contractors and vendors who contracted with the university. Tim brought boundless energy, a tireless work ethic, and strong vision that helped facilitate UCF's transition into a large metropolitan university that is noted for its beautiful landscape. Renaming the Natural Resource Pavilion after him is a fitting tribute to his lasting legacy to our campus and community. The committee unanimously approved the renaming of the Natural Resource Pavilion to the "Timothy R. Newman Pavilion."

2013-14 Medical Student Tuition and Fees (FFC-3)

Merck and Steve Omli, Finance Director of the College of Medicine, presented the proposed 2013-14 tuition and fees for both in-state and out-of-state students for the College of Medicine, which the committee unanimously approved.

Revisions to UCF-6.008 Vehicle Registration Fees; Parking Violation Fines (FFC-5)

Revisions to UCF-6.009 Transportation Access Fee (FFC-6)

Merck reported that the Board of Trustees previously approved revisions to UCF-6.008 Vehicle Registration Fees; Parking Violation Fines and UCF-6.009 Transportation Access Fee effective Fall 2013-14. These fee changes required an update to existing regulations UCF-6.008 and UCF-6.009. The committee unanimously approved the revised regulations UCF6-008 and UCF6-009.

Technology Fee update (INFO-2)

Joel Hartman, Vice Provost for Information Technologies and Resources, gave an update on the 2012-13 Technology Fee.

Equipment Fees Annual update (INFO-3)

Tony G. Waldrop, Provost and Executive Vice President, gave an update on the 2013-14 Equipment Fees.

University Operating Budget Report (INFO-4)

Chair Calvet reported that the University Operating Budget was provided as information.

University and DSO Debt Report (INFO-5)

Merck reported that the University and DSO Debt Report was provided as information.

UCF Lockwood Communities, Inc. (FFC-5)

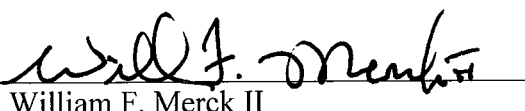
W. Scott Cole, Vice President and General Counsel, reviewed the proposed direct support organization, UCF Lockwood Communities. UCF Lockwood Communities will be formed to own and operate student housing being constructed across from the north entrance to UCF. The housing will be managed by UCF's Division of Housing, and one-half of the net profits from the operations of the housing will be paid to the UCF Foundation as ground rent. This corporation will be established as a direct support organization in order to obtain an exemption from federal income tax and county property tax, which will allow it to provide a positive return to the UCF Foundation. A direct support organization is operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a state university. The state university board of trustees certifies the direct support organization to be operating in a manner consistent with the goals of the university and in the best interests of the state. The committee unanimously certified UCF Lockwood Communities, Inc., as a direct support organization of the University of Central Florida.

OTHER BUSINESS

Trustee Cook requested information at a future meeting regarding the increases in fees over the past few years, and Trustee Marchena requested a schedule of maturity dates for our various bond issues. Merck will provide the requested information.

Chair Calvet adjourned the Finance and Facilities Committee meeting at 9:50 a.m.

Respectfully submitted:


William F. Merck II

Vice President for Administration and Finance
and Chief Financial Officer

5-9-13

Date

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

SUBJECT: 2013-14 Tuition and Fees, Amendments to University Tuition and Fee Regulations UCF-9.001 and 9.006

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

Approve the following tuition, tuition differential, out-of-state fees, financial aid fees, and technology fees for undergraduate, graduate, and professional students, effective Fall 2013 and amendments to University Tuition and Fee Regulations UCF-9.001 and UCF-9.006.

	<u>Current</u>	<u>Fall 2013 (Proposed)</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Undergraduate base tuition	\$ 103.32	\$ 103.32	\$ -	
Undergraduate tuition differential	44.20	44.20	-	
Undergraduate base plus tuition differential	147.52	147.52	-	0.0%
Financial-aid fee - undergraduate	5.16	5.16	-	0.0%
Technology fee - undergraduate	5.16	5.16	-	0.0%
Out-of-state-fee - undergraduate non-resident	511.06	511.06	-	0.0%
Financial-aid fee - undergraduate non-resident	25.55	25.55	-	0.0%
Graduate tuition	288.16	288.16	-	0.0%
Financial-aid fee - graduate	14.40	14.40	-	0.0%
Technology fee - graduate	14.40	14.40	-	0.0%
Doctor of Physical Therapy (DPT) tuition	494.50	494.50	-	0.0%
Financial-aid fee - DPT	24.72	14.40	(10.32)	-41.7%
Technology fee - DPT	24.72	14.40	(10.32)	-41.7%
Florida Interactive Entertainment Academy (FIEA) tuition	1,040.21	1,038.21	(2.00)	-0.2%
Financial-aid fee - FIEA	14.40	14.40	-	0.0%
Technology fee - FIEA	14.40	14.40	-	0.0%
Out-of-state fee - graduate, DPT, FIEA non-resident	785.15	785.15	-	0.0%
Financial-aid fee - graduate, DPT, FIEA non-resident	39.25	39.25	-	0.0%

BACKGROUND INFORMATION

The legislature has set undergraduate tuition at \$106.42, a three percent tuition increase, effective Fall 2013. This increase has not been incorporated into our operating budget because it is still pending approval by the governor.

Board of Governors' Regulations 7.001 and 7.003 delegates to the university board of trustees the authority to set per credit hour rates for undergraduate tuition differential, out-of-state fees, graduate tuition (including professional programs), financial aid fees, and technology fees. The sum of base tuition and tuition differential may be increased by up to fifteen percent. The financial aid and technology fees may not exceed five percent of tuition.

We recommend no increase to undergraduate tuition differential, out-of-state fees, graduate tuition (including professional programs), financial aid fees, and technology fees, except for a decrease to DPT's financial aid and technology fees to align them with the graduate and FIEA programs, and a minor decrease to FIEA's tuition rate.

Approval of University Regulation UCF-9.001 to establish tuition and fees for the 2013-14 academic year is requested. These revisions reflect the decreases noted above, as well as the capital improvement trust fund, activity and service, health, athletic, and transportation access fees previously approved at the January 31, 2013, meeting of the Board of Trustees. In addition, the revised regulation reflects the tuition and fees for the Doctor of Medicine program, previously approved at the March 21, 2013, meeting of the Board of Trustees.

Approval of University Regulation UCF-9.006 to reflect an orientation fee increase previously approved at the January 31, 2013, meeting of the Board of Trustees is requested.

Supporting documentation: Proposed Tuition and Fees – Fall 2013 (Attachment A)
Regulation UCF-9.001 (Attachment B)
Regulation UCF-9.006 (Attachment C)

Prepared by: Tracy Clark, Assistant Vice President for Finance and Controller
Christy Tant, Senior Associate Controller, Finance and Accounting

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

Attachment A

University of Central Florida

Proposed Tuition and Fees - Fall 2013

Undergraduate Resident

	<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
Tuition	\$ 103.32	\$ -	\$ 103.32
Tuition differential	44.20	-	44.20
Out-of-state fee	-	-	-
Financial-aid fee	5.16	-	5.16
Non-resident financial-aid fee	-	-	-
Activity and service fee	10.79	-	10.79
Athletic fee	13.44	-	13.44
Health fee	10.30	0.59	10.89
Transportation access fee	9.10	-	9.10
Technology fee	5.16	-	5.16
Capital improvement fee	6.76	2.00	8.76
Total tuition and fees per-credit hour	\$ 208.23	\$ 2.59	\$ 210.82

	<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
Average annual tuition and out-of-state fees (30 credit hours per year)	\$ 4,426	\$ -	\$ 4,426	0.0%
Average annual tuition and all fees (30 credit hours per year)	\$ 6,247	\$ 78	\$ 6,325	1.2%

Undergraduate Non-Resident

	<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
Tuition	\$ 103.32	\$ -	\$ 103.32
Tuition differential	44.20	-	44.20
Out-of-state fee	511.06	-	511.06
Financial-aid fee	5.16	-	5.16
Non-resident financial-aid fee	25.55	-	25.55
Activity and service fee	10.79	-	10.79
Athletic fee	13.44	-	13.44
Health fee	10.30	0.59	10.89
Transportation access fee	9.10	-	9.10
Technology fee	5.16	-	5.16
Capital improvement fee	6.76	2.00	8.76
Total tuition and fees per-credit hour	\$ 744.84	\$ 2.59	\$ 747.43

	<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
Average annual tuition and out-of-state fees (30 credit hours per year)	\$ 19,757	\$ -	\$ 19,757	0.0%
Average annual tuition and all fees (30 credit hours per year)	\$ 22,345	\$ 78	\$ 22,423	0.3%

Graduate Resident

	<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
Tuition	\$ 288.16	\$ -	\$ 288.16
Out-of-state fee	-	-	-
Financial-aid fee	14.40	-	14.40
Non-resident financial-aid fee	-	-	-
Activity and service fee	10.79	-	10.79
Athletic fee	13.44	-	13.44
Health fee	10.30	0.59	10.89
Transportation access fee	9.10	-	9.10
Technology fee	14.40	-	14.40
Capital improvement fee	6.76	2.00	8.76
Total tuition and fees per-credit hour	\$ 367.35	\$ 2.59	\$ 369.94

	<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
Average annual tuition and out-of-state fees (24 credit hours per year)	\$ 6,916	\$ -	\$ 6,916	0.0%
Average annual tuition and all fees (24 credit hours per year)	\$ 8,816	\$ 62	\$ 8,879	0.7%

Graduate Non-Resident

	<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
Tuition	\$ 288.16	\$ -	\$ 288.16
Out-of-state fee	785.15	-	785.15
Financial-aid fee	14.40	-	14.40
Non-resident financial-aid fee	39.25	-	39.25
Activity and service fee	10.79	-	10.79
Athletic fee	13.44	-	13.44
Health fee	10.30	0.59	10.89
Transportation access fee	9.10	-	9.10
Technology fee	14.40	-	14.40
Capital improvement fee	6.76	2.00	8.76
Total tuition and fees per-credit hour	\$ 1,191.75	\$ 2.59	\$ 1,194.34

	<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
Average annual tuition and out-of-state fees (24 credit hours per year)	\$ 25,759	\$ -	\$ 25,759	0.0%
Average annual tuition and all fees (24 credit hours per year)	\$ 28,602	\$ 62	\$ 28,664	0.2%

Attachment A

University of Central Florida

Proposed Tuition and Fees - Fall 2013

Doctor of Physical Therapy Resident

	<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
Tuition	\$ 494.50	\$ -	\$ 494.50
Out-of-state fee	-	-	-
Financial-aid fee	24.72	(10.32)	14.40
Non-resident financial-aid fee	-	-	-
Activity and service fee	10.79	-	10.79
Athletic fee	13.44	-	13.44
Health fee	10.30	0.59	10.89
Transportation access fee	9.10	-	9.10
Technology fee	24.72	(10.32)	14.40
Capital improvement fee	6.76	2.00	8.76
Total tuition and fees per-credit hour	\$ 594.33	\$ (18.05)	\$ 576.28

Average annual tuition and out-of-state fees (37 credit hours per year)
 Average annual tuition and all fees (37 credit hours per year)

<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
\$ 18,297	\$ -	\$ 18,297	0.0%
\$ 21,990	\$ (668)	\$ 21,322	-3.0%

<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
\$ 47,347	\$ -	\$ 47,347	0.0%
\$ 52,493	\$ (668)	\$ 51,825	-1.3%

Doctor of Physical Therapy Non-Resident

<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
\$ 494.50	\$ -	\$ 494.50
785.15	-	785.15
24.72	(10.32)	14.40
39.25	-	39.25
10.79	-	10.79
13.44	-	13.44
10.30	0.59	10.89
9.10	-	9.10
24.72	(10.32)	14.40
6.76	2.00	8.76
\$ 1,418.73	\$ (18.05)	\$ 1,400.68

Florida Interactive Entertainment Resident

	<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
Tuition	\$ 1,040.21	\$ (2.00)	\$ 1,038.21
Out-of-state fee	-	-	-
Financial-aid fee	14.40	-	14.40
Non-resident financial-aid fee	-	-	-
Activity and service fee	10.79	-	10.79
Athletic fee	13.44	-	13.44
Technology fee	14.40	-	14.40
Capital improvement fee	6.76	2.00	8.76
Total tuition and fees per-credit hour	\$ 1,100.00	\$ -	\$ 1,100.00

Average program tuition (30 credit hours in four consecutive terms)
 Average program tuition and all fees (30 credit hours in four consecutive terms)

<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
\$ 31,206	\$ (60)	\$ 31,146	-0.2%
\$ 33,000	\$ -	\$ 33,000	0.0%

Florida Interactive Entertainment Non-Resident

<u>Current</u>	<u>Change</u>	<u>Fall 2013</u>
\$ 1,040.21	\$ (2.00)	\$ 1,038.21
785.15	-	785.15
14.40	-	14.40
39.25	-	39.25
10.79	-	10.79
13.44	-	13.44
14.40	-	14.40
6.76	2.00	8.76
\$ 1,924.40	\$ -	\$ 1,924.40

<u>Fall 2012</u>	<u>Change</u>	<u>Fall 2013</u>	<u>% Increase</u>
\$ 54,761	\$ (60)	\$ 54,701	-0.1%
\$ 57,732	\$ -	\$ 57,732	0.0%

ATTACHMENT B

UCF-9.001 Schedule of Tuition and Fees.

(1) All students shall pay resident or non-resident tuition, as applicable, and associated fees. Tuition shall be defined as the basic fee charged to a student for instruction in credit courses at the University of Central Florida. Non-resident tuition shall be defined as the basic fee and the out-of-state fee assessed to non-resident students for instruction in credit courses at the University of Central Florida. Only those students who qualify as a Florida resident as defined in BOG Regulation 7.005 shall not be assessed the out-of-state fee.

(2) Associated fees shall include the following:

- (a) Tuition differential (applied to undergraduate courses only);
- (b) Student Financial Aid Fee;
- (c) Non-resident Student Financial Aid Fee (if student is not a Florida resident);
- (d) Capital Improvement Trust Fund Fee;
- (e) Transportation Access Fee;
- (f) Activity and Service Fee;
- (g) Athletic Fee;
- (h) Health Fee; and
- (i) Technology Fee.
- ~~(e) Capital Improvement Trust Fund Fee;~~
- ~~(d) Health Fee;~~
- ~~(e) Athletic Fee;~~
- ~~(f) Activity and Service Fee;~~
- ~~(g) Transportation Access Fee; and~~
- ~~(h) Non-resident Student Financial Aid Fee (if student is not a Florida resident).~~

(3) In addition to the fees listed above, a Distance Learning Course Fee of \$18.00 per credit hour will be assessed for online Web-based courses.

(4) Registration shall be defined as consisting of two components:

- (a) Formal enrollment in one or more credit courses approved and scheduled by the university; and

- (b) Payment or other appropriate arrangement for payment (installment, deferment, or third party billing) of tuition and associated fees for the courses in which the student is enrolled as of the end of the drop and add period.
- (5) Tuition and associated fees liability shall be defined as the liability for the payment of tuition and associated fees incurred at the point at which the student has completed registration.
- (6) The following tuition and associated fees shall be levied and collected effective the fall semester indicated for each student regularly enrolled, unless provided otherwise by law or in this chapter.
- (a) Students will be assessed the following tuition and associated fees per credit hour:

FALL 2013

For All Programs Except Doctor of Physical Therapy, and Doctor of Medicine, and Florida Interactive Entertainment Academy (amounts per credit hour):

	Undergraduate		Graduate	
Fee	Resident	Non-Resident	Resident	Non-Resident
Tuition	\$103.32	\$103.32	\$288.16	\$288.16
Tuition Differential	\$44.20	\$44.20		
Out-of-State Fee		\$511.06		\$785.15
Student Financial Aid Fee	\$5.16	\$5.16	\$14.40	\$14.40
Non-Resident Financial Aid Fee		\$25.55		\$39.25
Capital Improvement Trust Fund Fee	\$6.768.76	6.768.76	\$6.768.76	\$6.768.76
Transportation Access Fee	\$9.10	\$9.10	\$9.10	\$9.10
Activity and Service Fee	\$10.79	\$10.79	\$10.79	\$10.79
Athletic Fee	\$13.44	\$13.44	\$13.44	\$13.44
Health Fee	\$10.3010.89	\$10.3010.89	\$10.3010.89	\$10.3010.89
Technology Fee	\$5.16	\$5.16	\$14.40	\$14.40
Total	\$208.23210.82	\$744.84747.43	\$367.35369.94	\$1,191.751,194.34

Doctor of Physical Therapy (amounts per credit hour):

	Graduate	
Fee	Resident	Non-Resident
Tuition	\$494.50	\$494.50
Out-of-State Fee		\$785.15

Student Financial Aid Fee	\$24.7214.40	\$24.7214.40
Non-resident Financial Aid Fee		\$39.25
Capital Improvement Trust Fund Fee	6.768.76	\$6.768.76
Transportation Access Fee	\$9.10	\$9.10
Activity and Service Fee	\$10.79	\$10.79
Athletic Fee	\$13.44	\$13.44
Health Fee	\$10.3010.89	\$10.3010.89
Technology Fee	\$24.7214.40	\$24.7214.40
Total	\$594.33576.28	\$1,418.731,400.68

Doctor of Medicine (annual amounts):

Graduate

Fee	Resident	Non-Resident
Tuition	\$22,915.6023,602.80	\$22,915.6023,602.80
Out-of-State Fee		\$26,681.6027,482.00
Student Financial Aid Fee	\$1,145.601,180.00	\$1,145.601,180.00
Non-resident Financial Aid Fee		\$1,334.001,374.00
Capital Improvement Trust Fund Fee	190.40350.40	\$190.40350.40
Transportation Access Fee	\$364.00	\$364.00
Activity and Service Fee	\$431.60	\$431.60
Athletic Fee	\$537.60	\$537.60
Health Fee	\$412.00435.60	\$412.00435.60
Technology Fee	\$206.40	\$206.40
Equipment Fee	\$601.00	\$601.00
Total	\$26,804.2027,709.40	\$54,819.8056,565.40

Florida Interactive Entertainment Academy (FIEA) (Fall 2013 cohort¹ amounts):

Graduate

Fee	Resident	Non-Resident
Tuition	\$1,038.21	\$1,038.21
Out-of-State Fee		\$785.15
Student Financial Aid Fee	\$14.40	\$14.40
Non-resident Financial Aid Fee		\$39.25
Capital Improvement Trust Fund Fee	\$8.76	\$8.76

Activity and Service Fee	<u>\$10.79</u>	<u>\$10.79</u>
Athletic Fee	<u>\$13.44</u>	<u>\$13.44</u>
Technology Fee	<u>\$14.40</u>	<u>\$14.40</u>
Total	<u>\$1,100.00</u>	<u>\$1,924.40</u>

¹ FLEA cohort requires thirty student credit hours obtained in four consecutive semesters.

Graduates receive a Master of Science degree in Interactive Entertainment.

- (b) Pursuant to Section 1009.285 F.S., each student enrolled in the same undergraduate course more than twice shall be assessed an additional ~~\$120.24~~ 122.00 per credit hour charge, in addition to the fees outlined above for each such course.

(7) Students are required to pay an excess hours surcharge for each credit hour in excess of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled. The excess hour surcharge shall become effective for students who enter a state university for the first time and maintain continuous enrollment as follows:

- (a) For students who enter a state university for the first time in the Fall 2009 semester or any academic term thereafter up to and including Summer 2011, the University shall require the student to pay an excess hour surcharge equal to 50 percent of the tuition rate for each credit hour in excess of 120 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.
- (b) For students who enter a state university for the first time in the Fall 2011 semester or any academic term thereafter up to and including Summer 2012, the University shall require the student to pay an excess hours surcharge equal to 100 percent of the tuition rate for each credit hour in excess of 115 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.
- (c) For students who enter a state university for the first time in the Fall 2012 semester or thereafter, the University shall require the student to pay an excess hours surcharge equal to 100 percent of the tuition rate for each credit hour in excess of 110 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.

Authority: BOG Regulations 1.001 and 7.001; General Appropriations Act, 2011. History–New 9-25-02, Amended 12-8-03, 11-22-05, 6-27-06, 8-27-07, 12-07-07, 8-19-08, Formerly 6C7-9.001, Amended 6-22-09, 8-12-10, 7-6-11, 9-15-11, 7-3-12.

ATTACHMENT C

UCF-9.006 Miscellaneous Fees.

(1) The University of Central Florida Board of Trustees has established the fees set forth in this regulation. The fees listed are in addition to the fees set forth in other University of Central Florida regulations and other charges that are authorized by law. "Cost" as used in this regulation includes any increased costs to the University that are directly related to the delivery of the goods and services.

(2) Application fees – up to \$30. An individual who applies for admission to the University of Central Florida shall pay the non-refundable application fee set by the University for the type of admission sought (e.g., undergraduate, graduate, medical, etc.). This fee may be waived for applicants who provide documentation that they have received a fee waiver because of economic need.

(3) Non-Refundable Undergraduate Admissions Deposit.

(a) The University will assess to each applicant a non-refundable admissions deposit of \$200.

(b) The President or designee shall waive the undergraduate non-refundable admissions deposit for applicants who document that they have a financial hardship. To be eligible for a financial hardship waiver, a student shall apply for federal financial assistance by submitting a valid Free Application for Federal Student Aid (FAFSA) to the United States Department of Education in accordance with 34 C.F.R. Part 668.

- (c) A “financial hardship” is defined as an Expected Family Contribution (EFC) of zero for the academic year on the applicant’s Student Aid Report after requesting and accepting all types of financial assistance. A financial hardship also will be found to exist for applicants who document that they have received a fee waiver because of economic need as determined by the College Board or the American College Testing Program.
- (4) Library overdue fines – The university library assesses fines to encourage prompt return of overdue materials. Fines are higher for recalled items, course reserves, and certain short loan materials (DVDs, VHS videos, etc.) that are in high demand. Information regarding specific fines is available from the Library or at the Circulation Services section of the University Libraries webpage.
- (5) Late equipment fees – variable.
- (6) Duplicating/photocopying fees – variable.
- (7) Standardized test (GRE, URE, etc.) fees will consist of the costs of administering the test.
- (8) Thesis and dissertation – Binding fee-cost; microfilm fee-cost; copyright fee-cost.
- (9) Damaged, breakage and lost library materials; lost keys (includes cylinder change); equipment, materials, and facilities damage, breakage and loss – cost of repair and/or replacement. If damaged or lost materials are the result of misconduct, a fine or other disciplinary action may be imposed.
- (10) Interlibrary loans/literature searches – cost.
- (11) Orientation fee – ~~\$35~~50.
- (12) Transcript fee – variable, not to exceed \$10.
- (13) Diploma replacement fee – variable, not to exceed \$10 per item.

- (14) Housing rental rates – variable.
- (15) Miscellaneous health related charges for services provided at the Student Health Center that are not covered by the Student Health Fee set forth in Regulation UCF-9.001 – cost.
- (16) Facilities and Equipment Use Costs – variable.
- (17) Registration of Zero Hours – Such registration provides for examinations, co-ops, internships, graduations, use of facilities, etc., when deemed appropriate by the University. The student is assessed Resident tuition and all associated fees for one credit hour. The Zero Credit Fee shall be distributed in the same manner as tuition.
- (18) Auditing – The student is assessed the applicable resident or non-resident tuition costs as set forth in Regulation UCF-9.001 for the audited course.
- (19) Off-campus educational activities – The President or President’s designee will establish fees for off-campus course offerings when the location results in specific identifiable increased costs to the University. These fees will be in addition to the regular tuition and fees charged to students enrolling in these courses on-campus. The additional fees charged are for the purpose of recovering the increased costs resulting from off-campus vis-à-vis on campus offerings. As used herein, “off-campus” refers to locations other than regular main campus, branch campuses, and centers.
- (20) Security, access, or identification cards – Annual cost up to \$10; up to \$15 for each replacement card.
- (21) Late registration fee – up to \$100 but at least \$50.
- (22) Late payment fee – up to \$100 but at least \$50. A late payment fee will be imposed on students who fail to pay or fail to make appropriate arrangements to pay by the payment deadline.

- (23) Material and supply fees – variable. These fees are assessed to offset the cost of materials or supply items which are consumed in the course of the student’s instructional activities, but shall not include the cost of equipment and equipment repairs and maintenance.
- (24) Parking fines, permits, and decals – variable.
- (25) Returned check fee – variable. A service charge in accordance with s. 832.07(1), F.S., for unpaid checks returned to the university.
- (26) Collection costs – variable. A charge representing the reasonable costs of collection efforts to effect payment for overdue accounts.
- (27) Incidental non-academic services – variable. This could include such things as fees for duplication services, printing services, replacement keys, copyright material charges, and standardized test fees.
- (28) International student service fee.
- (29) Convenience fee –variable. This is a fee to cover the transaction costs of accepting payments by credit card, charge card, or debit card.

Authority: Florida Board of Governors Regulation 1.001 and 7.003; Sec. 1009.24, F.S. History-New 7-13-11, 7-2-12.

ITEM: INFO-1

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

SUBJECT: University Operating Budget Report quarter ended March 31, 2013

DATE: May 23, 2013

For information only.

**University of Central Florida
Operating Budget Status**

March 31, 2013

Year-to-Date Activity and Variances

The attached reports include revenues and expenditures for the nine months ending March 31, 2013, compared to the operating budget. Student credit hours are below the enrollment plan by 3.1 percent and slightly exceeded the prior year by 0.3 percent. Revenue and expenditures as a percentage of budget are 2.4 percent and 2.6 percent, respectively, higher than last year. Overall, revenues and expenditures as a percent of the operating budget are 68 percent and 63 percent, respectively. Specific activities and variances in certain budget categories are described below.

Educational & General

The Education & General (E&G) budget includes expenditures for instructional activities and related administrative support. Revenue sources include general revenue, Educational Enhancement Funds (lottery), and student fees. E&G student fees include tuition and out-of-state fees.

E&G revenues decreased \$9.0 million. An increase in student tuition and fees of \$25.3 million was offset by a decrease in state appropriations of \$33.5 million. The decrease in state appropriations is expected to further exceed the increase in tuition by the end of the fiscal year as the majority of tuition has been billed as of December, while appropriations are received throughout the entire year.

E&G expenditures increased by \$13.5 million primarily due to an increase in facilities and improvement costs, as well as an increase in student financial assistance.

Medical School

Medical school revenues increased by \$2.8 million, primarily due to increased student fee revenues.

Medical school expenditures increased by \$5.8 million, primarily due to faculty and staff payroll of \$2.4 million and scholarships of \$1.2 million.

Auxiliary Enterprises

Auxiliary revenues increased by \$3.4 million, primarily due to a \$1.4 million increase in Computer Services and Telecommunications projects and \$1.3 million in investment interest income compared to the prior year. Expenditures increased \$1.2 million primarily due to an increase in debt service for new housing bonds.

University of Central Florida Operating Budget Status

March 31, 2013

Sponsored Research

Sponsored research revenues increased \$4.1 million, primarily due to funding for the Space Research Initiative. Expenditures decreased \$13.5 million, primarily due to the purchase of the Lake Nona land in the prior year.

Student Financial Aid

Revenues increased \$21.7 million primarily due to the following:

- \$14.5 million increase in student direct-lending loans
- \$6.5 million from differential tuition
- \$2.9 million decrease in state scholarships.

Expenditures increased \$20.7 million, primarily due to an increase in student loans.

Student Activities

Revenue for student activities includes the Activity and Service Fee charged to students per credit hour and the revenue generated from the operation of the Student Union and the Recreation and Wellness Center. Revenue and expenses remain consistent with the prior year.

Technology Fee

Technology fee revenues were consistent with the prior year.

Technology fee expenses were slightly higher than the prior year. Variances are due to timing differences in the progress of the various projects. Approximately 65 percent of 2011-12 awards have been completed, and approximately 24 percent of 2012-13 awards have been completed. The majority of the available funds have been awarded to specific technology projects by the Technology Fee Committee.

University of Central Florida

Operating Budget Report

as of March 31, 2013 (75% of year)

Fiscal Year 2013

	Revenue	Expenditures	Expenditure Budget	% of Budget Spent	Revenue as % of Budget	Revenue less Expenditures	Fund Balance (as of July 1)
Educational & General	\$ 365,733,190	\$ 327,310,902	\$ 581,145,820	56.3%	62.9%	\$ 38,422,288	\$ 165,730,164
Medical School	23,944,326	20,527,384	42,152,821	48.7%	56.8%	3,416,942	11,135,112
Auxiliary Enterprises	114,713,601	91,977,244	174,983,999	52.6%	65.6%	22,736,357	131,685,970
Sponsored Research	101,614,441	94,989,651	154,597,904	61.4%	65.7%	6,624,790	22,505,218
Student Financial Aid	409,316,068	408,653,452	539,721,705	75.7%	75.8%	662,616	28,066,695
Student Activities	15,671,380	12,908,570	22,186,188	58.2%	70.6%	2,762,810	9,350,292
Concessions	505,029	196,349	380,000	51.7%	132.9%	308,680	637,249
Technology Fee	7,679,132	5,117,019	11,075,000	46.2%	69.3%	2,562,113	6,323,487
	<u>\$ 1,039,177,167</u>	<u>\$ 961,680,571</u>	<u>\$ 1,526,243,437</u>	<u>63.0%</u>	<u>68.1%</u>	<u>\$ 77,496,596</u>	<u>\$ 375,434,187</u>

Fiscal Year 2012

	Revenue	Expenditures	Expenditure Budget	% of Budget Spent	Revenue as % of Budget	Revenue less Expenditures	Fund Balance (as of July 1)
Educational & General	\$ 374,779,965	\$ 313,831,298	\$ 624,363,437	50.3%	60.0%	\$ 60,948,667	\$ 182,885,806
Medical School	21,148,658	14,737,260	35,946,138	41.0%	58.8%	6,411,398	8,375,781
Auxiliary Enterprises	111,310,856	90,756,647	172,101,864	52.7%	64.7%	20,554,209	101,273,349
Sponsored Research	97,495,953	108,462,020	152,517,750	71.1%	63.9%	(10,966,067)	41,201,181
Student Financial Aid	387,621,974	387,971,358	526,837,052	73.6%	73.6%	(349,384)	26,956,026
Student Activities	15,210,474	12,528,120	19,919,638	62.9%	76.4%	2,682,354	8,455,935
Concessions	326,990	256,643	420,000	61.1%	77.9%	70,347	488,684
Technology Fee	7,640,872	4,842,068	13,000,000	37.2%	58.8%	2,798,804	5,486,887
	<u>\$ 1,015,535,742</u>	<u>\$ 933,385,414</u>	<u>\$ 1,545,105,879</u>	<u>60.4%</u>	<u>65.7%</u>	<u>\$ 82,150,328</u>	<u>\$ 375,123,649</u>

University of Central Florida

Operating Expenditure Report

as of March 31, 2013 (75% of year)

Fiscal Year 2013

	Expenditures - Amount					Expenditures - Percent of Total				
	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total
Educational & General	\$ 224,966,687	\$ 96,918,312	\$ 5,425,903	\$ -	\$ 327,310,902	68.7%	29.6%	1.7%	-	100.0%
Medical School	14,317,105	5,651,140	559,139	-	20,527,384	69.7%	27.5%	2.7%	-	100.0%
Auxiliary Enterprises	29,346,151	51,650,553	1,666,662	9,313,878	91,977,244	31.9%	56.2%	1.8%	10.1%	100.0%
Sponsored Research	41,826,404	47,910,547	5,252,682	18	94,989,651	44.0%	50.4%	5.5%	0.0%	100.0%
Student Financial Aid	2,106,874	406,489,807	56,771	-	408,653,452	0.5%	99.5%	0.0%	-	100.0%
Student Activities	6,551,522	6,299,396	57,652	-	12,908,570	50.8%	48.8%	0.4%	-	100.0%
Concessions	114	196,235	-	-	196,349	0.1%	99.9%	-	-	100.0%
Technology Fee	94,576	4,078,966	943,477	-	5,117,019	1.8%	79.7%	18.4%	-	100.0%
	\$ 319,209,433	\$ 619,194,956	\$ 13,962,286	\$ 9,313,896	\$ 961,680,571	33.2%	64.4%	1.5%	1.0%	100.0%

Fiscal Year 2012

	Expenditures - Amount					Expenditures - Percent of Total				
	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total
Educational & General	\$ 223,806,956	\$ 82,565,852	\$ 6,953,015	\$ 505,475	\$ 313,831,298	71.3%	26.3%	2.2%	0.2%	100.0%
Medical School	11,874,339	2,751,630	111,291	-	14,737,260	80.6%	18.7%	0.8%	-	100.0%
Auxiliary Enterprises	28,613,402	52,455,179	2,205,910	7,482,156	90,756,647	31.5%	57.8%	2.4%	8.2%	100.0%
Sponsored Research	40,731,430	46,763,343	20,967,671	(424)	108,462,020	37.6%	43.1%	19.3%	0.0%	100.0%
Student Financial Aid	1,672,958	386,298,400	-	-	387,971,358	0.4%	99.6%	-	-	100.0%
Student Activities	6,189,035	6,270,566	68,519	-	12,528,120	49.4%	50.1%	0.5%	-	100.0%
Concessions	106	256,537	-	-	256,643	0.0%	100.0%	-	-	100.0%
Technology Fee	1,769	3,349,535	1,490,764	-	4,842,068	0.0%	69.2%	30.8%	-	100.0%
	\$ 312,889,995	\$ 580,711,042	\$ 31,797,170	\$ 7,987,207	\$ 933,385,414	33.5%	62.2%	3.4%	0.9%	100.0%

University of Central Florida

Operating Budget Report

as of March 31, 2013 (75% of year)

Statistical Information

Student Credit Hours¹

Actual Compared to UCF Plan

	Actual	Plan	Difference	% Variance
Summer	235,805	240,038	(4,233)	-1.8%
Fall	649,923	667,522	(17,599)	-2.6%
Spring ²	622,160	648,722	(26,562)	-4.1%
	1,507,888	1,556,282	(48,394)	-3.1%

Current Year Compared to Prior Year

	2012-13	2011-12	Difference	% Variance
Summer	235,805	232,108	3,698	1.6%
Fall	649,923	647,221	2,702	0.4%
Spring ²	622,160	624,479	(2,319)	-0.4%
	1,507,888	1,503,808	4,081	0.3%

Additional Statistical Information

	2012-13	2011-12	Difference	% Variance
Student headcount - Fall 2012 and 2011	59,767	58,698	1,069	1.8%
Percent in-state students - Fall 2012 and 2011	94.8%	95.1%	-0.3%	-0.3%
Foundation endowment - June 30, 2012, and 2011	\$ 121,087,980	\$ 125,668,734	\$ (4,580,754)	-3.6%
Foundation assets - June 30, 2012, and 2011	\$ 244,702,384	\$ 245,947,887	\$ (1,245,503)	-0.5%
On-campus Housing, including Greek Housing	6,147			
Rosen Campus housing	388			
Affiliated housing	3,741			
Gross square footage - Orlando Campus	7,521,502			
Acreage - Orlando Campus	1,415			

¹ Medical students are not included in student credit hours.

² Actual SCH for Spring 2013 is preliminary.

Student Credit Hours¹

Actual Compared to UCF Plan

	Actual	Plan	Difference	% Variance
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Acreage - Orlando Campus	1,415			

¹ Medical students are not included in student credit hours.

² Actual SCH for Spring 2013 is preliminary.

University of Central Florida

Operating Budget Status

Explanation of Terms

Budgets

Educational & General. The Educational & General budget includes expenditures for instructional activities and related administrative support. This budget is funded by general revenue, Educational Enhancement funds, and student fees. E&G student fees include tuition and out-of-state fees.

Auxiliary Enterprises. Auxiliary enterprises include those activities that are not instructional in nature but support the operation of the university. The primary auxiliary areas include Housing, Student Health Services, Parking Services, Computer Store, Telecommunications, Continuing Education, Dining Services, and the Bookstore. The auxiliaries must generate adequate revenue to cover expenditures and allow for future renovations and building or equipment replacement, if applicable. Several of the auxiliaries are partially or wholly funded by student fees, including Student Health Services, Parking Services and Material and Supply Fees.

Sponsored Research. Sponsored research includes research activities that are funded by federal, state, local, and private funds.

Student Financial Aid. The student financial aid budget largely represents scholarship and loan funds that are received by the university and subsequently disbursed to students. Large disbursements of these funds occur at the beginning of the fall and spring semesters. The expenditures in this budget will, therefore, not coincide with the months remaining in the year.

Student Activities. The student activities budget is funded by the Activity and Service Fee paid by the students and includes expenditures for student government and student clubs and organizations. This budget also includes all expenditures for the Student Union and the Recreation and Wellness Center. Expenditures for these entities are funded by the Activity and Service Fee and by revenue generated through functions in the facilities.

Concessions. The concessions budget is funded from vending machine revenue. These funds are used for events and other expenditures that support the university.

Technology Fee. The technology fee was established in January 2009 as allowed by Florida Statute 1009.24. The university began charging 5 percent of the tuition per credit hour beginning in the fall term of the 2009-10 academic years. A committee and guidelines for the allocation and use of the technology resources were established. The revenue from this fee will be used to enhance instructional technology resources for students and faculty.

University of Central Florida Operating Budget Status

Explanation of Terms

Expenditure Categories

Salaries and Benefits. Salaries and benefits include salary payments, along with employer benefit costs, including FICA, health insurance, life insurance, disability insurance, and pre-tax benefits. Benefits are approximately 28 percent of salaries for permanent employees.

Expenses. Expenses include office supplies, repairs, maintenance costs, contract services, and all other items not included as salaries, capital purchases, or debt service.

Capital Purchases. Capital purchases include personal property with a value of \$5,000 or more and library resources with a value of \$250 or more, and an expected life of one year or more. The threshold at which tangible personal property is capitalized was increased on July 1, 2011, from \$1,000 to \$5,000 and Library resources from \$25 to \$250.

Debt Service. Debt service includes principal and interest payments on bonds and other loans within the university.

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

SUBJECT: 2013-14 University Operating Budget

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

Approval of the university's 2013-14 operating budget.

BACKGROUND INFORMATION

We request approval of the operating budgets for the Educational & General, Medical School, Auxiliary Enterprises, Sponsored Research, Student Financial Aid, Student Activities, Technology Fee, and Concessions areas as indicated in Attachment A.

The Educational & General budget does not reflect the three percent increase in undergraduate tuition proposed by the legislature since it is still subject to approval by the governor. We request approval to amend the budget if the tuition increase is signed into law. All other budgets were compiled using requests from individual departments and a review of expected revenue, expenditures, and fund balances for each area.

Supporting documentation: 2013-14 Proposed Operating Budget (Attachment A)
Changes in E&G Funding (Attachment B)
Auxiliary Enterprises Proposed Operating Budget (Attachment C)
Summary of 2012-13 Expenditures (Attachment D)

Prepared by: Tracy Clark, Assistant Vice President for Finance and Controller
Christy Tant, Senior Associate Controller, Finance and Accounting

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

Attachment A

University of Central Florida

2013-14 Proposed Operating Budget

	2013-14 Proposed Budget	2012-13 BOT Approved Budget ¹	% Increase (Decrease)	\$ Increase (Decrease)
Educational & General (E&G)				
General Revenue ²	\$ 205,326,692	\$ 148,596,643	38%	\$ 56,730,049
Lottery ²	28,987,712	24,076,978	20%	4,910,734
Student Tuition and Fees ²	242,563,961	246,682,141	-2%	(4,118,180)
Total Educational and General	\$ 476,878,365	\$ 419,355,762	14%	\$ 57,522,603
Medical School (E&G)				
General Revenue ²	\$ 24,177,953	\$ 22,915,985	6%	\$ 1,261,968
Student Tuition and Fees ²	11,325,290	8,180,191	38%	3,145,099
Total Educational and General	\$ 35,503,243	\$ 31,096,176	14%	\$ 4,407,067
Auxiliary Enterprises ³	\$ 188,545,104	\$ 174,983,999	8%	\$ 13,561,105
Sponsored Research	150,912,000	154,597,904	-2%	(3,685,904)
Student Financial Aid ⁴	521,544,307	539,721,705	-3%	(18,177,398)
Student Activities	21,945,080	22,186,188	-1%	(241,108)
Technology Fee	9,945,000	11,075,000	-10%	(1,130,000)
Concessions	420,000	380,000	11%	40,000
Total Operating Budget	\$ 1,405,693,099	\$ 1,353,396,734	4%	\$ 52,296,365

¹ Represents the operating budget approved by the Board of Trustees on May 24, 2012, adjusted for mid-year amendments received from the Board of Governors.

² See Attachment B for detail of the changes in these budgets.

³ Detail for this budget is included in Attachment C. Increase is due to the new combined heating and power plant.

⁴ The decrease in Student Financial Aid is primarily attributed to decreases in budgeting for federal grant programs and state scholarship funding.

Attachment B

University of Central Florida

Changes in E&G Funding

Changes in University E&G Funding

	General Revenue	Lottery	Tuition and Fees	Total
2012-13 BOT approved budget	\$ 144,360,241	\$ 24,076,978	\$ 246,682,141	\$ 415,119,360
BOG amendment - risk management premiums	4,224			4,224
BOG amendment - IT performance funding	3,750,000			3,750,000
Adjustment to state health insurance premium	476,921			476,921
Technical transfers	5,257			5,257
2012-13 adjusted budget	148,596,643	24,076,978	246,682,141	419,355,762
Projected credit hour decrease, other fee changes ¹			(4,118,180)	(4,118,180)
Restore as recurring - base budget adjustment	52,613,031			52,613,031
Anti-hazing online education initiative - non-recurring	1,250,000			1,250,000
Urban teacher training initiative - non-recurring	200,000			200,000
Remove non-recurring - High Tech Corridor	(2,000,000)			(2,000,000)
2012-13 health insurance annualization	2,384,605			2,384,605
Unfunded retirement actuarial liability	7,118,404			7,118,404
Retirement system normal costs	9,240			9,240
Plant operation and maintenance for new space	65,503			65,503
Lottery adjustment	(4,910,734)	4,910,734		-
Net increase (decrease)	56,730,049	4,910,734	(4,118,180)	57,522,603
2013-14 beginning budget	\$ 205,326,692	\$ 28,987,712	\$ 242,563,961	\$ 476,878,365

¹ Does not include the three percent increase in undergraduate tuition proposed by the legislature because it is still subject to approval by the governor.

Changes in Medical School Funding

	General Revenue	Lottery	Tuition and Fees	Total
2012-13 BOT approved budget	\$ 22,894,755	\$ -	\$ 8,180,191	\$ 31,074,946
Adjustment to state health insurance premium	26,487			26,487
Technical transfers	(5,257)			(5,257)
2012-13 adjusted budget	22,915,985	-	8,180,191	31,096,176
Tuition/enrollment increase, other fee changes			3,145,099	3,145,099
Phase-in funding	774,417			774,417
2012-13 health insurance annualization	132,435			132,435
Unfunded retirement actuarial liability	354,656			354,656
Retirement system normal costs	460			460
Net increase	1,261,968	-	3,145,099	4,407,067
2013-14 beginning budget	\$ 24,177,953	\$ -	\$ 11,325,290	\$ 35,503,243

Attachment C

University of Central Florida

Auxiliary Enterprises Proposed Operating Budget

	2013-14 Proposed Budget	2012-13 Operating Budget	% Increase (Decrease)	\$ Increase (Decrease)
Housing	\$ 26,924,833	\$ 22,856,095	18%	\$ 4,068,738
Parking Services	18,427,813	18,308,545	1%	119,268
Student Health Services	17,973,622	17,403,366	3%	570,256
Business Services	9,382,499	10,619,230	-12%	(1,236,731)
Computer Store, Telecommunications	37,500,000	37,783,503	-1%	(283,503)
Academic Support - Colleges	10,101,441	10,676,520	-5%	(575,079)
Academic Support - Other	18,204,021	16,911,266	8%	1,292,755
Continuing Education, EMBA	8,447,180	9,770,898	-14%	(1,323,718)
Material and Supply, Equipment Fees	5,991,431	5,480,310	9%	511,121
Other Auxiliaries ¹	35,592,264	25,174,266	41%	10,417,998
Total Auxiliary Enterprises	\$ 188,545,104	\$ 174,983,999	8%	\$ 13,561,105

¹ The Other Auxiliaries budget includes auxiliaries in administrative areas, such as Human Resources, Police, and Sustainability and Energy Management. This amount also includes a budget reserve for the auxiliaries.

Auxiliary Enterprises Expenditures vs. Budget

	Expenditures as of March 31, 2013	2012-13 Operating Budget	Percent Spent
Housing	\$ 17,730,721	\$ 22,856,095	77.6%
Parking Services	9,219,648	18,308,545	50.4%
Student Health Services	10,699,670	17,403,366	61.5%
Business Services	4,813,672	10,619,230	45.3%
Computer Store, Telecommunications	17,205,189	37,783,503	45.5%
Academic Support - Colleges	3,355,813	10,676,520	31.4%
Academic Support - Other	12,553,937	16,911,266	74.2%
Continuing Education, EMBA	7,301,795	9,770,898	74.7%
Material and Supply, Equipment Fees	2,888,329	5,480,310	52.7%
Other Auxiliaries	6,208,470	25,174,266	24.7%
Total Auxiliary Enterprises	\$ 91,977,244	\$ 174,983,999	52.6%

Attachment D

University of Central Florida

Summary of 2012-13 Expenditures

(as of March 31, 2013 - 75% of year)

Total Operating Budget Expenditures vs. Budget

	<u>Expenditures as of March 31, 2013</u>	<u>2012-13 Operating Budget</u>	<u>Percent Spent</u>
Educational & General ¹	\$ 327,310,902	\$ 581,622,741	56.3%
Medical School ¹	20,527,384	42,179,308	48.7%
Auxiliary Enterprises	91,977,244	174,983,999	52.6%
Sponsored Research	94,989,651	154,597,904	61.4%
Student Financial Aid	408,653,452	539,721,705	75.7%
Student Activities	12,908,570	22,186,188	58.2%
Technology Fee	5,117,019	11,075,000	46.2%
Concessions	196,349	380,000	51.7%
Total Operating Budget	<u><u>\$ 961,680,571</u></u>	<u><u>\$ 1,526,746,845</u></u>	63.0%

¹ The 2012-13 Operating Budget includes carryforward funds for which spending authority was approved in a previous year.

Educational and General Expenditures by Activity

	<u>Expenditures as of March 31, 2013</u>	<u>Percent of Total</u>
Instruction, Research and Academic Support	\$ 208,517,974	63.7%
Library	7,874,777	2.4%
Institutional Support	41,164,901	12.6%
Student Services	32,892,365	10.0%
Plant Operation and Maintenance	36,860,885	11.3%
Total Educational and General Expenditures	<u><u>\$ 327,310,902</u></u>	<u><u>100.0%</u></u>

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

SUBJECT: 2013-14 Capital Outlay Budget

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

- 1) Approval of the university's 2013-14 capital outlay budget
- 2) Authorization for the president to make necessary adjustments to the 2013-14 capital outlay budget

BACKGROUND INFORMATION

Pursuant to 1013.61, Florida Statutes, each university board of trustees must adopt an annual capital outlay budget that designates proposed expenditures by project. Attachment A lists the projects approved during the legislative session and by the governor. Approval is sought for the attached budget and authorization for the president to make changes to this budget as necessary during the year.

Supporting documentation: 2013-14 Capital Outlay Budget (Attachment A)

Prepared by: Lee Kernek, Associate Vice President for Administration and Finance
(Facilities and Safety)

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

2013-14 Capital Outlay Budget Projects By Funding Source

Projects funded by Public Education Capital Outlay (PECO)	FY 2013-2014	Funded
Classroom Building II	\$ 1,317,262.00	\$ 1,317,262.00
Engineering Building I Renovation	13,954,277	-
Math and Physics Building Remodeling and Renovation	9,422,105	-
Utilities, Infrastructure, and Capital Renewal	11,994,197	-
Library Renovation Phase II	3,500,000	-
Interdisciplinary Research and Incubator Facility	5,924,183	-
UCF VC Classroom Building	7,500,000	-
Arts Complex Phase II (Performance)	5,000,000	-

TOTAL	\$ 58,612,024	\$ 1,317,262.00
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Projects funded by donations and the Courtelis Facility Matching Grant Program	Cumulative FY 2013-14	
	Donations	Courtelis
Laboratory Instructional Building	\$ 15,372,777	-
Morgridge International Reading Center	2,068,685	-
Burnett Bio-Medical Science Center	2,528,605	-
Career Services and Experiential Learning	196,950	-
College of Optics and Photonics	69,735	-
Engineering III	2,384,463	-
Psychology Building	86,540	-
Arts Complex II Enhancement	500,000	-
Physical Sciences Building	1,150	-
Alumni Center, John and Martha Hitt Library	8,249	-
	\$ 23,217,154.00	-

Maintenance, repair, renovation, and remodeling projects	FY 2013-14
TOTAL	\$ 3,310,548.83

Capital Improvement Trust Fund	FY 2013-14	Funded
John C. Hitt Library Phase I	\$ 32,637,160	\$ 12,457,802
Recreation and Wellness Center - Outdoor Improvements	3,000,000	-
	\$ 35,637,160	12,457,802

Projects constructed or acquired with proceeds non-state sources, including debt	FY 2013-14
Athletic Academic Performance Center	\$ 14,000,000
Creative Village Garage	15,000,000
Special Purpose Housing and Parking Garage I	25,000,000
Special Purpose Housing II	8,000,000
Parking Decks	17,000,000
Graduate Housing	50,000,000
Refinance UCF Foundation Properties	37,410,000
Student Housing	50,000,000
Garage Expansion	5,000,000
Classroom and Lab Building, Lake Nona	23,475,601
Facilities Building, Lake Nona	6,000,000
EXPO Center Housing	16,000,000
Regional Campuses Multi-Purpose Buildings	28,000,000
Partnership Garage	7,000,000
Parking Deck (Athletic Complex)	5,000,000
Baseball Stadium Expansion Phase II	1,700,000
Baseball Clubhouse Expansion/Renovation	1,000,000
Bright House Networks Stadium Expansion Phase I	11,000,000

2013-14 Capital Outlay Budget Projects By Funding Source

Wayne Densch Sports Center Expansion and Renovation	1,000,000
Tennis Complex - Phase I	1,400,000
Tennis Complex - Phase II	1,000,000
Tennis Complex - Phase III	2,000,000
Multi-Purpose Medical Research and Incubator Facility	112,863,923
Health Sciences Campus Parking Garage I	15,000,000
Bio-Medical Annex Renovation and Expansion	12,800,000
Outpatient Center	75,000,000
	\$ 541,649,524

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

SUBJECT: 2013-14 College of Medicine Self-Insurance Program Budget

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

Recommend approval of the 2013-14 Self-Insurance Program budget presented by the College of Medicine.

BACKGROUND INFORMATION

At its meeting on April 30, 2008, the Finance Committee recommended approval for development of the self-insurance program and approval of expenditures to fund reserves. The Board of Trustees adopted the recommended approval at its meeting on May 22, 2008. The UCF College of Medicine Self-Insurance Program is operated by the UCF College of Medicine Self-Insurance Program Council in accordance with section 10.001(1)(c)(4) of the Florida Board of Governors Regulations.

At the June 8, 2010, Self-Insurance Program Council meeting, the Council approved the inclusion of health care providers in the College of Nursing, College of Health and Public Affairs, and UCF Health Services in the UCF College of Medicine Self-Insurance Program.

The College of Medicine presents for approval the attached 2013-14 Self-Insurance Program budget.

Supporting documentation:

2013-14 Operating Budget (Attachment A)
Comparison to 2012-13 (Attachment B)

Prepared by: Deborah C. German, Vice President for Medical Affairs
and Dean of the College of Medicine
Steven Omli, Director of Finance and Accounting
for the College of Medicine

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

Attachment A

University of Central Florida College of Medicine	
Self-Insurance Program	
Operating Budget	
	<u>2013-14</u>
OPERATING REVENUE	
Assessments	
College of Medicine	\$136,455
College of Nursing	\$16,629
College of Health and Public Affairs	\$6,902
Health Services	\$83,510
UCF Pegasus Health	\$2,577
Total operating revenue	\$246,073
OPERATING EXPENSES	
Annual premium contribution expense	\$160,290
Excess coverage premium expense	\$14,000
Allocated loss expense	\$0
Total premium and loss expenses	\$174,290
Contracted services expense (UF Self-Insurance Program)	\$71,783
Total support staff	\$71,783
Total operating expenses	\$246,073
Net Income (Loss) from Operations	\$0

Note: The Self-Insurance Program was capitalized in the amount of \$1,000,000 in 2010-11, 2011-12 and 2012-13 for a total of \$3,000,000.

Attachment A

Terms Used

Assessments represents liability premiums funded from the respective covered colleges and health care providers out of their annual operating budgets. These assessments fund contributions for allocated liability risk, expense for excess coverage premiums, and contracted services expenses for management services provided by the University of Florida's Self-Insurance Program.

Annual premium contribution expense represents the liability premiums paid into the UCF Self-Insurance Program.

Excess coverage premium expense represents the additional coverage provided through the University of Florida's captive insurance company.

Contracted services expense represents services provided by the University of Florida's Self-Insurance Program, including administration, training, risk management, and claims review and management.

Attachment B

UCF SELF INSURANCE PROGRAM CONTRIBUTION AMOUNTS FISCAL YEAR 2012-13 (budgeted)

	Annual Premium Contribution Expense	Contracted Services Expense	Subtotal Primary Contribution	Excess Coverage Premium Expense	Total Contribution
College of Medicine	\$152,528.42	\$38,216.74	\$190,745.16	\$7,226.94	\$197,972.10
College of Nursing	\$19,565.98	\$4,902.35	\$24,468.33	\$927.05	\$25,395.38
College of Health and Public Affairs	\$6,151.74	\$1,541.35	\$7,693.09	\$291.48	\$7,984.57
UCF Health Services	\$43,361.99	\$10,864.56	\$54,226.55	\$2,054.53	\$56,281.08
TOTAL	\$221,608.13	\$55,525.00	\$277,133.13	\$10,500.00	\$287,633.13

UCF SELF INSURANCE PROGRAM CONTRIBUTION AMOUNTS FISCAL YEAR 2012-13 (actual)

	Annual Premium Contribution Expense	Contracted Services Expense	Subtotal Primary Contribution	Excess Coverage Premium Expense	Total Contribution
College of Medicine	\$70,378.77	\$37,647.11	\$108,025.88	\$6,147.15	\$114,173.03
College of Nursing	\$10,049.40	\$5,375.64	\$15,425.04	\$877.75	\$16,302.79
College of Health and Public Affairs	\$4,170.97	\$2,231.14	\$6,402.11	\$364.31	\$6,766.42
UCF Health Services	\$45,463.99	\$24,319.66	\$69,783.65	\$3,970.99	\$73,754.64
UCF Pegasus Health	\$1,498.25	\$801.45	\$2,299.70	\$130.86	\$2,430.56
TOTAL	\$131,561.38	\$70,375.00	\$201,936.38	\$11,491.06	\$213,427.44

UCF SELF INSURANCE PROGRAM CONTRIBUTION AMOUNTS FISCAL YEAR 2013-14 (projected)

	Annual Premium Contribution Expense	Contracted Services Expense	Subtotal Primary Contribution	Excess Coverage Premium Expense	Total Contribution
College of Medicine	\$90,178.10	\$38,400.05	\$128,578.15	\$7,876.49	\$136,454.64
College of Nursing	\$10,250.39	\$5,483.15	\$15,733.54	\$895.31	\$16,628.85
College of Health and Public Affairs	\$4,254.39	\$2,275.76	\$6,530.15	\$371.59	\$6,901.74
UCF Health Services	\$53,988.73	\$24,806.05	\$78,794.78	\$4,715.58	\$83,510.36
UCF Pegasus Health	\$1,618.53	\$817.48	\$2,436.01	\$141.37	\$2,577.38
TOTAL	\$160,290.14	\$71,782.49	\$232,072.63	\$14,000.34	\$246,072.97

Notes and assumptions:

1. Increase of 2 percent over the 2012-13 rates based on discussion with Self-Insurance Program Administration office
2. Nursing and Health and Public Affairs do not reflect a net increase in covered practitioners
3. Increase of six providers in the College of Medicine
4. Increase of two providers in Health Services
5. Increase of four medical assistants in Pegasus Health

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

SUBJECT: 2013-14 College of Medicine Faculty Practice Plan Budget

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

Recommend approval of the 2013-14 College of Medicine Faculty Practice Plan budget presented by the College of Medicine.

BACKGROUND INFORMATION

At its meeting on April 30, 2008, the Finance Committee recommended approval of the financial plan and allocation of funds to support the start-up of the Faculty Practice Plan. The Board of Trustees adopted the recommended approval at its meeting on May 22, 2008. The Faculty Practice Plan, Pegasus Health, opened in November 2011.

The College of Medicine presents for approval the attached budget for 2013-14 showing revenues and expenses for the second year of operation of the Faculty Practice Plan.

Supporting documentation:

2013-14 Faculty Practice Plan Operating Budget (Attachment A)
Faculty Practice Plan Five-year Operating Budget (Attachment B)
Pegasus Health Budget Summary (Attachment C)

Prepared by: Deborah C. German, Vice President for Medical Affairs
and Dean of the College of Medicine
Steven Omli, Director of Finance and Accounting
for the College of Medicine

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

Attachment A



UCF PEGASUS HEALTH

College of Medicine

PHYSICIAN PRACTICE

Operating Budget

	2013-14
Revenue	
Operating Revenue	\$2,153,472
Expense	
Non-Faculty Salary and Benefits	2,465,844
Professional Services	881,263
Operating Expenses	367,405
Repairs and Maintenance	98,285
Travel	5,400
Medical Supplies	210,906
Supplies	67,196
Equipment	3,000
Other Expense	20,090
Total Expense	4,119,389
Net Loss from Operations	-1,965,917
Start-Up Funds	1,965,917
Net Cash Flow	\$0

Attachment A

Assumptions

This budget supports the continuation of start-up, operating, and growth expenses for Pegasus Health, a 22,000 square-foot facility located on University Boulevard. Clinical faculty salaries and benefits are funded in the college's operating budget. Excess revenues generated from practice operations will be returned to the college to support clinical faculty salaries.

Clinical Physician FTEs

- 3.80 FTE Internal Medicine
- 1.00 FTE Neurology
- 1.00 FTE Rheumatology
- 0.70 FTE Cardiology (diagnostic, non-invasive)
- 0.20 FTE Pathology
- 1.60 FTE Dermatology
- 1.30 FTE Endocrinology
- 9.6 FTE Total

Clinical Staff FTEs

- 1.00 FTE Nurse Manager
- 0.50 FTE Nurse Educator
- 1.00 FTE Radiology Technician
- 0.20 FTE Ultrasound Technician
- 0.40 FTE Echocardiography Technician
- 10.40 FTE Medical Assistants
- 13.50 FTE Total

Administrative Staff FTEs

- 1.00 FTE Director of Clinical Operations
- 1.00 FTE Executive Director of UCF Pegasus Health
- 1.00 FTE Assistant Director of Finance
- 1.00 FTE Senior Accountant
- 0.50 FTE Financial Analyst
- 1.00 FTE Accounts Payable Specialist
- 1.00 FTE IT Manager
- 1.00 FTE Systems Programmer
- 1.00 FTE Assistant Director of Communications
- 1.00 FTE Business Services Manager
- 1.00 FTE Billing Manager
- 3.00 FTE Patient Ambassadors
- 4.00 FTE Appointment Specialists
- 2.00 FTE Health Information Specialists
- 3.00 FTE Collections Specialists
- 2.00 FTE Registration Specialist
- 0.40 FTE Credentialing Coordinator
- 1.00 FTE Payment Poster
- 25.90 FTE Total

UCF PEGASUS HEALTH

College of Medicine

PHYSICIAN PRACTICE

5 Year Budget Summary

Attachment B

Accounts	2013-14	2014-15	2015-16	2016-17	2017-18
Income					
Operating Revenue	\$2,153,472	\$3,869,554	\$6,666,347	\$8,722,400	\$9,102,334
Total PL Income	2,153,472	3,869,554	6,666,347	8,722,400	9,102,334
Expense					
Non-Faculty Salary and Benefits	2,465,844	2,981,366	3,187,836	3,242,914	3,294,627
Professional Services	881,263	667,464	745,267	735,667	727,542
Operating Expenses	367,405	551,099	593,409	597,686	601,452
Repairs and Maintenance	98,285	98,517	106,312	108,997	111,763
Travel	5,400	8,700	9,000	9,000	9,000
Medical Supplies	210,906	273,782	382,158	453,006	472,639
Supplies	67,196	101,572	147,945	175,069	179,773
Equipment	3,000	3,000	3,000	3,000	3,000
Other Expense	20,090	24,357	30,549	34,609	35,610
Total Expense	4,119,389	4,709,857	5,205,476	5,359,948	5,435,406
Net Income (Loss)	-1,965,917	-840,303	1,460,871	3,362,452	3,666,928
Start-Up Funds	1,965,917	840,303	0	0	0
Net Cash Flow	\$0	\$0	\$1,460,871	\$3,362,452	\$3,666,928
Start-Up Funds					
Beginning Balance	3,743,282	1,777,365	937,062	937,062	937,062
Current Year Draw	1,965,917	840,303	-	-	-
Ending Balance	1,777,365	937,062	937,062	937,062	937,062

Attachment C

Pegasus Health Budget Summary

	<u>2012-13</u>	<u>2012-13</u>	<u>2012-13</u>		<u>2013-14</u>
	Budget Approved May 2012*	Forecasted Actuals**	Variance		Budget for Approval***
Total Revenue	\$ 2,465,414	\$ 1,450,263	\$ (1,015,151)		\$ 2,153,472
Total Expenses (excluding physician salaries)	\$ 4,581,458	\$ 3,156,709	\$ (1,424,749)		\$ 4,119,389
Net Income (Loss) from Operations	\$(2,116,044)	\$(1,706,446)	\$ 409,598		\$ (1,965,917)

*Included 9 new physician hires

**2.5 physicians were hired

***Includes 6 physician hires

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

SUBJECT: Amendment to UCF Investment Policy

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

Approval to revise the operating funds supplement to the UCF Investment Policy.

BACKGROUND INFORMATION

As discussed in recent Finance and Facilities Committee meetings, an amendment to a sub-section of the UCF's investment policy is recommended to allow for a reduction in the low-return Pool I investments that reside exclusively in money market instruments.

The UCF investment policy has cash balances divided into four pools, essentially ranging from extremely low risk cash and cash equivalents in Pool I, through Pool IV, which has a combination of longer maturity bonds and some equity exposure. For context, as of March 31, 2013, the total market value of all four pools was \$225,239,843. Pool I had a market value of \$53,252,146, Pool II \$20,121,641, Pool III \$90,389,365, and Pool IV \$61,476,691.

What is being proposed is a move of approximately \$23,250,000 from Pool I into Pool III.

Based on current market conditions and the outlook for low interest rates for the intermediate term, this move should position our portfolio to achieve a higher return. It will also result in rebalancing Pool III back to the target allocations of 15 percent domestic equity and 85 percent intermediate fixed income. Of course, this shift will increase the risk associated with moving from cash and cash equivalents to intermediate fixed income investments.

When the investment policy was approved in 2010, Pool I was created to be cash heavy to ensure liquidity sufficient to meet our operational needs. Actual experience since then has shown that the cash in our Special Purpose Investment Account has been sufficient to meet our operational liquidity needs, leaving more low-earning assets in Pool I than is necessary. Thus, reducing the Pool I balance by moving approximately \$23,250,000 to Pool III should not create liquidity problems.

Supporting documentation:

UCF Operating Pool I Sub-section (Attachment A)
UCF Investment Policy (Attachment B)
UCF Investment Policy Manual (Attachment C)
UCF Operating Portfolio Summary (Attachment D)
UCF Funds Shift and Equity Strategy Change (Attachment E)

Prepared by: William F. Merck II, Vice President for Administration and Finance
and Chief Financial Officer
Tracy Clark, Assistant Vice President for Finance and Controller

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

Attachment A

OPERATING POOL I SUB-SECTION

to the

Operating Funds Supplement to the University of Central Florida Investment Manual

This Sub-Section is a part of the Operating Funds Supplement to the University of Central Florida Investment Manual and is intended only to complement the objectives and guidelines outlined therein. The purpose of this Sub-Section is to set forth the specific investment objectives and parameters for the management of financial assets of Operating Pool I.

Operating Pool I will be designated as cash reserves for operational expenses. In addition to compliance with the provisions of the Operating Funds Supplement to the University of Central Florida Investment Manual, Operating Pool I investments must comply with the following guidelines and objectives.

I. Investment Objectives

- A. Operating Pool I should be structured to provide immediate liquidity for the University's daily operating requirements. Investments shall be made subject to the University's cash flow needs in accordance with the schedule provided by the Finance Committee, and shall be subject to any revisions thereafter.
- B. Investments shall be undertaken in a manner that seeks the preservation of capital and immediate liquidity in the portfolio. The objective will be to limit credit risk and interest rate risk to a level commensurate with prudent investment practices of such short-term cash reserve portfolios.

II. Guidelines

A. Authorized Investments

Pursuant to the investment powers of the Finance Committee as set forth in the Florida Statutes and the delegation of authority granted by the University Board of Trustees, the Finance Committee sets forth the following investment guidelines and limitations.

1. Cash & Equivalents

2. Pooled investment funds

- a. For purposes of Operating Pool I, pooled investment funds will be limited to registered 2a-7 mutual funds, CDARS, SPIA.
- b. ~~Investments in any single pooled investment fund shall be limited to 50% of the market value of Operating Pool I's assets.~~ Holdings in pooled investment funds shall be prudently diversified based on current market conditions as well as the current level of Pool I assets. Such pooled funds should be guaranteed as to timely payment of principal and interest by the Federal Government or its Agencies. Maximum Investments shall be limited to applicable guarantee coverage amounts (if any).

Attachment A

III. Target Allocations

In order to provide for a diversified and liquidity focused portfolio, the Finance Committee will employ a number of professionally managed short-term strategies to manage and administer Operating Pool I. The Finance Committee has established the following target asset allocation for Operating Pool I.

Asset Group	Target	Range	Comparison
Cash & Equivalents	100%	N/A	90 Day US T-Bills / SPIA

IV. Investment Performance Objectives

The following performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Managers.

A. Total Portfolio Performance

1. The performance of Operating Pool I will be measured for rolling three (3) and five (5) year periods. The performance of the portfolio will be compared to the return of the target index comprised of the 90 day U.S. Treasury Bill. In addition, the performance of the portfolio will be compared to the return of the Special Purpose Investment Account (SPIA).
2. On an absolute basis, the objective is that Operating Pool I will provide the necessary stability and liquidity to meet the University's daily operating needs.

V. Review and Amendments

It is the Finance Committee's intention to review this Sub-Section at least annually and to amend it to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the Finance Committee should be notified in writing.

By signing this document, the Vice President for Finance & Administration and Chief Financial Officer attests that this Sub-Section has been recommended by the Investment Consultant, reviewed by the Fund's legal counsel for compliance with applicable law, and approved by the Chairman of the Finance Committee of the Board of Trustees.

University of Central Florida

Vice President for Finance & Administration
Chief Financial Officer

Date



Office of the President

SUBJECT: Investments	Effective Date: 7-16-08	Policy Number: 3-113
	Supersedes:	Page Of 1 2
	Responsible Authority: Vice President for Administration & Finance Chief Financial Officer	

APPLICABILITY/ACCOUNTABILITY:

This policy is applicable to the University of Central Florida funds being held to meet current expenses and the excess of funds required to meet current expenses. This policy is also applicable to the university's various Direct Support Organizations that do not have an investment policy approved by its board.

POLICY STATEMENT:

The university establishes its investment parameters in accordance with sections 1011.42(5) and 218.415, Florida Statutes, and the UCF Investment Policy Manual. The vice president for administration and finance or designee will consolidate, where practicable and allowable, cash balances and investments from all funds covered by this policy to minimize risk exposure and maintain liquidity while maximizing investment earnings.

PROCEDURES:

UCF Investment Policy Manual: <http://www.admfin.ucf.edu/investments.pdf>

RELATED INFORMATION:

FS 218.415, Local Government Investment Policies
 FS 1011.42(5), University Depositories, investment of funds awaiting clearing
 Florida Statutes Website:
<http://www.leg.state.fl.us/statutes/index.cfm?Mode=ViewStatutes&Submenu=1>

CONTACTS:

For questions regarding the investment policy, contact the Treasurer's Office (407) 882-1112 or the Vice President for Administration & Finance (407) 823-2351.

INITIATING AUTHORITY: Vice President for Administration and Finance

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: 3-113	
Initiating Authority: <u>Will J. Mendez</u>	Date: <u>7/23/08</u>
Policies and Procedures Review Committee Chair: <u>Lith Barnes</u>	Date: <u>July 21, 2008</u>
President or Designee: <u>J. Hill</u>	Date: <u>7/23/08</u>

Attachement C



UNIVERSITY OF CENTRAL FLORIDA

INVESTMENT MANUAL

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Attachement C

General Information

The following are detailed procedures related to UCF Policy _____, accessible on the Policy Web site, <http://policies.ucf.edu/>.

The University establishes its investment parameters in accordance with sections 1011.42(5) and 218.415, Florida Statutes, and complies with all applicable state ordinances and covenants. The vice president for administration and finance (vice president) or designee will consolidate, where practicable and allowable, cash balances and investments from all funds covered by this policy to minimize risk exposure and maintain liquidity while maximizing investment earnings.

Investment Objectives

As required by F. S. 218.415, the investment objectives of the University for invested funds shall be to provide for safety of capital, liquidity of funds, and investment income, in that order. The optimization of investment returns shall be secondary to the requirements for safety and liquidity. Funds may be divided in four different pools of funds as follows: Pool I will be designated as cash reserves for operational expenses, based on specific criteria to be determined by the Finance Committee; Pool II will be designated to cover the University's medium term requirements such as debt service for the next year; Pool III will be considered excess cash reserves that may be invested in longer term investments (up to five years). Pool IV will be designated for long term investments such as the UCF Foundation, Inc. Safety and optimization of investment returns may be the investment objectives of funds invested in Pool IV only (liquidity is secondary).

1. **Safety** - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks the preservation of capital in the overall portfolio. The objective will be to limit credit risk and interest rate risk to a level commensurate with the risks associated with prudent investment practices and the performance benchmarks stated herein, if applicable.
2. **Credit Risk** - The University will limit credit risk (the risk of loss due to the failure of the security issuer or backer) by diversifying the investment portfolio so that potential losses on individual securities will be minimized and by limiting investments to specified credit ratings.
3. **Liquidity** - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature to meet anticipated demands (static liquidity). Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). The portfolio may be placed in local government investment pools, money market mutual funds or similar funds that perform similar to money market funds that offer same-day liquidity for short-term funds.
4. **Yield** - The investment portfolio shall be designed with the objective of attaining a market rate of return, as measured by specified benchmarks, throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described

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above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A. A security with declining credit risk may be sold early to minimize loss of principal.
 - B. A security swap that would improve the quality, yield, or target duration in the portfolio.
 - C. Liquidity needs of the portfolio require that the security be sold.
 - D. Adverse market or economic conditions.
5. Transparency - The University shall operate its portfolio in a transparent manner, making its periodic reports both available for public inspection and designed in a manner which communicates clearly and fully information about the portfolio, including market pricing, adjusted book value, and yields.

Performance Measurement

As a benchmark for investment returns, the University's investment portfolio, net of fees, should strive to equal or exceed the returns provided by the State Treasurer's Special Purpose Investment Account (SPIA). However, achieving this benchmark is secondary to the requirements for safety and liquidity.

Prudence and Ethical Standards

1. Prudence - The standard of prudence to be used by investment officials shall be the Prudent Person Rule and shall be applied in the context of managing an overall portfolio. University personnel, acting in accordance with this investment policy shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported to the University's governing board in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy. The Prudent Person Rule states that: "Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment."
2. Ethics and Conflicts of Interest - The Vice President and other authorized personnel shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. These investment officials shall disclose annually, in a written statement, any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. They shall refrain from undertaking personal investment transactions with the same individual(s) with whom business is conducted on behalf of the University.

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3. Delegation of Authority - Authority to manage the investment program is granted to the Vice President. The Vice President may delegate authority to the Administration & Finance Associate Vice Presidents or the Treasurer. Additional authorized personnel include any other person or position approved by the University's governing board. The University may seek professional advice and therefore may contract with a federally registered investment advisory firm that specializes in public funds fixed income management, and it may also seek advice and counsel from the Finance Committee to assist with investment decisions. The Finance Committee will approve and, from time to time as they deem necessary, amend this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy. The Vice President shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Broker Dealers, Safekeeping and Custody

1. Authorized Financial Dealers and Institutions – The University shall list financial institutions consisting of banks and other depository institutions authorized to provide depository and investment services. In addition, a list will be maintained of security broker/dealers consisting of "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule) that are providing services to the University or that the University contemplates using. Both lists shall be reviewed by the Finance Committee and the Vice President at least annually.
2. Annual Review - An annual review of the financial conditions and registration of qualified financial institutions and broker/dealers will be conducted by the Vice President or Investment Advisor under the direction of the University. The distribution of trading among the approved broker/dealers of securities which at the time of purchase had maturities greater than 7 days shall be reported annually to the Finance Committee.
3. Delivery vs. Payment - Securities transactions between a broker-dealer and the safekeeping agent or custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.
4. Safekeeping, Custody & Perfection of Interest - Securities shall be held with a third party; and all securities purchased by, and all collateral obtained by, the University should be properly designated as an asset of the University. No withdrawal of securities, in whole or in part, shall be made from safekeeping or custody, except by an authorized staff member of the University.

Authorized Investments

This investment policy is authorized by the University's Board of Trustees. The following investments are authorized to be utilized in achieving the objectives of this policy. Investments not listed are prohibited. The investment portfolio must be structured in such manner as to provide sufficient safety and liquidity to pay obligations as they come due. Investment maturities should anticipate cash flow requirements.

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Prior to conducting transactions as authorized by this policy the Vice President shall determine the approximate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investments, and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the bid deemed to best meet the investment objectives shall be selected.

Investments shall be limited to securities selected from the following types:

1. The United States Treasury and Agency securities - Securities that are issued by the United States Treasury or those for which the full faith and credit of the United States government guarantees fully all principal and interests payments.
 - A. Credit Ratings
Ratings are not required for U.S. Treasury securities. Agencies backed by the full faith and credit of the United States government, such as Government National Mortgage Association (GNMA), must have at least two AAA/Aaa/AAA long-term credit ratings from Standard & Poor's, Moody's or Fitch respectively. The Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.
 - B. Interest Rate Risk Restrictions
The United States Treasury and Agency securities backed by the full faith and credit of the United States government - At the time of purchase, securities must have a maturity no greater than five years from the date of settlement to the maximum possible maturity date. The forward delivery period on such securities may not exceed 60 days.
2. Government Sponsored Enterprises (GSE) - Securities issued by the Federal Farm Credit Bank, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, the Federal National Mortgage Association, or the Federal Agricultural Mortgage Corporation. Any other GSE shall be considered as corporate debt for the purposes of this Policy and shall be authorized under the criteria set forth in section V-7, Corporations.
 - A. Credit Ratings
Authorization of the listed GSE in section V-7 is predicated upon these institutions maintaining at least two AAA/Aaa/AAA long-term credit ratings from Standard & Poor's, Moody's or Fitch respectively. The Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.
 - B. Interest Rate Risk Restrictions
At the time of purchase, securities must have a maturity no greater than five years from the date of settlement to the maximum possible maturity date. The forward delivery period on such securities may not exceed 60 days.
3. The State Board of Administration's Local Government Investment Pool (SBA), the State Treasurer's Special Purpose Investments Account (SPIA) or any intergovernmental

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investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in s. 163.01.

A. Credit Rating

Local Government Investment Pools - At the time of purchase, local government investment pool must carry a AAA rating from Standard & Poor's (if applicable). The Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

B. Interest Rate Risk Restrictions

At the time of purchase, shares in the local government investment pool must be fully redeemable on the next business day.

4. Money Market Mutual Funds - Shares of any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940", as amended.

A. Credit Rating

At the time of purchase, money market funds must carry a AAA rating from Standard & Poor's. The Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

B. Interest Rate Risk Restrictions

At the time of purchase, shares in the money market fund must be fully redeemable on the next business day.

5. Interest-bearing time deposits or savings accounts in Qualified Public Depositories (QPD) as defined in s. 280.02.

A. Credit Rating or Limitations

Bank deposits for the University must comply with Chapter 280.16 Florida Statutes. Such deposits in QPD's must be collateralized according to the statutory requirements.

6. Repurchase Agreements - Securities referred to in section 4 or 5 and that can otherwise be purchased under this Policy may be subject to a Repurchase Agreement. Such securities subject to this agreement must have a coupon rate that is fixed from the time of settlement until its maturity date, and must be marketable. Such securities must be delivered to the University or to a third-party custodian or third-party trustee for safekeeping on behalf of the public entity. The collateral securities of any repurchase agreement must be collateralized at no less than one hundred two percent and marked to market no less frequently than weekly. All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement.

A. Credit Ratings

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At the time of purchase the counter-party to any such agreements must carry short-term credit ratings which conform to those required by section V-7.

B. Interest Rate Risk Restrictions

For repurchase agreements, at the time of purchase such agreements must have a maturity no greater than one year from the date of settlement. The forward delivery period on such securities may not exceed 60 days.

7. Corporations - United States dollar denominated debt instruments issued by a corporation or bank which is organized and operated within the United States.

A. Credit Ratings

At the time of purchase, all non-money market instruments must carry at least two long-term credit ratings from Standard & Poor's, Moody's or Fitch's of at least AAA/Aaa/AAA respectively. For money market instruments, which comply with rule 2a7 at the time of purchase, such securities must carry at least two short-term credit ratings and no short-term credit rating may fall below A1+ from Standard & Poor's, P1 from Moody's, or F1+ from Fitch. The Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

Should a security's credit rating drop below these standards after purchase, the University's authorized personnel shall act as Prudent Persons in managing the risks associated with this security, and shall timely notify the Finance Committee of such an event.

B. Interest Rate Risk Restrictions

At the time of purchase, such securities must have a maturity no greater than three years from the date of settlement to the maximum possible maturity date. The forward delivery period on such securities may not exceed 60 days.

- 8. Other investments authorized by law or by ordinance for a county or a municipality.**
- 9. Other investments authorized by law or by resolution for a school district or a special district.**
- 10. Direct Support Organizations (DSO) duly authorized by the University's Board of Trustees.**
An agreement or memorandum of understanding must be executed prior to the placement of funds with any DSO.
- 11. Mutual funds, unit investment trusts or professionally managed securities or other investment vehicles specifically authorized by the Finance Committee.**

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Portfolio Composition

The portfolio managed by the University, as opposed to funds placed with the Foundation, shall be maintained as a short-term maturity portfolio. The following restrictions apply in the management and investment of the University portfolio:

1. The effective maturity of floating rate securities shall be considered as the time until the next full reset of the coupon. The maximum effective duration of a floating rate security shall be five years from the date of purchase.
2. To provide sufficient liquidity and stability of principal, at least 25% of the Fund shall have an effective duration of one year or less.

University Endowment

The preferred recipient of gifts for the University is the UCF Foundation, Inc. However, there may be special circumstances whereby a monetary gift or other asset is received by the University directly, or the University may choose to establish a quasi-endowment with funds available for such purpose from other sources. In these instances, the University may choose to enter into an agreement with the UCF Foundation, Inc. to manage the investment of a portion or all of a particular University endowment or quasi-endowment. The Foundation has several investment options. The decision as to which of the options to be utilized for University funds would be specified in an contractual document between the University and the Foundation, with specific instructions as to the authorization and manner in which receipts and disbursements would be processed. The University's assets may be pooled with Foundation assets for investment purposes, but with procedures in place for detailed accounting and reporting of the University's shares in the pool. These investments may deviate from the balance of this policy's direction to limit investments to no more than five years duration.

Risk and Diversification

The University portfolio shall be diversified to the extent practicable to control the risk of loss resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold. The diversification strategies laid out in this policy shall be reviewed and revised periodically, as deemed necessary by the Vice President and any revisions shall require the approval of the Finance Committee.

Investments that vary in length to maturity will be made to correlate with the University's cash flow projections. The correlation will be made conservatively, considering the University's projected need for liquidity. As the University develops a history with these guidelines, it is anticipated that the Finance Committee will refine and further define the maturity risks and diversification requirements. It is anticipated that the University Controller will provide annual cash flow projections, taking into consideration revenue receipt timing, payroll disbursements, debt service schedules and other historical

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operational expenditures. This information will be used as a basis for informed decisions regarding the allocation of cash balances into categories of investments with varying maturities. The investment vehicles used in the four categories will be determined by the Vice President in consultation with an investments consultant, the chair of the Finance Committee and other appropriate University staff.

In order to ensure liquidity and diversify risk to principal, multiple depository banks, in addition to the bank(s) currently under contract with the University to provide treasury services, may be utilized to hold and invest short term cash.

Qualified Public Depositories, Investment Institutions and Dealers

The University Treasurer will maintain an approved list of qualified public depositories (as defined in Florida Statute 280.02), investment institutions and dealers for the purchase and sale of securities.

Third Party Custodial Agreements

Securities will be held with a third party; and all securities purchased by, and all collateral obtained by the University will be properly designated as an asset of the University. If a bank serves in the capacity of Investment Manager, said bank could also perform the required custodial and reporting services. No withdrawal of securities, in whole or in part, shall be made from safekeeping, except by those designated within the Investment Management and Custodial Agreement between the Custodian and the University. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

Master Repurchase Agreement

The University Treasurer or the Investment Manager, if applicable, will maintain a master repurchase agreement and require all approved institutions and dealers transacting repurchase agreements to adhere to the requirements of the master repurchase agreement. The master repurchase agreement is a separate document.

Bid Requirement

The University shall require purchases and sales to be executed in a competitive bid environment wherein a least three (3) offers or bids are obtained for each security. Exceptions to this approach may be made when (1) prices for purchases or sales are compared to systems providing current market prices and deemed reasonable, (2) when the security to be purchased is unique to one institution or (3) the security has recently been issued and is trading at the same price by all financial institutions.

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Internal Controls

The University Treasurer shall establish a system of internal controls and operational procedures, which will be documented in writing. The internal controls will be reviewed by the University Audit staff and are subject to audit by the Auditor General of the State of Florida. The controls will be designed to prevent losses of public funds arising from fraud, employee error, imprudent actions by employees and misrepresentation by third parties. The internal controls and operational procedures is a separate document.

Continuing Education

The Vice President and the University Treasurer will annually (during each calendar year) complete 8 hours of continuing education in subjects or course of study related to investment practices and products.

Reporting

1. **Methods** - The Vice President, or designee, shall or shall have prepared and provide to the Finance Committee an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. An outside investment advisor or other third party may be utilized to prepare the report. The management summary will be prepared in a manner that will allow the University to ascertain whether investment activities during the reporting period have conformed to the investment policy. This investment report shall include a list of securities in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public.
2. **Performance Standards** - The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. The appropriate benchmark against which the portfolio performance shall be the 90-day Treasury Bill rate. At a minimum, portfolio performance shall be measured by comparing its year-to-date earnings to budgeted year-to-date earnings and its monthly "effective rate of return" to the 90-day Treasury Bill rate of return. Benchmarks may change over time based on the portfolio's weighted average maturity.
3. **Marking to Market** - The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. Information will be included in the report provided to the Finance Committee during scheduled meetings.

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Implementation Considerations

1. Exemption - Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.
2. Amendments - This policy shall be reviewed on an annual basis. Any changes must be approved by the Finance Committee.

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adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

LIBOR. London Interbank Offer Rate.

Liquidity. A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Market Value. The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement. A written contract covering all future transactions between the parties to repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity. The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio. Collection of securities held by an investor.

Prudent Person Standard. An investment standard in which investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Qualified Public Depository. Any bank, savings bank, or savings association that is organized under the laws of the United States or the State of Florida; has its principal place of business or a branch office to receive deposits in Florida; has deposit insurance under the provisions of the Federal Deposit Insurance Act; meets the requirements of Chapter 280, Florida Statutes (Florida Security for Public Deposits Act); and has been designated by the Chief Financial Officer of the State of Florida as a qualified public depository.

Repurchase agreement (REPO). A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use REPOs extensively to finance their positions. Exception: When the Fed is said to be doing REPOs, it is lending money that is increasing bank reserves.

Safekeeping. A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

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Glossary

Benchmark. A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Bid. The price offered by a buyer of securities.

Collateral. Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Delivery vs. Payment. Delivery versus payment is delivery of securities to a third party with an exchange of money for the securities. The transaction is not complete until both parties provide their commitments.

Diversification. Dividing investment funds among a variety of securities offering independent returns.

DSO. Direct Support Organization, pursuant to Section 1004.28 Florida Statutes, as certified by the University Board of Trustees.

Federal Deposit Insurance Corporation (FDIC). A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

Federal Farm Credit Bank (FFCB). The Federal Farm Credit Banks Funding Corporation issues debt securities as fiscal agent for the Farm Credit System, which is a nationwide network of borrower-owned lending institutions and service organizations specializing in agricultural and rural America. The mission of this government-sponsored enterprise is to ensure the availability of sound, dependable funding for agricultural producers, cooperatives, and certain farm related business.

Federal home Loan Bank (FHLB). Government sponsored wholesale banks that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

Federal Home Loan Mortgage Corporation (FHLMC). FHLMC, commonly referred to as Freddie Mac, is a government sponsored enterprise that provides liquidity to the mortgage markets, much like FNMA and FHLB.

Federal National Mortgage Association (FNMA). FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The Corporation's purchases include a variety of

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Spread. (1) The yield or price difference between the bid and offer on an issue. (2) The yield or price difference between different issues.

State Board of Administration's Local Government Investment Pool (SBA). The aggregate of all funds from political subdivisions that are placed in the custody of the State Board of Administration for investment and reinvestment.

State Treasury Special Purpose Investment Account (SPIA). The aggregate of all funds from governmental entities that are placed in the custody of the State Treasury for investment and reinvestment.

Treasury Bills. A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in one month, three months, or six months.

Yield. The rate of annual income return on an investment, expressed as a percentage.
(1) Income yield is obtained by dividing the current dollar income by the current market price for the security. (2) Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Attachment D

University of Central Florida Total Operating Portfolio Summary ⁽¹⁾ As of March 31, 2013

Cash & Non-Investment Portfolio	9/30/12 Reported Value	12/31/12 Reported Value
Bank of America	\$1,044,282	\$22,992,241
CNL - Money Market	\$5,013	\$5,014
SPIA	\$299,232,374	\$204,367,919
UCF Parking Bonds (SPIA)	\$1,955,238	\$10,212,868
UCF Housing Bonds (SPIA)	\$39,903,302	\$33,302,927
Total Cash & Non-Investment Portfolio	\$342,140,209	\$270,880,969

3/31/13 Reported Value
\$1,689,867
\$5,014
\$268,034,376
\$8,364,147
\$28,613,800
\$306,707,204

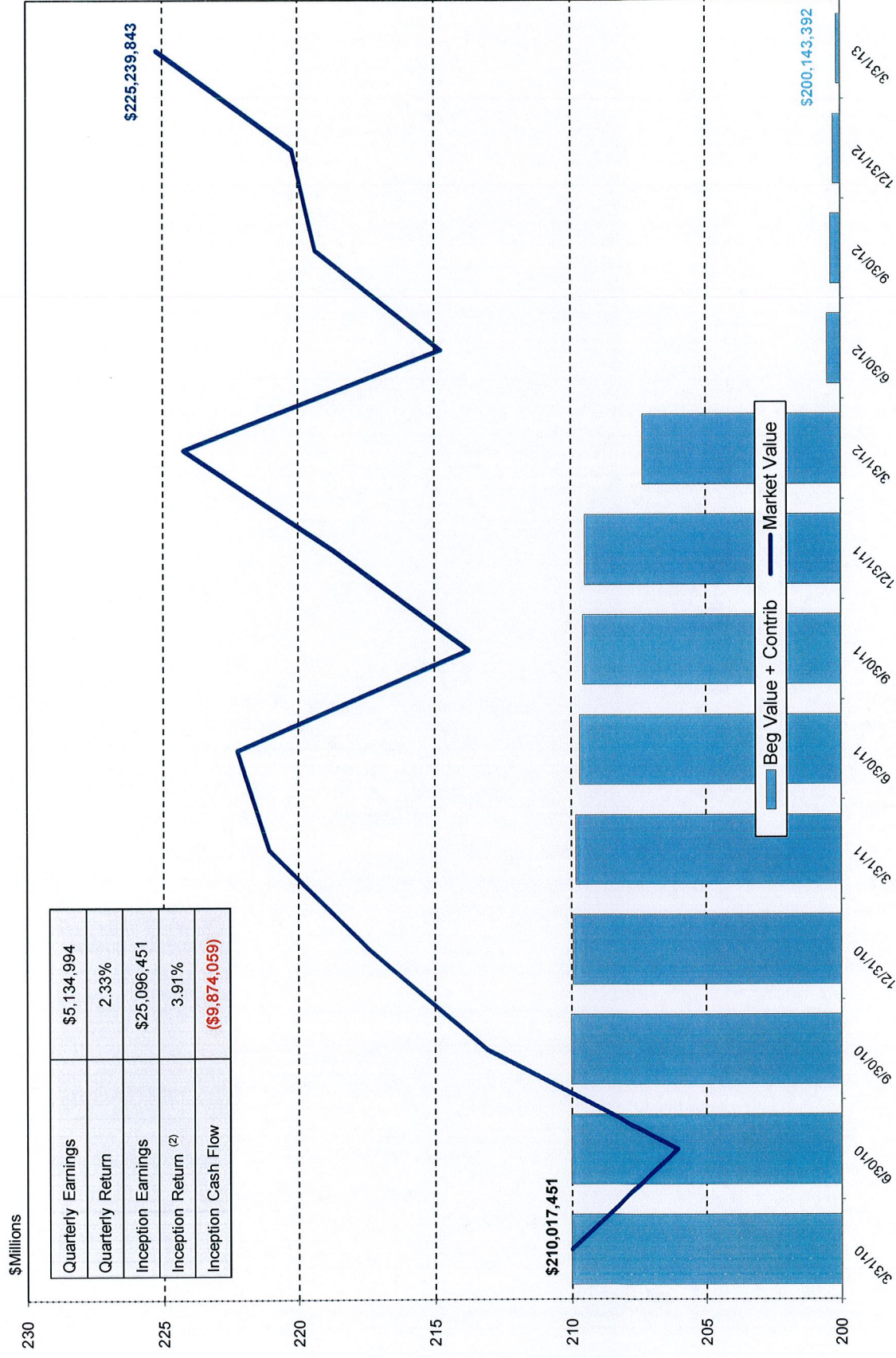
Structured Investment Portfolio (BNY)	9/30/12 Market Value	12/31/12 Market Value	4th Quarter Gain/(Loss)	3/31/13 Market Value	1st Quarter Gain/(Loss)	Inception Gain/(Loss)*
Pool I	\$53,256,330	\$53,254,151	\$833	\$53,252,146	\$794	\$25,906
Pool II	\$20,105,349	\$20,115,143	\$16,124.20	\$20,121,641	\$12,902	\$184,319
Fixed Income (Pool III)	\$73,915,442	\$74,076,298	\$182,861	\$74,275,039	\$220,637	\$6,611,576
Domestic Equity (Pool III)	\$14,599,033	\$14,613,568	\$41,415	\$16,114,325	\$1,529,439	\$4,365,091
Total Pool III	\$88,514,475	\$88,689,867	\$224,275	\$90,389,365	\$1,750,077	\$10,976,667
Fixed Income (Pool IV)	\$21,051,686	\$21,202,877	\$160,483	\$21,210,651	\$17,194	\$3,811,529
Domestic Equity (Pool IV)	\$28,488,278	\$28,540,738	\$103,346	\$31,506,252	\$3,018,352	\$8,997,936
International Equity (Pool IV)	\$7,964,867	\$8,424,114	\$459,247	\$8,759,788	\$335,674	\$1,100,093
Total Pool IV	\$57,504,831	\$58,167,728	\$723,077	\$61,476,691	\$3,371,220	\$13,909,558
Total Structured Investment Portfolio	\$219,380,986	\$220,226,889	\$964,309	\$225,239,843	\$5,134,994	\$25,096,451

Total Operating Portfolio	\$481,898,032	\$491,107,858	\$531,947,046
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1. The portfolio gain/(loss) data is presented gross of management fees and portfolio expenses but net of physical cash flows.
2. The inception date for analysis is 3/31/10. The actual funding of the various portfolios occurred during March 2010.
3. Pool IV's fixed income market value includes the \$3,985 cash balance held in the Pool IV mutual fund account.

Attachment D

University of Central Florida Structured Investment Portfolio vs. Net Contributions ⁽¹⁾ As of March 31, 2013



1. Net contributions include cash flows associated with management fees, portfolio expenses and physical cash flows
2. Annualized performance number

Attachment D

University of Central Florida Structured Investment Portfolio Investment Policy Compliance Checklist ⁽¹⁾ As of March 31, 2013

Pool I:		Yes	No	N/A
Investments in any single pooled investment fund shall be limited to 50% of the market value of Operating Pool I's assets.			•	
Pool II:		Yes	No	N/A
Investments in any single pooled investment fund shall be limited to 50% of the market value of Operating Pool II's assets.				•
All fixed income investments shall maintain a minimum rating of "AAA" or higher by a major credit rating service.			•	
Duration of the fixed income portfolio shall not exceed the effective duration of the Merrill Lynch 1-Year Treasury index by 25%.			•	
The maturity of any single security shall not exceed 1.5 years.			•	
Operating Pool II shall maintain a dollar-weighted average effective maturity of 1 year or less.			•	
Pool III Equity:		Yes	No	N/A
Investments in equity securities shall not exceed twenty percent (20%) of the market value of Operating Pool III's assets.			•	
Pool III Fixed:		Yes	No	N/A
All fixed income investments shall maintain a minimum rating of "A" or higher by a major credit rating service.			•	
The weighted average quality of the fixed income portfolio shall maintain a rating of "AA" or higher.			•	
The duration of the fixed income portfolio shall not exceed the effective duration of the benchmark by 50%.			•	
Pool IV Equity:		Yes	No	N/A
Investment in equity securities shall not exceed sixty-five percent (75%) of the market value of Operating Pool IV's assets.			•	
Foreign securities shall not exceed twenty percent (20%) of the market value of Operating Pool IV's assets.			•	
Pool IV Fixed:		Yes	No	N/A
All fixed income investments shall maintain a minimum rating of "investment grade" or higher by a major credit rating service.			•	
The weighted average quality of the fixed income portfolio shall maintain a rating of "A" or higher.			•	
Duration of the fixed income portfolio shall not exceed the effective duration of the benchmark by 50%.			•	

1. Taken as an excerpt from the UCF quarterly performance evaluation report. Individual managers are also measured on an ongoing basis against a combination of 15 quantitative and qualitative criteria.

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Target Policy Summary	
Pool I	100% 90 Day US T-Bills
Pool II	75% ML 1-Year Treasury + 25% 90 Day US T-bills
Pool III	85% ML 1-5 Year G/C A or Better + 15% Russell 3000
Pool IV	30% Barclays Agg + 5% Barclays TIPS + 50% Russell 3000 + 15% MSCI-ACWxUS

Pool I		\$53,252,146	Current Allocation
Cash & Equivalents		\$53,252,146	100.0%
Fidelity Money Market		\$30,002,124	
Goldman Sachs Money Market		\$23,250,022	

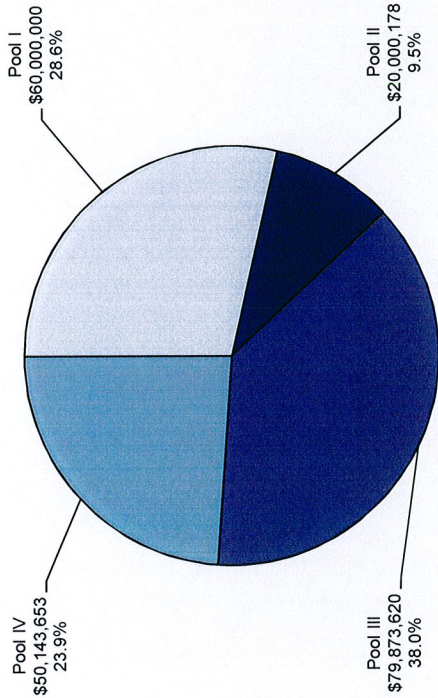
Pool II		\$20,121,641	Current Allocation
Short-Term Fixed Income		\$20,121,641	100.0%
Galliard Capital Management		\$20,121,641	

Pool III		\$90,389,365	Current Allocation
Intermediate Fixed Income (85%)		\$74,275,039	82.2%
Galliard Capital Management		\$52,494,384	
Sawgrass Asset Management		\$21,780,656	
Domestic Equity (15%)		\$16,114,325	17.8%
Winslow (Large Cap Growth)		\$8,268,131	
DGHM (All Cap Value)		\$3,892,622	
MD Sass (Relative Value)		\$3,953,573	

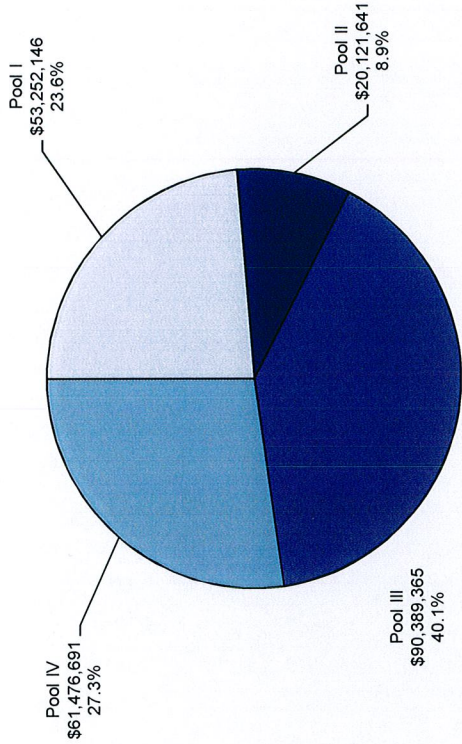
Pool IV		\$61,476,691	Current Allocation
Broad Market Fixed Income (35%)		\$21,210,651	34.5%
Galliard Capital Management		\$11,895,459	
PIMCO Total Return		\$6,142,883	
Galliard Treasury Inf Protected (TIPS)		\$3,172,309	
Domestic Equity (50%)		\$31,506,252	51.2%
Winslow (Large Cap Growth)		\$15,415,767	
DGHM (All Cap Value)		\$7,974,781	
MD Sass (Relative Value)		\$8,115,704	
International Equity (15%)		\$8,759,788	14.2%
Europacific Growth		\$4,420,608	
Manning & Napier Overseas		\$4,339,180	

1. The PIMCO Total Return market value includes the \$3,985 cash balance in the mutual fund account.

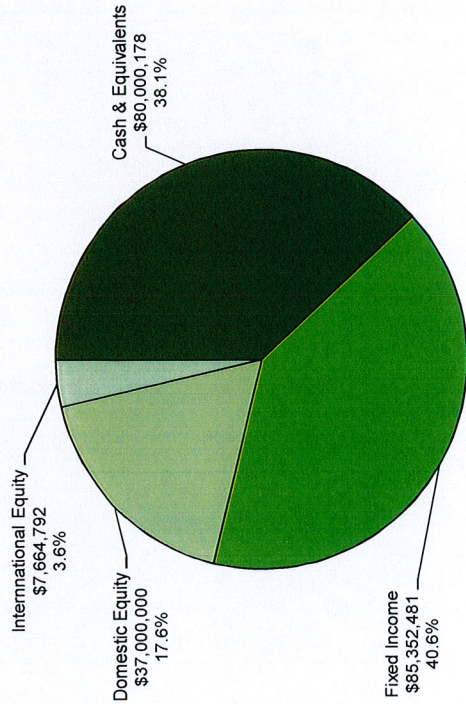
3/31/10: \$210,017,451
Pool Allocation



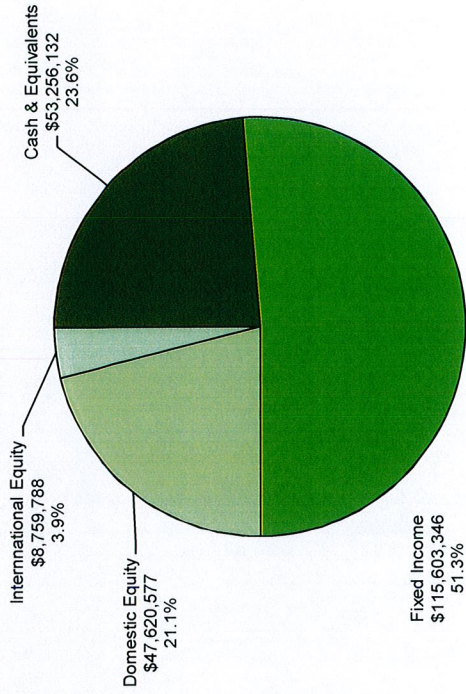
3/31/13: \$225,239,843
Pool Allocation



Asset Allocation



Asset Allocation



Attachment E

UCF - Pool I to Pool III Shift and Equity Strategy Change

	3/31/13 Market Value	Current Allocation	Target Allocation	Transfer	Adjusted Market Value	Adjusted Allocation
Pool I	\$53,252,146				\$30,002,124	
Fidelity (I)	\$30,002,124				\$30,002,124	
Goldman Sachs (I)	\$23,250,022			(\$23,250,022)	\$0	
Pool III	\$90,389,365	100.0%	100.0%	\$23,250,022	\$113,639,387	100.0%
Galliard (III)	\$52,494,384				\$52,494,384	
Sawgrass (III)	\$21,780,656			\$23,250,022	\$45,030,678	
Pool III - Fixed	\$74,275,039	82.2%	85.0%	\$23,250,022	\$97,525,061	85.8%
Winslow (III)	\$8,268,131			(\$8,268,131)	\$0	
DGHM (III)	\$3,892,622			(\$3,892,622)	\$0	
MD Sass (III)	\$3,953,573			(\$3,953,573)	\$0	
Vanguard (III)	\$0			\$16,114,325	\$16,114,325	
Pool III - Domestic Equity	\$16,114,325	17.8%	15.0%	\$0	\$16,114,325	14.2%

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

SUBJECT: University Depositories

DATE: May 23, 2013

PROPOSED COMMITTEE ACTION

Approve depositories into which university funds may be deposited, authorize the president or his designee to transfer funds between depositories, and designate university employees to sign checks for payment of university obligations.

BACKGROUND INFORMATION

Florida Statute 1011.42(1) requires that “the board of trustees of each university shall designate the depositories in which any university funds may be deposited. No bank shall be designated unless it is a qualified depository as provided by Florida Statutes.”

Florida Statute 1011.42(6) requires that “the university president or his or her designee, after having been specifically authorized by the university board of trustees, may transfer funds from one depository to another, within a depository, to another institution, or from another institution to a depository for investment purposes and may transfer funds to pay expenses, expenditures, or other disbursements, evidenced by an invoice or other appropriate documentation.”

And Florida Statute 1011.42(7) requires that “the university board of trustees shall specifically designate and spread upon the minutes of the board the legal name and position title of any university employee authorized to sign checks to pay legal obligations of the university.”

In accordance with these Statutes, we list the specific depositories and individuals to be approved in Attachment A.

Supporting documentation:

Depositories and authorized individuals (Attachment A)
Copy of Florida Statute 1011.42 (Attachment B)
Partial list of qualified depositories from State Treasury website (Attachment C)

Prepared by: Tracy Clark, Assistant Vice President for Finance and Controller

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

Attachment A
Depositories and Authorized Individuals – F. S. 1011.42

FS 1011.42(1) Approval of university depositories.

Bank of America, NA
Charlotte, NC

CNLBank
Orlando, FL

Department of Financial Services
Florida Treasury

State Board of Administration

FS 1011.42(6) Approval for the university president or his designee to transfer funds from one depository to another.

FS 1011.42(7) Designation of university employees to sign checks to pay legal obligations of the university.

William F. Merck II
Vice President for Administration and Finance and CFO

Tracy Clark
Assistant Vice President and Controller

Christina Tant
Senior Associate Controller

Glen Carlson
Senior Associate Controller

Tera Alcala
Assistant Controller

Attachment B

Florida Statute 1011.42

1011.42 University depositories; deposits into and withdrawals from depositories.—

- (1) The board of trustees of each university shall designate the depositories in which any university funds may be deposited. No bank shall be designated unless it is a qualified depository as provided by Florida Statutes.
- (2) All funds received by a university, from whatever source and for whatever purpose, shall promptly be deposited in a board of trustees approved qualified depository.
- (3) The board of trustees shall require an accurate and complete set of accounts to be maintained in the books and records for each fund on deposit in each university depository. Each account shall show the amount subject to withdrawal, the amount deposited, the amount expended, and the balance of the account.
- (4) The university may maintain a separate checking account for each fund or may utilize a single checking account for the deposit and withdrawal of moneys from all funds and segregate the various funds on the books and records only. No check or withdrawal shall be drawn in excess of the balance to the credit of the appropriate fund.
- (5) Funds awaiting clearing may be invested in investments earning interest in a qualified depository, in the State Treasury, and in the State Board of Administration. Investments of university funds shall comply with the requirements of Florida Statutes for the investment of public funds by local government. Due diligence shall be exercised to assure that the highest available amount of earnings is obtained on investments.
- (6) The university president or his or her designee, after having been specifically authorized by the university board of trustees, may transfer funds from one depository to another, within a depository, to another institution, or from another institution to a depository for investment purposes and may transfer funds to pay expenses, expenditures, or other disbursements, evidenced by an invoice or other appropriate documentation.
- (7) The university board of trustees shall specifically designate and spread upon the minutes of the board the legal name and position title of any university employee authorized to sign checks to pay legal obligations of the university.

Attachment C

Partial List of Qualified Depositories - State Treasury Website

The following Qualified Public Depositories are authorized to hold public deposits. The cities and states listed are the home office locations. Only Florida branches of these institutions are allowed to hold Florida public deposit accounts.

QPD Name	City	State
1st National Bank of South Florida	Homestead	FL
1st United Bank	Boca Raton	FL
Alarion Bank *	Ocala	FL
American Enterprise Bank of Florida *	Jacksonville	FL
American Momentum Bank	Tampa	FL
American National Bank	Oakland Park	FL
Ameris Bank	Moultrie	GA
Anthem Bank & Trust	Plaquemine	LA
BAC Florida Bank	Coral Gables	FL
BMO Harris Bank, N.A.	Chicago	IL
Banco Popular North America	New York	NY
BancorpSouth Bank	Tupelo	MS
Banescos USA	Coral Gables	FL
Bank of America, N.A.	Charlotte	NC
Bank of Belle Glade	Belle Glade	FL
Bank of Central Florida	Lakeland	FL
Bank of Jackson County *	Graceville	FL
Bank of St. Augustine	St. Augustine	FL
Bank of the South	Pensacola	FL
BankFirst	Winter Park	FL
BankUnited, N.A.	Miami Lakes	FL
Beach Community Bank 01/01/2013	Fort Walton Beach	FL
Branch Banking & Trust Company	Winston-Salem	NC
Brannen Bank	Inverness	FL
Broward Bank of Commerce	Fort Lauderdale	FL

Attachment C

The following Qualified Public Depositories are authorized to hold public deposits. The cities and states listed are the home office locations. Only Florida branches of these institutions are allowed to hold Florida public deposit accounts.

QPD Name	City	State
C1 Bank	Lakewood Ranch	FL
CBC National Bank	Fernandina Beach	FL
CCB Community Bank	Andalusia	AL
CNLBank *	Orlando	FL
Cadence Bank, N.A.	Birmingham	AL
Capital Bank, N.A.	Coral Gables	FL
Capital City Bank	Tallahassee	FL
Centennial Bank	Conway	AR
CenterState Bank of Florida, N.A.	Winter Haven	FL
Central Bank	Tampa	FL
Charlotte State Bank & Trust	Port Charlotte	FL
CharterBank	West Point	GA
Chipola Community Bank *	Marianna	FL
Citibank, N.A.	Sioux Falls	SD
Citizens Bank & Trust	Frostproof	FL
Citizens Bank of Florida	Oviedo	FL
Citizens First Bank	The Villages	FL
Citizens State Bank	Perry	FL
City National Bank of Florida	Miami	FL
Coconut Grove Bank	Miami	FL
Columbia Bank *	Lake City	FL
Community Bank & Trust of Florida	Ocala	FL
Community Bank of Broward *	Dania Beach	FL
Community Bank of Florida *	Homestead	FL
Community Bank of the South	Merritt Island	FL

* CAP (limit) on uninsured public deposits and 200% pledge required

ITEM: INFO-2

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

SUBJECT: Direct Support Organizations' 2012-13 second-quarter financial reports

DATE: May 23, 2013

For information only.

Golden Knights Corporation
UCF Athletic Association
UCF Convocation Corporation
UCF Finance Corporation
UCF Foundation
UCF Research Foundation

Golden Knights Corporation
Statement of Operations
as of December 31, 2012 (50% of year)

	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenues						
Premium seating	\$ 1,493,588	\$ 1,610,750	\$ (117,162) -7.3%	\$ 1,540,338	\$ 1,662,000	\$ (121,662) -7.3%
Naming rights	1,250,000	1,250,000	- 0.0%	500,000	500,000	- 0.0%
Athletic transfers	4,443,129	4,915,282	(472,153) -9.6%	4,995,990	5,120,949	(124,959) -2.4%
Other	417,476	580,000	(162,524) -28.0%	530,298	667,972	(137,674) -20.6%
Total revenues	7,604,194	8,356,032	(751,839) -9.0%	7,566,627	7,950,921	(384,294) -4.8%
Total expenses	428,740	481,586	52,846 11.0%	428,740	430,164	1,424 0.3%
Net increase from total operations	\$ 7,175,454	\$ 7,874,446	\$ (698,993) -8.9%	\$ 7,137,887	\$ 7,520,757	\$ (382,870) -5.1%
Debt Service*						
Total principal and interest payments	\$ 1,306,817			\$ 1,485,581		

*Includes additional principal payments

UCF Athletic Association
Statement of Operations
as of December 31, 2012 (50% of year)

	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenues						
Athletic events	\$ 6,504,284	\$ 6,775,917	\$ (271,633) -4.0%	\$ 7,034,238	\$ 6,965,850	\$ 68,388 1.0%
Contributions	171,500	175,000	(3,500) -2.0%	157,723	175,000	(17,277) -9.9%
University sources	17,886,186	17,939,332	(53,146) -0.3%	17,463,522	17,502,007	(38,485) -0.2%
Other	308,630	289,900	18,730 6.5%	1,027,910	269,215	758,695 281.8%
Total revenues	24,870,600	25,180,149	(309,549) -1.2%	25,683,393	24,912,072	771,321 3.1%
Expenses						
Scholarships	3,166,069	3,458,350	292,281 8.5%	3,269,422	3,317,391	47,969 1.4%
Employee compensation	6,611,039	6,920,772	309,733 4.5%	6,599,989	7,163,445	563,456 7.9%
Sport operations	5,801,709	5,954,856	153,147 2.6%	5,704,090	5,781,414	77,324 1.3%
Support operations	3,171,429	3,870,906	699,477 18.1%	3,636,617	3,795,006	158,389 4.2%
Other	305,016	318,709	13,693 4.3%	312,956	279,203	(33,753) -12.1%
Total expenses	19,055,262	20,523,593	1,468,331 7.2%	19,523,074	20,336,459	813,385 4.0%
Net increase from total operations	\$ 5,815,338	\$ 4,656,556	\$ 1,158,782 24.9%	\$ 6,160,319	\$ 4,575,613	\$ 1,584,706 34.6%
Debt Service						
Total principal and interest payments	\$ 265,883			\$ 226,066		

UCF Convocation Corporation
Statement of Operations
as of December 31, 2012 (50% of year)

	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Arena Operations						
Revenues						
Event related	\$ 1,157,364	\$ 1,762,259	\$ (604,895)	\$ 2,764,952	\$ 3,813,257	\$ (1,048,305)
Premium seating and sponsorship	399,076	400,000	(924)	507,607	563,780	(56,173)
Other	2,590,410	2,554,474	35,936	1,555,516	1,652,507	(96,991)
Total revenue	4,146,850	4,716,733	(569,883)	4,828,075	6,029,544	(1,201,469)
Expenses						
Direct event	1,028,494	1,344,370	315,876	2,229,023	3,168,255	939,232
Operating and indirect event	1,615,410	1,620,589	5,179	1,440,002	1,547,802	107,800
Direct premium seating	142,814	99,078	(43,736)	170,273	133,530	(36,743)
Total expenses	2,786,718	3,064,037	277,319	3,839,298	4,849,587	1,010,289
Net increase from arena operations	1,360,132	1,652,696	(292,564)	988,777	1,179,957	(191,180)
Housing Operations						
Revenues						
Apartment rentals	14,021,324	14,084,287	(62,963)	13,703,467	13,931,639	(228,172)
Parking	259,097	259,097	-	415,024	414,555	469
Other	52,465	50,500	1,965	58,347	46,000	12,347
Total revenues	14,332,886	14,393,884	(60,998)	14,176,837	14,392,194	(215,357)
Total expenses	2,721,148	3,154,366	433,218	2,787,237	3,183,605	396,368
Net increase from housing operations	11,611,738	11,239,518	372,220	11,389,600	11,208,589	181,011
Retail Operations						
Total revenue	827,349	845,337	(17,988)	854,065	844,330	9,735
Total expenses	199,202	291,765	92,563	283,310	258,420	(24,890)
Net increase from retail operations	628,147	553,572	74,575	570,755	585,910	(15,155)
Net increase from total operations	\$ 13,600,017	\$ 13,445,786	\$ 154,231	\$ 12,949,132	\$ 12,974,456	\$ (25,324)
Debt Service						
Total principal and interest payments	\$ 10,803,620			\$ 10,717,006		

UCF Finance Corporation
Statement of Operations
as of December 31, 2012 (50% of year)

	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenues						
Operating	\$ 7,772	\$ 5,000	\$ 2,772	\$ 5,141	\$ 5,000	\$ 141
University transfers	1,279,138	1,226,897	52,241	1,455,347	1,552,653	(97,306)
Total revenues	1,286,910	1,231,897	55,013	1,460,488	1,557,653	(97,165)
Expenses						
Operating	83,777	17,552	(66,225)	185,616	40,740	(144,876)
Interest	1,067,141	1,065,400	(1,741)	1,124,398	1,361,965	237,567
Debt related	141,044	153,997	12,953	155,526	160,000	4,474
Total expenses	1,291,962	1,236,949	(55,013)	1,465,540	1,562,705	97,165
Net decrease from total operations	\$ (5,052)	\$ (5,052)	\$ -	\$ (5,052)	\$ (5,052)	\$ -
Debt Service						
Total principal and interest payments	\$ 2,242,141			\$ 2,254,398		

UCF Foundation
Statement of Operations
as of December 31, 2012 (50% of year)

	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenues						
Unrestricted gifts, fees, and investment earnings	\$ 2,550,148	\$ 2,511,159	\$ 38,989 1.6%	\$ 2,061,842	\$ 2,427,459	\$ (365,617) -15.1%
Real estate	1,004,571	1,250,481	(245,910) -19.7%	905,565	852,091	53,474 6.3%
Other	3,548,862	3,548,777	85 0.0%	3,346,334	3,801,110	(454,776) -12.0%
Total revenue	7,103,581	7,310,417	(206,836) -2.8%	6,313,741	7,080,660	(766,919) -10.8%
Expenses						
Academic and university support	560,319	554,900	(5,419) 1.0%	443,617	851,903	408,286 47.9%
Development, alumni relations, and operations	5,447,187	5,473,800	26,613 -0.5%	5,962,259	6,221,889	259,630 4.2%
Total expenses	6,007,506	6,028,700	21,194 -0.4%	6,405,876	7,073,792	667,916 9.4%
Net increase(decrease) from total operations	\$ 1,096,075	\$ 1,281,717	\$ (185,642) -14.5%	\$ (92,135)	\$ 6,868	\$ (99,003) -1441.5%
Debt Service						
Total principal and interest payments						
July 1 thru December 31	\$ 1,944,847			\$ 1,942,715		

UCF Research Foundation
Statement of Operations
as of December 31, 2012 (50% of year)

	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenues						
Royalties, contracts, contributions, etc.	\$ 1,993,918	\$ 2,448,750	\$ (454,832)	\$ 2,807,662	\$ 2,249,000	\$ 558,662
Other	103,939	128,300	(24,361)	126,483	97,600	28,883
Total revenues	<u>2,097,857</u>	<u>2,577,050</u>	<u>(479,193)</u>	<u>2,934,145</u>	<u>2,346,600</u>	<u>587,545</u>
Total expenses	<u>2,041,569</u>	<u>2,476,858</u>	<u>435,289</u>	<u>2,691,654</u>	<u>2,234,600</u>	<u>(457,054)</u>
Net increase from operations	<u>\$ 56,288</u>	<u>\$ 100,192</u>	<u>\$ (43,904)</u>	<u>\$ 242,491</u>	<u>\$ 112,000</u>	<u>\$ 130,491</u>
						<u>116.5%</u>

ITEM: INFO-3

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

SUBJECT: University and DSO Debt Report

DATE: May 23, 2013

For information only.

University and DSO Debt
By Entity
As of December 31, 2012

ITEM: INFO-3

	Debt Outstanding		Total	Debt Service 2013	Sources of Payment
	Fixed	Variable			
University					
Bookstore - revenue bonds	\$ 1,265,000	\$ -	\$ 1,265,000	\$ 294,536	Auxiliary interest, bookstore commissions
Health Center - revenue bonds	5,560,000	-	5,560,000	615,930	Health fees
Parking - revenue bonds	43,910,000	-	43,910,000	4,943,413	Transportation access fees, decals, fines
Housing - revenue bonds	108,685,000	-	108,685,000	8,242,222	Room rents
Total University	159,420,000	-	159,420,000	14,096,101	
UCF Hospitality School Student Housing Foundation					
Housing - revenue bonds	14,685,000	-	14,685,000	1,421,831	Total project revenues
UCF Convocation Center					
Housing and retail revenue COPs	120,570,000	-	120,570,000	8,998,140	Total project revenues
Arena and retail revenue COPs	97,015,000	-	97,015,000	7,204,155	Total project revenues
Total UCF Convocation Corporation	217,585,000	-	217,585,000	16,202,295	
UCF Golden Knights Corporation					
Stadium revenue COPs	42,755,000	12,240,000	54,995,000	3,426,662	Stadium revenues, university resources
UCF Finance Corporation					
Burnett Biomedical Research facility bonds	56,620,000	-	56,620,000	3,731,959	Sponsored programs
UCF Athletics Association					
Due to university (principal only)		10,353,158	10,353,158	-	UCFAA and stadium restricted surplus funds
SunTrust	170,065	-	170,065	44,451	UCFAA revenues, pledge payments
Fifth Third lines of credit		7,350,065	7,350,065	1,060,000	UCFAA revenues and Title IX funds
Total UCF Athletics Association	170,065	17,703,223	17,873,289	1,104,451	
UCF Foundation					
SunTrust	-	1,895,000	1,895,000	1,895,000	Property rentals, pledge revenues
Benton and Cole Trusts	1,970,509	-	1,970,509	2,158	Property rentals, pledge revenues
Fairwinds	485,137	-	485,137	161,712	Property rentals, pledge revenues
BB&T	27,405,000	-	27,405,000	1,265,000	Property rentals, pledge revenues
Total Foundation	29,860,647	1,895,000	31,755,647	3,323,870	
Total University and DSO Debt	\$ 521,095,712	\$ 31,838,223	\$ 552,933,935	\$ 43,307,168	

¹ The university housing auxiliary is responsible for the Rosen Foundation debt service. The debt has a fixed-rate interest swap.

² These bonds have a synthetic fixed-rate interest swap.

Lines of Credit			
	Maximum Amount	Outstanding	Available
UCF Athletics			
Fifth Third lines of credit	9,300,000	7,350,065	1,949,935
Variable Rate Debt			
	Outstanding	Rate	
UCF Golden Knights Corporation - COPs	\$ 12,240,000	1.19%	
UCF Athletics Association			
Fifth Third lines of credit	7,350,065	2.18%-3.36%	
University loan	10,353,158	2.40%	
UCF Foundation			
SunTrust	1,895,000	3.34%	
Total variable debt outstanding	\$ 31,838,223		

University and DSO Bond Maturities

By Entity
as of April 1, 2013

	Debt Outstanding	
	Outstanding Balance	Maturity Date
University		
Bookstore - revenue bonds		
Series 1997	\$ 1,265,000	7/17/2017
Health Center - revenue bonds		
Series 2004	5,560,000	7/1/2024
Parking - revenue bonds		
Series 2004A	11,375,000	7/1/2024
Series 2010A	2,530,000	7/1/2016
Series 2010B	11,140,000	7/1/2029
Series 2011A	11,005,000	7/1/2022
Series 2012A	7,860,000	7/1/2032
Total parking	43,910,000	
Housing - revenue bonds		
Series 2002	8,605,000	10/1/2020
Series 2007A	33,440,000	4/1/2030
Series 2012A	66,640,000	4/1/2042
Total housing	108,685,000	
Total University	\$ 159,420,000	
UCF Hospitality School Student Housing Foundation		
Housing - revenue bonds	14,085,000	4/1/2029
UCF Convocation Center		
Housing and Arena revenue COPs		
Series 2004	59,945,000	4/1/2035
Series 2005	60,625,000	10/1/2035
Series 2005A&B	97,015,000	4/1/2036
Total UCF Convocation Corporation	\$ 217,585,000	
UCF Golden Knights Corporation		
Series 2006A	41,700,000	3/1/2036
Series 2006B	12,240,000	3/1/2036
Total UCF Golden Knights Corporation	\$ 53,940,000	
UCF Finance Corporation		
Burnett Biomedical Research facility bonds	56,620,000	7/1/2037