



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Finance and Facilities Committee Meeting
October 10, 2018
8:30 a.m.
President's Boardroom, Millican Hall, 3rd floor
Conference call in phone number 800-442-5794, passcode 463796**

REVISED AGENDA

- | | |
|---|--|
| I. CALL TO ORDER | Alex Martins
<i>Chair, Finance and Facilities Committee</i> |
| II. ROLL CALL | Tracy D. Slavik
<i>Coordinator for Administration Services for
Administration and Finance Division</i> |
| III. NEW BUSINESS | Chair Martins |
| <ul style="list-style-type: none">• Nicholson School of Communication
Building Name Change (FFC-1) | Robert Littlefield
<i>Director of Nicholson School of
Communication and Media</i>
Boyd Lindsley
<i>Senior Associate Director of Nicholson School
of Communication and Media</i> |
| <ul style="list-style-type: none">• Bryan Cave Investigation Expansion (FFC-2) | Kathy Mitchell
<i>Interim Chief Financial Officer</i> |
| <ul style="list-style-type: none">• Direct Support Organizations' 2017-18
Fourth-Quarter Financial Reports (INFO-1)<ul style="list-style-type: none">– UCF Athletic Association and
UCF Stadium Corporation– UCF Convocation Corporation– UCF Finance Corporation– UCF Foundation– UCF Limbitless Solutions | Kathy Mitchell
John C. Pittman
<i>Associate Vice President for Debt
and Revenue Management</i> |

- UCF Research Foundation
- Central Florida Clinical Practice Organization
- University and Direct Support Organization Debt Report ([INFO-2](#)) Kathy Mitchell
John C. Pittman
- UCF Investments Quarterly Report Ended June 30, 2018 ([INFO-3](#)) Kathy Mitchell
Tracy Clark
*Associate Provost for Budget,
Planning, and Administration and
Associate Vice President for Finance*
- 2019 Finance and Facilities Committee Meeting Dates ([INFO-4](#)) Kathy Mitchell

IV. OTHER BUSINESS

Chair Martins

V. CLOSING COMMENTS

Chair Martins

ITEM: FEC-1

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

SUBJECT: Nicholson School of Communication Building Name Change

DATE: October 10, 2018

PROPOSED COMMITTEE ACTION

Approve the name change for the Nicholson School of Communication building to the Nicholson School of Communication and Media.

BACKGROUND INFORMATION

The Nicholson School of Communication and Media is requesting Board of Trustees approval to change the name of its building from the Nicholson School of Communication to the Nicholson School of Communication and Media.

On July 1, 2018, the Nicholson School of Communication became a new interdisciplinary, intercollegiate school, the Nicholson School of Communication and Media.

Supporting documentation: Attachment A: Name Change Announcement
Attachment B: Current Building Signage

Prepared by: Robert Littlefield, Director of Nicholson School of Communication and Media

Submitted by: Robert Littlefield, Director of Nicholson School of Communication and Media

UCF's Academic Realignment Continues with New Names for Colleges, School

Beginning in July, UCF will have two new colleges and a **new interdisciplinary, inter-college school**, bringing together programs in key areas where the university excels.

The new colleges and school are part of an **academic reorganization launched last year** to position UCF as a leader in driving 21st-century health care solutions, living and thriving in urban environments and creating and communicating content across multiple and emerging platforms.

The changes will provide new opportunities for interdisciplinary learning and research and best prepare students for the world after graduation.

The new names of the colleges and school are:

- College of Health Professions and Sciences
- College of Community Innovation and Education
- **Nicholson School of Communication and Media**

“By leveraging our talents and ideas in these emerging areas, UCF will be a national leader in 21st-century education and changing how we think about learning and discovery to tackle complex issues and real-world challenges in health care, urban innovation, education and communication,” said Provost and Executive Vice President Dale Whittaker, who initiated the reorganization in August.

The **new colleges and school** will be made up of existing academic programs and take effect on July 2, 2018. The changes also mean that the College of Education and Human Performance and College of Health and Public Affairs will no longer exist, as programs, centers and institutes will be realigned in the new colleges.

The **College of Health Professions and Sciences** will become part of the newly created **Academic Health Sciences Center** with the College of Medicine and College of Nursing. It will include health-related programs, such as physical therapy, sport and exercise science (now called kinesiology), athletic training, social work, health sciences and communication sciences and disorders.

Eventually, programs in the College of Health Professions and Sciences will relocate to Lake Nona, but no earlier than 2020.

The **College of Community Innovation and Education** will focus on the pillars of thriving, modern cities, such as civic engagement and governing, safety and justice, and health and well-being – all of which are grounded in transformative education. It will include public administration, public affairs, architecture, legal studies, criminal justice, health management and informatics, and education programs.

The new [Nicholson School of Communication and Media](#) will redefine content creation, digital media and communication for the 21st century. It will bring together programs from the current [Nicholson School of Communication](#) and digital media and film from the [School of Visual Arts and Design](#) into a new interdisciplinary, inter-college model, joining with the [Florida Interactive Entertainment Academy](#) already located downtown.

Several of the programs in this new college and school will move downtown when [UCF Downtown](#) opens in fall 2019. Additional programs will relocate downtown later, but dates haven't yet been decided.

Additional resources and "frequently asked questions" about these changes are available on the [Provost's website](#), and will be updated as information becomes available.

In the coming weeks, more details will be released about organizational, staffing and leadership structures for the new colleges and school.

Attachment B



ITEM: FFC-2

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

SUBJECT: Bryan Cave Investigation Expansion

DATE: October 10, 2018

PROPOSED COMMITTEE ACTION

To recommend to the full Board of Trustees the expansion of the Bryan Cave investigation to include a three-year review for any capital project where necessary approvals might not have occurred.

BACKGROUND INFORMATION

As discussed at the October 5 Finance and Facilities and full Board of Trustees meetings, it is being recommended the investigation by Bryan Cave be expanded.

Supporting documentation: None

Prepared by: Kathy Mitchell, Interim Chief Financial Officer

Submitted by: Kathy Mitchell, Interim Chief Financial Officer

ITEM: INFO-1

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

SUBJECT: Direct Support Organizations' 2017-18 Fourth-Quarter Financial Reports

DATE: October 10, 2018

For information only.

Supporting documentation: Attachment A: UCF Athletic Association and Stadium Corporation
Attachment B: UCF Convocation Corporation
Attachment C: UCF Finance Corporation
Attachment D: UCF Foundation
Attachment E: UCF Limbitless Solutions
Attachment F: UCF Research Foundation
Attachment G: Central Florida Clinical Practice Organization

Prepared by: John C. Pittman, Associate Vice President for Debt and Revenue Management

Submitted by: Kathy Mitchell, Interim Chief Financial Officer

Finance and Facilities Committee - New Business

Attachment A UCF Athletic Association and The UCF Stadium Corporation Consolidated Statement of Operations For the year ended June 30, 2018

	UCF Athletic Association	UCF Stadium Corporation	Combined	UCF Athletic Association	UCF Stadium Corporation	Combined	Variance to Budget		UCF Athletic Association	UCF Stadium Corporation	Combined	Variance to Prior Year	
	Actual	Actual	Actual	Budget	Budget	Budget	Favorable (Unfavorable)		Actual	Actual	Actual	Favorable (Unfavorable)	
	2017-18	2017-18	2017-18	2017-18	2017-18	2017-18			2016-17	2016-17	2016-17		
Operating revenues													
Athletic events, including premium seating ¹	\$ 13,758,087	\$ 1,940,484	\$ 15,698,571	\$ 10,635,072	\$ 1,842,007	\$ 12,477,079	3,221,492	25.82 %	\$ 11,673,931	\$ 2,083,668	\$ 13,757,599	\$ 1,940,972	14.11 %
University allocations	28,273,634	-	28,273,634	28,195,872	-	28,195,872	77,762	0.28 %	27,419,024	-	27,419,024	854,610	3.12 %
Sponsorship	3,185,093	800,000	3,985,093	4,656,988	850,000	5,506,988	(1,521,895)	(27.64)%	4,087,023	800,000	4,887,023	(901,930)	(18.46)%
Contributions	4,595,741	418,580	5,014,321	4,191,735	500,000	4,691,735	322,586	6.88 %	3,165,026	460,000	3,625,026	1,389,295	38.33 %
Other ²	3,664,223	691,965	4,356,188	508,303	630,000	1,138,303	3,217,885	282.69 %	593,293	619,134	1,212,427	3,143,761	259.29 %
Total operating revenues	53,476,778	3,851,029	57,327,807	48,187,970	3,822,007	52,009,977	5,317,830	10.22 %	46,938,297	3,962,802	50,901,099	6,426,708	12.63 %
Operating expenses													
Scholarships	9,060,619	-	9,060,619	9,010,217	-	9,010,217	(50,402)	(0.56)%	9,591,601	-	9,591,601	530,982	5.54 %
Employee compensation ³	20,902,898	-	20,902,898	19,603,130	-	19,603,130	(1,299,768)	(6.63)%	18,850,086	-	18,850,086	(2,052,812)	(10.89)%
Sport operations ⁴	10,538,217	-	10,538,217	8,857,404	-	8,857,404	(1,680,813)	(18.98)%	7,952,934	-	7,952,934	(2,585,283)	(32.51)%
Support operations	10,002,858	-	10,002,858	8,883,364	-	8,883,364	(1,119,494)	(12.60)%	9,016,276	-	9,016,276	(986,582)	(10.94)%
Other ⁴	2,180,614	492,558	2,673,172	1,359,641	548,666	1,908,307	(764,865)	(40.08)%	2,923,548	75,881	2,999,429	326,257	10.88 %
Total operating expenses	52,685,206	492,558	53,177,764	47,713,756	548,666	48,262,422	(4,915,342)	(10.18)%	48,334,445	75,881	48,410,326	(4,767,438)	(9.85)%
Net operating income	791,572	3,358,471	4,150,043	474,214	3,273,341	3,747,555	402,488	10.74 %	(1,396,148)	3,886,921	2,490,773	1,659,270	66.62 %
Nonoperating revenues (expenses)													
Net transfers (to Stadium Corp) / from UCFAA	388,405	(388,405)	-	234,419	(234,419)	-	-	-	227,296	(227,296)	-	-	0.00 %
Transfer from UCF Convocation Corp	312,000	-	312,000	-	-	-	312,000	(100.00)%	650,000	-	650,000	(338,000)	(52.00)%
Interest income	-	58,193	58,193	-	30,000	30,000	28,193	93.98 %	-	42,797	42,797	15,396	35.97 %
Interest (expense)	(248,788)	(1,913,712)	(2,162,500)	(376,865)	(1,913,712)	(2,290,577)	128,077	5.59 %	(251,130)	(1,943,930)	(2,195,060)	32,560	1.48 %
Capital project donations - Athletics ⁵	2,925,819	-	2,925,819	1,000,400	-	1,000,400	1,925,419	192.46 %	3,159,101	-	3,159,101	(233,282)	(7.38)%
Restricted accounts revenue ⁶	1,278,738	-	1,278,738	506,504	-	506,504	772,234	152.46 %	829,710	-	829,710	449,028	54.12 %
Restricted accounts outlay	(687,500)	-	(687,500)	(286,252)	-	(286,252)	(401,248)	(140.17)%	(717,462)	-	(717,462)	29,962	4.18 %
Capital projects outlay ⁷	(5,903,395)	-	(5,903,395)	(3,300,400)	-	(3,300,400)	(2,602,995)	(78.87)%	(727,163)	-	(727,163)	(5,176,232)	(711.84)%
Total nonoperating revenues (expenses)	(1,934,720)	(2,243,924)	(4,178,645)	(2,222,194)	(2,118,131)	(4,340,325)	161,680	3.73 %	3,170,352	(2,128,429)	1,041,923	(5,220,568)	(501.05)%
Net increase (decrease) from operations	\$ (1,143,148)	\$ 1,114,547	\$ (28,602)	\$ (1,747,980)	\$ 1,155,210	\$ (592,770)	\$ 564,168		\$ 1,774,204	\$ 1,758,492	\$ 3,532,696	\$ (3,561,298)	
Debt service:													
Principal	\$ 290,481	\$ 1,715,000	\$ 2,005,481	\$ 285,533	\$ 1,753,876	\$ 2,039,409	\$ 33,928	1.66 %	\$ 586,456	\$ 1,674,000	\$ 2,260,456	\$ 254,975	11.28 %
Interest	248,788	1,913,712	2,162,500	376,865	1,913,712	2,290,577	128,077	5.59 %	251,130	1,943,930	2,195,060	32,560	1.48 %
Total Debt Service	\$ 539,269	\$ 3,628,712	\$ 4,167,981	\$ 662,398	\$ 3,667,588	\$ 4,329,986	\$ 162,005	7.26 %	\$ 837,586	\$ 3,617,930	\$ 4,455,516	\$ 287,535	12.76 %

[1] Athletic event revenues exceeded budget primarily due to additional revenues generated from the Peach Bowl.

[2] Other revenues exceeded budget due to revenues received from the buyout of coach contracts.

[3] Employee compensation and sport operation expenses were over budget primarily due to bonuses and other costs related to attending the Peach Bowl.

[4] Other expenses are higher than budget due to improvements made to the Stadium video board, additional premium seating improvements, and costs associated with football coach transitions.

[5] Capital project donations are higher than originally budgeted due to earlier receipt than planned.

[6] Restricted account revenues were higher than budget due to the Football Excellence Fund donations exceeding budget.

[7] Current year expenses are over budget due to an additional \$2.4 million received in capital donations. Capital projects outlay increased over prior year due to expenses related to the Gary Center for Student-Athlete Nutrition and the Roth Athletic Center.

Attachment B

UCF Convocation Corporation
Statement of Operations
For the year ended June 30, 2018

	2017-18				2016-17			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Housing Operations								
Revenues								
Apartment rentals	\$ 18,194,721	\$ 17,871,199	\$ 323,522	1.8 %	\$ 18,122,028	\$ 17,756,085	\$ 365,943	2.1 %
Parking	1,036,388	1,036,388	-	-	1,036,388	1,036,388	-	-
Other	96,978	75,000	21,978	29.3 %	94,724	7,500	87,224	1163.0 %
Total revenues	<u>19,328,087</u>	<u>18,982,587</u>	<u>345,500</u>	1.8 %	<u>19,253,140</u>	<u>18,799,973</u>	<u>453,167</u>	2.4 %
Total expenses	<u>6,444,107</u>	<u>6,974,000</u>	<u>529,893</u>	7.6 %	<u>6,023,886</u>	<u>6,705,948</u>	<u>682,062</u>	10.2 %
Net increase from housing operations	<u>12,883,980</u>	<u>12,008,587</u>	<u>875,393</u>	7.3 %	<u>13,229,254</u>	<u>12,094,025</u>	<u>1,135,229</u>	9.4 %
Retail Operations								
Total revenues	1,838,917	1,878,004	(39,087)	(2.1)%	1,912,059	1,910,755	1,304	0.1 %
Total expenses	<u>524,503</u>	<u>631,667</u>	<u>107,164</u>	17.0 %	<u>510,316</u>	<u>596,948</u>	<u>86,632</u>	14.5 %
Net increase from retail operations	<u>1,314,415</u>	<u>1,246,337</u>	<u>68,078</u>	5.5 %	<u>1,401,743</u>	<u>1,313,807</u>	<u>87,936</u>	6.7 %
Arena Operations								
Revenues								
Event related	7,266,242	6,565,221	701,021	10.7 %	5,703,895	6,448,946	(745,051)	(11.6)%
Premium seating and sponsorship	1,463,876	1,256,900	206,976	16.5 %	1,109,942	1,231,800	(121,858)	(9.9)%
Rental Income	2,735,000	2,735,000	-	-	2,735,000	2,735,000	-	-
Other	131,868	188,558	(56,690)	(30.1)%	169,677	194,564	(24,887)	(12.8)%
Total revenues	<u>11,596,986</u>	<u>10,745,679</u>	<u>851,307</u>	7.9 %	<u>9,718,514</u>	<u>10,610,310</u>	<u>(891,796)</u>	(8.4)%
Expenses								
Direct event	5,593,457	5,116,319	(477,138)	(9.3)%	4,419,294	5,010,530	591,236	11.8 %
Operating and indirect event	4,174,386	5,049,973	875,587	17.3 %	3,630,550	4,171,625	541,075	13.0 %
Direct premium seating	291,613	289,860	(1,753)	(0.6)%	264,157	283,360	19,203	6.8 %
Other ¹	500,000	500,000	-	0.0 %	3,134,516	500,000	(2,634,516)	(526.9)%
Transfer to Athletics	312,000	-	(312,000)	(100.0)%	650,000	650,000	-	0.0 %
Total expenses	<u>10,871,456</u>	<u>10,956,152</u>	<u>84,696</u>	0.8 %	<u>12,098,517</u>	<u>10,615,515</u>	<u>(1,483,002)</u>	(14.0)%
Net increase (decrease) from arena operations	<u>725,530</u>	<u>(210,473)</u>	<u>936,003</u>	(444.7)%	<u>(2,380,003)</u>	<u>(5,205)</u>	<u>(2,374,798)</u>	45625.3 %
Net increase from total operations	<u>\$ 14,923,925</u>	<u>\$ 13,044,451</u>	<u>\$ 1,879,474</u>		<u>\$ 12,250,994</u>	<u>\$ 13,402,627</u>	<u>\$ (1,151,633)</u>	
Debt Service								
Principal	\$ 7,245,000				\$ 7,045,000			
Interest	7,030,124				7,114,359			
Total Debt Service	<u>\$ 14,275,124</u>				<u>\$ 14,159,359</u>			

[1] In 2016-17, other expenses primarily consisted of transfers to the University for the plaza enhancement and the arena scoreboard projects.

Attachment C
UCF Finance Corporation
Statement of Operations
For the year ended June 30, 2018

	2017-18				2016-17			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
University transfers ¹	\$ 16,503,647	\$ 3,251,818	\$ 13,251,829	407.5 %	\$ 2,499,065	\$ 2,484,612	\$ 14,453	0.6 %
Foundation transfers ²	61,513	-	61,513	100.0 %	-	-	-	-
Interest	44,237	6,500	37,737	580.6 %	10,958	-	10,958	100.0 %
Total revenues	<u>16,609,397</u>	<u>3,258,318</u>	<u>13,351,079</u>	409.8 %	<u>2,510,023</u>	<u>2,484,612</u>	<u>25,411</u>	1.0 %
Expenses								
Operating	19,640	20,665	1,025	5.0 %	20,629	15,800	(4,829)	(30.6)%
Interest ¹	15,066,477	2,290,915	(12,775,562)	(557.7)%	2,304,436	2,288,812	(15,624)	(0.7)%
Debt related ¹	723,280	946,738	223,458	23.6 %	184,958	180,000	(4,958)	(2.8)%
Transfers to UCF ³	800,000	-	(800,000)	0.0 %	-	-	-	-
Total expenses	<u>16,609,397</u>	<u>3,258,318</u>	<u>(13,351,079)</u>	(409.8)%	<u>2,510,023</u>	<u>2,484,612</u>	<u>(25,411)</u>	(1.0)%
Net change from operations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Debt Service								
Principal	\$ 1,490,000				\$ 1,415,000			
Interest ⁴	1,618,792				2,304,436			
Total Debt Service	<u>\$ 3,108,792</u>				<u>\$ 3,719,436</u>			

[1] Budgets were set based on previous debt service estimates. Interest payments also include the SWAP termination payment of \$13.4 million.

[2] Transfers from the Foundation represent UCF Downtown pledged transfers received from the Foundation to pay cost of issuance expenses associated with the new line of credit.

[3] Funding transfer to the university for stadium repairs.

[4] The debt service interest expense total only includes scheduled interest payments and does not include the interest rate SWAP termination payment of \$13.4 million.

Attachment D
UCF Foundation
Unrestricted Operations
For the year ended June 30, 2018

	2017 - 18				2016 - 17			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Unrestricted revenues								
University and other related support	\$ 13,114,078	\$ 11,785,878	\$ 1,328,200	11.3 %	\$ 12,585,757	\$ 14,054,479	\$ (1,468,722)	-10.5%
Gifts, fees, and investment earnings	\$ 5,124,222	\$ 5,175,000	(50,778)	(1.0)%	6,006,945	5,006,167	1,000,778	20.0%
Real estate operations	\$ 1,944,577	\$ 2,945,000	(1,000,423)	(34.0)%	2,524,946	2,328,000	196,946	8.5%
Total unrestricted revenue	<u>20,182,877</u>	<u>19,905,878</u>	<u>276,999</u>	<u>1.4 %</u>	<u>21,117,648</u>	<u>21,388,646</u>	<u>(270,998)</u>	<u>-1.3%</u>
Unrestricted expenses								
Academic and university support	2,947,527	2,796,433	(151,094)	(5.4)%	3,215,797	2,756,433	(459,364)	-16.7%
Development, alumni relations, and operations	16,990,407	17,109,445	119,038	0.7 %	17,999,990	18,632,213	632,223	3.4%
Total unrestricted expenses	<u>19,937,934</u>	<u>19,905,878</u>	<u>(32,056)</u>	<u>(0.2)%</u>	<u>21,215,787</u>	<u>21,388,646</u>	<u>172,859</u>	<u>0.8%</u>
Net increase (decrease) from unrestricted operations	<u>\$ 244,943</u>	<u>\$ -</u>	<u>\$ 244,943</u>	<u>0.0 %</u>	<u>\$ (98,139)</u>	<u>\$ -</u>	<u>\$ (98,139)</u>	<u>0.0 %</u>
Debt Service								
Principal	\$ 1,750,000				\$2,155,000			
Interest	882,060				1,104,668			
Total Debt Service	<u>\$ 2,632,060</u>				<u>\$ 3,259,668</u>			

The information provided above is a reflection of the foundation's unrestricted activity only and does not include income distribution from endowment or revenue for current operations with donor designations and restrictions.

For the period ending June 30, 2018, the foundation dispersed **\$28 million** on behalf of the university in support of programs, scholarships, and other university priorities. Resources for these expenditures comes in the form of spendable distributions from endowed funds as well as restricted and unrestricted gifts for current operations, provided as follows:

Unrestricted	2,947,527
Restricted (included endowment)	<u>25,008,328</u>
Total Dispersed	\$ 27,955,855

Attachment E
Limbitless Solutions, Inc.
Statement of Operations
For the year ended June 30, 2018

2017-18¹

	Actual	Budget	Variance Favorable (Unfavorable)	
Revenues				
Donations	\$ 252,371	\$ 75,000	\$ 177,371	236.5 %
Sponsorships	-	75,000	(75,000)	(100.0)%
Naming rights	-	200,000	(200,000)	(100.0)%
Other	13,379	-	13,379	100.0 %
Total revenues	<u>265,750</u>	<u>350,000</u>	<u>(84,250)</u>	<u>(24.1)%</u>
Expenses				
Operating expenses	<u>75,371</u>	<u>147,800</u>	<u>72,429</u>	49.0 %
Total expenses	<u>75,371</u>	<u>147,800</u>	<u>72,429</u>	49.0 %
Net increase from operations	<u><u>\$ 190,379</u></u>	<u><u>\$ 202,200</u></u>	<u><u>\$ (11,821)</u></u>	

¹ Limbitless Solutions was founded as a UCF direct support organization as of January 1, 2017.

Attachment F
UCF Research Foundation
Statement of Operations
For the year ended June 30, 2018

	2017-18				2016-17			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
Operating revenue ¹	\$ 11,197,036	\$ 9,185,000	\$ 2,012,036	18.0%	\$ 11,408,478	\$ 7,340,000	\$ 4,068,478	35.7%
Management fees and other	614,444	545,000	69,444	11.3%	645,534	380,000	265,534	41.1%
Total revenues	<u>11,811,480</u>	<u>9,730,000</u>	<u>2,081,480</u>	17.6%	<u>12,054,012</u>	<u>7,720,000</u>	<u>4,334,012</u>	36.0%
Expenses								
Total operating expenses	<u>11,181,537</u>	<u>9,523,500</u>	<u>(1,658,037)</u>	(14.8)%	<u>11,057,031</u>	<u>7,682,500</u>	<u>(3,374,531)</u>	(30.5)%
Net increase from operations	<u>\$ 629,943</u>	<u>\$ 206,500</u>	<u>\$ 423,443</u>	67.2%	<u>\$ 996,981</u>	<u>\$ 37,500</u>	<u>\$ 959,481</u>	96.2%

¹ Operating includes royalties, contributions, rents, conferences, unit residuals, and consortiums.

Attachment G
Central Florida Clinical Practice Organization
Statement of Operations
For the year ended June 30, 2018

	2017-18				2016-17			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
Patient care	5,256,058	7,285,605	(2,029,547)	(27.9)%	3,473,125	5,424,760	(1,951,635)	(36.0)%
Other	949,478	2,065,957	(1,116,479)	(54.0)%	775,934	1,195,672	(419,738)	(35.1)%
Total revenues	<u>6,205,536</u>	<u>9,351,562</u>	<u>(3,146,026)</u>	<u>(33.6)%</u>	<u>4,249,059</u>	<u>6,620,432</u>	<u>(2,371,373)</u>	<u>(35.8)%</u>
Expenses								
Faculty salaries and benefits	1,406,132	589,534	(816,598)	(138.5)%	337,002	249,148	(87,854)	(35.3)%
Staff salaries and benefits	498,841	4,327,824	3,828,983	88.5 %	-	1,275,142	1,275,142	100.0 %
Medical supplies	780,751	1,047,209	266,458	25.4 %	541,292	512,880	(28,412)	(5.5)%
Information technology	280,030	553,358	273,328	49.4 %	206,895	446,356	239,461	53.6 %
Professional fees	596,537	642,183	45,646	7.1 %	453,332	570,722	117,390	20.6 %
Facility	240,283	183,357	(56,926)	(31.0)%	138,187	207,588	69,401	33.4 %
Supplies and repairs	92,856	150,192	57,336	38.2 %	84,005	115,049	31,044	27.0 %
Marketing	127,703	191,221	63,518	33.2 %	154,103	160,000	5,897	3.7 %
Depreciation	36,549	-	(36,549)	-	74,202	-	(74,202)	-
Other	40,360	87,825	47,465	54.0 %	28,395	36,845	8,450	22.9 %
			-	-			-	-
Total expenses	<u>4,100,042</u>	<u>7,772,703</u>	<u>3,672,661</u>	<u>47.3 %</u>	<u>2,017,413</u>	<u>3,573,730</u>	<u>1,556,317</u>	<u>43.5 %</u>
Net increase (decrease)	<u>2,105,494</u>	<u>1,578,859</u>	<u>526,635</u>	<u>33.4 %</u>	<u>2,231,646</u>	<u>3,046,702</u>	<u>(815,056)</u>	<u>(26.8)%</u>
Cash Balance								
Beginning balance	\$ 5,190,655				\$ 2,767,459			
Change in cash	<u>1,375,230</u>				<u>2,423,196</u>			
Ending Cash Balance	<u>\$ 6,565,885</u>				<u>\$ 5,190,655</u>			

ITEM: INFO-2

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

SUBJECT: University and Direct Support Organization Debt Report

DATE: October 10, 2018

For information only.

Supporting documentation: Attachment A: University and Direct Support Organization
Debt Report

Prepared by: John C. Pittman, Associate Vice President for Revenue and Debt
Management

Submitted by: Kathy Mitchell, Interim Chief Financial Officer

University and Direct Support Organization Debt

By Entity

As of June 30, 2018

	Fixed	Debt Outstanding Variable	Total	Debt Service 2019	Coverage Ratio Actual Required		Sources of Payment
University							
Health Center - revenue bonds	\$ 3,150,000	\$ -	\$ 3,150,000	\$ 616,803	28.40	1.20	Health fees
Parking - revenue bonds	23,760,000	-	23,760,000	3,917,546	3.99	1.20	Transportation access fees, decals, fines
Housing - revenue bonds	84,610,000	-	84,610,000	8,560,845	1.64	1.20	Room rents
Total University	111,520,000	-	111,520,000	13,095,194			
UCF Hospitality School Student Housing Foundation							
Housing - revenue bonds	10,125,000	-	10,125,000	1,440,912 ¹			Total project revenues
UCF Convocation Corporation							
Housing and retail revenue COP's	104,395,000	-	104,395,000	7,051,142 ²	1.66	1.20	Total project revenues
Arena and retail revenue bonds	76,785,000	-	76,785,000	6,015,573	1.41	1.20	Total project revenues
Total UCF Convocation Corporation	181,180,000	-	181,180,000	13,066,715			
UCF Stadium Corporation							
Stadium revenue bonds	40,905,000	-	40,905,000	3,293,863			Stadium revenues, university resources
Student Leadership Center	3,003,000	-	3,003,000	335,775			Pledged donations
Total UCF Stadium Corporation	43,908,000	-	43,908,000	3,629,637	3.34	1.20	
UCF Finance Corporation							
Burnett Biomedical Research facility note	63,359,000	-	63,359,000	3,988,640 ³	6.50	1.25	Sponsored programs
Total UCF Finance Corporation	63,359,000	-	63,359,000	3,988,640			
UCF Athletics Association							
Due to university (principal only)		6,210,502	6,210,502	500,000			UCFAA and stadium restricted surplus funds
Fifth Third lines of credit		6,275,000	6,275,000	280,000			UCFAA revenues, Title IX funds
Total UCF Athletics Association	-	12,485,502	12,485,502	780,000			
UCF Foundation							
BB&T	19,455,000	-	19,455,000	2,635,481	3.62	1.50	Property rentals
Total UCF Foundation	19,455,000	-	19,455,000	2,635,481			
Total University and DSO Debt	<u>\$ 429,547,000</u>	<u>\$ 12,485,502</u>	<u>\$ 442,032,502</u>	<u>\$ 38,636,578</u>			

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

² The Convocation Corporation Housing COP's were refunded and replaced with revenue bonds on July 2, 2018 resulting in reduced debt service for 2018-19.

³ The Finance Corporation bonds were refinanced in September 2017 to a 20-year term loan with a 15-year interest rate reset.

Lines of Credit

	Maximum Amount	Outstanding	Available
UCF Athletics Association			
Fifth Third lines of credit	10,655,000	6,275,000	4,380,000

Variable Rate Debt

	Outstanding	Rate
UCF Athletics Association		
Fifth Third lines of credit	6,275,000	2.68%
University loan	6,210,502	1.45%
Total variable debt outstanding	<u>\$ 12,485,502</u>	

ITEM: INFO-3

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

SUBJECT: UCF Investments Quarterly Report Ended June 30, 2018

DATE: October 10, 2018

For information only.

Supporting documentation: Attachment A: UCF Investments Quarterly Report

Prepared by: Tracy Clark, Associate Provost for Budget, Planning, and
Administration and Associate Vice President for Finance

Submitted by: Kathy Mitchell, Interim Chief Financial Officer

Cash & Non-Investment Portfolio	12/31/2017 Reported Value	03/31/2018 Reported Value	06/30/2018 Reported Value
Bank of America	\$15,354,289	\$1,445,595	\$11,237,245
SPIA	\$329,002,144	\$347,445,906	\$301,820,822
Total Cash & Non-Investment Portfolio	\$344,356,433	\$348,891,501	\$313,058,067

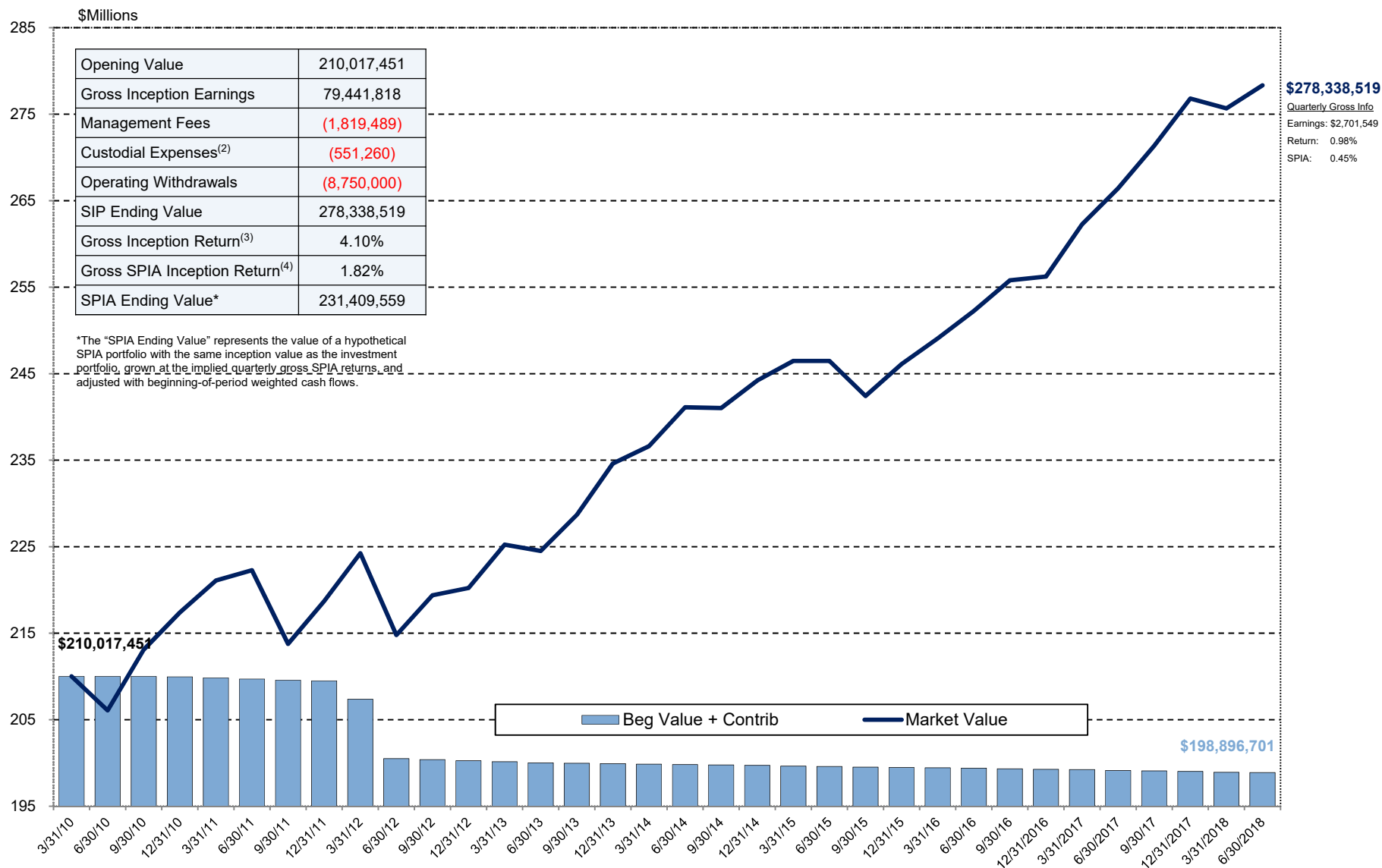
Structured Investment Portfolio (BNY)	12/31/2017 Reported Value	03/31/2018 Reported Value	1st Quarter Gain/(Loss)	06/30/2018 Reported Value	2nd Quarter Gain/(Loss)	Inception Gain/(Loss) ⁽²⁾
Pool I	\$0	\$0	\$0	\$0	\$0	\$85,786
Pool II	\$50,931,082	\$51,024,721	\$122,863	\$51,286,982	\$266,218	\$1,561,193
Fixed Income (Pool III) ⁽³⁾	\$104,943,866	\$105,944,354	(\$454,038)	\$106,270,129	\$344,757	\$12,667,085
Domestic Equity (Pool III)	\$27,392,955	\$25,742,718	(\$150,237)	\$26,623,331	\$880,613	\$18,225,568
Total Pool III	\$132,336,821	\$131,687,072	(\$604,275)	\$132,893,460	\$1,225,369	\$30,892,653
Fixed Income (Pool IV) ⁽⁴⁾	\$29,432,328	\$29,066,589	(\$340,017)	\$29,026,842	(\$35,029)	\$6,452,841
Domestic Equity (Pool IV)	\$49,194,921	\$48,817,319	(\$377,602)	\$50,487,272	\$1,669,954	\$35,465,078
International Equity (Pool IV)	\$14,914,972	\$15,068,926	\$153,954	\$14,643,963	(\$424,963)	\$4,984,266
Total Pool IV	\$93,542,220	\$92,952,834	(\$563,665)	\$94,158,077	\$1,209,962	\$46,902,185
Total Structured Investment Portfolio	\$276,810,124	\$275,664,626	(\$1,045,077)	\$278,338,519	\$2,701,549	\$79,441,818

Total Operating Portfolio	\$621,166,556	\$624,556,127	\$591,396,586	Total Equity Allocation	15.51%
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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 III's fixed Income market value includes the \$3,327 cash balance held in the Pool III mutual fund account.
4. Pool IV's fixed Income market value includes the \$21,395 cash balance held in the Pool IV mutual fund account.



University of Central Florida
Structured Investment Portfolio vs. Net Contributions⁽¹⁾
 As of June 30, 2018



1. Net contributions include cash flows associated with management fees, portfolio expenses and physical cash flows
2. Custodial expense figure is reduced by commission recapture income received
3. Annualized performance number. Net of management fees inception earnings = \$74,929,320. Net inception return = 4.01%
4. The gross SPIA inception return corresponds with the 3/31/10 inception of UCF's investment portfolio. Net inception SPIA return = 1.70%



University of Central Florida
Structured Investment Portfolio Investment Policy Compliance Checklist⁽¹⁾
As of June 30, 2018

Pool I:	Yes	No	N/A
Investments limited to registered 2a-7 mutual funds, CDARS, and or/SPIA.			✓

Pool II:	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.	✓		
Duration of the fixed income portfolio shall not exceed the effective duration of the Merrill Lynch 1-Year Treasury index by 25%.	✓		
The maximum average effective maturity of any single security shall not exceed 3 years.	✓		
Operating Pool II shall maintain a dollar-weighted average effective maturity of 1 years 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%.	✓		
Operating Pool III shall maintain a dollar-weighted average effective maturity of 7 years or less.	✓		

Pool IV Equity:	Yes	No	N/A
Investment in equity securities shall not exceed seventy-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.



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% S&P 500
Pool IV	35% Barclays Agg + 50% S&P 500 + 15% MSCI-ACWxUS

Pool I	\$0	Current Allocation
Cash & Equivalents	\$0	100.0%
Fidelity Money Market	\$0	

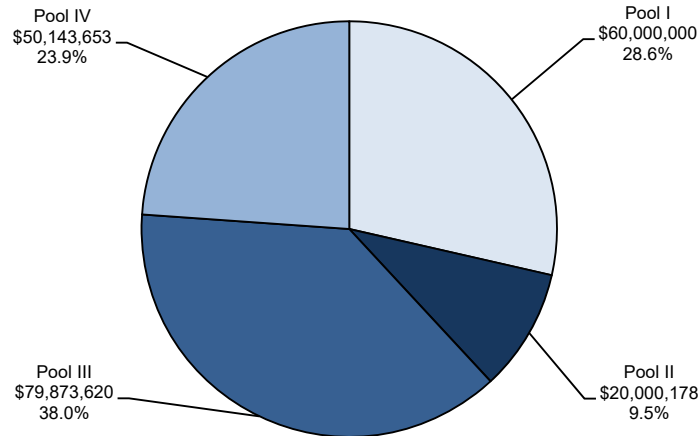
Pool II	\$51,286,982	Current Allocation
Short-Term Fixed Income	\$51,286,982	100.0%
Galliard Capital Management	\$51,286,982	

Pool III	\$132,893,460	Current Allocation
Intermediate Fixed Income (85%)	\$106,270,129	80.0%
Galliard Capital Management ⁽¹⁾	\$57,294,423	
Sawgrass Asset Management	\$48,975,706	
Domestic Equity (15%)	\$26,623,331	20.0%
Vanguard Institutional Index	\$26,623,331	

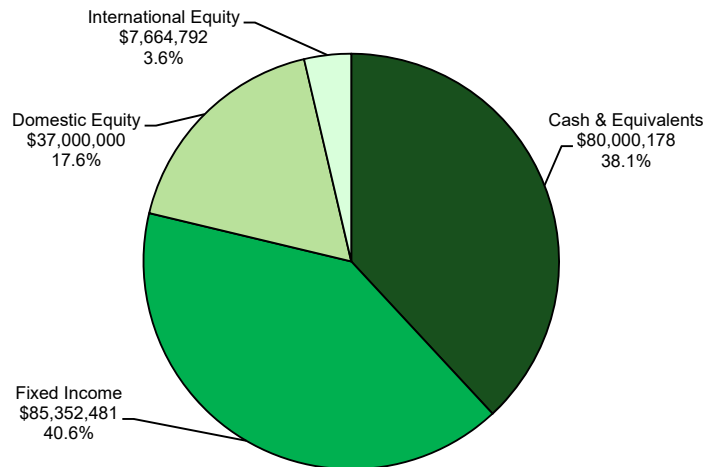
Pool IV	\$94,158,077	Current Allocation
Broad Market Fixed Income (35%)	\$29,026,842	30.8%
Galliard Capital Management ⁽²⁾	\$19,030,604	
Dodge & Cox Income	\$9,996,238	
Domestic Equity (50%)	\$50,487,272	53.6%
Vanguard Institutional Index	\$50,487,272	
International Equity (15%)	\$14,643,963	15.6%
Europacific Growth	\$14,643,963	

1. Pool III's Galliard Asset Management's market value includes the \$3,326.60 cash balance held in the Pool III mutual fund account.
2. Pool IV's Galliard market value includes the \$21,394.76 cash balance held in the Pool IV mutual fund account.

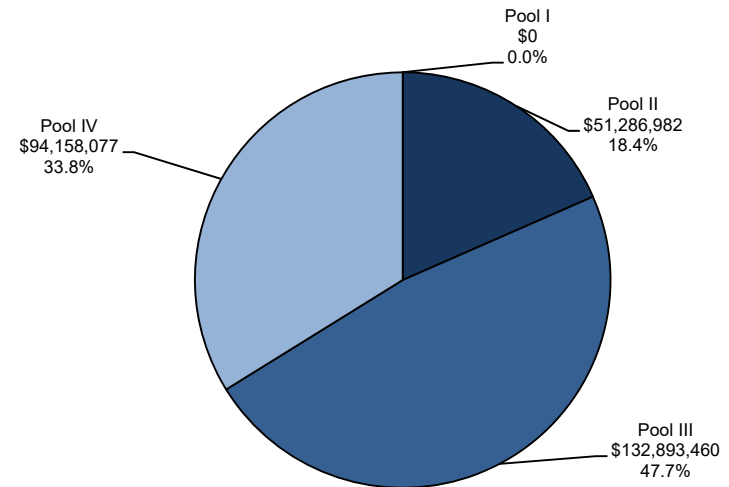
**3/31/2010: \$210,017,451
Pool Allocation**



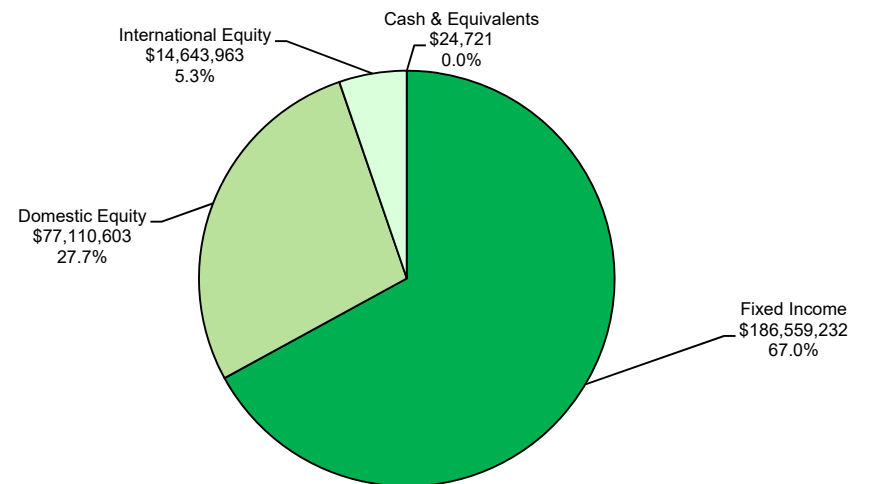
Asset Allocation



**06/30/2018: \$278,338,519
Pool Allocation**



Asset Allocation



ITEM: INFO-4

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

SUBJECT: 2019 Finance and Facilities Committee Meeting Dates

DATE: October 10, 2018

PROPOSED COMMITTEE ACTION

Information only.

BACKGROUND INFORMATION

The 2019 Board of Trustees' Finance and Facilities Committee meetings are scheduled as follows and are subject to change:

February 20	8:30 – 10:30 a.m.	Wednesday	Millican Hall, #393
April 17	8:30 – 10:30 a.m.	Wednesday	Millican Hall, #393
May 16	Time - TBD	Thursday	<i>FAIRWINDS</i> Alumni Center
June 19	8:30 – 10:30 a.m.	Wednesday	Millican Hall, #393
August 14	8:30 – 10:30 a.m.	Wednesday	Millican Hall, #393
October 16	8:30 – 10:30 a.m.	Wednesday	Millican Hall, #393
December 11	8:30 – 10:30 a.m.	Wednesday	Millican Hall, #393

Supporting documentation: None

Prepared by: Kathy Mitchell, Interim Chief Financial Officer

Submitted by: Kathy Mitchell, Interim Chief Financial Officer