



September 22, 2021 Budget and Finance Committee

Board of Trustees

Live Oak Center | Virtual Option

Sep 22, 2021 3:30 PM - 5:00 PM EDT

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Board of Trustees

Meeting Agenda

**Board of Trustees Meeting
Budget and Finance Committee
September 22, 2021, 3:30-5:00 p.m.
Live Oak Event Center**

Livestream: <https://ucf.zoom.us/j/95194078035?pwd=L0MzTmwzUGJIREVJTW9HSzNrOFIUQT09>

Webinar ID: 951 9407 8035

Passcode: 286051

Conference call number: 1-301-715-8592; 951 9407 8035

AGENDA

- | | |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| 1. Call to Order and Welcome | Harold Mills, <i>Chair, Budget and Finance Committee</i> |
| 2. Roll Call | Elizabeth Hamilton, <i>Assistant Vice President, Strategic Planning</i> |
| 3. Minutes of the June 16, 2021
Finance and Facilities
Committee meeting | Chair Mills |
| 4. Reports | Chair Mills |
| | |
| | DISC – 1 |
| | SVP Update
Gerald Hector, <i>Senior Vice President for Administration and Finance</i> |
| 5. Action | Chair Mills |
| | |
| | BUDC – 1 |
| | 2021-22 Carryforward Spending Plan
Gerald Hector
Misty Shepherd, <i>Senior Associate Vice President for Financial Affairs</i> |
| | |
| | BUDC – 2 |
| | 2021-22 Fixed Capital Outlay Budget
Gerald Hector
Jon Varnell, <i>Vice President for Facilities and Business Operations</i> |
| 6. Discussion | |
| | |
| | DISC – 2 |
| | University Operating Budget Update
Gerald Hector
Misty Shepherd |

DISC – 3

Townes Institute Science and Technology
Experimentation Facility (TISTEF)
Elizabeth Klonoff, *Vice President for Research
and Dean of the College of Graduate Studies*
Sandra Sovinski, *Deputy General Counsel for
Research*

DISC – 4

University Investment Report – 4th Quarter,
Ended June 30, 2021
Gerald Hector
Bert Francis, *Assistant Vice President for Debt
Management and University Treasurer*

7. Information

INFO – 1

FY22 Work Plan and Charter Review
Chair Mills

INFO – 2

University and Direct Support Organizations
Debt Report
Gerald Hector
Bert Francis

INFO – 3

2020-21 Fixed Capital Outlay Budget Update
Gerald Hector
Jon Varnell

INFO – 4

University Banking Service Agreement
Gerald Hector
Bert Francis

8. New Business

Chair Mills

9. Adjournment

Chair Mills



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
June 16, 2021
Virtual Meeting

MINUTES

CALL TO ORDER

Trustee Harold Mills, chair of the Finance and Facilities Committee, called the meeting to order at 3:00 p.m. Committee members Tiffany Altizer, Bill Christy, Jeff Condello, Caryl McAlpin, Danny Gaekwad, and Chair Beverly Seay (ex-officio) attended virtually.

Other Trustees attending the meeting virtually included Trustees Joseph Harrington and Michael Okaty.

MINUTES

Trustee Christy made a motion to approve the minutes from the April 14, 2021, Finance and Facilities Committee meeting. Trustee McAlpin seconded the motion.

The committee unanimously approved the minutes of the April 14, 2021, Finance and Facilities Committee Meeting as submitted.

REPORTS

Gerald Hector, Senior Vice President for Administration and Finance, provided the committee with an update. Hector began by reiterating that the operating budget being presented for the committee's approval is not in fact a budget but instead spending authority based on state rules and laws, as mentioned at the June 3, 2021, Financial Workshop. He highlighted the four major changes from the current 2020-2021 spending authority levels. He shared that there is \$6.7 million increase in state appropriations that came from the return of funds taken last year as a one-time drawback from the state. The university was requesting an increase of approximately \$13 million in student tuition and fees to match the authority that has been granted by the state. The final request for increases were noted in the Contracts and Grants and the Student Financial Aid lines of the spending authority. The increases were in relation to the CARES/HEERF/ARP funds that have been provided to the university but will be spent during the 2021-2022 fiscal year.

The committee heard the carryforward projection through the end of the current fiscal year, as well as an overview of the Educational and General (E&G) fund reserve balance to date and projections through June 30, 2021.

Hector provided an update on the university's internal auxiliary and research internal loans. Areas where reimbursements can be taken have been identified through conversations with deans, faculty, staff, budget directors, and other university stakeholders. A payback schedule has been developed that will shorten the repayment on both loans to four years. The repayments will start in July 2021. The June 30, 2021, balances will be the source of balances to be repaid.

Hector updated the committee on Administration and Finance personnel matters. He shared that the search for the Vice President for Facilities and Business Operations is in its final stages. A review of skills and fit in the division continues. Hector noted that due to reorganization in the division, Danta White, Assistant Vice President and University Controller, has been charged with oversight of the Auxiliary Committee. Budgeting for key personnel and making interim positions permanent is ongoing.

In other matters, Hector shared that the CFO Council meetings are expected to begin in July. Trustee Altizer expressed interest in joining these meetings. The Direct Support Organization (DSO) deep dives are expected to continue throughout the summer. A CARES Acting funding recap is forthcoming. Hector also shared that Board of Governors (BOG) representatives were invited to campus to meet with university leadership. Hector then described the zero-based budgeting exercise that the university is undertaking. He also discussed the completion of the housing bond refinancing and that the university's bond ratings remain stable in the "strong" category. To close, Hector shared that the Workday implementation is on target and discussions around Service Enhancement Transformation (SET) have begun.

Trustees had the following comments:

- Trustee Mills asked the committee to provide a bulleted list of the rules for carryforward to the committee.

NEW BUSINESS

FFC-1 Release of Unrestricted UCF Stadium Corporation Revenues

Hector introduced the release of unrestricted UCF Stadium Corporation revenues and provided the committee with a brief overview.

Trustee McAlpin made a motion for release of unrestricted UCF Stadium Corporation revenues. Trustee Altizer seconded the motion. The motion was approved unanimously.

FFC-2 Renewal of Reducing Revolving Line of Credit-Fifth Third Bank

Albert Francis, Assistant Vice President for Finance, provided the committee with a brief background regarding the renewal of the revolving line of credit from Fifth-Third Bank.

Brad Stricklin, Executive Associate Athletic Director and Chief Financial Officer for the UCF Athletics Association (UCFAA), provided the committee with further information on UCFAA's use of the line of credit, which was opened to facilitate construction costs.

Trustee Christy made a motion to approve the renewal of reducing revolving line of credit from Fifth-Third Bank. Trustee Altizer seconded the motion. The motion was approved unanimously.

FFC-3 Renewal of the License for the Canvas Learning Management System Platform

Thomas Cavanagh, Vice Provost for Digital Learning, provided the committee with background information regarding the license for the Canvas learning management system. Cavanagh stated that UCF did not need to expand its Canvas licensing during the pandemic.

Trustee Christy made a motion to approve the renewal of the license for the Canvas learning management system platform. Trustee Altizer seconded the motion. The motion was approved unanimously.

FFC-4 Direct Support Organizations' 2021-22 Budgets

Hector introduced the Direct Support Organizations' 2021-22 budgets and provided the committee with a brief overview.

Trustee Christy made a motion to approve the Direct Support Organizations' 2021-22 budgets. Trustee McAlpin seconded the motion. The motion was approved unanimously.

Trustees had the following comments:

- Trustee Christy asked the committee to not round up or down as it is important to have the exact numbers present in the budget.
- Trustee Altizer would like a visual flowchart of how the Direct Support Organizations work together.
- Trustee Christy asked to show the inflows and outflows in detail as well as the way it flows in and out on the flowchart requested by Trustee Altizer.

FFC-5 Five-Year Capital Improvement Plan

Hector introduced the five-year capital improvement plan. Hector would like the committee to approve the plan as-is and make amendments based on new Board of Governors (BOG) guidelines. Hector updated the committee on what amendments are being considered.

Trustee Christy made a motion to approve the five-year capital improvement plan. Trustee McAlpin seconded the motion. The motion was approved unanimously.

FFC-6 FY 2020-21 Budget Authority Increase for Contracts and Grants (C&G)

Hector introduced the FY 2020-21 budget authority increase for contracts and grants and provided the committee with a brief overview of the amendment to accommodate anticipated end of year expenditures.

Trustee Christy made a motion to approve FY 2020-21 budget authority increase for contracts and grants. Trustee McAlpin seconded the motion. The motion was approved unanimously.

FFC-7 Proposed 2021-22 University Operating Budget

Hector provided the committee with information regarding the proposed 2021-22 University Operating Budget. Hector explained the key items to the committee.

Trustee Christy made a motion to approve the proposed 2021-22 University Operating Budget. Trustee McAlpin seconded the motion. The motion was approved unanimously.

INFO-1 Auxiliary Financial Report, Quarter Ended March 31, 2021-Third Quarter

Danta White, Assistant Vice President and University Controller, gave a brief overview of the auxiliary financial report for the third quarter of FY 2021. White provided highlights of the report and stated all areas should see improvement with UCF's return to campus.

Hector provided the committee with background information regarding rate increases for UCF housing. Hector stated that the increases should begin to occur during the 2022-23 year.

Trustees had the following comments:

- Trustee McAlpin asked the committee to send the Brailsford and Dunlavey housing report to the Board of Trustees.

INFO-2 DSOs' Financial Report, Quarter Ended March 31, 2021-Third Quarter

Christina Tant, Assistant Vice President for DSO Accounting and Reporting, presented the third quarter financial statements for the university's Direct Support Organizations (DSOs) and the Central Florida Clinical Practice Organization. The reports are provided to the committee on a quarterly basis. Tant stated that the reports were reviewed by each respective DSO board prior to this meeting and that all DSOs all remain in compliance with their scheduled debt payments.

INFO-3 University Quarterly Investments Report, Quarter Ended March 31, 2021-Third Quarter

White provided an update on the university's investment portfolio for the quarter ended March 31, 2021. The report is provided to UCF trustees quarterly for information purposes. White noted that the portfolio had a net gain of \$3.6 million.

Trustees had the following comments:

- Trustee Christy would like to create a sub-committee to look at the investment policy.
- Trustee Condello would also like the sub-committee to look at investment managers.
- Trustee Mills would like for committee members to send the Board Office an indication of interest if they would like to serve on the sub-committee.

INFO-4 University Audited Annual Financial Statements 2019-20

White introduced the university audited annual financial statements to the committee and provided a brief overview. White explained the audit was clean and there were no significant concerns to be noted.

INFO-5 Knight Vision Enterprise Resource Planning (ERP) Status Update

Michael Sink, Associate Vice President and Chief Operating Officer for UCF IT, provided a brief update on the progress of the Knight Vision Enterprise Resource Planning (ERP) project. He described activities that are occurring in parallel with the Workday ERP implementation to provide a full scope of activities, and presented a timeline, costs estimate, and budget update. Sink informed the committee they are on track for all areas. A no-cost extension of the contract with Accenture is currently being finalized to extend consulting support for the Service Enhancement Transformation project and to clarify certain contract terms.

OTHER BUSINESS

The committee had no other business to discuss.

ADJOURNMENT

Chair Mills adjourned the Finance and Facilities Committee meeting at 4:57 p.m.

Reviewed by:

_____ Harold Mills Chair, Finance and Facilities Committee	_____ Date
------------------------------------------------------------------	---------------

Respectfully submitted:

_____ Mike Kilbride Associate Corporate Secretary	_____ Date
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Board of Trustees
Budget and Finance Committee | September 22, 2021

DISC- 1: SVP Update

☐ Information

☒ Discussion

☐ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

At each Board of Trustees meeting, the Senior Vice President for Administration and Finance provides an update on accomplishments, ongoing projects, and other items of importance on the university's overall financial and administrative performance. This update serves as a precursor to the discussions on the the new budget model and the university's carryforward balances and plans.

Background Information:

The university is amid several change management projects. Coupled with that is a need to have timely, accurate and informative updates around those projects, and their impacts to the university over the short, intermediate and long term time horizons.

As the university pivots to a new budget model, a new budgeting tool and a new ERP system in WorkDay, the need for the board to be informed is greater now than it has been in recent memory. The SVP for Administration and Finance made a commitment to provide executive summary reporting and graphics to highlight the financial performance of the university. That includes dashboards, cash flow projections, and budget to actuals monthly. Although that goal is hampered by the current ERP system's reporting capabilities, the objective remains.

Currently, several processes are managed manually, but the updates that are currently provided are enlivened by the conversations that will be held at the board meetings.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Specific trustee request.

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

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



Board of Trustees

Agenda Memo

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: Presentation – SVP Update

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance

SVP Update

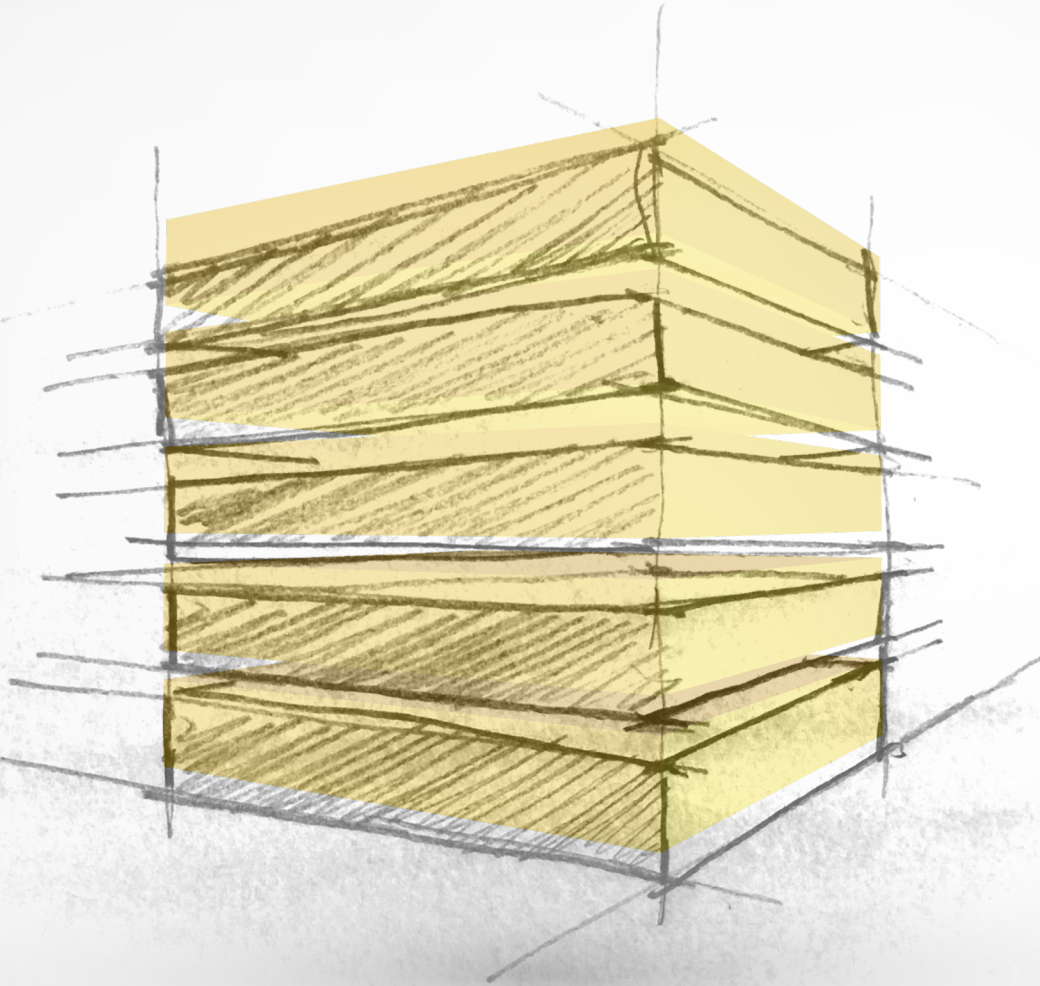
UCF Board of Trustees Budget and Finance Committee

September 22, 2021

Gerald L. Hector

Senior Vice President for Administration and Finance

Topics for Discussion



- Accomplishments
- Ongoing Projects
- Staffing Updates
- New Budget Model
- Financial Update

Accomplishments



Auxiliary internal loans have been accelerated with \$32.5 million properly reclassified as of August 31st thereby releasing auxiliary units to operate more freely



We continue to look for ways to accelerate the remaining amount of \$17.7 million over the next four years instead of the eleven that was projected



The overhead internal loans have been accelerated with the entire \$23.2 million addressed by sweeping funds from units and creating opportunities for affected faculty to still have an emergency source of funds by way of carryforward



The CFO Council has been established and held two meetings to date where strategic focus is predicated upon ALL DSOs becoming integrated with the university's operations

Accomplishments



Service Enhancement Transformation (SET) has a framework for the establishment of “shared services” at UCF (Huron is our implementation partner)



New RCM budget model framework created and launched and forms the basis for a reimagining of the reallocation of resources at UCF



The Adaptive budget tool was launched in March; however, it is being used to assist with the new budget model implementation several months ahead of schedule

Ongoing Projects

Refinement of the new budget model given recent discoveries

- ✓ 9,000 departments and project accounts
- ✓ Attempting to migrate to 600 cost centers in the new WorkDay system for go live of July 1, 2022
- ✓ Shared services configuration and ultimate deployment on July 1, 2022

- ✓ **Integration of DSOs**
into monthly financial reporting and accountability

Clear and succinct communication strategies from the Division of Administration and Finance

- ✓ “When people don’t know they make stuff up”
- ✓ SVP Blog and Dollars and \$ense (monthly information session from SVP)

Staffing Updates

1

Jon Varnell has been hired as UCF's new Vice President for Facilities and Business Operations

2

Misty Shepherd is UCF's Senior Associate Vice President for Financial Affairs

3

National search to fill the vacant Budget Director position (RCM experience required)

4

Staff augmentations in Human Resources and Finance and Accounting to address staff departures and competition

New Budget Model

Responsibility Center Management (RCM) is perhaps closer to a management philosophy than a budgeting strategy. It is designed to support the achievement of academic priorities within an institution and allows for a budget which closely follows those priorities.

RCM **delegates operational authority to schools, divisions, and other units within an institution**, allowing them to prioritize their academic missions. Each unit receives all of its own revenues and income, including the tuition of its enrolled students. In this way, units effectively compete for students. Each unit is also assigned a portion of government support (where applicable). However, **units are also responsible for their own expenses**, as well as for a portion of expenses incurred by the university's general operations.

– Hanover Research

Guiding Principles

Ensure the resource management, planning, and allocation decisions are aligned with the institution's mission as a public multi-campus, metropolitan research university.

Align budgetary authority with responsibility and accountability.

1

2

3

Ensure transparency, accountability, and fiscal responsibility by requiring that all aspects of resource management are supported by data-informed decisions

Guiding Principles

Provide significant incentives for promoting efficiency, innovation, responsiveness and entrepreneurship using data-based decision-making.

Distribute resources using a predictable and consistent methodology that allows for multiyear planning.

4

5

6

Balance complexities of the economic realities with a methodology that is financially viable and easy to understand.

Key Assumptions

18% Participation Fee

Charged to unrestricted revenues of academic units to create a pool for subvention and strategic priorities

State Appropriation

Instructional Effort - 42.5%
Student Completion - 42.5%
Research Activity - 15%

20% of SCH

To “home” school for the student

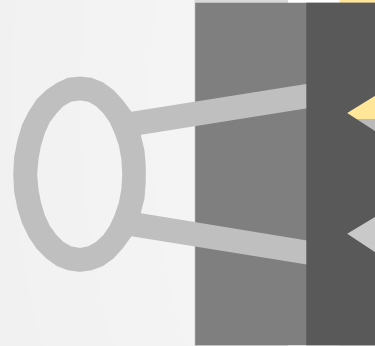
Central Support Unit Costs

Allocated on several bases that include faculty headcount, space, direct expense, employee headcount, etc.

80% of SCH

To the school where students are instructed

Status of Budget and Model



Current State Budget loaded into PeopleSoft

01

ZBB requests are logged and some will become part of strategic discussions in FY 2022

02

The volume and accounting for transfers within the university still poses an issue

03

Final SCH will not be known until the end of August for presentation to the Board

04

“Hold Harmless” was a laudable goal, but is being stress tested given variables moving

05

Financial Update

University of Central Florida
2021-22 Proposed Operating Budget
All Budget Entities

	2020-21 BOT Approved Operating Budget	2020-21 Final Operating Budget	2021-22 Proposed Operating Budget	% Increase (Decrease)	\$ Increase (Decrease)
<u>Education and General (E&G) Budget Entities¹</u>					
E&G, Main					
State Appropriations	\$ 336,391,302	\$ 329,001,670	\$ 335,794,312	2.1%	\$ 6,792,642
Student Tuition and Fees	304,640,516	304,640,516	318,133,474	4.4%	\$ 13,492,958
Interest and Other Revenue	3,070,000	3,070,000	3,070,000	0.0%	\$ -
Total E&G Main	644,101,818	636,712,186	656,997,786	3.2%	20,285,600
E&G, College of Medicine					
State Appropriations	30,773,894	30,995,142	30,781,275	-0.7%	(213,867)
Student Tuition and Fees	15,708,657	15,708,657	16,024,899	2.0%	316,242
Interest and Other Revenue	300,000	300,000	300,000	0.0%	-
Total E&G, College of Medicine	46,782,551	47,003,799	47,106,174	0.2%	102,375
E&G, Florida Center for Students with Unique Abilities (FCSUA)					
State Appropriations	8,984,565	8,984,565	8,984,565	0.0%	-
Total E&G, FCSUA	8,984,565	8,984,565	8,984,565	-	-
Total E&G Budget Entities	699,868,934	692,700,550	713,088,525	2.9%	20,387,975
<u>Non-E&G Budget Entities</u>					
Auxiliary Enterprises	302,385,900	302,385,900	305,999,077	1.2%	3,613,177
Contracts and Grants	188,528,000	271,000,000	319,991,191	18.1%	48,991,191
Local Funds					
<i>Student Financial Aid</i>	659,877,204	659,877,204	727,540,204	10.3%	67,663,000
<i>Intercollegiate Athletics</i>	68,086,641	65,781,150	74,209,459	12.8%	8,428,309
<i>Student Activities</i>	24,760,828	24,760,828	24,197,328	-2.3%	(563,500)
<i>Technology Fee</i>	10,028,400	10,028,400	11,863,810	18.3%	1,835,410
Self-Insurance Plan	576,878	576,878	563,167	-2.4%	(13,711)
<i>Concessions</i>	400,000	400,000	800,000	100.0%	400,000
Total Local Funds	763,729,951	761,424,460	839,173,968	10.2%	77,749,508
Faculty Practice Plan	9,603,362	9,603,362	8,246,368	-14.1%	(1,356,994)
Total Non-E&G Budget Entities	1,264,247,213	1,344,413,722	1,473,410,604	9.60%	128,996,882
Total Proposed FY 2021-22 Budget	1,964,116,147	2,037,114,272	2,186,499,129	7.3%	149,384,857

Sources and Uses

Category	Rosen College of Hospitality Management	College of Sciences	College Optics and Photonics	College of Health Professions and Sciences	College of Arts and Humanities	College of Engineering and Computer Science	College of Nursing	College of Community Innovation and Education	College of Business	College of Medicine- MD Program	College of Medicine- School of Biomedical Sciences	Academic College Total	Central Provost	Academic Self Supporting	Auxiliary Self Supporting	Financial Aid / HEERF	Central Support Units	Total University
<u>Resources:</u>																		
Direct Tuition and Fees	472,600	2,681,471	27,000	1,076,475	533,346	2,301,214	108,408	267,205	6,114,400	17,172,334	891,750	31,646,203	-	217,477	39,673,221	15,974,332	56,455,489	143,966,722
Tuition in Excess of Spending Authority																	2,429,453	2,429,453
Market Rate Programs (All Inclusive)																	-	-
Allocation of University Tuition	19,279,689	95,753,556	809,090	25,357,510	49,836,146	44,797,708	11,681,400	49,955,099	39,393,088	59,933	11,536,899	348,460,119	-	1,619,183	13,358	-	-	350,092,659
Federal and State Student Financial Aid	-	-	-	6,800	-	-	-	-	-	1,750,244	-	1,757,044	-	-	-	636,553,510	-	638,310,554
State Appropriations - Operations	14,736,399	84,319,734	6,246,340	24,925,048	33,890,877	46,591,598	12,506,427	46,278,696	33,745,938	31,104,247	12,393,649	346,738,953	-	26,235,175	6,679	-	-	372,980,806
State Appropriations - Capital												-						
Grants and Contracts	344,640	15,268,656	12,247,212	2,781,144	566,712	26,536,680	1,518,636	11,559,672	145,308	1,494,660	8,383,248	80,846,568	-	37,590,012	5,652	107,030,340	28,148,374	253,620,946
Foundation- Unrestricted Support	134,332	51,240	-	26,225	81,625	357,233	139,032	79,546	246,859	341,133	-	1,457,225	-	-	-	-	627,027	2,084,252
Foundation- Restricted Support	11,584,630	2,930,930	2,791,994	778,725	3,160,216	7,097,560	1,370,949	3,046,680	8,926,415	2,418,558	-	44,106,656	-	-	300,000	-	14,441,887	58,848,544
Sales and Services	355,000	8,200	-	727,928	386,800	38,000	15,500	746,294	282,000	43,873,697	20,000	46,453,420	-	1,160,312	44,876,238	-	55,777,272	148,267,242
Investment Income (Realized)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	455,000	1,799,240	1,928,273	4,182,513
Other Income	-	14,000	-	110	13,875	158,250	149,121	332,252	-	559,900	-	1,227,508	-	17,064	4,172,111	5,986,252	4,737,626	16,140,561
Total Sources	46,907,289	201,027,786	22,121,636	55,679,965	88,469,598	127,878,243	27,489,473	112,265,444	88,854,008	98,774,707	33,225,546	902,693,695	-	66,839,222	89,502,259	767,343,674	164,545,401	1,990,924,251
<u>Use of Resources:</u>																		
Compensation and Benefits	11,814,721	80,366,300	14,487,746	18,308,383	40,723,752	60,364,808	12,569,845	46,088,480	36,695,994	76,902,700	16,913,371	415,236,100	-	31,759,662	29,357,811	2,184,176	247,330,172	725,867,922
Services and supplies	922,316	8,353,368	4,145,846	2,251,461	2,827,709	11,148,370	1,161,654	5,800,457	2,248,364	8,996,866	4,898,424	52,754,834	-	14,113,878	21,954,081	219,003	122,606,973	211,648,770
Utilities	7,685	41,000	-	-	-	47,300	-	-	-	53,735	-	149,720	-	1,200	4,731,020	-	20,939,465	25,821,405
Communications	142,116	337,710	75,366	115,237	112,216	310,987	37,324	176,349	171,924	303,948	128,196	1,911,373	-	278,485	587,532	55,000	4,190,054	7,022,444
Scholarships, Fellowships and Waivers	4,698,082	22,069,495	981,303	4,192,778	10,994,483	11,903,482	1,674,769	8,759,453	8,721,018	5,951,663	3,015,409	82,961,934	-	4,967,947	159,356	653,717,060	2,096,810	743,903,107
Capital Assets	19,500	1,212,338	718,140	160,572	120,480	3,148,142	87,360	684,236	11,016	320,195	864,070	7,346,049	-	2,565,280	253,824	7,067	13,024,687	23,196,907
Debt Service	-	-	-	31,096	-	-	-	-	-	-	-	31,096	-	-	10,008,250	-	1,225,947	11,265,293
Other Expenses	48,400	193,080	-	93,914	194,728	279,931	85,000	913,928	697,330	542,953	21,334	3,070,598	-	4,226,617	3,933,370	111,282,910	7,533,060	130,046,555
Expenses Paid by Foundation	11,718,962	2,982,169	2,791,994	804,950	3,241,841	7,454,793	1,509,981	3,126,226	9,173,274	2,759,691	-	45,563,881	-	-	300,000	-	15,068,914	60,932,795
Central Support Unit Allocations	11,016,300	52,639,011	5,528,921	20,418,400	23,003,115	41,561,163	9,700,687	29,548,760	25,499,592	16,873,301	14,948,918	250,738,167	-	12,411,401	-	-	(263,149,568)	-
Provost Participation Fee	5,347,625	28,632,349	1,170,844	8,596,520	13,174,693	14,578,072	4,064,189	16,061,077	12,728,049	8,499,511	3,818,734	116,671,661	(120,219,368)	3,547,708	-	-	-	-
Central Provost Funded Initiatives	-	-	-	-	-	-	-	-	-	-	-	-	31,297,752	-	-	-	-	31,297,752
Total Uses	45,735,706	196,826,819	29,900,160	54,973,311	94,393,017	150,797,048	30,890,808	111,158,965	95,946,561	121,204,563	44,608,456	976,435,413	(88,921,616)	73,872,178	71,285,244	767,465,216	170,866,515	1,971,002,950
Net from Operations - Before Transfers	1,171,583	4,200,967	(7,778,523)	706,653	(5,923,419)	(22,918,805)	(3,401,335)	1,106,479	(7,092,553)	(22,429,855)	(11,382,910)	(73,741,718)	88,921,616	(7,032,956)	18,217,015	(121,542)	(6,321,115)	19,921,301
Transfers (To)/From - General Transfers	(44,300)	(82,579)	-	(607,598)	49,293	90,068	-	(478,106)	95,000	145,766	4,600	(827,856)	-	1,396,841	5,644,456	-	(6,413,441)	(200,000)
Transfers (To)/From - University Construction	15,000	58,111	-	-	3,500	-	-	-	-	56,000	-	132,611	-	-	4,023,000	-	2,424,768	6,580,379
Net from Operations	1,200,883	4,225,435	(7,778,523)	1,314,251	(5,976,212)	(23,008,873)	(3,401,335)	1,584,585	(7,187,553)	(22,631,621)	(11,387,510)	(73,046,473)	88,921,616	(8,429,797)	8,549,559	(121,542)	(2,332,442)	13,540,922
Use of Non-E&G Reserves	371,863	35,641	3,673	-	226,965	806,252	8,087	425,650	12,577	1,675,593	2,553	3,568,854	-	-	-	121,542	5,252,532	8,942,928
Restricted Net Earnings	-	-	11,500	63,619	96,840	-	-	-	-	-	-	171,959	-	585	8,549,559	-	472,785	9,194,888
Unbudgeted Use of Net Earnings	1,572,746	4,261,076	-	1,250,632	-	-	-	2,010,235	-	-	-	9,094,689	-	1,746,967	-	-	2,447,305	13,288,961
Net Earnings After Non-E&G Reserve Cash	-	-	(7,786,350)	-	(5,846,087)	(22,202,621)	(3,393,248)	-	(7,174,976)	(20,956,028)	(11,384,957)	(78,744,267)	88,921,616	(10,177,349)	-	-	-	-
Provost Subvention Annual Allocations	-	-	7,786,350	-	5,846,087	22,202,621	3,393,248	-	7,174,976	20,956,028	11,384,957	78,744,267	(88,921,616)	10,177,349	-	-	-	-
Net Earnings After Subvention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Unaudited Financial Dashboard

June 2021

Cash Position			
Financial Indicator	June 2021	June 2020	Change from PY
Total Cash and Investments ¹	\$ 591,737,430	\$ 572,647,351	● 3%
¹ UCF's cash and investment book balances, including DSO funds held by the University. Balances do not include unrealized market gains.			
Working Capital Bank Balances			
Financial Indicator	June 2021	June 2020	Change from PY
BNY Mellon	\$ 351,618,714	\$ 313,407,364	● 12%
SPIA	\$ 304,326,639	\$ 219,138,660	● 39%
Bank of America ²	\$ 4,779,368	\$ 63,948,065	● -93%
² The Bank of America account is actively managed by UCF daily and the balance in this account will vary from month-to-month dependent on the timing of certain expenditures of the University.			
Sponsored Research			
Financial Indicator	FY 2021 ³	FY 2020 ³	Change from PY
New Proposals Submitted - Amount	\$ 1,096,927,581	\$ 902,728,820	● 22%
New Proposals Submitted - Count	1,688	1,830	● -8%
New Awards Received - Amount	\$ 202,904,439	\$ 188,707,746	● 8%
New Awards Received - Count	1,288	1,059	● 22%
Expenditures	\$ 188,610,670	\$ 152,354,411	● 24%
F&A Earned	\$ 27,023,675	\$ 22,140,941	● 22%
Active Awards	1,839	-	-
³ FY 2021 represents July 1, 2020 through June 15, 2021; FY 2020 represents July 1, 2019 through June 15, 2020.			
Gifts			
Financial Indicator	June 2021	June 2020	Change from PY
New Proposals Submitted - Amount ⁴	\$ 4,469,500	\$ 6,045,800	● -26%
New Proposals Submitted - Count ⁴	65	68	● -4%
Proposals Funded - Amount ⁵	\$ 2,905,526	\$ 764,656	● 280%
Proposals Funded - Count ⁵	65	50	● 30%
Pledges Receivable - Old ⁶	\$ 934,681	\$ 633,721	● 47%
Pledges Receivable - New ⁷	\$ 1,340,168	\$ 145,873	● 819%
New Unique Donors - Amount ⁸	\$ 1,648,852	\$ 275,389	● 499%
New Unique Donors - Count ⁸	1,515	1,767	● -14%

⁴Includes all proposals solicited at the \$1,000 level or above.

⁵Proposals funded includes all proposals solicited at the \$1,000 level or above that have been accepted/funded. Proposals may have been solicited in a prior fiscal year; report is based on the date that the proposal was funded by the donor. Total amount includes pledges, planned gifts, and outright cash gifts. Pledge write-off amounts are deducted from the total. Fiscal Year-end write-offs were processed in May and early June. Additional revenue not associated with proposals includes gifts-in-kind, Athletics tickets, gifts accepted by the ORC, and recurring gifts.

⁶Old pledges are pledges created in a previous Fiscal Year of the reporting month.

⁷New pledges are pledges created in the current Fiscal Year of the reporting month.

⁸Number of Unique New Donors and New Donors Amount are donors who had not donated prior to the reporting month. The \$40M Unrestricted Gift is not reported under New Donors because it was received through a Donor Advised Fund.

Unaudited Financial Dashboard

July 2021

Cash Position			
Financial Indicator	July 2021	July 2020	Change from PY
Total Cash and Investments ¹	\$ 613,999,197	\$ 566,443,388	8%

¹UCF's cash and investment book balances, including DSO funds held by the University. Balances do not include unrealized market gains.

Working Capital Bank Balances			
Financial Indicator	July 2021	July 2020	Change from PY
BNY Mellon	\$ 354,718,898	\$ 319,791,739	11%
SPIA	\$ 314,700,327	\$ 256,173,855	23%
Bank of America ²	\$ 1,382,504	\$ 11,025,477	-87%

²The Bank of America account is actively managed by UCF daily and the balance in this account will vary from month-to-month dependent on the timing of certain expenditures of the University.

Sponsored Research			
Financial Indicator	FY 2021 ³	FY 2020 ³	Change from PY
New Proposals Submitted - Amount	\$ 152,436,300	\$ 138,051,269	10%
New Proposals Submitted - Count	193	236	-18%
New Awards Received - Amount	\$ 20,163,781	\$ 17,470,189	15%
New Awards Received - Count	229	271	-15%
Expenditures	\$ 20,367,097	\$ 27,013,342	-25%
F&A Earned	\$ 5,481,376	\$ 2,708,456	102%
Active Awards	1,958	-	-

³FY 2022 represents July 1, 2021 through August 15, 2021; FY 2021 represents July 1, 2020 through August 15, 2020.

Gifts			
Financial Indicator	July 2021	July 2020	Change from PY
New Proposals Submitted - Amount ⁴	\$ 33,593,540	\$ 3,579,613	838%
New Proposals Submitted - Count ⁴	65	49	33%
Proposals Funded - Amount ⁵	\$ 1,104,371	\$ 932,996	18%
Proposals Funded - Count ⁵	39	27	44%
Pledges Receivable - Old ⁶	\$ 485,502	\$ 741,426	-35%
Pledges Receivable - New ⁷	\$ 101,660	\$ 4,683	2071%
New Unique Donors - Amount ⁸	\$ 517,044	\$ 152,177	240%
New Unique Donors - Count ⁸	715	551	30%

⁴Includes all proposals solicited at the \$1,000 level or above.

⁵Proposals funded includes all proposals solicited at the \$1,000 level or above that have been accepted/funded. Proposals may have been solicited in a prior fiscal year; report is based on the date that the proposal was funded by the donor. Total amount includes pledges, planned gifts, and outright cash gifts. Pledge write-off amounts are deducted from the total. Fiscal Year-end write-offs were processed in May and early June. Additional revenue not associated with proposals includes gifts-in-kind, Athletics tickets, gifts accepted by the ORC, and recurring gifts.

⁶Old pledges are pledges created in a previous Fiscal Year of the reporting month.

⁷New pledges are pledges created in the current Fiscal Year of the reporting month.

⁸Number of Unique New Donors and New Donors Amount are donors who had not donated prior to the reporting month. The \$40M Unrestricted Gift is not reported under New Donors because it was received through a Donor Advised Fund.



University of Central Florida
E&G Student Fees Trust Fund & UCF Online Consolidated
As of 6/30/2021

University Main & UCF Online - Excluding COM	As of 6/30/2021				As of 6/30/20	
	Collections Academic Year to Date	Budget	Excess/ (Deficit)	Actual as a % of Budget	PY Collections Academic Year to Date	Inc./ (Dec.)
Matriculation						
Matriculation - Summer 2020	\$ 38,894,907	\$ 33,398,745	\$ 5,496,162	116.46%	\$ 35,372,903	\$ 3,522,004
Matriculation - Fall 2020	90,122,396	89,181,687	940,709	101.05%	87,470,262	2,652,134
Matriculation - Spring 2021	86,330,326	82,421,445	3,908,881	104.74%	83,362,267	2,968,059
Matriculation Collected	215,347,629	205,001,877	10,345,752	105.05%	206,205,432	9,142,197
Differential Tuition						
Differential Tuition - Summer 2020	11,183,797	8,883,634	2,300,163	125.89%	9,898,398	1,285,399
Differential Tuition - Fall 2020	26,698,566	25,137,214	1,561,352	106.21%	25,461,532	1,237,034
Differential Tuition - Spring 2021	25,333,368	23,317,256	2,016,112	108.65%	24,258,829	1,074,539
Differential Tuition Collected	63,215,731	57,338,104	5,877,627	110.25%	59,618,759	3,596,972
Less: 30% Differential Tuition for need-based aid	(18,964,719)	(17,201,431)	(1,763,288)	110.25%	(17,885,628)	(1,079,092)
Available for allocation Budget Model - Workload	259,598,641	245,138,550	14,460,091	105.90%	247,938,563	11,660,077
Out of State Fees						
Out of State Fees - Summer 2020	11,169,951	8,299,376	2,870,575	134.59%	9,136,552	2,033,399
Out of State Fees - Fall 2020	30,617,311	28,737,950	1,879,361	106.54%	29,904,457	712,854
Out of State Fees - Spring 2021	28,647,996	26,864,309	1,783,687	106.64%	28,850,746	(202,750)
Out of State Fees Collected	70,435,258	63,901,635	6,533,623	110.22%	67,891,755	2,543,503
Waivers						
Undergraduate	(5,970,506)	(5,349,820)	(620,686)	111.60%	(4,811,013)	(1,159,493)
Undergraduate Scholarships	(910,781)	(2,158,500)	1,247,719	42.20%	(1,652,695)	741,914
Graduate	(5,506,066)	(5,881,922)	375,856	93.61%	(5,541,965)	35,899
Athletics	-	-	-	0.00%	-	-
Reserve	-	-	-	0.00%	-	-
Budgeted Waivers	(12,387,353)	(13,390,242)	1,002,889	92.51%	(12,005,673)	(381,680)
Mandated Waivers ¹	(17,275,748)	(18,683,322)	1,407,574	92.47%	(18,765,456)	1,489,708
Total Waivers	(29,663,101)	(32,073,564)	2,410,463	92.48%	(30,771,129)	1,108,028
Available for allocation Budget Model - Performance/Strategic	\$ 40,772,157	\$ 31,828,071	\$ 8,944,086	128.10%	\$ 37,120,626	\$ 3,651,531
Repeat Course Fees	2,274,424	1,600,000	674,424	142.15%	2,184,088	90,336
Late Registration	741,931	700,000	41,931	105.99%	1,302,779	(560,848)
Excess Hour Fees	4,469,176	4,000,000	469,176	111.73%	3,727,852	741,324
Add: 30% Differential Tuition for need-based aid	18,964,719	17,201,431	1,763,288	110.25%	17,885,628	1,079,092
Total Collections, Net of Waivers	326,821,048	300,468,052	26,352,995	108.77%	310,159,536	16,661,512
Professional Fees						
DPT Program Fee	\$ 846,407	\$ 840,000	\$ 6,407	100.76%	\$ 854,454	\$ (8,047)
FIEA Program Fee	1,367,841	1,481,464	(113,623)	92.33%	1,477,094	(109,253)
Professional Fees Collected	\$ 2,214,248	\$ 2,321,464	\$ (107,216)	95.38%	\$ 2,331,548	\$ (117,300)
Total Matriculation and Fees Collected	\$ 329,035,296	\$ 302,789,516	\$ 26,245,780	108.67%	\$ 312,491,084	\$ 16,544,212
Miscellaneous Revenues						
Application Fees	2,214,632	1,800,000	414,632	123.04%	2,178,698	35,934
Library Fines	14,963	51,000	(36,037)	29.34%	43,563	(28,600)
Miscellaneous	289,140	70,000	219,140	413.06%	193,502	95,638
Total Miscellaneous Revenues	2,518,735	1,921,000	597,735	131.12%	2,415,763	102,972
Total Net Revenue Collections	331,554,031	304,710,516	26,843,515	108.81%	314,906,847	16,647,184
Prior Year Excess	1,711,817	-	1,711,817	0.00%	8,512,999	(6,801,182)
Total Revenue & Prior Year Excess	\$ 333,265,848	\$ 304,710,516	\$ 28,555,332	109.37%	\$ 323,419,846	\$ 9,846,002
E&G Interest (non-student fee; dept 02010050)	4,915,927	3,000,000	1,915,927	163.86%	8,964,151	(4,048,225)
Total Interest	4,915,927	3,000,000	1,915,927	163.86%	8,964,151	(4,048,225)

Student Fee Report

E&G Student Fees Trust Fund & UCF Online Consolidated

As of 6/30/2021



University of Central Florida
MD E&G Student Fees Trust Fund
As of 6/30/2021

Student Fee Report

College of Medicine E&G Student Fees Trust Fund

As of 6/30/2021

College of Medicine

Matriculation

Matriculation Collected
Mandated Waivers

Matriculation Collected

Out of State Fees

Fees Collected
Mandated Waivers

Out of State Fees Collected

Total Matric and Out of State Fees

Miscellaneous Revenues

Application Fees
Interest on Investments

Total Miscellaneous Revenues

Total Net Revenue Collections

Prior Year Cash Carried Forward

Total Revenue & Prior Year Excess

Interest on Investments (non-student fees)
Total Interest

Collections Academic Year to Date	Budget	Excess/ (Deficit)	Actual as a % of Budget
\$ 12,237,440	\$ 12,465,001	\$ (227,561)	98.17%
-	-	-	0.00%
12,237,440	12,465,001	(227,561)	98.17%
3,489,855	3,173,656	316,199	109.96%
(89,579)	-	(89,579)	0.00%
3,400,276	3,173,656	226,620	107.14%
15,637,716	15,638,657	(941)	99.99%
79,500	70,000	9,500	113.57%
-	-	-	0.00%
79,500	70,000	9,500	113.57%
\$ 15,717,216	\$ 15,708,657	\$ 8,559	100.05%
982,012	-	-	
\$ 16,699,228	\$ 15,708,657	\$ 8,559	106.31%

266,372

300,000

(33,628)

-11.21%



Student Fee Report

E&G Student Fees Trust Fund

As of 6/30/2021

University - Excluding COM

Matriculation

Matriculation - Summer 2020	\$ 35,437,687	\$ 30,430,197	\$ 5,007,490	116.46%	\$ 32,580,658	\$ 2,857,029
Matriculation - Fall 2020	83,310,283	82,248,534	1,061,749	101.29%	81,942,021	1,368,262
Matriculation - Spring 2021	79,444,684	76,458,425	2,986,259	103.91%	77,755,016	1,689,668
Matriculation Collected	198,192,654	189,137,156	9,055,498	104.79%	192,277,695	5,914,959

Differential Tuition

Differential Tuition - Summer 2020	10,436,769	8,297,758	2,139,011	125.78%	9,255,483	1,181,286
Differential Tuition - Fall 2020	25,354,030	23,828,193	1,525,837	106.40%	24,339,831	1,014,199
Differential Tuition - Spring 2021	23,965,627	22,141,435	1,824,192	108.24%	23,122,609	843,018
Differential Tuition Collected	59,756,426	54,267,387	5,489,039	110.11%	56,717,923	3,038,503

Less: 30% Differential Tuition for need-based aid

Available for allocation Budget Model - Workload

240,022,152 227,124,327 12,897,826 105.68% 231,980,241 8,041,911

Out of State Fees

Out of State Fees - Summer 2020	10,255,064	8,016,256	2,238,808	127.93%	8,916,204	1,338,860
Out of State Fees - Fall 2020	28,875,978	28,080,407	795,571	102.83%	29,297,526	(421,548)
Out of State Fees - Spring 2021	27,022,792	26,295,525	727,267	102.77%	27,452,461	(429,669)
Out of State Fees Collected	66,153,834	62,392,188	3,761,646	106.03%	65,666,191	487,643

Waivers

Undergraduate	(5,941,807)	(5,349,820)	(591,987)	111.07%	(4,775,450)	(1,166,357)
Undergraduate Scholarships	(910,781)	(2,158,500)	1,247,719	42.20%	(1,652,695)	741,914
Graduate	(5,506,066)	(5,881,922)	375,856	93.61%	(5,541,965)	35,899
Athletics	-	-	-	0.00%	-	-
Reserve	-	-	-	0.00%	-	-
Budgeted Waivers	(12,358,654)	(13,390,242)	1,031,588	92.30%	(11,970,110)	(388,544)
Mandatory Waivers	(14,969,374)	(17,601,788)	2,632,414	85.04%	(17,842,408)	2,873,034
Total Waivers	(27,328,028)	(30,992,030)	3,664,002	88.18%	(29,812,518)	2,484,490

Available for allocation Budget Model - Performance/Strategic

\$ 38,825,806 \$ 31,400,158 \$ 7,425,648 123.65% \$ 35,853,673 \$ 2,972,133

Repeat Course Fees	2,274,424	1,600,000	674,424	142.15%	2,184,088	90,336
Late Registration	741,931	700,000	41,931	105.99%	1,302,779	(560,848)
Excess Hour Fees	4,469,176	4,000,000	469,176	111.73%	3,727,852	741,324
Add: 30% Differential Tuition for need-based aid	17,926,928	16,280,216	1,646,712	110.11%	17,015,377	911,551
Total Collections, Net of Waivers	304,260,417	281,104,701	23,155,716	108.24%	292,064,010	12,196,407

Professional Fees

DPT Program Fee	\$ 846,407	\$ 840,000	\$ 6,407	100.76%	\$ 854,454	\$ (8,047)
FIEA Program Fee	1,367,841	1,481,464	(113,623)	92.33%	1,477,094	(109,253)

Professional Fees Collected

\$ 2,214,248 \$ 2,321,464 \$ (107,216) 95.38% \$ 2,331,548 \$ (117,300)

Total Matriculation and Fees Collected

\$ 306,474,665 \$ 283,426,165 \$ 23,048,500 108.13% \$ 294,395,558 \$ 12,079,107

Miscellaneous Revenues

Application Fees	2,214,632	1,800,000	414,632	123.04%	2,178,698	35,934
Library Fines	14,963	51,000	(36,037)	29.34%	43,563	(28,600)
Miscellaneous	287,142	70,000	217,142	410.20%	193,406	93,736

Total Miscellaneous Revenues

2,516,737 1,921,000 595,737 131.01% 2,415,667 101,070

Total Net Revenue Collections

308,991,402 285,347,165 23,644,237 108.29% 296,811,225 12,180,177

Prior Year Excess

1,593,595 - 1,593,595 0.00% 8,859,767 (7,266,172)

Total Revenue & Prior Year Excess

\$ 310,584,997 \$ 285,347,165 \$ 25,237,832 108.84% \$ 305,670,992 \$ 4,914,005

E&G Interest (non-student fee; dept 02010050)

Total Interest 4,915,927 3,000,000 1,915,927 163.86% 8,964,151 (4,048,225)



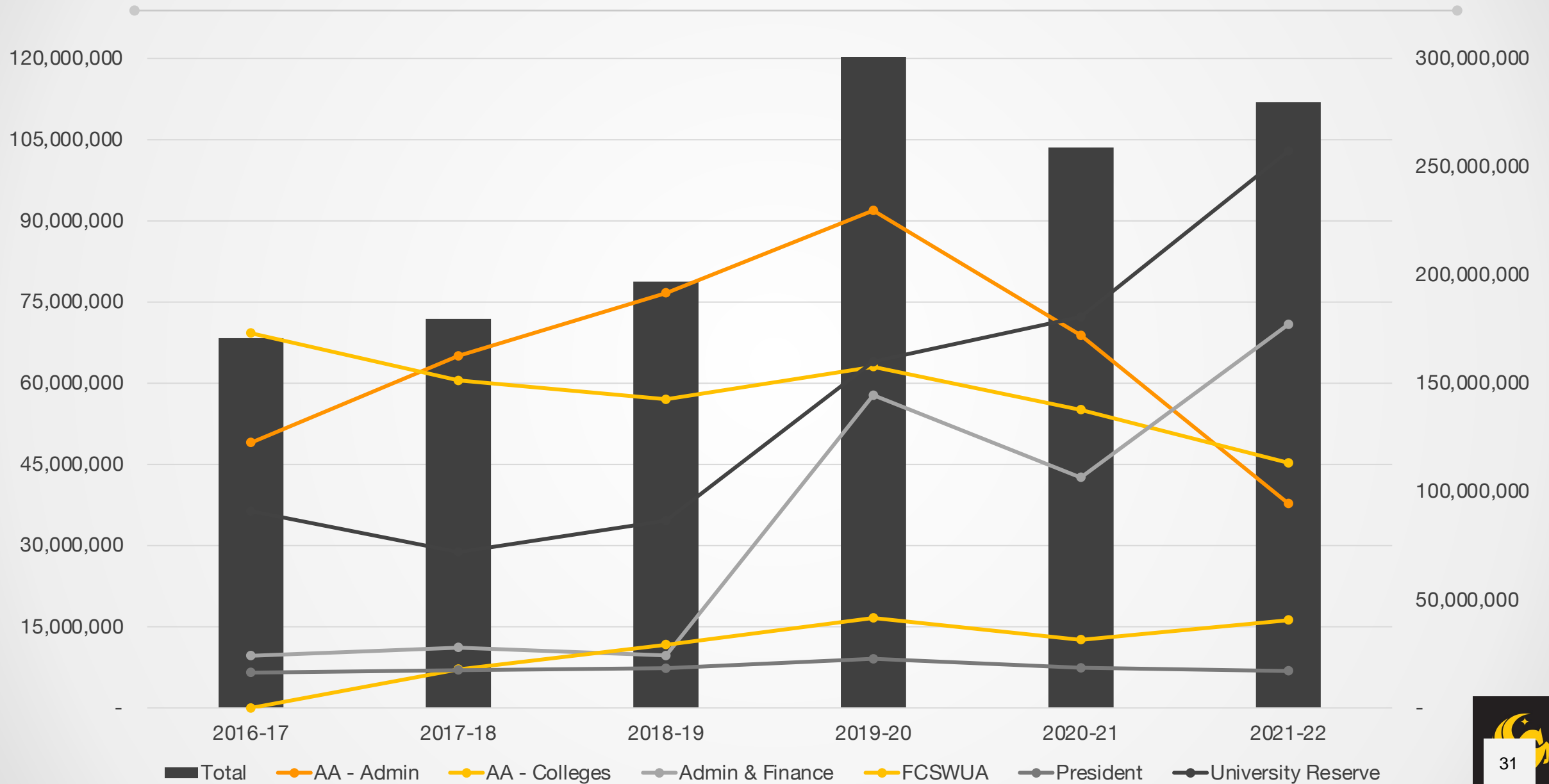
Student Fee Report

E&G Student Fees UCF Online

As of 6/30/2021

	As of 6/30/2021				As of 6/30/20	
	Collections Academic Year to Date	Budget	Excess/ (Deficit)	Actual as a % of Budget	PY Collections Academic Year to Date	Inc./ (Dec.)
Matriculation						
Matriculation - Summer 2020	\$ 3,457,220	\$ 2,968,548	\$ 488,672	116.46%	\$ 2,792,245	\$ 664,975
Matriculation - Fall 2020	6,812,113	6,933,153	(121,040)	98.25%	5,528,241	1,283,872
Matriculation - Spring 2021	6,885,642	5,963,020	922,622	115.47%	5,607,251	1,278,391
Matriculation Collected	17,154,975	15,864,721	1,290,254	108.13%	13,927,737	3,227,238
Differential Tuition						
Differential Tuition - Summer 2020	747,028	585,876	161,152	127.51%	642,915	104,113
Differential Tuition - Fall 2020	1,344,536	1,309,021	35,515	102.71%	1,121,701	222,835
Differential Tuition - Spring 2021	1,367,741	1,175,821	191,920	116.32%	1,136,220	231,521
Differential Tuition Collected	3,459,305	3,070,717	388,588	112.65%	2,900,836	558,469
Less: 30% Differential Tuition for need-based aid	(1,037,792)	(921,215)	(116,576)	112.65%	(870,251)	(167,541)
Available for allocation Budget Model - Workload	19,576,489	18,014,224	1,562,265	108.67%	15,958,322	3,618,166
Out of State Fees						
Out of State Fees - Summer 2020	914,887	283,120	631,767	323.14%	220,348	694,539
Out of State Fees - Fall 2020	1,741,333	657,543	1,083,790	264.82%	606,931	1,134,402
Out of State Fees - Spring 2021	1,625,204	568,784	1,056,420	285.73%	1,398,285	226,919
Out of State Fees Collected	4,281,424	1,509,447	2,771,977	283.64%	2,225,564	2,055,860
Waivers						
Undergraduate	(28,699)	-	(28,699)	0.00%	(35,564)	6,864
Undergraduate Scholarships	-	-	-	0.00%	-	-
Graduate	-	-	-	0.00%	-	-
Athletics	-	-	-	0.00%	-	-
Reserve	-	-	-	0.00%	-	-
Budgeted Waivers	(28,699)	-	(28,699)	0.00%	(35,564)	6,864
Mandated Waivers	(2,306,374)	(1,081,534)	(1,224,840)	213.25%	(923,048)	(1,383,326)
Total Waivers	(2,335,073)	(1,081,534)	(1,253,539)	215.90%	(958,612)	(1,376,462)
Available for allocation Budget Model - Performance/Strategic	\$ 1,946,351	\$ 427,913	\$ 1,518,438	454.85%	\$ 1,266,952	\$ 679,398
Repeat Course Fees	-	-	-	0.00%	-	-
Late Registration	-	-	-	0.00%	-	-
Excess Hour Fees	-	-	-	0.00%	-	-
Add: 30% Differential Tuition for need-based aid	1,037,792	921,215	116,576	112.65%	870,251	167,541
Total Collections, Net of Waivers	22,560,631	19,363,351	3,197,279	116.51%	18,095,525	4,465,105
Professional Fees						
DPT Program Fee	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -
FIEA Program Fee	-	-	-	0.00%	-	-
Professional Fees Collected	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -
Total Matriculation and Fees Collected	\$ 22,560,631	\$ 19,363,351	\$ 3,197,279	116.51%	\$ 18,095,525	\$ 4,465,105
Miscellaneous Revenues						
Application Fees	-	-	-	0.00%	-	-
Library Fines	-	-	-	0.00%	-	-
Miscellaneous	1,998	-	1,998	0.00%	96	1,902
Total Miscellaneous Revenues	1,998	-	1,998	0.00%	96	1,902
Total Net Revenue Collections	22,562,629	19,363,351	3,199,277	116.52%	18,095,621	4,467,007
Prior Year Excess	118,222	-	118,222	0.00%	(346,768)	464,989
Total Revenue & Prior Year Excess	\$ 22,680,850	\$ 19,363,351	\$ 3,317,499	117.13%	\$ 17,748,854	\$ 4,931,996

UCF E&G Reserves – Five-Year History



Board of Trustees
Budget and Finance Committee | September 22, 2021

BUDC-1: 2021-22 Carryforward Spending Plan

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: September 23, 2021

Purpose and Issues to be Considered:

Review and take action on the proposed 2021-2022 Education and General (E&G) Carryforward Spending Plan (the Plan) (Attachment C).

Background Information:

Pursuant to Florida Statute 1011.45(2), each university that retains a state operating fund carryforward balance in excess of the 7 percent minimum shall submit a Carryforward Spending Plan to the Board of Governors (BOG). The Plan must be approved by the universities' board of trustees on or before September 30, 2021.

The BOG defines *Carryforward* as the accumulation of unexpended fund balances from all prior-period E&G appropriations. The Plan has been prepared in accordance with BOG Regulation 9.007, *State University Operating Budgets*, (Attachment B). The regulation restricts the use of carryforward funds to non-recurring expenditures only, this does include planned expenditures for capital projects. Approved capital projects must not exceed \$5 million per project for a renovation or \$10 million for completion of a remodel.

The BOG requires universities to obtain written certification of the of the Plan signed by the President, Chief Financial Officer, and Board of Trustees Chair (Attachment D).

Recommended Action:

Committee to recommend to the Board of Trustees approval of the 2021-22 E&G Carryforward Spending Plan as presented in Attachment C.

Alternatives to Decision:

1. Not approve the 2021-22 E&G Carryforward Spending Plan
2. Recommend revisions to the 2021-22 Plan

Fiscal Impact and Source of Funding:

The university's carryforward balance, net of 7% statutory reserve and encumbrances, as of June 30, 2021 was \$195 million. The Plan for use of these funds was the result of collaboration with each college or division and reviewed by the Provost and CFO for alignment with university's strategic goals, and is summarized by BOG defined category below:

BOG Category	Plan \$'s (In millions)	% of Plan Total
Restricted by Appropriation	\$5.5	2.83%
Compliance, Audit, and Security	\$1.3	0.66%
Academic and Student Affairs	\$83.7	42.87%
Facilities, Infrastructure, and IT	\$57.8	29.57%
Other BOT Approved Operating Requirements	\$47.0	24.07%
Total Plan	\$195.3	100.00%

And by College/Division:

Arts & Humanities	\$1.4	0.69%
Business Administration	\$1.6	0.82%
Community Innovation & Education	\$2.9	1.51%
Eng. & Computer Sciences	\$8.3	4.23%
Health Professions & Sciences	\$0.9	0.45%
Medicine	\$10.3	5.27%
Nursing	\$0.5	0.25%
Optics & Photonics	\$1.2	0.60%
Rosen - Hospitality	\$0.2	0.11%
Sciences	\$6.8	3.49%
Division of the President	\$6.5	3.32%
Division of Administration & Finance	\$25.9	13.28%
Division of Academic Affairs	\$30.0	15.38%
Knight Vision	\$29.6	15.15%
Florida Center for Students with Unique Abilities (FCSUA)	\$15.5	7.94%
President's Strategic Fund – Academic Excellence Fund	\$15.0	2.56%
President's Strategic Fund – Jump Start Fund	\$5.0	7.68%
University non-recurring reserve	\$33.7	17.25%
Total	\$195.3	100.00%

Highlights from the proposed plan include \$31 million for faculty startup funding (60 percent of which is contractually obligated), \$30 million related to the on-going Enterprise Management implementation project, \$26 million for student financial aid and scholarship support, \$22 million for the President's Strategic Fund, \$17 million for capital projects as detailed on the related Fixed Capital Outlay Budget, \$15 million specifically appropriated for the Florida Center for Students with Unique Abilities, and \$9 million for previously approved BRIDG funding.

Authority for Board of Trustees Action:

Florida Statutes s. 1011.45 and Board of Governors Regulation 9.007 require universities to obtain approval of annual E&G carryforward expenditure plans by their Board of Trustees and the Board of Governors.

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

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

**Submitted by:**

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: Board of Governors Submission Requirements Memo

Attachment B: BOG Regulation 9.007, State University Operating Budgets and Requests

Attachment C: 2021-22 University Carryforward Spending Plan

Attachment D: Certification of Operating Budget, E&G Carryforward Spending Plan, and Fixed Capital Outlay Budget

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance



MEMORANDUM

DATE: July 6, 2021

TO: Institutional Data Administrators

FROM: Tim Jones, Vice Chancellor for Finance & Administration

THROUGH: Jason Jones, Chief Data Officer

SUBJECT: Submission Requirements for the 2021-2022 E&G Carryforward Spending Plan, Fixed Capital Outlay Budget, and Related Certification

DUE DATE: **October 1, 2021**

Pursuant to Florida Statute 1011.45(2), each university that retains a state operating fund carryforward balance in excess of the 7 percent minimum shall submit a Carryforward Spending Plan to the Board of Governors. The Carryforward Spending Plan must have been approved by the universities' board of trustees on or before September 30, 2020. In addition, Board of Governors Regulation 14.003 requires each university to prepare and submit an annual Fixed Capital Outlay (FCO) budget approved by the university board of trustees. Guidelines for these submissions are provided in Board Regulations 9.007 and 14.003. Approved uses of carryforward for COVID-19 can be found in the Chancellor's COVID-19 guidance letter, which is located on the Board of Governors website here: https://www.flbog.edu/wp-content/uploads/Carryforward-Guidance-on-COVID-19-Expenses-6_11_20.pdf

The dates are as follows:

- University E&G Carryforward Spending Plans (Regulation 9.007) – due date **October 1, 2021**
 - Submission via SUS Data Request System (templates provided and available via the SUS Data Request System)
- University Fixed Capital Outlay Budget (Regulation 14.003) – due date **October 1, 2021**
 - Submission via the SUS Data Request System (templates provided and available via the SUS Data Request System)
- Certification Document for University Operating, Carryforward Spending Plan and Fixed Capital Outlay budgets – due date **October 1, 2021**
 - Certification template provided by Board of Governors' Office of Finance and Administration and available via the SUS Data Request System
 - This certification may be used to comply with Florida Statute 1011.45 which requires the CFO to certify unexpended funds by September 30

The Carryforward Spending Plan and Fixed Capital Outlay Budget will be considered at the November Board of Governors meeting.

Please submit all completed forms to the Data Request System at <https://prod.flbog.net:4445/pls/apex/f?p=760>.

Questions regarding the fixed capital outlay budget reporting requirements should be directed to Mr. Kevin Pichard, Director of Finance and Facilities at 850-245-0059 or Kevin.Pichard@flbog.edu.

Questions regarding the carryforward spending plan reporting requirements should be directed to Mr. Dale Bradley, Director, University Budgets at 850-294-9392 or dale.bradley@flbog.edu or Chrissy Rojas, Budget Analyst, University Budgets at 850-246-0680 or Chrissy.Rojas@flbog.edu.

Thank you.

C:
SUS Council of Administrative & Financial Affairs (CAFA)
SUS Council of Academic Vice Presidents (CAVP)
SUS Budget Directors
Facilities Planners
University Trustee Liaisons

Jason Jones
Chief Data Officer
Board of Governors
State University System of Florida

9.007 State University Operating Budgets and Requests

(1) Each university president shall prepare an operating budget, including an Education & General (E&G) Carryforward Spending Plan, for approval by the university board of trustees in accordance with instructions, guidelines and standard formats provided by the Board of Governors.

(2) Each university board of trustees shall adopt an operating budget, including an E&G Carryforward Spending Plan, for the general operation of the university as prescribed by the regulations of the Board of Governors. The university board of trustees-ratified operating budget and E&G Carryforward Spending Plan must be presented to the Board of Governors for approval by a date established by the Chancellor. Each university president shall implement the operating budget and E&G Carryforward Spending Plan of the university as prescribed by Florida Statutes, regulations of the Board of Governors, policies of the university board of trustees, provisions of the General Appropriations Act, and data reflected within the State University System Allocation Summary and Workpapers publication.

(3) The operating budgets of each state university shall consist of the following budget entities:

(a) Education and General (E&G)– reports actual and estimated fiscal year operating revenues and expenditures for all E&G funds, including: General Revenue, Student and Other Fees Trust Fund, Educational Enhancement Trust Fund (Lottery), Phosphate Research Trust Fund, – and including the following previously-appropriated trust funds: Experiment Station Federal Grant, Experiment Station Incidental, Extension Service Federal Grant, Extension Service Incidental, UF-HSC Incidental, and UF-Health Science Center Operations and Maintenance. In addition, expenditures from university E&G carryforward funds (unexpended balances from all prior-period E&G appropriations) shall be included in the actual history fiscal year reporting. University budgeted E&G carryforward funds shall be reported in the E&G Carryforward Spending Plan Report.

1. Otherwise by law, E&G funds are to be used for E&G activities only, such as, but not limited to, general instruction, research, public service, plant operations and maintenance as defined in Board of Governors guidelines, furniture, fixtures, and equipment, student services, libraries, administrative support, minor capital projects not to exceed \$1 million per individual project, and other enrollment-related and stand-alone operations of the universities.

2. Universities shall accumulate ending E&G fund balances for activities such as those outlined in section 3(a)(4). The ending E&G carryforward balances can only be used for nonrecurring expenditures. At any time the unencumbered available balance in the E&G fund of the university board of trustees approved operating budget falls below seven (7) percent of the approved total, the university shall provide a written notification and plan to the Board of Governors to attain a seven (7) percent balance of state operating funds within the next fiscal year.
3. Each university that retains a state operating fund carryforward balance in excess of the seven (7) percent minimum shall submit an E&G Carryforward Spending Plan for its excess carry forward balance. The Carryforward Spending Plan shall be submitted to the university's board of trustees for review, approval, or if necessary, amendment by September 30, 2020, and each September 30 thereafter. The Board of Governors shall review, approve, and amend, if necessary, each university's E&G Carryforward Spending Plan by November 15, 2020, and each November 15 thereafter.
4. A university's E&G Carryforward Spending Plan shall include the estimated cost per planned expenditure and a projected timeline for completion of the expenditure. Authorized expenditures in an E&G Carryforward Spending Plan may include:
 - a. Commitment of funds to a public education capital outlay project for which an appropriation has previously been provided that requires additional funds for completion and which is included in the list required by section 1001.706(12)(d);
 - b. Completion of a renovation, repair, or maintenance project (as defined in Board Regulation 14.001) that is consistent with the provisions of section 1013.64(1), up to \$5 million per project and replacement of a minor facility that does not exceed 10,000 gross square feet in size up to \$2 million;
 - c. Completion of a remodeling or infrastructure project (as defined in Board Regulation 14.001), including a project for a developmental research school, up to \$10 million per project, if such project is survey recommended pursuant to section 1013.31;
 - d. Completion of a repair or replacement project necessary due to damage caused by a natural disaster for buildings included in the inventory required pursuant to section 1013.31;
 - e. Operating expenditures that support the university mission and that are nonrecurring;
 - f. Any purpose specified by the university board of trustees or in the General Appropriations Act; and

- g. A commitment of funds to a contingency reserve for expenses incurred as a result of a state of emergency declared by the Governor pursuant to s. 252.36.
 - 5. Annually, by September 30, the chief financial officer of each university shall certify the unexpended amount of funds appropriated to the university from the General Revenue Fund, the Educational Enhancement Trust Fund, and the Student and Other Fees Trust Fund as of June 30 of the previous fiscal year.
 - 6. A University may spend the minimum carry forward balance of seven (7) percent if a demonstrated emergency exists and the plan is approved by the university's board of trustees and the Board of Governors.
 - 7 Expenditures from any source of funds by any university shall not exceed the funds available. No expenditure of funds, contract, or agreement of any nature shall be made that requires additional appropriation of state funds by the Legislature unless specifically authorized in advance by law or the General Appropriations Act.
 - 8. The following units are required to report under this budget entity:
 - State Universities
 - UF - Institute of Food and Agricultural Sciences
 - UF Health Science Center
 - USF Medical Center
 - FSU Medical School
 - UCF Medical School
 - FIU Medical School
 - FAU Medical School
 - FAMU-FSU College of Engineering
 - Florida Postsecondary Comprehensive Transition Program (UCF)
- (b) Contracts and Grants – reports actual and estimated year revenues, expenditures, and positions for university functions which are supported by foundations, various state and federal agencies, local units of governments, businesses, and industries. Universities shall comply with all applicable federal, state, local, and university regulations and guidelines as they relate to grants, contracts, and sponsored research programs.
- (c) Auxiliary Enterprises – reports actual and estimated year revenues, expenditures, and positions for self-supporting functions such as, but not limited to, parking services, housing, bookstore operations, and food services.

(d) Local Funds – reports actual and estimated year revenues, expenditures, and positions for the following specific areas:

1. Student Activities – revenues generated primarily from the activity and service fee each university is authorized to charge its students as a component of the mandatory fee schedule. Activities commonly supported by these revenues include student government, cultural events, student organizations, and intramural/club events.
2. Intercollegiate Athletics – revenues generated from the student athletic fee that each university is authorized to collect as a component of the mandatory fee schedule, and from other sources including ticket sales, radio/TV, bowl games, and tournament revenues.
3. Concession Fund – revenues generated from various vending activities located around the campuses. The university's budget must reflect the various departments/activities on each campus which benefit from receipt of these funds.
4. Student Financial Aid – revenues received by the university for loans, grants, scholarships, and other student financial aid. Expenditures of these funds must be reported by activities such as externally-funded loans, student scholarships, need-based financial aid, academic-based financial aid, and athletic grants/scholarships.
5. Technology Fee – revenues generated from the technology fee that a university is authorized to charge its students as a component of the mandatory fee schedule. Proceeds from this fee shall be used to enhance instructional technology resources for students and faculty.
6. Board-Approved Fees – student fees presented to the Board of Governors for approval by a university board of trustees that is intended to address a student need not currently being met through existing university services, operations, or another fee.
7. Self-Insurance Programs – revenues received by the university from entities and individuals protected by the self-insurance programs. This budget must reflect expenditures related to the administration of the self-insurance programs and the judgments or claims arising out of activities for which the self-insurance program was created.

(e) Faculty Practice Plan – related to the activities for the state universities' medical schools and health centers. This budget must be designed to report the monetary level of clinical activity regarding the training of students, post-graduate health professionals, and medical faculty.

(4) The operating budgets of each university shall represent the following:

- (a) The university's plan for utilizing the resources available through direct or continuing appropriations by the Legislature, allocation amendments, or from local sources including student tuition and fees. The provisions of

- the General Appropriations Act and the State University System Allocation Summary and Workpapers publication will be taken into consideration in the development and preparation of the E&G data.
- (b) Actual prior-year revenues, expenditures (including E&G carryforward amounts expended), and positions, as well as current-year estimated revenues, expenditures, and positions. University E&G carryforward funds shall be budgeted in the E&G Carryforward Spending Plan.
 - (c) Assurance that the universities are in compliance with general legislative intent for expenditure of the appropriated state funds and with the Board of Governors' regulations, guidelines and priorities for all funding sources

(5) Any earnings (interest, investment, or other) resulting from the investment of current-year E&G appropriations are considered to be of the same nature as the original appropriations, and are subject to the same expenditure regulations as the original appropriations. E&G earnings are not to be utilized for non-E&G related activities or for fixed capital outlay activities except as provided by law. Earnings resulting from invested E&G carryforward funds are considered to be additions to the university's E&G carryforward balance and shall be expended in accordance with section (3)(a) of this regulation.

Anticipated earnings for the estimated year from invested E&G funds should not be included when building the detailed operating budget schedules. Estimated-year E&G earnings and planned expenditures of these funds should only be reported on the manually-prepared E&G Schedule I and Summary Schedule I reports.

(6) Any unexpended E&G appropriation carried forward to the fund balance in a new fiscal year shall be utilized in support of nonrecurring E&G activities only unless otherwise provided by law.

(7) E&G non-recurring is defined as an expenditure that is not expected to be needed or available after a point in time. Non-recurring expenditures have distinct elements:

- (a) Time limited in nature, where an end date to a given contract or activity is known,
- (b) There is no promise or guarantee of future funding,
- (c) May cross multiple years, but the above two provisions apply,
- (d) May address financial challenges resulting from external factors (examples could include, but are not limited to, federal government shutdown, drop in state revenue resulting in a mid-year reduction)

(8) Any amendments to the approved E&G Carryforward Spending Plan during the fiscal year shall be reported to the Board of Governors for a time period and in a format as prescribed by the Chancellor.

(9) Each university board of trustees may submit to the Chancellor's Office annually a Legislative Budget Request for operations. Such requests shall be made in accordance with the fiscal policy guidelines, formats, instructions, and schedule provided by the Chancellor.

Authority: Section 7(d), Art. IX, Fla. Const., History: New 12-6-07, Amended 11-21-13, 9-22-16, 10-30-19, 9-16-20

Attachment C

University of Central Florida
Education and General
Carryforward Spending Plan Summary
Approved by University Board of Trustees
Balances and Spending Plans as of July 1, 2021

					Grand Total :	
	University E&G	FCSWUA	UCF College of Medicine	University Summary		
A. Beginning E&G Carryforward Balance - July 1, 2021 :						
Cash	\$ 276,325,074	\$ 11,559,365	\$ 16,531,286	\$ 304,415,725		
Investments	\$ -	\$ -	\$ -	\$ -		
Accounts Receivable	\$ 15,638,659	\$ 4,674,127	\$ 173,000	\$ 20,485,786		
Less: Accounts Payable	\$ 6,694,089	\$ -	\$ 534,634	\$ 7,228,723		
Less: Deferred Student Tuition & Fees	\$ 36,983,517	\$ -	\$ 837,925	\$ 37,821,442		
B. Beginning E&G Carryforward Balance (Net of Payables/Receivables/Deferred Fees) :	\$ 248,286,127	\$ 16,233,492	\$ 15,331,727	\$ 279,851,346		
C. Fiscal Year 2020-2021 E&G Carryforward Encumbrances Brought Forward	\$ 32,252,252	\$ 90,432	\$ 2,482,694	\$ 34,825,378		
D. 7% Statutory Reserve Requirement (1011.45(1) F.S.):	\$ 45,809,291	\$ 628,920	\$ 3,297,432	\$ 49,735,643		
E. E&G Carryforward Balance Less 7% Statutory Reserve Requirement (Amount Requiring Approved Spending Plan):	\$ 170,224,584	\$ 15,514,140	\$ 9,551,601	\$ 195,290,325		
F. *Restricted / Contractual Obligations						
Restricted by Appropriations	\$ 1,936,092	\$ 3,504,156	\$ 80,000	\$ 5,520,248		
University Board of Trustees Reserve Requirement	\$ -	\$ -	\$ -	\$ -		
Restricted by Contractual Obligations :						
Compliance, Audit, and Security						
Compliance Program Enhancements	\$ 35,648	\$ -	\$ -	\$ 35,648		
Audit Program Enhancements	\$ -	\$ -	\$ -	\$ -		
Campus Security and Safety Enhancements	\$ -	\$ -	\$ -	\$ -		
Academic and Student Affairs						
Student Services, Enrollment, and Retention Efforts	\$ 648,736	\$ -	\$ -	\$ 648,736		
Student Financial Aid	\$ 261,374	\$ 12,009,984	\$ -	\$ 12,271,358		
Faculty/Staff, Instructional and Advising Support and Start-up Funding	\$ 17,090,146	\$ -	\$ 4,350,570	\$ 21,440,716		
Faculty Research and Public Service Support and Start-Up Funding	\$ 2,992,569	\$ -	\$ 705,177	\$ 3,697,746		
Library Resources	\$ -	\$ -	\$ -	\$ -		
Facilities, Infrastructure, and Information Technology						
Utilities	\$ -	\$ -	\$ -	\$ -		
Information Technology (ERP, Equipment, etc.)	\$ 13,898,520	\$ -	\$ -	\$ 13,898,520		
Minor Carryforward Fixed Capital Outlay Projects (Board of Governors Regulation 14.003(2))	\$ 1,104,739	\$ -	\$ -	\$ 1,104,739		
Major Carryforward Fixed Capital Outlay Projects (Board of Governors Regulation 14.003(2))	\$ 1,229,970	\$ -	\$ -	\$ 1,229,970		
Other UBOT Approved Operating Requirements						
Coronavirus/COVID-19 Related Expenditures (Should agree with restricted column total on "Details - Covid-19" tab)	\$ -	\$ -	\$ -	\$ -		
Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	\$ 11,688,100	\$ -	\$ -	\$ 11,688,100		
Contingencies for a State of Emergency Declared by the Governor (SB 72)	\$ -	\$ -	\$ -	\$ -		
Operating Restricted : (Should agree with restricted column totals on "Details-Operating" tab)	\$ 48,551,185	\$ 15,514,140	\$ 5,135,747	\$ 69,201,072		
FCO Restricted : (Should agree with restricted column totals on "Details-Fixed Capital Outlay" tab)	\$ 2,334,709	\$ -	\$ -	\$ 2,334,709		
Coronavirus/COVID-19 Restricted: (Should agree with restricted column totals on "Details - COVID-19" tab)	\$ -	\$ -	\$ -	\$ -		
Grand Total Restricted / Contractual Funds :	\$ 50,885,894	\$ 15,514,140	\$ 5,135,747	\$ 71,535,781		
G. *Commitments						
Compliance, Audit, and Security						
Compliance Program Enhancements	\$ -	\$ -	\$ -	\$ -		
Audit Program Enhancements	\$ 111,796	\$ -	\$ -	\$ 111,796		
Campus Security and Safety Enhancements	\$ 1,140,500	\$ -	\$ -	\$ 1,140,500		
Academic and Student Affairs						
Student Services, Enrollment, and Retention Efforts	\$ 2,464,610	\$ -	\$ -	\$ 2,464,610		
Student Financial Aid	\$ 13,535,174	\$ -	\$ -	\$ 13,535,174		
Faculty/Staff, Instructional and Advising Support and Start-up Funding	\$ 15,647,535	\$ -	\$ 133,757	\$ 15,781,292		
Faculty Research and Public Service Support and Start-Up Funding	\$ 9,470,298	\$ -	\$ 4,152,848	\$ 13,623,146		
Library Resources	\$ 256,760	\$ -	\$ -	\$ 256,760		
Facilities, Infrastructure, and Information Technology						
Utilities	\$ -	\$ -	\$ -	\$ -		
Information Technology (ERP, Equipment, etc.)	\$ 16,847,624	\$ -	\$ 100,000	\$ 16,947,624		
Minor Carryforward Fixed Capital Outlay Projects (Board of Governors Regulation 14.003(2))	\$ 1,727,238	\$ -	\$ -	\$ 1,727,238		
Major Carryforward Fixed Capital Outlay Projects (Board of Governors Regulation 14.003(2))	\$ 12,838,233	\$ -	\$ -	\$ 12,838,233		
Other UBOT Approved Operating Requirements						
Coronavirus/COVID-19 Related Expenditures (Should agree with committed column total on "Details - Covid-19" tab)	\$ 3,500	\$ -	\$ -	\$ 3,500		
Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	\$ 45,295,422	\$ -	\$ 29,249	\$ 45,324,671		
Contingencies for a State of Emergency Declared by the Governor (SB 72)	\$ -	\$ -	\$ -	\$ -		
Operating Commitments : (Should agree with committed column total on "Details-Operating" tab)	\$ 104,769,719	\$ -	\$ 4,415,854	\$ 109,185,573		
FCO Commitments : (Should agree with committed column total on "Details-Fixed Capital Outlay" tab)	\$ 14,565,471	\$ -	\$ -	\$ 14,565,471		
Coronavirus/COVID-19 Commitments: (Should agree with committed column totals on "Details - COVID-19" tab)	\$ 3,500	\$ -	\$ -	\$ 3,500		
Grand Total Commitments :	\$ 119,338,690	\$ -	\$ 4,415,854	\$ 123,754,544		
H. Available E&G Carryforward Balance as of July 1, 2021:						
	\$ -	\$ -	\$ -	\$ -		

* Please provide supplemental detailed descriptions for these multiple-item categories in sections E, F, and G for operating, fixed capital outlay, and COVID-19 spending plans using Board of Governors templates provided (use worksheet tabs for "Details" included with this file).

Notes :

- Florida Polytechnic University amounts include the Phosphate Research Trust Fund.
- 2019 Senate Bill 190 amended 1011.45 F.S. regarding university Education & General carryforward minimum reserve balances, reporting requirements, and allowable uses. 1011.45(2) states that "Each university that retains a state operating fund carry forward balance in excess of the 7 percent minimum shall submit a spending plan for its excess carry forward balance. The spending plan shall be submitted to the university's board of trustees for review, approval, or if necessary, amendment by September 1, 2020, and each September 1 thereafter. The Board of Governors shall review, approve, and amend if necessary, each university's carry forward spending plan by October 1, 2020, and each October 1 thereafter." 1011.45(3) adds "A university's carry forward spending plan shall include the estimated cost per planned expenditure and a timeline for completion of the expenditure." Three additional tabs are provided with this file to allow reporting of university detailed expenditure plans for each planned expenditure or project, a completion timeline, and amount budgeted for expenditure during the reporting fiscal year.

University of Central Florida
2021-2022 University E&G Carryforward Spending Plans - Supplemental Details (Operating Plans)
Pursuant to 1011.45, Florida Statutes
July 1, 2021

Line Item #	Carryforward Spending Plan Category	Specific Expenditure/Project Title	Budget				Project Timeline			Comments/Explanations
			Total Amount to be Funded from Current Year E&G Carryforward Balance	RESTRICTED <small>Restricted Balance as of July 1, 2021</small>	COMMITTED <small>Committed Balance as of July 1, 2021</small>	E&G Carryforward Amount Budgeted for Expenditure During FY22	Total # Years of Expenditure per Project	Current Expenditure Year #	Estimated Completion Date (Fiscal Year)	
1	Faculty Research and Public Service Support and Start-Up Funding	Summer Appointments	281,884	-	281,884	-	1	0	2023	
2	Faculty Research and Public Service Support and Start-Up Funding	Summer Appointments	563,768	-	563,768	-	1	0	2024	
3	Campus Security and Safety Enhancements	Equipment Purchases - Police equipment, uniforms, vehicles, security	1,140,500	-	1,140,500	1,140,500	1	1	2022	
4	Faculty Research and Public Service Support and Start-Up Funding	Consultant Fees	79,200	79,200	-	79,200	1	1	2022	
5	Faculty Research and Public Service Support and Start-Up Funding	Equipment Purchases - JumpStart Initiative and Research Equipment	495,218	-	495,218	495,218	1	1	2022	
6	Faculty Research and Public Service Support and Start-Up Funding	Faculty Professional Development	52,896	-	52,896	52,896	1	1	2022	
7	Faculty Research and Public Service Support and Start-Up Funding	Faculty search/relocation expenditures	6,000	-	6,000	6,000	1	1	2022	
8	Faculty Research and Public Service Support and Start-Up Funding	Faculty Start-up / Seed Funding	3,363,911	500,000	2,863,911	3,363,911	1	1	2022	
9	Faculty Research and Public Service Support and Start-Up Funding	Furniture - Classroom, Office, Conference	12,000	-	12,000	12,000	1	1	2022	
10	Faculty Research and Public Service Support and Start-Up Funding	Limited / Time Specific Employment	113,879	-	113,879	113,879	1	1	2022	
11	Faculty Research and Public Service Support and Start-Up Funding	OPS Appointments	1,074,636	969,947	104,689	1,074,636	1	1	2022	
12	Faculty Research and Public Service Support and Start-Up Funding	Rentals (short-term)	18,500	18,500	-	18,500	1	1	2022	
13	Faculty Research and Public Service Support and Start-Up Funding	Repairs and Maintenance	92,792	-	92,792	92,792	1	1	2022	
14	Faculty Research and Public Service Support and Start-Up Funding	Student Financial Aid Payments	6,920	6,920	-	6,920	1	1	2022	
15	Faculty Research and Public Service Support and Start-Up Funding	Summer Appointments	382,100	382,100	-	382,100	1	1	2022	
16	Faculty Research and Public Service Support and Start-Up Funding	Travel	36,210	-	36,210	36,210	1	1	2022	
17	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Adjunct Faculty Appointments	547,235	144,901	402,334	547,235	1	1	2022	
18	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Bonus/Temporary Payments	4,000	-	4,000	4,000	1	1	2022	
19	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Equipment Purchases - Clinical Skills Equipment refresh Faculty awards - Pegasus Professor, Reach for the Stars, Research Incentive, Scholarship of Teaching and Learning, Teaching Incentive Program, DIRI	213,757	80,000	133,757	213,757	1	1	2022	
20	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty Professional Development	10,000	10,000	-	10,000	1	1	2022	
21	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty search/relocation expenditures	20,000	-	20,000	20,000	1	1	2022	
22	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty Start-up / Seed Funding	34,720	9,720	25,000	34,720	1	1	2022	
23	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Furniture - Classroom, Office, Conference	2,765,758	1,195,758	1,570,000	2,765,758	1	1	2022	
24	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Information Technology - Digital Learning	68,981	-	68,981	68,981	1	1	2022	
25	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Information Technology - Digital Learning	272,920	265,420	7,500	272,920	1	1	2022	
26	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Limited / Time Specific Employment	7,020	-	7,020	7,020	1	1	2022	
27	Faculty/Staff, Instructional and Advising Support and Start-up Funding	OPS Appointments	2,251,223	1,379,184	872,039	2,251,223	1	1	2022	
28	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Repairs and Maintenance	550,000	-	550,000	550,000	1	1	2022	
29	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Staff Professional Development (Training & Workshops)	5,000	-	5,000	5,000	1	1	2022	
30	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Summer Appointments	1,589,876	44,355	1,545,521	1,589,876	1	1	2022	
31	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Temporary Payments	3,925	-	3,925	3,925	1	1	2022	
32	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Travel	42,307	-	42,307	42,307	1	1	2022	
33	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Visiting Faculty Appointments	200,458	15,868	184,590	200,458	1	1	2022	
34	Information Technology (ERP, Equipment, etc.)	Equipment Purchases - Computer equipment upgrades and technology expenses	476,374	-	476,374	476,374	1	1	2022	
35	Information Technology (ERP, Equipment, etc.)	Information Technology - Protecting classified information, computers, archibus modules	402,564	-	402,564	402,564	1	1	2022	
36	Information Technology (ERP, Equipment, etc.)	Limited / Time Specific Employment	100,000	-	100,000	100,000	1	1	2022	
37	Library Resources	Library Materials	230,760	-	230,760	230,760	1	1	2022	
38	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Bonus/Temporary Payments	564,101	-	564,101	564,101	1	1	2022	
39	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Consultant Fees	2,263,449	1,910,249	353,200	2,263,449	1	1	2022	
40	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Equipment Purchases - Staff equipment for hybrid work model	47,249	-	47,249	47,249	1	1	2022	
41	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Furniture - Classroom, Office, Conference	169,000	-	169,000	169,000	1	1	2022	
42	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Information Technology - Teams Voice Migration, Improve Apttio capability, AZURE True Up	635,457	-	635,457	635,457	1	1	2022	
43	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Limited / Time Specific Employment	220,000	-	220,000	220,000	1	1	2022	
44	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	OPS Appointments	1,030,888	10,000	1,020,888	1,030,888	1	1	2022	
45	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Rentals (short-term)	252,396	-	252,396	252,396	1	1	2022	
46	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Repairs and Maintenance	1,683,655	73,491	1,610,164	1,683,655	1	1	2022	
47	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Student Financial Aid Payments	100,000	-	100,000	100,000	1	1	2022	
48	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Travel	58,500	-	58,500	58,500	1	1	2022	
49	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Visiting Faculty Appointments	495,417	-	495,417	495,417	1	1	2022	
50	Student Financial Aid	Student Financial Aid Payments	282,374	261,374	21,000	282,374	1	1	2022	

51	Student Financial Aid	Student support for presentation fellowships, doctoral research awards, and open access funding for publishing research	200,000	-	200,000	200,000	1	1	2022
52	Student Services, Enrollment, and Retention Efforts	Bonus/Temporary Payments	25,000	-	25,000	25,000	1	1	2022
53	Student Services, Enrollment, and Retention Efforts	Information Technology - Career Management System (3 years), AliveTek (one-time payment), Mentor Collective (Year 2)	140,685	-	140,685	140,685	1	1	2022
54	Student Services, Enrollment, and Retention Efforts	Limited / Time Specific Employment	10,000	-	10,000	10,000	1	1	2022
55	Student Services, Enrollment, and Retention Efforts	Office Supplies	5,000	-	5,000	5,000	1	1	2022
56	Student Services, Enrollment, and Retention Efforts	OPS Appointments	805,736	648,736	157,000	805,736	1	1	2022
57	Student Services, Enrollment, and Retention Efforts	Repairs and Maintenance	66,325	-	66,325	66,325	1	1	2022
58	Student Services, Enrollment, and Retention Efforts	Student Financial Aid Payments	75,000	-	75,000	75,000	1	1	2022
59	Student Services, Enrollment, and Retention Efforts	Travel	5,000	-	5,000	5,000	1	1	2022
60	Faculty Research and Public Service Support and Start-Up Funding	OPS Appointments	750,000	-	750,000	-	2	0	2024
61	Faculty Research and Public Service Support and Start-Up Funding	Travel	6,000	-	6,000	-	2	0	2024
62	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty Start-up / Seed Funding	50,000	50,000	-	-	2	0	2024
63	Information Technology (ERP, Equipment, etc.)	Information Technology - Grad Program Incentives	2,500	-	2,500	-	2	0	2024
64	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	OPS Appointments	16,250	-	16,250	-	2	0	2024
65	Student Services, Enrollment, and Retention Efforts	Travel	2,000	-	2,000	-	2	0	2024
66	Faculty Research and Public Service Support and Start-Up Funding	Faculty Start-up / Seed Funding	1,700,000	-	1,700,000	850,000	2	1	2023
67	Faculty Research and Public Service Support and Start-Up Funding	Travel	6,000	-	6,000	3,000	2	1	2023
68	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty Start-up / Seed Funding	6,320,542	50,000	6,270,542	3,160,271	2	1	2023
69	Faculty/Staff, Instructional and Advising Support and Start-up Funding	OPS Appointments	63,784	-	63,784	31,892	2	1	2023
70	Information Technology (ERP, Equipment, etc.)	ERP Updates	16,545,331	8,500,000	8,045,331	8,272,666	2	1	2023
71	Information Technology (ERP, Equipment, etc.)	Information Technology - Computers	27,500	-	27,500	13,750	2	1	2023
72	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Consultant Fees	300,000	-	300,000	150,000	2	1	2023
73	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Repairs and Maintenance	1,451,331	-	1,451,331	725,666	2	1	2023
74	Student Services, Enrollment, and Retention Efforts	Information Technology - Enhances Grad Student Resources	2,000	-	2,000	1,000	2	1	2023
75	Student Services, Enrollment, and Retention Efforts	OPS Appointments	593,961	-	593,961	296,981	2	1	2023
76	Compliance Program Enhancements	Consultant Fees	35,648	35,648	-	35,648	2	2	2022
77	Compliance Program Enhancements	Equipment Purchases - Cars, Central receiving equipment, Biological decontamination system	4,244	-	4,244	4,244	2	2	2022
78	Faculty Research and Public Service Support and Start-Up Funding	Faculty awards - Pegasus Professor, Reach for the Stars, Research Incentive, Scholarship of Teaching and Learning, Teaching Incentive Program, DIRI	54,947	54,947	-	54,947	2	2	2022
79	Faculty Research and Public Service Support and Start-Up Funding	Faculty Start-up / Seed Funding	232,227	-	232,227	232,227	2	2	2022
80	Faculty Research and Public Service Support and Start-Up Funding	OPS Appointments	281,369	243,219	38,150	281,369	2	2	2022
81	Faculty Research and Public Service Support and Start-Up Funding	Repairs and Maintenance	140,314	-	140,314	140,314	2	2	2022
82	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Adjunct Faculty Appointments	225,994	-	225,994	225,994	2	2	2022
83	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Equipment Purchases - Technology expenses	758	-	758	758	2	2	2022
84	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty awards - Pegasus Professor, Reach for the Stars, Research Incentive, Scholarship of Teaching and Learning, Teaching Incentive Program, DIRI	3,125	3,125	-	3,125	2	2	2022
85	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty Start-up / Seed Funding	16,571,189	16,571,189	-	16,571,189	2	2	2022
86	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Information Technology - College of Arts and Humanities contribution for Lynda software to UCFIT	12,000	12,000	-	12,000	2	2	2022
87	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Limited / Time Specific Employment	40,884	40,884	-	40,884	2	2	2022
88	Faculty/Staff, Instructional and Advising Support and Start-up Funding	OPS Appointments	163,319	163,319	-	163,319	2	2	2022
89	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Repairs and Maintenance	20,000	-	20,000	20,000	2	2	2022
90	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Summer Appointments	900,290	788,778	111,512	900,290	2	2	2022
91	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Visiting Faculty Appointments	11,549	11,549	-	11,549	2	2	2022
92	Information Technology (ERP, Equipment, etc.)	Equipment Purchases - Office equipment/computer replacement cycle	17,692	-	17,692	17,692	2	2	2022
93	Information Technology (ERP, Equipment, etc.)	Furniture - Classroom, Office, Conference	701	-	701	701	2	2	2022
94	Information Technology (ERP, Equipment, etc.)	Information Technology - Software cycle true up (13 month cost)	73,417	-	73,417	73,417	2	2	2022
95	Information Technology (ERP, Equipment, etc.)	Utilities Expense (such as a mid-year, unexpected increase, that was not built in the original budget)	2,225	-	2,225	2,225	2	2	2022
96	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Consultant Fees	16,000	-	16,000	16,000	2	2	2022
97	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Repairs and Maintenance	83,811	83,811	-	83,811	2	2	2022
98	Student Services, Enrollment, and Retention Efforts	Consultant Fees	224	-	224	224	2	2	2022
99	Student Services, Enrollment, and Retention Efforts	OPS Appointments	239,149	-	239,149	239,149	2	2	2022
100	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Visiting Faculty Appointments	282,960	-	282,960	94,320	3	1	2024
101	Faculty Research and Public Service Support and Start-Up Funding	OPS Appointments	750,000	-	750,000	375,000	3	2	2023
102	Faculty Research and Public Service Support and Start-Up Funding	Rentals (short-term)	69,906	69,906	-	34,953	3	2	2023
103	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Faculty Start-up / Seed Funding	109,523	109,523	-	54,762	3	2	2023
104	Information Technology (ERP, Equipment, etc.)	ERP Updates	6,518,613	5,260,167	1,258,446	3,259,307	3	2	2023
105	Information Technology (ERP, Equipment, etc.)	Information Technology - Accreditation software	48,353	48,353	-	24,177	3	2	2023
106	Information Technology (ERP, Equipment, etc.)	ERP Updates	6,530,728	-	6,530,728	1,306,146	6	2	2026
107	Compliance Program Enhancements	Level II background checking space reconfiguration	104,765	-	104,765	104,765	1	1	2022
108	Faculty Research and Public Service Support and Start-Up Funding	Marketing materials	4,000	4,000	-	4,000	1	1	2022
109	Faculty Research and Public Service Support and Start-Up Funding	College Match - Human Dignity Project	500,000	-	500,000	500,000	1	1	2022
110	Faculty Research and Public Service Support and Start-Up Funding	Committed to Chemistry towards Ethics speaker series	500	-	500	500	1	1	2022
111	Faculty Research and Public Service Support and Start-Up Funding	Cost Share Commitment Research	45,000	45,000	-	45,000	1	1	2022
112	Faculty Research and Public Service Support and Start-Up Funding	Facilities Renovations	250,000	-	250,000	250,000	1	1	2022
113	Faculty Research and Public Service Support and Start-Up Funding	FJCC teacher trainings	36,937	-	36,937	36,937	1	1	2022
114	Faculty Research and Public Service Support and Start-Up Funding	Jump Start Commitment Match Funds	215,000	-	215,000	215,000	1	1	2022
115	Faculty Research and Public Service Support and Start-Up Funding	Lab Moving Expenses for BSBS New hires	25,752	-	25,752	25,752	1	1	2022
116	Faculty Research and Public Service Support and Start-Up Funding	Lake Nona Cancer Center Equipment and Lab moving expenses	350,000	-	350,000	350,000	1	1	2022
117	Faculty Research and Public Service Support and Start-Up Funding	Match Commitments for Academic Excellence Requests	57,963	-	57,963	57,963	1	1	2022
118	Faculty Research and Public Service Support and Start-Up Funding	OCPS summer Tesource development	20,000	-	20,000	20,000	1	1	2022

119	Faculty Research and Public Service Support and Start-Up Funding	OR Seed Funding	1,039,218	1,039,218	-	1,039,218	1	1	2022
120	Faculty Research and Public Service Support and Start-Up Funding	OR Seed funding and equipment grants	2,000,000	-	2,000,000	2,000,000	1	1	2022
121	Faculty Research and Public Service Support and Start-Up Funding	OSC Gala Sponsorship	2,500	-	2,500	2,500	1	1	2022
122	Faculty Research and Public Service Support and Start-Up Funding	Otronicon-OSC Sponsorshsp	2,500	-	2,500	2,500	1	1	2022
123	Faculty Research and Public Service Support and Start-Up Funding	Outreach for STEM Day initiative to cover expenses/supplies	1,000	-	1,000	1,000	1	1	2022
124	Faculty Research and Public Service Support and Start-Up Funding	Patent attorneys	19,882	-	19,882	19,882	1	1	2022
125	Faculty Research and Public Service Support and Start-Up Funding	Research enterprise support - grant matches, etc.	27,500	-	27,500	27,500	1	1	2022
126	Faculty Research and Public Service Support and Start-Up Funding	Seed Initiatives Funding	300,000	-	300,000	300,000	1	1	2022
127	Faculty Research and Public Service Support and Start-Up Funding	Stipend for services provided by Dr. Steve Fiore (UCF); Science of Team Science initiatives, research	47,823	47,823	-	47,823	1	1	2022
128	Faculty Research and Public Service Support and Start-Up Funding	STOKES Payment	16,241	-	16,241	16,241	1	1	2022
129	Faculty Research and Public Service Support and Start-Up Funding	Zora Neale Hurston Community Partnership	37,500	-	37,500	37,500	1	1	2022
130	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Academic Excellence College Match	223,277	-	223,277	223,277	1	1	2022
131	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Administrative Conversion Unit Support	249,588	-	249,588	249,588	1	1	2022
132	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Budget that was given as mentorships	5,000	-	5,000	5,000	1	1	2022
133	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Central Florida Education Ecosystem Database (CFEED)	200,000	200,000	-	200,000	1	1	2022
134	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Florida Prison Education Project	12,000	-	12,000	12,000	1	1	2022
135	Faculty/Staff, Instructional and Advising Support and Start-up Funding	J.Rupert - Trustee Chair	50,000	-	50,000	50,000	1	1	2022
136	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Jump Start Match	410,500	-	410,500	410,500	1	1	2022
137	Faculty/Staff, Instructional and Advising Support and Start-up Funding	New Faculty Orientation Captioning & Faculty Development & Additional Faculty Fellow Support	29,463	-	29,463	29,463	1	1	2022
138	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Philosophy - Course Redesign Funds	11,400	-	11,400	11,400	1	1	2022
139	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Reserve to offset possible loss of revenue due to fluctuations in enrollment	137,176	-	137,176	137,176	1	1	2022
140	Faculty/Staff, Instructional and Advising Support and Start-up Funding	S.Sung - Trustee Chair	77,141	-	77,141	77,141	1	1	2022
141	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Supplemental payment for new faculty Relocation	10,800	-	10,800	10,800	1	1	2022
142	Faculty/Staff, Instructional and Advising Support and Start-up Funding	teaching materials - methods courses	20,000	-	20,000	20,000	1	1	2022
143	Information Technology (ERP, Equipment, etc.)	key tracker system	10,000	-	10,000	10,000	1	1	2022
144	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	25th Anniversary Elements (Video Assets, Photography, Collateral)	24,137	-	24,137	24,137	1	1	2022
145	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Academic Program Quality Suite Renovation	54,787	-	54,787	54,787	1	1	2022
146	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Access control installation for "First Stop" gate in Unionwest and Nursing Mother's Room	13,613	-	13,613	13,613	1	1	2022
147	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Black Student Success	100,000	-	100,000	100,000	1	1	2022
148	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	BRIDG - non-recurring exp associated with short-term operation of the facility prior to transfer of contractual obligations to SkyWater	1,112,709	1,112,709	-	1,112,709	1	1	2022
149	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	CMB Research Space for faculty collaboration	250,000	-	250,000	250,000	1	1	2022
150	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Conversion of Parking & Card Access offices in CMB to support space needs.	30,000	-	30,000	30,000	1	1	2022
151	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Knights Major Exploation and Transition Center - Think 30 Scholarships	100,000	-	100,000	100,000	1	1	2022
152	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Outdoor Map installation, asphalt stamping near Parramore Garage, monument sign installation on east side of campus.	43,000	-	43,000	43,000	1	1	2022
153	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	President's Academic Excellence Fund	15,000,000	-	15,000,000	15,000,000	1	1	2022
154	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	President's Jump Start Fund	5,000,000	-	5,000,000	5,000,000	1	1	2022
155	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	President's Strategic Fund	3,429,418	-	3,429,418	3,429,418	1	1	2022
156	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Registration, supplies, misc. expense	143,269	-	143,269	143,269	1	1	2022
157	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Reserve to offset possible loss of revenue due to fluctuations in enrollment	158,846	-	158,846	158,846	1	1	2022
158	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Special Project Startup & Initiative Fund	400,000	-	400,000	400,000	1	1	2022
159	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Sponsorship, Innovation Week/Synapse/Immerse	20,000	-	20,000	20,000	1	1	2022
160	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	UCF Downtown Administrative Office Construction	202,363	-	202,363	202,363	1	1	2022
161	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Visual Arts exterior structure	800,000	-	800,000	800,000	1	1	2022
162	Restricted by Appropriations	WUCF FM broadcast supplies	26	-	26	26	1	1	2022
163	Restricted by Appropriations	Chron's & Collis	80,000	-	80,000	80,000	1	1	2022
164	Restricted by Appropriations	Florida Center for Students with Unique Abilities Grant/Project	2,293,239	2,293,239	-	2,293,239	1	1	2022
165	Restricted by Appropriations	Florida Center for Students with Unique Abilities Program Operation	282,817	-	282,817	282,817	1	1	2022
166	Student Financial Aid	Florida Center for Students with Unique Abilities - Student Scholarship/Support	2,659,451	2,659,451	-	2,659,451	1	1	2022
167	Student Services, Enrollment, and Retention Efforts	Academic and Student Support	130,500	-	130,500	130,500	1	1	2022
168	Student Services, Enrollment, and Retention Efforts	Article publication fees	893	-	893	893	1	1	2022
169	Student Services, Enrollment, and Retention Efforts	Cost Share Research - iSTEM	5,000	-	5,000	5,000	1	1	2022
170	Student Services, Enrollment, and Retention Efforts	DataSci B.S. program marketing	1,000	-	1,000	1,000	1	1	2022
171	Student Services, Enrollment, and Retention Efforts	Grad PostDoc/Doctoral awards	20,000	-	20,000	20,000	1	1	2022
172	Student Services, Enrollment, and Retention Efforts	GTA tuition	8,705	-	8,705	8,705	1	1	2022
173	Student Services, Enrollment, and Retention Efforts	LEAD Scholars Academy - Speakers, marketing, book scholarships for U-LEAD research and poster presentations, engaging students interested in identity-based groups,	5,400	-	5,400	5,400	1	1	2022
174	Student Services, Enrollment, and Retention Efforts	Library PhD Program-Antho	6,983	-	6,983	6,983	1	1	2022
175	Student Services, Enrollment, and Retention Efforts	MASS Student Success Conference registration, hotel, transportation, engagement activities and conference materials.	21,331	-	21,331	21,331	1	1	2022

176	Student Services, Enrollment, and Retention Efforts	N_Carusone Doctoral Research Support Award (participant payments)	2,355	-	2,355	2,355	1	1	2022
177	Student Services, Enrollment, and Retention Efforts	NA Programming Camps	200,000	-	200,000	200,000	1	1	2022
178	Student Services, Enrollment, and Retention Efforts	provost funds for COSAS support	10,125	-	10,125	10,125	1	1	2022
179	Student Services, Enrollment, and Retention Efforts	SPSS license support for graduate students	7,106	-	7,106	7,106	1	1	2022
180	Faculty Research and Public Service Support and Start-Up Funding	Chron's & Collitis	105,177	105,177	-	-	2	0	2024
181	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Academic Excellence College Match	447,500	-	447,500	-	2	0	2024
182	Restricted by Appropriations	BOG Team Grant - Stategic Funding Initiative	328,907	328,907	-	-	2	0	2024
183	Faculty Research and Public Service Support and Start-Up Funding	Chron's & Collitis	100,000	100,000	-	50,000	2	1	2023
184	Faculty Research and Public Service Support and Start-Up Funding	Lake Nona Cancer Center Equipment and Lab moving expenses	150,000	-	150,000	75,000	2	1	2023
185	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Academic Excellence College Match	607,500	-	607,500	303,750	2	1	2023
186	Faculty/Staff, Instructional and Advising Support and Start-up Funding	BOT Course Redesign Initiative (CRI Extension Incentives)	606,580	-	606,580	303,290	2	1	2023
187	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Reserve to offset possible loss of revenue due to fluctuations in enrollment	37,363	-	37,363	18,682	2	1	2023
188	Restricted by Appropriations	BOG Team Grant - Stategic Funding Initiative	328,907	328,907	-	164,453	2	1	2023
189	Compliance Program Enhancements	OIE & Let's be Clear campaign marketing materials	1,577	-	1,577	1,577	2	2	2022
190	Compliance Program Enhancements	Printing of Compliance materials to be distributed to coaches and players	1,210	-	1,210	1,210	2	2	2022
191	Faculty Research and Public Service Support and Start-Up Funding	Art In State Funds	14,789	14,789	-	14,789	2	2	2022
192	Faculty Research and Public Service Support and Start-Up Funding	OH Swap funds- support research mission	63,933	-	63,933	63,933	2	2	2022
193	Faculty Research and Public Service Support and Start-Up Funding	Research support (replace use of indirect OH for Research I)	1,300,000	-	1,300,000	1,300,000	2	2	2022
194	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Orientation at downtown campus for rising Rosen scholarship students	19,555	19,555	-	19,555	2	2	2022
195	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Provost Fellow funds - Dr. Chiara Mazzucchelli	8,491	8,491	-	8,491	2	2	2022
196	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Student Advising/PHPL/SLAS Project (varies) OPS	18,649	-	18,649	18,649	2	2	2022
197	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Student Success and Advising/Awards/SLAS Project (varies)	201,748	-	201,748	201,748	2	2	2022
198	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Tangelo/Dziuban	652	-	652	652	2	2	2022
199	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Timely Completion	29,097	29,097	-	29,097	2	2	2022
200	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Training Development	140,000	-	140,000	140,000	2	2	2022
201	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Transfer Credit Evaluation funds	18,000	18,000	-	18,000	2	2	2022
202	Information Technology (ERP, Equipment, etc.)	Additional legal files license for new employee	134	-	134	134	2	2	2022
203	Information Technology (ERP, Equipment, etc.)	Replacement IT equipment for OIE & and new IT equip for new hires	12	-	12	12	2	2	2022
204	Information Technology (ERP, Equipment, etc.)	SalesForce Support Contract	90,000	90,000	-	90,000	2	2	2022
205	Library Resources	research materials	26,000	-	26,000	26,000	2	2	2022
206	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	BRIDG Funding	261,388	261,388	-	261,388	2	2	2022
207	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Costs associated with office moves due to Pres. Transition	2,482	-	2,482	2,482	2	2	2022
208	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Government & Community Relation website development	10,000	-	10,000	10,000	2	2	2022
209	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	legal fees	499,950	499,950	-	499,950	2	2	2022
210	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Marketing material to communicate the presence of the Ombuds office to the UCF community	155	-	155	155	2	2	2022
211	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Presidential Transition Initiatives	91,802	91,802	-	91,802	2	2	2022
212	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	State Tax Liability (employees out of state)	112,000	112,000	-	112,000	2	2	2022
213	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	UCF branding and marketing professional services (i.e., for commercial, content creation srvs, paid advertising, etc. see comments for details)	86,700	-	86,700	86,700	2	2	2022
214	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	UCF branding and marketing: Knight Your Ride	46,915	-	46,915	46,915	2	2	2022
215	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	UCF branding and marketing: UCF Shuttle Wraps	32,700	32,700	-	32,700	2	2	2022
216	Restricted by Appropriations	Florida High Tech Corridor research matching grant	1,278,278	1,278,278	-	1,278,278	2	2	2022
217	Restricted by Appropriations	Florida Center for Students with Unique Abilities Student Scholarship/Support	928,100	-	928,100	928,100	2	2	2022
218	Student Financial Aid	Florida Center for Students with Unique Abilities - Student Scholarship/Support	9,350,533	9,350,533	-	9,350,533	2	2	2022
219	Student Services, Enrollment, and Retention Efforts	Capital project: student deck	8,124	-	8,124	8,124	2	2	2022
220	Student Services, Enrollment, and Retention Efforts	Dean's Office Operations/Temporary Employment, Administrative	299,464	-	299,464	299,464	2	2	2022
221	Student Services, Enrollment, and Retention Efforts	SLAS Project Initiative/Pegaus Path/other	101,731	-	101,731	101,731	2	2	2022
222	Student Services, Enrollment, and Retention Efforts	STEM Programming/EXCEL/SLAS Project (varies)	18,690	-	18,690	18,690	2	2	2022
223	Student Services, Enrollment, and Retention Efforts	Student Services and Resources/SLAS Project (varies)	295,859	-	295,859	295,859	2	2	2022
224	Faculty Research and Public Service Support and Start-Up Funding	Stipend for services provided by Dr. Steve Fiore (UCF); Science of Team Science initiatives, research	17,000	17,000	-	8,500	3	2	2023
225	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Administrative Conversion Unit Support	124,794	-	124,794	62,397	3	2	2023
226	Faculty/Staff, Instructional and Advising Support and Start-up Funding	Central Florida Education Ecosystem Database (CFEED)	200,000	200,000	-	100,000	3	2	2023
227	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	BRIDG Settlement	7,500,000	7,500,000	-	3,750,000	3	2	2023
228	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Reserve to offset possible loss of revenue due to fluctuations in enrollment	374,999	-	374,999	93,750	4	1	2022
229	Student Financial Aid	Athletics Scholarships	13,141,174	-	13,141,174	7,131,174	2	1	2023
230	Student Financial Aid	College of Medicine SIF Scholarships	173,000	-	173,000	173,000	1	1	2022
231	Other Operating Requirements (University Board of Trustees-Approved That Support the University Mission)	Central contingency funds to offset unforeseen needs	11,686,645	-	11,686,645	-	2	1	2023
Total as of July 1, 2021: *			\$ 178,386,645	\$ 69,201,072	\$ 109,185,573	\$ 130,352,046			

*Note: Should agree with respective restricted/contractual and/or committed category totals on "Summary" tab.

University of Central Florida
2021-2022 University E&G Carryforward Spending Plans - Supplemental Details (Fixed Capital Outlay Plans)
Pursuant to 1011.45, Florida Statutes
July 1, 2021

Line Item #	Carryforward Spending Plan Category	Specific Project Title/Name	Description	Project(s) Cost to be Funded from Current Year E&G Carryforward Balance	Restricted	Committed	E&G Carryforward Funds Budgeted for Expenditure During FY22	Carryforward Expenditure Timeline			Comments/Explanations
					Restricted Balance As of July 1, 2021	Committed Balance As of July 1, 2021		Total # Years of Expenditure per Project	Current Expenditure Year #	Estimated Completion Date (Fiscal Year)	
1	Minor, < \$2M: Renovation, Repair or Maintenance	Millican Hall HVAC	Upgrade HVAC system, clean, coat and seal ductwork	\$833,036	\$474,739	\$358,297	\$833,036	3	3	2021-22	
2	Minor, < \$2M: Renovation, Repair or Maintenance	CREOL Building Automation and Control Systems	Replace five different control systems under one native BACnet system	\$1,248,941	\$630,000	\$618,941	\$1,248,941	2	2	2021-22	
3	Minor, < \$2M: Renovation, Repair or Maintenance	Business Administration I - Roof Membrane Replacement	Roof renovation of Business Administration I	\$750,000	\$0	\$750,000	\$750,000	1	1	2021-22	
* Total Minor Carryforward As July 1, 2021 :				\$2,831,977	\$1,104,739	\$1,727,238	\$2,831,977				
Major Carryforward Projects (>\$2M) ¹											
4	Major, \$2M-\$5M: Renovation, Repair or Maintenance	Bioscience Building Renovation, Repair, and Maintenance	HVAC and other building infrastructure systems	\$4,827,433	\$249,382	\$4,578,051	\$4,000,000	3	2	2022-23	
5	Major, \$2M-\$5M: Renovation, Repair or Maintenance	Chemistry Building Renovation, Repairs, and Maintenance	HVAC and other system repairs and upgrades	\$5,000,000	\$42,798	\$4,957,202	\$900,000	4	2	2023-24	
6	Major, \$2M-\$5M: Renovation, Repair or Maintenance	Communication and Media Building Roof Replacement	Roof replacement, exterior masonry, and stucco wall repairs	\$4,240,770	\$937,790	\$3,302,980	\$1,698,810	3	2	2022-23	
* Total Major Carryforward As July 1, 2021 :				\$14,068,203	\$1,229,970	\$12,838,233	\$6,598,810				
1. As defined in Board of Governors Regulation 14.003(2).			Fixed Capital Outlay Totals :	\$16,900,180	\$2,334,709	\$14,565,471	\$9,430,787				
* Note: Should agree with respective restricted/contractual and/or committed category totals on "Summary" tab.											

University of Central Florida
2021-2022 University E&G Carryforward Spending Plans - Supplemental Details (COVID - 19)
Pursuant to 1011.45, Florida Statutes
July 1, 2021

Line Item #	Carryforward Spending Plan Category	Specific Expenditure/Project Title	Budget				Project Timeline			Comments/Explanations
			Total Amount to be Funded from Current Year E&G Carryforward Balance	RESTRICTED Restricted Balance as of July 1, 2021	COMMITTED Committed Balance as of July 1, 2021	E&G Carryforward Amount Budgeted for Expenditure During FY22	Total # Years of Expenditure per Project	Current Expenditure Year #	Estimated Completion Date (Fiscal Year)	
1.	Miscellaneous Covid-19 Related Expenditures	Office Supplies	3,500	-	3,500	3,500	1	1	2022	
		Totals as of July 1, 2021: *	\$ 3,500	\$ -	\$ 3,500	\$ 3,500				

*Note: Should agree with respective restricted/contractual and/or committed category totals on "Summary" tab.

State University System

Education & General Carryforward Spending Plan

Reporting Definitions

I. Carryforward Spending Plan - Budgetary Category Definitions

	Unpaid balances remaining in active purchase orders, travel authorizations, etc., to be paid using E&G carryforward funds. May also include nonrecurring employee compensation amounts through the end of the current fiscal year.
1. Encumbrances	
2. 7% Statutory Reserve Requirement	Required E&G reserve requirement per 1011.45 F.S. - amends previous 1011.40 F.S. requirement. Based on percentage of state operating budget.
3. Restricted/Contractual Obligations	Should generally be supported by documentation that memorializes an agreement with another party (e.g. contract, offer letter, construction contract/project number, etc.).
4. Commitments	Monies designated for a specific purpose which are not yet encumbered/contracted/restricted. Discretion may still be exercised with respect to the use of these funds.
5. University Board of Trustees Reserve Requirement	The amount of unrestricted funds set aside by the University Board of Trustees to address critical, unforeseen, or non-discretionary items that require immediate funding, such as unanticipated or uninsured catastrophic events, unforeseen contingencies, state budget shortfalls, or university revenue shortfalls.
6. Restricted by Appropriations	Funds appropriated by the Legislature for a specific purpose or intended use as identified by law or through legislative work papers.
7. Compliance Program Enhancements	Initiatives associated with being in compliance with federal law, state law, Board of Governors Regulations or any other entity with which the University must comply.
8. Audit Program Enhancements	Initiatives associated with implementing audit programs of the institution.
9. Campus Security and Safety Enhancements	The support of campus security and/or safety issues, such as the recruitment of police officers, vehicles, equipment, and investments which promote security and safety at the institution. This issue may also include mental health counseling and services.
10. Student Services, Enrollment, and Retention Efforts	Funds to promote student success through supporting student services programs, addressing enrollment, and assisting with retention efforts to support timely graduation.
11. Student Financial Aid	Funds allocated to reduce student costs and to provide an opportunity to obtain a degree in an affordable and timely fashion.
12. Faculty/Staff Instructional and Advising Support and Start-Up Funding	Funds identified to support instructional and advising activities, and/or start-up packages for new faculty. Start-up packages are often expended over a multi-year period.
13. Faculty Research and Public Service Support and Start-Up Funding	Funds identified to support research and public service, and any associated start up funding. Start-up packages are often expended over a multi-year period.
14. Library Resources	Materials and database access required to support programs of study and research.
15. Utilities	Support of nonrecurring utility costs throughout the university.
16. Information Technology (ERP, Equipment, Etc.)	Funds to improve operational productivity, educational improvements, and technological innovation, implementation and/or maintenance of ERP systems, and technological equipment purchases.
17. Other Operating Requirements	Other expenditures/projects that support the university's mission, are nonrecurring in nature, and are approved by the university board of trustees.
18. Contingencies for a State of Emergency Declared by the Governor	A commitment of funds to a contingency reserve for expenses incurred as a result of a state of emergency declared by the Governor pursuant to s. 252.36, Florida Statutes.
19. PECO Projects - Supplemental Funds to Complete Projects That Received Previous Appropriation	Commitment of funds to a public education capital outlay project for which an appropriation has previously been provided that requires additional funds for completion and which is included in the list required by s. 1001.706(12)(d), Florida Statutes. This category is valid for both major and minor carryforward projects.
20. Completion of Renovation, Repair, or Maintenance Project up to \$5M	For projects that are consistent with the provisions of s. 1013.64(1), Florida Statutes, up to \$5 million per project. Refer to Board of Governors Regulation 14.001 for the definitions of renovation, repair, and maintenance. This category is valid for both major and minor carryforward projects.
21. Replacement of Minor Facility (< 10,000 gsf) up to \$2M	Replacement of minor facility project that does not exceed 10,000 gross square feet in size, up to \$2 million. This category is valid for minor carryforward projects.
22. Completion of a Survey-Recommended Remodeling or Infrastructure Project (Including DRS Schools) up to \$10M	Completion of a remodeling or infrastructure project, including a project for a developmental research school, up to \$10 million per project, if such project is survey recommended pursuant to s. 1013.31, Florida Statutes. Refer to Board of Governors Regulation 14.001 for the definition of remodeling. This category is valid for both major and minor carryforward projects.

II. Column Definitions for Use With Details Tabs

**State University System
Education & General Carryforward Spending Plan
Reporting Definitions**

- | | |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Carryforward Spending Plan Category | Functional category brought forward from the Carryforward Spending Plan reporting template. Categories are defined in Section I of this document. |
| 2. Specific Expenditure/ Project Title/Name | Detailed title of planned expenditure item or project, with sufficient details to be tracked individually through the expenditure cycle to completion. |
| 3. Total Amount to be Funded from Current Year E&G Carryforward Balance | The total estimated cost to be paid from current-year beginning E&G carryforward balance for the specific expenditure item or project. |
| 4. E&G Carryforward Amount Budgeted for Expenditure During FY21 | This column represents the current budgetary year's estimated disbursement of E&G carryforward towards the total planned expenditure item or project. |
| <u>Project Timeline</u> | |
| 5. Estimated Completion Date | Estimated date (year) for full expenditure of E&G carryforward funds for the specific expenditure plan item or project. |
| 6. Current Expenditure Year # | The current year in the project completion timeline, e.g. year 2 of a 4 year project. Input is number only. |
| 7. Total # Years of Expenditure per Project | The total number of years over which the expenditure item / project will span. |
| 8. Comments/Explanations | Additional information to assist the user of the report including, but not limited to, a description of the expenditure item / project and how it supports the university's mission and operations. |
| <u>Other Definitions</u> | |
| 9. Nonrecurring | Nonrecurring guidelines as vetted and approved by the Council for Administrative and Financial Affairs (CAFA) can be found on the Board of Governors' website. |
| 10. Coronavirus/COVID-19 | The use of E&G carryforward funds to address various university costs associated with COVID-19. |



2021-2022 Operating Budget, E&G Carryforward Spending Plan, & Fixed Capital Outlay Budget

University Name: University of Central Florida

2021-2022 Operating Budget, E&G Carryforward Spending Plan, & Fixed Capital Outlay Budget Certification Representations

I hereby certify to the Board of Governors that the referenced 2021-2022 Operating Budget, E&G Carryforward Spending Plan, & Fixed Capital Outlay Budget provided to the Board of Governors in accordance with my fiduciary responsibility to the university is true and materially correct to the best of my knowledge. I further certify that these budgets have been reviewed and approved by the Board of Trustees at its meetings held on June 17 and September 23, and that funds will only be expended in accordance with the approved budget as well as all applicable Statutes, Board of Governors' Regulations, and university regulations. I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements may render this certification void. My signature below acknowledges that I have read and understand these statements.

Certification: _____ Date _____
Chief Financial Officer

Certification: _____ Date _____
President

I certify that the above referenced university budgets for fiscal year 2021-2022 have been approved by the University Board of Trustees and is true and materially correct to the best of my knowledge.

Certification: _____ Date _____
Board of Trustees Chair

Board of Trustees
Budget and Finance Committee | September 22, 2021

BUDC-2: 2021-22 Fixed Capital Outlay Budget

☐ Information
 ☐ Discussion
 ☒ **Action**

Meeting Date for Upcoming Action: September 23, 2021

Purpose and Issues to be Considered:

Review and take action on the proposed 2021-22 Fixed Capital Outlay Budget (FCO Budget) (Attachment A). Pursuant to Florida Statute 1013.61, *Annual Capital Outlay Budget*, each university's Board of Trustees must adopt an annual capital outlay budget that designates proposed expenditures by project. The university Board of Trustees-ratified FCO Budget must be submitted to the Board of Governors by October 1, 2021.

Background Information:

Board of Trustees approval is required to proceed with projects listed on the FCO Budget. Project plans and the overall budget may be amended mid-year in accordance with Board of Governors Regulation 14.003(4) and the university's internal policies and procedures.

The FCO Budget has been prepared in accordance with Board of Governors Regulation 14.003, *Fixed Capital Outlay Projects – University Budgeting Procedures*, and related instructions, guidelines, and standard formats. The Board of Governors also requires universities to obtain written certification of the FCO Budget, the university's operating budget and carryforward expenditure plan. The certification is to be signed by the President, Chief Financial Officer, and Board of Trustees Chair. It is presented as Attachment D with the 2021-22 Carryforward Spending Plan (BUDC-1).

New projects and significant cost increases from 2020-21 to 2021-22 include:

Minor Carryforward (CF) Projects:

Millican Hall HVAC (cost increase)	\$ 500,000
Business Administration I - roof membrane replacement	750,000

State Appropriated Projects:

Performing Arts Complex Phase II	2,750,000
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Non-Appropriated Projects:

HVAC renovations to prevent the spread of COVID-19	18,400,000
Student Union roof and building envelope repair	2,447,302
	<u>\$ 24,847,302</u>

Refer to Attachment B *Fixed Capital Outlay Budget Guide* for additional background.

Recommended Action:

Recommend to the Board of Trustees approval of the 2021-22 Fixed Capital Outlay Budget as presented in Attachment A.

Alternatives to Decision:

1. Not approve the 2021-22 Fixed Capital Outlay Budget
2. Recommend revisions to the 2021-22 Fixed Capital Outlay Budget

Fiscal Impact and Source of Funding:

The 2021-22 Fixed Capital Outlay Budget represents a one-year project plan from all sources of funding including:

1. Education and General operating funds and carryforward as represented in the university's operating budget and carryforward plans
2. Non-appropriated funds, such as auxiliary funds and contracts and grants
3. State appropriated funds designated for capital purposes, such as Public Education Capital Outlay (PECO) and Capital Improvement Trust Funds (CITF)

The table below represents a summary of 2021-22 estimated expenditures by funding source. State funding and federal HEERF funds account for approximately 90% of planned expenditures.

2021-22 Estimated Expenditures by Funding Source

	in millions	
E&G Carryforward and Operating	\$ 16	30%
Capital Improvement Trust Funds (CITF)	10	20%
Public Education Capital Outlay (PECO)	5	10%
Federal HEERF	18	30%
Total state and federal sources	49	90%
Auxiliary, donations, and activity and service fees	4	10%
Total all sources	\$ 53	100%

Authority for Board of Trustees Action:

Florida Statutes s.1013.61

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

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

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: 2021-22 Fixed Capital Outlay Budget
 Attachment B: Fixed Capital Outlay Budget Guide
 Attachment C: Capital Projects Funding Certification Form

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance
 Jon Varnell, Vice President for Facilities and Business Operations

Attachment A

University of Central Florida

FIXED CAPITAL OUTLAY BUDGET for Fiscal Year 2021-22

(per Section 1013.61, F.S. and Board Reg. 14.003)

CFSP item #	Category	Project Title/Name	Description	Total Project(s) Cost	Funding Sources		Funds Expended to Date	Funds to be Expended this Year	Remaining Balance	Project Timeline		Comments
					Source	Amount				Start Date	Completion Date	
	Education & General (E&G) Operating Projects											
	Consolidated line item of all FCO/capitalized projects funded from E&G operating funds, pursuant to Board regulations 14.003(2)(a) and 9.001. No individual project exceeds \$1M. This is a single line item in both Operating and FCO budgets.			1,000,000	E&G Operating	1,000,000	-	1,000,000	-	Not Applicable		
	Minor Carryforward (CF) Projects											
Consolidated line item of all FCO projects with a cost of less than \$2M funded from E&G CF funds, pursuant to Board regulation 14.003(2)(b). Includes replacement of facilities less than 10,000 gross sf. This is a single line item in both Operating and FCO budgets. For a detailed listing of projects, refer to the E&G Carryforward Spending Plan (CFSP).												
1		Millican Hall HVAC	Upgrade HVAC system, clean, coat and seal ductwork	2,000,000	E&G Carryforward	2,000,000	1,166,964	833,036	-	2018-19	2021-22	Project began in 2020-21 and has encumbrances as of 6/30/21
2		CREOL Building Automation and Control Systems	Replace five different control systems under one native BACnet system	1,248,941	E&G Carryforward	1,248,941	-	1,248,941	-	2020-21	2021-22	
3		Business Administration I - Roof Membrane Replacement	Roof renovation of Business Administration I	750,000	E&G Carryforward	750,000	-	750,000	-	2021-22	2021-22	
		Minor projects funded from E&G in prior years	Projects include: HVAC, building envelope, boiler replacement, fire alarm upgrades, etc.	13,886,600	Prior Year E&G	13,886,600	7,021,449	5,526,180	1,338,971	Not Applicable		These capital projects are in process and were fully-funded as of 6/30/20. New E&G carryforward generated as of 6/30/21 will not be used to fund these projects, therefore they are not reflected on the 2021-22 Carryforward Spending Plan.
	Major Carryforward (CF) Projects											
	Any FCO project funded in whole or in part from CF funds, where total individual FCO project cost exceeds \$2M, pursuant to Board regulation 14.003(2)(c).											
4		Bioscience Building Renovation, Repairs, and Maintenance	HVAC and other system repairs and upgrades	5,000,000	E&G Carryforward	5,000,000	172,567	4,000,000	827,433	2020-21	2022-23	100% construction documents are to be completed within the next couple of months and the project will go out to bid.
5		Chemistry Building Renovation, Repairs, and Maintenance	HVAC and other system repairs and upgrades	5,000,000	E&G Carryforward	5,000,000	-	900,000	4,100,000	2020-21	2023-24	Design contract has been issued and encumbered.
6		Communication and Media Building Roof Replacement	Roof renovation, exterior masonry, and stucco wall repairs	4,500,000	E&G Carryforward	4,500,000	259,230	1,698,810	2,541,960	2020-21	2022-23	Contract has been issued for the glass curtain wall.
	State Appropriated Projects											
	Pursuant to Board Regulation 14.003(12)(d). All FCO projects using funds originally appropriated as FCO funds by the State of Florida, notwithstanding criteria in Board regulation 14.001. Never to be included in the operating budget. Examples, PECO and CITF.											
		Partnership IV and V	Building purchase and renovation for partnership with the Department of Defense	42,000,000	PECO	42,000,000	41,490,732	509,268	-	2017-18	2021-22	Project-specific PECO allocation
		UCF Downtown Academic Building	Design and construction for new building	66,607,243	PECO Auxiliary Donations Prior Year E&G	20,000,000 23,966,988 16,807,317 <u>5,832,938</u> 66,607,243	66,177,696	429,547	-	2016-17	2021-22	Project is in closeout
		WUCF TV Replace Studio Lights	Replace studio lights	327,895	PECO	327,895	327,353	542	-	2018-19	2021-22	Project-specific PECO allocation
		Repair, Maintenance, Renovation, Remodel (Sum of Digits)	Minor projects - repair, maintenance, renovation, remodel, site improvements	5,682,946	PECO	5,682,946	3,082,508	1,883,642	716,795	2017-18	2022-23	PECO funding for RMRR (sum of digits)
		Nicholson School of Communication Roof	Roof recoating	750,000	PECO	750,000	628,882	121,118	-	2018-19	2021-22	PECO funding for RMRR (sum of digits)
		College of Science building HVAC Control System Replacement	Replace HVAC control system for College of Science building	1,528,095	PECO Prior Year E&G	1,061,700 <u>466,395</u> 1,528,095	917,207	610,888	-	2018-19	2021-22	PECO funding for RMRR (sum of digits)
		John Hitt Library Renovation Phase II	Renovation of existing library spaces	40,978,312	CITF	40,978,312	7,412,076	9,007,277	24,558,959	2017-18	2024-25	Project cost as per 2021-22 through 2025-26 Five-Year Capital Improvement Plan (CIP) and Legislative Budget Request
		Performing Arts Complex Phase II	Design of a new Performing Arts Complex on UCF main campus	2,750,000	CITF Donations	2,000,000 <u>750,000</u> 2,750,000	-	1,000,000	1,750,000	2021-22	2022-23	CITF \$2 million represents funding approved by the Board of Governors in June 2021. Total project cost per the 2021-22 through 2025-26 Five-Year Capital Improvement Plan (CIP) and Legislative Budget Request is estimated at \$77,500,000. However, given the high level of uncertainty surrounding future plans and funding, approval is only recommended if design with existing funding secured.
		Burnett School of Biomedical Sciences Controls Upgrade	Upgrade the controls of the Burnett Bio-Medical Sciences Building	999,485	PECO	999,485	-	800,000	199,485	2020-21	2022-23	PECO funding for RMRR (sum of digits)

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CFSP item #	Category	Project Title/Name	Description	Total Project(s) Cost	Funding Sources		Funds Expended to Date	Funds to be Expended this Year	Remaining Balance	Project Timeline		Comments
					Source	Amount				Start Date	Completion Date	
		Classroom Building 1 - Roof Membrane Replacement	Roof renovation of Classroom Building 1	608,523	PECO	458,523	359,124	249,399	-	2019-20	2021-22	PECO funding for RMRR (sum of digits)
				Prior Year E&G	150,000							
					608,523							
		Business Administration I Replace Fire Alarm System	Replace building fire alarm system	594,825	Prior Year E&G	382,928	312,118	282,707	-	2019-20	2021-22	PECO funding for RMRR (sum of digits)
				PECO	211,897							
					594,825							
	Non-Appropriated Projects											
	Pursuant to Board Regulation 14.003(12)(e). All FCO projects that have not directly or indirectly used funds appropriated by the State. Examples include private donations, athletic revenues, federal grants, housing/parking revenue bonds, etc.											
	For the purposes herein, please assume a threshold of \$5M or more for listing projects individually, otherwise consolidate all individual projects under \$5M into one line item.											
		Downtown Parking Garage	Design and construction for new garage	15,188,162	Auxiliary	15,188,162	15,081,190	106,972	-	2016-17	2021-22	Project is in closeout
	Roth Athletic Center-Interior Buildout	Buildout of addition	9,528,000	Donations	9,528,000	8,281,883	1,246,117	-	2017-18	2021-22	Project is in closeout	
	UCF Downtown Site Infrastructure	Infrastructure work to support all Downtown buildings	8,766,713	Auxiliary	8,766,713	8,415,502	351,211	-	2018-19	2021-22	Project is in closeout	
	Center for Emerging Media Renovation	New classrooms, offices, common areas and bathrooms	5,964,746	Auxiliary	5,964,746	5,883,162	81,584	-	2018-19	2021-22	Project is in closeout	
				Auxiliary	5,686,621							
	Student Union Expansion	Food court renovation and expansion	5,712,474	Activity & Svc Fees	25,853	5,502,248	210,226	-	2016-17	2021-22	Project is in closeout	
					5,712,474							
				Auxiliary	8,358,687							
	Student Union Third Floor	Renovation and expansion	12,858,687	Activity & Svc Fees	4,500,000	12,574,795	283,892	-	2016-17	2021-22	Project is in closeout	
					12,858,687							
	HVAC renovations to prevent the spread of COVID-19 through air filtration systems	Air Quality Improvement Project	18,400,000	Contracts & Grants	18,400,000	-	18,400,000	-	2021-22	2021-22	Consists of 5 HVAC renovations to prevent the spread of COVID. Each project is under \$5m. Funding source is Higher Education Emergency Relief funds (HEERF). Projects approved by the UCF Board of Trustees on June 30, 2021.	
				Auxiliary	5,398,785							
				Donations	2,191,093							
				Prior Year E&G	25,696							
				Contracts & Grants	22,943	6,974,912	1,663,605	1,447,302	Not Applicable		Consists of 7 minor projects	
	Individual Projects under \$5M		10,085,819	Activity & Svc Fees	2,447,302							
					10,085,819							
TOTALS:				\$282,717,466	\$282,717,466	\$192,041,598	\$53,194,963	\$37,480,905				
Notes:												
Pursuant to Regulation 14.003(3), Fixed Capital Outlay projects do not apply to those projects acquired, constructed, and owned by a Direct Support Organization or under a Public Private Partnership.												
The Fixed Capital Outlay Budget may be amended, subject to the requirements described in Regulation 14.003(4).												

Fixed Capital Outlay Budget Guide

The capital planning process consists of several components:

- The **Campus Master Plan** is developed every five years and provides a macro-level vision for major project priorities over a 10-year period, considering the needs identified in the University's **Educational Plant Survey** for new construction and expansion / renovation projects.
- **Facility Condition Assessment Reports** and other building analytics are used for existing structures and deferred maintenance.
- The **Capital Improvement Plan** is developed annually to request state funding for the university's priority major projects; it is informed by other capital planning documents and is a component of the university's state funding request (**Legislative Budget Request**).
- The **Fixed Capital Outlay (FCO) Budget** is developed annually; it is the culmination of these planning documents and serves as a spending plan for the fiscal year.

Florida Statute 1013.61 *Annual Capital Outlay Budget* requires the adoption of a capital outlay budget, which is referred to as the Fixed Capital Outlay (FCO) Budget. This budget is prepared in accordance with Board of Governors Regulation 14.003 *Fixed Capital Outlay Projects – University Budgeting Procedures* and other prescribed instructions, guidelines, and standard formats provided by the Chancellor. The Board of Governors also requires written certification of the FCO Budget by the President, Chief Financial Officer, and Board of Trustees Chair.

FCO projects are defined in Board Regulation 14.001 *Definitions*. They consist of construction that materially extends the life or materially improves functionality of space. The projects must have an expected useful life of 20 years with a project cost of more than \$100,000 (the university's capitalization policy). All projects appropriated by the state as FCO must also be included, regardless of thresholds. Lastly, projects, acquired, constructed, and owned by a Direct Support Organization or under a Public Private Partnership are not applicable and have been omitted from this presentation (Board of Governors Regulation 14.003(3)).

The Board of Governors has provided a template for presenting the FCO budget, including the following:

- **CFSP Item #:** Projects funded from the university's available E&G carryforward balance as of July 1, 2020 are required to be reported on both the University E&G Carryforward Spending Plan – Supplemental Details (Fixed Capital Outlay Plans) and the FCO Budget. This field indicates the project's corresponding line item on the E&G Carryforward Spending Plan. The reporting should be consistent.
- **Category:** Represents the project's major funding source. Categorizing projects with multiple funding sources involves a level of judgement. Individual projects are not split into different funding category rows; therefore, the full project cost is always presented. The template does allow for projects below certain thresholds to be consolidated into single line items depending on the funding source.
- **Total Project Cost:** Anticipated hard costs (construction, furniture, etc.) and soft costs (design, permitting, etc.) to complete a project.
- **Funding Sources:** The FCO Budget includes projects from all funding sources, including both state and non-state. Identified funding sources must be in accordance with state statutes and Board of Governors regulations.
- **Funds Expended to Date:** Actual expenses paid as of the end of the preceding fiscal year.

- **Funds to be Expended this Year:** Projected expenditures through the end of the current fiscal year, excluding encumbrances. These amounts represent fiscal year spending authority if approved by the Board of Trustees and the Board of Governors.
- **Project Timeline:** Estimate of project start and completion dates by fiscal year.

Other related processes and procedures include:

- **Capital Project Certification:** The UCF Board of Trustees *Capital Projects Funding Policy* requires certification to be completed and signed by university senior leadership for projects exceeding \$2 million.
- **Mid-Year Amendments:** Board of Governors Regulation 14.003 *Fixed Capital Outlay Projects – University Budgeting Procedures* and the UCF Board of Trustees Policy BOT-4 *Delegation of Authority to the President* provide guidance for mid-year amendment procedures.
- **Mid-Year Updates to the Board of Trustees:** UCF Policy 3-211 *University Budget Process* provides guidance for mid-year updates of budget to actuals and projections to the Board of Trustees.



Capital Projects Funding Certification Form

This form is required as a condition for approval by the Finance and Facilities Committee and the Board of Trustees.

Project name/description: Replace the Student Union roof and repair the building envelope

Funding source(s): Activity and Service Fee \$2,500,000

This is to certify that the above capital project which exceeds \$2 million has been reviewed and approved and the type of funding for the project is authorized by state law and Board of Governors Regulations.

Alexander
Cartwright

President

Digitally signed by Alexander
Cartwright
Date: 2021.09.09 16:48:15 -04'00'

9/9/21

Date

Senior Vice President for Administration and Finance

8/31/2021

Date

Youndy C
Cook

Interim Vice President and General Counsel

Digitally signed by
Youndy C. Cook
Date: 2021.09.07
21:35:47 -04'00'

Date

**Board of Trustees
Budget and Finance Committee | September 22, 2021**

DISC- 2: University Budget Update

☐ Information

☒ Discussion

☐ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

In May 2020 the university decided to adopt an incentive-based budget model. Commonly referred to a Responsibility Center Management (RCM) model, it seeks to place the ownership of institutional revenues at the college levels where greater accountability, transparency, and execution on the academic mission takes place. The central related costs are budgeted and paid from these resources, and there is a president/provost tax that allows for strategic initiatives to be carried out for the university as a whole and provides subvention for colleges that have expenses (after central support allocations) that exceed revenues.

This memorandum serves as an update to the Board of Trustees on the conversion from the prior incremental budget model that did not lend itself to strategic deployment of funds and lacked the transparency that the board and the campus community require for effective management of financial resources. The incremental model had as one of its main variables the distribution of resources based on the annual vagaries of state of Florida appropriations and student enrollment. As one of its main tenets, the model assumed an enrollment growth of two percent per year, with the resulting revenue increases distributed to colleges and units to carry out the mission of the university. Now that the year over year growth in enrollment must be restricted, the change in budget methodology is warranted as the university must determine how to deploy resources in strategic ways to grow the overall economic base on which its teaching, research, and public service is predicated. Deployment of funds going forward must be purposeful and informed by both macro and micro trends affecting higher education both in the state of Florida and across the nation.

At the time of adoption of this model, the university deemed fiscal year 2021-22 as the transition year to the new model. This update to the board is the first in a series of updates that will be provided over the course of the fiscal year culminating with a full launch of the model in July 2022. The Finance and Budget teams in the Division of Administration and Finance have made significant progress on creating the new model. In the interim, the current financial management practices will remain in place through PeopleSoft, but greater focus will be placed on the elements noted in this transition year that must be addressed permanently going forward. Examples include: (i) the passage of a preliminary budget by the Board of Trustees in May of each year that underscores all the financial components of the university versus the Board of Governors required "Spending Authority" documents, (ii) the accounting for and deployment of carry forward funds, and (iii) budgeting and accounting practices that do not expand the fiscal capacity of the university.

Background Information:

As of the September 2021 Board of Trustees meeting, the administration is close to completing a full reimagining of the university's budgeting process to employ an incentive-based budget model (RCM). The budget is presented in a "Sources and Uses" format. Total Sources of Revenues amount to **\$1.9 billion**. Total Uses of Revenues amount to **\$1.9 billion**. There is a surplus of approximately **\$44 million** that is made up of a combination of tuition and fee collections more than "spending authority" and expense reductions from the prior year to build the presidential strategic fund. Those conclusions are still being analyzed because this is the first time a budget of this kind has been prepared for the university. There have been some best practices in higher education financial management that have already been identified but will require discussions with the campus community. The Knight Vision project that is being implemented in a parallel manner will ensure that some of those best practices are implemented soon.

The model is predicated upon all funds that are available for spending in a single fiscal year being shown in the budget, the colors of money being appropriated identified, and all carry forward funds segregated as reserves (balance sheet items) that are deployed for use in the course of a fiscal year. Significant changes in this budget approach include:

1. Current operating dollars from state appropriations and student tuition and fees are analyzed and presented separately and distinct from carry forward funds (reserves). Carry forward balances are shown "below the line" for the purposes of the budget presentation and reconciliation to cash and investments on hand for those amounts. Those carry forward balances will be shown on the face of the schedule for transparency and spending plans are highlighted at the Board of Trustees level. Additionally, the carry forward totals will be reconciled to the Carry Forward Spending Plan that will be submitted to the Board of Governors.
2. Support from the UCF Foundation will be highlighted in both "Unrestricted" and "Restricted" categories. For purposes of this presentation, these funds are shown gross both as a Source and a Use in the schedule. At the time of this draft presentation, the administration still needs to understand how those funds are spent each year. There is not consistency in disbursements across colleges and units as donor restrictions on purpose and timing have to be met. UCF Foundation support and spending must be understood in the context of liquidity and cash flows of the university.
3. Contracts and Grants are noted in Sources in a gross manner. The Uses of Contract and Grant funds are strewn across all natural account categories of expenditures. An analysis is needed by college and unit to understand the timing of when grants are received and expenditures are incurred.
4. All internal transfers are removed from "above the line" and are reported "below the line." The "above the line" items only reflect current year operations of the university and how the results at the end of the fiscal year impact carry forward and cash flows prospectively.
5. The new budget model is as close as possible to being a proxy for what the annual financial statement audits will look like (with the exception of year end accruals and "true ups" for GAAP and GASB reporting purposes). The goal is that the Board of Trustees will pass a preliminary budget in May and a final one after enrollment is seated each Fall. With the new Workday ERP system being implemented the administration believes this is possible.

From a process standpoint, in prior years, the Board of Trustees voted on an "Operating Budget" for the university in June for the following fiscal year. The format and content of this budget presentation are set by the Board of Governors. The nomenclature associated with the form can be misleading, as what

was voted on was not an operating budget that took into context all the variables that undergird the financial performance of the university on an annual basis.

First, the document voted on has a secondary name of “Spending Authority.” In other words, the amounts on the document should not be exceeded for the fiscal year it was approved. That posed several issues for the university. First, the university has been collecting well in excess of the authorized student tuition and fees, but with the cap on spending based on the document, the university automatically generated corresponding carry forward each year. As an example, for fiscal year 2020-21, the university collected \$333 million in student tuition and fees, but only had authority to spend \$304 million. The \$29 million difference closed out to carry forward for fiscal year 2021. Knowing this information upfront from a budgeting standpoint should prompt some discussion with the Board of Governors for increases in “Spending Authority.” There is usually a one-year lag between request for increased tuition authority and approval becoming permanently effective; however, there is a process to engage during a fiscal year on a temporary basis. Second, the document does not take into consideration philanthropic support that is going to be increasingly more important for the university as it seeks to diversify its revenue streams.

Another key observation was that in prior years, the university did not “budget” for Educational and General expenses. In other words, budgets were not based on a “bottom up” approach to gather expenses. This is further complicated by the fact that the university does not currently utilize cost centers to capture expenses in a budget format. Resources are distributed to colleges and units by way of an “Allocation Document” (with incremental funding shown in an Excel document). With this methodology, deans, vice presidents, and directors were tasked with operating their colleges and units based on those allocations. That methodology led to episodic funding streams and an opaque funding decision model. One of the key factors in changing funding models to RCM was to bring greater transparency and accountability to the budgeting and resource allocation processes.

The model’s conversion is approximately eighty five percent complete in the administration’s estimation due to the following items that still require attention prior to the July 2022 official launch date:

1. A deeper understanding of how colleges and units budget historically, and the treatment of transfers across the university: Units do not budget their full costs in their units because there is an expectation that transfers will come to them to close the gap in funding. This is primarily noted in instances where one college “pays” another college to instruct their students.
2. How carry forward balances are viewed, especially with an eye towards spending down balances that are dispersed at the college and unit levels. This change will require much discussion because the current budget process does not make a distinction between carry forward and current operating funds provided by the state. The administration has identified at least four issues that seem to keep the university’s carry forward balance being almost static from year to year:
 - a. Unallocated revenues based on the current budget process as a buffer or smoothing of unanticipated expenses or revenue loss from the state or enrollment. That number typically amounted to approximately \$15 million each year.
 - b. Excess tuition collected above “Spending Authority.” As an example, for fiscal year 2021 the university collected approximately \$26 million more than its “Spending Authority” for student tuition and fees.
 - c. Interest earned on E&G holdings must follow that color and category of funds. The university has approximately \$305 million in cash and investments held in SPIA (the

state's Special Purpose Investment Account) related to carry forward. The annual earnings that flow back to carry forward is approximately \$3 million to \$4 million a year. These funds then follow the restrictive nature of carry forward funds and may not be used for recurring expenses.

- d. The reimbursement of colleges and units from the UCF Foundation for the expenditure of E&G expenses. Total UCF Foundation reimbursements have not been identified as of the preparation of this memorandum, but it is anticipated that this will be several million dollars as well. To put a finer point on this matter, typically the annual spend policies from an endowment will result in several things, (i) budget augmentation for gaps in funding that will allow for programmatic activities to be achieved, (ii) budget relieving such that main E&G funds can be redirected to expand the mission or objectives of a college or unit, (iii) increased scholarship funding that offsets E&G-required funding for financial assistance for students. We are currently investigating whether the reimbursement of E&G at year end by the UCF Foundation is causing the E&G that was reimbursed simply flowing to the carry forward balance each year. Preliminary discussions indicate that might be the case.
3. Colleges and units (and in some instances Direct Support Organizations) operate autonomously from what would be considered best practices in managing a highly decentralized Research 1 institution. These best practices provide "guardrails" on how to guide and direct financial operations that would bring consistency and reliability to transactions during the year. The institution needs greater adherence to these best practices; despite being a decentralized campus, there are some basic tenets, training, and execution that should be commonplace as they affect the budgeting process.
4. Central Support Costs need to be analyzed more granularly in the context of trying to eliminate as much as possible the chargeback methodology that has been sharply criticized for both Facilities and Information Technology. A draft report from Huron Consulting has confirmed what the administration had suspected about Facilities charging methodologies and will form the basis to for streamline these costs in the coming fiscal year.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Specific trustee request.

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

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

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance



Board of Trustees

Agenda Memo

Supporting Documentation:

Attachment A: Budget Sources and Uses Draft Template

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance
Misty Shepherd, Senior Associate Vice President for Financial Affairs

Category	Rosen College of Hospitality Management	College of Sciences	College of Optics and Photonics	College of Health Professions and Sciences	College of Arts and Humanities	College of Engineering and Computer Science	College of Nursing	College of Community Innovation and Education	College of Business	College of Medicine- MD Program	College of Medicine- School of Biomedical Sciences	Academic College Total	Central Provost	Academic Self Supporting	Auxiliary Self Supporting	Financial Aid/HEERF	Central Support Units	Total University
Resources:																		
Direct Tuition and Fees	472,600	2,681,471	27,000	1,076,475	533,346	2,301,214	108,408	267,205	6,114,400	17,172,334	891,750	31,646,203	-	217,477	39,673,221	15,974,332	56,455,489	143,966,722
Tuition in Excess of Spending Authority																	2,429,453	2,429,453
Market Rate Programs (All Inclusive)																	-	-
Allocation of University Tuition	19,279,689	95,753,556	809,090	25,357,510	49,836,146	44,797,708	11,681,400	49,955,099	39,393,088	59,933	11,536,899	348,460,119	-	1,619,183	13,358	-	-	350,092,659
Federal and State Student Financial Aid	-	-	-	6,800	-	-	-	-	-	1,750,244	-	1,757,044	-	-	-	636,553,510	-	638,310,554
State Appropriations - Operations	14,736,399	84,319,734	6,246,340	24,925,048	33,890,877	46,591,598	12,506,427	46,278,696	33,745,938	31,104,247	12,393,649	346,738,953	-	26,235,175	6,679	-	-	372,980,806
State Appropriations - Capital																		
Grants and Contracts	344,640	15,268,656	12,247,212	2,781,144	566,712	26,536,680	1,518,636	11,559,672	145,308	1,494,660	8,383,248	80,846,568	-	37,590,012	5,652	107,030,340	28,148,374	253,620,946
Foundation- Unrestricted Support	134,332	51,240	-	26,225	81,625	357,233	139,032	79,546	246,859	341,133	-	1,457,225	-	-	-	-	627,027	2,084,252
Foundation- Restricted Support	11,584,630	2,930,930	2,791,994	778,725	3,160,216	7,097,560	1,370,949	3,046,680	8,926,415	2,418,558	-	44,106,656	-	-	300,000	-	14,441,887	58,848,544
Sales and Services	355,000	8,200	-	727,928	386,800	38,000	15,500	746,294	282,000	43,873,697	20,000	46,453,420	-	1,160,312	44,876,238	-	55,777,272	148,267,242
Investment Income (Realized)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,799,240	1,928,273	4,182,513
Other Income	-	14,000	-	110	13,875	158,250	149,121	332,252	-	559,900	-	1,227,508	-	17,064	4,172,111	5,986,252	4,737,626	16,140,561
Total Sources	46,907,289	201,027,786	22,121,636	55,679,965	88,469,598	127,878,243	27,489,473	112,265,444	88,854,008	98,774,707	33,225,546	902,693,695	-	66,839,222	89,502,259	767,343,674	164,545,401	1,990,924,251
Use of Resources:																		
Compensation and Benefits	11,814,721	80,366,300	14,487,746	18,308,383	40,723,752	60,364,808	12,569,845	46,088,480	36,695,994	76,902,700	16,913,371	415,236,100	-	31,759,662	29,357,811	2,184,176	247,330,172	725,867,922
Services and supplies	922,316	8,353,368	4,145,846	2,251,461	2,827,709	11,148,370	1,161,654	5,800,457	2,248,364	8,996,866	4,898,424	52,754,834	-	14,113,878	21,954,081	219,003	122,606,973	211,648,770
Utilities	7,685	41,000	-	-	-	47,300	-	-	-	53,735	-	149,720	-	1,200	4,731,020	-	20,939,465	25,821,405
Communications	142,116	337,710	75,366	115,237	112,216	310,987	37,324	176,349	171,924	303,948	128,196	1,911,373	-	278,485	587,532	55,000	4,190,054	7,022,444
Scholarships, Fellowships and Waivers	4,698,082	22,069,495	981,303	4,192,778	10,994,483	11,903,482	1,674,769	8,759,453	8,721,018	5,951,663	3,015,409	82,961,934	-	4,967,947	159,356	653,717,060	2,096,810	743,903,107
Capital Assets	19,500	1,212,338	718,140	160,572	120,480	3,148,142	87,360	684,236	11,016	320,195	864,070	7,346,049	-	2,565,280	253,824	7,067	13,024,687	23,196,907
Debt Service	-	-	-	31,096	-	-	-	-	-	-	-	31,096	-	-	10,008,250	-	1,225,947	11,265,293
Other Expenses	48,400	193,080	-	93,914	194,728	279,931	85,000	913,928	697,330	542,953	21,334	3,070,598	-	4,226,617	3,933,370	111,282,910	7,533,060	130,046,555
Expenses Paid by Foundation	11,718,962	2,982,169	2,791,994	804,950	3,241,841	7,454,793	1,509,981	3,126,226	9,173,274	2,759,691	-	45,563,881	-	-	300,000	-	15,068,914	60,932,795
Central Support Unit Allocations	11,016,300	52,639,011	5,528,921	20,418,400	23,003,115	41,561,163	9,700,687	29,548,760	25,499,592	16,873,301	14,948,918	250,738,167	-	12,411,401	-	-	(263,149,568)	-
Provost Participation Fee	5,347,625	28,632,349	1,170,844	8,596,520	13,174,693	14,578,072	4,064,189	16,061,077	12,728,049	8,499,511	3,818,734	116,671,661	(120,219,368)	3,547,708	-	-	-	-
Central Provost Funded Initiatives	-	-	-	-	-	-	-	-	-	-	-	31,297,752	-	-	-	-	-	31,297,752
Total Uses	45,735,706	196,826,819	29,900,160	54,973,311	94,393,017	150,797,048	30,890,808	111,158,965	95,946,561	121,204,563	44,608,456	976,435,413	(88,921,616)	73,872,178	71,285,244	767,465,216	170,866,515	1,971,002,950
Net from Operations - Before Transfers	1,171,583	4,200,967	(7,778,523)	706,653	(5,923,419)	(22,918,805)	(3,401,335)	1,106,479	(7,092,553)	(22,429,855)	(11,382,910)	(73,741,718)	88,921,616	(7,032,956)	18,217,015	(121,542)	(6,321,115)	19,921,301
Transfers (To)/From - General Transfers	(44,300)	(82,579)	-	(607,598)	49,293	90,068	-	(478,106)	95,000	145,766	4,600	(827,856)	-	1,396,841	5,644,456	-	(6,413,441)	(200,000)
Transfers (To)/From - University Constructio	15,000	58,111	-	-	3,500	-	-	-	-	56,000	-	132,611	-	-	4,023,000	-	2,424,768	6,580,379
Net from Operations	1,200,883	4,225,435	(7,778,523)	1,314,251	(5,976,212)	(23,008,873)	(3,401,335)	1,584,585	(7,187,553)	(22,631,621)	(11,387,510)	(73,046,473)	88,921,616	(8,429,797)	8,549,559	(121,542)	(2,332,442)	13,540,922
Use of Non-E&G Reserves	371,863	35,641	3,673	-	226,965	806,252	8,087	425,650	12,577	1,675,593	2,553	3,568,854	-	-	-	121,542	5,252,532	8,942,928
Restricted Net Earnings	-	-	11,500	63,619	96,840	-	-	-	-	-	-	171,959	-	585	8,549,559	-	472,785	9,194,888
Unbudgeted Use of Net Earnings	1,572,746	4,261,076	-	1,250,632	-	-	-	2,010,235	-	-	-	9,094,689	-	1,746,967	-	-	2,447,305	13,288,961
Net Earnings After Non-E&G Reserve Cash	-	-	(7,786,350)	-	(5,846,087)	(22,202,621)	(3,393,248)	-	(7,174,976)	(20,956,028)	(11,384,957)	(78,744,267)	88,921,616	(10,177,349)	-	-	-	-
Provost Subvention Annual Allocations	-	-	7,786,350	-	5,846,087	22,202,621	3,393,248	-	7,174,976	20,956,028	11,384,957	78,744,267	(88,921,616)	10,177,349	-	-	-	-
Net Earnings After Subvention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Board of Trustees
Budget and Finance Committee | September 22, 2021

DISC-3: Townes Institute Science and Technology Experimentation Facility (TISTEF)

☐ Information

☒ Discussion

☐ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Discussion regarding the university's relationship, and two specifically associated pending contracts, for continued and increased performance of research activities at Kennedy Space Center (KSC), including at the Townes Institute Science and Technology Experimentation Facility (TISTEF) and the Space Florida Launch and Landing Facility.

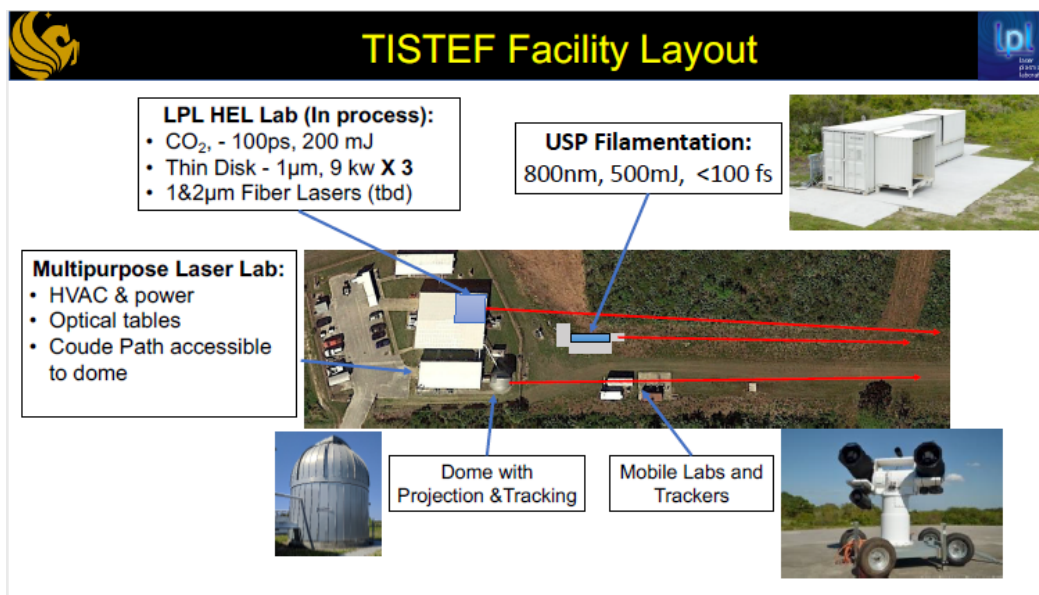
Background Information:

TISTEF is an interdisciplinary and inclusive research enclave that offers a one-of-a kind facility where UCF faculty and students perform a high level of fundamental science and experimentation and collaborate with Department of Defense (DoD) researchers and various private corporations, including defense contractors. In the time since UCF began exploring what might be possible at TISTEF in 2013, many (30+) students and engineers have been able to gain valuable experience and build relationships, with most of those going on to work for NASA, Lockheed Martin, Northrup Grumman, and other space and DoD industry leaders. The recent creation of the UCF Center for Directed Energy Systems, Science and Technology (C-DESST), which includes TISTEF, came about in part from the demands of industry and the DoD community for graduates specializing in directed energy, with UCF's Drs. Martin Richardson and Robert Bernath creating a strategic roadmap with the Office of the Under Secretary of Defense for Research and Engineering Leadership after that office requested UCF use its expertise, including in online educational teaching, to create a new educational training program and augment facilities to serve the DoD and industry. TISTEF is central to that strategic plan, with the cutting-edge capabilities that the outdoor range, UCF expertise, and unique equipment have to offer.

Important and game-changing technologies invented at UCF have been able to be proven at TISTEF, along with estimated \$40+ million success in research and over \$12 million in services (including over \$6,000,000 in TISTEF-facilitated research investment for Dr. Martin Richardson alone) to date. UCF's expertise in optics and photonics has been even further elevated by TISTEF activities, with recognition by both public and private entities including exclusive invitations to participate in important national security discussions and increasing requests from industry for collaboration and expert consultation at the site. Interest in expanding TISTEF capabilities is strong and potential for significant government investment exists, bolstered by directed energy being named as a prioritized technology area for dedication of federal resources and acceleration of development activities. The university's activities to date have demonstrated that innovation occurs at the intersection of science disciplines and have generated excitement toward learning what new products and services will evolve from bringing more sponsored contracts, researchers, and students to work side by side at TISTEF along Florida's Space Coast as the site looks to grow and expand opportunities for research and laboratory instruction.

Facilities

TISTEF is a unique government-owned facility located within the secure area at KSC, offering unequaled scientific opportunity to study laser propagation in a completely secure environment with access to an onsite suite of sensors and diagnostic equipment. TISTEF amenities include a 1 km terrestrial laser range (extension to 3&5 km proposed), access to a 13 km slant path range to the roof of the famous NASA Vehicle Assembly Building (VAB), and with additional proposed expansion to facilitate deploying overwater saline ranges of 1-10 km. UCF is the **only** university in the country operating a fully operational laser test range approved by the Space Force Delta 45, U.S. Air Force, NASA, the Laser Clearing House (satellite deconfliction group), and the Federal Aviation Administration, capable of performing laser propagation research terrestrially, over water, and even into space.



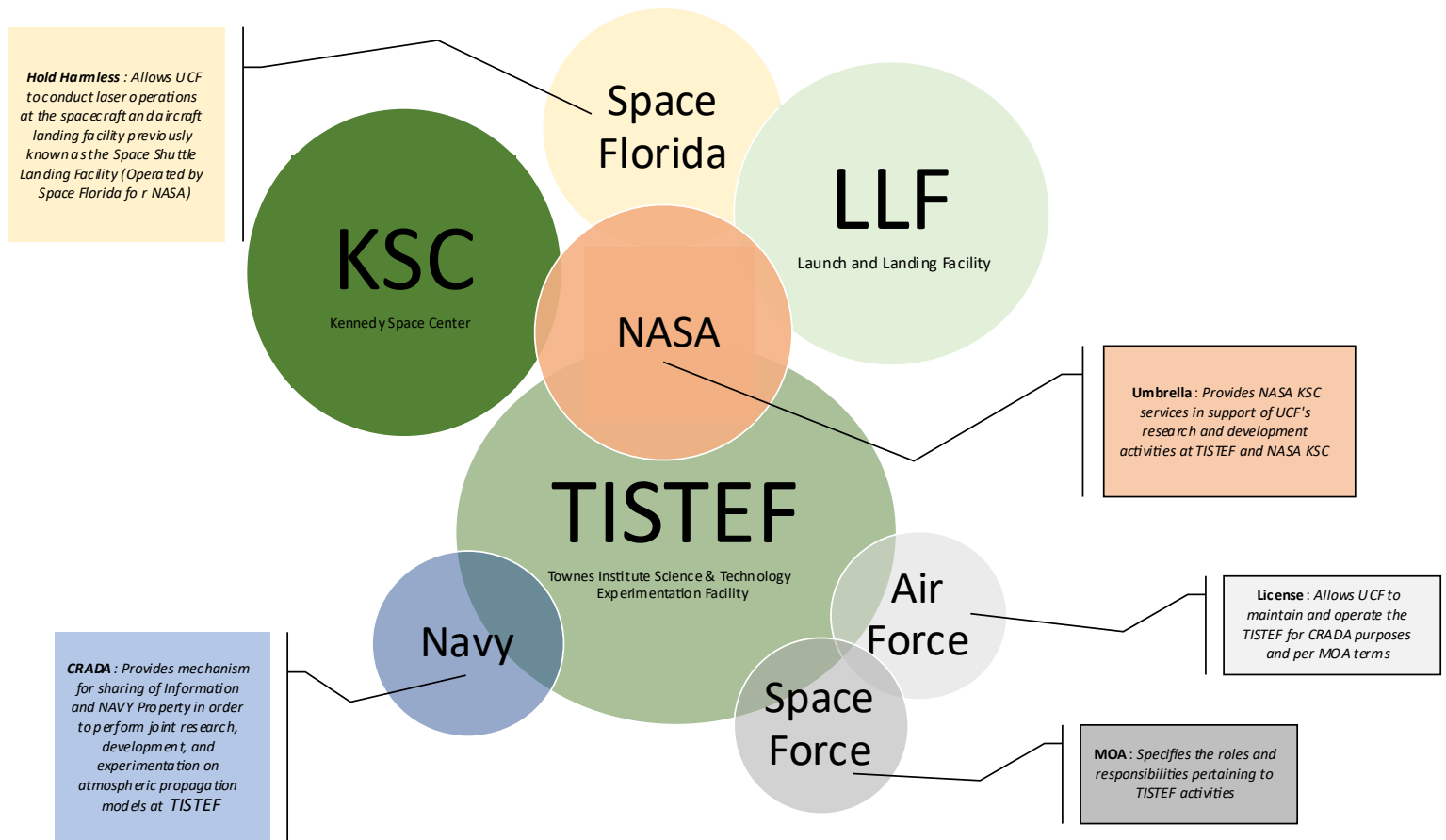
Also located at KSC and near TISTEF, the Space Florida Launch and Landing Facility, formerly known as the Shuttle Landing Facility, is one of the longest runways in the world, at 15,000 feet (4.5 km), supplementing UCF's available research and testing resources at KSC.



No other laser testing facility possesses these unique features. Additionally, because it is located within a wildlife preserve, TISTEF offers a rare opportunity for researchers and students to practice and advance the critically important balance between research advancements in engineering and environmental stewardship.

Collaboration Structure

When Dr. Martin Richardson envisioned possibilities for TISTEF in April 2013, then Vice President for Research MJ Soileau executed a Navy Cooperative Research and Development Agreement (CRADA) that provided UCF the opportunity to begin to explore those possibilities through use of Navy equipment located at TISTEF. In June 2013, the Air Force granted UCF a license to use the TISTEF facilities, and a year later, in July, 2014, agreed to terms for UCF's management of TISTEF in a Memorandum of Agreement (MOA), which allowed the potential of the facility to be fully explored. Relatedly, in October 2016, the university obtained the right to use the Shuttle Landing Facility from its operator, Space Florida, to support laser research activities that required greater distance than the 1 km TISTEF range. The following diagram offers an overview of these relationships:



Coincidental to UCF's initial years' activities at TISTEF, activities at KSC increased dramatically and operational mechanisms between the various government agencies were revised to best deliver financial and functional efficiencies. All the contracting parties for the Navy, Air Force, NASA, and Space Florida are supportive of solidifying UCF's operation of TISTEF for the future, and each of the

respective contracts is provided as attachments. Two related agreements are pending execution, and central to this Budget & Finance Committee discussion: (1) a new NASA Agreement that will provide a mechanism for NASA to deliver KSC services to the university, the need for which arose from new KSC operational mechanisms, and (2) an updated Space Florida Agreement, required for UCF to continue use of the Launch and Landing Facility. Robust operational approval processes at KSC limit the likelihood of a mishap, but the potential scope of the risk if an adverse event were to occur, and the express limitations on the university's potential for recovery and the potential exposure for repair/replacement of potentially costly U.S. Government property are relevant. Attachment A offers a summary of primary risks related to each contractual relationship depicted above.

NASA Reimbursable Space Act Umbrella Agreement

During the initial exploratory period of the university's activities at TISTEF, our KSC engagement was primarily directed through the Air Force. Operational changes at KSC now necessitate the university's KSC engagement initiate with NASA, and in accordance with the subject NASA Agreement.

The Reimbursable Space Act Umbrella Agreement format is a generally standard NASA document that is used where NASA provides third parties with services. Negotiations have been lengthy and complex, with terms that vary from other NASA installations and universities, at least partially due to the unique environmental nature of KSC. By its structure, Annex agreements are further incorporated into the Umbrella agreement to reflect particular and specific service requests. The initial Annex included for execution is to allow provision of NASA KSC Spaceport operations and integration support services for university activities at KSC, primarily in relation to TISTEF and the LLF.

The new, pending agreement reflects current operational paradigms at KSC, with reimbursement to NASA for costs. The primary focus of the agreement is to set forth obligations and responsibilities of the university and NASA regarding the services. Another focus is the protection of NASA from risk by the required waiver of claims and indemnification, and by requiring activity-related U.S. Government property damage to be the responsibility of the university. A template waiver will be created and used to mitigate risk and similarly seek to protect and indemnify the university from potential claims of collaborative users and require such collaborators to be responsible for U.S. Government property. Attachment B offers the NASA Agreement, Annex 1, and a standard Contract Summary.

Space Florida Full Release, Hold Harmless and Waiver of Rights Agreement

In October 2016, the university obtained the right to use the Shuttle Landing Facility from its operator, Space Florida, to support laser research activities that required greater distance than the 1 km TISTEF range. Now known as the Space Florida Launch and Landing Facility (LLF), the LLF continues to be operated and managed by Space Florida under a 30-year property agreement with NASA.

Negotiations were unable to be concluded prior to expiration of the prior agreement, and the LLF activities are on hold pending execution of the new agreement. The original agreement, generally tied to the initial exploratory period at TISTEF, referred to a limited and specific set of lasers and operational parameters that are not currently in use. The new, pending agreement reflects current operational paradigms. The primary focus of the agreement is the protection of Space Florida and NASA from risk by the required surrender of potential claims, and indemnification. The terms are primarily NASA required flow-down terms. Template waivers tailored to the several categories of collaborative users, namely third-party entities/individuals, employees of UCF, and Government entities/individuals, will be

used to similarly mitigate risk and protect the university as to potential claims from such collaborative users of the LLF. The waivers will be required to be signed by all entities and individuals prior to UCF grant of permission for any participation in or observation of LLF activities. Attachment C offers the Space Florida Agreement, Annex 1, and a standard Contract Summary.

Recommended Action:

N/A

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

The TISTEF facility is part of the new Center for Directed Energy Systems, Science, and Technology (C-DESST). As with many of centers and clusters in the University that have the potential to generate a significant amount of either grant/contract or user fees, the operation of TISTEF has been subsumed into the Office of Research (OR). Third party user fees supply a significant part of the operating expenses, supplemented with a small amount from OR for personnel to oversee various required compliance aspects. User fees have increased in the past year (to make them more in line with other, similar facilities) and will likely increase again this year. Also, UCF-led sponsored projects that our researchers have been awarded because of our TISTEF capabilities provide some funding. Currently, all funded research done at TISTEF is charged our off-site rate of 26%.

With operational changes at KSC, payment for utilities and maintenance that were not previously charged to the university will now be required, and the NASA Agreement will require payment for other KSC services, while also solidifying our position as well-regarded operator of TISTEF, further enhancing the university's reputation as a leader, **the** leader in directed energy research, delivering value to the university. We intend to pursue a potential increase in the indirect rate for the site in our negotiations with the Government, to hopefully include at least some of the costs of running the facility in UCF's negotiated F&A rate or via a special site-specific rate. Increasing the rate for both grant/contract and industry use can possibly result in new revenue streams that can be used to augment our research activities in these areas.

Authority for Board of Trustees Action:

N/A

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

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

Submitted by:

Elizabeth Klonoff, Vice President for Research and Dean of the College of Graduate Studies

Supporting Documentation:

Attachment A: Relationships and Primary Risk Overview

Attachment B: Contract Summary Form - NASA Reimbursable Space Act Umbrella Agreement with Annex 1 (*pending*)

Attachment C: Contract Summary Form - Space Florida Agreement (*pending*), and set of three Launch and Landing Facility Release, Hold Harmless and Waiver of Rights



Board of Trustees

Agenda Memo

Attachment D: Space Florida Agreement (prior)
Attachment E: CRADA
Attachment F: MOA
Attachment G: License (prior, *new version tbd*)
Attachment H: Additional Detailed Budget Information

Facilitators/Presenters:

Elizabeth A. Klonoff, Vice President for Research and Dean of the College of Graduate Studies
Sandra Sovinski, Deputy General Counsel for Research

Party	Purpose	Primary Risks
NIWC Pacific CRADA	"to provide [UCF & NIWC] a flexible mechanism that allows the sharing of relevant Information and Tangible Property in order to perform joint research, development, and experimentation on atmospheric propagation models at [TISTEF]"	<ul style="list-style-type: none"> ·UCF is responsible for any damages that may arise from any suit, action, or claim, and for any costs from or incidental to any suit, action, or claim, including but not limited to settlement and defense costs ·UCF agrees may only pursue adding Government in any suit if liable under Federal Tort Claims Act. ·UCF liable for all damage to \$2.76M NIWC property ·UCF indemnifies NIWC +UCF reserves sovereign immunity rights, states entire liability is as stated in F.S. 768.28, and limits liability/indemnification obligations to exclude purposes outside the agreement SOW
45 th Space Wing MOA	"specifies the roles and responsibilities of the 45 SW and UCF pertaining to [TISTEF] Facility activities"	<ul style="list-style-type: none"> ·UCF responsible for actions of contractors, subcontractors, and [TISTEF] Facility users. ·UCF responsible for environmental matters, after baseline. ·Both parties hold the other harmless. +UCF reserves sovereign immunity rights
Air Force License	"to allow UCF to maintain and operate the ISTEf for the purposes of operating a Joint Services, University Affiliated Research Center for Laser Technologies under a [CRADA] with [NIWC]"	<ul style="list-style-type: none"> ·UCF pays all costs to operate, protect, maintain [TISTEF] premises ·UCF responsible for environmental matters, all permits. ·UCF indemnifies Air Force +UCF reserves sovereign immunity rights, states no waiver beyond F.S. 768.28
NASA Umbrella	"providing UCF with NASA KSC services in support of UCF's research and development activities at TISTEF and NASA KSC"	<ul style="list-style-type: none"> ·UCF reimburses costs ·UCF waives any claims against NASA, contractors, subcontractors at any tier, customers, etc., whether negligence or otherwise, except willful misconduct. ·UCF extends waiver of claims by contract and indemnifies NASA otherwise ·UCF solely responsible for repair/restoration, at NASA's direction, of damaged U.S. Government property, except willful misconduct by NASA. +Express retention of sovereign immunity rights, states no waiver beyond legislature. +Mutual no express/implied warranties, no special/consequential damages.

Space Florida Hold Harmless	“to allow UCF to conduct laser operations at the spacecraft and aircraft landing facility known as the Space Shuttle Landing Facility”	<ul style="list-style-type: none"> ·UCF waives any claims, all rights to bring any action, and indemnifies Space Florida, NASA, vendors, contractors, rescue personnel, etc., whether negligence, breach, etc. of such parties, except negligence ·UCF must extend waiver to all entities/individuals ·UCF assumes inherent dangers (including listed). +Express retention of sovereign immunity rights, states no waiver except in F.S. 768.28. +Mutual damages cap stated as legislative dollar amount for tort.
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Contract Summary Form

Purpose/Background	To enable NASA to provide KSC services in support of UCF's activities at NASA KSC.
Parties	National Aeronautics and Space Administration John F. Kennedy Space Center (NASA) and UCF
Term	Five years from the date of last signature
Obligations of UCF	<ul style="list-style-type: none"> ·Provide annual long-range and short-range projections of activities. ·Ensure all proper training occurs and be responsible for compliance by UCF employees, contractors, invitees. ·Be solely responsible for repair and restoration, subject to NASA direction, of U.S. Government property damaged in activities, except for willful misconduct by NASA, and with insurance coverage to cover cost of repair or replacement. ·Waive any claims against NASA, contractors, subcontractors at any tier, customers, etc., for injury or death of UCF/related entity employees, for damage or loss of UCF/related entities' property, whether through negligence or otherwise, except willful misconduct. ·Extend the foregoing unilateral waiver by contract, indemnify if we fail.
Obligations of other party	<ul style="list-style-type: none"> ·Provide statement of work, estimated cost and proposed schedule for requested services. ·Define applicable safety requirements for use of services support items.
Financial terms	<ul style="list-style-type: none"> ·Reimburse NASA for costs, advancing payments. ·Expense of required insurance covering claims for bodily injury, personal injury, death, property damage, or other loss or damages arising from activities under Agreement.
Termination rights	Mutual unilateral right with 30 days notice.
Additional terms	<ul style="list-style-type: none"> ·Express retention of all sovereign immunity rights. ·Neither party liable for special, consequential, or incidental damages attributed to equipment, facilities, technical information, or services provided under agreement, or research, information, or resulting products made or developed as a result of Agreement
Link to agreement	https://bot.ucf.edu/wp-content/uploads/sites/5/2021/09/B-Complete-Pending-NASA-Agreement-and-Annex.pdf

Contract Summary Form

Purpose/Background	Sets forth terms for UCF's use of the Space Florida Launch and Landing Facility (LLF), which are largely required of Space Florida by its agreement with NASA.
Parties	Space Florida, UCF
Term	Pending execution through June, 2023
Obligations of UCF	<ul style="list-style-type: none"> ·Ensure all activities and individuals are properly KSC authorized. ·Provide insurance certification. ·Obtain full release and waiver from all third-party laser owners, third party activity participant/observers. ·Waive, indemnify, hold harmless, and forever discharge Space Florida, NASA, respective officers, directors, members, owners, employees, agents, subsidiaries, vendors, independent contractors, rescue personnel, medical and paramedic personnel, parents, insurers, attorneys, servants and representatives, from any and all liability, except where caused by their negligence. ·Expressly assume all risks, including enumerated dangers.
Obligations of other party	Provide access for use of the LLF.
Financial terms	None
Termination rights	None
Additional terms	<ul style="list-style-type: none"> ·Both parties expressly retain all rights, benefits, and immunities of sovereign immunity. ·Both parties agree the cap on the amount and liability of UCF and Space Florida for damages regardless of the number or nature of claims in tort, equity, or contract, shall not exceed the dollar amount set by the legislature for tort.
Link to agreement	https://bot.ucf.edu/wp-content/uploads/sites/5/2021/09/Attachment-F-Pending-Space-Florida-Agreement.9.15.21.pdf

**FULL RELEASE, HOLD HARMLESS AND WAIVER OF RIGHTS AGREEMENT
(READ CAREFULLY BEFORE SIGNING, YOU ARE WAIVING ALL RIGHTS TO MAKE ANY CLAIM
ARISING FROM THE USE OF THE SPACE SHUTTLE LANDING FACILITY)**

THIS FULL RELEASE, HOLD HARMLESS AND WAIVER OF RIGHTS AGREEMENT (the "Agreement") is made and entered into as of the date of last signature below ("Effective Date"), by and among the University of Central Florida Board of Trustees, ("UCF"), a public body corporate and state university of the State of Florida, and Space Florida, an independent special district, a body politic and corporate, and a subdivision of the State of Florida, located at Kennedy Space Center, Florida ("Space Florida"). Each, individually ("Party"), and collectively, ("Parties").

RECITALS

WHEREAS, Space Florida operates and manages the spacecraft and aircraft landing facility known as the Space Shuttle Landing Facility ("SLF") that is located on property located at the John F. Kennedy Space Center, Florida ("KSC");

WHEREAS, UCF operates and manages the Innovative Science and Technology Facility (ISTEF), an Air Force-owned building built on land owned by the National Aeronautics and Space Administration (NASA), also located at the John F. Kennedy Space Center, FL ("ISTEF");

WHEREAS, UCF has been granted Radiation Protection Program Use Authorization K-LA-50140 for use of certain UCF Lasers identified in **Attachment A** (the "UCF Lasers") in accordance with certain terms and responsibilities, and in certain Laser Radiation Controlled Areas (LRCA), including the SLF;

WHEREAS, K-LA-50140 also grants certain individual UCF employees ("UCF Laser Operator(s)") and certain non-UCF, third-party employees ("Non-UCF Laser Operators") status as Authorized Users of the UCF Lasers, in accordance with certain terms and responsibilities;

WHEREAS, UCF desires to conduct laser operations with the UCF Lasers at the SLF including the SLF air space and utilize the SLF for testing, calibrations and operations during the Term listed below (the use of the UCF Lasers, the SLF, SLF airspace and facilities shall hereinafter be referred to as the "Laser Activities");

WHEREAS, the Laser Activities will be conducted by UCF Laser Operator(s);

WHEREAS, Space Florida is willing to allow UCF Laser Operator(s) to conduct the Laser Activities of UCF but only if UCF has each UCF Laser Operator sign a release, hold harmless, and waiver of rights agreement;

WHEREAS, Space Florida is willing to allow Non-UCF Laser Operator(s) and any other third parties to conduct, participate in, and/or observe the Laser Activities of UCF but only if UCF requires each third-party to sign a full release and waiver, as specified in section 11 of this agreement;

WHEREAS, UCF and Space Florida both have sovereign immunity except to the limited extent waived pursuant to 768.28, Florida Statutes;

WHEREAS, all Parties to this Agreement have entered into this Agreement knowingly, voluntarily and without reservation.

NOW, THEREFORE, in consideration of Space Florida granting UCF permission to use the SLF and for

other good and valuable consideration, and, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. **Recitals.** The above recitals are true and correct and form a material part of this Agreement upon which the Parties have relied.
2. **Release.** UCF agrees to release, waive, and forever discharge Space Florida and the National Aeronautics and Space Administration (“NASA”) and their respective officers, directors, members, owners, employees, agents, subsidiaries, vendors, independent contractors, rescue personnel, medical and paramedic personnel, parents, insurers, attorneys, servants and representatives (hereinafter collectively referred to as the “Released Parties”) from any and all liability, claims, demands, actions, causes of action, suits in equity of whatever kind or nature, damages, costs, which UCF may have against the Released Parties on account of any event, accident, warranty or incident of any kind or type involving the SLF, SLF Airspace, or the Laser Activities that results in bodily injury, death or property damage, including, but not limited to injuries or damages to the Laser or to Laser Operator caused or alleged to have been caused in whole or in part by any negligence, breach of duty, breach of contract, act, conduct, omission, failure to warn, action, inaction or otherwise of the Released Parties.
3. **Express Assumption of All Risk.** UCF understands, appreciates, and assumes the inherent danger and risk of serious bodily injury and death that may result from the Laser Activities and related events in the SLF Airspace and while using the SLF, not only from the UCF Laser Operator(s), related third Parties and all the Non-UCF Laser Operators’ own actions, inactions, negligence or otherwise, **but also from the actions, inactions, negligence or otherwise of Space Florida or NASA and others, including, but not limited to:**
 - a. **the negligence, acts, and omissions of the Released Parties,**
 - b. **the potential poor condition and lack of maintenance of the SLF,**
 - c. **falling debris and toxic gas hazards within the KSC Airspace as KSC is an active rocket launch facility,**
 - d. **tall structures as the SLF is adjacent to numerous rocket launch towers and one of the largest buildings in the world, the VAB,**
 - e. **birds, alligators, and other wildlife hazards as the SLF is within a wildlife refuge,**
 - f. **collision potential with aircraft that are operating within the KSC Airspace and using the SLF,**
 - g. **presence of foreign object debris on the SLF, and**
 - h. **poor weather, pilot error, Laser mechanical failure, and air traffic controller error.**

As a result of the understanding and appreciation of the great risks involved with the Laser Activities, UCF assumes any and all risks of personal injury and property damage attributable to the negligent acts or omissions of UCF and their respective officers, employees, servants, and agents thereof while acting within the scope of their employment. UCF and Space Florida further agree that nothing contained herein shall be construed or interpreted as (1) denying to either Party any remedy or defense available to such Party under the laws of the State of Florida: (2) the consent of the State of Florida or its agents and agencies or special districts to be sued; or (3) a waiver of sovereign immunity of the State of Florida or its agents or agencies or special districts beyond the waiver provided in Section 768.28, Florida Statutes. UCF and Space Florida expressly retain all rights, benefits, and immunities of sovereign immunity in accordance with Section 768.28, Florida Statutes, and the cap on the amount and liability of UCF and Space Florida for damages regardless of the number or nature of claims in tort, equity, or contract, shall not exceed the dollar amount set by the legislature for tort. Nothing in this Agreement shall inure to the benefit of any third party for the

purpose of allowing any claim against UCF or Space Florida which would otherwise be barred under the Doctrine of Sovereign Immunity or operation of law. UCF **EXPRESSLY WAIVES** any rights to sue the Released Parties for any injury and damages of any kind relating to any of the Laser Activities. **The Undersigned EXPRESSLY AND KNOWINGLY WAIVES UCF's right to sue the Released Parties for the Released Parties' negligence, acts, omissions, or otherwise.**

4. UCF AGREES THAT THIS RELEASE AND WAIVER OF RIGHTS IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED UNDER FLORIDA LAW.
5. UCF AGREES THAT IT HAS READ THIS RELEASE AND WAIVER OF RIGHTS AGREEMENT, HAS HAD THE OPPORTUNITY TO THOROUGHLY READ, REVIEW AND CONSIDER THE CONTENTS OF THIS RELEASE AND WAIVER OF RIGHTS AGREEMENT, HAS HAD AN OPPORTUNITY TO ASK ANY QUESTIONS IT HAS REGARDING THIS RELEASE, HOLD HARMLESS AND WAIVER OF RIGHTS AGREEMENT AND THOSE QUESTIONS HAVE BEEN ANSWERED AND EACH UNDERSTANDS THOSE ANSWERS.
6. UCF AGREES AND UNDERSTANDS THAT IT IS WAIVING AND RELEASING SUBSTANTIAL RIGHTS AND CLAIMS AND POTENTIAL FUTURE CLAIMS, INCLUDING THE RIGHT TO BRING A LEGAL OR EQUITABLE ACTION OF ANY VARIETY IN ANY COURT OR TRIBUNAL, THAT IT HAS VOLUNTARILY DECIDED TO ASSUME THE INHERENT RISKS INVOLVED IN THE LASER ACTIVITIES, AS WELL AS THE RISKS INVOLVED BECAUSE OF THE RELEASED PARTIES' NEGLIGENCE, THE NEGLIGENCE OF OTHERS OR OTHERWISE.
7. THE PARTIES AGREE AND UNDERSTAND THAT THE LAWS OF THE STATE OF FLORIDA SHALL APPLY TO ALL ISSUES INVOLVING THE CONSTRUCTION, INTERPRETATION AND VALIDITY OF THIS AGREEMENT. THE PARTIES FURTHER UNDERSTAND AND AGREE THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE, EACH OF THE UNDERSIGNED HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT. THE PARTIES AGREE THAT THE VENUE FOR ANY DISPUTE ARISING FROM ANY PARTICIPATION IN THE LASER ACTIVITIES OR CONCERNING THIS RELEASE IN ANY WAY SHALL BE LITIGATED EXCLUSIVELY IN THE COURTS OF BREVARD COUNTY, FLORIDA AND THAT NO CLAIMS OR ACTIONS SHALL BE BROUGHT IN ANY OTHER JURISDICTION AGAINST THE RELEASED PARTIES.
8. UCF AGREES AND ACKNOWLEDGES THAT NO ORAL REPRESENTATIONS OR INDUCEMENTS APART FROM THE FOREGOING WRITTEN AGREEMENT HAVE BEEN MADE, THAT IT HAS VOLUNTARILY ENTERED INTO THIS AGREEMENT, AND THAT ITS DECISIONS TO ENTER INTO THIS AGREEMENT IS NOT DUE TO DURESS, UNDUE INFLUENCE OR ANY PROMISE OR INDUCEMENT.
9. UCF AGREES AND ACKNOWLEDGES THAT THIS RELEASE AND WAIVER OF RIGHTS AGREEMENT HAS BEEN VOLUNTARILY SIGNED IN EXCHANGE FOR THE CONSIDERATION OF THE USE OF THE SLF FOR THE LASER ACTIVITIES.
10. Prior to conducting any Laser Activities, UCF shall require each UCF Laser Operator to sign a full release and waiver, and which shall contain at a minimum, the requirements to protect, release, hold harmless, and waive all claims against Space Florida and NASA as set forth in the form which is

attached hereto as **Attachment B**.

11. Prior to permitting any third-party to conduct, participate in, and/or observe any Laser Activities conducted by UCF pursuant to this Agreement, UCF shall require each such third-party (and if applicable, third-party entity) to sign a written hold harmless Release and Waiver containing terms no less stringent than the terms set forth in the form of the Release and Waiver attached hereto as **Attachment B**.

12. Insurance.

UCF shall self-insure or obtain and maintain during the entire Term of this Release and Waiver the following minimum amounts and types of insurance:

- (a) Worker's Compensation and Employer's Liability insurance in compliance with applicable Worker's Compensation and Occupational Disease Statutes with a minimum limit of \$200,000.00 each person and \$300,000.00 per incident.
- (b) General Comprehensive Liability insurance with minimum limits of \$200,000.00 for injury to one person arising out of a single incident and \$300,000.00 for injuries to more than one person arising out of a single incident.
- (c) Comprehensive Automobile insurance which shall include bodily injury and property damage covering owned, non-owned, hired and government-furnished vehicles with minimum limits of \$200,000.00 General Liability each person, \$300,000.00 General Liability each occurrence, and \$10,000.00 Personal Injury for each person and each occurrence. This requirement is not applicable to privately owned vehicles.

UCF shall furnish Space Florida a Certificate of Insurance indicating that the insurance policies are in full force and effect.

- 13. Term.** The parties have executed this Agreement effective as of the Effective Date. This Agreement is effective for the period beginning the Effective Date and shall not extend beyond October 31, 2017 ("Term") unless extended by written modification of this Agreement.

Authorized parties are signing this Agreement on the Execution Dates under the signatures below.

UCF Laser(s):

Hereto attached as Appendix A

Dates of Requested Use:

From: Effective Date

To: October 31, 2017.

UCF:

University of Central Florida Board of Trustees
UCF Office of Research & Commercialization
12201 Research Parkway, Suite 501
Orlando, FL 32826
Phone: 407-882-2018

The University of Central Florida Board of Trustees

By: _____
Signature

Printed name and title: Arlisia Potter, Sr. Contract Manager

Date: _____

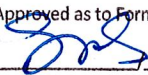
Space Florida:

By: _____

Printed Name and title: _____

Date: _____

Approved as to Form and Legality

 10/12/2016

Attachment A: UCF Laser(s)

NIR #	Manufacturer	# of sources	Model No.	Serial No.	Wavelength	Class	Use Description
N1067	1. Stocker Yale	1	1060-2	300603056	1060 nm	1	FSO Testing
N0981	2. JPG	1	EAU-2-TB	1011001	1550 nm	4	FSO Instrumentation
N0982	3. Scintec	2	SLS20 T	T-A-0268 T-A-0269	670 nm	3R	FSO Instrumentation
N1010	4. OEM Laser systems	1	VIA-532-00800-05	805241076	532 nm	4	Sensor Test for DIA Characterization
N1069	5. Thorlabs	2	SIFL635	991230-1 010115-13	780 nm	3B	Laser instrumentation of Atmospheric Turbulence
N1070	6. United Technologies	1	NA	LC-40-37CWZ-1	1060 nm	4	TBD
N0890	7. JDSU	2	1144P	1322267 1318022	633 nm	3B	TBD
N0890	8. JDSU	1	1136	1302347	633 nm	3B	TBD
N0891	9. Light Wave	1	M142C-200PAL	309	532 nm	3B	TBD
N1071	10. Laserglow	2	Galileo	EO0531 0010143-00	532 nm	3R	TBD
N1158	11. Qphotonics	1	QFLD-775-10SB	11.08.25	776 nm	3B	UCF Three Aperture Scintillometer System
N1158	12. Qphotonics	1	QFLD-775-10SB	10.10.26	776 nm	3B	UCF Three Aperture Scintillometer System

N0840	13. Hughes	1	3222H-C	1130033	633 nm	3B	Various projects
N1268	14. Melles Griot	1	05-LHR-151	1571AI	632.8 nm	3B	Various projects

Full Release, Hold Harmless and Waiver of Rights Agreement for Laser Operators

ATTACHMENT B

**RELEASE, HOLD HARMLESS AND WAIVER OF RIGHTS AGREEMENT
(READ CAREFULLY BEFORE SIGNING, YOU ARE WAIVING RIGHTS TO MAKE CLAIMS ARISING FROM THE USE OF
THE SPACE SHUTTLE LANDING FACILITY)**

THIS RELEASE, HOLD HARMLESS AND WAIVER OF RIGHTS AGREEMENT (the "Agreement") is made and entered into as of the date of last signature below, by the below signed Laser Operator and Space Florida, an independent special district, a body politic and corporate, and a subdivision of the State of Florida, located at Kennedy Space Center, Florida ("Space Florida").

RECITALS

WHEREAS, Space Florida operates and manages the spacecraft and aircraft landing facility known as the Space Shuttle Landing Facility ("SLF") that is located on property located at the John F. Kennedy Space Center, Florida ("KSC");

WHEREAS, the University of Central Florida Board of Trustees ("UCF") has been granted Radiation Protection Program Use Authorization K-LA-50140 for use of certain UCF Lasers in accordance with certain terms and responsibilities, and in certain Laser Radiation Controlled Areas (LRCA), including the SLF;

WHEREAS, K-LA-50140 also grants certain individual UCF employees and certain non-UCF, third-party employees status as Authorized Users of the UCF Lasers, in accordance with certain terms and responsibilities;

WHEREAS, the Laser Operator will be conducting laser operations with the UCF Lasers at the SLF including the use of the SLF air space and utilize the SLF testing, calibrations and operations (the use of the UCF Lasers, the SLF, SLF airspace and facilities shall hereinafter be referred to as the "Laser Activities");

WHEREAS, Space Florida is willing to allow the Laser Operator to conduct the Laser Activities if the Laser Operator agrees to release and hold Space Florida and related entities harmless from any and all liabilities that may arise from the Laser Activities;

WHEREAS, the parties to this Agreement have entered into this Agreement knowingly, voluntarily and without reservation.

NOW, THEREFORE, in consideration of Space Florida granting Laser Operator permission to use the SLF and for other good and valuable consideration, and, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. **Release.** Laser Operator agrees to release, waive, indemnify, hold harmless and forever discharge Space Florida and the National Aeronautics and Space Administration ("NASA") and UCF and their respective officers, directors, members, owners, employees, agents, subsidiaries, vendors, independent contractors, rescue personnel, medical and paramedic personnel, parents, insurers, attorneys, servants and representatives (hereinafter collectively referred to as the "Released Parties") from any and all liability, claims, demands, actions, causes of action, suits in equity of whatever kind or nature, damages, costs, attorneys' fees and expenses which Laser Operator, their personal representatives, assigns, heirs, survivors or next of kin may have against the Released Parties on account of any event, accident, warranty or incident of any kind or type involving the SLF, KSC Airspace,

or the Laser Activities that results in bodily injury, death or property damage, including, but not limited to injuries or damages to the Laser Operator caused or alleged to have been caused in whole or in part by any negligence, breach of duty, breach of contract, act, conduct, omission, failure to warn, action, inaction or otherwise of the Released Parties, except to the extent resulting solely from the willful misconduct of the Released Parties.

Laser Operator will defend, pay or settle every claim or suit brought against any of the Released Parties by agents of Laser Operator or persons claiming through them or by any third parties, and will hold the Released Parties harmless against every such claim, suit, including attorney fees, costs, and expenses, arising out of the Laser Activities. Notwithstanding the foregoing, death, injury, loss or damage to persons or property to the extent resulting solely from the willful misconduct of the Released Parties shall not be affected by this Agreement.

2. **Express Assumption of Risk.** Laser Operator understands, appreciates, and assumes the inherent danger and risk of serious bodily injury and death that may result from the Laser Activities and related events in the KSC Airspace and while using the SLF, not only from the actions of the Laser Operator, UCF, or any other participant in the Laser Activities, inactions, negligence or otherwise, **but also from the actions, inactions, negligence or otherwise of Space Florida or NASA and others, including, but not limited to:**

- a. **the negligence, acts, and omissions of the Released Parties, except to the extent resulting solely from the willful misconduct of the Released Parties,**
- b. **the negligence, acts, and omissions of other laser operators,**
- c. **the potential poor condition and lack of maintenance of the SLF,**
- d. **falling debris and toxic gas hazards within the KSC Airspace as KSC is an active rocket launch facility,**
- e. **tall structures as the SLF is adjacent to numerous rocket launch towers and one of the largest buildings in the world, the VAB,**
- f. **birds, alligators, and other wildlife hazards as the SLF is within a wildlife refuge,**
- g. **collision potential with aircraft that are operating within the KSC Airspace and using the SLF,**
- h. **presence of foreign object debris on the SLF, and**
- i. **poor weather, pilot error, laser failure or malfunction, and air traffic controller error.**

As a result of the understanding and appreciation of the great risks involved with the Laser Activities, Laser Operator agrees to assume and bear full responsibility and sole liability for any death, bodily injury, or property damage occurring in the KSC Airspace or at the SLF arising from the Laser Activities that are incurred by or from any cause of any kind, **even if caused in whole or part by the acts, omissions, errors or NEGLIGENCE of the Released Parties**, except to the extent resulting solely from the willful misconduct of the Released Parties. Laser Operator further understands that injuries and damages may occur due to no fault of his or her own. Laser Operator **EXPRESSLY WAIVES** any rights to sue for any injury and damages of any kind relating to any of the Laser Activities, except to the extent resulting solely from the willful misconduct of the Released Parties. **Laser Operator EXPRESSLY AND KNOWINGLY WAIVE their rights to sue the Released Parties for the Released Parties' negligence, acts, omissions, or otherwise,** except to the extent resulting solely from the willful misconduct of the Released Parties.

3. **Responsibility for Injury and Damage Caused by Laser Operator.** Laser Operator shall be liable for injury or death to Space Florida or NASA personnel and for loss or damage to property of or under the control of Space Florida or NASA arising out of the Laser Activities, unless the death, injury, loss, or damage results solely from the negligence or willful misconduct of Space Florida or NASA.

4. Laser Operator AGREES AND FURTHER UNDERSTAND THE RISKS AND DANGERS INHERENT IN THE LASER ACTIVITIES, ASSUME FULL RESPONSIBILITY AND RISK OF BODILY INJURY, DEATH OR PROPERTY DAMAGE, EXPRESSLY AND VOLUNTARILY DECIDE TO PARTICIPATE IN THE LASER ACTIVITIES EVEN THOUGH EACH FULLY UNDERSTANDS AND APPRECIATES THAT SUCH PARTICIPATION MAY RESULT IN INJURY, DEATH, DAMAGE OR LOSS **BECAUSE OF THE NEGLIGENCE OF RELEASED PARTIES, THE NEGLIGENCE OF OTHERS OR OTHERWISE,** except to the

extent resulting solely from the willful misconduct of the Released Parties.

5. Laser Operator AGREES THAT THIS RELEASE AND WAIVER OF RIGHTS IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED UNDER FLORIDA LAW.

6. Laser Operator HAS READ THIS RELEASE AND WAIVER OF RIGHTS, HAS HAD THE OPPORTUNITY TO THOROUGHLY READ, REVIEW AND CONSIDER THE CONTENTS OF THIS RELEASE AND WAIVER OF RIGHTS, HAS HAD AN OPPORTUNITY TO ASK ANY QUESTIONS EACH HAS REGARDING THIS RELEASE, HOLD HARMLESS AND WAIVER OF RIGHTS AGREEMENT AND THOSE QUESTIONS HAVE BEEN ANSWERED AND EACH UNDERSTANDS THOSE ANSWERS.

7. Laser Operator AGREES AND UNDERSTANDS THAT HE OR SHE IS WAIVING AND RELEASING SUBSTANTIAL RIGHTS AND CLAIMS AND POTENTIAL FUTURE CLAIMS, INCLUDING THE RIGHT TO BRING A LEGAL OR EQUITABLE ACTION OF ANY VARIETY IN ANY COURT OR TRIBUNAL, THAT EACH HAS VOLUNTARILY DECIDED TO ASSUME THE INHERENT RISKS INVOLVED IN THE FLIGHT ACTIVITIES, AS WELL AS THE RISKS INVOLVED BECAUSE OF THE RELEASED PARTIES' NEGLIGENCE, THE NEGLIGENCE OF OTHERS OR OTHERWISE, except to the extent resulting solely from the willful misconduct of the Released Parties.

8. Laser Operator AGREES AND UNDERSTANDS THAT THE LAWS OF THE STATE OF FLORIDA SHALL APPLY TO ALL ISSUES INVOLVING THE CONSTRUCTION, INTERPRETATION AND VALIDITY OF THIS AGREEMENT. Laser Operator UNDERSTANDS AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT HE OR SHE MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT. Laser Operator AGREES THAT THE VENUE FOR ANY DISPUTE ARISING FROM ANY PARTICIPATION IN THE LASER ACTIVITIES OR CONCERNING THIS RELEASE IN ANY WAY SHALL BE LITIGATED EXCLUSIVELY IN THE COURTS OF BREVARD COUNTY, FLORIDA AND THAT NO CLAIMS OR ACTIONS SHALL BE BROUGHT IN ANY OTHER JURISDICTION AGAINST THE RELEASED PARTIES.

9. Laser Operator AGREES AND ACKNOWLEDGES THAT NO ORAL REPRESENTATIONS OR INDUCEMENTS APART FROM THE FOREGOING WRITTEN AGREEMENT HAVE BEEN MADE, THAT HE OR SHE HAS VOLUNTARILY ENTERED INTO THIS AGREEMENT, AND THAT THE DECISION TO ENTER INTO THIS AGREEMENT IS NOT DUE TO DURESS, UNDUE INFLUENCE OR ANY PROMISE OR INDUCEMENT.

10. Laser Operator AGREES AND ACKNOWLEDGES THAT THIS RELEASE AND WAIVER OF RIGHTS HAS BEEN VOLUNTARILY SIGNED IN EXCHANGE FOR THE CONSIDERATION OF THE USE OF THE SLF FOR THE LASER ACTIVITIES.

11. **It is the intent of the Parties that Laser Operator shall be solely responsible for his or her death, bodily injuries, and all economic and non-economic losses, and all damages to personal property, regardless of the cause, fault, or any NEGLIGENCE of the Released Parties,** except to the extent resulting solely from the willful misconduct of the Released Parties.

The Laser Operator has executed this Agreement effective as of the day and year in the introductory paragraph.

Laser Operator:

Printed Name: _____
Address: _____
City, State, and Zip: _____
Phone: _____
Signature: _____

NON-STANDARD
NAVY COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT
BETWEEN
NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC)
AND
THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF)

AGREEMENT TITLE: INVESTIGATION OF ATMOSPHERIC PROPAGATION, FREE SPACE LASER
COMMUNICATIONS, IMAGE PROCESSING, AND SIGNAL ANALYSIS TO
SUPPORT MILITARY MODERNIZATION

AGREEMENT NUMBER: NCRADA-NIWCPacific-19-316

AGREEMENT ADMINISTRATORS:

NIWC PACIFIC

Technology Transfer Office:	Paul Herbert, 72120, 619-553-5118, paul.a.herbert@navy.mil
Intellectual Property Counsel:	Kyle Eppelle, 36000, 619-553-3823, kyle.eppelle@navy.mil
Principal Investigator:	David Wayne, 55360, 619-553-3064, david.t.wayne@navy.mil
Co-Principal Investigator:	Britany Lynn, 55360, 619-553-5090, brittany.lynn@navy.mil

UCF

Departmental Contact:	Mark Wagenhauser, 407-823-6878, markw@creol.ucf.edu
Office of Research Contact:	Arlisia Potter, 407-882-2018, osp@ucf.edu
Legal Counsel:	Sandra Sovinski, 407-882-2118, sandra.sovinski@ucf.edu
Principal Investigator:	Ronald Driggers, 407-823-0323, Ron.Driggers@creol.ucf.edu

NCRADA-NIWCPacific-19-316

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NON-STANDARD
NAVY COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT
BETWEEN
NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC)
AND
THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF)

PREAMBLE

Under authority of the U.S. Federal Technology Transfer Act of 1986 (Public Law 99-502, 20 October 1986, as amended), the Department of the Navy Collaborator, NIWC Pacific, 53560 Hull Street, San Diego, California, 92152-5001, and the Non-Navy Collaborator described below agree to and enter into this Cooperative Research and Development Agreement (CRADA).

The University of Central Florida Board of Trustees (UCF), with administrative offices located at 12201 Research Parkway, Suite 501, Orlando, Florida 32826, is a state university and public body corporate duly organized, validly existing, and in good standing under the laws of the State of Florida.

NIWC Pacific has extensive expertise, capabilities, and information in laser and advanced optics technologies, and in accordance with the U.S. Federal Technology Transfer Act, desires to make this expertise and technology available for use in the public and private sectors.

UCF has the interest, resources, capabilities, and technical expertise to transition the results of Naval research and development for public use, and to make NIWC Pacific Tangible Property available to UCF sponsored third parties per the terms and conditions of this CRADA, specifically Articles 8.4 and 9.2.

Article 1. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings defined below, which are equally applicable to either the singular and plural forms of nouns or any tense of verbs.

1.1 “Agreement” means this Cooperative Research and Development Agreement (CRADA) with its Appendices.

1.2 “Classified Information (CI)” means all Information classified in accordance with the national security laws of the United States.

1.3 “Collaborator” means the Navy participant or the Non-Navy participant represented and bound by the signatories of this Agreement.

1.4 “Controlled Unclassified Information (CUI)” means official Information that requires the application of controls and protective measures in accordance with national laws, policies, and regulations and has not been approved for public release, to include technical information, proprietary data, information requiring protection under the Privacy Act of 1974, and Government-developed privileged information involving the award of contracts.

1.5 “Cooperative Work” means research, development, engineering, or other tasks performed under this Agreement by NIWC Pacific or UCF working individually or together, pursuant to the Objectives (Article 2) and the Statement of Work (Appendix A).

1.6 “Data” means recorded information of any kind regardless of the form or method of the recording, including computer software.

- 1.7 “Effective Date” means the date of the last signature of the Collaborators executing this Agreement.
- 1.8 “Exclusive Commercial License” means the grant by the owner of Intellectual Property of the exclusive right to make, use, or sell an Invention for commercial purposes.
- 1.9 “For Official Use Only (FOUO)” means a protective marking to be applied to unclassified information when disclosure to the public of that particular record, or portion thereof, would reasonably be expected to cause a foreseeable harm to an interest protected by one or more provisions of the Freedom of Information Act. This includes information that qualifies for protection under the provisions of the Privacy Act of 1974, as amended.
- 1.10 “Government” means the Government of the United States of America.
- 1.11 “Government Purpose Rights” means the right of the Government to use, duplicate, or disclose Data, in whole or in part, and in any manner, for Government purposes only, and to have or permit others to do so for Government purposes. Government Purpose Rights includes competitive procurement, but does not include the right to have or permit others to use Data for commercial purposes.
- 1.12 “Information” means all Data, trade secrets, and commercial and financial information.
- 1.13 “Intellectual Property” means the property of ideas, examples of which include, but are not limited to, patents, trademarks, copyrights, and trade secrets.
- 1.14 “Internal Use License” means the grant by the owner of Intellectual Property of the right to make, have made, use, and import, but not commercially sell, an Invention or a product or service made using an Invention.
- 1.15 “Invention” means any creation or discovery that is or may be patentable or otherwise protected under Title 35, United States Code, or any novel variety of plant that is or may be patentable under the Plant Variety Protection Act.
- 1.16 “Invention Disclosure” means the document identifying and describing to organizational management the Making of an Invention.
- 1.17 “Jointly Made Subject Invention” means any Invention Made jointly by the Collaborators.
- 1.18 “Limited Rights” means that each Collaborator of this Agreement may use, reproduce, and disclose to their employees properly marked Non-Subject Data provided by the other Collaborator(s) for use in support only of this Cooperative Work.
- 1.19 “Made” when used in conjunction with any Invention means the conception or first actual reduction to practice of such Invention.
- 1.20 “Nonexclusive Commercial License” means the grant by the owner of Intellectual Property of the nonexclusive right to make, use, or sell an Invention.
- 1.21 “Non-Subject Data” means any Data that are not Subject Data.
- 1.22 “Non-Subject Invention” means any Invention that is not a Subject Invention.
- 1.23 “Patent Application” means an application for patent protection for an Invention with any domestic or foreign patent-issuing authority.
- 1.24 “Principal Investigator (PI)” means that person having the responsibility for the performance of the Cooperative Work on behalf of a Collaborator.
- 1.25 “Proprietary Information” means Information that:

(i) embodies trade secrets developed at private expense or business, commercial, or financial information that is privileged or confidential provided that such information (a) is not known or available from other sources without obligations concerning its confidentiality, (b) has not been made available by the owners to others without obligation concerning its confidentiality, (c) is not already available to the Government without obligation concerning its confidentiality, and (d) has not been developed independently by persons who have had no access to the information; or

(ii) has been generated by the Navy Collaborator during the performance of this Agreement, and would have qualified as Proprietary Information under 1.25(i) above if it had been generated by the Non-Navy Collaborator, and that the Collaborators have agreed to treat as Proprietary Information for a term of up to five years from generation.

1.26 “Subject Data” means that Data first recorded in the performance of the Cooperative Work.

1.27 “Subject Invention” means any Invention Made in the performance of the Cooperative Work.

1.28 “Tangible Property” means personal or real property having or possessing physical form.

1.29 “Technical Data” means recorded Information relating to experimental or engineering works that can be used to define an engineering or manufacturing process or to design, procure, support, maintain, operate, repair or overhaul material, including, but not limited to graphic or pictorial delineations in media.

1.30 “Technical Document” means recorded Information that conveys scientific and Technical Information or Technical Data.

1.31 “Technical Information” means Information relating to research, development, engineering, test, evaluation, production, operation use, and maintenance of munitions and other military supplies and equipment.

1.32 “Unlimited Rights” means the right to use, modify, reproduce, release, disclose, perform, or display Data in whole or in part, in any manner and for any purpose whatsoever, and to have or permit others to do so.

Article 2. OBJECTIVES

The purpose of this agreement is to provide the Collaborators a flexible mechanism that allows the sharing of relevant Information and Tangible Property in order to perform joint research, development, and experimentation on atmospheric propagation models at the UCF Townes Institute Science and Technology Experimentation Facility (TISTEF). UCF’s TISTEF, located at the Kennedy Space Center, is a unique Government asset supporting research and development of electro-optic sensing technologies, laser beam wave propagation, and asset tracking. UCF has agreements with the U.S. Air Force and NASA to operate at the site and has over 50 years of combined experience in the study of laser beam propagation. UCF has ongoing research programs into directed energy (DE) technology (i.e., fiber lasers, spectral combining, and high intensity ultrafast propagation), chemical and biological standoff detection (sensors) supported by Army Research Office (ARO), and free space laser communication propagation research (supported by the Defense Advanced Research Projects Agency (DARPA) and the U.S. Air Force).

For more than five years, NIWC Pacific has maintained an inventory (Appendix B) of unique photonics, laser, and optical propagation equipment at TISTEF. This has enabled NIWC Pacific scientists to conduct dozens of Navy-specific experiments, which demonstrated advanced photonic systems concepts for communications and sensor design. NIWC Pacific future projects may include development and demonstration of net-centric high fidelity photonic systems for shipboard use to support force protection, threat assessment, combat identification, space situational awareness, and optical communications. The TISTEF inventory of photonic payloads (passive and active laser-based optical sensors) and outdoor laser propagation range is necessary for data collection, technology demonstration, and testing and is indispensable to NIWC Pacific’s electro-optic work.

This Agreement continues the partnership between NIWC Pacific and UCF begun under other Navy-sponsored projects. The Cooperative Work includes, but is not limited to, the analysis of weak and strong atmospheric turbulence and the effects of such turbulence on the performance of electro-optic systems; the investigation of function and operation of laser DE technologies; and applications to free space laser communications and laser radar and imaging. The Collaborators will develop, compare, test and analyze the Cooperative Work through research and development conducted at TISTEF as outlined in the Statement of Work (Appendix A). NIWC Pacific will provide expertise in the areas of free space laser communications, optical tracking and image processing, and expertise in the area of atmospheric propagation analysis. NIWC Pacific will share knowledge on existing models and will make available its equipment currently stored at TISTEF to UCF for other electro-optic work to benefit UCF and the Government.

At the conclusion of the Agreement, NIWC Pacific will have an enhanced understanding of DE systems, have access to UCF laser atmospheric propagation models, the opportunity to evaluate improvements in performance and demonstration of new technologies to support real-world Navy operations, and the ability to develop and demonstrate new photonic systems for maritime environments. UCF will benefit by gaining access to NIWC Pacific's specialized equipment (Appendix B), Government expertise in atmospheric propagation analysis, exposure to free space laser communications methods, and the opportunity to further research and develop electro-optical systems. The final product of this Cooperative Work will be high quality research to support DoD, civil Government, and industry sponsors, with the additional aim of commercializing new laser and electro-optical systems, products, or processes.

Article 3. RESPONSIBILITIES FOR PERSONNEL AND FACILITIES USE

3.1 Facilities and Supervision

The Collaborators shall provide personnel, facilities, and equipment necessary for, and shall perform, the Cooperative Work.

The Cooperative Work done by each Collaborator will be performed under the program guidance of its PI, who has the responsibility for the scientific and technical conduct of the Cooperative Work performed within that Collaborator's facilities or done on behalf of that Collaborator by third parties in support of this Agreement. Personnel who perform Cooperative Work at the other Collaborator's facilities will be supervised by their own PI.

3.2 Security Regulations and Directives

Each Collaborator will abide by the safety and security regulations and directives of the host facility in which the Cooperative Work is being performed.

This Agreement will involve access to and use of unclassified export controlled Militarily Critical Technology (MCT). UCF must be certified to handle MCT data in accordance with Department of Defense (DOD) Directive 5230.25, "Withholding of Unclassified Technical Data and Technology from Public Disclosure." UCF's certification to handle unclassified MCT data is validated through DD Form 2345, "Militarily Critical Technical Data Agreement." DD Form 2345 is incorporated in this Agreement in its entirety as Appendix C. The DD Form 2345 shall be renewed, prior to expiration, to ensure the Cooperative Work is not interrupted. If UCF cannot renew their MCT certification, they must notify NIWC Pacific immediately. MCT data that is export controlled must be controlled in accordance with the International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR).

Article 4. REPRESENTATIONS AND WARRANTIES

4.1 NIWC Pacific's Representations and Warranties

NIWC Pacific hereby warrants and represents to UCF that the performance of the activities specified by this Agreement is consistent with the Command, Control, Communications, Computers, and Intelligence (C4I), and technology transfer missions of NIWC Pacific. NIWC Pacific is a Federal laboratory of the U.S. Department of the Navy, as defined by 15 U.S. Code § 3710a (d)(2)(A) and Department of Defense Instruction 5535.8, dated May 14, 1999.

4.2 UCF's Representations and Warranties

UCF hereby warrants and represents to NIWC Pacific as follows:

UCF, as of the Effective Date of this Agreement, is a state university and public body corporate duly organized, validly existing, and in good standing under the laws of State of Florida.

UCF is not a small business as defined in 15 U.S. Code § 632 and implementing regulations (13 C.F.R. 121.101 et seq.) of the Administrator of the Small Business Administration.

The Board of Trustees of UCF have taken all actions required by law, its Certificate or Articles of Incorporation, its bylaws or otherwise, to authorize the execution and delivery of agreements, such as this Agreement.

The execution and delivery of this Agreement does not contravene any material provision of, or constitute a material default under, any agreement binding on UCF. Furthermore, the execution and delivery of this Agreement does not contravene any material provision of, or constitute a material default under, any valid order of any court, or any regulatory agency or other body having authority to which UCF is subject.

UCF is not currently subject to debarment or suspension by any agency of the Government. Should UCF be debarred or suspended during the term of this Agreement or thereafter, UCF will notify NIWC Pacific within thirty (30) days of receipt of a final notice. NIWC Pacific may then elect to terminate this Agreement and any licenses and options granted under this Agreement.

UCF shall add the NIWC Pacific Tangible Property at TISTEF to the appropriate UCF insurance policy to ensure coverage in the event of perils including, but not limited to, theft, flood, and fire, at an amount agreeable to both UCF and NIWC Pacific, for the duration of this Agreement or until the NIWC Pacific Tangible Property is no longer stored at TISTEF or until UCF is no longer in receipt of NIWC Pacific Tangible Property.

UCF has entered into an agreement with the 45th Space Wing of the U.S. Air Force (USAF) to allow UCF to operate TISTEF and store NIWC Pacific Tangible Property on the USAF premises. UCF is current on any payments due to the USAF per such agreement.

4.3 Joint Representations and Warranties

The Collaborators make the following Representations and Warranties:

There is no express or implied warranty as to any research, Invention, or product, whether tangible or intangible. In particular, the Collaborators make no express or implied warranty as to the merchantability or fitness for a particular purpose of any research, Invention, or product, whether tangible or intangible. Likewise, the Collaborators make no express or implied warranty as to any Cooperative Work, Subject Invention, Subject Data, or other product resulting from the Cooperative Work.

The use and dissemination of Information and materials exchanged under this Agreement will be in accordance with all U.S. laws and regulations, including those pertaining to national security and export control. Nothing in this Agreement shall be construed as a license to export Information. The exporting Collaborator is responsible for obtaining any export licenses and/or foreign disclosure reviews that may be required by U.S. Federal law. UCF shall provide written notification to NIWC Pacific immediately upon their awareness that an export or disclosure has been made without the required export license or disclosure authorization.

The Cooperative Work proposed in Article 2 and the Statement of Work (Appendix A) may require the introduction or generation of CUI but will not require the introduction or generation of CI or FOUO Data. Consequently, all CUI that is introduced or generated in the performance of work under this Agreement shall be properly marked and safeguarded as provided herein and in all applicable U.S. Federal laws and regulations. In the event the classification of the Cooperative Work changes, NIWC Pacific shall notify UCF and the appropriate Government Security Offices of the proposed change(s) in accordance with Article 11.

The Collaborators represent and certify that only U.S. persons, as defined by 22 U.S. Code § 6010 and EO 12333, will participate in the performance of the Cooperative Work under this Agreement that involves the receipt of or use of, in any manner whatsoever, Information subject to the ITAR, EAR, or any other laws or regulations regarding the export of goods or technical data. The Collaborators further represent and certify that non-U.S. persons will not receive any Information pertaining to this Agreement, unless specifically authorized in writing in advance by the Collaborator who generated such Information.

Article 5. FUNDING

Each Collaborator will fund its own efforts.

Article 6. REPORTS AND PUBLICATIONS

6.1 Interim Reports

The Collaborators shall submit annual interim written reports to each other on the progress of the Cooperative Work, and provide a copy of the interim reports to the NIWC Pacific Technology Transfer Office and UCF's Administrative and Office of Research contacts.

6.2 Final Reports

The PIs shall submit to the NIWC Pacific Technology Transfer Office and UCF's Administrative and Office of Research contacts a final report within four (4) months of the completion, termination, or expiration of this Agreement that includes the results obtained and a list of all Subject Inventions Made.

6.3 Agreement to Confer Prior to Publication or Public Disclosure of Information

For the purposes of this Article, the term "disclosure" shall include, but not be limited to, submission of any manuscript for peer review prior to publication.

The Collaborators agree to confer and consult prior to any publication or public disclosure of Subject Data generated during the performance of the Cooperative Work to ensure that no Proprietary Information, Government CI, or CUI, is released and that patent rights are not compromised. Prior to any such publication or public disclosure of Subject Data generated during the performance of the Cooperative Work, each Collaborator shall be offered a period not to exceed thirty (30) days, to review any proposed abstract, publication, presentation, or other document for public disclosure. It is the responsibility of the Collaborator intending to make public disclosure of the Subject Data generated during the performance of the Cooperative Work to notify the other Collaborator of such intent.

If a Collaborator objects to a proposed public disclosure, that Collaborator must so notify the other Collaborator within thirty (30) days of the date of notice of intent to disclose publicly. If no objection is received by the Collaborator intending to make public disclosure, concurrence is assumed.

If a Collaborator objects on the grounds that patent rights may be compromised, a Patent Application must be filed by the responsible Collaborator within ninety (90) days of the date of notification of intent to make public disclosure or by another date mutually agreed to by the Collaborators.

If a Collaborator objects to the release of Information on the grounds that the Information is Proprietary Information, or Information whose dissemination is restricted by U.S. security laws or regulations, the disclosure shall be postponed until the Information no longer meets the definitions of Proprietary Information, or is no longer covered by U.S. security laws or regulations.

6.4 Public Presentation of Subject Data

Any public presentation that includes Subject Data that are CI or CUI must have prior review and approval by NIWC Pacific pursuant to the pertinent security laws, regulations, and directives.

Article 7. INTELLECTUAL PROPERTY

7.1 Rights Under Other Agreements

Nothing in this Agreement is intended to change the rights in Intellectual Property acquired by the Collaborators in any other contract or Agreement between UCF and the Government.

7.2 Rights in Subject Data

7.2.1 Rights of Both Collaborators

Each Collaborator shall have title to all Subject Data generated by that Collaborator. Each Collaborator agrees to provide all Subject Data to the other Collaborator and hereby grants Unlimited Rights in Subject Data that does not contain Proprietary Information.

Each Collaborator shall have the right to review and receive delivery of all Subject Data generated by the other Collaborator. Requested Subject Data shall be delivered to the requesting Collaborator within fifteen (15) days of the request.

Except as represented in Article 4.3, the Collaborators shall have Unlimited Rights in all Subject Data that are not Proprietary Information. Notwithstanding 15 USC 3710a, UCF grants Government Purpose Rights in any Subject Data furnished by UCF to NIWC Pacific under this Agreement that are properly marked as Proprietary Information. The Government has Government Purpose Rights in Subject Data that are Government Proprietary Information.

7.3 Rights in Non-Subject Data

7.3.1 Rights of Both Collaborator

The Collaborators shall have Unlimited Rights in any Non-Subject Data that are not Proprietary Information or protected under 35 U.S. Code § 205 provided under this Agreement. UCF is authorized to withhold from disclosure to the public information disclosing any invention in which UCF owns or may own a right, title, or interest (including a nonexclusive license) for a reasonable time (90 days) in order for a patent application to be filed. Furthermore, UCF shall not be required to release copies of any non-public document which is part of an application for patent filed with the United States Patent and Trademark Office or with any foreign patent office.

7.3.2 Rights of NIWC Pacific

NIWC Pacific has a Limited Right to use, reproduce, and disclose only to Government employees for use in support of the Cooperative Work any Non-Subject Data that are properly marked as Proprietary Information and are provided by UCF under this Agreement. Such Proprietary Information can be used only for the purpose of performing the Cooperative Work unless written consent to other use or disclosure is obtained from UCF.

7.3.3 Rights of UCF

UCF shall have a Limited Right to use, reproduce, or disclose Non-Subject Data that may describe one or more Inventions in which the Government owns or may own a right, title or interest, if such Non-Subject Data are provided by NIWC Pacific under this Agreement. In accordance with 35 USC 205, such Non-Subject Data are to be held in confidence. Such Non-Subject Data shall be properly marked by NIWC Pacific.

7.4 No Implied License

Unless otherwise specifically provided, the Collaborators agree that the exchange of Data of any kind does not confer a license to any Invention claimed in any patent or Patent Application or to the subject matter of any copyright, trademark/service mark, or other form of Intellectual Property protection.

7.5 Protection of Data

Except for the rights granted in Article 7.2 and Article 7.3, Data shall be protected in accordance with the proper markings of its owner and as provided by, at a minimum, the requirements of 15 U.S. Code § 3710a. Proprietary Information will be protected only if it is properly marked as such. Information provided in intangible form that is Proprietary Information must be designated Proprietary Information at the time it is provided, followed within fifteen (15) days by a writing summarizing the exact information to be protected. The Collaborator receiving Information in an intangible form that is designated as Proprietary Information shall be responsible for protecting the Information as Proprietary Information during the fifteen (15) day notification. After the fifteen (15) day period, if no written summary has been received, the receiving Collaborator need not continue to protect the Information received in intangible form.

The Collaborators do not envision the delivery of data that is not Data, Non-Subject Data, or Proprietary Information as described above. Examples of data can include, but not be limited to, trade secrets or commercial or financial information that is privileged or confidential under 5 U.S. Code § 552(b)(4). If such data is inadvertently provided, NIWC Pacific shall immediately notify UCF and UCF shall provide disposition instruction to the Government. Data that is provided by UCF in the performance of this Agreement, and is appropriately marked as a trade secret or commercial or financial information that is privileged or confidential under 5 U.S. Code § 552(b)(4), shall not be disclosed by NIWC Pacific. The Collaborators shall agree to not disclose, for up to five (5) years, Data that is produced by NIWC Pacific and that would have been considered a trade secret or commercial or financial information that is privileged or confidential if it had been produced by UCF.

CI, CUI or otherwise restricted information shall be protected in accordance with the security laws of the U.S.

7.6 Release of Data Under the Freedom of Information Act

NIWC Pacific will comply with the Freedom of Information Act and Executive Order 12600.

7.7 Marking of Data

7.7.1 Markings Required for Both Collaborators

7.7.1.1 Data Provided with Less than Unlimited Rights

Each Collaborator shall mark all Data that it provides with less than Unlimited Rights with a marking that clearly identifies the Limited Rights.

7.7.1.2 Data that are CI, CUI, MCT or Otherwise Restricted

Each Collaborator shall mark all Data that are CI, CUI, MCT, or otherwise restricted by U.S. security or export control laws or regulations that it provides under this Agreement.

7.7.1.3 For Official Use Only (FOUO) Marking

FOUO is the marking used for documents/products containing material that may qualify as exempt from release under FOIA. This may include Technical Information and Technical Data.

Use of the FOUO marking is the responsibility of the Government originator of the Information. Use of the FOUO marking does not automatically qualify for FOIA exemption.

Technical Documents, which contain Technical Information and/or Technical Data may be marked FOUO and must be appropriately marked.

7.7.2 Markings Required for NIWC Pacific

7.7.2.1 Data that are Subject to 35 U.S. Code § 205

NIWC Pacific shall mark Data it provides under this Agreement that disclose one or more Inventions in which the Government owns or may own a right, title or interest, and that are subject to confidentiality under 35 U.S. Code § 205. Such Data shall be marked: “NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC) DATA PROTECTED FROM RELEASE OR DISCLOSURE UNDER 35 U.S. Code § 205.”

7.7.2.2 Data Protected Under Article 7.5

NIWC Pacific shall place a proprietary marking on each medium used for recording Data that NIWC Pacific provides to UCF, where the Collaborators have agreed, under third paragraph of Article 7.5 of this Agreement, to protect such Data for up to five (5) years. The marking shall state: “NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC) DATA SHALL BE PROTECTED BY THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF) FOR A PERIOD OF [state a number up to five years] FROM [state the date of generation].”

7.7.3 Markings Required for UCF

7.7.3.1 Data that are Proprietary Information

UCF shall place a proprietary marking on each medium used for recording Data that UCF provides to NIWC Pacific under this Agreement that UCF asserts is Proprietary Information.

For Non-Subject Data that are Proprietary Information the Marking shall state: “PROPRIETARY INFORMATION OF THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF) – NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC) MAY USE ONLY FOR PURPOSE OF CRADA NUMBER NCRADA-NIWCPACIFIC-19-316.”

For Subject Data that are Proprietary Information the Marking shall state: “PROPRIETARY INFORMATION OF THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF) – GOVERNMENT HAS PURPOSE RIGHTS UNDER CRADA NUMBER NCRADA-NIWCPACIFIC-19-316.”

7.8 Subject Inventions

7.8.1 Reporting of Subject Inventions

Within sixty (60) days of Making an Invention resulting from the Cooperative Work, and prior to disclosure of the Invention to any third parties, unless a shorter time period is required by circumstances, the inventor(s) shall submit an Invention Disclosure to their employer. In the case of an Invention Made jointly by inventors from both Collaborators, the inventors of each Collaborator shall submit an Invention Disclosure to their respective employer. Each Collaborator shall provide the other Collaborator with a copy of each Invention Disclosure reporting a Subject Invention within sixty (60) days of receiving the Invention Disclosure from its inventor(s).

7.8.2 Determination of Subject Inventions

The Collaborators shall review each Invention Disclosure resulting from the Cooperative Work and shall confer and consult to determine whether an Invention Disclosure represents a Subject Invention.

7.8.3 Title to and Ownership of Subject Inventions

Each Collaborator shall be entitled to solely own the Subject Inventions Made solely by its employees. For any Jointly Made Subject Invention, each Collaborator shall have ownership of the Subject Invention in the form of an undivided interest, without a right of accounting.

Each Collaborator shall cooperate with the other Collaborator to obtain inventor signatures on Patent Applications, assignments or other documents required to secure Intellectual Property protection.

7.9 Non-Subject Inventions

7.9.1 Ownership of Non-Subject Inventions

Each Collaborator owns its Non-Subject Inventions.

7.9.2 Preexisting Non-Subject Inventions Pertinent to the Cooperative Work

Non-Subject Inventions Made prior to the Effective Date of this Agreement and pertinent to the Cooperative Work that are specifically identified as property of NIWC Pacific include but are not limited to the following: *"Method for Atmospheric Laser Beam Detection Using Remote Sensing of Off-Axis Scattering"; Hanson, F.; Bendall, I.; U.S. Patent No.8,908,178; issued 9 Dec. 14.*

Non-Subject Inventions Made prior to the Effective Date of this Agreement and pertinent to the Cooperative Work that are specifically identified as property of UCF include but are not limited to the following: *None provided.*

7.10 Filing of Patent Applications

By mutual agreement, the Collaborators shall identify which Collaborator shall file a Patent Application on any Subject Invention. The Collaborator responsible for filing of a Patent Application on any Subject Invention shall file such Patent Application at least sixty (60) days prior to any bar date and prior to publication, or one year from the date the Invention Disclosure was received, whichever comes first. In the case of a Jointly Made Subject Invention, if no Patent Application is filed within the specified time period by the responsible Collaborator, the other Collaborator may assume control of filing the Patent Application and take title to the Jointly Made Subject Invention on ten (10) days written notification. The Collaborator that relinquished the responsibility to file shall retain a nonexclusive, irrevocable, paid-up license to practice the Jointly Made Subject Invention or have the Jointly Made Subject Invention practiced throughout the world by or on its behalf.

7.10.1 Patent Filing

The Collaborator responsible for filing any Patent Application for a Subject Invention shall notify the other Collaborator of all filing deadlines for prosecution of any Patent Application and maintenance of any Patents on the Subject Invention. Notwithstanding the primary responsibility defined in Article 7.10, sixty (60) days prior to any filing deadline, the Collaborators shall confer to determine if the filing Collaborator intends to respond to the filing deadline. The non-filing Collaborator has the right to take action if the filing Collaborator declines.

7.10.2 Copies and Inspection

Each Collaborator filing a Patent Application on a Subject Invention shall provide the other Collaborator with a copy of any communication relating to prosecution of said Patent Application within thirty (30) days of receipt of such request. The filing Collaborator shall give the other Collaborator a limited power to inspect, with authorization to access the Patent Application, make copies, and, in the event that the filing Collaborator declines continued prosecution of the Patent Application, do all that is necessary to secure patent protection for the Jointly Made Subject Invention.

7.10.3 Rights of Inventors if the Collaborators Decline to File a Patent Application

In the event both Collaborators decline to file a Patent Application on a Subject Invention, the Government will renounce its entitlement and leave its rights to the inventor(s) who may retain ownership of the Invention, subject to the retention by each Collaborator of a nonexclusive, irrevocable, paid-up license to practice the Subject Invention or have the Invention practiced throughout the world by or on its behalf.

In the event both Collaborators decline to file a Patent Application on a Subject Invention, UCF may, at its sole discretion, renounce its entitlement and leave its rights to the inventor(s) who may retain ownership of the Invention, subject to the retention by each Collaborator of a nonexclusive, irrevocable, paid-up license to practice the Subject Invention or have the Invention practiced throughout the world by or on its behalf.

7.11 Licenses to Subject Inventions

7.11.1 Internal Use License to UCF

Government grants to UCF a nonexclusive, irrevocable, paid-up Internal Use License to a Subject Invention Made solely by employees of NIWC Pacific. No Internal Use License granted under this Agreement shall permit licensee to grant sublicenses. No Internal Use License granted under this Agreement shall be assigned, licensed or otherwise disposed of except to the successor in interest of that part of UCF's business to which such license pertains.

7.11.2 Government License

Pursuant to 15 U.S. Code § 3710a(b)(2), for Subject Inventions Made solely by an employee of UCF, UCF grants to the Government a nonexclusive, nontransferable, irrevocable, paid-up license to practice the Subject Invention or have the Subject Invention practiced throughout the world by or on behalf of the Government for research or other Government purposes.

7.11.3 Option for Commercial License to Subject Inventions

NIWC Pacific gives UCF the option of acquiring an Exclusive or Nonexclusive Commercial License for the field of atmospheric propagation utilizing laser technology in the Government's rights in any Subject Invention Made in whole or in part by a NIWC Pacific employee. The license shall be for reasonable consideration. In order to exercise this option, UCF must notify NIWC Pacific in writing within six (6) months of the filing of a Patent Application. UCF must execute an Exclusive Commercial or Nonexclusive Commercial License to the Subject Invention within six (6) months of election to exercise the option, or the Invention shall be made available for licensing by the public in accordance with 37 C.F.R. Part 404.

7.11.4 Termination of Licenses Granted and Cancellation of License Option to Subject Inventions

NIWC Pacific may cancel the Exclusive or Nonexclusive Commercial License option and terminate any Exclusive or Nonexclusive Commercial Licenses and Internal Use Licenses provided for above made in whole or in part by Government employees in the event that:

- (a) The Agreement is terminated unilaterally by UCF under Article 11.2; or
- (b) UCF fails to perform according to the Statement of Work (Appendix A).

7.12 License to Non-Subject Inventions

Each Collaborator shall allow the other Collaborator to practice any of its Non-Subject Inventions for the purpose of performing the Cooperative Work. No license, express or implied, for commercial application(s) is granted to either Collaborator in Non-Subject Inventions by performing the Cooperative Work. For commercial applications of Non-Subject Inventions, UCF must obtain a License from NIWC Pacific, in accordance with applicable laws and regulations (including, but not limited to, 37 C.F.R. Part 404).

7.13 Copyrights

Except for scholarly works of UCF researchers which are owned by such UCF researchers, UCF retains ownership of, and may copyright, works of authorship prepared pursuant to this Agreement if eligible for copyright protection under Title 17, U.S. Code § 106. UCF grants to the Government a nonexclusive, irrevocable, paid-up license in copyrighted works of authorship, including software, prepared pursuant to this Agreement for any purpose that is consistent with the rights in Data described in Article 7.2 and Article 7.3. UCF shall affix the applicable copyright notice of Title 17, U.S. Code §§ 401-403, and an acknowledgment of the scientific and technical contributions of NIWC Pacific. UCF grants to the U.S. Government a paid-up, non-exclusive, irrevocable, worldwide license to reproduce or have reproduced, prepare or have prepared in derivative form, and distribute or have distributed copies of publications and solely or jointly created Subject Data for Government purposes.

Article 8. TANGIBLE PROPERTY

8.1 Ownership of Tangible Property

Each Collaborator shall retain title to its Tangible Property. All Tangible Property owned and provided by one Collaborator shall remain the property of that Collaborator. Tangible Property having any component purchased or supplied by the Government shall be the property of the Government, unless such tangible Government components reasonably can be separated from non-Government components without damage to any of the individual components comprising the Tangible Property. These separated components shall remain the property of the Collaborator that purchased them. After termination of this Agreement the Collaborators may, by mutual consent, separate the Tangible Property into its components and the separated components shall remain the property of the Collaborator that originally purchased the property.

8.2 Tangible Property Operational and Disposition Costs

During the period of and upon completion, expiration, or termination of this Agreement, each Collaborator shall be responsible for all costs of maintenance, removal, repair, disposal, and shipping of all Tangible Property to which it has title, except that during the term of this Agreement, UCF shall be responsible for the costs of storing the NIWC Pacific Tangible Property as presented in Appendix B, per the terms of the agreement between UCF and the United States Air Force (USAF) 45th Space Wing for the operation and management of TISTEF. All NIWC Pacific Tangible Property shall be stored in an air climate controlled environment (e.g., air conditioned building).

8.3 Disposal of Tangible Property

Unless otherwise agreed, each Collaborator shall take possession of its respective Tangible Property within sixty (60) days of termination of this Agreement. Each Collaborator shall cooperate with the other Collaborator in the recovery or disposition of the other Collaborator's property. Disposal of Tangible Property shall be in accordance with applicable U.S. Federal, State, and local property disposal laws, environmental laws, and regulations.

8.4 Third Party Use of Tangible Property

NIWC Pacific Tangible Property shall be made available to NIWC Pacific researchers or NIWC Pacific-sponsored third parties at the sole discretion of NIWC Pacific. Upon receipt of notice from NIWC Pacific that NIWC Pacific Tangible Property is to be made available to NIWC Pacific researchers or an NIWC Pacific-sponsored third party as identified by NIWC Pacific, available to NIWC Pacific researchers or the NIWC Pacific-sponsored third party at a mutually agreeable date, not to exceed ninety (90) days from receipt of request, and for a mutually agreeable duration. NIWC Pacific Tangible Property may be made available for use by UCF-sponsored third parties provided such use does not conflict with or otherwise interfere with the performance of Collaborative Work under this CRADA or other NIWC Pacific or DOD mission efforts. UCF-sponsored third parties shall be cleared with NIWC Pacific prior to their access to or use of any NIWC Pacific Tangible Property. Access to and use of NIWC Pacific Tangible Property shall only be granted to UCF-sponsored third parties that are Government entities, or that are performing work on behalf of a Government entity under a valid Government contract.

Article 9. LIABILITY

9.1 Extent of Government Liability

The Government shall be liable for the negligent or wrongful acts of its officers and employees solely to the extent provided for in the Federal Tort Claims Act (28 U.S. Code § 2671 et. seq.) and in other applicable laws and regulations of the U.S. that specifically waive sovereign immunity. Nothing in this Agreement shall be construed as a waiver of the sovereign immunity of the U.S.

9.2 Extent of UCF Liability

UCF is responsible for its actions and the actions of those acting for UCF in the performance of this Agreement and for any damages that may arise from any suit, action, or claim, and for any costs from or incidental to any suit, action, or claim, including but not limited to settlement and defense costs. Further, UCF agrees that in any suit, action or claim brought by anyone not a Collaborator to this Agreement based on actions of UCF, UCF shall not pursue any actions to enter the Government as a Collaborator in such suit, action or claim unless the Government has some liability under the Federal Tort Claims Act. Nothing herein shall be interpreted to deprive UCF of any defense or immunity available to the university under Florida law. Nothing herein shall be interpreted to require a particular venue. This provision shall survive termination of this Agreement. UCF's entire liability is as stated in Florida Statute 768.28.

UCF shall be liable for all damage to NIWC Pacific Tangible Property, other than normal wear and tear, which occurs during use of NIWC Pacific Tangible Property by either UCF or a UCF-sponsored third party for purposes outside the scope of the Statement of Work (Appendix A). UCF shall also be liable for all damage to NIWC Pacific Tangible Property that occurs during UCF's storage of NIWC Pacific Tangible Property. UCF agrees to defend, indemnify, and hold NIWC Pacific harmless from any loss, claim, damage, or liability, of any kind, which may arise from their use, either by UCF or by a UCF-sponsored third party, for purposes outside the scope of the Statement of Work, or storage of NIWC Pacific Tangible Property. NIWC Pacific's entire liability is as stated in the Federal Tort Claims Act, Section 2671 et seq.

9.3 *Force Majeure*

No Collaborator shall be liable for the consequences of any *force majeure* that (1) is beyond its reasonable control; (2) is not caused by the fault or negligence of such Collaborator; (3) causes such Collaborator to be unable to perform its obligations under this Agreement; and (4) cannot be overcome by the exercise of due diligence. In the event of the occurrence of a *force majeure*, the Collaborator unable to perform shall promptly notify the other Collaborator. The Collaborators shall suspend performance only for such period of time as is necessary to overcome the result(s) of the *force majeure* and shall use their best efforts to resume performance as quickly as possible.

Article 10. GENERAL PROVISIONS

10.1 Entire Agreement

This Agreement constitutes the entire agreement between the Collaborators concerning the Cooperative Work and supersedes any prior understanding or written or oral agreement relative to the Cooperative Work.

10.2 Severability

The illegality or invalidity of any Article of this Agreement shall not impair, affect, or invalidate any other Article of this Agreement.

10.3 Interpretation of Headings

Headings of the Articles of this Agreement are for convenience of reference only and do not form a part of this Agreement and shall in no way affect the interpretation thereof.

10.4 Governing Laws

U.S. Federal laws shall govern this Agreement for all purposes, except as to sovereign immunity of UCF as a state entity under Florida law, which UCF does not waive but expressly retains. Except for as to retention of rights and benefits of sovereign immunity by UCF, which UCF does not waive, in the event of a conflict between U.S. Federal law and Florida state law, U.S. Federal law shall prevail.

10.5 Independent Parties/Entities

The relationship of the Collaborators to this Agreement is that of independent parties and not as agents of each other, partners, or participants in a joint venture. Each Collaborator shall maintain sole and exclusive control over its personnel and operations.

10.6 Subcontracting

Neither Collaborator may allow third parties to perform any part of the Cooperative Work under this Agreement without express written consent of the other Collaborator. If consent is obtained, the Collaborator requesting such consent shall remain fully responsible for the portion of the Cooperative Work to be accomplished under a third-party agreement, and the third party is not a Collaborator of this Agreement. Any third-party agreement to perform a portion of the Cooperative Work shall contain terms consistent with this Agreement.

10.7 Assignment

This Agreement shall not be assigned or otherwise transferred by either Collaborator without the prior written consent of the other Collaborator, except to the successor of that part of UCF's business to which this Agreement pertains.

10.8 Disputes

NIWC Pacific and UCF agree to use reasonable efforts to reach a fair settlement of any dispute. If such efforts are unsuccessful, remaining issues in dispute will be referred to the signatories or their successors for resolution. If a dispute continues, the remaining issues may be submitted to the Chief of Naval Research (CNR), or the CNR designee, for resolution. This Agreement does not prevent any Collaborator from pursuing disputes in a U.S. Federal court of competent jurisdiction. No Collaborator will pursue litigation in a U.S. Federal court until after the CNR, or the CNR designee, decides the dispute, or until sixty (60) days after the dispute was first submitted to the CNR, or the CNR designee, whichever comes first.

10.9 Use of Name or Endorsements

UCF shall not use the name of NIWC Pacific or any other Government entity on any product or service that is directly or indirectly related to either this Agreement or any patent license or assignment associated with this Agreement without the prior approval of NIWC Pacific. By entering into this Agreement, NIWC Pacific does not directly or indirectly endorse any product or service provided, or to be provided, by UCF, its successors, assignees, or licensees. UCF shall not in any way imply that the Department of the Navy endorses any such product or service.

10.10 Public Release Announcements of This Agreement

Information regarding this Agreement, excluding funding information (Article 5), the Statement of Work, and associated Appendices, may be released to the public.

10.11 Environment, Safety, and Health

Each Collaborator shall be responsible for the handling, control, and disposition of any and all hazardous substances or waste in its custody during the course of this Agreement. At the conclusion of this Agreement, each Collaborator shall be responsible for the handling, control, and disposition of any and all hazardous substances or waste still in its possession. Each Collaborator shall obtain at its own expense all necessary permits and licenses as required by U.S. Federal, State, and local law and shall conduct such handling, control, and disposition in a lawful and environmentally responsible manner. Each Collaborator is responsible for all required environmental, safety, and health compliance, notice, and monitoring related to its facility in accordance with U.S. Federal, State, and local law and regulations. Collaborators shall abide by the environmental, safety, and health directives of the host facility in which the Cooperative Work is being performed, and any U.S. Federal, State, or local laws and regulations pertaining to environment, safety, and health that are applicable to the host facility.

10.12 U.S. Competitiveness

UCF agrees that any product, process, or service using Intellectual Property arising from the performance of this Agreement shall be manufactured substantially in the U.S.

10.13 Waivers

None of the provisions of this Agreement shall be considered waived by either Collaborator unless such waiver is given in writing to the other Collaborator, signed by the executing official of this Agreement or the official's successor having the authority to bind the Collaborator making the waiver. The failure of either Collaborator to insist upon strict performance of any of the terms and conditions herein, or failure or delay to exercise any rights provided herein or by law shall not be deemed a waiver of any right of either Collaborator under this Agreement.

Article 11. MODIFICATIONS AND NOTICES

11.1 Amendments

Any modifications to this Agreement shall be jointly agreed upon and shall not be effective until a written amendment is signed by both executing officials of this Agreement or their successors.

11.2 Termination

11.2.1 Unilateral Termination

UCF and NIWC Pacific each have the right to unilaterally terminate this Agreement upon thirty (30) days written notice to the other Collaborator. If UCF unilaterally terminates this Agreement, any option for an Exclusive License to a Subject Invention and any Exclusive License to a Subject Invention granted by or pursuant to this Agreement shall simultaneously be terminated, unless such rights have been sublicensed, and then the Collaborators will work in good faith to agree upon terms for the Exclusive License. However, the Government shall retain a nonexclusive, nontransferable, irrevocable, paid-up license from the collaborating party to the laboratory to practice said Subject Invention or have the Subject Invention practiced throughout the world by or on behalf of the Government.

11.2.2 Termination by Mutual Consent

The Collaborators may elect to terminate this Agreement at any time by mutual consent. Such termination shall not be effective until a written termination agreement is signed by both executing officials of this Agreement or their successors.

11.3 Notices

All notices pertaining to or required by Articles of this Agreement, except those pertaining solely to the prosecution of any patent, trademark, or service mark, shall be in writing and shall be signed by an authorized representative of the Technology Transfer Office for NIWC Pacific or the Office of Research contact for UCF. All such notices shall be delivered in a manner that ensures confirmation of receipt.

If to NIWC Pacific:

NIWC Pacific
Paul Herbert, Code 72120
Technology Transfer Office
53560 Hull St.
San Diego, CA 92152-5001

If to UCF:

Arlisia Potter
Manager, Sponsored Programs
University of Central Florida
Office of Research
12201 Research Parkway, Ste. 501
Orlando, FL 32826-3246
apotter@ucf.edu/osp@ucf.edu

And copy to:

Mark C. Wagenhauser
Associate Director/Business Manager
University of Central Florida
CREOL, The College of Optics & Photonics
4304 Scorpis St.
Orlando, FL 32816-2700
markw@creol.ucf.edu

A Collaborator shall notify the other Collaborator of a change of address in the manner set forth above.

Notices pertaining solely to the prosecution of any patent, trademark, or service mark related to this Agreement shall be in writing and shall be signed by and sent to the Collaborator's legal counsel for Intellectual Property. Legal counsel for Intellectual Property for each Collaborator shall send a copy of any such notice to the Technology Transfer Office for NIWC Pacific. If either Collaborator fails to identify such counsel upon request, then such notices shall be sent to the points of contact specified above.

Article 12. SURVIVING PROVISIONS

The Articles covering Definitions, Representations and Warranties, Funding, Reports and Publications, Intellectual Property, Tangible Property, Liability, General Provisions, Modifications and Notices, and Surviving Provisions shall survive the completion, termination, or expiration of this Agreement.

Article 13. DURATION

This Agreement expires five (5) years after its Effective Date, unless otherwise extended in writing according to the provisions of Article 11.

Article 14. SIGNATURES

For UCF:

I, the undersigned, am duly authorized to bind The University of Central Florida Board of Trustees to this Agreement and do so by affixing my signature hereto.

Entered into this 9th day of May 2019.

By: 
Signed: Thursday, May 9, 2019
ARLISIA POTTER

Title: Manager, Sponsor Programs, Office of Research

For the Department of the Navy:

I, the undersigned, by 15 U.S. Code § 3710a and Navy regulations, am duly authorized to bind the U.S. Navy to this Agreement and do so by affixing my signature hereto.

Entered into this 13th day of May 2019.

By: 
M. K. YOKOYAMA, Captain, U.S. Navy

Title: Commanding Officer

Navy Organization: Naval Information Warfare Center Pacific

APPENDIX A – STATEMENT OF WORK

BETWEEN

NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC)

AND

THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF)

The Collaborators agree to perform the following tasks:

NIWC Pacific will be responsible for the following tasks:

1. Provide UCF with expertise in the area of atmospheric propagation analysis.
2. Share with UCF knowledge on existing models, developed by NIWC Pacific, for aerosol extinction and optical turbulence.
3. Provide UCF with expertise in the area of free space laser communications, optical tracking and image processing.
4. Provide UCF with training on existing equipment at the TISTEF facility including specifications and drawings, as appropriate.
5. Provide personnel, facilities, equipment, and support to UCF for promoting the transfer of existing and future photonics sensors and communications technologies to foster development of improved capabilities in this area.
6. Provide access for UCF to NIWC Pacific photonics and laser technologies through data, demonstrations, consultation, and documentation.
7. Review and assist UCF in preparing Research and Development Plans in support of NIWC Pacific photonics sensor and communications technology programs to include short and ultra-short pulse laser filamentation applications.
8. Provide equipment (Appendix B) for the purposes of this CRADA. The equipment will be transferred to UCF custody for the duration of this CRADA and stored at TISTEF in Florida.

UCF will be responsible for the following tasks:

9. Provide NIWC Pacific with expertise in laser radar, laser imaging, and laser DE systems (to include short and ultra-short pulse laser systems) and applications of same.
10. Provide NIWC Pacific with models and mitigation techniques of atmospheric effects on a propagating laser beam, e.g. turbulence profile, imaging, energy distribution, scintillation, double pass, enhanced backscatter, speckle, laser beam pointing, pulse stretching, adaptive optics correction, fiber optic coupling, high energy laser.
11. Share with NIWC Pacific the results of atmospheric effects on laser-based electro-optic system performance from experiments carried out with NIWC Pacific equipment at the TISTEF or other locations.
12. Share with NIWC Pacific any advances in laser propagation models for ground based Space Situational Awareness.
13. Provide access to UCF and TISTEF facilities in Florida for storage of NIWC Pacific Tangible Property and use of NIWC Pacific Tangible Property as described herein.

NIWC Pacific and UCF will be responsible for the following joint tasks:

14. Collect and analyze optical propagation data in maritime environment at the TISTEF facility.
15. Verify and validate existing atmospheric propagation models.
16. Develop and improve modeling in the area of laser propagation in strong turbulence over extended ranges and high turbulence conditions.
17. Develop and evaluate new models related to atmospheric propagation, free space laser communications, image processing, and signal analysis.


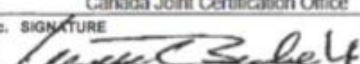
18. Modeling and experimentation exploring the propagation of long wavelengths through the atmosphere.
19. Modeling and experimentation exploring 1-D laser echo imaging. Activities include: learning new physics of 1-D laser echo imaging, adapting current 1-D echo imaging models to incorporate lasers, pulsed laser development, high-speed computing, and signal processing.
20. Modeling and experimentation exploring off-axis laser beam imaging and profiling.
21. Modeling and experimentation exploring single-ended atmospheric sensing techniques, path assessment, and ranging capabilities such as light detection and ranging (LIDAR) and imaging methods.
22. Exploring the use of models and lasers developed by both parties towards space situational awareness.

APPENDIX B – NIWC PACIFIC EQUIPMENT LIST

MFG	DESCRIPTION	MODEL NO.	SERIAL NO.	VALUE	COMMENTS	SPAWAR BARCODE
USNS VANDENBERG	INTERMEDIATE FOCAL LENGTH OPTICAL TRACKER DOME	TAGM-10	867	\$25,000.00	(Nike Hercules radar tracker)	324044
3COM	SUPERSTACK II DUAL SPEED HUB (12 PORT)	3C16590	01037YAF018729	\$1,182.00	LL, DOME TRACKING STATION	
3COM	SUPERSTACK II DUAL SPEED HUB (24 PORT)	3C16591	01027YBF029608	\$829.00	IN OFFICE BY ED'S DESK	
BIG SKY LASER TECHNOLOGIES	NDI YAG LASER HEAD	CFR-200-30-C	10000156	\$24,700.00	LL	324045
BIG SKY LASER TECHNOLOGIES	NDI YAG LASER HEAD	CFR-200-30-C	10000165	\$24,700.00	LL	324046
DAVRO	LENS SYSTEM TELESCOPE 12"X120"	DOS-300RAIM300PAROM1 001	169	\$32,500.00	ON BLACK MOUNT	324041
NEWPORT	OPTICAL ISOLATION TABLE 4' X 8' X 8"	NONE	NONE	\$8,000.00	DOME	324065
GENERIC	20" GRAZ TELESCOPE & TRACKING MOUNT	NONE	8860024	\$934,000.00	DOME	323992
MIKRON	BLACKBODY CALIBRATION SOURCE, 2"	M340X	47216	\$95,000.00	MATERIALS TRAILER	324068
EALING	BENCH OPTICAL, 8' X 4'	NONE	NO	\$23,393.00	LL	324049
NESLAB	CHILLER	CFT-75	91GML 90230-3	\$8,800.00	LL	324074
NEWPORT/KLINGER CORP	5X16/24 OPTICAL TABLE TOP	NONE	524	\$7,000.00	LL	324072
GOERTZ	PRIMARY MIRROR & MOUNT, 48"	NONE	534	\$100,000.00	BACK OF JASON'S AREA	323997
SPAWAR	24" METAL MIRROR TELESCOPE	NONE	000776	\$50,000.00	CART	324003
SPAWAR	BEARING	NONE	000778	\$100,000.00	MISTAKENLY	323998
SPAWAR	BEARING	NONE	000779	\$500,000.00	MISTAKENLY	323993
SPAWAR	BLACK AZEL MOUNT (ITC)	NONE	000782	\$359,560.00	BACK OF JASON'S AREA	323994
SPAWAR	ROTI 24" TELESCOPE	NONE	000783	\$1,000,000.00	JASON BACK AREA	323991
STANFORD RESEARCH ASSOC.	DIGITAL DELAY/PULSE GENERATOR	D6535	5968	\$4,825.00	JASON ELECTRONICS SHELF	324122
STAR INSTRUMENT	TELESCOPE, 10", STAR INSTRUMENTS	NONE	816	\$10,000.00		324057
TMC	OPTICAL ISOLATION TABLE 4' X 10' X 12"	NONE	821	\$10,000.00	LL	324055
VARIAN ASSOC.	VAC-ION PUMP EXCHANGE	TURBO-V250	888	\$12,000.00	BACK OF JASON'S AREA	324054
XYBION ELECTRONIC SYSTEMS	CAMERA CONTROLLER	CCU-01-G	HA01014	\$5,383.00	JASON ELECTRONICS SHELF	324075
XYBION ELECTRONIC SYSTEMS	CAMERA CONTROLLER	CCU-01-G	HA01008	\$5,383.00	JASON ELECTRONICS SHELF	324076
XYBION ELECTRONIC SYSTEMS	CAMERA	ISG-350-U-3	5971	\$22,300.00	JASON ELECTRONICS SHELF	324050
XYBION ELECTRONIC SYSTEMS	LOW-LIGHT-LEVEL VIDEO CAMERA W/ACCESSORIES	ISG-350 & CCU-10	EC01020	\$23,500.00	JASON ELECTRONICS SHELF	324047
XYBION ELECTRONIC SYSTEMS	CAMERA	ISG-350 & CCU-10	EC01013	\$23,500.00	JASON ELECTRONICS SHELF	324048
ISTEF	SFP 10" TELESCOPE	NONE	1023	\$10,000.00	DOME	324060
ISTEF	12.5" TELESCOPE	NONE	99-01	\$300,000.00	GRAZ IN DOME	323995
BEI	DIGITAL ENCODERS	12050-190-0034-201	920269	\$38,000.00	ON BLACK MOUNT	324004
BEI	DIGITAL ENCODERS	12050-190-0034-201	910470	\$38,000.00	ON BLACK MOUNT	324005
BEI	DIGITAL ENCODERS	12050-190-0034-201	910472	\$38,000.00	FOUND BY MIKE BUTLER	324006
NONE	ENCODERS W/PRIMARY CHANNEL CONNECTOR, 10" DIAM	79000032-201	910466	\$38,000.00	MATERIALS TRAILER	324007
NONE	ENCODERS W/PRIMARY CHANNEL CONNECTOR, 10" DIAM	79000032-201	930186	\$38,000.00	ON BLACK MOUNT, AZ	324008
NONE	ENCODERS W/PRIMARY CHANNEL CONNECTOR, 10" DIAM	79000032-201	910467	\$38,000.00	ON BLACK MOUNT, EL	324009
J. UNERTAL OPTICAL CO	LENS COUPLING W/CASTERS, 18" DIAM	N/A	1611	\$300.99	JASON BACK AREA	
OWENS ILLINOIS	CADIOPTRIC, 60"	1900060	852-64	\$1,000.99	IN CRATE, JASON SHELF	
GENERIC	GRAZ TAILER - TRANSPORTER	N/A	1792	\$50,000.99	WHITE TRAILER FOR MOUNT	324002
SORL	OPTICAL FCATS OAP MIRRORS 12 1/2"	NONE	1926	\$2,000.45	LL	
AEROTECH INC.	FLAT, 12.5" OPTICAL	NONE	1927	\$2,000.45	JASON SHELF	
SEABOX	CONTAINER, MODIFIED W/ACDEHUMIFIER	SF-STDT-02(F)	FBXU 800052-1	\$28,798.00	NEXT TO CONCRETE PAD ON RANGE	324043
UNKNOWN	MIRROR, FLAT, 24"	UNKNOWN	NONE	\$1,000.99	LL	
			TOTAL VALUE:	\$3,947,657.82		

APPENDIX C – MILITARY CRITICAL TECHNICAL DATA AGREEMENT (DD FORM 2345)

25855RV

MILITARILY CRITICAL TECHNICAL DATA AGREEMENT (Please read Agency Disclosure Notice and Instructions on back before completing this form.)		OMB No. 0704-0207 OMB approval expires January 31, 2016	
MAIL THE ORIGINAL, COMPLETED FORM AND A COPY OF YOUR COMPANY'S INCORPORATION CERTIFICATE, STATE/PROVINCIAL BUSINESS LICENSE, SALES TAX IDENTIFICATION FORM OR OTHER DOCUMENTATION WHICH VERIFIES THE LEGITIMACY OF THE COMPANY TO:			
U.S./CANADA JOINT CERTIFICATION OFFICE DLA LOGISTICS INFORMATION SERVICE FEDERAL CENTER, 74 WASHINGTON AVE., NORTH BATTLE CREEK, MI USA 49037-3084			
1. TYPE OF SUBMISSION (X one)	a. INITIAL SUBMISSION	<input checked="" type="checkbox"/> b. REVISION	c. 5-YEAR RENEWAL
2. ENTERPRISE OR INDIVIDUAL DATA (Referred to as a "certified contractor" upon acceptance of certification by the U.S./Canada - JCO)			
a. NAME (Name of Enterprise or Individual) University of Central Florida	b. ADDRESS (Physical address, including P.O. Box if applicable) 4000 Central Florida Boulevard Orlando, Florida 32826		
c. NAME OF SUBSIDIARY/DIVISION/DEPARTMENT Office of Research & Commercialization			
d. CAGE CODE (Mandatory for Enterprise) 9H673			
3. DATA CUSTODIAN			
a. NAME (See instructions) Michael J. Miller Jr.	b. TELEPHONE NUMBER (Primary Company Number preferred - include area code) (407) 882-0660		
c. TITLE Assistant Director for Export Controls	d. E-MAIL ADDRESS Michael.Miller@ucf.edu		
4. DESCRIPTION OF RELEVANT BUSINESS ACTIVITY (Print or type) Performance of federal contracts by a university in science, technology, mathematics and engineering, involving but not limited to the following subject areas: nanomaterial and nanoscience; military training, modeling, simulation and human performance; advanced ceramic, composite, optic, optical materials, filters, coatings and structures research; high-power lasers; turbine generators and engines; missile, missile defense, satellite and spacecraft research; antenna and array research; video analysis and target tracking; aircraft electromechanical, thermal systems and flow research.			
5. AS A CONDITION OF RECEIVING MILITARILY CRITICAL TECHNICAL DATA, THE ENTERPRISE OR INDIVIDUAL CERTIFIES THAT:			
a. CITIZENSHIP/RESIDENCY STATUS. The individual designated by name in item 3, who will act as custodian of the military critical technical data on behalf of the contractor, is a citizen or person admitted lawfully for permanent residence into: (X (1) or (2))		d. They will not provide access to military critical technical data to persons other than their employees or eligible persons designated by the registrant to act on their behalf unless such access is permitted by U.S. DoDD 5230.25, Canada's TDCR, or by the U.S. or Canadian Government agency that provided the technical data.	
<input checked="" type="checkbox"/> (1) THE UNITED STATES		<input type="checkbox"/> (2) CANADA	
b. The data are needed to bid or perform on a contract with any agency of the U.S. Government or the Canadian Government or for other legitimate business activities in which the contractor is engaged, or plans to engage.		e. No person employed by the enterprise or eligible persons designated by the registrant to act on their behalf, who will have access to military critical technical data, is disbarred, suspended, or otherwise ineligible to perform on U.S. or Canadian Government contracts or has violated U.S. or contravened Canadian export control laws or has had a certification revoked under the provisions of U.S. DoDD 5230.25 or Canada's TDCR.	
c. They (1) acknowledge all responsibilities under applicable U.S. export control laws and regulations (including the obligation, under certain circumstances, to obtain an export license from the U.S. Government prior to the release of military critical technical data within the United States) or applicable Canadian export control laws and regulations, and (2) agree not to disseminate military critical technical data in a manner that would violate applicable U.S. or Canadian export control laws and regulations.		f. They are not themselves disbarred, suspended, or otherwise ineligible to perform on U.S. or Canadian Government contracts, and have not violated U.S. or contravened Canadian export control laws, and have not had a certification revoked under the provisions of U.S. DoDD 5230.25 or Canada's TDCR.	
6. CONTRACTOR CERTIFICATION			
I certify that the information and certifications made by me are true, complete, and accurate to the best of my knowledge and belief and are made in good faith. I understand that a knowing and willful false statement on this form can be punished by fine or imprisonment or both. (For U.S. contractors see U.S. Code, Title 18, Section 1001 and for Canadian contractors see the Defense Production Act.)			
a. TYPED NAME (LAST, First, Middle Initial) BACKMAN, Douglas B.	b. TITLE Director of Compliance	c. SIGNATURE (See instructions) 	d. DATE SIGNED 01/15/2015
7. CERTIFICATION ACTION (For JCO Use Only)			
<input checked="" type="checkbox"/> a. CERTIFICATION ACCEPTED. This certification number, along with a statement of intended data use, must be included with each request for military critical technical data.	b. NUMBER Feb 15 2020	c. EXPIRATION DATE 0022275	
8. DOD OFFICIAL		9. CANADIAN OFFICIAL	
a. TYPED NAME (LAST, First, Middle Initial) Bredehoff, George, A.	a. TYPED NAME (LAST, First, Middle Initial) Boucher, Robert		
b. TITLE U.S. Representative For U.S. Canada Joint Certification Office	b. TITLE Canadian Representative U.S. Canada Joint Certification Office		
c. SIGNATURE 	d. DATE SIGNED 01/23/2015	c. SIGNATURE 	d. DATE SIGNED 01/23/2015

DD FORM 2345, JAN 2013

PREVIOUS EDITION IS OBSOLETE.

Adobe Designer 9.0

FIRST AMENDMENT OF THE NON-STANDARD
NAVY COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT
BETWEEN
NAVAL INFORMATION WARFARE CENTER PACIFIC (NIWC PACIFIC)
AND
THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF)

Naval Information Warfare Center Pacific (NIWC Pacific) and The University of Central Florida Board of Trustees (UCF) agree to amend Cooperative Research and Development Agreement (CRADA), Agreement number NCRADA-NIWC Pacific-19-316, executed May 13, 2019, as follows:

1. In Appendix B (NIWC Pacific Equipment List), delete the following items, since the items were removed from UCF by NIWC Pacific Principal Investigator David Wayne on December 20, 2019:

XYBION ELECTRONIC SYSTEMS CCU-01-G	CAMERA CONTROLLER HA01014	\$6,383.00	JASON ELECTRONICS SHELF	324075
XYBION ELECTRONIC SYSTEMS CCU-01-G	CAMERA CONTROLLER HA01008	\$6,383.00	JASON ELECTRONICS SHELF	324076
XYBION ELECTRONIC SYSTEMS ISG-350-U-3	CAMERA 5971	\$22,300.00	JASON ELECTRONICS SHELF	324050
XYBION ELECTRONIC SYSTEMS ISG-350 & CCU-10	LOW-LIGHT-LEVEL VIDEO CAMERA W/ACCESSORIES EC01020	\$23,500.00	JASON ELECTRONICS SHELF	324047
XYBION ELECTRONIC SYSTEMS ISG-350 & CCU-10	CAMERA EC01013	\$23,500.00	JASON ELECTRONICS SHELF	324048

2. In Appendix B (NIWC Pacific Equipment List), replace "\$3,947,657.82" with "\$3,865,591.82" in order to reflect the new total value of the equipment.
3. All other terms and conditions remain in effect.

Signatures for the Amendment follow on the next page.

SIGNATURES FOR THE AMENDMENT

For UCF:

I, the undersigned, am duly authorized to bind UCF to the Amendment(s) of this Agreement and do so by affixing my signature hereto.

Entered into this 2/13/2020 day of 20 20.
(Month)

DocuSigned by:
Jane Gentilini
By: 4F027E8D1A94441...
JANE GENTILINI

Title: Director, Sponsored Programs, Office of Research

For the Department of the Navy:

I, the undersigned, by 15 USC 3710a and Navy regulations, am duly authorized to bind the U.S. Navy to the Amendment(s) of this Agreement and do so by affixing my signature hereto.

Entered into this 20th day of February 20 20.
(Month)

By: *M. K. Yokoyama*
M. K. YOKOYAMA, Captain, U.S. Navy

Title: Commanding Officer

Navy Organization: Naval Information Warfare Center Pacific

THIRD AMENDMENT OF THE NON-STANDARD
NAVY COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT
BETWEEN
NAVAL INFORMATION WARFARE CENTER (NIWC) PACIFIC
AND
THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES (UCF)

Naval Information Warfare Center (NIWC) Pacific and The University of Central Florida Board of Trustees (UCF) agree to amend the Cooperative Research and Development Agreement (CRADA), agreement number NCRADA-NIWC Pacific-19-316, executed May 13, 2019, and amended February 20, 2020, and April 13, 2021, as follows:

1. Add the following section to Article 8 in order to provide instructions for modifying the NIWC Pacific Equipment List in Appendix B going forward (future changes to the list will not require amending the CRADA):

8.5 Record of NIWC Pacific Tangible Property at UCF

The NIWC Pacific Equipment List in Appendix B is a record of the NIWC Pacific Tangible Property at UCF to be used for the purposes of this CRADA. When any NIWC Pacific Tangible Property is moved to/from UCF, the NIWC Pacific PI or UCF PI shall notify the NIWC Pacific Technology Transfer Office and UCF Office of Research. The NIWC Pacific Technology Transfer Office shall revise the NIWC Pacific Equipment List in Appendix B, and email the revised list to the UCF Office of Research. Such revisions to Appendix B will become part of this Agreement without further modification or amendment pursuant to Article 11.1

2. In Appendix B (NIWC Pacific Equipment List), delete the following five items since NIWC Pacific Principal Investigator David Wayne removed the items from UCF:

3COM	SUPERSTACK II DUAL SPEED HUB (12 PORT)	3C16590	0103/7YAF018729
\$1,182.00	LL, DOME TRACKING STATION		

3COM	SUPERSTACK II DUAL SPEED HUB (24 PORT)	3C16591	0102/7YBF02980
\$829.00	IN OFFICE BY ED'S DESK		

DAVRO	LENS SYSTEM TELESCOPE 12"X120"	DOS-300RA/M300RAROM1 001	169
\$32,500.00	ON BLACK MOUNT	324041	

SPAWAR	24" METAL MIRROR TELESCOPE	NONE	000776
\$50,000.00	DOME, INCLS LONG BLACK TUBE (ON CART)	324003	

SPAWAR	ROTI 24" TELESCOPE	NONE	000783
\$1,000,000.00	JASON BACK AREA	323991	

3. In Appendix B (NIWC Pacific Equipment List), replace "\$3,850,766.82" with "\$2,766,255.82" in order to reflect the new total value of the equipment.
4. All other terms and conditions remain in effect.

Signatures for the amendment follow on the next page.

SIGNATURES FOR THE AMENDMENT

For UCF:

I, the undersigned, am duly authorized to bind UCF to the amendment(s) of this Agreement and do so by affixing my signature hereto.

Entered into this _____ day of 7/16/2021 20____.
(Month)

By:  5A194060A50D449...
JOEL KENNEDY

Title: Assistant Director, Sponsored Programs, Office of Research

For the Department of the Navy:

I, the undersigned, by 15 USC 3710a and Navy regulations, am duly authorized to bind the U.S. Navy to the amendment(s) of this Agreement and do so by affixing my signature hereto.

Entered into this _____ day of _____ 20____.
(Month)


By: _____
A. D. GAINER, Captain, U.S. Navy

Title: Commanding Officer

Navy Organization: Naval Information Warfare Center Pacific

MEMORANDUM OF AGREEMENT
BETWEEN THE
45TH SPACE WING (45 SW)
AND THE
UNIVERSITY OF CENTRAL FLORIDA (UCF)
FOR
OPERATION OF THE INNOVATIVE SCIENCE AND TECHNOLOGY
EXPERIMENTATION FACILITY (ISTEF)

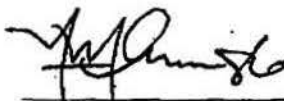
Approval for UCF:



Dr. M.J. Soileau
Vice President for Research & Commercialization
University of Central Florida

DATE: 7/15/14

Approval for the 45th Space Wing:



Nina M. Armagno
Brigadier General, USAF
Commander, 45th Space Wing

DATE: 11 Jun 14

Approved as to Form and Legality
 7/14/14

THIS MEMORANDUM OF AGREEMENT (MOA) made by and between the University of Central Florida (UCF), by and on behalf of its Board of Trustees, for the benefit of the Townes Laser Institute, having an office and place of business at 12201 Research Parkway, Suite 501, Orlando, FL 32826, and the United States Air Force, 45th Space Wing, Patrick Air Force Base (45 SW), having a place of business at 1201 Edward H White II St, Patrick Air Force Base, Florida 32925 (UCF and 45 SW each individually a “Party” and together the “Parties”).

WHEREAS, the Innovative Science and Technology Facility (ISTEF) is an Air Force-owned building built on land owned by the National Aeronautics and Space Administration (NASA) (collectively, the “Facility”) located at the Kennedy Space Center on Merritt Island, Florida; and

WHEREAS, Facility has been used by NASA and Government Contractors to engage in laser research; and

WHEREAS, the 45 SW will provide support services to UCF during its management of the Facility; and

WHEREAS, this MOA specifies the roles and responsibilities of the 45 SW and UCF pertaining to Facility activities conducted at the Facility and the responsibilities of the Parties in implementing the concept set forth hereunder.

NOW, THEREFORE, the Parties hereto agree and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. AUTHORITY:

- a. Department of Defense Directive (DoDD) 3200.11, *Major Range and Test Facility Base (MRTFB)*, 27 Dec 07
- b. 45th Space Wing Instruction (SWI) 25-204, *Mission-Related Agreements Program*, 1 Nov 05
- c. 45th Space Wing Instruction 65-601, *Reimbursement Policy*
- d. Department of Defense Financial Management Regulation (DoDFMR) 7000.14-R, Vol 11A, *Reimbursable Operations Policy and Procedures*, Chapter 12, Jul 2013

2. REFERENCE DOCUMENTS:

- a. AFI 10-701, *Operations Security (OPSEC)*
- b. AFI 32-1061, *Providing Utilities to U.S. Air Force Installations*
- c. AFI 32-7061 32CFR989 AETC, *Environmental Impact Analysis Process*
- d. AFI 32-7086, *Hazardous Materials Management*
- e. AFSPCMAN 91-710, *Range Safety User Requirement Manual*
- f. DoDM 5200.01 Vol 1-4, *Information Security Program*

- g. DoD 5220.22-M, *National Industrial Security Program Operating Manual (NISPOM)*
- h. 45 SW No. 15E-2-2, *Joint Operating Support Agreement w/KSC*
- i. 45 SW No. 15E-3-10, *Joint Operating Procedure w/NASA/KSC for Environmental Management, Pollution Control and Spill Response Activities*
- j. 45 SW No. 15E-3-37, *Joint Operating Procedure w/KSC*
- k. 45 SW No. 15E-3-64, *Joint Operating Procedure w/NASA/KSC for Fire, Security, Emergency Management, and EMS*
- l. 45 SWI 10-202, *Pyramid Notification/Recall Procedures*
- m. 45 SWI 13-206, *Eastern Range Scheduling*
- n. 45 SWI 32-7002, *Environmental Impact Analysis Process*
- o. Range Commanders Council (RCC) Doc 501-12
- p. AFI 31-101, *Integrated Defense*
- q. AFI 31-601, *Industrial Security Program Management*
- r. 45 SWI 99-101, *45th Space Wing Mission Program Documents*
- s. 45 SW Plan 32-7042, *Integrated Solid Waste Management Plan*
- t. AFI 91-204, *Safety Investigations and Reports*
- u. 45 SW OPlan 91-204 Volume 1, *Investigation of Aircraft, Ground and Explosives Mishaps*
- v. Nothing in this section is intended to limit responsibilities of the parties of this Agreement in reference to other Air Force Instructions, DoD Directives or Instructions, or other applicable guidance.

3. GENERAL:

The ISTEf is a DoD asset which will be operated and maintained by UCF as part of a Joint Services University Affiliated Research Center (UARC) for Laser Technologies. It serves as a resource base for DoD laser and applications testing; research, development, testing and evaluation; training and education. It provides the focus for emerging defense laser technologies and industrial development leading to renewed economic growth on the Space Coast.

4. RESPONSIBILITIES:

- a. The 45 SW will:
 - (1) Draft and execute a separate real estate license between the 45 SW and UCF (License Agreement) that provides the authorities for UCF to enter, operate and maintain the Facility.

- (2) Create a Job Order Number (JON) between the 45 SW and UCF for use with all monies recited in this MOA.
- (3) Provisions for utilities including, but not limited to, electricity, water and sewage services to the facility will be supported as outlined in the Joint Operating Support Agreement (JOSA), 15E-2-2 between the 45 SW and KSC.
- (4) Provide Command and Control (C2) facilities and services for UCF. The 45 SW is responsible for command post consolidation and coordination of operations.
- (5) Provide C2 services and operate the Patrick Air Force Base Command Post (CP) functions as required, IAW 45 SW and higher headquarters directives, with policy and guidance.
- (6) Administer the Environmental Impact Analysis Process (EIAP) in accordance with 32 CFR Part 989; and review UCF's proposed actions to determine if proposed actions may impact Air Force environmental quality. For actions with potential impacts to Air Force environmental quality, provide general environmental policy guidance, copies of applicable environmental management plans and permits, and detailed requirements and procedures for environmental document processing, coordination and approval for UCF's actions. Such actions to be taken by the 45 SW shall include determining applicability of federal facility air conformity; conducting project consultation requirements with other federal agencies; identifying potential environmental impacts to Air Force environmental quality and assigning funding responsibility.
- (7) Be the overall Office of Primary Responsibility for environmental activities pertaining to use of the ISTEf which overlap or have cause to affect Air Force environmental quality only.
- (8) Make every effort within reason to accommodate mission needs of UCF when implementing environmental programs for the installation.
- (9) Unless otherwise agreed, include UCF operations in the scope of the installation Environmental Management System (EMS).
- (10) Include UCF in the installation recycling program upon request.
- (11) Include UCF in environmental compliance and protection training, as space is available.
- (12) Notify UCF of any Asbestos Containing Materials (ACM) or Lead-Based Paint (LBP) identified in the Facility.
- (13) Notify UCF's designated representative immediately of any environmental enforcement actions, Facility site visits, and notices to comply, as directed by environmental regulators, for alleged violations attributed to UCF, its contractors or Facility users. The 45 SW will furnish UCF a copy of the enforcement action with all supporting documentation and a synopsis of the reasons leading to the conclusion that UCF is responsible for the alleged statutory or regulatory violation. Request the regulatory agency to provide a breakdown of the civil fine or penalty

for each violation if a civil fine or penalty is sought in connection with an alleged violation. Based upon the breakdown received, or the enforcement policies of the relevant agencies, identify to UCF that portion of the civil fine or penalty the 45 SW believes is attributable to violations of law or directives by UCF and provide a statement of the reasons leading to the conclusion. Provide UCF a reasonable opportunity to review and coordinate the proposed environmental civil fine or penalty and to participate in preparing any response to the enforcement action that involves UCF's operations. The 45 SW will consult with UCF and coordinate all strategies to resolve environmental enforcement actions, fines or penalties, including negotiation and litigation and serve as the final decision maker with respect to such efforts. Upon conclusion of the process that results in the imposition of a fine or penalty for environmental violations attributable to UCF's operations, coordinate with UCF to ensure the transfer of the appropriate portion of the fine or penalty to UCF.

- (14) Be the approval authority for the introduction of new hazardous material onto the installation.
- (15) Collect reimbursements IAW DoDFMR 7000.14-R, Vol 11A, Chapter 12, for all facility construction, repairs and maintenance services specifically performed for the customer.
- (16) Reserve the right of immediate recapture of any utility during a national emergency.
- (17) Reserve the right to suspend or terminate the service in whole or in part, if the utility service is curtailed or stopped. The 45 SW will not be held liable for the suspension or termination and will not be required to continue the service for the necessity of UCF.
- (18) Not be held liable for failure to provide continuous utility service and does not guarantee the quality or quantity of utility service to be supplied for interruptions/faults occurring beyond the control of the 45 SW.
- (19) Reserve the right to terminate the utility services after giving 30 days notice.
- (20) In some cases such as natural gas service, allow UCF to obtain service directly from a commercial supplier.
- (21) Inform UCF of any scheduled utility outages no less than 7 days before the scheduled outage to prevent unexpected outages and system downtime during UCF's operations. Work with UCF to resolve any conflicts and minimize any adverse impacts.
- (22) Collect reimbursements IAW DoDFMR 7000.14-R, Vol 11A, Chapter 12, for all utility services.
- (23) Provide UCF an explanation of any changes in the charging policy as soon as possible.
- (24) Accept UCF's funding that will increase UCF's order and not authorize any reimbursable work to be performed unless UCF has provided sufficient funding to

cover the cost of the work prior to the service being performed. If, at any time, the JON becomes deficient, support will cease immediately. Any excess funding not required for UCF's order can be returned upon request.

- (25) Appoint an Operations Security Program Manager (OPSEC PM) to ensure OPSEC is phase applied during every phase of operations and planning (Signature Management Protect).
 - (26) When UCF operations are conducted as part of joint efforts with other programs, the security information classification and operational security procedures will be the highest classification or procedures among the participating programs.
 - (27) Provide a Program Support Manager (PSM) and a Job Order Manager (JOM) to coordinate ER support and financial management.
 - (28) Make available the needed facilities, equipment and technical support to UCF and to any government agent, contractor or subcontractor that UCF may designate as defined in the applicable requirements documentation and 45 SW responses. The facilities will be made available on a non-interference basis and UCF will be responsible for any modifications or alterations and will ensure that facilities are properly maintained.
 - (29) Be responsible for public safety and mishap reporting in accordance with Air Force Space Command Manual (AFSPCMAN) 91-710, AFI 91-204, *Safety Investigations and Reports* and 45 SW OPlan 91-204 Volume 1, *Investigation of Aircraft, Ground and Explosives Mishaps*.
 - (30) Be responsible for radiation protection in accordance with 45 SWI 40-201, *Radiation Protection Program*.
 - (31) Provide a Range Control Officer (RCO) to monitor and control all operations involving Eastern Range resources.
 - (32) Provide operational target acquisition/tracking data support on a first-come, first-served basis to the extent available resources will allow.
 - (33) Provide intrusion detection system (IDS), IDS monitoring and coordinating armed security response with KSC Security to UCF's resources as outlined in DoDM 5200.01 and DoD 5220.22-M.
 - (34) Provide installation entry and restricted area badge credentials to authorized personnel upon request.
 - (35) Provide industrial security services IAW the National Industrial Security Operating Manual (NISPOM), Department of Defense (DoD) 5220.22-M and AFI 31-601.
- b. The University of Central Florida will:
- (1) Be responsible for the actions of its contractors, its subcontractors and its Facility users, and ensure that its contractors, its subcontractors and its Facility users understand and comply with the environmental provisions herein.

- (2) Comply with 45 SW directives applicable to UCF, to the extent identified in this Agreement (e.g., Wing Pyramid Notification/recall procedure coordination with applicable mission partner, 45 SWI 10-202).
- (3) Comply with applicable rules and directives, to the extent identified in this Agreement, regarding the use of the Facility.
- (4) Comply with all federal, state and local environmental standards, rules, directives, and permit conditions related to UCF operations in the ISTEf. Make environmental compliance requirements pertaining to its mission (e.g., laser operations) known to the 45 SW's Environmental Compliance Function (CEIE) through the installation's Environmental Impact Analysis Process (SWI 32-7002).
- (5) Grant 45 SW environmental management personnel (and authorized contractors) access to the Facility for the sole purpose of collecting information related to Air Force environmental quality programs or to ensure compliance with this Agreement. Grant environmental regulators performing official duties access to the Facility upon notification to the Air Force Environmental Section. Grant contractors performing a federal environmental contract access to the Facility.
- (6) UCF will designate, in writing, an Environmental Manager (EM) who will be the primary point of contact for all environmental matters. The EM's name and phone number will be provided to the 45 SW's Environmental Planning Function. The EM (or designated representative) will serve as UCF's representative to the installation Environment, safety, and Occupational Health Management System (ESOHMS) cross-functional team.
- (7) To the extent permitted by law, be responsible for the treatment, storage and disposal of Facility emissions, wastes, effluents, hazardous substances or contaminants; and for cleaning up or correcting any environmental pollution, contamination/damage to the Facility caused by UCF, its contractors or its Facility users during the term of the License Agreement. This responsibility shall exist even if said emission, waste, effluent, hazardous substance, pollution, damage or contaminations is not discovered until after UCF has vacated the Facility and the Agreement has been terminated; provided, however that this responsibility shall not exist if said emission, waste, effluent, hazardous substance, pollution, damage or contaminations occurred prior to UCF executing the License Agreement or if said emission, waste, effluent, hazardous substance, pollution, damage or contamination to the Facility was not caused by UCF, its contractors or its Facility users.
- (8) To the extent permitted by law, be financially responsible for all fines, penalties or judgments imposed by a federal, state or local agency or court for environmental law violations or other damages resulting from, but not limited to, the treatment, storage, disposal, discharge or release by UCF, its contractors or its Facility users, of emissions, waste, effluent, hazardous substances or contaminants in the Facility. UCF responsibility under this provision shall continue even if such violations are not discovered until after UCF has vacated the Facility and the Agreement has been terminated; provided, however this responsibility shall not exist if said emission, waste, effluent, hazardous substance, pollution, damage or contaminations occurred prior to UCF executing the License Agreement or said emission, waste, effluent,

hazardous substance, pollution, damage or contamination to the Facility was not caused by UCF, its contractors, or its Facility users.

- (9) Comply with 45 SW's environmental policy guidance and procedures, to the extent identified in this Agreement, for any activity of UCF that impacts Air Force environmental quality.
- (10) Notify 45 SW of the number of personnel and building numbers to be included in the recycling program.
- (11) Notify the 45 SW immediately if injured wildlife or natural resource degradation is observed or found on base property.
- (12) Make facility occupants aware of any hazardous materials (asbestos, lead-based paint, etc.) records provided by the 45 SW and be responsible for monitoring and maintaining these materials in accordance with Federal and State regulations. Notify the Air Force via AF Civil Engineer Work Request (AF Form 332) prior to performing any alteration or removal of hazardous building components.
- (13) Immediately report all hazardous releases and mishap events IAW the 45 SW's plans and directives.
- (14) Provide the 45 SW with timely comments or positions on the propriety of any enforcement action, including environmental civil fines and penalties. Assist the 45 SW as needed in efforts to resolve environmental enforcement actions, including civil fines or penalties. Where resolution of civil fines or penalties involves implementation of Supplemental Environmental Projects (SEPs), provide the 45 SW a list of all projects, which may qualify as a SEP. Take appropriate action to correct the violation that led or contributed to the environmental enforcement action. Transfer funds through the proper accounting channels for payment of all civil fines or penalties attributable to UCF, its contractor's or Facility user's operations.
- (15) Obtain an Environmental Protection Agency (EPA) hazardous waste generator identification number and provide proof of compliance to the Air Force environmental office. UCF will identify, properly containerize, label and unless otherwise determined, manage all generated hazardous and regulated waste at the ISTEAF IAW applicable state and federal directives. Records of compliance will be maintained onsite for government review.
- (16) Comply with 45 SW Plan 32-7042, *Integrated Solid Waste Management Plan* if using 45 SW supplied waste management services.
- (17) Participate in the 45 SW's hazardous material management program, including HAZMAT and pollution prevention program. Comply with the 45 SW's policies and procedures for waste minimization and recycling. Manage hazardous material IAW AFI 32-7086 and 45 SW Hazardous Material (HAZMAT) management requirements, to the extent identified in this Agreement, and ensure that any contracts administered by UCF at the Facility comply with these requirements.
- (18) Notify the 45 SW of any proposed action which may impact Air Force environmental quality using an AF Form 332, Base Civil Engineer Work Request.

Submit to the 45 SW's customer service unit IAW 45 SW's directions upon identification of a proposed action (i.e., work order/project) and complete an AF Form 813, Request for Environmental Impact Analysis, to the 45 SW Environmental Planning Function. UCF will comply with directions received on the completed AF Form 813 or AF Form 332 for compliance with the National Environmental Policy Act (NEPA). If required, the UCF will prepare or provide funding for additional NEPA documentation (environmental assessments or impact statements) as specified on the AF Form 813 and ensure that all required NEPA documents are approved by the 45 SW prior to project award or construction expenditure.

- (19) Notify the 45 SW at least five (5) days prior to performing and during the planning stages for any maintenance on Petroleum, Oil and Lubricant (POL) storage tanks or purchasing new tanks.
- (20) Notify the 45 SW immediately of any environmental regulator visits to the Facility and requests for information. Also, notify the 45 SW immediately of enforcement actions (e.g., notices of violations, warning letters, and notices to comply) taken by environmental regulators attributable to UCF's action or inaction related to its activities on the Facility.
- (21) Coordinate with the AF Environmental Planning Function in the planning stages of any actions to modify or decommission pollution sources or regulated activities at the ISTEf to determine if proposed actions will impact AF environmental quality. Examples include well closures, tank removals and use of temporary sources such as generators.
- (22) Not disturb any historical, archeological or cultural artifacts on the Facility. If such items are discovered on the Facility, UCF will immediately notify the 45 SW and protect the site and material from further disturbance until clearance to proceed is received.
- (23) Obtain appropriate environmental permits before commencing any regulated activities at the ISTEf and provide copies to the AF Environmental Planning Function. For UCF activities that require new or modification of existing Air Force permits, provide the 45 SW all necessary information in a timely manner to obtain and maintain environmental permits covering UCF operations at the ISTEf. If 45 SW and UCF agree that a permit application will be prepared by UCF, a copy of the application will be provided to the 45 SW by UCF for review/approval/submittal to the regulator. UCF will be responsible for permit preparation cost and application fees associated with their activities. Immediately notify the 45 SW of potential environmental permit violations.
- (24) Comply with applicable procedures and directives, as identified in this Agreement, with regards to request for maintenance and repair of laboratory equipment not considered Test, Measurement and Diagnostic Equipment (TMDE), to include emergency repair service by the Eastern Range Technical Services contractor.

- (25) Reimburse the 45 SW for maintenance and repair of laboratory equipment not considered TMDE, to include emergency repair service by the Eastern Range Technical Services contractor.
- (26) Reimburse the 45 SW for the following facility construction and major repair services:
 - Repairs that involve removing, adding or relocating non-load-bearing walls.
 - New installation of equipment necessary to rectify local fire code or occupational safety and health code deficiencies resulting from UCF's change in use of the Facility, including provisions for the handicapped in compliance with the Americans with Disabilities Act, 42 United States Code (USC) sections 12111 et seq.
 - Modifications to utility systems (i.e., building, generator or distribution systems) to increase the capacity and/or efficiency to support UCF's requirements.
- (27) Reimburse the 45 SW for the following minor construction work:
 - All renovation-type work requested by UCF.
 - New installation of carpet or replacement of existing carpet that has been in place less than 5 years, when requested by UCF.
 - Any other UCF requested work not expressly provided for in this MOA.
- (28) Comply with applicable directives and policies for Facility construction and major repairs, as identified in this Agreement.
- (29) Reimburse the 45 SW IAW DoDFMR 7000.14-R, Vol 11A, Chapter 12 for Facility construction and major repairs as performed at the request of the customer.
- (30) Be responsible for the installation of utility meters for the facilities allocated to UCF. UCF may submit a Base Civil Engineer Work Request (AF Form 332) to have the 45 SW install utility meters.
- (31) Reimburse the 45 SW for Utility services IAW 45 SWI 65-601, Vol. 1. Billings will be monthly and will be supported by the monthly charges.
- (32) Comply with energy/water conservation and awareness plan. Actively participate in host wing's EMSG meetings. Formulate/implement strategies to meet assigned energy goals.
- (33) Reimburse the 45 SW for costs to install utility meters at the request of UCF on Facilities allocated to UCF.
- (34) Inform the 45 SW of any operational impacts of scheduled power outages. Work with the 45 SW to resolve any conflicts and minimize any adverse impacts.
- (35) Make all program requirements known to the JOM to ensure accurate estimates. Recognize estimates are only a basis for initial funding. Charges will be based on actual costs that are submitted by the range contractors and 45 SW organizations,

through the Job Order Cost Accounting System (JOCAS). UCF is responsible for the actual costs.

- (36) Submit funding at the beginning of each fiscal year (not later than 30 September) through Electronic Funds Transfer (EFT) to cover the entire year's estimated cost of the support provided by the 45 SW. UCF's Job Order Number (JON) must be funded before any reimbursable support can be provided by the 45 SW. If the JON remains unfunded for thirty (30) days, UCF and the 45 SW will resolve the issue in a manner that is mutually agreeable.
- (37) Appoint an OPSEC Coordinator to ensure OPSEC policies are applied during every phase of the units operations and planning per AFI 10-701, Operations Security.
- (38) Determine all programmatic, technical and administrative support requirements.
- (39) Provide coordination and assistance to resolve technical and administrative problems as required.
- (40) Ensure requirements documentation is submitted to the 45 SW in accordance with 45 SW Instruction 99-101. Such documentation will include, as a minimum, a Program Introduction (PI) and a Program Requirements Document (PRD).
- (41) Provide funding in accordance with DoDFMR 7000.14-R and 45 SWI 65-601.
- (42) Be responsible for design and procurement of program-peculiar hardware.
- (43) Provide turn-key instrumentation facilities as necessary to meet program schedules.
- (44) Define readiness criteria for each operation involving ER support.
- (45) Provide a test conductor for all tests/operations involving UCF resources.
- (46) Comply with established safety and reporting requirements as set forth in AFSPCMAN 91-710.
- (47) Comply with radiation protection and reporting requirements as set forth in 45 SWI 40-201, *Radiation Protection Program*.
- (48) Provide necessary technical resources to assist in acquisition of requirements and administration of contracts. Provide funding for all UCF support-related travel and overtime that was requested by UCF.
- (49) At program completion, be responsible for returning facilities used by UCF to their original configuration; provided that improvements or any other modifications may be left in place with the 45 SW's prior approval. This responsibility includes the removal of temporary trailers.
- (50) Make security requirements for resources known to the 45 SW and Kennedy Space Center (KSC) Security.
- (51) Provide security education and training for personnel issued restricted area badges as required by AFI 31-101.
- (52) Participate in the 45 SW's industrial security services as required for the protection of DoD classified information IAW the National Industrial Security Program Operating Manual (NISPOM), DoD 5220.22-M and AFI 31-601.

- (53) Ensure all personnel working or visiting the ISTEf site is not a foreign national and has the appropriate clearances to access and conduct operations at the site.
- (54) Obtain the necessary authorization and/or real estate agreement from NASA to conduct operations and testing outside of ISTEf buildings (to include using the 1km Range)."
- (55) Obtain 45 SW Range Scheduling authorization prior to conducting Airspace operations."

5. FINANCIAL:

General Provisions:

- (1) UCF will provide funding for all required 45 SW support as documented in this MOA and in the Program Requirements Document/Operations Requirements (PRD/OR) Universal Documentation System (UDS) documentation.
- (2) UCF will not financially obligate the 45 SW without the express prior permission of the 45th Space Wing Commander (45 SW/CC).
- (3) All provisions in this Agreement are subject to the availability of funds.

6. LEGAL:

a. General Provisions:

- (1) UCF will not provide access to the Facility to any person that is not a UCF contractor or subcontractor without express prior 45 SW permission, which shall not be unreasonably withheld.
- (2) Any charges accrued as a result of the failure of either party to give the required 180-day notice of termination will be paid by the party that failed to provide the required 180-day notice of termination. To the extent the 45 SW terminates this MOA for its convenience, the 45 SW shall reimburse UCF the reasonable costs incurred by UCF up to the date of receiving a notice of termination from the 45 SW. The reasonableness of the costs incurred shall be determined upon the submission of a final termination settlement proposal to the 45 SW. UCF shall submit the proposal promptly, but no later than 1 year from the effective date of termination, unless extended in writing by the 45 SW upon written request of UCF within this 1-year period. If UCF fails to submit the proposal within the time allowed, the 45 SW/CC may determine, on the basis of information available, the amount, if any, due UCF because of the termination and shall pay the amount determined.
- (3) Nothing in this Agreement is intended to contradict or modify the terms of the real property License Agreement. In the event of a conflict between the terms of this Agreement and the terms of the real property License Agreement, the terms of the real property License Agreement will prevail.

b. Hold Harmless:

- (1) Each of the Parties hereunder agrees to hold the other harmless for casualties it may sustain as a result of the leasing, occupation and management of the Facility. UCF does not waive Florida sovereign immunity by entering this MOA. In addition, the 45 SW shall hold harmless UCF for any claims related to hazardous and environmental conditions pre-existing to UCF's occupation and management of the Facility. Such pre-existing conditions shall be identified in the baseline environmental study outlined in Exhibit D of the Air Force License referenced in 4(a)(1) of this Agreement which is attached hereto and made a part hereof. In addition, the 45 SW shall hold harmless UCF for any claims that may arise as a result of hazardous and environmental conditions that may exist as a result of any activities on the Facility by the 45 SW during the leasing, occupation and management of the Facilities by UCF.

7. ADMINISTRATIVE PROVISIONS:

- a. **Effective Date and Duration** - This Agreement is effective as of the date of the last signature on the signature page and will remain in force until otherwise modified or terminated.
- b. **Review Procedures** - The Agreement will be reviewed triennially on the third anniversary of the latest signatory date to ensure that it is kept up-to-date. The Agreement will be reviewed by at least the set of reviewers that coordinated on the original agreement, or their then current counterparts.
- c. **Modification** - Modification or revision to this Agreement will be handled in the same manner as the original agreement. Modifications will be reviewed by the same set of reviewers that coordinated on the original Agreement, or their then current counterparts.
- d. **Termination** - This Agreement may be terminated by mutual consent at any time or by any party by providing 180-day advance written notification.
- e. **Supersession** - If this Agreement is to be superseded by a new agreement (with a new agreement number), every effort should be made to give all parties to the existing Agreement an opportunity to coordinate on the new agreement. Termination notification requirements stated above still apply to termination of this Agreement.
- f. **Mobilization** - In case of a national emergency or general mobilization, this Agreement shall remain in effect. It may, however, be subject to immediate review at that time to determine if this support arrangement can be continued.
- g. **Severability** - If any part, term, or provision of this MOA is held void, illegal, unenforceable or in conflict with any law of the Federal Government or of a State or local government having jurisdiction over this MOA, the validity of the remaining parts, terms or provisions shall not be affected thereby.
- h. **Non-Binding** - It is expressly understood and agreed that no Party shall be entitled to any recourse in the form of damages or otherwise for expenses incurred or benefits conferred or lost before or after the date of this MOA in the event that there is a failure for any reason of the Parties to agree on the terms of a definitive relationship.

8. POINTS OF CONTACT:

- a. The designated representative of the 45th Space Wing is:

Jessica Deevers
Program Support Manager
IROPS/DOUF
Bldg 81900 - MOC
10400 Phillips Parkway (CCAFS)
Patrick Air Force Base, Florida 32925
Commercial: (321) 853-8154
DSN: 467-8154
E-Mail: jessica.deevers@us.af.mil

- b. The designated representative of UCF is:

Dr. Martin C. Richardson
Director, Townes Laser Institute
University of Central Florida
4000 Central Florida Blvd, Bldg 53
Orlando, FL 32816-2700
Phone: (407) 823-6819
Fax: (407) 823-6880
E-Mail: Mcr@creol.ucf.edu

With a copy to:

Mark C. Wagenhauser
Associate Director/Business Manager
University of Central Florida
CREOL, The College of Optics & Photonics
4000 Central Florida Blvd, Bldg 53
Orlando, FL 32816-2700
Phone: (407) 823-6878
Fax: (407) 823-6800
E-Mail: Markw@creol.ucf.edu

and to:

Sandra M. Sovinski
Associate General Counsel
Office of Research & Commercialization
University of Central Florida
12201 Research Parkway, Suite 501
Orlando, FL 32826-3246
Phone: (407) 882-2118
Fax: (407) 823-6155

E-Mail: Sandra.sovinski@ucf.edu

9. DISTRIBUTION:

45th Space Wing:	Other Parties:
45 OG/CC	UCF
45 LCG/CC	
45 MSG/CC	
45 SW/XP	

DEPARTMENT OF THE AIR FORCE

LICENSE

TO UNIVERSITY OF CENTRAL FLORIDA

TO USE AIR FORCE FACILITIES ON PROPERTY LOCATED

ON

JOHN F. KENNEDY SPACE CENTER, FL

**DEPARTMENT OF THE AIR FORCE GRANT OF LICENSE TO UNIVERSITY OF CENTRAL FLORIDA FOR
AIR FORCE FACILITIES LOCATED ON KENNEDY SPACE CENTER FL**

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DEPARTMENT OF THE AIR FORCE
LICENSE
TO UNIVERSITY OF CENTRAL FLORIDA
TO USE AIR FORCE FACILITIES ON PROPERTY LOCATED
ON
KENNEDY SPACE CENTER, FL

PREAMBLE

THE SECRETARY OF THE AIR FORCE, hereinafter referred to as “Grantor”, acting under the authority of 10 U.S.C. §§ 2667 and 2668, hereby grants to *University of Central Florida*, by and on behalf of its Board of Trustees, a university duly organized and validly existing under the laws of the State of *Florida*, hereinafter referred to as “Grantee”, a License at will, to the Innovative Science and Technology Experimentation Facility on Kennedy Space Center hereinafter referred to as the “Installation”, identified in **EXHIBITS A and B**, both attached hereto and made a part hereof, hereinafter referred to as the “Premises”. Grantor and Grantee, when referred to together, are hereinafter referred to as the “Parties”. For purposes of this License, Grantor includes the United States Government and the Department of the Air Force. The purpose of this License is to allow the Grantee to maintain and operate the Innovative Science and Technology Experimentation Facility for the purposes of operating a Joint Services, University Affiliated Research Center for Laser Technologies under a Cooperative Research and Development Agreement with the Space and Naval Warfare Systems Center.

THIS LICENSE is granted subject to the following conditions.

BASIC TERMS

1. TERM

1.0. This License shall be effective beginning on date of the last signature to the document and shall remain in effect for five (5) years, unless sooner terminated by Grantor. The obligations of Grantee (excluding those of Condition 2), including those regarding remediation of environmental damage and removal of structures, facilities, and equipment installed by Grantee, shall remain in effect after the termination of this License unless otherwise agreed to by the Parties.

2. CONSIDERATION AND COSTS

2.1. In consideration for this License, the Grantee shall pay all costs identified in this License and the *Memorandum of Agreement Between the 45th Space Wing and the University of Central Florida for Operation of the Innovative Science and Technology Facility* to operate, protect and maintain the Premises in good order and condition.

2.2. The use, operation, and occupation of the Premises pursuant to this License shall be without cost or expense to the Department of the Air Force.

3. CORRESPONDENCE

3.0. All correspondence to be sent and notices to be given pursuant to this License shall be addressed, if to Grantor, to ***45 CES/CEI, Real Property Office, 1224 Jupiter Street, Patrick AFB FL, 32925-3343*** and, if to Grantee, to ***Associate Director/Business Manager, University of Central Florida, CREOL, College of Optics and Photonics, 4000 Central Florida Blvd, Bldg 53, Orlando, FL 32816-2700 and copy to: Director, Office of Compliance, Office of Research & Commercialization, University of Central Florida, 12201 Research Parkway, Suite 501, Orlando, FL 32826***, or as may from time to time otherwise be directed by the Parties. Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or

wrapper addressed as aforesaid, deposited, postage prepaid, and postmarked in a post office regularly maintained by the United States Postal Service.

4. ACCESS

4.1. The use, operation, and occupation of the Premises are subject to the general supervision and control of the Installation's commander or their duly authorized representative, hereinafter referred to as "said officer".

4.2. In accepting the rights, privileges, and obligations established hereunder, Grantee recognizes that the Installation serves the national defense and that Grantor will not permit the Grantee to interfere with the Installation's military mission. This Installation is an operating military installation which is closed to the public and is subject to the provisions of the Internal Security Act of 1950, 50 U.S.C. § 797, and of 18 U.S.C. § 1382. Access to the Installation is subject to the control of its commanding officer and is governed by such regulations and orders as have been lawfully promulgated or approved by the Secretary of Defense or by any designated military commander. Any access granted to Grantee, its officers, employees, contractors of any tier, agents, and invitees is subject to such regulations and orders. This License is subject to all regulations and orders currently promulgated or which may be promulgated by lawful authority as well as all other conditions contained in this License. Violation of any such regulations, orders, or conditions may result in the termination of this License. Such regulations and orders may, by way of example and not by way of limitation, include restrictions on who may enter, how many may enter at any one time, when they may enter, and what areas of the Installation they may visit, as well as requirements for background investigations, including those for security clearances, of those entering. Grantee is responsible for the actions of its officers, employees, contractors of any tier, agents, and invitees while on the Installation and acting under this License.

4.3. In the event all or any portion of the Premises shall be needed by the United States or in the event the presence of Grantee's property shall be considered detrimental to governmental activities, Grantee shall, from time-to-time and at Grantee's expense,

upon notice to do so, and as often as so notified, remove or relocate its property to such other location or locations on the Premises (or substitute land of Grantor which shall then become part of the Premises) as may be designated by said officer, and in the event Grantee's property shall not be removed or relocated within thirty (30) days after any aforesaid notice, the United States may cause the same to be done at the expense of the Grantee.

5. TERMINATION

5.0. This License may be terminated at will by the Grantor and such termination shall not create any liability on the part of Grantor for Grantee's costs, anticipated profits or fees, and costs of construction, installation, maintenance, upgrade, and removal of facilities, or any other costs, profits, or fees, and any such costs and anticipated profits or fees will not be recoverable from Grantor.

6. RESERVED

6.0. Reserved.

OPERATION OF THE PREMISES

7. CONDITION OF PREMISES

7.0. Grantee has inspected and knows the condition of the Premises. Subject to Condition 15, the Premises are granted in an "as is, where is" condition without any warranty, representation, or obligation on the part of Grantor to make any alterations, repairs, improvements, or corrections to defects whether patent or latent. At such times and for such part of the Premises as said officer may determine, the Parties will sign a Physical Condition Report, prepared by the Licensee, to be attached at **Exhibit C** to reflect the condition of the Premises prior to the Premises being disturbed by the activities of Grantee. Such Report shall be used to indicate the condition of the Premises prior to their being disturbed in order to compare them with the Premises subsequent to

the activities of Grantee to ensure Grantee has returned the Premises to the condition required by this License.

8. PROTECTION OF PREMISES

8.0. As regards the Grantee's use of the Premises and its property on the Premises, Grantee shall, at all times, protect, repair, and maintain the Premises in good order and condition at its own expense and without cost or expense to Grantor. Grantee shall exercise due diligence in protecting the Premises against damage or destruction by fire, vandalism, theft, weather, or other causes related to Grantee's activities. Any property on the Premises damaged or destroyed by Grantee incident to the exercise of the rights and privileges herein granted shall be promptly repaired or replaced by Grantee to the satisfaction of said officer.

9. AIR FORCE PROPERTY

9.0. Any interference with the use of or damage to property under control of the Department of the Air Force, incident to the exercise of the rights and privileges herein granted shall be promptly corrected by Grantee to the satisfaction of said officer. If Grantee fails to promptly repair or replace any such property after being notified to do so by said officer, said officer may repair or replace such property and Grantee shall be liable for the costs of such repair or replacement.

10. RESTORATION OF PREMISES

10.0. On or before (or, in the case of abandonment, after) the date of expiration of this License or its termination by the Grantor, Grantee shall vacate the Premises, remove its property therefrom, and restore the Premises to their original condition without expense to the United States. Such restoration shall include, if applicable, removal of contamination caused by Grantee.

11. ALTERATION OF PREMISES

11.0. No additions to or alterations of the Premises shall be made without the prior written approval of said officer.

12. COSTS OF SERVICES

12.0. As regards the Grantee's use of the Premises and its property on the Premises, Grantee is responsible for all utilities, janitorial services, building maintenance, and grounds maintenance for the Premises without cost to the Department of the Air Force. The Air Force may, if its capabilities permit, consent to provide certain of these services to Grantee on a reimbursable basis.

ENVIRONMENT

13. ENVIRONMENTAL COMPLIANCE

13.0. In its activities under this License, Grantee shall comply with all applicable environmental requirements, and in particular those requirements concerning the protection and enhancement of environmental quality, pollution control and abatement, safe drinking water, and solid and hazardous waste. Responsibility for compliance with such requirements rests exclusively with Grantee, including liability for any fines, penalties, or other similar enforcement costs.

14. RESERVED

14.0. Reserved

15. SAFETY AND HAZARDOUS WASTE DISPOSAL

15.1. Grantee, at its expense, shall comply with all applicable laws on occupational safety and health, the handling and storage of hazardous materials, and the proper handling and disposal of hazardous wastes and hazardous substances generated by its activities. Responsibility for the costs of proper handling and disposal of hazardous

wastes and hazardous substances discovered on the Premises is governed by applicable law. The terms hazardous materials, hazardous wastes, and hazardous substances are as defined in the Federal Water Pollution Control Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, the Clean Air Act, and the Toxic Substances Control Act, and their implementing regulations, as they have been or may be amended from time to time.

15.2. Any unexploded ordnance, as that term is defined in Title 10, United States Code, discovered on the Premises by Grantee is the responsibility of Grantor and will not be disturbed by Grantee but, upon discovery, shall be immediately reported to said officer.

16. HISTORIC PRESERVATION

16.0. Grantee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archaeological, architectural, or other cultural artifacts, relics, vestiges, remains, or objects of antiquity. In the event such items are discovered on the Premises, Grantee shall cease its activities at the site and immediately notify said officer and protect the site and the material from further disturbance until said officer gives clearance to proceed. Any costs resulting from this delay shall be the responsibility of Grantee.

17. RESERVED

17.0. Reserved.

18. RESERVED

18.0. Reserved.

19. ENVIRONMENTAL BASELINE SURVEY

19.0. An Environmental Baseline Survey (EBS) is provided at **Exhibit D**. The EBS sets forth those environmental conditions and matters on and affecting the Premises on the beginning date of the License, as determined from the records and analyses reflected in it. Another EBS shall be prepared upon termination or expiration of this license. This exit EBS shall be prepared by the Grantor and signed by representatives of the Parties. The Grantee will reimburse the Grantor for the cost of preparing the exit EBS.

CHANGES IN OWNERSHIP OR CONTROL

20. TRANSFER, ASSIGNMENT, LEASING, OR DISPOSAL

20.0. Grantee shall not transfer, permit, license, assign, lease, or dispose of in any way, including, but not limited to, voluntary or involuntary sale, merger, consolidation, receivership, or other means (all referred to in this Condition 20 as “transfer”), this License or any interest therein or any property on the Premises, or otherwise create any interest therein without the express written permission of the Grantor.

21. LIENS AND MORTGAGES

21.0. Grantee shall not engage in any financing or other transaction creating any mortgage upon the Premises, place or suffer to be placed upon the Premises any lien or other encumbrance, or suffer any levy or attachment to be made on Grantee's interest in the Premises under this License. On the date of the execution or filing of record of any such mortgage, encumbrance, or lien, regardless of whether or when it is foreclosed or otherwise enforced, this License shall terminate without further action by Grantor.

22. OTHER GRANTS OF ACCESS

22.0. This License is subject to all outstanding easements, rights-of-way, leases, permits, licenses, and uses for any purpose with respect to the Premises. Grantor shall

have the right to grant additional easements, rights-of-way, leases, permits, and licenses, and make additional uses with respect to the Premises without regard to this License.

23. RESERVED

23.0. Reserved.

24. REPORTING

24.0. This License is not subject to 10 U.S.C. § 2662.

GENERAL PROVISIONS

25. COMPLIANCE WITH LAWS

25.0. Grantee shall comply with all applicable Federal, state, interstate, and local laws, regulations, and requirements. This may include the need for Grantee to obtain permits to engage in its activity. Grantor is not responsible for obtaining permits for Grantee nor for allowing Grantee to use permits obtained by Grantor.

26. AVAILABILITY OF FUNDS

26.0. The obligations of Grantor under this License shall be subject to the availability of appropriated funds. No appropriated funds are obligated by this License.

27. AMENDMENTS

27.0. This License may only be modified or amended by the written agreement of the Parties, duly signed by their authorized representatives.

28. LIABILITY

28.1. Grantor shall not be responsible for damage to property or injuries to persons which may arise from, or be attributable or incident to, the condition or state of repair of the Premises, due to its use and occupation by Grantee. Grantee agrees that it assumes all risks of loss or damage to property and injury or death to persons, whether to its officers, employees, contractors of any tier, agents, invitees, or others, by reason of negligent acts or omissions of Grantee and its officers, employees, servants, and agents while acting within the scope of their employment by Grantee and its activities conducted under this License.

28.2. To the extent permitted by law, Grantee shall indemnify and hold Grantor harmless against any and all judgments, expenses, taxes, liabilities, claims, and charges of whatever kind or nature that may arise as a result of the negligent acts or omissions of Grantee and its officers, employees, servants, and agents while acting within the scope of their employment by Grantee, except to the extent such claim or charge is cognizable under the Federal Tort Claims Act.

28.3 Nothing contained in this License shall be construed or interpreted as (1) denying to either party any remedy or defense available to such party under the laws of the State of Florida; (2) the consent of the State of Florida or its agents or agencies to be sued; or (3) a waiver of sovereign immunity of the State of Florida beyond the waiver provided in Section 768.28, Florida Statutes.

29. INSURANCE

29.1. During the entire period this License shall be in effect, the Grantee, at no expense to the Grantor, shall carry and maintain and require its contractors of any tier performing work on the Premises to carry and maintain—

29.1.1. Comprehensive general liability insurance on an “occurrence basis” against claims for “personal injury,” including without limitation, bodily injury,

death, or property damage, occurring upon, in, or about the Premises including any buildings thereon and adjoining sidewalks, streets, and passageways, such insurance to afford immediate minimum protection at all times during the term of this License, with limits of liability in amounts approved from time to time by Grantor, but not less than ONE MILLION DOLLARS (\$1,000,000) in the event of bodily injury and death to any one or more persons in one accident, and not less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000) for property damage. Such insurance shall also include coverage against liability for bodily injury or property damage arising out of the acts or omissions by or on behalf of Grantee by any invitee or any other person or organization, or involving any owned, non-owned, or hired automotive equipment in connection with Grantee's activities.

29.1.2. If and to the extent required by law, workers' compensation and employer's liability or similar insurance in form and amounts required by law.

29.2. All policies of insurance which this License requires Grantee to carry and maintain or cause to be carried or maintained pursuant to this Condition 29 shall be effected under valid and enforceable policies, in such forms and amounts as may, from time to time, be required under this License, issued by insurers of recognized responsibility. All such policies of insurance shall be for the mutual benefit of Grantor and Grantee. Each such policy shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Grantee or Grantor or any other person; provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least sixty (60) days after receipt by Grantor of written notice thereof; provide that the insurer shall have no right of subrogation against Grantor; and be reasonably satisfactory to Grantor in all other respects. In no circumstances will Grantee be entitled to assign to any third party rights of action which Grantee may have against Grantor. The foregoing notwithstanding, any cancellation of insurance coverage based on nonpayment of the premium shall be effective after fifteen (15) days written notice to Grantor. Grantee understands and agrees that cancellation of any insurance

coverage required to be carried and maintained by Grantee under this Condition 29 will constitute a failure to comply with the terms of the License.

29.3. Grantee shall deliver or cause to be delivered upon execution of this License (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this Condition 29) to Grantor a certificate of insurance evidencing the insurance required by this License.

30. ENTIRE AGREEMENT

30.0. It is expressly understood and agreed that this written instrument embodies the entire agreement between the Parties regarding the use of the Premises by the Grantee, and there are no understandings or agreements, verbal or otherwise, between the Parties except as expressly set forth herein.

31. CONDITION AND PARAGRAPH HEADINGS

31.0. The headings contained in this License, its Attachments, and Exhibits are to facilitate reference only and shall not in any way affect the construction or interpretation hereof.

[Signatures Follow]

IN WITNESS whereof, I have hereunto set my hand by authority of the Secretary of the Air Force, this 5th day of June, 2014.

THE UNITED STATES OF AMERICA,
by the Secretary of the Air Force



NINA M. ARMAGNO
Brigadier General, USAF
Commander, 45th Space Wing

This License is also executed by Grantee this _____ day of _____, 2014.

UNIVERSITY OF CENTRAL FLORIDA

M.J. SOILEAU, Ph.D.
University of Central Florida
Vice President
Office of Research & Commercialization

IN WITNESS whereof, I have hereunto set my hand by authority of the Secretary of the Air Force, this 5th day of June, 2014.

THE UNITED STATES OF AMERICA,
by the Secretary of the Air Force



NINA M. ARMAGNO
Brigadier General, USAF
Commander, 45th Space Wing

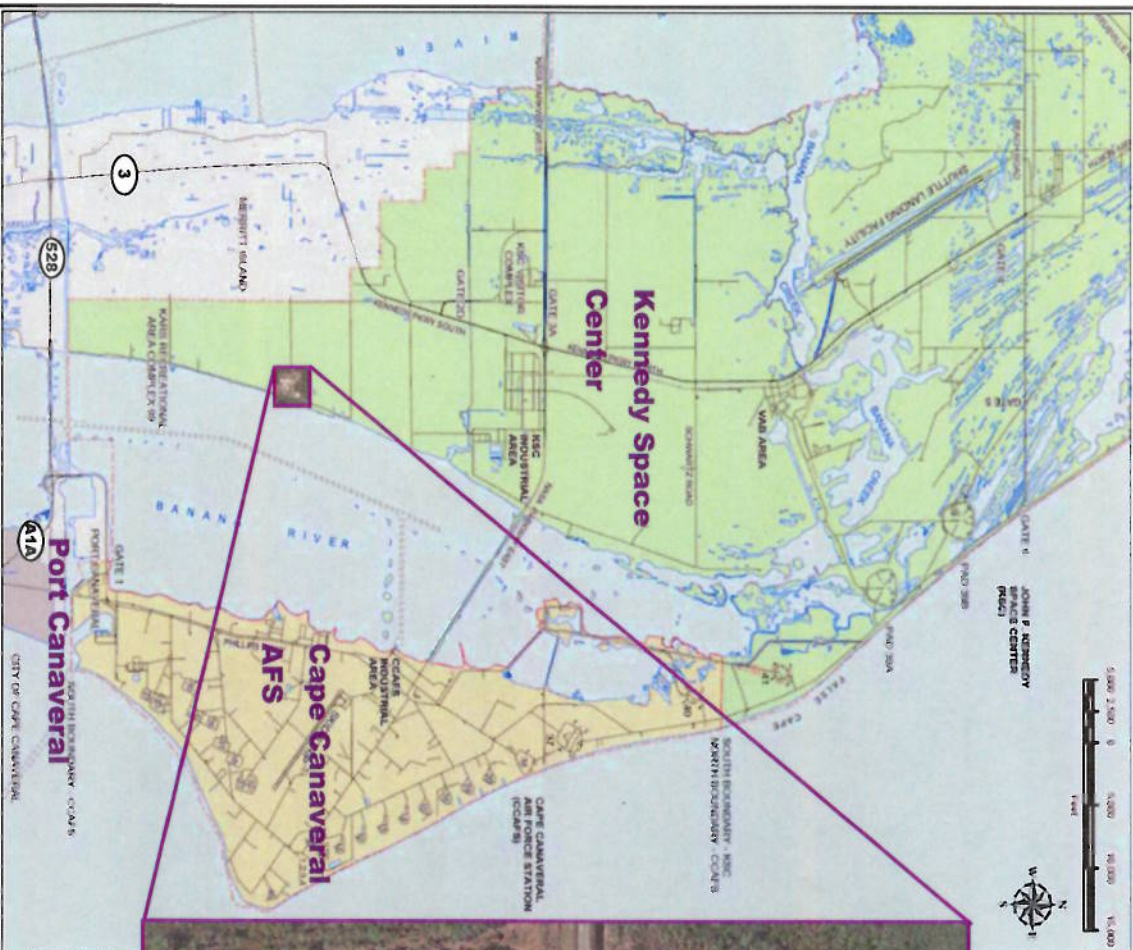
This License is also executed by Grantee this _____ day of _____, 2014.

UNIVERSITY OF CENTRAL FLORIDA

M.J. SOILEAU, Ph.D.
University of Central Florida
Vice President
Office of Research & Commercialization

EXHIBIT A—MAP OF PREMISES

EXHIBIT A: ISTE F VACINITY MAP

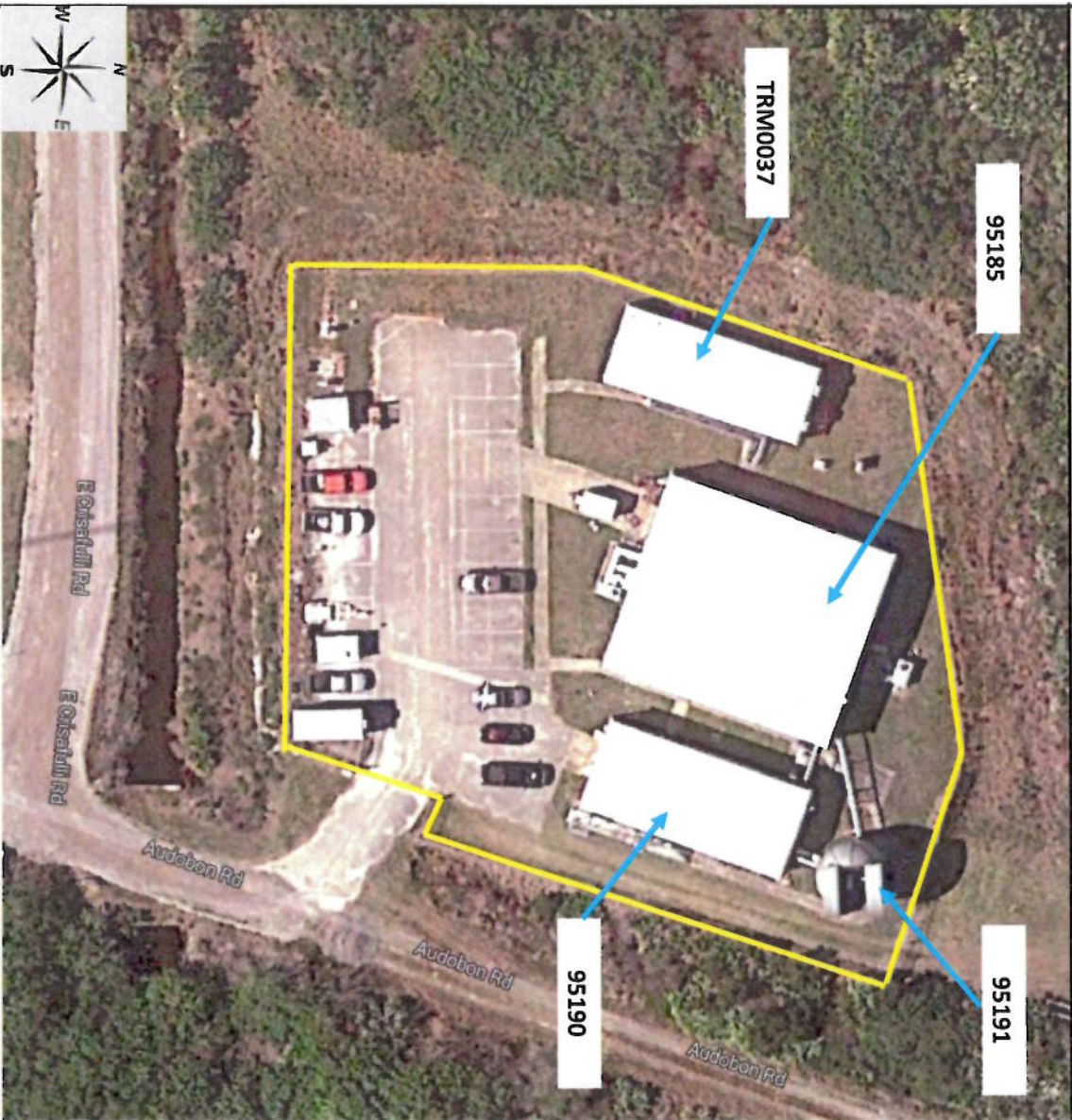


KSC / CCAFS Area Map

Central Telemetry Area

EXHIBIT B—DESCRIPTION OF PREMISES

EXHIBIT B: ISTE F FACILITY DESCRIPTION



ISTEF SITE MAP

The term Facilities as used in this license includes the buildings listed below as well as all built improvements (pavements, sidewalks, landscaping, etc.) contained within, and to include, the perimeter security fence highlighted in yellow on the site map shown here.

BLDG#	DESCRIPTION	SIZE (sf)
95185	ADMIN/COMPUTER BLDG	4,480
95190	LASER LABORATORY	1,577
95191	ELECTRO-OPTICAL TEST RANGE	346
TRM0037	LABORATORY OFFICE TRAILER	
		1,422

EXHIBIT C – PHYSICAL CONDITION REPORT

EXHIBIT D— ENVIRONMENTAL BASELINE SURVEY

**PHASE I ENVIRONMENTAL BASELINE SURVEY
ISTEF FACILITY
KENNEDY SPACE CENTER
BREVARD COUNTY, FLORIDA**

PREPARED FOR:

**University of Central Florida Townes Laser Institute
Orlando Tech Center
12479 Research Parkway
Orlando, Florida 32826**

And

45th Space Wing, CCAFS Florida

PREPARED BY:

Gator Engineering & Aquifer Restoration, Inc



November 28, 2012

CERTIFICATIONS

Certification of the Environmental Baseline Survey


The Preparer (Gator Engineering & Aquifer Restoration, Inc (GEAR)) has conducted this Environmental Baseline Survey on behalf of the Air Force. GEAR has reviewed all appropriate records made available, and conducted visual site inspections of the selected facilities following an analysis of information during the record search. The information contained within the survey report is based on records made available and, to the best of GEAR's knowledge, is correct and current as of November 2, 2012.

Certified by:  Date: NOV 2, 2012
Title: Project Manager; Environmental Professional

Approved by:  Date: 8 MAR 2013
ANTHONY J. COTTON
Brigadier General, USAF
Commander

Certification of PCB Clearance

2. A records search and an on-site inspection indicate that this property has not been exposed to PCB materials or equipment.

Certified by:  Date: NOV 2, 2012
Title: Project Manager; Environmental Professional

Approved by:  Date: 8 MAR 2013
ANTHONY J. COTTON
Brigadier General, USAF
Commander

Townes Institute for Science, Technology, and Experimentation Facility (TISTEF) Budget Report for FY16-22

	FY16	FY17	FY18	FY19	FY20	FY21	FY22 (Projection)
<u>Total Income</u>¹	\$ 76,388	\$ 27,708	\$ 37,493	\$ 43,342	\$ 118,183 ²	\$ 115,068 ³	\$ 454,360 ⁴
<u>Expenses:</u>							
Salaries and Wages ⁵	\$ 25,619	\$ 29,077	\$ 28,889	\$ 30,550	\$ 41,397	\$ 63,015	\$ 205,000 ⁵
Fringe Benefits	\$ (709) ⁶	\$ 422	\$ 2,246	\$ 3,397	\$ 4,979	\$ 7,696	\$ 24,600
Materials & Supplies	\$ 5,701	\$ 15,083	\$ 16,053	\$ 11,839	\$ 14,912	\$ 8,432	\$ 22,500
Maintenance & Repairs	\$ 18,869	\$ 17,535	\$ 8,106	\$ 18,681	\$ 12,094	\$ 11,430	\$ 163,500 ⁷
Mowing, Utilities, Contractors	\$ 78,771 ⁸	\$ 9,230	\$ 8,855	\$ 10,465	\$ 8,810	\$ 24,521 ⁹	\$ 23,600
Insurance, Computers, Travel	\$ -	\$ 14,040 ¹⁰	\$ 2,697	\$ 7,220	\$ 5,938	\$ 15,027	\$ 32,275 ¹¹
<u>Total Expenses</u>	\$ 128,990	\$ 84,769	\$ 67,316	\$ 82,209	\$ 88,130	\$ 130,120	\$ 401,475
<u>Surplus/Deficit</u>¹²	\$ (52,602)	\$ (57,061)	\$ (29,823)	\$ (38,867)	\$ 30,053	\$ (15,053)	\$ 52,885
<u>Subsidy (if applicable)</u>	\$ -	\$ 95,823 ¹³	\$ -	\$ 97,967 ¹³	\$ 7,658	\$ 15,053	
<u>Net Operating Balance</u>¹²	\$ (52,602)	\$ (57,061)	\$ (29,823)	\$ (38,867)	\$ 30,053	\$ -	

Notes:

- 1) Combination of UCF research contracts and customer support revenue
- 2) Administrative change at facility – focus towards increasing compliance and revenue
- 3) COVID19 – Lower than expected revenue due to shutdowns, and Federal travel moratorium limiting customer testing onsite
- 4) Revenue projection is based on \$150k sold and \$304k booked (reservations but use not finalized)
- 5) Facility was operated by part time personnel FY16-19 at 0.2 FTE, FY20-21 at 0.3 FTE, and FY21-22 transitioned to fulltime personnel at 2.5 FTE to support facility growth.
- 6) Positive fringe and credit correction by accounting
- 7) HVAC equipment at EOL requiring replacement. 5-10 Year building maintenance cycles of painting and roof sealing
- 8) Additional costs the result of building repair (roof sealing)
- 9) Utilities started being charged (Electric/water/sewer)
- 10) Additional servers purchased to support operations
- 11) Increase due to added insurance premiums
- 12) FY16-20 not accurate. Past budgets are currently being reviewed for accuracy
- 13) Facility was subsidized by CREOL

FY23 Projections:

Given current staffing and space constraints, TISTEF is estimated to be able support up to \$630k per year in revenue. (Based on assuming a maximum usage of 180 workdays per year, at an average daily rate of \$3.5k) Expansion to the range in size, research diversity, and staffing will allow for additional revenue generation.

Board of Trustees
Budget and Finance Committee | September 22, 2021

DISC-4: University Investment Report - 4th Quarter, Ended June 30, 2021

☐ Information

☒ Discussion

☐ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The University Treasury office has worked with our &Co investment consultants to prepare an expanded quarterly investment report for the quarter ended June 30, 2021. This report has added the following new information to address certain questions or concerns discussed during the June 16th 2021 Finance and Facilities Committee meeting:

1. A more detailed Asset Allocation by Class chart showing the percentages of equities, fixed income, and cash held in the structured Bank of New York portfolio.
2. A more detailed Asset Allocation by Class chart for all the operating funds of the University showing the percentages of operating funds held in the Bank of America account, the Special Purpose Investment Account (SPIA), and the structured Bank of New York portfolio.
3. A detailed breakout of the investment manager fees, including the amounts charged for the quarter ended June 30, 2021, the amount charged fiscal year to date, and an analysis of the basis for each fee calculation.
4. A comparison of the inception to date returns on the Bank of New York Structured Investment portfolio in comparison to the hypothetical returns which would have been generated if the University maintained all funds in the State of Florida Special Purpose Investment Account (SPIA).

The University Bank of New York Structured Investment Portfolio posted a record level of returns for fiscal year 2021. Some highlights for the year include the following:

1. The BNY Structured Investment Portfolio recorded fiscal year to date returns of 12.25% net of fees for the year. The equity segment was a strong contributor to the return as both the S&P 500 Index fund and the Europacific Growth fund were up over +40% for the period.
2. The BNY Structured Investment Portfolio has outperformed SPIA by +10% for the fiscal year which equates to a \$30M+ return difference.
3. All pools are outperforming their benchmarks.
4. All active managers (used in domestic fixed income and international equity) are outperforming their benchmarks.

In July 2021, the University Treasurer surveyed the Florida State University System to gather information regarding each University's policies and strategies for investing working capital funds. The survey results determined that the majority of Florida universities are not utilizing a structured investment portfolio, but instead are primarily investing working capital funds in the Florida Special Purpose Investment Account (SPIA). A full summary of the survey findings will be shared as part of a Treasury update in the November 2021 Budget and Finance Committee meeting.

This item is provided to the trustees quarterly for information purposes only

Background Information:

The attached report provides an update on the university's investment portfolio for the quarter ended June 30, 2021 (Attachment A).

As of June 30, 2021, the university had the following cash and investment balances:

Bank of America operating account	\$ 4,779,368
State of Florida Special Purpose Investment Account (SPIA)	304,326,639
Bank of New York Structured Investment Portfolio	<u>351,618,714</u>
Total Cash and Investments	\$ 660,724,721

The structured investment portfolio earned quarterly net gains totaling \$ 11,054,905.

The structured investment portfolio earned fiscal year-to-date net gains totaling \$ 38,287,184.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

For information only.

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

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

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: University Investment Report - 4th Quarter, Ended June 30, 2021

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance

Bert Francis, Assistant Vice President for Debt Management and University Treasurer

Investment Performance Review
Period Ending June 30, 2021

University of Central Florida Board Summary Report



Asset Allocation and Performance									
	Allocation		Performance(%)						
	Market Value \$	%	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Total Fund (Net)	351,618,714	100.00	3.25	12.25	12.25	8.13	6.90	5.09	04/01/2010
Total Fund (Gross)	351,618,714	100.00	3.27	12.34	12.34	8.20	6.97	5.18	04/01/2010
SPIA			0.28	1.73	1.73	2.48	2.16	1.99	
Pool II	54,568,970	15.52	0.06	0.50	0.50	2.23	1.76	1.01	04/01/2010
Pool II Policy			0.02	0.19	0.19	1.84	1.39	0.81	
Pool III	158,536,868	45.09	1.84	6.29	6.29	6.07	4.91	4.24	04/01/2010
Pool III Policy			1.43	5.51	5.51	5.88	4.37	3.96	
Pool IV	138,512,876	39.39	6.31	26.43	26.43	13.70	12.49	9.91	04/01/2010
Pool IV Policy			5.75	24.54	24.54	12.99	11.75	9.82	



Comparative Performance Trailing Returns							
	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Pool II	0.06 (62)	0.50 (59)	0.50 (59)	2.23 (42)	1.76 (55)	1.01 (68)	04/01/2010
Pool II Policy	0.02 (93)	0.19 (83)	0.19 (83)	1.84 (61)	1.39 (84)	0.81 (85)	
IM U.S. Cash Fixed Income (SA+CF) Median	0.14	0.62	0.62	2.15	1.80	1.40	
 Galliard (Pool II)	 0.06 (62)	 0.50 (59)	 0.50 (59)	 2.23 (42)	 1.76 (55)	 1.01 (68)	 04/01/2010
Pool II Policy	0.02 (93)	0.19 (83)	0.19 (83)	1.84 (61)	1.39 (84)	0.81 (85)	
IM U.S. Cash Fixed Income (SA+CF) Median	0.14	0.62	0.62	2.15	1.80	1.40	



Comparative Performance Trailing Returns							
	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Pool III (Net)	1.83	6.21	6.21	5.99	4.84	4.14	04/01/2010
Pool III Policy	1.43	5.51	5.51	5.88	4.37	3.96	
Pool III (Gross)	1.84	6.29	6.29	6.07	4.91	4.24	04/01/2010
Pool III Policy	1.43	5.51	5.51	5.88	4.37	3.96	
Pool III - Domestic Equity	8.54 (29)	40.77 (69)	40.77 (69)	18.65 (35)	17.62 (41)	14.04 (48)	04/01/2010
Pool III Equity Policy	8.55 (29)	40.79 (68)	40.79 (68)	18.67 (34)	17.65 (41)	14.73 (38)	
IM U.S. Equity (SA+CF+MF) Median	6.63	44.93	44.93	15.68	16.11	13.89	
Pool III - Fixed Income	0.37 (34)	0.45 (79)	0.45 (79)	3.76 (25)	2.41 (40)	2.35 (36)	04/01/2010
BofA Merrill Lynch 1-5 Yr Gov/Corp A Rated & Above	0.20 (64)	0.06 (100)	0.06 (100)	3.48 (40)	1.99 (79)	2.00 (59)	
IM U.S. Short Duration Fixed Income (SA+CF) Median	0.26	1.14	1.14	3.32	2.30	2.08	

Pool III Policy: 15% S&P500, 85% BofA ML 1-5 Yr Gov/Credit Rated A and Above; Pool III Domestic Equity Policy: 100% S&P500
Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Domestic Equity							
Vanguard Instl (Pool III)	8.54 (12)	40.77 (9)	40.77 (9)	18.65 (8)	17.62 (8)	15.33 (5)	07/01/2013
S&P 500 Index	8.55 (3)	40.79 (5)	40.79 (5)	18.67 (4)	17.65 (4)	15.36 (3)	
IM S&P 500 Index (MF) Median	8.46	40.32	40.32	18.28	17.23	14.89	
Fixed Income							
Galliard (Pool III)	0.46 (22)	0.77 (65)	0.77 (65)	4.00 (15)	2.52 (31)	2.47 (30)	04/01/2010
BofA Merrill Lynch 1-5 Yr Gov/Corp A Rated & Above	0.20 (64)	0.06 (100)	0.06 (100)	3.48 (40)	1.99 (79)	2.00 (59)	
IM U.S. Short Duration Fixed Income (SA+CF) Median	0.26	1.14	1.14	3.32	2.30	2.08	
Sawgrass (Pool III)	0.27 (50)	0.08 (100)	0.08 (100)	3.48 (40)	2.28 (53)	2.20 (43)	04/01/2010
BofA Merrill Lynch 1-5 Yr Gov/Corp A Rated & Above	0.20 (64)	0.06 (100)	0.06 (100)	3.48 (40)	1.99 (79)	2.00 (59)	
IM U.S. Short Duration Fixed Income (SA+CF) Median	0.26	1.14	1.14	3.32	2.30	2.08	



Comparative Performance Trailing Returns

	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Pool IV (Net)	6.30	26.37	26.37	13.65	12.44	9.78	04/01/2010
Pool IV Policy	5.75	24.54	24.54	12.99	11.75	9.82	
Pool IV (Gross)	6.31	26.43	26.43	13.70	12.49	9.91	04/01/2010
Pool IV Policy	5.75	24.54	24.54	12.99	11.75	9.82	
Pool IV - Total Equity	8.19	40.63	40.63	17.58	16.94	12.75	04/01/2010
Pool IV Equity Policy	7.89	39.80	39.80	16.65	16.28	12.85	
Pool IV - Domestic Equity	8.54 (29)	40.77 (69)	40.77 (69)	18.65 (35)	17.62 (41)	14.08 (48)	04/01/2010
Pool IV Domestic Equity Policy	8.55 (29)	40.79 (68)	40.79 (68)	18.67 (34)	17.65 (41)	14.73 (38)	
IM U.S. Equity (SA+CF+MF) Median	6.63	44.93	44.93	15.68	16.11	13.89	
Pool IV - International Equity	6.97 (24)	40.11 (37)	40.11 (37)	13.78 (20)	14.47 (17)	7.88 (27)	04/01/2010
MSCI AC World ex USA	5.64 (43)	36.29 (55)	36.29 (55)	9.88 (50)	11.59 (45)	6.51 (51)	
IM International Equity (MF) Median	5.32	36.99	36.99	9.82	11.16	6.58	
Pool IV - Fixed Income	2.08 (37)	1.84 (32)	1.84 (32)	6.28 (31)	3.98 (28)	4.38 (38)	04/01/2010
Pool IV Fixed Income Policy	1.83 (85)	-0.34 (86)	-0.34 (86)	5.34 (94)	3.03 (92)	3.68 (92)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	1.97	1.05	1.05	6.07	3.67	4.22	

Pool IV Policy: Prior to 7/1/2015: 30% BC Agg, 5% BC TIPS, 50% S&P500, 15% MSCI ACWxUS; 7/1/2015 to present: 50% S&P500, 15% MSCI ACWxUS, 35% BC Agg

Pool IV Equity Policy: 77% S&P500, 23% MSCI ACWxUS

Pool IV Domestic Equity Policy: 100% S&P500

Pool IV Fixed Policy: Prior to 7/1/2015: 86% BC Agg, 14% BC TIPS; 7/1/2015 to present: 100% BC Agg

Returns for periods greater than one year are annualized and are expressed as percentages.



Comparative Performance

Pool IV

As of June 30, 2021

	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Domestic Equity							
Vanguard Instl (Pool IV)	8.54 (12)	40.77 (9)	40.77 (9)	18.65 (8)	17.62 (8)	15.33 (5)	07/01/2013
S&P 500 Index	8.55 (3)	40.79 (5)	40.79 (5)	18.67 (4)	17.65 (4)	15.36 (3)	
IM S&P 500 Index (MF) Median	8.46	40.32	40.32	18.28	17.23	14.89	
International Equity							
Europacific Growth (Pool IV)	6.97 (4)	40.11 (10)	40.11 (10)	13.78 (2)	14.47 (1)	8.56 (4)	04/01/2010
MSCI AC World ex USA	5.64 (24)	36.29 (22)	36.29 (22)	9.88 (14)	11.59 (10)	6.51 (33)	
IM International Multi-Cap Core Equity (MF) Median	5.17	32.75	32.75	8.07	10.00	6.16	
Fixed Income							
Galliard Broad (Pool IV)	2.15 (31)	0.84 (59)	0.84 (59)	6.15 (44)	3.71 (48)	4.39 (37)	04/01/2010
Blmbg. Barc. U.S. Aggregate Index	1.83 (85)	-0.34 (86)	-0.34 (86)	5.34 (94)	3.03 (92)	3.68 (93)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	1.97	1.05	1.05	6.07	3.67	4.22	
Dodge & Cox Income (Pool IV)	1.98 (44)	3.39 (12)	3.39 (12)	6.42 (13)	4.54 (4)	4.10 (4)	11/01/2014
Blmbg. Barc. U.S. Aggregate Index	1.83 (62)	-0.34 (88)	-0.34 (88)	5.34 (66)	3.03 (68)	3.27 (54)	
IM U.S. Broad Market Core Fixed Income (MF) Median	1.93	1.25	1.25	5.62	3.31	3.31	

Pool IV Policy: Prior to 7/1/2015: 30% BC Agg, 5% BC TIPS, 50% S&P500, 15% MSCI ACWxUS; 7/1/2015 to present: 50% S&P500, 15% MSCI ACWxUS, 35% BC Agg

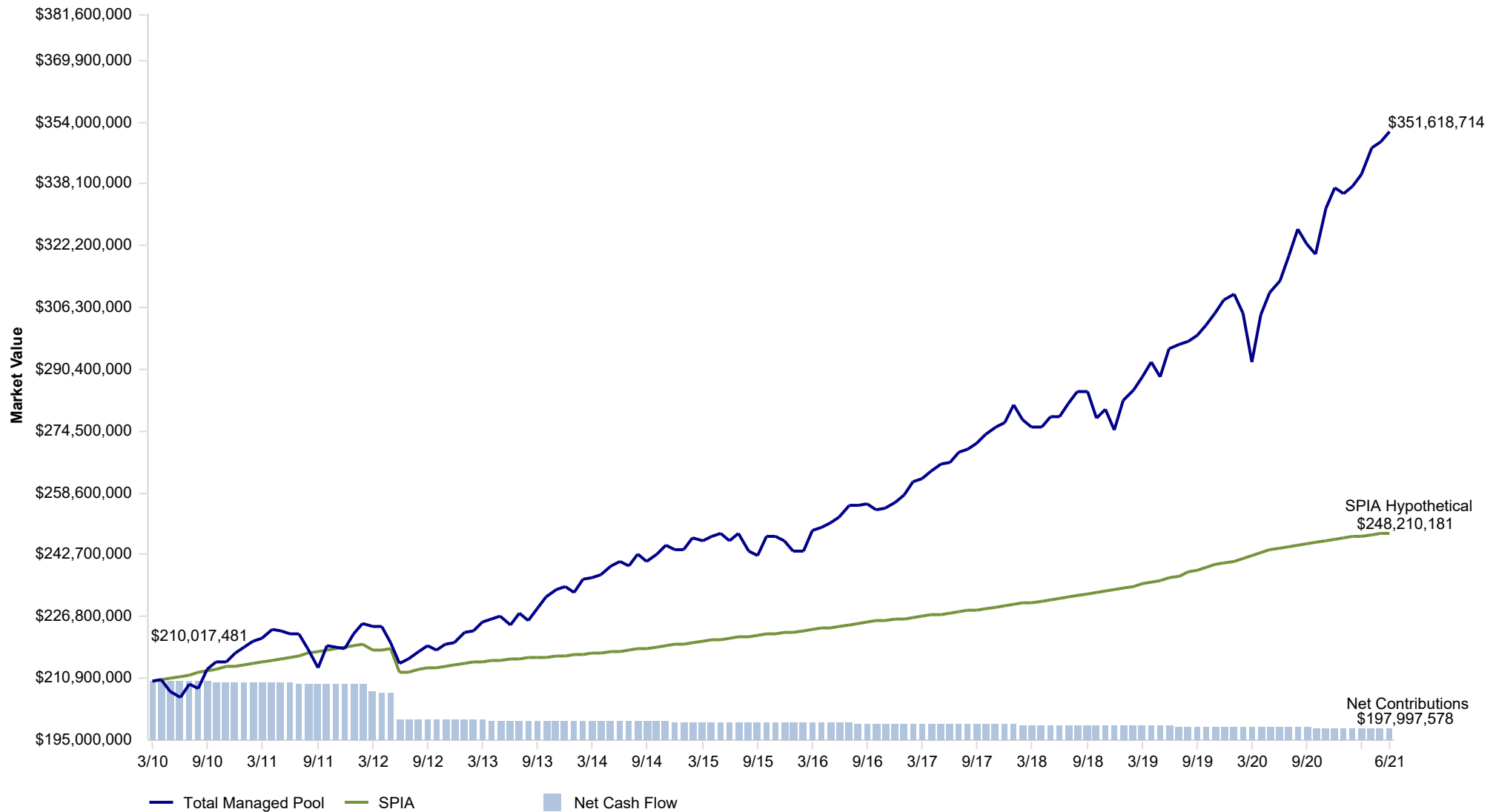
Pool IV Equity Policy: 77% S&P500, 23% MSCI ACWxUS

Pool IV Domestic Equity Policy: 100% S&P500

Pool IV Fixed Policy: Prior to 7/1/2015: 86% BC Agg, 14% BC TIPS; 7/1/2015 to present: 100% BC Agg

Returns for periods greater than one year are annualized and are expressed as percentages.

Schedule of Investable Assets



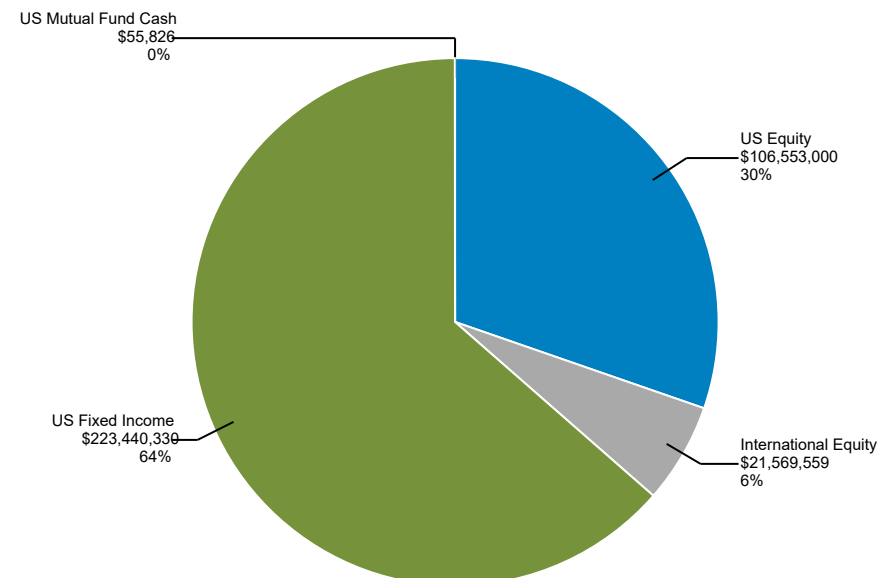
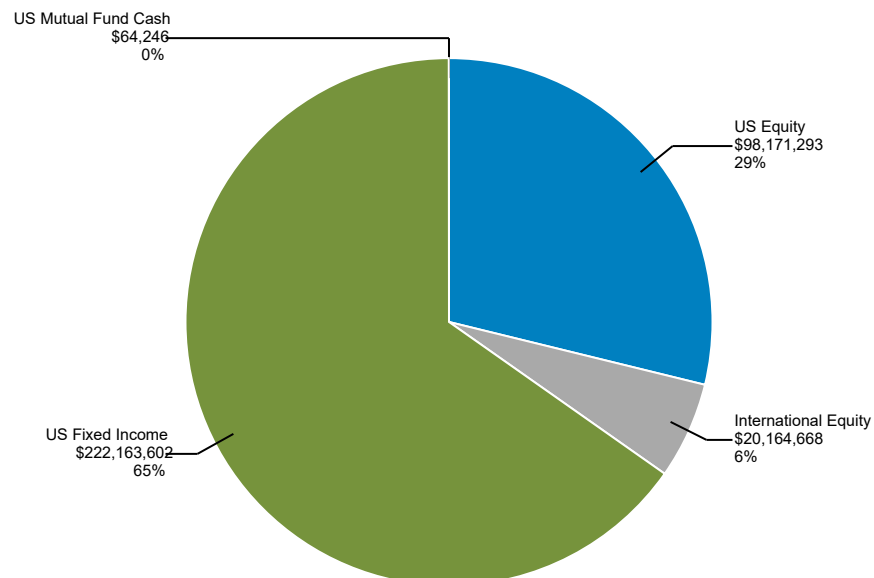
Schedule of Investable Assets

Periods Ending	Beginning Market Value	Net Cash Flow	Gain/Loss	Ending Market Value	Return %
Inception	\$210,017,481	-\$12,019,903	\$153,621,136	\$351,618,714	5.18

Returns for periods greater than one year are annualized.
Net cash flows include those associated with management fees, portfolio expenses, and operating withdrawals. Expenses are reduced by commission recapture income received.
A prior period adjustment resulted in a \$30 change to the beginning MV.

March 31, 2021 : \$340,563,809

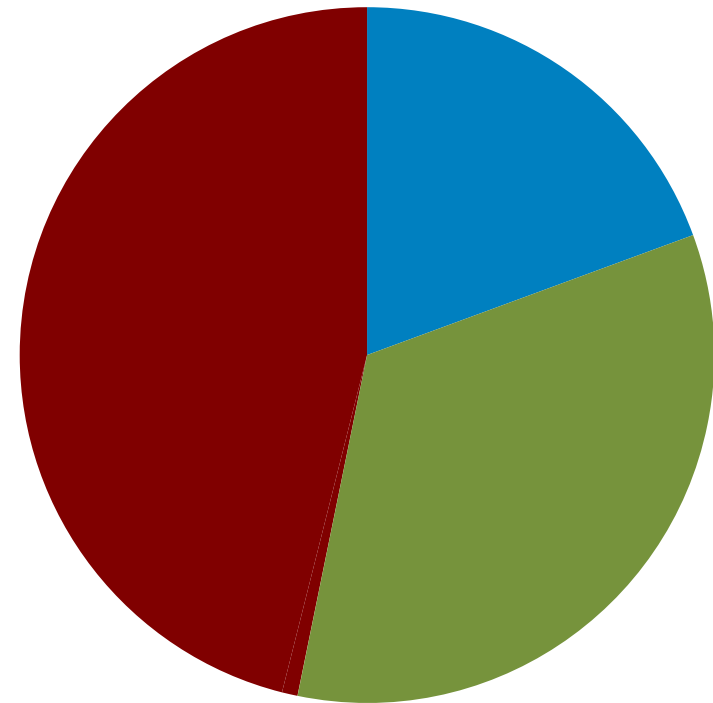
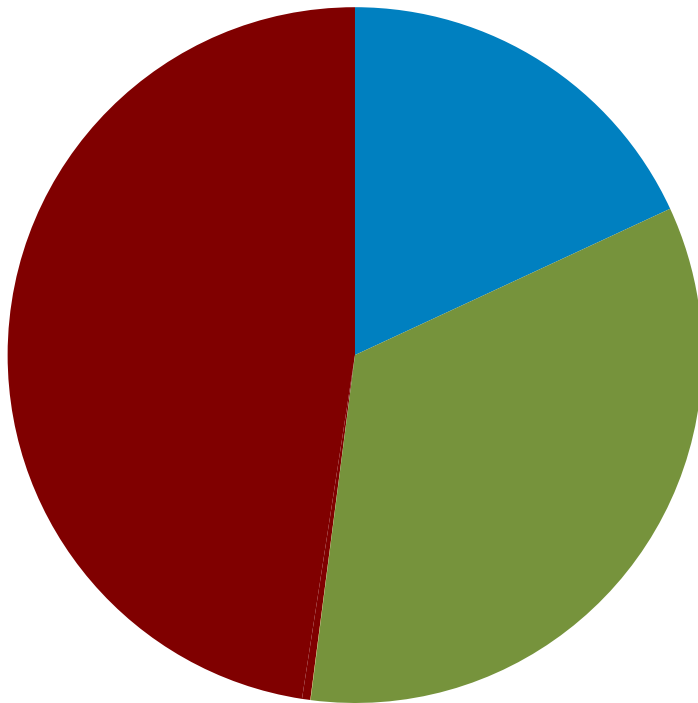
June 30, 2021 : \$351,618,714



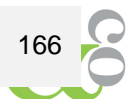
Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
US Equity	98,171,293	28.8	US Equity	106,553,000	30.3
International Equity	20,164,668	5.9	International Equity	21,569,559	6.1
US Fixed Income	222,163,602	65.2	US Fixed Income	223,440,330	63.5
US Mutual Fund Cash	64,246	0.0	US Mutual Fund Cash	55,826	0.0

March 31, 2021 : \$654,248,356

June 30, 2021 : \$660,724,722



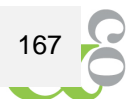
Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Equity	118,335,961	18.1	Equity	128,122,559	19.4
Fixed Income	222,163,602	34.0	Fixed Income	223,440,330	33.8
Mutual Fund Cash	64,246	0.0	Mutual Fund Cash	55,826	0.0
Bank of America	2,522,547	0.4	Bank of America	4,779,368	0.7
SPIA	311,162,000	47.6	SPIA	304,326,639	46.1



Financial Reconciliation
Total Managed Pool
1 Quarter Ending June 30, 2021

Financial Reconciliation Quarter to Date

	Market Value 04/01/2021	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 06/30/2021
Pool I	-	-	-	-	-	-	-	-	-
Fidelity MM (Pool I)	-	-	-	-	-	-	-	-	-
Pool II	54,551,043	-	-	-	-13,638	-3,800	172,704	-137,339	54,568,970
Galliard (Pool II)	54,551,043	-	-	-	-13,638	-3,800	172,704	-137,339	54,568,970
Pool III	155,705,136	-	-	-	-27,577	-10,636	699,254	2,170,692	158,536,868
Pool III - Fixed	127,653,457	-	-	-	-27,577	-8,873	599,921	-122,734	128,094,193
Galliard (Pool III)	69,829,170	-	-	-	-17,457	-5,178	326,777	-3,315	70,129,997
Sawgrass (Pool III)	57,824,287	-	-	-	-10,120	-3,695	273,144	-119,419	57,964,197
Pool III - Dom Equity	28,025,342	-	-	-	-	-	99,332	2,293,426	30,418,100
Vanguard Instl (Pool III)	28,025,342	-	-	-	-	-	99,332	2,293,426	30,418,100
Pool III - Mutual Fund Cash	26,337	-	-	-	-	-1,763	1	-	24,575
Pool IV	130,307,631	-	-	-	-12,040	-8,918	1,394,925	6,831,278	138,512,876
Pool IV - Fixed	39,959,102	-	-	-	-12,040	-2,259	238,627	593,736	40,777,166
Galliard Broad (Pool IV)	24,079,072	-	-	-	-12,040	-2,259	159,902	357,284	24,581,960
Dodge & Cox Income (Pool IV)	15,880,030	-	-	-	-	-	78,725	236,452	16,195,207
Pool IV - Dom Equity	70,145,952	-	-	-	-	-	248,624	5,740,324	76,134,900
Vanguard Instl (Pool IV)	70,145,952	-	-	-	-	-	248,624	5,740,324	76,134,900
Pool IV - Int'l Equity	20,164,668	-	-	-	-	-	907,673	497,218	21,569,559
Europacific (Pool IV)	20,164,668	-	-	-	-	-	907,673	497,218	21,569,559
Pool IV - Mutual Fund Cash	37,909	-	-	-	-	-6,659	1	-	31,251
Total Managed Pool	340,563,809	-	-	-	-53,255	-23,355	2,266,884	8,864,631	351,618,714



Financial Reconciliation
Total Managed Pool
July 1, 2020 To June 30, 2021

Financial Reconciliation Fiscal Year to Date									
	Market Value 07/01/2020	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 06/30/2021
Pool I	-	-	-	-	-	-	-	-	-
Fidelity MM (Pool I)	-	-	-	-	-	-	-	-	-
Pool II	54,380,291	-	-	-	-67,917	-15,501	738,820	-466,722	54,568,970
Galliard (Pool II)	54,380,291	-	-	-	-67,917	-15,501	738,820	-466,722	54,568,970
Pool III	149,313,871	-	-	-	-127,612	-42,367	3,543,945	5,849,032	158,536,868
Pool III - Fixed	127,679,062	-	-	-	-127,612	-36,128	2,581,880	-2,003,008	128,094,193
Galliard (Pool III)	69,703,781	-	-	-	-86,987	-21,271	1,438,769	-904,295	70,129,997
Sawgrass (Pool III)	57,975,282	-	-	-	-40,625	-14,857	1,143,110	-1,098,713	57,964,197
Pool III - Dom Equity	21,623,997	-20,000	-	-	-	-	962,063	7,852,041	30,418,100
Vanguard Instl (Pool III)	21,623,997	-20,000	-	-	-	-	962,063	7,852,041	30,418,100
Pool III - Mutual Fund Cash	10,812	20,000	-	-	-	-6,239	2	-	24,575
Pool IV	109,637,368	-	-	-	-60,793	-34,086	4,726,388	24,243,998	138,512,876
Pool IV - Fixed	40,111,456	-	-	-	-60,793	-9,953	1,329,269	-592,814	40,777,166
Galliard Broad (Pool IV)	24,447,920	-	-	-	-60,793	-9,953	671,083	-466,298	24,581,960
Dodge & Cox Income (Pool IV)	15,663,537	-	-	-	-	-	658,186	-126,516	16,195,207
Pool IV - Dom Equity	54,115,834	-40,000	-	-	-	-	2,407,818	19,651,249	76,134,900
Vanguard Instl (Pool IV)	54,115,834	-40,000	-	-	-	-	2,407,818	19,651,249	76,134,900
Pool IV - Int'l Equity	15,394,696	-	-	-	-	-	989,299	5,185,564	21,569,559
Europacific (Pool IV)	15,394,696	-	-	-	-	-	989,299	5,185,564	21,569,559
Pool IV - Mutual Fund Cash	15,382	40,000	-	-	-	-24,133	2	-	31,251
Total Managed Pool	313,331,530	-	-	-	-256,322	-91,955	9,009,153	29,626,308	351,618,714



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 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 Income:	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 Income:	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%.	✓		

*As previously communicated, the Galliard Pool III portfolio holds four bonds rated BBB/Baa2/BBB+.

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Fidelity MM*	0.21	-	-	0.21 % of Assets
Pool I		-	-	
Galliard	0.10	54,568,970	54,569	0.10 % of Assets
Pool II	0.10	54,568,970	54,569	
Galliard	0.10	70,129,997	70,130	0.10 % of Assets
Sawgrass	0.07	57,964,197	40,575	0.07 % of Assets
Pool III - Fixed Income	0.09	128,094,193	110,705	
Vanguard Institutional Index*	0.04	30,418,100	12,167	0.04 % of Assets
Pool III - Domestic Equity	0.04	30,418,100	12,167	
Mutual Fund Cash*	0.21	24,575	52	0.21 % of Assets
Pool III	0.08	158,536,868	122,924	
Galliard Broad	0.20	24,581,960	49,164	0.20 % of Assets
Dodge & Cox Income*	0.42	16,195,207	68,020	0.42 % of Assets
Pool IV - Fixed Income	0.29	40,777,166	117,184	
Vanguard Institutional Index*	0.04	76,134,900	30,454	0.04 % of Assets
Pool IV - Domestic Equity	0.04	76,134,900	30,454	
Europacific Growth*	0.47	21,569,559	101,377	0.47 % of Assets
Pool IV - International Equity	0.47	21,569,559	101,377	
Mutual Fund Cash*	0.21	31,251	66	0.21 % of Assets
Pool IV	0.18	138,512,876	249,080	
Total Managed Pool	0.12	351,618,714	426,573	

*Audited expense ratio.

**The University of Central Florida pays Bank of New York Mellon a custodial fee of 2.5 basis points annually, billed quarterly on each account's market value.

***The University of Central Florida pays AndCo an all inclusive fee, billed quarterly in arrears, of \$110,000 for investment consulting services.

Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
Distributed to Paid In (DPI)	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
Public Market Equivalent (PME)	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
R-Squared	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
Standard Deviation	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
Total Value to Paid In (TVPI)	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.



AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

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Board of Trustees
Budget and Finance Committee | September 22, 2021

INFO-1: FY22 Work Plan and Committee Charter Review

☒ **Information**

☐ **Discussion**

☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The purpose of this information item is to provide Committee members the opportunity to review and offer further input on the Committee's work plan for FY22 (July 1, 2021 – June 30, 2022). Additionally, the Committee's inaugural charter is attached for reference to the Committee's Purpose and Authority, and Roles and Responsibilities under the new committee structure adopted by the Board.

Attachment A outlines the anticipated reports, actions, discussions, and informational items planned to come before the Committee this fiscal year.

Background Information:

The Office of Board Relations is responsible for establishing and managing the annual work planning process for the full Board and its Committees. Following an analysis of the Board's work and after-action requests in FY21 (July 1, 2020 – June 30, 2021), the Board Office has worked with Board and staff leadership to prepare work plans for each committee that include strategic discussions, routine business, and information items to come before each committee in FY22.

Recommended Action:

Review and provide further input on the Committee's work plan for FY22 (July 1, 2021 – June 30, 2022).

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

N/A

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

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

Submitted by:

Karen Monteleone, Assistant Vice President, Board Relations



Board of Trustees

Agenda Memo

Supporting Documentation:

Attachment A: FY22 Budget and Finance Committee Work Plan

Attachment B: Budget and Finance Committee Charter (Effective July 1, 2021)

Facilitators/Presenters:

Chair Mills



Board of Trustees

FY22 Committee Workplan

BUDGET & FINANCE		
Wednesday, September 22, 2021		

ACTION ITEMS		
BUDC-1	2021-22 Carryforward Spending Plan	HECTOR
BUDC-2	2021-22 Fixed Capital Outlay Budget	HECTOR
BUDC-3		
BUDC-4		
BUDC-5		

DISCUSSION ITEMS		
DISC-1	SVP Update	HECTOR
DISC-2	University Operating Budget Update	HECTOR
DISC-3	Townes Institute Science and Technology Experimentation Facility (TISTEF)	KLONOFF
DISC-4	University Investment Report - 4th Quarter, Ended June 30, 2021	WHITE
DISC-5		

INFORMATION ITEMS		
INFO-1	Work Plan and Charter Review	CHAIR
INFO-2	University and Direct Support Organizations Debt Report	FRANCIS
INFO-3	2020-21 Fixed Capital Outlay Budget Update	HECTOR
INFO-4	University Banking Service Agreement	HECTOR
INFO-5		

BUDGET & FINANCE		
Tuesday, November 16, 2021		

ACTION ITEMS		
BUDC-1		
BUDC-2		
BUDC-3		
BUDC-4		
BUDC-5		

DISCUSSION ITEMS		
DISC-1	SVP Update	HECTOR
DISC-2	Overview of Cost of Attendance, Tuition and Fee Benchmarking	HECTOR
DISC-3	Overview of Housing Rates	HECTOR
DISC-4		
DISC-5		

INFORMATION ITEMS		
INFO-1	Draft/Preliminary University Audited Financial Statements Report	WHITE
INFO-2	University Operating Budget Report - 1st Quarter, Ended September 30, 2021	HECTOR
INFO-3	Direct Support Organizations' (DSO) Financial Reports - 1st Quarter, Ended September 30, 2021	TANT
INFO-4	Auxiliary Financial Reports - 1st Quarter, Ended September 30, 2021	WHITE
INFO-5	University Operating Budget Report - 4th Quarter, Ended June 30, 2021	HECTOR

BUDGET & FINANCE		
Wednesday, February 9, 2022		

ACTION ITEMS		
BUDC-1	Operating Budgets for Auxiliary Facilities with Bonded Debt	FRANCIS
BUDC-2	2022-23 Tuition and Fee Schedule	HECTOR
BUDC-3	2022-23 Housing Rental Rates	HECTOR
BUDC-4		
BUDC-5		

DISCUSSION ITEMS		
DISC-1	SVP Update	HECTOR
DISC-2	Investment Program Structure and Review	WHITE
DISC-3		
DISC-4		
DISC-5		

INFORMATION ITEMS		
INFO-1	Mid-Year Work Plan Review	CHAIR
INFO-2	University Investment Report - 2nd Quarter, Ended December 31, 2021	WHITE
INFO-3	University Operating Budget Report - 2nd Quarter, Ended December 31, 2021	HECTOR
INFO-4	Direct Support Organizations' (DSO) Financial Reports - 2nd Quarter, Ended December 31, 2021	TANT
INFO-5	Auxiliary Financial Reports - 2nd Quarter, Ended December 31, 2021	WHITE

BUDGET & FINANCE		
Wednesday, May 18, 2022		

ACTION ITEMS		
BUDC-1	UCFAA Line of Credit Renewal	HECTOR
BUDC-2	Stadium Release of Unrestricted Surplus	HECTOR
BUDC-3	UCF FY23 Spending Authority for University Operating Budget	HECTOR
BUDC-4	DSO/Related Entity FY23 Operating and Capital Budget Reports	TANT
BUDC-5	Five-Year Capital Improvement Plan FY23-24 through FY27-28	HECTOR

DISCUSSION ITEMS		
DISC-1	SVP Update	HECTOR
DISC-2	Fixed Capital Outlay Budget Update and Unfunded Needs	HECTOR
DISC-3	2022-23 Carryforward Spending Plan	HECTOR
DISC-4	Technology Fee Update	HALL
DISC-5		

INFORMATION ITEMS		
INFO-1	University Debt and Treasury Report	FRANCIS
INFO-2	University Audited Financial Statements Report	WHITE
INFO-3	University Investment Report - 3rd Quarter, Ended March 31, 2022	WHITE
INFO-4	University Operating Budget Report - 3rd Quarter, Ended March 31, 2022	HECTOR
INFO-5	Direct Support Organizations' (DSO) Financial Reports - 3rd Quarter, Ended March 31, 2022	TANT
INFO-6	Auxiliary Financial Reports - 3rd Quarter, Ended March 31, 2022	WHITE



Board of Trustees

COMMITTEE CHARTER

BUDGET AND FINANCE COMMITTEE

PURPOSE AND AUTHORITY

The Budget and Finance Committee ("Committee") is a standing Committee of the University of Central Florida Board of Trustees ("Board"). The purpose of the Committee is to oversee the University budget and all revenue sources to monitor the overall financial performance of the University and its Related Entities.

The Board authorizes the Committee to perform activities within the scope of its charter as follows:

- Provide oversight of the financial condition of the University and all Related Entities.
- Provide oversight and strategic direction of the University's financial planning and resource allocation, financial commitments and contractual obligations, treasury and cash management, debt management, and tuition and fees.
- Evaluate the University's investment and cash management strategies and make recommendations to enhance performance.
- Perform other duties as assigned by the Board or the Board Chair.

ROLES AND RESPONSIBILITIES

The Committee will review and recommend the following to the Board for action:

- The annual operating budget of the University, carryforward spending plan, and capital outlay budget of the University and its Related Entities.
- Financial commitments, contractual obligations, contingent risks, or the assumption of liabilities not delegated to the President.
- The borrowing of funds and any material changes to such loans, including internal University resources borrowed via internal loan; any debt issuance; and public private partnerships.
- Changes to the University's tuition and fees.
- The transfer of allowable University funds to, from, or among Related Entities, unless under an agreement approved by the Board of Trustees.
- The financial statements of the University and of the University's Related Entities.
- Additional items within the Committee's scope and authority that require approval.

REPORTING RESPONSIBILITIES

- The Committee will, at the next regularly scheduled board meeting, report to the Board any action taken by the Committee.
- The Committee will promptly notify all board members of any matters within its oversight roles and responsibilities that might significantly impact the financial, legal, academic standing, or reputation of the University.

MEMBERSHIP

- The chair of the Board will appoint the chair and members of the Committee and serve as a non-voting ex officio member.
- The Committee will consist of at least five members.
- Members of the Committee will serve until their resignation or replacement by the chair of the Board.

MEETINGS AND MINUTES

- Meetings will be held not less than four times per fiscal year.
- A majority of the Committee members will constitute a quorum for the conduct of business. Action shall require a majority vote of Committee members present.
- The Committee will maintain and post written minutes of its meetings in accordance with Florida Statute 1001.71.

STAFF

- The senior vice president for finance and administration will serve as the primary liaison to the Committee and delegate administrative responsibilities as necessary.
- The president and senior vice president for finance and administration may call upon additional staff to provide presentations, information, or recommendations in the scope of the Committee's charter.

CHARTER REVIEW

- The Committee will review its charter annually and recommend to the Board any changes that the Committee deems necessary.



ADOPTION

I HEREBY CERTIFY that the University of Central Florida Board of Trustees adopted this charter at its regularly scheduled meeting on June 17, 2021.

JUL 1, 2021

Associate Corporate Secretary
University of Central Florida Board of Trustees

Date

Board of Trustees
Budget and Finance Committee | September 22, 2021

INFO-2: University and Direct Support Organizations Debt Report

☒ **Information**

☐ **Discussion**

☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Significant transactions and events since the last report submission (January 14, 2021):

The University completed an annual ratings surveillance process with each debt rating agency during the month of May 2021. Upon completion of this process, the University and its DSOs received a stable outlook and no changes to any of the current debt ratings. Each rating agency report is attached for the board's reference.

On August 12, 2021, the University issued \$42,815,000 of Dormitory Revenue Refunding Bonds, Series 2021A with a net premium of \$7,400,718. The bonds will mature on July 1, 2042 and carry coupons ranging from 2.0 to 5.0 percent. Proceeds from the refunding revenue bonds, plus an additional \$647,008 from the University's Housing debt service fund, were used to purchase \$50,415,512 of U.S. Treasury State and Local Government Series Securities. The securities were used to call \$49,445,000 of UCF Housing Series 2012A bonds and to fund cost of issuance expenses of \$135,092, underwriter discount expenses of \$267,650, and insurance premiums of \$44,472. As a result of the refunding, the University reduced its debt service requirement by \$11,431,951 over the next 20 years and obtained an economic gain of \$9,772,699.

Background Information:

This committee has requested a periodic report on the debt of the university and direct support organizations. In prior years reports to the committee were episodic and came after requests from trustees. With the creation of the University Treasurer role, and a heavier focus on monthly financial dashboards, this report will be a part of a monthly packet that will be distributed to the BOT each month. The performance at this level will be impacted by our various ERP and other systems implementations, but at a minimum for fiscal year 2021-2022 it will be presented at each BOT meeting.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

No financial impact.

**Authority for Board of Trustees Action:**

Specific trustee request.

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

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

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: University and Direct Support Organization Debt Summary

Attachment B: University Global Amortization Schedule

Attachment C: DSO Global Amortization Schedule

Attachment D: Moody's Credit Opinion - University-of-Central-Florida-FL - 26May21

Attachment E: Fitch Credit Opinion - University-of-Central-Florida-FL - 25May21

Attachment F: S&P Credit Opinion - University-of-Central-Florida-FL - 25May21

[Attachment G: UCF Dormitory Revenue Refunding Bonds, Series 2021 FOS](#)

Attachment H: UCF Dorm 2021A - Final Calculations

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance

Bert Francis, Assistant Vice President for Debt Management and University Treasurer

University and Direct Support Organization Debt

As of June 30, 2021

	Total Debt Outstanding	Debt Service FY 2022 (Projected)	FY 2020 Coverage		Debt Ratings		
			Actual	Required	Moody's	S&P	Fitch
University Issued Bonds							
Parking Bonds							
Parking Series 2011	\$ 525,000	\$ 540,750					
Parking Series 2012	5,140,000	560,350					
Parking Series 2018	2,570,000	943,500					
Parking Series 2019	5,380,000	834,000					
Total Parking Bonds	13,615,000	2,878,600	4.35	1.20	Aa2	AA-	AA-
Housing Bonds							
Housing Series 2012	51,855,000	4,411,275					
Housing Series 2018	17,415,000	2,718,375					
Total Housing Bonds	69,270,000	7,129,650	0.88	1.20	Aa3	A+	A+
Total University Issued Bonds	\$ 82,885,000	\$ 10,008,250					
Direct Support Organization Debt							
UCF Convocation Corporation							
Housing Series 2018 (Nontaxable)	\$ 90,900,000	\$ 8,042,912	1.98	1.20	UR	UR	UR
Arena Series 2015A (Nontaxable)	48,385,000	1,988,963	1.34	1.20	UR	A+	AA-
Arena Series 2015B (Taxable)	18,885,000	4,025,280	1.34	1.20	UR	A+	AA-
Total UCF Convocation Corporation	158,170,000	14,057,155					
UCF Stadium Corporation							
Series 2015A (Nontaxable)	28,015,000	2,516,669			UR	A+	AA-
Series 2015B (Taxable)	8,105,000	779,455			UR	A+	AA-
Series 2015C Leadership Center (Nontaxable)	1,954,000	330,655			UR	UR	UR
Total UCF Stadium Corporation	38,074,000	3,626,778	4.14	1.20			
UCF Finance Corporation							
Series 2017 Burnett BioMed (Nontaxable)	55,681,000	3,988,136	6.31	1.25	UR	UR	UR
UCF Downtown Construction Note (Nontaxable)	1,592,194	21,832	NR	NR	UR	UR	UR
Total UCF Finance Corporation	57,273,194	4,009,968					
UCF Athletics Association							
UCF Loan (Nontaxable)	5,198,890	-	NR	NR	UR	UR	UR
Roth Athletic Center loan (Nontaxable)	7,394,000	2,129,860	NR	NR	UR	UR	UR
Construction Line of Credit (Nontaxable)	5,080,000	404,798	NR	NR	UR	UR	UR
UCF Foundation Line of Credit	4,000,000	120,000	NR	NR	UR	UR	UR
Total UCF Athletics Association	21,672,890	2,654,658					
UCF Foundation							
Series 2020 (Nontaxable) - Formerly Series 2009	8,340,000	1,764,397	3.60	1.50	UR	UR	UR
Series 2017 (Nontaxable)	5,348,000	769,623	NR	NR	UR	UR	UR
Series 2020 (Taxable) - Formerly Series 2018	5,559,000	402,471	NR	NR	UR	UR	UR
Lake Nona Cancer Center (Nontaxable)	50,000,000	-	NR	NR	UR	UR	UR
Total UCF Foundation	69,247,000	2,936,492					
UCF Hospitality School Foundation							
Series 2004 (Nontaxable)	7,485,000	1,004,642	1.02	1.00	UR	UR	UR
Total UCF Hospitality School Foundation	7,485,000	1,004,642					
Total Direct Support Organization Debt	\$ 351,922,084	\$ 28,289,692					
Total University and DSO Debt	\$ 434,807,084	\$ 38,297,942					

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

A "UR" note in the debt rating column indicates that the debt issuance is currently not rated by any outside agency.

Coverage ratios for FY 2021 are still pending and will be provided as part of the next semi-annual debt update.

Attachment B

University Global Amortization Schedule																
Balances as of June 30, 2021																
FISCAL YEAR	Parking Series 2011A		Parking Series 2012A		Parking Parking 2018A		Parking Parking 2019A		Housing Series 2012A		Housing Series 2018A		Total Principal & Interest		Total Debt Service	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	estInter	Total	
2022	525,000	15,750	390,000	170,350	815,000	128,500	565,000	269,000	2,410,000	2,001,275	1,895,000	823,375	6,600,000	3,408,250	10,008,250	
2023			410,000	150,850	855,000	87,750	590,000	240,750	2,530,000	1,877,775	1,995,000	726,125	6,380,000	3,083,250	9,463,250	
2024			425,000	134,450	900,000	45,000	620,000	211,250	2,660,000	1,748,025	2,095,000	623,875	6,700,000	2,762,600	9,462,600	
2025			440,000	117,450			650,000	180,250	2,775,000	1,639,900	2,200,000	516,500	6,065,000	2,454,100	8,519,100	
2026			455,000	104,250			685,000	147,750	2,855,000	1,555,450	2,310,000	403,750	6,305,000	2,211,200	8,516,200	
2027			470,000	90,600			720,000	113,500	2,940,000	1,464,850	2,435,000	285,125	6,565,000	1,954,075	8,519,075	
2028			480,000	76,500			755,000	77,500	3,035,000	1,367,756	1,420,000	188,750	5,690,000	1,710,506	7,400,506	
2029			495,000	62,100			795,000	39,750	3,140,000	1,263,488	1,495,000	115,875	5,925,000	1,481,213	7,406,213	
2030			510,000	47,250					3,260,000	1,151,488	1,570,000	39,250	5,340,000	1,237,988	6,577,988	
2031			525,000	31,950					3,385,000	1,026,738			3,910,000	1,058,688	4,968,688	
2032			540,000	16,200					1,675,000	927,631			2,215,000	943,831	3,158,831	
2033									1,740,000	861,425			1,740,000	861,425	2,601,425	
2034									1,810,000	788,163			1,810,000	788,163	2,598,163	
2035									1,890,000	709,538			1,890,000	709,538	2,599,538	
2036									1,975,000	627,406			1,975,000	627,406	2,602,406	
2037									2,060,000	541,663			2,060,000	541,663	2,601,663	
2038									2,150,000	452,200			2,150,000	452,200	2,602,200	
2039									2,240,000	358,913			2,240,000	358,913	2,598,913	
2040									2,340,000	261,588			2,340,000	261,588	2,601,588	
2041									2,440,000	160,013			2,440,000	160,013	2,600,013	
2042									2,545,000	54,081			2,545,000	54,081	2,599,081	
Total	525,000	15,750	5,140,000	1,001,950	2,570,000	261,250	5,380,000	1,279,750	51,855,000	20,839,363	17,415,000	3,722,625	82,885,000	27,120,688	110,005,688	

MOODY'S

INVESTORS SERVICE

CREDIT OPINION

26 May 2021

 Rate this Research

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University of Central Florida, FL

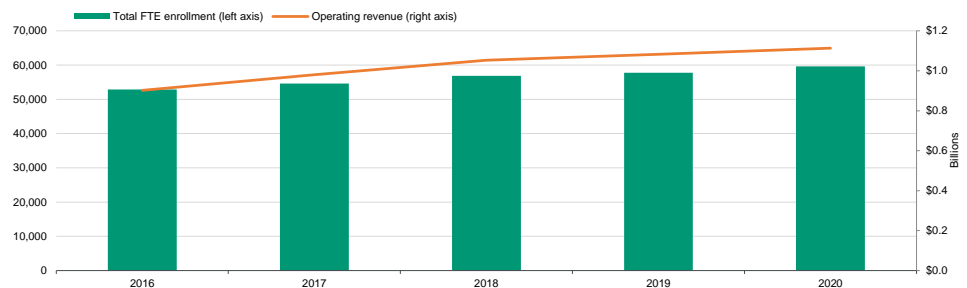
Update to credit analysis

Summary

[University of Central Florida](#) (Aa3 stable) will continue to benefit from sizeable and growing operations as a large, comprehensive public university with good operating performance, affordable pricing and positive demographic prospects. While cash and investment growth has been slower than peers, spendable cash and investments still provide a healthy cushion to operations and leverage is manageable. Challenges include relatively high reliance on potentially volatile funding from the [State of Florida](#) (Aaa stable) and state-imposed caps on tuition and fees, which limit operating flexibility and revenue growth as the university undertakes strategic investments to keep up with enrollment growth. Our credit opinion also incorporates limited revenue pledges for housing and parking, which have generally sound debt service coverage from pledged revenues.

Exhibit 1

Growing enrollment propels revenue growth



Source: Moody's Investors Service

Credit strengths

- » Large and growing public research university benefitting from strong Florida demographics
- » Pledged net revenue streams provide generally solid debt service coverage for dormitory and parking bonds, with some thinning as a result of the pandemic
- » Sound financial management drives favorable though weakened operating performance, with a 9% operating cash flow margin in fiscal 2020
- » Monthly liquidity covers a healthy 184 days cash on hand

Credit challenges

- » State tuition control limits pricing flexibility and pressures revenue growth
- » Slow growth of reserves relative to peers
- » Relatively high reliance on potentially volatile state funding
- » Growing expenses associated with strategic investments to keep pace with enrollment growth

Rating outlook

The stable outlook is based on Moody's expectation of steady to improved operating performance while maintaining healthy student demand, continued revenue growth and measured accumulation of financial reserves. It also incorporates continued good coverage of debt service from pledged revenues, including potential use of reserves or federal funds to support housing system operating losses in fiscal 2021.

Factors that could lead to an upgrade

- » Substantial, sustained increase in financial resources providing a much stronger cushion to debt and operations
- » Ongoing enhancement of revenue diversity and strengthening of student demand

Factors that could lead to a downgrade

- » Material reduction in state support
- » Deterioration of operating cash flow below fiscal 2020 levels or sustained weakening in debt service coverage from pledged revenues
- » Significant increase in financial leverage

Key indicators

Exhibit 2

UNIVERSITY OF CENTRAL FLORIDA, FL

	2016	2017	2018	2019	2020	Median: Aa Rated Public Universities
Total FTE Enrollment	52,900	54,632	56,856	57,777	59,622	30,062
Operating Revenue (\$Million)	902,128	979,569	1,052,801	1,082,394	1,113,163	1,282,865
Annual Change in Operating Revenue (%)	4.5	8.6	7.5	2.8	2.8	4.2
Total Cash & Investments (\$Million)	801,576	813,616	846,700	859,799	872,256	1,582,410
Total Debt (\$Million)	477,386	455,371	441,413	474,269	457,877	690,511
Spendable Cash & Investments to Total Debt (x)	1.4	1.5	1.6	1.5	1.6	1.5
Spendable Cash & Investments to Operating Expenses (x)	0.8	0.7	0.7	0.7	0.7	0.7
Monthly Days Cash on Hand (x)	196	185	198	178	184	157
Operating Cash Flow Margin (%)	10.8	11.7	13.5	9.0	9.2	11.8
Total Debt to Cash Flow (x)	4.9	4.0	3.1	4.9	4.5	4.1
Annual Debt Service Coverage (x)	5.4	6.4	8.1	5.3	6.1	2.8

Source: Moody's Investors Service

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

Profile

University of Central Florida is a large, comprehensive public research university with over \$1.1 billion in revenue in fiscal 2020. Since opening in 1968, enrollment has grown to over 70,000 headcount students across several campuses in central Florida, including the main campus in Orlando, and online.

Detailed credit considerations

Market profile: growing enrollment in demographically vibrant area

UCF will continue to demonstrate strong student demand as it shifts its focus from enrollment growth to building the infrastructure to continue improving academic excellence. Increasing regional high school graduates, a desirable [Orlando](#) (Aa1 stable) location, attractive pricing and a strengthening academic profile contribute favorably to UCF's excellent strategic positioning. Enrollment grew 13% from fiscal 2016 to 2020, reaching almost 60,000 full-time equivalent students in fall 2020. Transfer students account for almost two-thirds of entering students. Student success measures have had favorable results, including a strong freshmen to sophomore retention rate of 92% in fall 2020 despite the pandemic, up from 89% in fall 2016.

UCF will also benefit from expanded facilities, including a new downtown location with an academic building, parking and leased space in a privately developed residence hall project. The campus is shared with Valencia College, a key partner for transfer students. This location houses targeted programs including some health care programs, digital media, communications and social work.

A recently opened hospital on the Lake Nona health sciences campus offers further new synergies for UCF and its school of medicine. UCF contributed the land and has 50% board governance as well as a 20% equity stake; all other costs are funded by [HCA Healthcare, Inc.](#) (Ba1 stable), which constructed and will operate the hospital. UCF expects to see some revenue in year two of operation.

Operating performance: federal support and expense reductions support favorable near-term operating performance

While operations have thinned in recent years, federal support and expense reductions will boost margins in fiscal 2021. In fiscal 2019 and 2020, operating cash flow margins dropped to 9% after historic levels in the 11%-13% range. Thinning performance largely reflects increased compensation costs as UCF invested in faculty and staff to balance rapid enrollment growth. Federal funds and the release of some state funds, held back earlier in fiscal 2021, will carry forward into fiscal 2021, potentially providing some offset to continued strategic investment. While enrollment growth provides some offset, state caps limit pricing flexibility and revenue growth. A Weakening operating performance below fiscal 2020 levels could negatively impact credit quality.

While state funding varies from year to year due to performance-based funding awards, it typically provides over one-third of operating revenue, exposing the university to pressured revenue if state funding declines meaningfully.

While the university has targeted doubling its research profile over the medium term, it will continue to face significant competition for research dollars against larger research enterprises. UCF is designated as a space grant university and has a moderate research profile with \$168 million of research expenditures in fiscal 2020. Research revenue has grown significantly, up almost 50% from fiscal 2016 to fiscal 2020.

Wealth and liquidity: slow accumulation of wealth relative to peers

UCF's financial reserves will continue to grow at a measured pace through modest retained surpluses, positive investment returns and fundraising. Spendable cash and investments cushion operations by 0.7x, in line with similarly rated peers. However, growth significantly lags peers; total cash and investments of \$872 million for fiscal 2020 were up under 10% since fiscal 2016 compared to peer growth rates in the mid 20% range. The slower rate of growth reflects UCF's significant capital investment of over \$560 million since fiscal 2016. While this has resulted in weaker financial resource growth relative to peers, it benefits the university's strategic positioning and supports its enrollment growth.

Liquidity

Monthly liquidity will remain excellent with \$511 million providing 184 monthly days cash on hand. Calls on liquidity are limited as UCF has no variable rate debt and has minimal unfunded capital commitments.

Leverage: modest leverage with good pledged revenue coverage of debt service

UCF's debt burden will remain manageable as it does not have definitive additional debt plans in the near future. Total direct debt of \$458 million for fiscal 2020 includes the debt of direct support organizations (DSOs) including UCF Finance Corporation, UCF

Foundation, UCF Athletics Association, UCF Convocation Corporation and UCF Stadium Corporation as well as affiliated entity UCF Hospitality Housing Corporation. Debt to cash flow of 4.5x for fiscal 2020 is in line with peers. Housing system debt service coverage dipped slightly below 1x in fiscal 2020 and 2021 as a result of the coronavirus pandemic prior to use of federal funds and reserves and is expected to largely recover in fiscal 2022. Parking system coverage remained strong.

Exhibit 3

Obligor	Pledge	2020 Debt	2020 Reserves	2019 coverage	2020 coverage	Estimated 2021 coverage
UCF	Parking system net revenue, including mandatory fee	\$15.8 million	\$11.5 million	5.4x	4.3x	4.8x
UCF	Housing system net revenue	\$74.5 million	\$9.5 million	1.6x	0.9x/1.3x	0.95x/1.9x

Housing system: Fiscal 2020 includes coverage without/with \$3.4 million of CARES Act/reserve funds used to offset refunds to students. Fiscal 2021 includes estimated coverage without/with \$8 million of federal/reserve funds.

Source: Moody's Investors Service, UCF

In addition to the UCF housing system debt and housing-related debt at various DSOs, UCF and its Foundation are also party to several P3 housing projects. This does not include the housing project on the downtown campus, which is not on university land and will not be owned by the university at a future date. Management fees paid to UCF for on-campus P3 projects are included in pledged revenues of the housing system. Fees paid to the foundation for P3 projects on foundation land are not. Given the strategic ties between the projects and UCF/UCF Foundation, we include the related debt of \$173 million in UCF's total adjusted debt, at \$1.5 billion for fiscal 2020. Adding this debt to the university's profile, spendable cash and investments to debt (0.5x) is generally in line with peers, while total adjusted debt to revenue (1.4x) is weaker than peers. Adjusted debt also includes the Adjusted Net Pension Liability (\$824 million for fiscal 2020) and operating leases.

Debt structure

UCF's use of multiple DSOs for debt heightens management and governance risk and adds complexity to UCF's debt structure. UCF's debt and debt at its DSOs is currently all fixed rate, providing consistency for planning purposes.

Legal security

Dormitory facility revenue bonds are secured by and payable from pledged revenues of the housing system, which includes all fees, rentals or other charges and income from the housing system facilities, net of current and administrative expenses. Pledged revenues of \$7.4 million in fiscal 2020 provided debt service coverage of 0.88x, excluding funding from the CARES Act that was used to reimburse housing refunds from spring 2020. Anticipated pledged revenue coverage for fiscal 2021 is 0.95x, though transfers from the university of federal CARES Act, CRRSAA or reserve funds to replace lost revenue are expected to boost coverage from all funding sources to 1.9x. The housing system held approximately \$25 million in reserves at fiscal 2020 year end. Other security features include an additional bonds test (preceding two fiscal year's net revenues greater than or equal to 120% pro forma maximum annual debt service) and a sum sufficient rate maintenance covenant.

Parking system bonds are secured by and payable from the pledged revenues of the parking system, including a mandatory student transportation fee. For fiscal 2020, debt service coverage (and MADS coverage) from pledged revenues was 4.3x, with similar coverage expected for fiscal 2021. Other security features include an additional bonds test and a sum sufficient rate maintenance covenant.

Debt-related derivatives

Not applicable.

Pensions and OPEB

Pension and OPEB costs, including costs for both defined benefit (DB) and defined contribution (DC) plans, comprised a manageable 5% of expenses. Most university employees participate in the Florida Retirement System (FRS), which is comprised of two multiemployer, DB cost-sharing plans. The State University System also provides a DC plan for eligible university instructors and administrators.

Funding levels for the DB plan vary, as the state sets pension contribution rates. The three-year average Moody's adjusted net pension liability (ANPL) for the university is \$824 million for fiscal 2020. This is slightly elevated relative to with peers in the context of the

university's financial leverage though manageable relative to its growing revenue and financial resources. Like most other public entities, OPEB is paid on a pay-as-you-go basis. UCF's OPEB liability was a somewhat high \$400 million in fiscal 2020.

ESG considerations

Environmental

UCF has considerable environmental risk exposure, particularly weather-related risk. The university remains well-prepared for adverse weather circumstances. UCF is the 4th university in the US to receive accreditation from the Emergency Management Accreditation Program, which it proactively pursued. Accreditation is based on 64 emergency standards that are industry best practices.

Social

Strong demographics in the state of Florida will continue to benefit UCF, contributing to its measured growth. The university continues to receive favorable support from Florida's performance-based funding system, consistently ranking in the middle to top scoring universities and receiving designation as an emerging pre-eminent state research university.

Governance

After a period of leadership transition related to misuse of state operating funding for a capital project, UCF has a new president and CFO in place as well as other senior leadership positions, and issues related to misuse of funds have been resolved. We expect that UCF's trustees and senior leadership will continue to successfully manage the university's stakeholder relations, enrollment growth and strengthening academic profile.

The university further benefits from coordination and oversight from the Florida Board of Governors, a 17 member board largely appointed by the governor, which oversees all higher education in the state. At the university level, oversight is provided by a 13-member board of trustees members, consisting of six members appointed by the governor, five members appointed by the Board of Governors (all appointed members confirmed by the Florida Senate), and the heads of student and faculty governing bodies.

Rating methodology and scorecard factors

The [Higher Education Methodology](#) includes a scorecard that summarizes the factors that are generally most important to higher education credit profiles. Because the scorecard is a summary and may not include every consideration in the credit analysis for a specific issuer, a scorecard-indicated outcome may or may not match an assigned rating. We assess strategic positioning on a qualitative basis, as described in the methodology.

Exhibit 4

University of Central Florida

Scorecard Factors and Sub-factors	Value	Score
Factor 1: Market Profile (30%)		
Scope of Operations (Operating Revenue) (\$000)	1,113,163	Aa2
Reputation and Pricing Power (Annual Change in Operating Revenue) (%)	2.8	Baa2
Strategic Positioning	Aa	Aa
Factor 2: Operating Performance (25%)		
Operating Results (Operating Cash Flow Margin) (%)	9.2	A1
Revenue Diversity (Maximum Single Contribution) (%)	45.1	Aa3
Factor 3: Wealth & Liquidity (25%)		
Total Wealth (Total Cash & Investments) (\$000)	872,256	Aa2
Operating Reserve (Spendable Cash & Investments to Operating Expenses) (x)	0.7	Aa2
Liquidity (Monthly Days Cash on Hand)	184	Aa2
Factor 4: Leverage (20%)		
Financial Leverage (Spendable Cash & Investments to Total Debt) (x)	1.6	Aa2
Debt Affordability (Total Debt to Cash Flow) (x)	4.5	Aa1
Scorecard-Indicated Outcome		Aa2
Assigned Rating		Aa3

Data is based on most recent fiscal year available. Debt may include pro forma data for new debt issued or proposed to be issued after the close of the fiscal year.

For non-US issuers, nominal figures are in US dollars consistent with the Higher Education Methodology.

Source: Moody's Investors Service

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May 25, 2021

Mr. Gerald Hector
Senior Vice President for Administration & Finance
University of Central Florida
4000 Central Florida Boulevard, Suite 384
Orlando, FL 32816

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Laura Porter
Managing Director - Global Group Head
Public Finance

LP/em

Enc: Notice of Rating Action
(Doc ID:241921 Rev 1)

Notice of Rating Action

<u>Bond Description</u>	<u>Rating Type</u>	<u>Rating Action</u>	<u>Rating</u>	<u>Outlook/ Watch</u>	<u>Eff Date</u>	<u>Notes</u>
State of Florida Board of Governors (FL) (University of Central Florida) dormitory rev rfdg bonds ser 2021A	Long Term Rating	New Rating	A+	RO:Sta	2021-05-25 00:00:19.0	
State of Florida Board of Governors (FL) (University of Central Florida) dormitory rev rfdg bonds ser 2021A	Unenhanced Long Term Rating	New Rating	A+	RO:Sta	2021-05-25 00:00:19.0	

Key: RO: Rating Outlook, RW: Rating Watch, Pos: Positive, Neg: Negative, Sta: Stable, Evo: Evolving

**Florida Division Of Bond Finance
University Of Central Florida;
Auxiliary - System; Public Coll/Univ -
Limited Student Fees; Public
Coll/Univ - Unlimited Student Fees**

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Florida Division Of Bond Finance

University Of Central Florida; Auxiliary - System; Public Coll/Univ - Limited Student Fees; Public Coll/Univ - Unlimited Student Fees

Credit Profile

US\$42.56 mil dormitory rev rfdg bnds ser 2021A due 10/01/2041

Long Term Rating

A+/Stable

New

Rating Action

S&P Global Ratings assigned its 'A+' long-term rating to the Florida Board of Governors' (BOG) series 2021A dormitory revenue refunding bonds, issued for the University of Central Florida (UCF or the university). Simultaneously, we affirmed our 'AA-' long-term and underlying ratings (SPURs) on the university's parking system revenue bonds, 'A+' long-term rating on UCF's dormitory revenue bonds, and 'A+' long-term ratings on the UCF Stadium Corp. and the UCF Convocation Corp.'s series 2015A and 2015B refunding revenue bonds. The outlook is stable.

The parking system revenue bonds are secured by parking fees paid by all UCF students (this fee has been unchanged in the past three years, which we view as equivalent to an unlimited student fee (USF) pledge). Therefore, these bonds carry the highest rating of 'AA-'. The housing system bonds are secured by net revenues of the housing system. Given this narrower revenue pledge in contrast to the broader USF pledge securing the parking system revenue bonds, the smaller size of pledged revenues supporting debt service payments, and system financial performance indicators, the 'A+' rating on these bonds is notched one below the USF-equivalent bond rating of 'AA-'. The 'A+' rating on the UCF Stadium Corp. and UCF Convocation Corp.'s series 2015A and 2015B bonds are notched one below the USF-equivalent ratings, reflecting our view of the strength of UCF's separate support agreements with the UCF Stadium Corp. and the UCF Convocation Corp., as well as the university's commitment to its budget and covenant to replenish any deficiencies in the debt service reserve funds (DSRFs) from its legally available revenues.

The series 2021A dormitory revenue refunding bonds are intended to currently refund all of UCF's series 2012A bonds on a matched maturity basis for debt service savings and pay costs of issuance. On a pro forma basis, using June 30, 2020, financials, total debt (including the direct support organizations [DSOs]) was \$452.7 million; however, \$294.3 million is attributed to DSOs and has direct fees tied to the debt or is otherwise self-funding. The vast majority (approximately 96%) of UCF's debt (including component unit debt) is serial fixed-rate. We understand there was a change in state law that prohibits UCF from granting new support agreements for any future DSO debt. Therefore, while the UCF Stadium Corp. and UCF Convocation Corp. can issue additional debt under the trust indenture, subject to meeting stipulated additional bond tests, UCF is prohibited from providing new support agreements similar to those provided for the UCF Stadium Corp. and UCF Convocation Corp.'s rated series 2015A and 2015B bonds. Management reports no definitive plans for new debt within our outlook period.

Similar to its higher education peers in Florida and elsewhere, given pandemic health and safety concerns and consistent with the BOG reopening guidelines, the university transitioned all classes to online instruction in March 2020 for the remainder of the spring 2020 semester and issued \$3.4 million in housing refunds to students (reimbursed through university federal stimulus funds). It offered hybrid instruction for fall 2020, with the majority of classes (76%) provided online, and the remainder (24%) delivered in person. For fall 2020, total available university-owned beds were reduced 4,608 due to intentional de-densification efforts caused by the pandemic. Occupancy was substantially weaker at approximately 77% in the 2020-2021 academic year versus historical near 100% occupancy rates. Historical housing system occupancy has been solid with substantial demand for a somewhat limited housing supply despite the lack of an on-campus residency requirement. Reduced 2020-2021 academic year occupancy is attributed to a reduction in demand due to the pandemic, with a high proportion of students choosing to stay at home and take coursework online. Fall 2020 housing capacity was sufficient to house only 11% of total full-time undergraduate students, levels we consider modest. Management reports relatively improved occupancy at approximately 82% for the spring 2021 semester. Because of plans to resume in-person instruction for fall 2021 and plans to bring back beds taken offline in fall 2020, management expects a steep rebound in housing system occupancy to approximately 94%. This, coupled with careful expense management, is likely to favorably impact housing system financials in our view.

The housing revenue bonds have a minimum 1x annual debt service coverage covenant, and a 1.3x additional bonds test. We view the fiscal 2021 projected weak coverage as temporary, driven by the pandemic, and not a fundamental reduction in demand for the housing system, which has been healthy. In addition, we believe that the university will continue to support the debt if there are revenue shortfalls at the housing system-level. Pre-pandemic, maximum annual debt service (MADS) coverage was approximately 1.6x but weakened to approximately 0.88x in fiscal 2020 (based on management calculations allowable under the bond documents, ignoring federal stimulus funds that reimbursed student housing refunds). Management budget projections forecast what we consider a weak, albeit incrementally improved 0.95x annual debt service coverage for fiscal 2021 with meaningfully improved pro forma MADS coverage exceeding 2x commencing fiscal 2022, reflecting post-pandemic demand improvements, recurring expense reductions due to COVID-19, and lower debt service associated with the housing revenue bonds post-refunding. We expect occupancy to rebound in fiscal 2022 and beyond to pre-pandemic normalized levels. Additional debt service support is provided by the ability and willingness to use what we consider healthy levels of available university (noneducation and general, including its substantial federal stimulus funds) and housing system reserves to offset any shortfalls in debt service. In our view, this helps support the rating.

UCF is the recipient of the highest level of total federal stimulus funds among its Florida public university peers at \$304.7 million; this figure is inclusive of student aid and institutional support funds. As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act stimulus funding of 2020, the university was allocated approximately \$54.8 million in total funds, roughly half of which was directly applied, with the remainder for institutional use (online instruction, cleaning, staff costs etc.), including housing and dining refunds in fiscal 2020. Under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act (ARPA) in 2021, the university will receive a total of \$94.5 million and \$155.3 million, respectively. Given its Hispanic serving institution status, UCF also received \$9.5 million in additional CARES funding. Management indicates the university has not yet expended any CRRSAA nor ARPA funds and expects to utilize the full amount by the end of fiscal 2022.

The pandemic did not impair UCF's fall 2020 and spring 2021 enrollment and university financial operations were compressed, albeit still healthy, in fiscal 2020. For fiscal 2021, the university anticipates similar financial operations as fiscal 2020 underpinned by fall 2020 enrollment and resultant student revenues, state appropriations, expense containment measures, and federal stimulus funds, while also factoring in estimated revenue losses associated with COVID-19. As with many higher education institutions, the cumulative influence of the pandemic on fiscal 2021 operations is unknown, as several revenue and expense items may be affected, including lower auxiliary revenues (accounting for only about 7% of total adjusted operating revenues in fiscal 2019 and 2020), and unfunded pandemic expenses may not be fully covered via federal stimulus.

S&P Global Ratings believes there remains high, albeit moderating, uncertainty about the evolution of the coronavirus pandemic and its economic effects. Vaccine production and rollouts have been comparatively robust in the U.S. versus its global peers. Widespread immunization, which will help pave the way for a return to more normal levels of social and economic activity, looks achievable by most developed economies in 2021. The state enacted a 6% statewide budgetary holdback of fiscal 2021 state appropriations ordered by the governor due to pandemic effects on the state budget. Management centrally reserved \$22 million to offset this holdback, but indicates the state plans to release these funds, while increasing overall state operating appropriations in fiscal 2022 (the governor has yet to sign the budget). State operating appropriations remain a key revenue stream, accounting for 26.2% of total adjusted operating revenues in fiscal 2020.

UCF's management has taken several measures to limit the net effect of these items by budgeting conservatively, and maintaining healthy liquidity. Management indicates fundraising efforts are on track for fiscal 2021, and despite recent fluctuations, investment markets continue their upward momentum. The university's international student exposure remains relatively modest, versus peers, at less than 5%, which insulates it from broader international enrollment challenges confronting the higher education sector primarily due to visa constraints as pandemic pressures persist across many international countries.

Credit overview

We have assessed the university's enterprise profile as very strong, which reflects its growing enrollment, aided by its broad program offerings, and solid demand characteristics. We have assessed the university's financial profile as very strong, with positive, albeit variable, full-accrual net adjusted operating margins in recent years (based on our calculations), along with good revenue diversity, healthy state operating appropriations, and a very low pro forma maximum annual debt service (MADS) burden on university direct debt. The combined enterprise and financial profiles lead to our indicative stand-alone credit rating of 'aa-' and final rating of 'AA-'.

Factors supporting the 'AA-' USF-equivalent ratings reflect our assessment of UCF's overall institutional credit strengths, including its:

- Large student base, growing student demand, competitive acceptance rates, and sound student quality, with a wide range of graduate and professional offerings;
- Positive net adjusted operating performance on a full-accrual basis since fiscal 2014 (based on our calculations);
- Healthy support from Florida for operating and capital appropriations, which remain an important revenue stream despite some pandemic-induced variability in fiscal years 2020 and 2021;

- Sufficient available resources compared with adjusted operating expenses; and
- Low pro forma MADS burden, at 1.1% of fiscal 2020 adjusted operating expenses.

In our opinion, partly offsetting credit factors include:

- Below-average (relative to rating category medians) available resource ratios compared with pro forma debt (including debt of UCF's DSOs);
- Limited tuition and fee-raising flexibility imposed by the state legislature for several years that continues through fall 2021, thus constraining one important area of revenue generation for the university; and
- Capital needs that may entail internal reserve drawdowns potentially resulting in available resource dilution, largely because of sustained reductions in Public Education Capital Outlay (PECO) dollars and other state capital fund sources in recent years.

The 'A+' rating on the housing revenue bonds reflects our view of the university's:

- Support for its auxiliary system debt that mitigate immediate occupancy and coverage challenges in fiscal 2021;
- Weak occupancy in fall 2020 and spring 2021 due to pandemic pressures following multiple years of near 100% occupancy despite no on-campus residency requirement for students; and
- Substantially weaker MADS coverage below 1x for the dormitory revenue bonds in fiscal 2020 (excluding federal stimulus funds) and 2021 reflecting pandemic effects on housing system financials, although the university is committed to supporting these bonds from available reserves, separate from housing system reserves.

The stable outlook on the university USF-equivalent bond rating reflects our expectation that during our outlook period, the university's enrollment and demand profile will remain stable, state support will remain healthy despite any near-term fluctuations, net adjusted financial operations and available resource ratios will be preserved around current assessment levels. The rating outlook on the dormitory revenue bonds reflects our opinion of improved occupancy and expectations for improved annual debt service and MADS coverage in fiscal 2022 to levels approximating pre-pandemic levels.

UCF is a comprehensive university, serving central Florida and other regions in the state from its main Orlando campus and regional campuses. The university's fall 2020 headcount enrollment is a record 71,913 students. UCF offers bachelor's and advanced-degree programs in more than 200 areas of study through the colleges of arts and humanities; sciences; business administration; education; engineering and computer science; and health and public affairs, as well as through the College of Optics and Photonics, the Rosen College of Hospitality Management, and the College of Medicine at the UCF Health Sciences campus at Lake Nona. UCF also operates an academic center in downtown Orlando. UCF joined the American Athletic Conference (formerly the Big East) in 2013. The university has been officially designated as an emerging preeminent research university by the Florida legislature as a result of its having met a set of rigorous state-defined benchmarks.

Environmental, social, and governance (ESG) factors

In our view, UCF, like other higher education institutions, faces elevated social risks as a result of uncertainty of the duration of the COVID-19 pandemic despite a ramp-up in vaccination efforts across the U.S. Because of the pandemic,

UCF's management team moved to implement remote learning in spring 2020 and operated under multiple instructional modes for fall 2020 and spring 2021 to protect the health and safety of its students, faculty, and staff, and limit social risk associated with the community spread of COVID-19. We view the risks posed by COVID-19 to public health and safety as a social risk under our ESG factors. Despite a high degree of senior management turnover since 2018, a seamless transition of recent hires with minimal adverse operational effects is expected. While not located directly on the coast, we still consider environmental risks to be somewhat elevated for UCF, given its location in Florida that could be more susceptible to weather events and the effects of climate change. Despite the elevated social and environmental risks, we believe UCF's governance risk are line with our view of the sector as a whole.

Stable Outlook

Downside scenario

Factors that could result in a negative rating action include a trend of material enrollment declines, sustained full-accrual operating deficits, or erosion of available resources from June 30, 2020, levels. In our view, credit factors that could result in a negative rating action on the housing revenue bonds include a downgrade of the USF-equivalent rating, a significant decrease in housing system occupancy, or a sustained deterioration in debt service coverage (DSC) and MADS coverage from current levels. In our view, lower than 1.2x DSC, a dilution of university legally available revenues, and operating or demand pressure at the university could have negative rating implications for the UCF Stadium Corp. and UCF Convocation Corp.'s rated series 2015A and 2015B bonds.

Upside scenario

While it is unlikely to occur over our outlook period, we could consider a positive rating action for the USF-equivalent rating if its university's endowment grows to levels more consistent with those of higher-rated peers, and it maintains its current demand and financial profile. We believe a positive rating action on the housing revenue bonds over the outlook period is unlikely without a positive rating action on the USF-equivalent rating, given the narrower revenue stream pledged to these bonds relative to the USF-equivalent rating.

Credit Opinion

Enterprise Profile

Economic fundamentals

In our view, the university has limited geographic diversity, as it is predominantly regional. About 91.2% of fall 2020 students are from within the state of Florida, with the rest coming from other states and foreign countries. As such, our assessment of UCF's economic fundamentals is anchored by the Florida GDP per capita.

Market position and demand

UCF is the largest university by enrollment in Florida and one of the nation's largest public universities. A key contributing factor to its large size is its ability to attract state college graduates with associate degrees, in which it ranks the highest in the state. We view UCF's healthy enrollment and demand metrics favorably, and expect steady

enrollment growth over our outlook period. Full-time equivalent (FTE) enrollment increased by a solid 4.8% to 63,392 in fall 2020 from 60,497 in fall 2019. The university maintains good programmatic diversity, as undergraduates represent 85.4% of fall 2020 enrollment, with graduate and professional students representing the remainder. Management projects slower enrollment growth, given its strategic focus on student-quality metrics, while the state's emphasis is on performance funding metrics. It is reevaluating future enrollment strategies based on recent geographic and demographic data.

Demand for the university remains solid, in our opinion. Freshman applications for fall 2020 increased by a solid 8% to 38,073 compared with 35,240 in fall 2019. Management's focus is to recruit more academically prepared students, given the statewide focus on performance metrics. Selectivity deteriorated to 42% for fall 2020 relative to 38.2% in fall 2019, but remains healthy versus comparable rated peers. Freshman-to-sophomore retention remains solid at 91.9%, and the six-year graduation rate consistently improved to 73.4% for fall 2020, well above respective national averages but lower than comparable metrics for the state's two co-flagship institutions. One measure of student quality is standardized test scores, and the university's average ACT score for incoming freshman was 28.7, exceeding the national average of about 21. Although nationally many eminent higher education institutions are, or are planning on, becoming test optional, the BOG's policy requires submission of an ACT or SAT score by incoming freshmen.

Despite graduate enrollment pressures at several universities nationally due to visa and pandemic pressures, UCF's graduate FTE enrollment also increased during the past three fall semesters, by 5% to 6,980 compared with 6,649 in fall 2019. We believe graduate enrollment will remain an area of growth, given the university's research status and comprehensive graduate and professional program offerings.

In general, Florida public universities are the second-lowest-priced (after Wyoming) higher education option in the U.S. The university's annual tuition for in-state undergraduates was kept flat at \$6,368 for the 2020-2021 academic year, making seventh consecutive years of flat tuition, in line with state directives to hold tuition flat. Tuition and fees are expected to be flat again for the upcoming fall 2021 semester. Management indicated that in 2014, the state legislature repealed universities' ability to increase differential tuition for undergraduate students, permitting most public universities to impose only the tuition rate passed by the legislature. In our view, this constrains an area of revenue generation for the university.

Fundraising

The university launched a \$500 million comprehensive campaign in July 2011 to support facilities, endowment, scholarships, and annual operating support. The campaign exceeded its goal, with \$531 million raised per management, resulting in the largest campaign in UCF's history. We understand the campaign's time frame was expected to span approximately eight years through 2019. The campaign is focused on bolstering the university's endowment, current operations, and capital facilities. The university's first campaign ran from 1999 to 2006 and raised \$366 million, primarily for facilities. At 5.8%, the alumni participation rate is modest compared with rates of higher rated peer institutions, albeit consistent with the national average for public universities.

Management and governance

The Florida BOG serves as the governing board for the State University System of Florida, of which UCF is a member. It has a board of 17 members, 14 of whom are appointed by the governor. UCF is directly governed by a BOT

consisting of 13 members. The governor appoints six citizen members and the BOG appoints five, with two ex officio members. The senate confirms these members and they serve staggered terms of five years. The chair of the faculty senate and the president of the university student body are the other two members of the BOT. The BOG establishes the powers and duties of the BOT. There have been a number of rotational changes at the BOT, which we understand is typical.

Since 2018, the university overhauled its senior management team in response to events that transpired in summer 2018, in which the state auditor general flagged certain leftover state operating appropriations as being spent on an academic building project, a violation of state rules governing public universities. Following an investigation conducted by a law firm, the university's president, provost, chief financial officer (CFO), and key finance staff stepped down. At this time, most key positions have been permanently filled, although some are being held on an interim basis. The current university president was hired on March 20, 2020, following a national search. He has an extensive higher education background; prior to joining UCF, he served as chancellor of the University of Missouri. A new senior vice president for administration and finance was named in late 2020; he previously held multiple senior management finance and operations positions at various higher education institutions. While recent senior executive appointments have superior credentials and relevant higher education expertise, we recognize this high level of senior management turnover is unusual and could prove disruptive to operations. We expect a smooth leadership transition, with a minimal operational impact on state appropriations and university operations.

Management indicates there were no adverse state funding cuts or punitive actions by the legislature for UCF in response to these events. Senate Bill 190 was passed during the 2019 legislative session, largely in response to events that transpired at UCF in 2018 and has been signed into law by the governor. This bill expands the university's ability to use carryforward operating funds to complete authorized capital projects and perform maintenance, remodeling, and renovation projects. However, it limits the use of carryforward funds for nonrecurring uses only and requires approvals of carryforward and capital budgets by the BOG and board of trustees (BOT). It also increased the required reserve at the state university system from 5% to 7%, which we view favorably.

In addition to management changes described earlier, the university restructured its CFO position into two separate roles: CFO, and a newly created chief operating officer position, providing a clearer segregation of duties and greater checks and balances in funding decision-making. It also created and filled a new vice president for compliance and risk position to focus on internal accountability and ethics.

Financial Profile

Financial management policies

UCF has formal policies for reserves, endowment investments, and debt, which we view favorably. Its strategic plan goals define key metrics related to student quality, academic outcomes, raising its graduate student population, increasing research awards, boosting alumni annual giving donors, and bolstering the endowment size. However, the strategic plan lacks concrete financial and operating margin targets. Per management, progress toward strategic goals will be measured and monitored on an ongoing basis.

UCF meets standard annual disclosure requirements and publishes annual full-accrual financial reports following

completion of its annual financial audit by the state auditor general. Its reserve policy is dictated by state statute, which requires all state universities to maintain a minimum of a 7% operating budget reserve, with which it has historically complied. Cash and debt management functions are centralized.

The university maintains a formal investment management policy with strategic asset allocation ranges. It also has a formal debt management policy, as prescribed by the Florida BOG. While the guidelines do not include specific debt limits, the university has a position, reporting to its chief financial officer, tasked with monitoring and implementing compliance with debt guidelines. There has been no deviation from the guidelines over the past five years. Derivatives are allowed under the guidelines, and the university has used them. Per management, multiyear financial and capital plans are updated and reviewed annually. The financial policies assessment is neutral, reflecting our opinion that while there may be some areas of risk, the organization's overall financial policies are not likely to impair its future ability to pay debt service. Our analysis of financial policies includes a review of the organization's financial reporting and disclosure, investment allocation and liquidity, debt profile, contingent liabilities, and legal structure, and a comparison of these policies with comparable providers.

Accounting change

We analyze the materiality, strategy, and funding of pension and other postemployment benefit (OPEB) plans separately from our analysis of a university's long-term debt ratios or operating margin. Consequently, we may make certain adjustments to the calculation of debt ratios or operating margin for colleges and universities with substantial multi-employer cost-sharing defined-benefit pension and OPEB plans, to separate out the net pension and OPEB liabilities or non-cash expense accrual. In our view, these adjustments enhance analytical clarity from a credit perspective and result in more comparable debt and operating metrics across accounting methods.

Financial operations

For fiscal 2020, including institutionally funded financial aid, state operating appropriations, interest and dividend income, federal and state student financial aid, and total adjusted operating revenues equaled approximately \$1.4 billion. Total adjusted operating expenses, including institutionally funded financial aid, interest expense, a \$44.4 million difference between total pension contributions and expenses, and an \$23 million difference between total OPEB contributions and expenses equaled approximately \$1.4 billion. Management posted a modest \$8.4 million operating full-accrual net adjusted surplus (based on our calculations) or 0.6% of total adjusted operating expenses. Cash basis operations have always been solid, including a large \$75.4 million depreciation expense recognized for fiscal 2020. COVID-19 effects on auxiliary and other student-derived revenues impaired operations in fiscal 2020 and we expect similar performance levels in fiscal 2021 as pandemic pressures on revenues and expenses continue.

We view the university's revenue base as diverse, with student charges representing 43.2% of fiscal 2020 adjusted operating revenues, state operating appropriations constituting 26.2%, federal and state student financial aid at 18.3%, while grants and contracts accounted for 10.4%.

State appropriations

Following substantial state operating appropriation cuts in fiscal years 2012 and 2013 followed by consecutive increases until fiscal 2019, the university received \$378.4 million in fiscal 2020, a modest 1.3% decrease from \$383.2 million received in fiscal 2019. Fiscal 2021 total state appropriations equaled roughly \$369 million, and fiscal 2022

appropriations are projected to exceed this amount (the state budget is yet to be signed by the governor). We expect management to successfully manage any near-term state funding volatility without meaningfully impairing operations.

While public universities in Florida also benefit from capital support for academic buildings through PECO grants, these grants have become less frequent during the past couple of years because of a decrease in the revenues that fund the program. In our opinion, state capital appropriations have fluctuated in recent years, and while immediate pressure on UCF's physical capacity or financial resources is not apparent, we believe the long-term effect of reduced capital appropriations will likely create additional financing needs for UCF and other state public universities with growing enrollment. The university recorded lower state capital appropriations of \$9.3 million in fiscal 2020 compared with \$13.8 million for fiscal 2019, \$12.5 million in fiscal 2018, and \$45.6 million in fiscal 2017.

Available resources

In our view, available resource measures are sound relative to adjusted operating expenses, but below-average relative to the rating category when including the debt attributed to university DSO units, which are considered component units of the university.

University unrestricted net assets (UNA) as of June 30, 2020, equaled a negative \$129.7 million from \$93.7 million in fiscal 2019. Crediting back an approximately \$180 million adjustment for Governmental Accounting Standards Board (GASB) 68 pension liabilities and OPEB liabilities of \$368.2 million (both pension and OPEB liabilities include deferred inflows and outflows) recognized on UCF's balance sheet, adjusted UNA for expenses and debt totaled \$418.3 million. Adjusted UNA equaled what we consider a diluted, but still sound, 29.1% of adjusted operating expenses and below-average (relative to higher rated peers) 92.4% of pro forma debt at June 30, 2020. Cash and investments (which we view as a less conservative measure of balance-sheet strength, as it includes restricted funds) equaled a higher 41.3% of adjusted operating expenses and 131.2% of pro forma debt. While we have aggregated the DSO debt onto the university balance sheet, we also recognize that the debt has dedicated revenue streams or is self-funding and does not require financial support from general operations of the university.

The university's endowment pool, wholly held at the UCF Foundation, as of June 30, 2020, was \$163 million, most of which is restricted. As a result of broader investment market volatility, its annual 5.7% return in fiscal 2020 is typical for peer-rated institutions in the sector. The asset allocation based on January 2021 valuations is 52.4% equities, 34.5% alternative investments, and 13.1% cash and fixed income, which we consider relatively aggressive, albeit in line with that of peers. The endowment contributes a minor amount to operations. The foundation follows both its investment and spending policies.

Debt and contingent liabilities

UCF Stadium Corp. (f/k/a Golden Knights Corp.) and UCF Convocation Corp.'s series 2015A and 2015B bonds. Both the UCF Stadium Corp. and the UCF Convocation Corp. are DSOs of UCF and are presented as discrete components units on the university's financial statements. The support agreements extend through the life of the bonds with no abatement or set-offs. Under each support agreement, UCF also has the right to waive or defer reimbursement for any operating and maintenance (O&M) charges due from the corporation and UCF Convocation Corp. for utilities provided to the convocation center and football stadium projects, if net revenues available to pay debt service are expected to be less than 1.2x DSC. Legally available revenues that UCF can use to cover deficiencies in the DSRFs for the UCF

Stadium Corp. series 2015A and 2015B bonds, and the UCF Convocation Corp.'s series 2015A and 2015B bonds, include various auxiliary enterprise funds; existing fund balances from auxiliary enterprises (housing, parking, health services, the bookstore, food services, etc.); unrestricted indirect cost reimbursement from research contracts and grant revenues; and investment earnings on the university's pooled investments account. Legally available revenues specifically exclude UCF tuition, fees, and state appropriations, and per management, these are not pledged to other university bonds or debt. The university estimates that as of June 30, 2020, total legally available revenues equaled \$97.3 million, which covers total MADS of \$9.3 million for the UCF Stadium Corp.'s series 2015A and 2015B bonds, and the UCF Convocation Corp.'s series 2015A and 2015B bonds by what we consider a solid 10.4x. Legally available auxiliary revenues decreased in fiscal years 2019 and 2020 due to funding transfers for university construction projects, coupled with lower auxiliary revenues triggered by the COVID-19 pandemic, which were not reimbursed as of June 30, 2020, from the university's institutional CARES funding. Management reports that, to date, UCF has never had to waive or defer collection of any O&M charges from the UCF Stadium Corp. because the DSC is lower than 1.2x, and there has never been a deficiency in the DSRF established for the UCF Stadium Corp.'s series 2015A and B bonds and the UCF Convocation Corp.'s series 2015A and 2015B bonds.

Pensions and OPEBs

The university provides retirement benefits through two state defined-benefit plans: Florida Retirement System and the Health Insurance Subsidy defined benefit plan. The state's pension-funded ratios exceed the S&P Global Ratings-calculated average for all states, based on fiscal 2020 information available on state pension plans. Management reports the university has been making the required employer contributions to its plans. OPEB obligations at June 30, 2020, were \$368.2 million and remains funded on a pay-as-you-go basis. The university indicates that it plans to finance retiree health care benefits on a pay-as-you-go basis, and these liabilities are intended to amortize over a period not to exceed 30 years. Overall, we consider pension and OPEB contributions to be manageable as a percentage of total UCF adjusted operating expenses, and not financially constraining at this time.

University of Central Florida--Enterprise And Financial Statistics

	--Fiscal year ended June 30--				Medians for 'AA' rated public colleges and universities
	2021	2020	2019	2018	2019
Enrollment and demand					
Headcount	71,913	69,523	68,558	66,180	MNR
Full-time equivalent	63,392	60,497	59,357	56,820	36,667
Freshman acceptance rate (%)	42.0	38.2	35.9	41.3	69.6
Freshman matriculation rate (%)	29.1	28.9	34.4	31.6	MNR
Undergraduates as a % of total enrollment (%)	85.4	85.6	85.9	86.1	78.8
Freshman retention (%)	91.9	91.3	90.1	89.2	85.7
Graduation rates (six years) (%)	73.4	71.9	72.1	69.5	MNR
Income statement					
Adjusted operating revenue (\$000s)	N.A.	1,446,641	1,387,748	1,303,996	MNR
Adjusted operating expense (\$000s)	N.A.	1,438,202	1,373,542	1,241,023	MNR
Net adjusted operating income (\$000s)	N.A.	8,439	14,206	62,973	MNR

University of Central Florida--Enterprise And Financial Statistics (cont.)

	--Fiscal year ended June 30--				Medians for 'AA' rated public colleges and universities
	2021	2020	2019	2018	2019
Net adjusted operating margin (%)	N.A.	0.59	1.03	5.07	1.50
Estimated operating gain/loss before depreciation (\$000s)	N.A.	83,842	87,527	129,233	MNR
Change in unrestricted net assets (UNA; \$000s)	N.A.	(35,983)	(62,385)	(201,915)	MNR
State operating appropriations (\$000s)	N.A.	378,429	383,229	375,458	MNR
State appropriations to revenue (%)	N.A.	26.2	27.6	28.8	18.3
Student dependence (%)	N.A.	43.2	43.5	44.0	41.2
Health care operations dependence (%)	N.A.	N.A.	N.A.	N.A.	MNR
Research dependence (%)	N.A.	10.4	10.1	10.4	MNR
Endowment and investment income dependence (%)	N.A.	1.1	1.0	1.2	1.4
Debt					
Outstanding debt (\$000s)	N.A.	452,762	469,471	434,430	808,057
Total pro forma debt (\$000s)	N.A.	452,762	N.A.	N.A.	MNR
Pro forma MADS	N.A.	15,201	N.A.	N.A.	MNR
Current debt service burden (%)	N.A.	1.21	1.31	0.81	MNR
Current MADS burden (%)	N.A.	1.06	1.10	1.38	3.60
Pro forma MADS burden (%)	N.A.	1.06	N.A.	N.A.	MNR
Financial resource ratios					
Endowment market value (\$000s)	N.A.	162,867	164,722	163,462	1,006,154
Related foundation market value (\$000s)	N.A.	180,123	145,174	211,850	782,587
Cash and investments (\$000s)	N.A.	593,980	603,082	594,484	MNR
UNA (\$000s)	N.A.	(129,708)	(93,725)	(31,340)	MNR
Adjusted UNA (\$000s)	N.A.	418,337	387,870	443,937	MNR
Cash and investments to operations (%)	N.A.	41.3	43.9	47.9	56.4
Cash and investments to debt (%)	N.A.	131.2	128.5	136.8	169.9
Cash and investments to pro forma debt (%)	N.A.	131.2	N.A.	N.A.	MNR
Adjusted UNA to operations (%)	N.A.	29.1	28.2	35.8	36.7
Adjusted UNA plus debt service reserve to debt (%)	N.A.	92.4	82.9	102.5	92.9
Adjusted UNA plus debt service reserve to pro forma debt (%)	N.A.	92.4	N.A.	N.A.	MNR
Average age of plant (years)	N.A.	12.8	12.2	12.6	13.2
OPEB liability to total liabilities (%)	N.A.	36.2	29.9	32.1	MNR

N.A.--Not available. MNR--Median not reported. MADS--Maximum annual debt service. Total adjusted operating revenue = unrestricted revenue less realized and unrealized gains/losses and financial aid. Total adjusted operating expense = unrestricted expense plus financial aid expense. Net operating margin = 100*(net adjusted operating income/adjusted operating expense). Student dependence = 100*(gross tuition revenue + auxiliary revenue) / adjusted operating revenue. Current debt service burden = 100*(current debt service expense/adjusted operating expenses). Current MADS burden = 100*(maximum annual debt service expense/adjusted operating expenses). Cash and investments = cash + short-term and long-term investments. Adjusted UNA = Unrestricted net assets + unrestricted net assets of the foundation. Average age of plant = accumulated depreciation/depreciation and amortization expense.

Related Research

Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Ratings Detail (As Of May 25, 2021)		
UCF Convocation Corp AUXSYS		
Long Term Rating	A+ / Stable	Affirmed
UCF Convocation Corp AUXSYS		
Long Term Rating	A+ / Stable	Affirmed
UCF Stadium Corporation AUXSYS		
Long Term Rating	A+ / Stable	Affirmed
UCF Stadium Corporation AUXSYS (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR) / Stable	Affirmed
Florida Board of Governors, Florida		
University of Central Florida, Florida		
Florida Board of Governors (University of Central Florida) PCU_USF		
Long Term Rating	AA- / Stable	Affirmed
Florida Board of Governors (University of Central Florida) PCU_USF		
Long Term Rating	A+ / Stable	Affirmed
Florida Div of Bnd Fin, Florida		
University of Central Florida, Florida		
Florida Div of Bnd Fin (University of Central Florida) PCU_USF		
Long Term Rating	AA- / Stable	Affirmed
Many issues are enhanced by bond insurance.		

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University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

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SOURCES AND USES OF FUNDS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Dated Date	08/12/2021
Delivery Date	08/12/2021

Sources:

Bond Proceeds:	
Par Amount	42,815,000.00
Net Premium	<u>7,400,718.25</u>
	50,215,718.25

Other Sources of Funds:	
Sinking Fund Transfer	647,008.33

50,862,726.58

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.50
SLGS Purchases	<u>50,415,512.00</u>
	50,415,512.50

Delivery Date Expenses:	
Cost of Issuance	135,092.38
Underwriter's Discount	267,649.70
Insurance Premium	<u>44,472.00</u>
	447,214.08

50,862,726.58

SAVINGS

State of Florida, Board of Governors University of Central Florida Dormitory Revenue Refunding Bonds, Series 2021A

Final Calculations

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 08/12/2021 @ 1.7493218%
07/01/2022	1,941,025.00	647,008.33	1,294,016.67	1,112,184.59	181,832.08	179,036.43
07/01/2023	4,407,775.00	-	4,407,775.00	3,683,787.50	723,987.50	709,099.31
07/01/2024	4,408,025.00	-	4,408,025.00	3,682,037.50	725,987.50	698,902.80
07/01/2025	4,414,900.00	-	4,414,900.00	3,685,037.50	729,862.50	690,395.53
07/01/2026	4,410,450.00	-	4,410,450.00	3,682,537.50	727,912.50	676,541.04
07/01/2027	4,404,850.00	-	4,404,850.00	3,679,412.50	725,437.50	662,495.54
07/01/2028	4,402,756.25	-	4,402,756.25	3,675,412.50	727,343.75	652,659.19
07/01/2029	4,403,487.50	-	4,403,487.50	3,680,037.50	723,450.00	637,860.17
07/01/2030	4,411,487.50	-	4,411,487.50	3,682,787.50	728,700.00	631,302.71
07/01/2031	4,411,737.50	-	4,411,737.50	3,683,412.50	728,325.00	620,035.99
07/01/2032	2,602,631.25	-	2,602,631.25	2,175,287.50	427,343.75	357,002.68
07/01/2033	2,601,425.00	-	2,601,425.00	2,175,037.50	426,387.50	350,005.71
07/01/2034	2,598,162.50	-	2,598,162.50	2,170,787.50	427,375.00	344,729.02
07/01/2035	2,599,537.50	-	2,599,537.50	2,171,562.50	427,975.00	339,282.12
07/01/2036	2,602,406.25	-	2,602,406.25	2,172,412.50	429,993.75	335,096.47
07/01/2037	2,601,662.50	-	2,601,662.50	2,175,412.50	426,250.00	326,533.16
07/01/2038	2,602,200.00	-	2,602,200.00	2,171,712.50	430,487.50	324,264.21
07/01/2039	2,598,912.50	-	2,598,912.50	2,171,812.50	427,100.00	316,328.56
07/01/2040	2,601,587.50	-	2,601,587.50	2,174,775.00	426,812.50	310,833.09
07/01/2041	2,600,012.50	-	2,600,012.50	2,170,575.00	429,437.50	307,530.61
07/01/2042	2,599,081.25	-	2,599,081.25	2,169,131.25	429,950.00	302,764.45
	70,224,112.50	647,008.33	69,577,104.17	58,145,153.34	11,431,950.83	9,772,698.78

Savings Summary

PV of savings from cash flow	9,772,698.78
Net PV Savings	9,772,698.78

SUMMARY OF REFUNDING RESULTS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Dated Date	08/12/2021
Delivery Date	08/12/2021
Arbitrage yield	1.549126%
Escrow yield	0.040277%
Value of Negative Arbitrage	100,923.79
Bond Par Amount	42,815,000.00
True Interest Cost	1.717738%
Net Interest Cost	1.855436%
Average Coupon	3.470028%
Average Life	10.319
Par amount of refunded bonds	49,445,000.00
Average coupon of refunded bonds	4.027851%
Average life of refunded bonds	10.079
PV of prior debt to 08/12/2021 @ 1.749322%	60,188,211.28
Net PV Savings	9,772,698.78
Percentage savings of refunded bonds	19.764787%

BOND SUMMARY STATISTICS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Dated Date	08/12/2021
Delivery Date	08/12/2021
First Coupon	10/01/2021
Last Maturity	10/01/2041
Arbitrage Yield	1.549126%
True Interest Cost (TIC)	1.717738%
Net Interest Cost (NIC)	1.855436%
All-In TIC	1.749322%
Average Coupon	3.470028%
Average Life (years)	10.319
Weighted Average Maturity (years)	10.021
Duration of Issue (years)	8.662
Par Amount	42,815,000.00
Bond Proceeds	50,215,718.25
Total Interest	15,330,153.34
Net Interest	8,197,084.79
Total Debt Service	58,145,153.34
Maximum Annual Debt Service	3,685,037.50
Average Annual Debt Service	2,887,605.90
Underwriter's Fees (per \$1000)	
Average Takedown	-
Other Fee	6.251307
Total Underwriter's Discount	6.251307
Bid Price	116.660209

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds	26,915,000.00	124.693	5.000%	6.513	5.858	18,942.80
Insured Serial Bonds	15,900,000.00	104.745	2.464%	16.761	13.809	20,894.55
	42,815,000.00			10.319		39,837.35

	TIC	All-In TIC	Arbitrage Yield
Par Value	42,815,000.00	42,815,000.00	42,815,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	7,400,718.25	7,400,718.25	7,400,718.25
- Underwriter's Discount	(267,649.70)	(267,649.70)	
- Cost of Issuance Expense		(135,092.38)	
- Other Amounts	(44,472.00)	(44,472.00)	(44,472.00)
Target Value	49,903,596.55	49,768,504.17	50,171,246.25
Target Date	08/12/2021	08/12/2021	08/12/2021
Yield	1.717738%	1.749322%	1.549126%

BOND PRICING

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
	10/01/2022	1,985,000	5.000%	0.170%	105.479	-	-	-	108,758.15
	10/01/2023	2,085,000	5.000%	0.260%	110.090	-	-	-	210,376.50
	10/01/2024	2,195,000	5.000%	0.390%	114.355	-	-	-	315,092.25
	10/01/2025	2,305,000	5.000%	0.500%	118.397	-	-	-	424,050.85
	10/01/2026	2,420,000	5.000%	0.660%	121.880	-	-	-	529,496.00
	10/01/2027	2,540,000	5.000%	0.790%	125.167	-	-	-	639,241.80
	10/01/2028	2,675,000	5.000%	0.890%	128.355	-	-	-	758,496.25
	10/01/2029	2,815,000	5.000%	1.000%	131.179	-	-	-	877,688.85
	10/01/2030	2,960,000	5.000%	1.080%	134.014	-	-	-	1,006,814.40
	10/01/2031	1,565,000	5.000%	1.150%	136.734	-	-	-	574,887.10
	10/01/2032	1,645,000	5.000%	1.230%	135.822 C	1.496%	10/01/2031	100.000	589,271.90
	10/01/2033	1,725,000	5.000%	1.260%	135.481 C	1.743%	10/01/2031	100.000	612,047.25
		<u>26,915,000</u>							<u>6,646,221.30</u>
Insured Serial Bonds:									
	10/01/2034	1,805,000	4.000%	1.410%	124.381 C	1.895%	10/01/2031	100.000	440,077.05
	10/01/2035	1,870,000	3.000%	1.650%	112.551 C	1.978%	10/01/2031	100.000	234,703.70
	10/01/2036	1,930,000	3.000%	1.710%	111.957 C	2.075%	10/01/2031	100.000	230,770.10
	10/01/2037	1,975,000	2.000%	2.100%	98.636	-	-	-	(26,939.00)
	10/01/2038	2,015,000	2.000%	2.150%	97.858	-	-	-	(43,161.30)
	10/01/2039	2,060,000	2.125%	2.200%	98.882	-	-	-	(23,030.80)
	10/01/2040	2,100,000	2.125%	2.250%	98.063	-	-	-	(40,677.00)
	10/01/2041	2,145,000	2.250%	2.300%	99.196	-	-	-	(17,245.80)
		<u>15,900,000</u>							<u>754,496.95</u>
		<u>42,815,000</u>							<u>7,400,718.25</u>

Dated Date	08/12/2021	
Delivery Date	08/12/2021	
First Coupon	10/01/2021	
Par Amount	42,815,000.00	
Premium	7,400,718.25	
Production	50,215,718.25	117.285340%
Underwriter's Discount	(267,649.70)	(0.625131%)
Purchase Price	49,948,068.55	116.660209%
Accrued Interest	-	
Net Proceeds	49,948,068.55	
Insurance Premium (paid by UW)	(44,472.00)	
Net Proceeds less Insurance Premium	49,903,596.55	

BOND DEBT SERVICE

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2022	-	-	1,112,184.59	1,112,184.59
07/01/2023	1,985,000	5.000%	1,698,787.50	3,683,787.50
07/01/2024	2,085,000	5.000%	1,597,037.50	3,682,037.50
07/01/2025	2,195,000	5.000%	1,490,037.50	3,685,037.50
07/01/2026	2,305,000	5.000%	1,377,537.50	3,682,537.50
07/01/2027	2,420,000	5.000%	1,259,412.50	3,679,412.50
07/01/2028	2,540,000	5.000%	1,135,412.50	3,675,412.50
07/01/2029	2,675,000	5.000%	1,005,037.50	3,680,037.50
07/01/2030	2,815,000	5.000%	867,787.50	3,682,787.50
07/01/2031	2,960,000	5.000%	723,412.50	3,683,412.50
07/01/2032	1,565,000	5.000%	610,287.50	2,175,287.50
07/01/2033	1,645,000	5.000%	530,037.50	2,175,037.50
07/01/2034	1,725,000	5.000%	445,787.50	2,170,787.50
07/01/2035	1,805,000	4.000%	366,562.50	2,171,562.50
07/01/2036	1,870,000	3.000%	302,412.50	2,172,412.50
07/01/2037	1,930,000	3.000%	245,412.50	2,175,412.50
07/01/2038	1,975,000	2.000%	196,712.50	2,171,712.50
07/01/2039	2,015,000	2.000%	156,812.50	2,171,812.50
07/01/2040	2,060,000	2.125%	114,775.00	2,174,775.00
07/01/2041	2,100,000	2.125%	70,575.00	2,170,575.00
07/01/2042	2,145,000	2.250%	24,131.25	2,169,131.25
	42,815,000		15,330,153.34	58,145,153.34

BOND DEBT SERVICE

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2021	-	-	237,978.34	237,978.34	-
04/01/2022	-	-	874,206.25	874,206.25	-
07/01/2022	-	-	-	-	1,112,184.59
10/01/2022	1,985,000	5.000%	874,206.25	2,859,206.25	-
04/01/2023	-	-	824,581.25	824,581.25	-
07/01/2023	-	-	-	-	3,683,787.50
10/01/2023	2,085,000	5.000%	824,581.25	2,909,581.25	-
04/01/2024	-	-	772,456.25	772,456.25	-
07/01/2024	-	-	-	-	3,682,037.50
10/01/2024	2,195,000	5.000%	772,456.25	2,967,456.25	-
04/01/2025	-	-	717,581.25	717,581.25	-
07/01/2025	-	-	-	-	3,685,037.50
10/01/2025	2,305,000	5.000%	717,581.25	3,022,581.25	-
04/01/2026	-	-	659,956.25	659,956.25	-
07/01/2026	-	-	-	-	3,682,537.50
10/01/2026	2,420,000	5.000%	659,956.25	3,079,956.25	-
04/01/2027	-	-	599,456.25	599,456.25	-
07/01/2027	-	-	-	-	3,679,412.50
10/01/2027	2,540,000	5.000%	599,456.25	3,139,456.25	-
04/01/2028	-	-	535,956.25	535,956.25	-
07/01/2028	-	-	-	-	3,675,412.50
10/01/2028	2,675,000	5.000%	535,956.25	3,210,956.25	-
04/01/2029	-	-	469,081.25	469,081.25	-
07/01/2029	-	-	-	-	3,680,037.50
10/01/2029	2,815,000	5.000%	469,081.25	3,284,081.25	-
04/01/2030	-	-	398,706.25	398,706.25	-
07/01/2030	-	-	-	-	3,682,787.50
10/01/2030	2,960,000	5.000%	398,706.25	3,358,706.25	-
04/01/2031	-	-	324,706.25	324,706.25	-
07/01/2031	-	-	-	-	3,683,412.50
10/01/2031	1,565,000	5.000%	324,706.25	1,889,706.25	-
04/01/2032	-	-	285,581.25	285,581.25	-
07/01/2032	-	-	-	-	2,175,287.50
10/01/2032	1,645,000	5.000%	285,581.25	1,930,581.25	-
04/01/2033	-	-	244,456.25	244,456.25	-
07/01/2033	-	-	-	-	2,175,037.50
10/01/2033	1,725,000	5.000%	244,456.25	1,969,456.25	-
04/01/2034	-	-	201,331.25	201,331.25	-
07/01/2034	-	-	-	-	2,170,787.50
10/01/2034	1,805,000	4.000%	201,331.25	2,006,331.25	-
04/01/2035	-	-	165,231.25	165,231.25	-
07/01/2035	-	-	-	-	2,171,562.50
10/01/2035	1,870,000	3.000%	165,231.25	2,035,231.25	-
04/01/2036	-	-	137,181.25	137,181.25	-
07/01/2036	-	-	-	-	2,172,412.50
10/01/2036	1,930,000	3.000%	137,181.25	2,067,181.25	-
04/01/2037	-	-	108,231.25	108,231.25	-
07/01/2037	-	-	-	-	2,175,412.50
10/01/2037	1,975,000	2.000%	108,231.25	2,083,231.25	-
04/01/2038	-	-	88,481.25	88,481.25	-
07/01/2038	-	-	-	-	2,171,712.50
10/01/2038	2,015,000	2.000%	88,481.25	2,103,481.25	-
04/01/2039	-	-	68,331.25	68,331.25	-
07/01/2039	-	-	-	-	2,171,812.50
10/01/2039	2,060,000	2.125%	68,331.25	2,128,331.25	-
04/01/2040	-	-	46,443.75	46,443.75	-
07/01/2040	-	-	-	-	2,174,775.00
10/01/2040	2,100,000	2.125%	46,443.75	2,146,443.75	-
04/01/2041	-	-	24,131.25	24,131.25	-
07/01/2041	-	-	-	-	2,170,575.00
10/01/2041	2,145,000	2.250%	24,131.25	2,169,131.25	-
07/01/2042	-	-	-	-	2,169,131.25
	42,815,000		15,330,153.34	58,145,153.34	58,145,153.34

SUMMARY OF BONDS REFUNDED

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2012A (Refunding Portion), SERIAL:					
	10/01/2022	5.000%	1,325,000.00	10/01/2021	100.000
	10/01/2023	5.000%	1,395,000.00	10/01/2021	100.000
	10/01/2024	3.000%	1,455,000.00	10/01/2021	100.000
	10/01/2025	3.000%	1,495,000.00	10/01/2021	100.000
	10/01/2026	3.250%	1,540,000.00	10/01/2021	100.000
	10/01/2027	3.250%	1,590,000.00	10/01/2021	100.000
	10/01/2028	3.500%	1,645,000.00	10/01/2021	100.000
	10/01/2029	3.500%	1,710,000.00	10/01/2021	100.000
	10/01/2030	4.000%	1,775,000.00	10/01/2021	100.000
			13,930,000.00		
Series 2012A (New Money Portion), SERIAL:					
	10/01/2022	5.000%	1,205,000.00	10/01/2021	100.000
	10/01/2023	5.000%	1,265,000.00	10/01/2021	100.000
	10/01/2024	3.000%	1,320,000.00	10/01/2021	100.000
	10/01/2025	3.000%	1,360,000.00	10/01/2021	100.000
	10/01/2026	3.250%	1,400,000.00	10/01/2021	100.000
	10/01/2027	3.250%	1,445,000.00	10/01/2021	100.000
	10/01/2028	3.500%	1,495,000.00	10/01/2021	100.000
	10/01/2029	3.500%	1,550,000.00	10/01/2021	100.000
	10/01/2030	4.000%	1,610,000.00	10/01/2021	100.000
	10/01/2031	3.750%	1,675,000.00	10/01/2021	100.000
	10/01/2032	4.000%	1,740,000.00	10/01/2021	100.000
			16,065,000.00		
Series 2012A (New Money Portion), TERM2037:					
	10/01/2037	4.250%	9,885,000.00	10/01/2021	100.000
Series 2012A (New Money Portion), TERM2041:					
	10/01/2041	4.250%	9,565,000.00	10/01/2021	100.000
			49,445,000.00		

PRIOR BOND DEBT SERVICE

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2022	-	-	1,941,025.00	1,941,025.00
07/01/2023	2,530,000	5.000%	1,877,775.00	4,407,775.00
07/01/2024	2,660,000	5.000%	1,748,025.00	4,408,025.00
07/01/2025	2,775,000	3.000%	1,639,900.00	4,414,900.00
07/01/2026	2,855,000	3.000%	1,555,450.00	4,410,450.00
07/01/2027	2,940,000	3.250%	1,464,850.00	4,404,850.00
07/01/2028	3,035,000	3.250%	1,367,756.25	4,402,756.25
07/01/2029	3,140,000	3.500%	1,263,487.50	4,403,487.50
07/01/2030	3,260,000	3.500%	1,151,487.50	4,411,487.50
07/01/2031	3,385,000	4.000%	1,026,737.50	4,411,737.50
07/01/2032	1,675,000	3.750%	927,631.25	2,602,631.25
07/01/2033	1,740,000	4.000%	861,425.00	2,601,425.00
07/01/2034	1,810,000	4.250%	788,162.50	2,598,162.50
07/01/2035	1,890,000	4.250%	709,537.50	2,599,537.50
07/01/2036	1,975,000	4.250%	627,406.25	2,602,406.25
07/01/2037	2,060,000	4.250%	541,662.50	2,601,662.50
07/01/2038	2,150,000	4.250%	452,200.00	2,602,200.00
07/01/2039	2,240,000	4.250%	358,912.50	2,598,912.50
07/01/2040	2,340,000	4.250%	261,587.50	2,601,587.50
07/01/2041	2,440,000	4.250%	160,012.50	2,600,012.50
07/01/2042	2,545,000	4.250%	54,081.25	2,599,081.25
	49,445,000		20,779,112.50	70,224,112.50

PRIOR BOND DEBT SERVICE

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2021	-	-	970,512.50	970,512.50	-
04/01/2022	-	-	970,512.50	970,512.50	-
07/01/2022	-	-	-	-	1,941,025.00
10/01/2022	2,530,000	5.000%	970,512.50	3,500,512.50	-
04/01/2023	-	-	907,262.50	907,262.50	-
07/01/2023	-	-	-	-	4,407,775.00
10/01/2023	2,660,000	5.000%	907,262.50	3,567,262.50	-
04/01/2024	-	-	840,762.50	840,762.50	-
07/01/2024	-	-	-	-	4,408,025.00
10/01/2024	2,775,000	3.000%	840,762.50	3,615,762.50	-
04/01/2025	-	-	799,137.50	799,137.50	-
07/01/2025	-	-	-	-	4,414,900.00
10/01/2025	2,855,000	3.000%	799,137.50	3,654,137.50	-
04/01/2026	-	-	756,312.50	756,312.50	-
07/01/2026	-	-	-	-	4,410,450.00
10/01/2026	2,940,000	3.250%	756,312.50	3,696,312.50	-
04/01/2027	-	-	708,537.50	708,537.50	-
07/01/2027	-	-	-	-	4,404,850.00
10/01/2027	3,035,000	3.250%	708,537.50	3,743,537.50	-
04/01/2028	-	-	659,218.75	659,218.75	-
07/01/2028	-	-	-	-	4,402,756.25
10/01/2028	3,140,000	3.500%	659,218.75	3,799,218.75	-
04/01/2029	-	-	604,268.75	604,268.75	-
07/01/2029	-	-	-	-	4,403,487.50
10/01/2029	3,260,000	3.500%	604,268.75	3,864,268.75	-
04/01/2030	-	-	547,218.75	547,218.75	-
07/01/2030	-	-	-	-	4,411,487.50
10/01/2030	3,385,000	4.000%	547,218.75	3,932,218.75	-
04/01/2031	-	-	479,518.75	479,518.75	-
07/01/2031	-	-	-	-	4,411,737.50
10/01/2031	1,675,000	3.750%	479,518.75	2,154,518.75	-
04/01/2032	-	-	448,112.50	448,112.50	-
07/01/2032	-	-	-	-	2,602,631.25
10/01/2032	1,740,000	4.000%	448,112.50	2,188,112.50	-
04/01/2033	-	-	413,312.50	413,312.50	-
07/01/2033	-	-	-	-	2,601,425.00
10/01/2033	1,810,000	4.250%	413,312.50	2,223,312.50	-
04/01/2034	-	-	374,850.00	374,850.00	-
07/01/2034	-	-	-	-	2,598,162.50
10/01/2034	1,890,000	4.250%	374,850.00	2,264,850.00	-
04/01/2035	-	-	334,687.50	334,687.50	-
07/01/2035	-	-	-	-	2,599,537.50
10/01/2035	1,975,000	4.250%	334,687.50	2,309,687.50	-
04/01/2036	-	-	292,718.75	292,718.75	-
07/01/2036	-	-	-	-	2,602,406.25
10/01/2036	2,060,000	4.250%	292,718.75	2,352,718.75	-
04/01/2037	-	-	248,943.75	248,943.75	-
07/01/2037	-	-	-	-	2,601,662.50
10/01/2037	2,150,000	4.250%	248,943.75	2,398,943.75	-
04/01/2038	-	-	203,256.25	203,256.25	-
07/01/2038	-	-	-	-	2,602,200.00
10/01/2038	2,240,000	4.250%	203,256.25	2,443,256.25	-
04/01/2039	-	-	155,656.25	155,656.25	-
07/01/2039	-	-	-	-	2,598,912.50
10/01/2039	2,340,000	4.250%	155,656.25	2,495,656.25	-
04/01/2040	-	-	105,931.25	105,931.25	-
07/01/2040	-	-	-	-	2,601,587.50
10/01/2040	2,440,000	4.250%	105,931.25	2,545,931.25	-
04/01/2041	-	-	54,081.25	54,081.25	-
07/01/2041	-	-	-	-	2,600,012.50
10/01/2041	2,545,000	4.250%	54,081.25	2,599,081.25	-
07/01/2042	-	-	-	-	2,599,081.25
	49,445,000		20,779,112.50	70,224,112.50	70,224,112.50

ESCROW REQUIREMENTS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Period Ending	Interest	Principal Redeemed	Total
10/01/2021	970,512.50	49,445,000.00	50,415,512.50
	970,512.50	49,445,000.00	50,415,512.50

ESCROW SUFFICIENCY

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
08/12/2021	-	0.50	0.50	0.50
09/30/2021	-	50,418,219.24	50,418,219.24	50,418,219.74
10/01/2021	50,415,512.50	-	(50,415,512.50)	2,707.24
	50,415,512.50	50,418,219.74	2,707.24	

ESCROW DESCRIPTIONS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Aug 12, 2021: SLGS	Certificate	09/30/2021	09/30/2021	50,415,512	0.040%	0.040%
				50,415,512		

SLGS Summary

SLGS Rates File	07JUL21
Total Certificates of Indebtedness	50,415,512.00

ESCROW STATISTICS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
NBP	647,008.33	0.133	0.040273%	0.040273%	647,008.33	1,295.21	-
BP	49,768,504.17	0.133	0.040277%	0.040277%	49,768,504.17	99,628.58	-
	50,415,512.50				50,415,512.50	100,923.79	0.00

Delivery date 08/12/2021
Arbitrage yield 1.549126%

PROOF OF ARBITRAGE YIELD

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Date	Debt Service	Present Value to 08/12/2021 @ 1.5491262862%
10/01/2021	237,978.34	237,479.01
04/01/2022	874,206.25	865,666.85
10/01/2022	2,859,206.25	2,809,515.55
04/01/2023	824,581.25	804,023.03
10/01/2023	2,909,581.25	2,815,234.63
04/01/2024	772,456.25	741,663.79
10/01/2024	2,967,456.25	2,827,265.44
04/01/2025	717,581.25	678,425.90
10/01/2025	3,022,581.25	2,835,687.67
04/01/2026	659,956.25	614,390.70
10/01/2026	3,079,956.25	2,845,267.54
04/01/2027	599,456.25	549,522.06
10/01/2027	3,139,456.25	2,855,822.09
04/01/2028	535,956.25	483,788.04
10/01/2028	3,210,956.25	2,876,134.91
04/01/2029	469,081.25	416,938.52
10/01/2029	3,284,081.25	2,896,589.22
04/01/2030	398,706.25	348,959.59
10/01/2030	3,358,706.25	2,917,045.42
04/01/2031	324,706.25	279,840.71
10/01/2031	10,864,706.25	9,291,531.62
04/01/2032	108,231.25	91,848.29
10/01/2032	108,231.25	91,142.33
04/01/2033	108,231.25	90,441.81
10/01/2033	108,231.25	89,746.66
04/01/2034	108,231.25	89,056.86
10/01/2034	108,231.25	88,372.36
04/01/2035	108,231.25	87,693.12
10/01/2035	108,231.25	87,019.10
04/01/2036	108,231.25	86,350.27
10/01/2036	108,231.25	85,686.57
04/01/2037	108,231.25	85,027.97
10/01/2037	2,083,231.25	1,624,036.23
04/01/2038	88,481.25	68,447.65
10/01/2038	2,103,481.25	1,614,711.83
04/01/2039	68,331.25	52,050.49
10/01/2039	2,128,331.25	1,608,769.25
04/01/2040	46,443.75	34,836.21
10/01/2040	2,146,443.75	1,597,615.25
04/01/2041	24,131.25	17,823.03
10/01/2041	2,169,131.25	1,589,778.68
	57,159,903.34	50,171,246.25

Proceeds Summary

Delivery date	08/12/2021
Par Value	42,815,000.00
Premium (Discount)	7,400,718.25
Arbitrage expenses	(44,472.00)
Target for yield calculation	50,171,246.25

PROOF OF ARBITRAGE YIELD

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
INSURED	10/01/2034	4.000%	1.410%	10/01/2031	100.000	1.4103119%
INSURED	10/01/2035	3.000%	1.650%	10/01/2031	100.000	1.6503416%
INSURED	10/01/2036	3.000%	1.710%	10/01/2031	100.000	1.7102672%
SERIALS	10/01/2032	5.000%	1.230%	10/01/2031	100.000	1.2302831%
SERIALS	10/01/2033	5.000%	1.260%	10/01/2031	100.000	1.2603533%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
INSURED	10/01/2034	4.000%	1.410%	-	-	1.8948360%	0.4845241%
INSURED	10/01/2035	3.000%	1.650%	-	-	1.9779899%	0.3276483%
INSURED	10/01/2036	3.000%	1.710%	-	-	2.0755230%	0.3652558%
SERIALS	10/01/2032	5.000%	1.230%	-	-	1.4960541%	0.2657710%
SERIALS	10/01/2033	5.000%	1.260%	-	-	1.7436879%	0.4833346%

FORM 8038 STATISTICS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Dated Date 08/12/2021
Delivery Date 08/12/2021

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	10/01/2022	1,985,000.00	5.000%	105.479	2,093,758.15	1,985,000.00
	10/01/2023	2,085,000.00	5.000%	110.090	2,295,376.50	2,085,000.00
	10/01/2024	2,195,000.00	5.000%	114.355	2,510,092.25	2,195,000.00
	10/01/2025	2,305,000.00	5.000%	118.397	2,729,050.85	2,305,000.00
	10/01/2026	2,420,000.00	5.000%	121.880	2,949,496.00	2,420,000.00
	10/01/2027	2,540,000.00	5.000%	125.167	3,179,241.80	2,540,000.00
	10/01/2028	2,675,000.00	5.000%	128.355	3,433,496.25	2,675,000.00
	10/01/2029	2,815,000.00	5.000%	131.179	3,692,688.85	2,815,000.00
	10/01/2030	2,960,000.00	5.000%	134.014	3,966,814.40	2,960,000.00
	10/01/2031	1,565,000.00	5.000%	136.734	2,139,887.10	1,565,000.00
	10/01/2032	1,645,000.00	5.000%	135.822	2,234,271.90	1,645,000.00
	10/01/2033	1,725,000.00	5.000%	135.481	2,337,047.25	1,725,000.00
Insured Serial Bonds:						
	10/01/2034	1,805,000.00	4.000%	124.381	2,245,077.05	1,805,000.00
	10/01/2035	1,870,000.00	3.000%	112.551	2,104,703.70	1,870,000.00
	10/01/2036	1,930,000.00	3.000%	111.957	2,160,770.10	1,930,000.00
	10/01/2037	1,975,000.00	2.000%	98.636	1,948,061.00	1,975,000.00
	10/01/2038	2,015,000.00	2.000%	97.858	1,971,838.70	2,015,000.00
	10/01/2039	2,060,000.00	2.125%	98.882	2,036,969.20	2,060,000.00
	10/01/2040	2,100,000.00	2.125%	98.063	2,059,323.00	2,100,000.00
	10/01/2041	2,145,000.00	2.250%	99.196	2,127,754.20	2,145,000.00
42,815,000.00					50,215,718.25	42,815,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	10/01/2041	2.250%	2,127,754.20	2,145,000.00	-	-
Entire Issue	-	-	50,215,718.25	42,815,000.00	10.0205	1.5491%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	402,742.08
Proceeds used for credit enhancement	44,472.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to refund prior tax-exempt bonds	49,768,504.17
Proceeds used to refund prior taxable bonds	0.00
Remaining WAM of prior tax-exempt bonds (years)	9.8842
Remaining WAM of prior taxable bonds (years)	0.0000
Last call date of refunded tax-exempt bonds	10/01/2021

2011 Form 8038 Statistics

Proceeds used to currently refund prior issues	49,768,504.17
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	9.8842
Remaining weighted average maturity of the bonds to be advance refunded	0.0000

FORM 8038 STATISTICS

**State of Florida, Board of Governors
University of Central Florida
Dormitory Revenue Refunding Bonds, Series 2021A**

Final Calculations

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Series 2012A (Refunding Portion):					
SERIAL	10/01/2022	1,325,000.00	5.000%	119.156	1,578,817.00
SERIAL	10/01/2023	1,395,000.00	5.000%	117.860	1,644,147.00
SERIAL	10/01/2024	1,455,000.00	3.000%	99.270	1,444,378.50
SERIAL	10/01/2025	1,495,000.00	3.000%	97.914	1,463,814.30
SERIAL	10/01/2026	1,540,000.00	3.250%	99.536	1,532,854.40
SERIAL	10/01/2027	1,590,000.00	3.250%	97.718	1,553,716.20
SERIAL	10/01/2028	1,645,000.00	3.500%	99.498	1,636,742.10
SERIAL	10/01/2029	1,710,000.00	3.500%	97.934	1,674,671.40
SERIAL	10/01/2030	1,775,000.00	4.000%	101.916	1,809,009.00
		13,930,000.00			14,338,149.90
Series 2012A (New Money Portion):					
SERIAL	10/01/2022	1,205,000.00	5.000%	119.156	1,435,829.80
SERIAL	10/01/2023	1,265,000.00	5.000%	117.860	1,490,929.00
SERIAL	10/01/2024	1,320,000.00	3.000%	99.270	1,310,364.00
SERIAL	10/01/2025	1,360,000.00	3.000%	97.914	1,331,630.40
SERIAL	10/01/2026	1,400,000.00	3.250%	99.536	1,393,504.00
SERIAL	10/01/2027	1,445,000.00	3.250%	97.718	1,412,025.10
SERIAL	10/01/2028	1,495,000.00	3.500%	99.498	1,487,495.10
SERIAL	10/01/2029	1,550,000.00	3.500%	97.934	1,517,977.00
SERIAL	10/01/2030	1,610,000.00	4.000%	101.916	1,640,847.60
SERIAL	10/01/2031	1,675,000.00	3.750%	98.493	1,649,757.75
SERIAL	10/01/2032	1,740,000.00	4.000%	100.000	1,740,000.00
TERM2037	10/01/2033	1,810,000.00	4.250%	98.765	1,787,646.50
TERM2037	10/01/2034	1,890,000.00	4.250%	98.765	1,866,658.50
TERM2037	10/01/2035	1,975,000.00	4.250%	98.765	1,950,608.75
TERM2037	10/01/2036	2,060,000.00	4.250%	98.765	2,034,559.00
TERM2037	10/01/2037	2,150,000.00	4.250%	98.765	2,123,447.50
TERM2041	10/01/2038	2,240,000.00	4.250%	97.526	2,184,582.40
TERM2041	10/01/2039	2,340,000.00	4.250%	97.526	2,282,108.40
TERM2041	10/01/2040	2,440,000.00	4.250%	97.526	2,379,634.40
TERM2041	10/01/2041	2,545,000.00	4.250%	97.526	2,482,036.70
		35,515,000.00			35,501,641.90
		49,445,000.00			49,839,791.80

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Series 2012A (Refunding Portion)	10/01/2021	02/23/2012	5.2398
Series 2012A (New Money Portion)	10/01/2021	02/23/2012	11.7600
All Refunded Issues	10/01/2021	-	9.8842

Board of Trustees
Budget and Finance Committee | September 22, 2021

INFO-3: 2020-21 Fixed Capital Outlay Budget Update

☒ **Information** ☐ **Discussion** ☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

This report shows 2020-21 estimated expenditures as reported in the 2020-21 Fixed Capital Outlay Budget (FCO Budget) compared to actual 2020-21 expense.

Background Information:

The 2020-21 FCO Budget was approved by the Board of Trustees on September 10, 2020. Total project cost of \$332 million represents life-to-date totals with project plans spanning multiple fiscal years.

Category	Project Total	FY21 Plan	FY21 Actual	Variance
Education & General (E&G) Operating	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
Minor Carryforward (CF)	18,407,376	14,851,179	9,224,915	5,626,264
Major Carryforward (CF)	14,500,000	14,500,000	431,797	14,068,203
State Appropriated	210,535,606	13,953,572	11,037,065	2,916,507
Non-Appropriated	88,584,677	17,340,002	15,739,257	1,600,745
Total	\$ 332,527,659	\$ 61,144,753	\$ 36,433,034	\$ 24,711,719

The 2020-21 FCO Budget projected \$61 million would be expended in the past fiscal year. Actual expenditures were \$36 million resulting in a variance of \$25 million. Significant variances include:

- **Minor Carryforward Projects** totaled \$14.9 million in planned fiscal year 2020-21 spending. This BOG defined category includes various projects whose total costs do not exceed \$2 million individually. The construction industry as a whole is experiencing multiple challenges including COVID-19 supply chain interruptions, historical increases in demand for engineering services, contractor labor shortages, and material cost escalations and procurement challenges have all led to delays in completing projects and increased overall cost to complete. The fiscal year impact of these challenges resulted in actual expenditures of only \$9.2 million creating a variance of \$5.6 million.
- **Major Carryforward Projects** totaled \$14.5 million in planned fiscal year 2020-21 spending with minimal actual expenses incurred in the year. Projects that exceed \$4 million have heightened state regulations around procurement and the advertising, selection and contract negotiation process takes approximately six months to complete, which means that once final approval has been received from the Board of Governors to spend funds, actual spending from those funds will not begin until several months after approval.

Approved projects in this category include Bioscience, Chemistry, and the Communication and Media roof. The Bioscience project recently completed construction documents and construction expenses are anticipated to start in November. The Chemistry project is at the schematic design stage; design expenses are anticipated to start in fiscal year 2022-23. The Communication and Media building exterior envelope project is about to start construction for curtainwall replacement. The roof portion of this project will trail behind the Higher Education Emergency Relief Funds (HEERF) for heating, ventilation, and air conditioning (HVAC) projects and is anticipated to begin next fiscal year.

- **State Appropriated Projects** totaled \$13.9 million in planned fiscal year 2020-21 spending. Public Education Capital Outlay (PECO) and Capital Improvement Trust Funds (CITF) are the primary source of funds for projects in this category, and in most instances individual projects are specifically appropriated from the state. Significant projects included the John Hitt Library Renovations (\$82 million), UCF Downtown Academic Building (\$66 million), and Partnership IV and V (\$42 million). These projects are either nearing or already in final close-out stage which means the challenges described above have had less of an impact and spending in this group tracked closer to plan.

Cost revisions for projects in this category were minimal. There was a \$1 million reallocation of funding from general PECO funds for repairs, renovations, and remodels to the Burnett Biomedical Science building controls. Significant projects that closed in 2020-21 include the John Hitt Library Renovation Phase I (\$39 million) and CREOL Phase II Expansion (\$7 million). These projects will not carry forward to the 2021-22 Fixed Capital Outlay Budget.

- **Non-Appropriated Projects** totaled \$17.3 million in planned fiscal year 2020-21 spending. This category includes projects whose funding stems from non-state sources such as philanthropy and auxiliary revenues. Similar to State Appropriated Projects, these projects were close enough to completion to avoid the supply chain and labor challenges encountered by newer projects.

Cost revisions for projects in this category were minimal. The Downtown Central Energy Plant with a total project cost of \$12.8 million was completed during the 2020-21 and will not carry forward to the 2021-22 Fixed Capital Outlay Budget.

Recommended Action:

For information only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

Refer to Background Information section above.

Authority for Board of Trustees Action:

UCF Policy 3-211 University Budgeting Process requires periodic reports of budget to actuals and variance explanations to the Board of Trustees.

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



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

Submitted by:

Gerald Hector, Senior Vice President of Administration and Finance

Supporting Documentation:

Attachment A: 2020-21 Fixed Capital Outlay Budget Update

Facilitators/Presenters:

Gerald Hector, Senior Vice President of Administration and Finance

Jon Varnell, Vice President for Facilities and Business Operations

Attachment A
University of Central Florida
2020-21 Fixed Capital Outlay (FCO) Update
As of June 30, 2021

CFSP item #	Category	Project Title/Name	Description	2020-21 Approved Fixed Capital Outlay Budget		Cost Revisions	Revised Project		Encumbrance	Balance	2020-21 Estimated	2020-21	Variance	Comments
				Source	Amount		Cost	Expenditures			Expense per FCO Budget	Actuals		
	Education & General (E&G) Operating Projects													
	Consolidated line item of all FCO/capitalized projects funded from E&G operating funds, pursuant to Board regulations 14.003(2)(a) and 9.001. No individual project exceeds \$1M. This is a single line item in both Operating and FCO budgets.			E&G Operating	500,000	-	500,000	-	-	500,000	500,000	-	500,000	There were no projects funded from E&G operating funds during 2020-21 that met the Board of Governors fixed capital outlay reporting thresholds.
	Minor Carryforward (CF) Projects													
1	Consolidated line item of all FCO projects with a cost of less than \$2M funded from E&G CF funds, pursuant to Board regulation 14.003(2)(b). Includes replacement of facilities less than 10,000 gross sf. This is a single line item in both Operating and FCO budgets. For a detailed listing of projects, refer to the E&G Carryforward Spending Plan (CFSP).			E&G Carryforward	500,000	500,000	1,000,000							
	Millican Hall HVAC	Upgrade HVAC system, clean, coat and seal ductwork	Prior Year E&G	1,000,000	-	1,000,000	1,166,964	474,739	358,297	1,414,974	1,092,762	322,212	Cost increase funded from carryforward funds initially planned for deferred maintenance (non-FCO).	
				1,500,000	500,000	2,000,000								
2	CREOL Lab	Exhaust fan replacement	E&G Carryforward	150,000	(150,000)	-	-	-	-	150,000	-	150,000	Project has been canceled and integrated to CREOL Building Automation and Control Systems project below.	
3	CREOL Building Automation and Control Systems	Replace five different control systems under one native BACnet system	E&G Carryforward	750,000	498,941	1,248,941	-	630,000	618,941	750,000	-	750,000		
	Minor projects funded from E&G in prior years			Prior Year E&G	16,007,376	436,470	16,443,846							
			E&G Carryforward	-	240,000	240,000	9,818,695	3,502,516	3,362,635	12,536,205	8,132,153	4,404,052		
				16,007,376	676,470	16,683,846								
Major Carryforward (CF) Projects														
Any FCO project funded in whole or in part from CF funds, where total individual FCO project cost exceeds \$2M, pursuant to Board regulation 14.003(2)(c).														
4	Bioscience Building Renovation, Repairs, and Maintenance	HVAC and other system repairs and upgrades	E&G Carryforward	5,000,000	-	5,000,000	172,567	249,382	4,578,051	5,000,000	172,567	4,827,433	100% construction documents are to be completed within the next couple of months and the project will go out to bid.	
5	Chemistry Building Renovation, Repairs, and Maintenance	HVAC and other system repairs and upgrades	E&G Carryforward	5,000,000	-	5,000,000	-	42,798	4,957,202	5,000,000	-	5,000,000		Design contract has been issued and encumbered.
6	Communication and Media Building Roof Replacement	Roof renovation, exterior masonry, and stucco wall repairs	E&G Carryforward	4,500,000	-	4,500,000	259,230	937,790	3,302,980	4,500,000	259,230	4,240,770	Contract has been issued for the glass curtain wall.	
State Appropriated Projects														
Pursuant to Board Regulation 14.003(12)(d). All FCO projects using funds originally appropriated as FCO funds by the State of Florida, notwithstanding criteria in Board regulation 14.001. Never to be included in the operating budget. Examples, PECO and CITF.														
	Partnership IV and V	Building purchase and renovation for partnership with the Department of Defense	PECO	42,000,000	-	42,000,000	41,490,732	123,668	385,600	2,543,993	2,037,978	506,015	Project-specific PECO allocation	
	UCF Downtown Academic Building	Design and construction for new building	PECO	20,000,000	-	20,000,000								
			Auxiliary	23,739,745	227,243	23,966,988	66,177,696	354,823	74,724	1,625,211	3,373,655	(1,748,444)		Project is in closeout
			Donations	16,807,317	-	16,807,317								
			Prior Year E&G	5,832,938	-	5,832,938								
				66,380,000	227,243	66,607,243								
	WUCF TV Replace Pedestals	Replace pedestals	PECO	195,000	-	195,000	195,000	-	-	5,334	5,334	-	Project closed	
	WUCF TV Replace Studio Lights	Replace studio lights	PECO	327,895	-	327,895	327,353	-	542	77,640	77,098	542	Project is in closeout	
	Repair, Maintenance, Renovation, Remodel (Sum of Digits)	Minor projects - repair, maintenance, renovation, remodel, site improvements	PECO	6,734,841	(1,051,894)	5,682,947	3,082,508	-	2,600,439	1,546,878	47,017	1,499,861	PECO funding for RMRR (sum of digits)	
	Research Transgenic Animal Facility Renovation and HVAC Upgrade			PECO	1,504,629	-	1,504,629							
			C&G	154,736	(83,035)	71,701	1,598,292	-	(0)	254,860	170,669	84,191	Project closed	
			Prior Year E&G	23,119	(1,157)	21,962								
				1,682,484	(84,192)	1,598,292								
	Communication and Media Building Replace Roof Section	Re-roof one section of the building, remove three curbs, create crickets and re-flash around AC units	PECO	332,257	(6,114)	326,143								
			Prior Year E&G	57,778	-	57,778	383,922	-	-	82,737	276,023	(193,286)	Project closed	
				390,035	(6,114)	383,921								
	Nicholson School of Communication Roof	Roof recoating	PECO	1,150,000	(400,000)	750,000	628,882	80,535	40,583	1,083,236	562,117	521,119	PECO funding for RMRR (sum of digits)	
	College of Science building HVAC Control System Replacement	Replace HVAC control system for College of Science building	PECO	1,061,700	-	1,061,700								
			Prior Year E&G	466,395	-	466,395	917,207	489,030	121,858	1,425,686	814,797	610,889	PECO funding for RMRR (sum of digits)	
				1,528,095	-	1,528,095								
	CREOL Bus Loop	New bus loop with canopy near garage C	Auxiliary	772,674	-	772,674								
			PECO	64,306	-	64,306	707,516	-	129,464	242,205	112,741	129,464	Project closed	
				836,980	-	836,980								
	CREOL Phase II Expansion	Building addition	Auxiliary	5,817,594	-	5,817,594								
			C&G	1,000,000	-	1,000,000	7,026,560	-	-	457,651	813,393	(355,742)	Project closed	
			PECO	208,966	-	208,966								
				7,026,560	-	7,026,560								
	John Hitt Library Renovation Phase I	Expansion- Automated Retrieval Collection (ARC)	CITF	38,772,476	-	38,772,476	38,772,476	-	-	173,023	173,248	(225)	Project closed	

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CFSP Item #	Category	Project Title/Name	Description	2020-21 Approved Fixed Capital Outlay Budget		Cost Revisions	Revised Project Cost	Expenditures	Encumbrance	Balance	2020-21 Estimated	2020-21	Variance	Comments								
				Source	Amount						Expense per FCO Budget	Actuals										
		John Hitt Library Renovation Phase II	Renovation of existing library spaces	CITF	42,978,312	-	42,978,312	7,412,076	840,168	34,726,068	4,080,637	1,957,849	2,122,788	Project-specific CITF allocation								
		Bumett Bio-Medical Sciences - BSBS Controls Upgrade - Phase 1	Upgrade BSBS Controls of the Bumett Bio-Medical Sciences Building	PECO	-	999,485	999,485	-	721,310	278,175		-	-	PECO funding for RMRR (sum of digits)								
		Classroom Building 1 - Roof Membrane Replacement	Roof renovation of Classroom Building 1	PECO	-	458,523	458,523															
				Prior Year E&G	150,000	-	150,000	359,124	178,236	71,163		331,475	(331,475)	PECO funding for RMRR (sum of digits)								
					150,000	458,523	608,523															
		Business Administration I Replace Fire Alarm System	Replace building fire alarm system	Prior Year E&G	382,928	-	382,928															
				PECO	-	211,897	211,897	312,118	202,293	80,414	354,481	283,671	70,810									
					382,928	211,897	594,825															
Non-Appropriated Projects																						
Pursuant to Board Regulation 14.003(12)(e). All FCO projects that have not directly or indirectly used funds appropriated by the State. Examples include private donations, athletic revenues, federal grants, housing/parking revenue bonds, etc. For the purposes herein, please assume a threshold of \$5M or more for listing projects individually, otherwise consolidate all individual projects under \$5M into one line item.																						
		Downtown Parking Garage	Design and construction for new garage	Auxiliary	15,188,162	-	15,188,162	15,081,190	44,713	62,259	1,138,432	1,047,627	90,805	Project is in closeout								
		Roth Athletic Center-Interior Buildout	Buildout of addition	Donations	9,528,000	-	9,528,000	8,281,883	738,300	507,817	5,438,751	5,349,110	89,641	Project is in closeout								
		UCF Downtown Site Infrastructure	Infrastructure work to support all Downtown buildings	Auxiliary	9,116,713	(350,000)	8,766,713	8,415,502	40,794	310,417	1,553,161	857,903	695,258	Project is in closeout								
		Center for Emerging Media Renovation	New classrooms, offices, common areas and bathrooms	Auxiliary	5,864,746	100,000	5,964,746	5,883,162	11,008	70,576	242,804	265,726	(22,922)	Project is in closeout								
		Student Union Expansion	Food court renovation and expansion	Auxiliary	5,686,621	-	5,686,621															
				Activity & Svc Fees	25,853	-	25,853	5,502,248	184,712	25,514	592,824	393,603	199,221	Project is in closeout								
					5,712,474	-	5,712,474															
		Student Union Third Floor	Renovation and expansion	Auxiliary	8,515,417	(156,730)	8,358,687															
				Activity & Svc Fees	4,500,000	-	4,500,000	12,574,795	239,737	44,155	3,386,078	3,580,695	(194,617)	Project is in closeout								
					13,015,417	(156,730)	12,858,687															
		Downtown Central Energy Plant	Design and construct new trigeneration facility for Downtown campus	Auxiliary	12,751,829	-	12,751,829	12,643,172	-	108,657	394,270	290,147	104,123	Project closed								
		Downtown Student Center	UCF Downtown Union West build-out	Auxiliary	5,400,000	25,000	5,425,000	5,418,190	3,826	2,984	49,617	102,244	(52,627)	Project closed; remaining encumbrance has been paid after 6/30. Project will not roll forward to the 2021-22 budget.								
		Individual Projects under \$5M		Auxiliary	8,005,348	(570,904)	7,434,444															
				Donations	2,191,093	-	2,191,093															
				Prior Year E&G	1,810,895	(85,763)	1,725,132	10,710,007	544,008	284,293	4,544,065	3,852,202	691,863	Prior year E&G is for biology growth chamber and specimen storage renovation. Project also partially funded from auxiliary.								
				Contracts & Grants	-	22,943	22,943															
				Activity & Svc Fees	164,696	-	164,696															
					12,007,336	(469,028)	11,538,308															
Total 2020-21 Fixed Capital Outlay Budget					\$	332,527,659	\$	1,029,601	\$	333,557,260	\$	265,319,066	\$	10,634,386	\$	57,603,809	\$	61,144,753	\$	36,433,034	\$	24,711,719

Board of Trustees
Budget and Finance Committee | September 22, 2021

INFO-4: University Banking Service Agreement

☒ **Information**

☐ **Discussion**

☐ **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The University is proposing to sign a new Banking Services Agreement (Attachment A) with Bank of America, N.A. for a term of five (5) years commencing on October 1, 2021 and expiring on September 30, 2026. This agreement would leverage the City of Orlando Government Banking Services agreement which was recently awarded to Bank of America on July 1, 2020 (Attachment B).

As further described in the background information below, the University has entered into various banking related service agreements with Bank of America over the past several years. These agreements all currently contain different terms and expiration dates. This new proposed agreement would supersede all prior agreements between UCF and Bank of America and will help to consolidate the terms for all Government related banking services into one "Integrated Agreement".

Under the current Merchant Services agreement with Bank of America, the University utilizes the Govolution Payment Collection Gateway service. Bank of America support for this gateway service currently sunsets on June 30, 2022. Due to University personnel resource limitations as a result of the KnightVision project, the University does not project to have the staffing necessary to complete a migration to the new Commerce Payment Portal gateway service by the required deadline without incurring substantial additional personnel outsourcing costs. To address this issue, the University negotiated an extension of the Govolution Payment Collection Gateway service with Bank of America through June 30, 2023. With the completion of KnightVision Phase I set to occur on July 1, 2022, this extension would provide the University with the additional year needed to provide the personnel to complete the migration to the new provider by the required deadline. This extension of service from Bank of America resulted in the following additional costs and conditions not outlined in the original City of Orlando banking services agreement:

- Over the migration period of July 2022 to June 2023
 - The bank will contribute \$20,000 a month for 12 months towards the cost of the Govolution gateway
 - The University will contribute \$10,000 a month for 12 months towards the cost of the Govolution gateway
- Upon completion of the University's migration to the Commerce Payment Portal within the allotted 12 months, the University will receive a credit to it's monthly fees of \$10,000 a month during the 12 month following the migration period.
- If additional time is required beyond June 30, 2023 UCF will bear the full cost (\$30,000 monthly) to maintain the Govolution platform, not to exceed September 30, 2023

By leveraging the City of Orlando Government Banking Services agreement, the University expects to receive the following benefits and savings:

- An immediate cost savings of 23% over current contract pricing, excluding gateway services
- Upon conversion to the new Commerce Payment Portal, the additional savings nearly doubles in amount
- The University will receive a Waiver of Deposit Assessment on interest bearing balances

Background Information:

The University previously issued a Request for Proposal (RFP) for banking services on January 30, 2007, and Bank of America was awarded the agreement in February 2007. The agreement became effective on August 1, 2007 and was subsequently renewed on multiple occasions through January 1, 2020. This contract was subsequently renewed again on the following dates:

- On January 13, 2020, the University signed an extension to the banking services agreement which extended the services from January 1, 2020, through June 30, 2021. (Attachment C)
- On June 4, 2021, the University signed a temporary extension to the banking services agreement which extended the services for an additional three-month period from July 1, 2021 to September 30, 2021. (Attachment D)

Over the course of the above agreements, the University also entered into separate agreements with Bank of America for the following additional banking related services:

- On September 27, 2013, the University entered into a Participation Agreement with Bank of America Merchant Services. By signing the Participation Agreement, the University agreed to be bound by the Master Contract and the Merchant Services terms and conditions with the State of Florida, Department of Fiscal Services. The Master Contract with the State of Florida expires on June 11, 2023.
- The University has leveraged the State of Florida ePayments contract that was in place since 2016. This contract currently has an expiration date of June 11, 2023.
- On January 1, 2018, the University joined the University of Florida Corporate Card Service agreement. This was the most advantageous option available for UCF to provide the highest level of rebate for our annual procurement card spend. This contract was competitively rebid in 2020, and now has an expiration of June 2025.

Recommended Action:

For information only.

Alternatives to Decision:

For information only.

Fiscal Impact and Source of Funding:

This agreement is expected to result in immediate cost savings of 23% over current contract pricing, excluding gateway services. Upon conversion to the new Commerce Payment Portal, the additional savings nearly doubles in amount.

The University currently utilizes auxiliary convenience and merchant fees to pay for all banking related services fees.

Authority for Board of Trustees Action:

For information only.

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

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

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: Contract Summary Form

- University of Central Florida Government Banking Services Agreement
- City of Orlando Government Banking Services Agreement
- University of Central Florida 2020 Contract Extension
- University of Central Florida 2021 Contract Extension

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance

Bert Francis, Assistant Vice President for Debt Management and University Treasurer

Summary of Agreement

Purpose/Background	<p>The University is proposing to sign a new Banking Services Agreement. This agreement would leverage the City of Orlando Government Banking Services agreement which was recently awarded to Bank of America on July 1, 2020.</p> <p>Bank of America has been the Government Banking Services provider for the University since 2007.</p>
Parties	Bank of America N.A
Term	This Agreement is for a term of five (5) years commencing on October 1, 2021 and expiring on September 30, 2026. This Agreement may be further extended or renewed, upon mutual consent of the parties.
Obligations of UCF	<p>Payment of required amounts as set forth in Attachment A – University of Central Florida Government Services Agreement (Exhibit A and Exhibit B – Treasury Services Fee Schedule)</p> <p>Fees are estimated to be approximately \$200K annually based on the past 2-year average of \$218K per year.</p>
Obligations of other party	Services will be provided by Bank of America as outlined in Attachment A – University of Central Florida Government Services Agreement , and further detailed in Attachment B – City of Orlando Banking Services Agreement
Financial terms	<p>Bank of America shall provide the Services at the rates as provided on Attachment A – University of Central Florida Government Services Agreement (Exhibit A) effective for the migration period of Payment Collection Gateway to Commerce Payment Portal, and Attachment A – University of Central Florida Government Services Agreement (Exhibit B) effective upon completion of the migration to Commerce Payment Portal.</p> <p>Bank of America agrees it shall waive its standard Deposit Assessment Fee (“FDIC Fee”) on balances held in the Public Funds Interest Checking account. Bank of America reserves the right to review and modify the foregoing waiver of Deposit Assessment Fee, and/or bank fees, upon thirty (30) days prior notice to UCF, should UCF’s average monthly ledger balance exceed historical norms unless notified and agreed upon in advance.</p>
Termination rights	If at any time UCF decides not to pursue or to terminate the planned migration to Commerce Payment Portal, they agree to provide the Bank with 120 days’ notice of cancellation and to fully reimburse the Bank for retroactive and prospective cost

Summary of Agreement

	associated in maintaining the Payment Collection Gateway platform for their exclusive use as outlined above in section 9.
Additional terms	UCF agrees to begin to migrate all Payment Collection Gateway applications to the Bank's new platform Commerce Payment Portal beginning in July 2022. The migration shall be completed by June 30, 2023.
Link to agreement	<ul style="list-style-type: none"> University of Central Florida Government Banking Services Agreement: https://bot.ucf.edu/wp-content/uploads/sites/5/2021/09/University-of-Central-Florida-Govnt-Svcs-Agrmt.pdf City of Orlando Government Banking Services Agreement: https://bot.ucf.edu/wp-content/uploads/sites/5/2021/09/City-of-Orlando-Banking-Services-Agreement.pdf University of Central Florida 2020 Contract Extension https://bot.ucf.edu/wp-content/uploads/sites/5/2021/09/UCF-contract-extension-2020.pdf University of Central Florida 2021 Contract Extension: https://bot.ucf.edu/wp-content/uploads/sites/5/2021/09/2021-UCF-Agreement-Extension.pdf