



Board of Trustees Finance Committee

Tuesday, February 23, 2021
1:20 – 3:00pm
Microsoft Teams Virtual Meeting

Trustees: Michael Griffin, Chair; John Ramil, Vice Chair; Michael Carrere, Charlie Tokarz, Will Weatherford
Jordan Zimmerman, Ex Officio
Foundation Board Liaison: Chip Newton

A G E N D A

- I. Call to Order and Comments Chair Michael Griffin
- II. Public Comments Subject to USF Procedure Chair Griffin
- III. New Business – Action Items
 - a. [Approval of November 10, 2020 Meeting Notes](#) Chair Griffin
 - b. [Expenditure Authorization Requests](#) Vice President/CFO Nick Trivunovich
 - c. [Revised 2020-21 Fixed Capital Outlay Budget](#) Vice President/CFO Nick Trivunovich
- IV. New Business – Information Items
 - a. [DSO Mid-Year Forecasts](#) University Treasurer Fell Stubbs/DSO CEOs & CFOs
 - 1. University Medical Services Assoc., Inc. & USF Medical Services Support Corp.
 - 2. USF Foundation, Inc.
 - 3. USF Research Foundation, Inc.
 - 4. Sun Dome, Inc.
 - 5. USF Health Professions Conferencing Corp.
 - b. Budget Update
 - 1. [Legislative Budget](#) Assistant Vice President Mark Walsh
 - 2. [Budget Realignment Process](#) Vice President/CFO Nick Trivunovich
- V. Adjournment Chair Griffin



**USF Board of Trustees
Finance Committee
NOTES
November 10, 2020
Microsoft Teams Virtual Meeting**

I. Call to Order and Comments

The meeting of the Finance Committee was called to order by Chair Michael Griffin at 1:18 pm. Chair Griffin asked Dr. Cindy Visot to call roll. Dr. Visot called roll with the following committee members present: Michael Griffin, Mike Carrere, Les Muma, John Ramil, Charlie Tokarz, Jordan Zimmerman and Chip Newton. A quorum was established.

II. Public Comments Subject to USF Procedure

The Committee received three requests for public comment. Mr. Matt O'Brien, Ms. Sarah Townsend, and Ms. Amber MacDonald each spoke in regards to the recent publicity surrounding the College of Education budget cuts. The individuals are either current students and/or graduates of the College of Education. Each described the impact the College has had on them and the impact the College has enabled them to have on students and their families in the area. Each asked the Board to reconsider any cuts to the undergraduate program.

III. New Business – Action Items

a. Approval of August 25, 2020 Meeting Notes

Upon request and receiving no changes to the draft meeting notes, Chair Griffin requested a motion for approval, it was seconded and the August 25th meeting notes were unanimously approved as submitted by all committee members present.

b. 2021-22 USF Parking System Budget

Fell Stubbs, University Treasurer, presented the 2021-22 USF Parking System Operating Budget and requested approval at this time to meet a February filing requirement by the Board of Governors (BOG). BOG regulation 9.008 requires universities with outstanding auxiliary revenue bonds, issued by the Florida Division of Bond Finance, to annually submit a detailed operating budget to the BOG at least ninety (90) days before the beginning of the fiscal year. The USF Parking Facilities Revenue Bonds, Series 2016A, are the only USF bonds subject to this requirement. BOG Regulation 9.008 also states that the operating budget for University Auxiliary Facilities must be approved by the BOT before submitting to the BOG. The Operating Budget for the USF Parking Facilities Revenue Bonds is due to the BOG in February 2021 for the fiscal period 2021-2022.

The FY 2021-2022 Operating Budget for the USF Parking Facilities Revenue Bonds reflects

lower revenue in FY 2020-2021, primarily due to reduced permit sales partially offset by reduced expenses, followed by positive operations in FY 2021-2022. The unrestricted funds of \$14M provide support for AA credit ratings. Two voluntary disclosures were recently provided to bondholders and rating agencies describing current operating conditions.

Actuals for FY 2019-20 were presented, along with an estimated operating budget for FY2020-21 and a projected operating budget for FY 2021-22. There was a \$1.4M negative impact to revenue in FY 2019-20 due to the transition to distance learning in March 2020 and resulting waived transportation access fees and decreased permit sales.

Debt service is \$2.9M annually. The USF Parking System is a very strong, high credit rated system. The debt service coverage ratio was 2.31x coverage in FY 2018-19; dropped to 1.90x coverage in FY 2019-20; 0.77x coverage in FY 2020-21; and will recover to 1.43x coverage in FY 2021-22.

Chair Zimmerman asked for additional information on expense areas that have been cut this year in Parking & Transportation Services. Raymond Mensah, Director of Parking & Transportation Services, described the expenditure reductions which were implemented without jeopardizing student safety. These include reduced Bull Runner service, deferred non-essential expenses, deferred capital projects (fueling stations, new buses), freeze on vacant positions, and deferred planned major projects (on the 10 year plan) for the next two years. Expenditures were originally budgeted at \$14.5M for FY 2020-21. They have been reduced to \$12.3M; approximately a 14% reduction.

Chair Griffin asked if there have been any discussions with Student Government to get support from the Safe Team in getting students to cars, residence halls, etc. Mr. Mensah explained that the Safe Team is restricted to campus and the Bull Runner has some off-campus routes. He also explained that social distancing protocols are difficult on golf carts, which are the method of transportation for the Safe Team. However, they are looking at ways that the Safe Team can supplement the Bull Runner.

A motion was made to approve the 2021-22 Operating Budget for USF Parking Facilities Revenue Bonds, Series 2016A. The motion was seconded and approved by all committee members present.

c. Expenditure Authorization Requests

Nick Trivunovich, Vice President for Business & Finance and CFO, presented three expenditure authorization requests for approval by the Finance Committee.

- Southeast Chiller Plant (SEC) CH-4 Addition

This request in the amount of \$4,268,550 is to add a 2,300 ton chiller, cooling tower, system pump and condenser pump with required power support in the Southeast Chiller Plant (SEC). This addition will provide capacity to support new buildings in the southeast quadrant (Wellness Center, Football Training Complex and Honors College) while creating much needed redundancy. Failure to increase the cooling capacity of SEC would reduce the ability to support these and other buildings serviced by the plant. Most importantly, should one of the existing chillers fail or need to be taken off-line, this provides the N+1 capacity to continue to serve buildings in the southeast quadrant of campus. The project was originally on the capital projects list for \$4.75M.

The chiller will be funded with carryforward funds. Major equipment and construction will be procured using competitive bidding processes.

A motion was made to approve the expenditure request as presented. The motion was seconded and approved by all Committee members present.

- FM and Health Contracted Labor for General and Enhanced Cleaning

This request in the amount of \$3,834,791 is for the hiring of an outside custodial firm (City-Wide) to mitigate challenges in recruiting and retaining staff in the FM Building Services department and Health departments to include Downtown for general cleaning as well as meet the requirement for additional disinfecting of high touch point surfaces related to COVID-19. This contract is a pricing structure and the estimated annual spend is \$3.8M.

Trustee Carrere asked if there were security concerns/issues for these buildings. Rich Sobieray responded that USF Health has been using this firm for some Health buildings and there have been no issues. Chair Griffin asked if we have KPIs (key performance indicators) in place to be sure we are getting the proper services. Chris Duffy responded, yes, KPIs are in place as well as quality inspections.

A motion was made to approve the expenditure request as presented. The motion was seconded and approved by all Committee members present.

- Schindler Elevator Maintenance Contract Renewal

This request is for a one-year extension of Schindler Elevator Service. The original contract was for 5 years and expenses amounted to \$2.7M. The original contract was executed prior to our current expenditure authorization process so it never came to the Finance Committee. A one year extension to the original contract in the amount of \$605,506 is being requested. Even though the original contract was never brought to the Finance Committee, this expenditure authorization is being presented in order to provide full disclosure to the Committee. The contract services about 113 elevators (102 are in E&G funded buildings and 11 are in auxiliary buildings).

Chair Griffin requested that we look at contract renewal well in advance of the end date so we are not in a bad position to negotiate.

A motion was made to approve the expenditure request as presented. The motion was seconded and approved by all Committee members present.

d. 2020/2021 Fixed Capital Outlay Budget Update

Mr. Trivunovich presented an update to the 2020/2021 Fixed Capital Outlay Budget. The BOT approved the 2020/2021 Fixed Capital Outlay Budget on September 8, 2020. Since that date, there have been additional recommended changes to the plan. These recommended changes are as follows:

- 1) A change in the cost of the Southeast Chiller Plant – Chiller and Cooling Tower #4 from \$4.75M to \$4.27M with the entire amount of the project being initially funded

through E&G Carryforward. The related change would also be made to the 2020/2021 E&G Carryforward Budget.

- 2) The addition of a \$1.25M project for the St. Petersburg campus related to renovations for the Nelson Poynter Memorial Library. This will be entirely funded through donated funds.
- 3) The addition of an \$800K project for the St. Petersburg campus related to a Harbor Hall renovation to support the Graphic Arts program. This project will also be entirely funded through donated funds.

A motion was made to approve changes to the 2020/2021 Fixed Capital Outlay Budget and to approve related changes to the 2020/2021 E&G Carryforward Budget. The motion was seconded and approved by all Committee members present.

IV. New Business – Information Items

a. Draft 2020 Financial Statements

Jennifer Condon, University Controller, provided highlights of the FY 2020 financial statements. There are three themes for the FY 2020 financial statements:

- 1) COVID-19
- 2) Morsani COM and HHI Completion
- 3) GASB Accounting for Pension & Other Post Employment Benefits (OPEB)
 - o Actuarially estimated liabilities of promises to retirees which are out of USF control and significantly impacted by annual investment returns, covered payroll proportions, and various other actuarial assumptions.
 - o Even though the State of Florida pays the contributions, USF must record the liability and cannot record the offsetting receivable.
 - o This is an issue for every public higher education institution.

OPEB and GASB continue to impact net operating results and net position. \$58M year over year variance (from FY19 to FY20) in net operating results, primarily caused by a \$37M reduction in net investment income; a \$26M increase in “non post-employment” compensation/benefits; a \$23M reduction in auxiliary sales/services; and offset by a \$26M reduction in service & supplies expense. Unrestricted net position has also decreased due to liabilities that are not our responsibility – this is happening to all state universities in the country.

Ms. Condon explained variances between 2019 and 2020 in excess of \$10M and 10% as well as variances in excess of \$20M, highlighting the following:

- o 7 accounts fit the criteria on the balance sheet. 2 variances due to CARES Award, Summer “B” payment due date, and COVID-19 impact on UMSA. The remaining variances significantly attributable to Morsani COM & HHI.
- o 4 accounts fit the criteria on the income statement. These variances are largely due to offsetting revenue/expenditure impacts from COVID-19 (auxiliary activities - dining, housing, parking, Study Abroad, bookstore, Arts; student support; CARES financial aid).
- o Compensation & Employee Benefits increased \$66M due to non-cash accruals, salary increases, and increases in health care costs.

- Net Investment Income decreased \$37M due to unrealized gains and losses. A graph of Net Investment Income was provided which showed investment income and unrealized gains/losses separately. Investment income was flat from year to year while unrealized gains and losses decreased \$37M.
- Accumulated Total Cash & Investments decreased \$94.5M in FY20, largely due to timing (\$50M); Morsani/TGH payment (\$20M); and unrealized investments (\$14M).

Days cash on hand is 188, which is favorable to our Moody's median which is in the 150s.

Chair Zimmerman thanked Ms. Condon for an excellent presentation. He asked how this information ties into strategic realignment/renewal and are we seeing any savings now. Mr. Trivunovich explained that strategic realignment/renewal gives us a roadmap for how we want to use our resources.

Trustee Ramil asked if we have an estimate of total cash and investments for FY21 and FY22. Mr. Trivunovich explained that the final plan is due to the BOT in January and what it will do to cash and investments as we implement our plan.

Trustee Ramil commented that Consolidation was well done due to guiding principles provided by the Board. The Board has not done this for the strategic renewal process and it would be a good idea. Chair Zimmerman agreed. President Currall stated that we would welcome a dialogue on this and would be eager to review guiding principles for this process.

b. Strategic Realignment Update

Mr. Lechner and Mr. Trivunovich gave an update on the University's Strategic Realignment process and activities to date. The goal is to have a balanced budget by June 30, 2022. The total planning target is \$93.7M, consisting of an 8.5% reduction in State support of \$36.8M (FY2021) and costs without recurring sources of funding of \$56.9M (FY2022). The timeline and engagement efforts were reviewed. Actions to date include travel freeze/restrictions, hiring pause, executive pay cuts, retirement incentive program, and other cost savings/expense reductions. These actions have generated \$3.8M in cash to date. Information was also presented on: support unit cuts to date; progress against recurring costs; COVID related costs; and other efforts and considerations including liquidity vs carry forwards, efforts with Foundation and auxiliary efforts (housing has reduced spending by \$12M). Up next, Deans and Colleges complete their plans to meet planning targets and results will be presented at the January BOT meeting.

Chair Griffin asked Mark Walsh to give an update on the State's financial forecast. Mr. Walsh explained that in comparing September 2020 vs 2019, projections indicate that State revenue collections in FY 2020/2021 will be down by 7%. Not expecting much improvement in the short run, but looking better in the long run.

Chair Zimmerman asked for an update on housing and dining hall losses in Tampa and St. Petersburg. Mr. Trivunovich reported a \$4M loss for Tampa housing and a \$1.5–2M loss for St. Petersburg. Still working with dining providers on share of risks; no firms numbers yet.

Trustee Boaz would like to see more clarification on academic cut numbers. Chair Griffin wants to better understand the path forward and how the board can be more engaged. Chair Zimmerman stressed transparency in this process.

c. Annual DSO Investment Reports

As the allotted time for the meeting had ended, the Annual DSO Investment Reports were deferred to a later meeting.

V. Adjournment

Having no further business, Chair Griffin adjourned the Finance Committee meeting at 3:19pm.

Agenda Item: IIIb

USF Board of Trustees
Finance Committee
February 23, 2021

Issue: Expenditure Authorization Requests

Proposed action:

1) Approval of the following expenditures:

- a) Lee Roy Selmon Athletics Center Enhancements \$3,000,000
 - b) Innovative Education Renovation at TVB Building \$1,875,755
 - c) Microsoft Campus Agreement – Years 2 & 3 \$3,579,599
-

Executive Summary: The USF Policy for Delegations of General Authority and Signatory Authority requires the approval of the Finance Committee Chair for the procurement of goods and services above \$1 million and the approval of the Finance Committee for the procurement of goods and services above \$2 million. Approval is being requested for the items listed above.

The Lee Roy Selmon Athletics Center Enhancements and the Innovative Education Renovation at TVB Building were expenditure authorizations that were presented as part of the Facilities Update in the 2/23/21 USF Board of Trustees Academic and Campus Environment Committee meeting.

Financial Impact: Authorization is being requested for \$8,455,354 in transactions.

Strategic Goal(s) Item Supports:	Goal 4: Sound Financial Management
BOT Committee Review Date:	February 23, 2021
Supporting Documentation Online (please circle):	Yes No
Prepared by:	Nick Trivunovich, Vice President/CFO
	(813) 974-3297

FACILITIES UPDATE

Master Plan Changes and Related Expenditure Authorizations

February 23, 2021



Objectives

- Apprise the Board of Trustees of Master Plan changes/amendments:
 - Tampa: location for Indoor Performance Facility
 - Tampa: location for the Student Wellness Center
 - St. Petersburg: location of Environmental & Oceanographic Sciences Research & Teaching Facility
 - Sarasota-Manatee: informational update on potential land acquisition
- Review expenditure authorizations and funding updates:
 - Indoor Performance Facility
 - Lee Roy Selmon Athletics Center Enhancements
 - Innovative Education renovation at TVB building
- Approval of master plan amendments (ACE committee)
- Approval of expenditure authorizations (Finance committee)

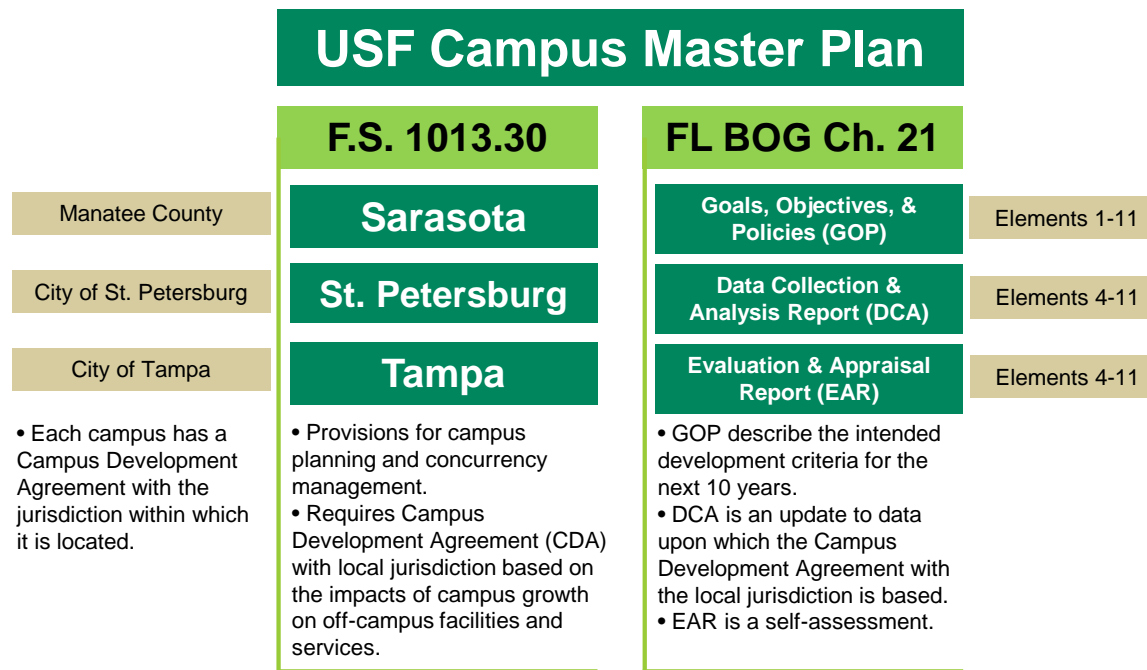
Master Plan Informational Review

Master Plan Overview

- **Campus Master Plan Governance**
- **Current USF Campus Master Plans**
- **Updates to Master Plan**
 - **USF Tampa campus** (Amendment #2)
 - **USF St. Petersburg campus** (Amendment #2)
 - **USF Sarasota campus** (Informational only)
- **Process and Milestones**



Campus Master Plan Governance



Minimum Requirements

- University Campus Master Plans is updated every five years
- Minimum requirements of Campus Master Plans for Florida Universities are contained in two documents:
 - **Florida Statute (FS) 1013.30**
 - **Florida Board of Governors Regulations Chapter 21, *Campus Master Plans***

2020-2030 Campus Master Plan updates

Single Document

Includes sub-leases:
Moffitt Cancer Center
Shiners Children's Hospital
Religious Centers
USF Credit Union
Pizzo Elementary
Publix

2020-2030 USF Campus Master Plan Updates

USF Tampa
CDA with City of Tampa

USF St. Petersburg
CDA with City of St. Pete

USF Sarasota
CDA with Manatee County

- **Single consolidated document** will contain all three campuses
- Overarching USF Strategic Plan and Academic Overview
- Campus Development Agreement with host jurisdiction for each campus

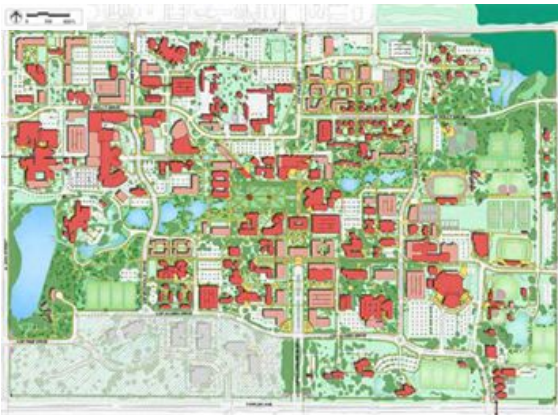
Elements/Workgroups

2020-2030 USF Campus Master Plan Updates		Facilities Management	Office of Provost	USF Health	Administrative Services	Student Affairs	Office of General Counsel	Academic Faculty	Patel College	Student	Housing	USF Dining	Marshall Center	Research Park	Athletics	Campus Recreation	Park & Transportation	University Police	USF IT	CUTR	Botanical Garden
Elements & Workgroups	Element 1 USF Strategic Plan	■																			
	Element 2 Introduction	■																			
	Element 3 Academic Overview	■																			
	Element 4 Future Land	■	■	■		■				■				■	■						
	Element 5 Transportation	■		■						■							■	■		■	
	Element 6 Housing	■								■	■	■	■			■					
	Element 7 Infrastructure & Utilities	■								■									■		
	Element 8 Conservation & Sustainability	■						■	■	■					■	■					■
	Element 9 Recreation & Open Space	■						■	■	■					■	■					■
	Element 10 Intergovernmental Coordination	■			■		■														
	Element 11 Capital Improvements	■	■	■	■																

These elements are not anticipated to need workgroups for development. Assistance will be requested as needed. Sections will be available for review by all members in the draft documents.

- Each Element has Workgroup with vested interest groups represented
- Workgroups reflect all campuses
- Elements 1, 2, and 3 will be changed due to consolidation

Current USF Campus Master Plans



Tampa



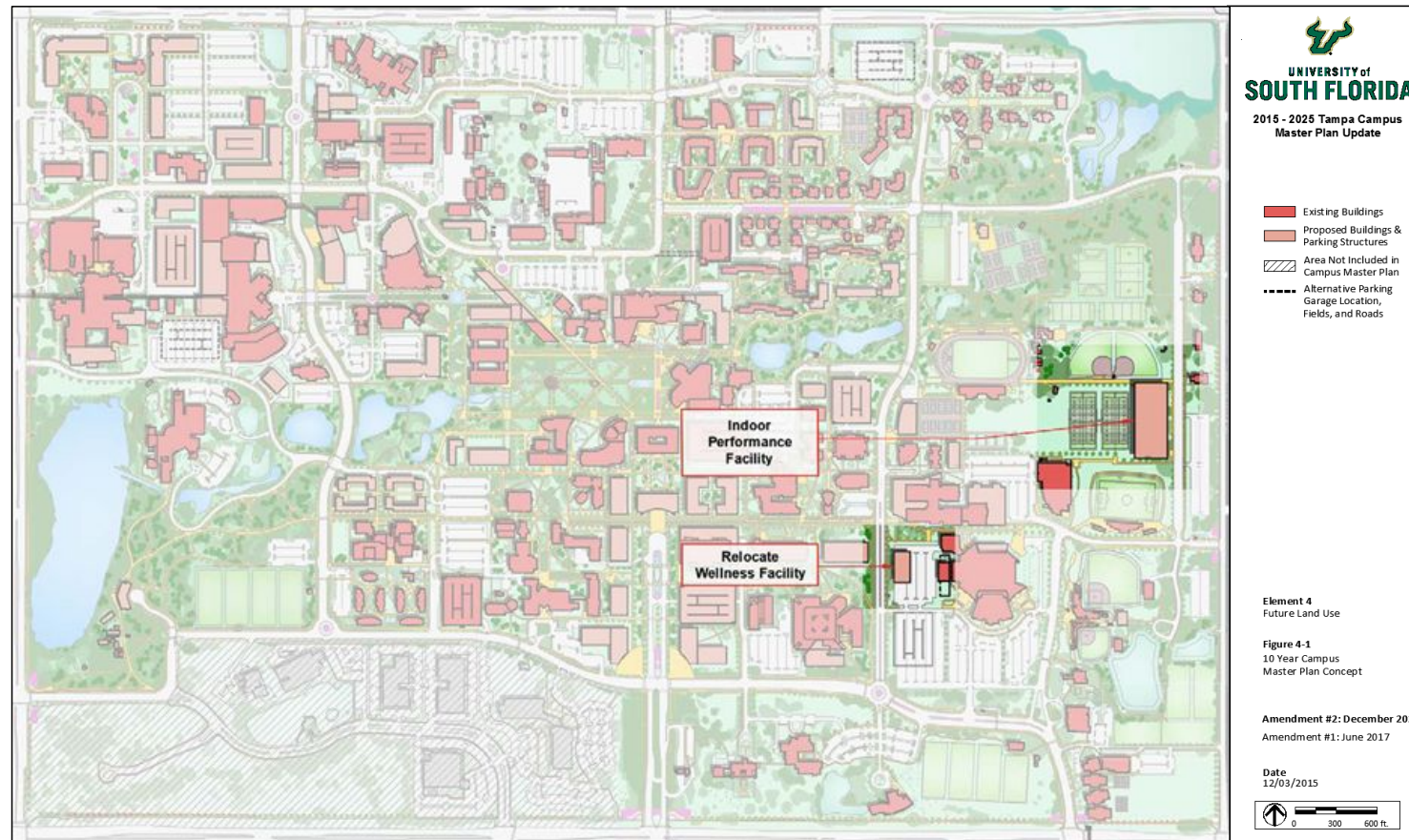
St. Petersburg



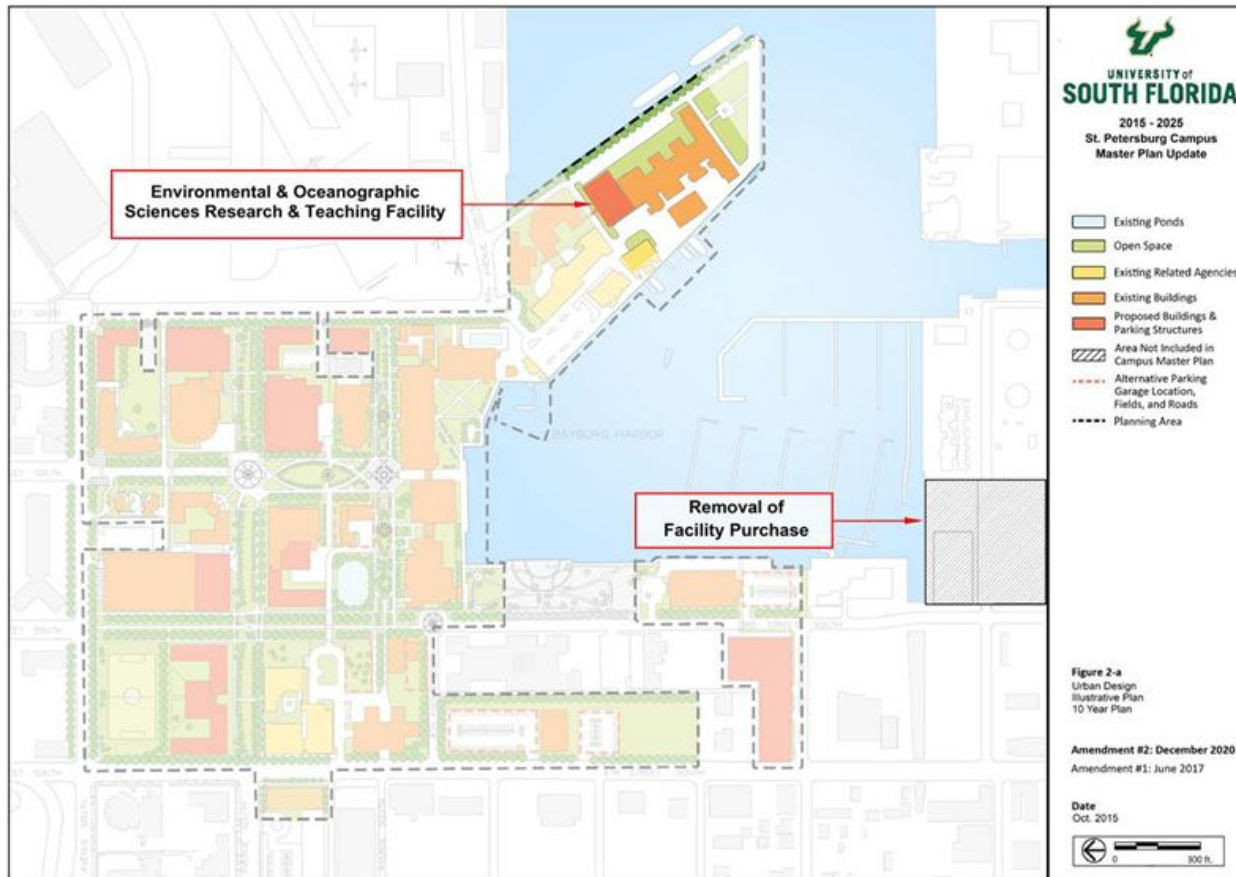
Sarasota-Manatee

- Current Master Plan for all three campuses.
- Moving forward there will be one cohesive Master Plan document to be used by individual campuses.
- All 11 Elements will be addressed within the Master Plan.

Updates to Master Plan, Amendment #2 Tampa



Updates to Master Plan, Amendment #2 St. Petersburg



Sarasota-Manatee - Informational Update

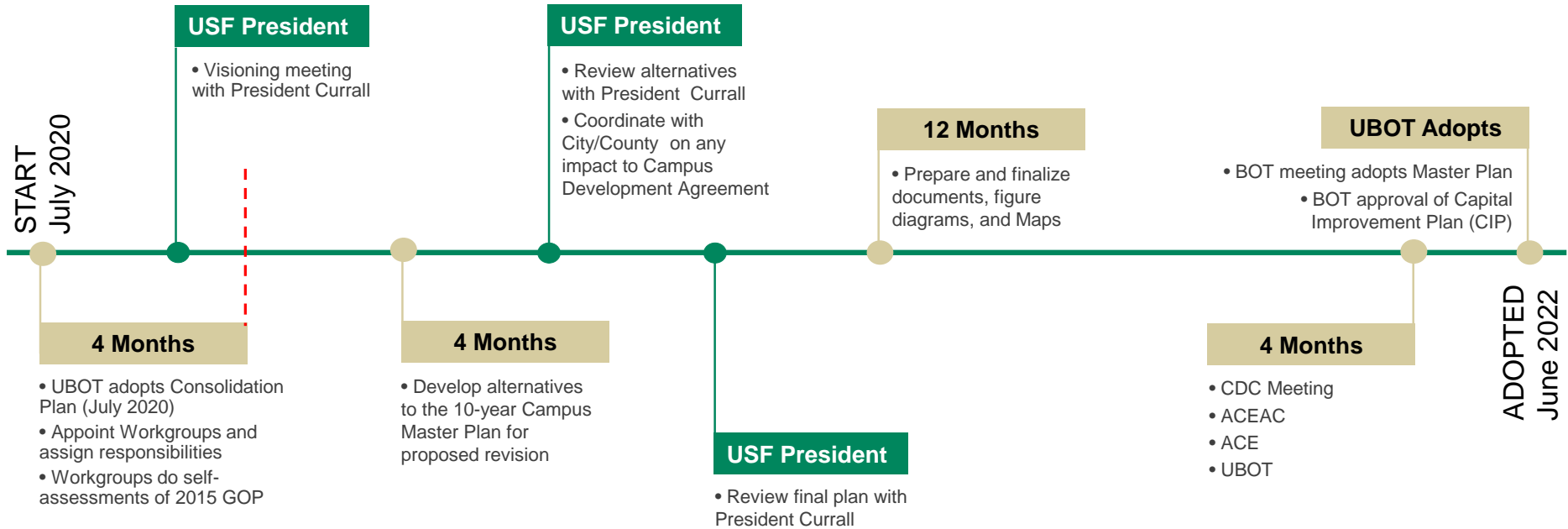
Current Master Plan



Potential Addition

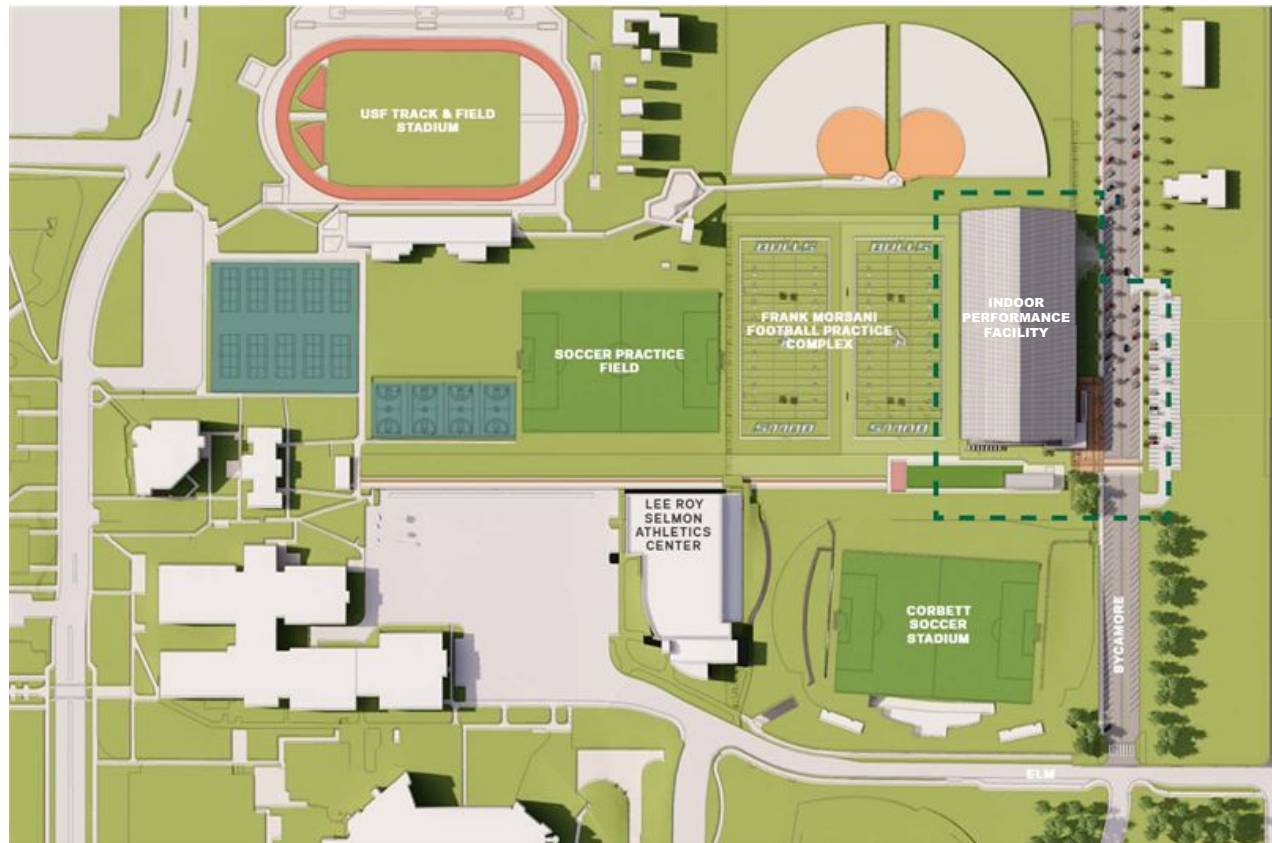


Campus Master Plan Process & Milestones



Indoor Performance Facility and Lee Roy Selmon Athletics Center Enhancements

Indoor Performance Facility



Site Plan

Indoor Performance Facility



Night View from
USF Sycamore

Indoor Performance Facility



Lobby

Indoor Performance Facility



Indoor conceptual from Viewing Deck

Indoor Performance Facility

Scope:

Total Programmed Spaces: 88,600 GSF
The project will be located west of USF Sycamore Drive.

Status:

Advanced Schematic Design / Cost Estimation

Project Delivery Method:

CM @ Risk

Project Team:

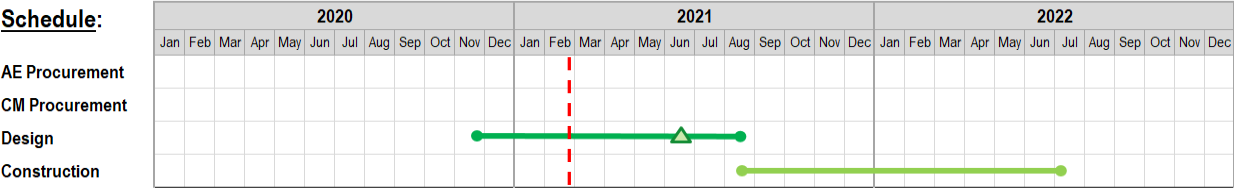
A/E: HOK Kansas City
CM: RR Simmons



Funding Source: Philanthropy



Schedule:



Lee Roy Selmon Athletics Center Enhancements

Scope:

Renovate the Lee Roy Selmon Athletics Center building to provide a comprehensive, cohesive experiential branding for the USF football operations. The scope of work includes the football operations entry area on the second floor, team meeting room, and a total renovation of locker room with a new nutrition area for athletes.

Status:

Planning/Unfunded

Project Delivery Method:

CM @ Risk

Project Team:

A/E: Rowe Architect/Engineering Matrix

CM: TBD

Graphics: Jack Porter

Budget: \$3,000,000

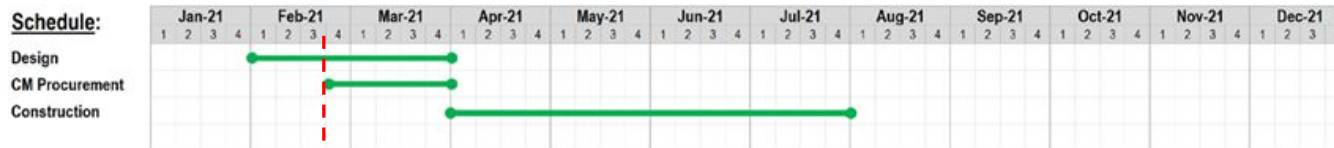


DESIGN
CONSTRUCTION
FF&E
CONTINGENCY

Funding Source: Philanthropy



Schedule:



Phase I Athletics Fundraising Update

- Indoor Performance Facility
- Lee Roy Selmon Center Enhancements

Phase I Goal **\$25,080,000**

Cash Received \$ 4,627,000

Pledges 12,300,000

Total Pledges & Cash Received 16,927,000

Funds To Be Raised **\$ 8,153,000**

Student Wellness Center

Student Wellness Center Complex



Northwest Aerial

Student Wellness Center Complex



Southwest View

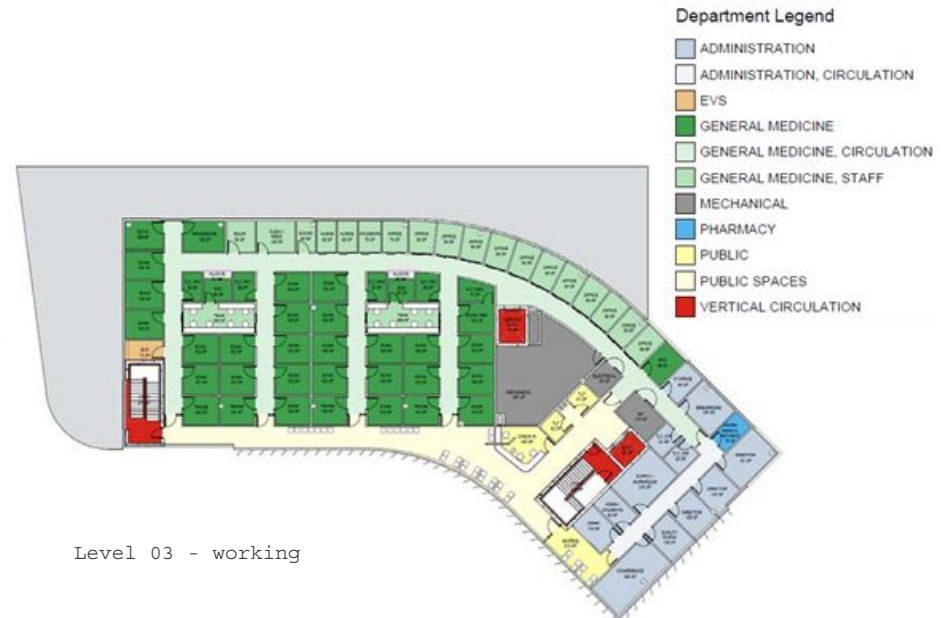


Northwest View

Student Wellness Center Complex



Student Wellness Center Complex



Student Wellness Center Complex

Scope:

Offices	14,730 NSF
• Clinical	5,690 NSF
• Administrative	9,040 NSF
Clinical	16,648 NSF

Total Program Space	31,378 NSF
Total Building Gross	47,067 GSF

Status:

Design

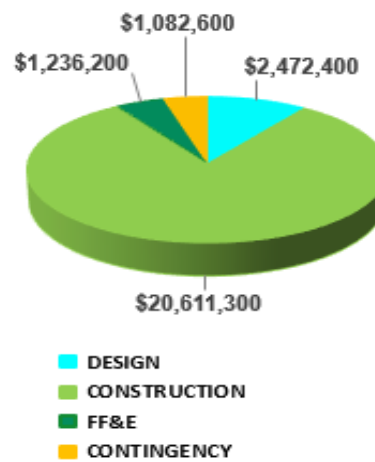
Project Delivery:

Design/Build

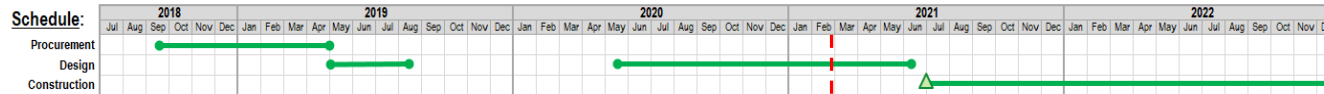
Design-Build Team:

Cannon Design / Barr&Barr-Horus

Budget: \$25,402,500



Funding Source: CITF



**Environmental & Oceanographic Sciences
Research & Teaching Facility
St. Petersburg campus**

UNIVERSITY of
SOUTH FLORIDA



Aerial View
College of Marine
Science Complex

Scope

This project is presented in two phases. PHASE 1: Demolition of 12,288 gross square feet (gsf) of the Northwest wing of Marine Science Lab building (MSL) and replace with a 4 story 45,200 net assignable square feet (nasf) (67,800 gsf) addition correlating to the STEM building nsf, gsf amounts. PHASE 2: Almost 41,000 nasf of remodeled space that will update existing MSL mechanical, electrical, and plumbing systems including the roof. The project will accommodate the following “constellation” of academic programs projected for the St. Petersburg campus:

- **College of Marine Science (or the proposed College of Environmental and Oceanographic Sciences)**
- **College of Arts and Sciences (Environmental Chemistry, Marine Biology)**
- **College of Engineering (Coastal Engineering)**
- ***Interdisciplinary Center of Excellence in Environmental and Oceanographic Sciences***

Together, PHASE 1 and PHASE 2 will provide for 86,077 (nasf) with the following breakdown:

PHASE 1

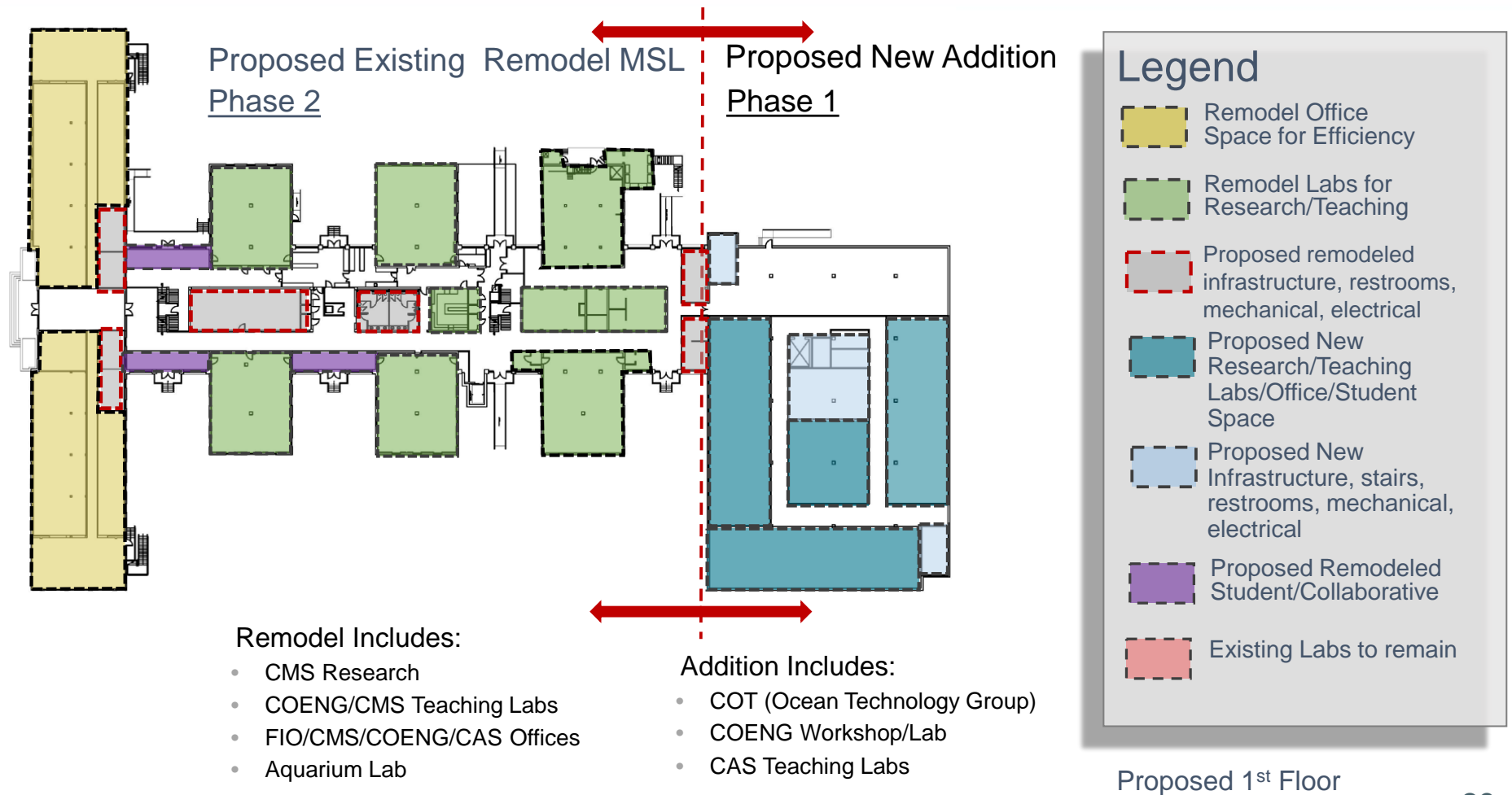
New Addition 45,200 (nasf)

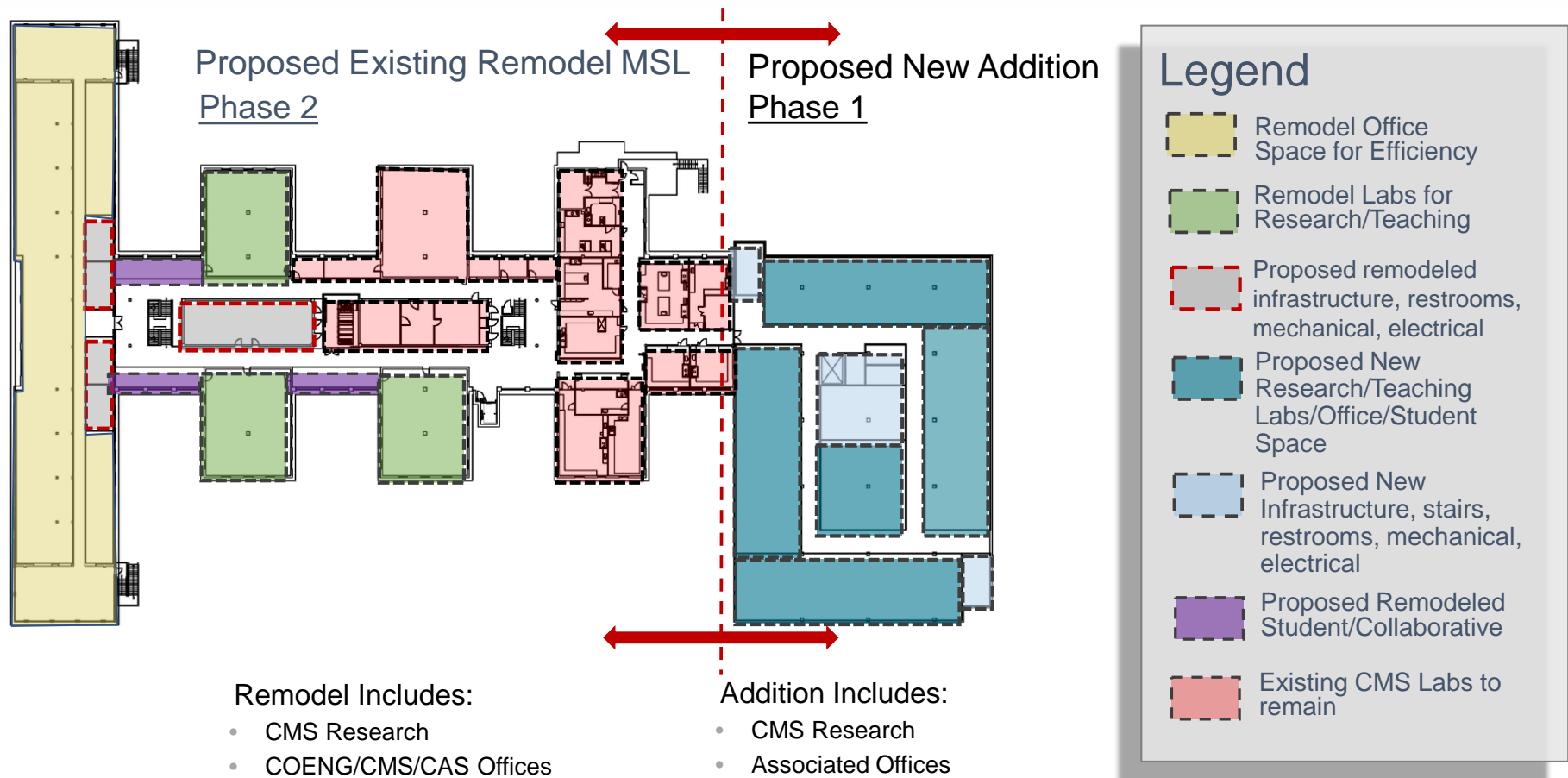
- 20,600 teaching laboratories
- 5,000 study space
- 15,600 research laboratories
- 2,000 office space
- 2,000 auditorium/exhibition space

PHASE 2

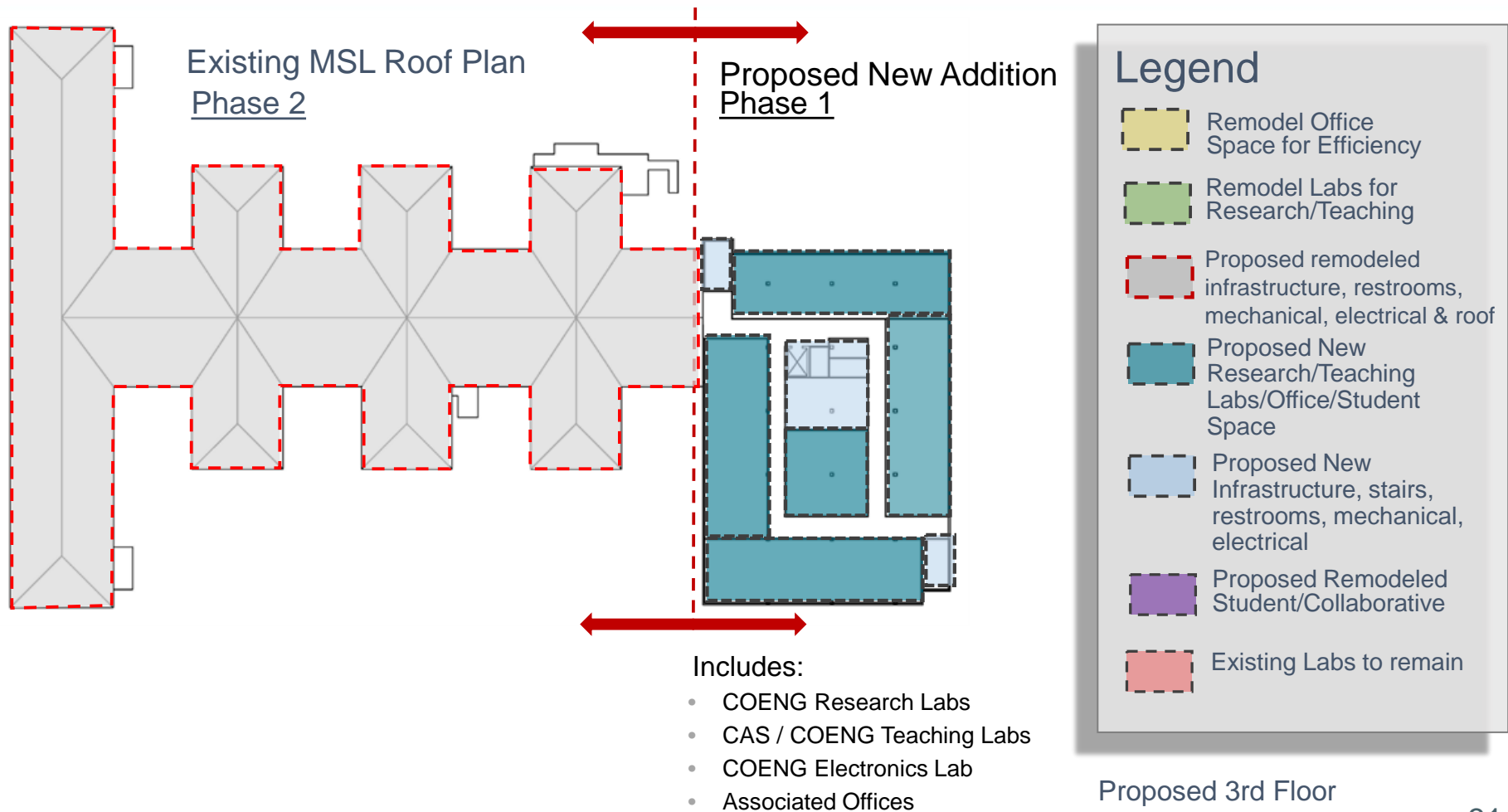
Remodeled MSL 40,877 (nasf)

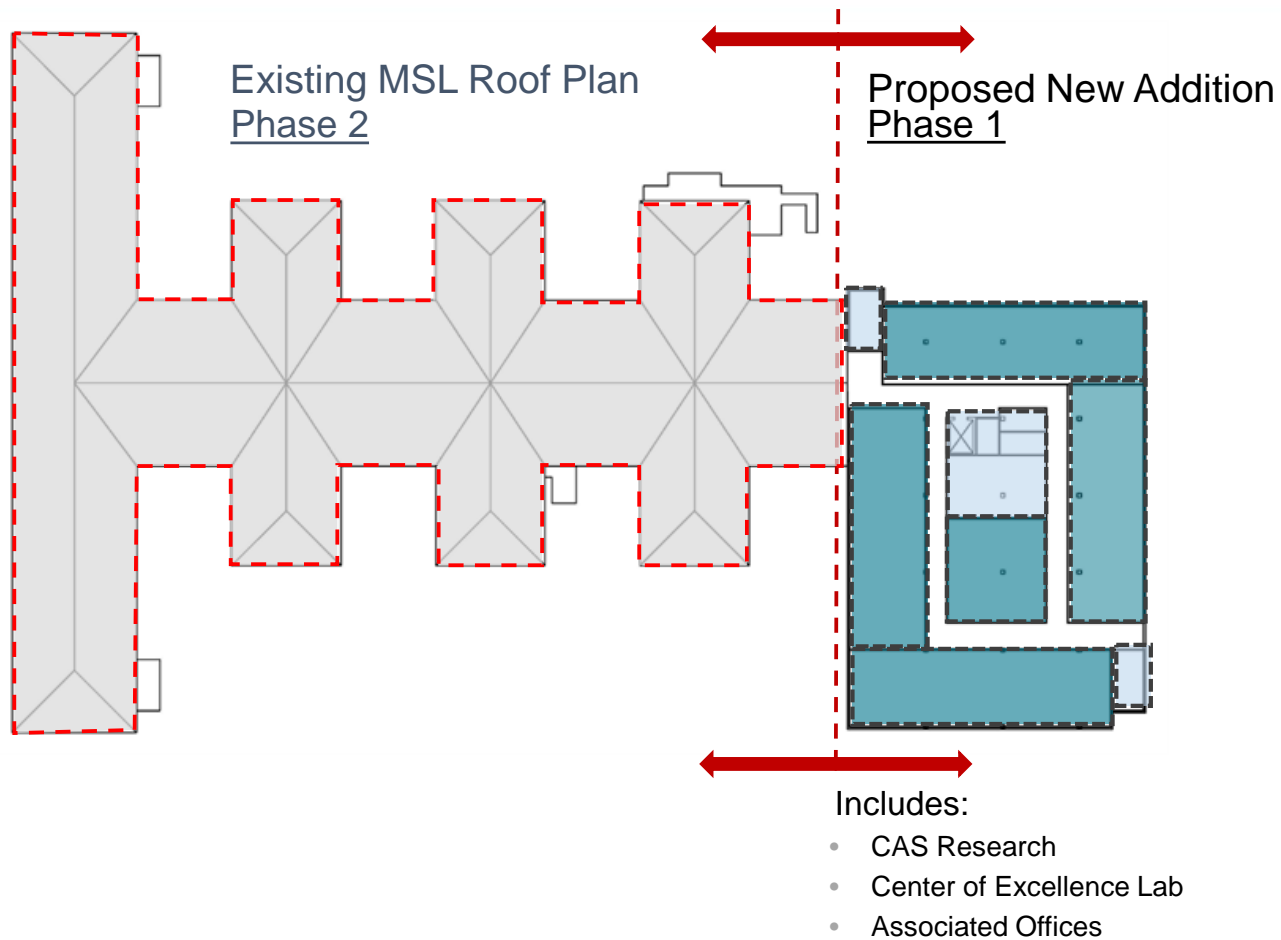
- 948 teaching laboratories
- 2,218 study space
- 28,484 research laboratories (19,561 remodeled, 8,923 recently remodeled)
- 16,650 office space
- 1,500 campus support space












Proposed 2nd Floor





Legend

-  Remodel Office Space for Efficiency
-  Remodel Labs for Research/Teaching
-  Proposed remodeled infrastructure, restrooms, mechanical, electrical & roof
-  Proposed New Research/Teaching Labs/Office/Student Space
-  Proposed New Infrastructure, stairs, restrooms, mechanical, electrical
-  Proposed Remodeled Student/Collaborative
-  Existing Labs to remain

Proposed 4th Floor

Environmental & Oceanographic Sciences Research & Teaching Facility

Scope:

This project is presented in two phases. **PHASE 1:** Demolition of 12,288 gross square feet (gsf) of the Northwest wing of Marine Science Lab building (MSL) and replace with a 4 story 45,200 net assignable square feet (nasf) (67,800 gsf) addition correlating to the STEM building nsf, gsf amounts. **PHASE 2:** Almost 41,000 nasf of remodeled space that will update existing MSL mechanical, electrical, and plumbing systems including the roof. The project will accommodate a “constellation” of academic programs in the environmental and oceanographic sciences projected for the St. Petersburg campus:

Status:

Planning

Project Delivery Method:

TBD

Project Team:

TBD

Budget:

PHASE 1: TBD

PHASE 2: TBD

Timing / Phasing:

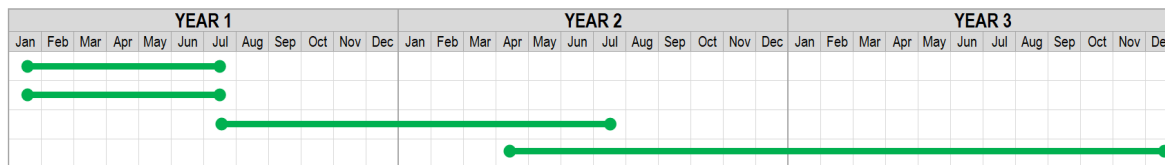
PHASE 1: TBD

PHASE 2: TBD



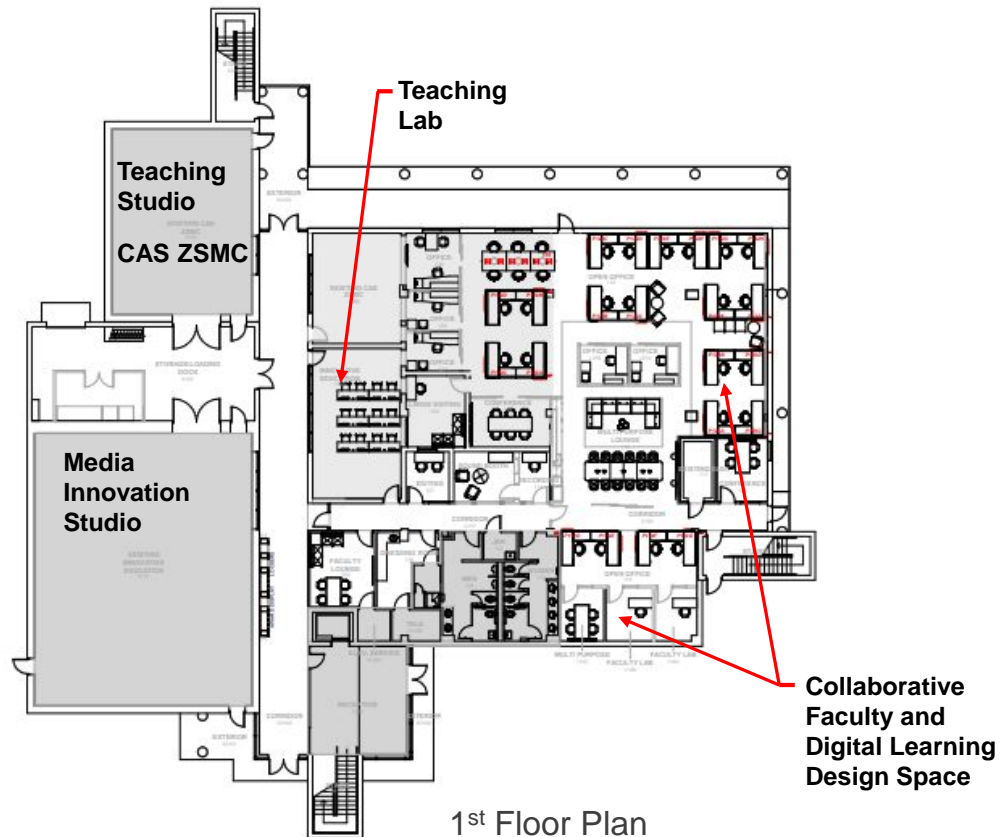
Schedule:

AE Procurement
CM Procurement
Design
Construction



Innovative Education renovation at TVB building

Innovative Education renovation at TVB building



Innovative Education renovation at TVB building

Scope:

Renovate 1st Floor of TVB Building
and Studios to Support Academic programs including:

- Innovative Education, Digital Learning
- College of Arts & Sciences
Zimmerman School of Mass Communications
- MUMA College of Business
Zimmerman Advertising Program (ZAP)

Status:

Design

Project Delivery Method:

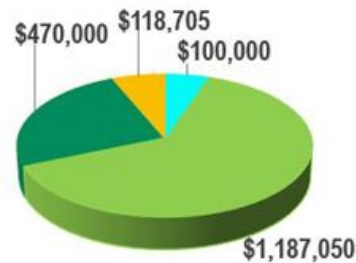
GC, Competitive Bid

Project Team:

A/E: Gresham-Smith

GC: TBD

Budget: \$1,875,755



DESIGN
CONSTRUCTION
FF&E
CONTINGENCY

Funding: Distance Education Fees



Schedule:

AE Procurement
Design
CM Procurement
Construction



Summary and Requested Actions

Requested Actions

- ACE Committee
 - Approve master plan changes for Indoor Performance Facility, Student Wellness Center Complex, and Environmental & Oceanographic Sciences Research & Teaching Facility on the St. Petersburg campus
- Finance Committee:
 - Approve expenditure authorizations for Lee Roy Selmon Athletics Center Enhancements and Innovative Education renovation at TVB

Thank You



USF System Approval of Expenditures Exceeding One Million Dollars

Project/Initiative Name: Microsoft Campus Agreement 3 Year Renewal

Total Project/Initiative Cost:

	FY21			FY22			FY23		
	Unit	Qty	Ext	Unit	Qty	Ext	Unit	Qty	Ext
Student*	\$ 13.78	32887	\$ 453,182.86	\$ 13.78	32887	\$ 453,182.86	\$ 13.78	32887	\$ 453,182.86
Fac&Staff	\$ 99.41	11493	\$ 1,142,519.13	\$ 108.37	11493	\$ 1,245,496.41	\$ 113.79	11493	\$ 1,307,771.23
Courtesy	\$ 99.41	829	\$ 82,410.89	\$ 108.37	0	\$ -	\$ 113.79	0	\$ -
Emeritus	\$ 99.41	495	\$ 49,207.95	\$ 108.37	0	\$ -	\$ 113.79	0	\$ -
FPP only**	\$ 99.41	1107	\$ 110,046.87	\$ 108.37	1107	\$ 119,965.59	\$ 113.79	0	\$ -
Total			\$ 1,837,367.70			\$ 1,818,644.86			\$ 1,760,954.09

*Students are part of the 'core' licensing and negotiated as static cost and priced using full time equivalent vs. headcount. All other licenses (employees and affiliates) are calculated using head count.

**The USF Faculty Practice Plan (UMSA) employees, who are not also faculty, will acquire email services through the joint affiliation / TGH ahead of FY23.

The Student component of the agreement has 0% cost increase year over year. FY22 Represents the last 'step up' of A5, increasing the unit cost, however the net total is reduced due to removing courtesy faculty and emeritus faculty headcount from the A5 licensing. MS has granted USF the use of A1 licensing for affiliates (significant upgrade from Email Only licenses previously). As a result USF needs to purchase far less premium (A5) licenses. FY23 represents a 5% estimate in crease of unit cost from the year prior. FY23's unit increase is offset by the removal of faculty practice employees, who are not also USF faculty.

Description: (description and rationale for the project/initiative)

This renewal covers the Office 365 products, including Word, Outlook, Excel, Teams, and Teams phones. This also includes Windows and other features including the use of Power Business Intelligence for the University. There is also a server component which allows us to use Windows Server, SQL, Cloud Security Software and Advanced Threat Protection (ATP).

Objective: (strategic priority or needs the project/initiative addresses; include strategic goal this project/initiative supports)

Student Success (strategic plan goal 1), Process Efficiencies and Improved Security (strategic plan goal 4) are all objectives of this upgraded agreement with Microsoft.

Funding Source(s):

	FY 2021	FY 2022	FY 2023
IT	\$1,112,342.41	\$1,101,007.59	\$1,066,081.60
Health	\$338,259.39	\$334,812.52	\$432,842.52
Practice Plan	\$113,365.59	\$112,210.39	\$0
Tech Fee	\$273,400.31	\$270,614.36	\$262,029.97
	\$1,837,367.70	\$1,818,644.86	\$1,760,954.09

Are the funds supporting the project budgeted or non-budgeted?

These costs are budgeted in the respective areas. Within the Information Technologies budget we maintain an annual reserve for license escalations (based on our history of the past few years) which will be used to fund the majority of the increase.

Prior Approval Process:

This is a 3-year agreement for software paid annually that was previously approved by the Finance Committee. In regard to this particular request, the Finance Committee Chair and the Board Chair have already approved year 1 with the understanding that we would cancel years 2 and 3 if the Finance Committee did not agree on moving forward with the entire three year contract.

List Related Projects/Initiatives: (if any)

N/A

USF System or Institution specific: USF System

Prepared by: Carl Smith

Date Requested: 2/10/21

USF System Policy 0-100 requires approval of this expenditure by the USF Board of Trustees Finance Committee Chair. Approval must be granted in writing and may be granted by electronic communication.

Microsoft Pricing Agreement Year 2&3

USF Information Technology

Sidney Fernandes VP/CIO
Patrick Gall AVP/CTO

February Finance Committee

Updated 2/11/2021



A5 vs. A3 License Benefits

	Microsoft 365 Education A3	Microsoft 365 Education A5 ⁶
Advanced Security		
Advanced Threat Protection	No	Yes
Threat Intelligence	No	Yes
Cloud App Security	No	Yes
Microsoft Defender Advanced Threat Protection	No	Yes
Analytics		
Power BI Pro	No	Yes
My Analytics	No	Yes
Voice, video and meetings		
Office 365 Audio Conferencing	No	Yes
Office 365 Phone System	No	Yes

<https://docs.microsoft.com/en-us/office365/servicedescriptions/office-365-platform-service-description/microsoft-365-education>

Microsoft 2017 Pricing Agreement Discounts

By negotiating a long-term pricing agreement we did not commit USF to any future spend but locked in pricing that has realized the following savings:

Current cost for 20/21 agreement using 2017 Pricing Agreement is \$1.83M
Price for same license levels without agreement would cost USF \$2.33M

- Areas with large discounts:
 - Server Platform – Savings of \$231K per year
 - Student Licenses – Savings of \$148K per year
 - Microsoft Multi-Factor Authentication
 - Our contract provides unlimited use at no additional charge. This allows all alumni, retirees, etc. to safely use USF email. Cost of this would be \$6.18 per user/per year.

FY20 to FY21 Year over Year Cost Differential

FY20	\$1.63M
FY21	\$1.83M
\$50k	GitHub New Addition increase
\$50k	Changes in Head count increase
\$50k	Reduction in A5 discount
\$50k	True license increase (2.73% increase)

We are here

Microsoft 2017 Pricing Agreement Timeline

Jan
2017

- Negotiation for new agreement
- Piggybacked off MEEC to satisfy competitive requirements
- Discounts & Pricing agreements set by Microsoft but handled by resellers

Aug
2017

- 3-Year EES Agreement 2017-20 received BOT approval for \$3.97M

Oct
2018

- Moved from EES to A5 at add'tl cost of \$483K approved by Chair Lamb
- Needed to evaluate A5 vs A3 Model
- Locked in pricing for add'tl. 3 years
- **New pricing was not a commitment by USF to purchase – only pricing lock for 2021-2023**

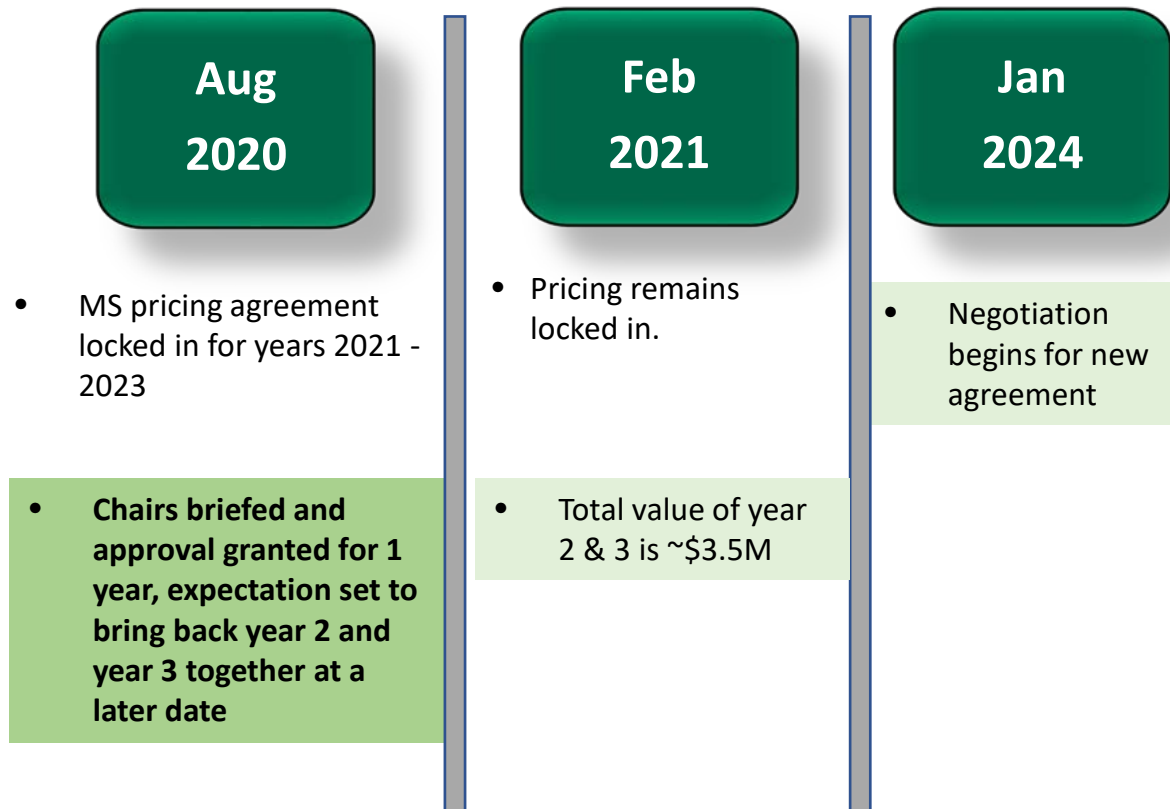
Aug
2020

- MS pricing agreement locked in for years 2021 - 2023
- **Chairs briefed and approval granted for 1 year, expectation set to bring back year 2 and year 3 together at a later date**

Jan
2024

- Negotiation begins for new agreement

Microsoft 2020 Pricing Agreement Timeline Expanded



Breakdown of license cost FY21-FY23

	FY21			FY22			FY23		
	Unit	Qty	Ext	Unit	Qty	Ext	Unit	Qty	Ext
Student*	\$ 13.78	32887	\$ 453,182.86	\$ 13.78	32887	\$ 453,182.86	\$ 13.78	32887	\$ 453,182.86
Fac&Staff	\$ 99.41	11493	\$ 1,142,519.13	\$ 108.37	11493	\$ 1,245,496.41	\$ 113.79	11493	\$ 1,307,771.23
Courtesy	\$ 99.41	829	\$ 82,410.89	\$ 108.37	0	\$ -	\$ 113.79	0	\$ -
Emeritus	\$ 99.41	495	\$ 49,207.95	\$ 108.37	0	\$ -	\$ 113.79	0	\$ -
FPP only**	\$ 99.41	1107	\$ 110,046.87	\$ 108.37	1107	\$ 119,965.59	\$ 113.79	0	\$ -
Total			\$ 1,837,367.70			\$ 1,818,644.86			\$ 1,760,954.09

Key Points:

Student price is fixed and uses FTE vs. headcount

Employee is based on headcount, FY22 is last year of A3->A5 license scaling

Despite Employee unit price going up each FY, # of units is being reduced dramatically (Emeritus / Courtesy & Faculty Practice move to AMG, reducing overall expense to USF

Budget reductions and cost saving

Existing USF Software being reduced or eliminated due to the ability to move to Microsoft products covered under our Microsoft Agreement:

- FY21 Contractual Savings
 - AVAYA Software Agreement - \$175,000
 - DUO Software Agreement - \$65,000
 - Barracuda Software Agreement - \$23,000
- Additional Future Savings (FY22)
 - TrendMicro Software Agreement - \$150,000
- Further License Reconciliation (TBD)



Agenda Item: IIIc**USF Board of Trustees**

March 9, 2021

Issue: Approve modifications to the 2020-21 Fixed Capital Outlay budget**Proposed action:**

Approve two projects for specific reference within the Minor Carryforward (CF) Projects portion of the Fixed Capital Outlay (FCO) budget for the next reporting cycle to the Board of Governors:

1. **Amounts not to exceed \$800,000** for renovations to the 2nd floor of the College of Public Health building on the Tampa campus to provide research laboratory facilities for Preeminent Professors Richard and Loree Heller. The Heller's are part of the Department of Medical Engineering in USF's College of Engineering. The renovations are planned to be completed by July, 2021.
Source of funds = E&G Carryforward
2. **Amounts not to exceed \$1,100,000** for renovations to Davis Hall (1st Floor) on the St. Petersburg campus to provide provide research facilities for seven members of the Department of Psychology (College of Arts & Sciences) and office space for approximately 20 faculty and 10 staff in the departments of Psychology and Mathematics. These renovations are planned to be completed by August, 2021. **Source of funds = E&G Carryforward**

Executive Summary:

The USF Board of Trustees (BOT) is required to adopt and approve an annual budget for the operation of the University to submit to the Board of Governors which includes a Fixed Capital Outlay budget. On September 29, 2020, the BOT approved a Fixed Capital Outlay budget designating proposed expenditures from all fund sources. This budget was approved by the Board of Governors as part of USF's required submissions for FY2021. This budget is aligned with the 2020 Appropriation Act and consistent with approved legislative spending authority. Changes such as these are presented to the BOT but resubmission to the BOG is not required until the subsequent fiscal year reporting cycle.

Financial Impact: Specific identification of funds categorized previously within the total of Minor Carryforward (CF) Projects

Strategic Goal(s) Item Supports: Goal 4 – Sound Financial Management

BOT Committee Review Date: February 23, 2021

Supporting Documentation Online (please circle): Yes

Prepared by: Business & Finance-Resource Management & Analysis

No

Agenda Item: IVa

USF Board of Trustees
Finance Committee
February 23, 2021

Issue: DSO Mid-Year Forecasts for FY 2021

Proposed action: Informational

Executive Summary:

The Direct Support Organizations of the University (DSOs) have prepared their Mid-Year Forecasts and Revised Operating Plans for FY 2021.

These reports include a comparison of the Forecast to the FY 2021 Financial Plans approved by the BOT Finance Committee at its May 14, 2020 Meeting, as well as actual results for FY 2020, FY 2019 and FY 2018.

The DSOs presenting their Mid-Year Forecasts to the Board of Trustees Finance Committee are as follows:

1. University Medical Services Association, Inc. &
USF Medical Services Support Corporation
2. USF Foundation, Inc.
3. USF Research Foundation, Inc.
4. Sun Dome, Inc.
5. USF Health Professions Conferencing Corporation

The remaining DSOs will not be presenting in the interest of time, but are available to answer any questions from the Board of Trustees Finance Committee:

6. USF Financing Corporation & USF Property Corporation
7. USF Alumni Association, Inc.
8. USF Institute for Applied Engineering

Financial Impact:

The Direct Support Organizations of the University of South Florida (DSO) are organized and operated exclusively to assist the University achieve excellence by providing supplemental resources from private gifts and bequests and valuable education support services. These organizations are authorized by

Florida Statute 1004.28 to receive, hold and administer property and make expenditures for the University.

Strategic Goal(s) Item Supports:	Goal 4: Sound Financial Management
BOT Committee Review Date:	February 23, 2021
Supporting Documentation Online (<i>please circle</i>):	Yes No
Prepared by:	Fell L. Stubbs, University Treasurer, (813) 974-3298



DIRECT SUPPORT ORGANIZATIONS

MID-YEAR FORECASTS

FISCAL YEAR 2021

February 23, 2021



DSO Mid-Year Forecasts for FY 2021

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UMSA/MSSC Combined

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- Patient Service Revenue
 - In response to patient demand and to ensure access to our providers for our most vulnerable patient populations, the practice plan continues to maintain strong telehealth volumes, accounting for approximately 30% of our visit volumes.
- Financial Austerity Measures
 - The practice plan has significantly reduced its spending on travel, meals, dues & subscriptions, and events in response to the COVID-19 pandemic. We are also requiring executive leadership approval for all hiring requests for new and replacement positions.
- Debt Service
 - The practice plan delayed payments on University convenience account salaries at the end of FY20 to preserve cash flow. The debt was repaid in full by 9/30/2020. UMSA also received a \$6.4M loan from the CMS Accelerated/Advance Payment Program and will repay the balance when due in March so that we do not have to incur interest.
- Liquidity
 - In our FY21 plan, we estimated ending the year with 40 days cash on hand. We are well ahead of our plan and are on track to end the year with 51 days cash on hand, which is an improvement over our pre-pandemic reserves.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- In our FY21 plan, the practice plan assumed the use of carryforward funds to help support the academic costs that are funded through the practice plan. However, the practice plan was able to financially recover from the crisis faster than expected by maintaining both in-person and telehealth visit volumes, strong surgical case volumes, and significant expense reductions. Therefore, we do not anticipate the need to utilize these carry forward funds and those assumptions have been removed from our forecast.



UMSA/MSSC Combined

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

REVENUES

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
			\$	%
Net Patient Service	\$182,415	\$174,769	\$7,646	4 %
Grants, Contracts & Awards	83,104	81,710	1,394	2 %
UPL/PCIP	37,702	34,952	2,750	8 %
Other Revenue	42,113	43,503	(1,390)	(3)%
Total Revenues	\$345,334	\$334,935	\$10,400	3 %

EXPENSES

Faculty Support	\$119,409	\$110,890	\$8,519	8 %
Housestaff Support	13,897	13,897	0	0 %
Other Staff Support	72,050	75,816	(3,766)	(5)%
Depreciation/Amortization	4,580	3,986	594	15 %
Other Expenses	58,121	53,493	4,628	9 %
Transfer to USF Conv Accts	61,316	59,812	1,504	3 %
Transfer to DSO HPCC Salary Support	0	0	0	%

Total Expenses	\$329,373	\$317,894	\$11,479	4 %
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OPERATING PROFIT BEFORE

NON-CASH CHANGES

	\$15,961	\$17,041	\$(1,080)	(6)%
Unrealized Investment Gains (Losses)	1,437	0	1,437	%
Contribution to MCOM	0	0	0	%
Non-Cash Impact of Epic Conversion	0	0	0	%

Total Non-Cash Changes	\$1,437	\$0	\$1,437	%
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NET OPERATING PROFIT

	\$17,398	\$17,041	\$357	2 %
Operating Profit Margin	5%	5%	(0)%	

FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$166,121	\$186,258	\$172,391
79,757	76,144	72,454
38,726	26,047	22,606
43,383	41,085	35,776
\$327,986	\$329,534	\$303,227
\$119,117	\$118,010	\$112,135
13,068	12,732	11,922
77,133	71,968	65,467
4,573	4,436	4,824
55,412	55,877	49,185
60,080	56,409	54,291
0	1,072	1,035
\$329,384	\$320,506	\$298,859
\$(1,398)	\$9,028	\$4,368
1,068	422	725
(7,003)	0	0
	(5,742)	(931)
\$(5,935)	\$(5,320)	\$(206)
\$(7,332)	\$3,709	\$4,162

0%	3%	1%
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UMSA/MSSC Combined

FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

OPERATING ACTIVITIES

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
			\$	%
Net Operating Profit	\$17,398	\$17,041	\$357	2 %
Adjustments for Non-Cash Activities:				
Depreciation/Amortization	3,986	3,986	0	0 %
Non Cash Impact of EPIC	0	0	0	%
Unrealized Gains	0	0	0	%
Operating Assets and Liabilities	(38,285)	(45,148)	6,863	15 %
Total Cash From Operating Activities	\$(16,900)	\$(24,121)	\$7,221	30 %

FINANCING ACTIVITIES

Capital Expenditures	\$(1,946)	\$(1,500)	\$(446)	(30)%
Net (Purchases) Sales of Investments	0	0	0	%
Total Cash From Financing Activities	\$(1,946)	\$(1,500)	\$(446)	(30)%

INVESTING ACTIVITIES

Transfer to USF FC - Leases on MOB's	\$(2,279)	\$(2,268)	\$(11)	(1)%
Total Cash From Investing Activities	\$(2,279)	\$(2,268)	\$(11)	(1)%

CHANGE IN CASH

Cash, Beginning of Year	35,100	39,165	(4,065)	(10)%
Cash, End of Year	\$13,974	\$11,276	\$2,698	24 %

Total Cash & Investments

\$43,124	\$32,655	\$10,469	32 %
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Days Cash on Hand

51	40	11	27 %
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FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$(7,332)	\$3,709	\$4,162
4,573	4,436	4,824
0	5,742	931
0	(422)	(725)
35,666	(2,906)	(289)
\$32,907	\$10,559	\$8,903
\$(2,514)	\$(2,815)	\$(2,563)
(1,803)	(2,962)	(9,828)
\$(4,317)	\$(5,776)	\$(12,391)
\$(2,245)	\$(2,689)	\$(2,310)
\$(2,245)	\$(2,689)	\$(2,310)
26,345	2,094	(5,798)
8,755	6,661	12,459
\$35,100	\$8,755	\$6,661

\$62,672	\$33,597	\$28,119
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73	40	36
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UMSA/MSSC Combined

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ASSETS						
Cash & Investments	\$28,119	\$33,597	\$62,672	\$43,124	\$54,534	\$66,175
Fixed Assets	56,065	54,420	54,145	55,228	56,332	57,459
Other Assets	65,929	55,422	50,104	47,982	48,942	49,921
Total Assets	\$150,113	\$143,439	\$166,921	\$146,333	\$159,807	\$173,554
LIABILITIES						
Payables	\$8,449	\$9,648	\$17,637	\$6,617	\$6,749	\$6,884
Long-Term Debt	51,176	47,475	48,754	48,593	48,433	48,273
Other Liabilities	18,699	19,961	46,398	19,592	19,984	20,383
Total Liabilities	\$78,324	\$77,084	\$112,788	\$74,802	\$75,166	\$75,540
NET ASSETS	\$71,788	\$66,355	\$54,133	\$71,531	\$84,641	\$98,014
Days Cash on Hand	36	40	73	51	62	74
REVENUES						
Net Patient Service	\$172,391	\$186,258	\$166,121	\$182,415	\$186,063	\$189,785
Grants, Contracts & Awards	72,454	76,144	79,757	83,104	84,766	86,462
UPL	22,606	26,047	38,726	37,702	38,456	39,225
Other Revenues	35,776	41,085	43,383	42,113	42,955	43,814
Total Revenues	\$303,227	\$329,534	\$327,986	\$345,334	\$352,241	\$359,286
EXPENSES						
Faculty Support	\$112,135	\$118,010	\$119,117	\$119,409	\$125,409	\$127,917
Housestaff Support	11,922	12,732	13,068	13,897	14,175	14,458
Other Staff Support	65,467	71,968	77,133	72,050	74,211	75,695
Other Expenses	49,185	55,877	55,412	58,121	58,121	59,284
Transfer to USF - Salary Grants	54,291	56,409	60,080	61,316	62,543	63,794
Transfer to HPCC - Salary Support	1,035	1,072	0	0	0	0
Total Expenses	\$294,034	\$316,070	\$324,811	\$324,793	\$334,459	\$341,148
Operating Profit Before Non-Cash Changes	\$9,192	\$13,464	\$3,176	\$20,541	\$17,782	\$18,138
Total Non-Cash Changes	(5,755)	(10,178)	(4,573)	(4,580)	(4,672)	(4,765)
NET OPERATING PROFIT	\$3,437	\$3,286	\$(1,398)	\$15,961	\$13,110	\$13,372
Operating Profit Margin	1%	3%	0%	5%	4%	4%
Unrealized Investment Gains (Losses)	\$725	\$422	\$1,068	\$1,437	\$0	\$0
Contribution to MCOM	0	0	(7,003)	0	0	0
Total Non-Operating Changes	\$725	\$422	\$(5,935)	\$1,437	\$0	\$0
NET OPERATING PROFIT	\$4,162	\$3,709	\$(7,332)	\$17,398	\$13,110	\$13,372



USF FOUNDATION, INC.

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- Minimum liquidity measure for 6/30/21
 - Cash and short term investments are managed and appropriately rebalanced based on a frequent evaluation of gifts received and funding requests to be paid.
- No significant changes from original plan.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- The Foundation anticipates providing support to the University of over \$50 million in Program service expenses including salary support for faculty and staff, student scholarships and fellowships, and other program-related expenses.
- The forecast includes approximately \$12.3 million in personnel costs for fundraising and operational staff paid from sources within the University. As required under GAAP, University support for Foundation staff providing development and operational support are reflected in this forecast, as well as, the Foundation's financial statements.
- Also included in university support is \$526k related to the operating lease with the University as tenant on property located in St. Petersburg. This lease payment is used to cover the mortgage that financed the purchase of the St. Petersburg property.



USF FOUNDATION, INC.

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance		FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
			\$	%			
<u>REVENUES</u>							
Gift & Donations	\$48,100	\$48,100	\$0	0 %	\$70,565	\$60,914	\$56,330
Investment Income (Loss)	37,422	37,422	0	0 %	31,323	33,209	52,617
University Support	12,858	12,858	0	0 %	16,284	13,233	12,680
Other Revenues	2,720	2,744	(24)	(1)%	2,489	2,518	1,250
Total Revenues	\$101,100	\$101,124	\$ (24)	(0)%	\$120,661	\$109,874	\$122,877
<u>EXPENSES</u>							
Program Services							
Salaries & Benefits	\$19,511	\$19,511	\$0	0 %	\$18,498	\$17,288	\$21,850
Scholarship & Fellowship	9,709	9,709	0	0 %	13,213	10,336	9,723
Service & Independent contractors	4,026	4,026	0	0 %	3,145	4,581	4,187
Supplies	2,143	2,143	0	0 %	1,517	3,070	980
Other Transfers & Expenses	14,126	14,126	0	0 %	14,573	22,749	10,933
Total Program Service Expenses	\$49,515	\$49,515	\$0	0 %	\$50,946	\$58,024	\$47,673
Fundraising and Operating Expenses							
Salaries & Benefits	14,776	14,776	\$0	0 %	14,942	14,343	14,501
Service & Independent contractors	1,108	1,626	(518)	(32)%	1,728	1,171	1,037
Other Transfers & Expenses	2,172	2,172	0	0 %	1,772	2,694	1,828
Total Fundraising and Operating Expenses	\$18,056	\$18,574	\$ (518)	(3)%	\$18,442	\$18,208	\$17,366
OPERATING PROFIT BEFORE NON-CASH CHANGES	\$33,529	\$33,035	\$494	1 %	\$51,273	\$33,642	\$57,838
Total Non-Cash Changes	\$0	\$0	\$0	0 %	\$0	\$0	\$0
NET OPERATING PROFIT	\$33,529	\$33,035	\$494	1 %	\$51,273	\$33,642	\$57,838
Operating Profit Margin	33%	33%		0 %	42%	31%	47%



USF FOUNDATION, INC.

FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance		FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
			\$	%			
<u>OPERATING ACTIVITIES</u>							
Net Operating Profit	\$33,529	\$33,035	\$494	1 %	\$51,273	\$33,642	\$57,838
Adjustments for Non-Cash Activities:			0	%			
Investment (gain) losses	(37,422)	(37,422)	0	0 %	(21,485)	(23,643)	(52,617)
Change in assets & liabilities	(9,956)	(9,907)	(49)	(0)%	(45,053)	(31,097)	(5,134)
Total Cash From Operating Activities	\$(13,849)	\$(14,294)	\$445	3 %	\$(15,265)	\$(21,098)	\$87
<u>FINANCING ACTIVITIES</u>							
Proceeds of sales of contributed land held for resale	-	-			-	\$12,000	-
Interest Paid on Debt	(109)	(109)	0	0 %	(119)	(129)	-
Principal Paid on Debt	(391)	(385)	(6)	(2)%	(382)	(371)	-
NonCapital Financing activities	7,565	7,565	0	0 %	15,545	9,435	(362)
Total Cash From Financing Activities	\$7,065	\$7,071	\$(6)	(0)%	\$15,044	\$20,935	\$(362)
<u>INVESTING ACTIVITIES</u>							
Capital Expenditures	\$400	\$0	\$400	%	\$400	\$(7,650)	\$(458)
Net (Purchases) Sales of Investment	(5,998)	(1,054)	(4,944)	(469)%	(6,484)	(1,360)	7,067
Interest dividends reinvested	9,058	9,058	0	0 %	9,839	9,565	(6,112)
Total Cash From Investing Activities	\$3,460	\$8,004	\$(4,544)	(57)%	\$3,755	\$555	\$497
CHANGE IN CASH	(3,324)	781	(4,105)	(526)%	3,534	392	222
Cash, Beginning of Year	4,952	1,155	3,797	329 %	1,417	1,025	803
Cash, End of Year	\$1,628	\$1,936	\$(308)	(16)%	\$4,951	\$1,417	\$1,025
Total Cash & Investments	\$116,964	\$94,667	\$22,297	24 %	\$113,191	\$98,017	\$83,867
Days Cash on Hand	632	507	124	25 %	595	469	471



USF FOUNDATION, INC.

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<u>ASSETS</u>						
Cash & Investments	\$83,867	\$98,017	\$113,191	\$116,964	\$116,830	\$118,766
Fixed Assets	10,003	10,844	11,044	11,072	11,212	11,580
Other Assets	602,625	587,690	629,240	657,968	694,445	732,955
Total Assets	\$696,495	\$696,551	\$753,475	\$786,004	\$822,487	\$863,301
<u>LIABILITIES</u>						
Payables	\$937	\$969	\$1,053	\$1,054	\$1,076	\$1,095
Long-Term Debt	5,086	4,714	4,827	4,746	4,012	3,775
Other Liabilities and deferred inflows	37,506	54,087	59,541	58,621	59,105	61,146
Total Liabilities	\$43,529	\$59,770	\$65,421	\$64,421	\$64,193	\$66,016
NET ASSETS	\$652,966	\$636,781	\$688,054	\$721,583	\$758,294	\$797,285
Days Cash on Hand	471	469	595	632	585	568
<u>REVENUES</u>						
Gifts & Fundraising Revenue	\$56,330	\$60,914	\$70,565	\$48,100	\$52,100	\$54,200
University Support	12,680	13,233	16,284	12,858	13,580	13,805
Other Revenues	53,867	35,727	33,812	40,142	43,942	47,339
Total Revenues	\$122,877	\$109,874	\$120,661	\$101,100	\$109,622	\$115,344
<u>EXPENSES</u>						
Salaries & Benefits	\$36,351	\$31,631	\$33,440	\$34,287	\$36,101	\$37,926
Scholarships & Fellowships	9,723	10,336	13,213	9,709	10,500	10,800
Other Expenses	18,965	34,265	22,735	23,575	26,311	27,626
Total Expenses	\$65,039	\$76,232	\$69,388	\$67,571	\$72,912	\$76,352
Operating Profit Before Non-Cash Changes	\$57,838	\$33,642	\$51,273	\$33,529	\$36,710	\$38,992
Total Non-Cash Changes	\$0	\$0	\$0	\$0	\$0	\$0
NET OPERATING PROFIT	\$57,838	\$33,642	\$51,273	\$33,529	\$36,710	\$38,992
Operating Profit Margin	47%	31%	42%	33%	33%	34%



USF Research Foundation, Inc.

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- The FY21 Revised Operating Plan reflects a decrease in Research Park expenditures of \$520,000 through requested cost reductions from vendors and other savings realized from limited occupancy and a shift to remote working in response to the pandemic. Additional savings in salaries and benefits of \$134,000 result from vacant positions. Savings of \$50,000 have also been realized in operations from minimal VP expenditures for other program services, due to limited activity resulting from COVID-19.

In addition, \$357,000 in CAP-X savings are forecasted as a consequence of the postponement/cancellation of planned capital expenditures during FY21. This will reduce FY21 depreciation expense by \$79,000.

- To reduce University expense, the NMR Use License Agreement will not be renewed in quarter 4 FY21. This will result in an annual recurring decrease in revenue of \$307,000 for the Research Foundation.
- To reduce the Incubator program expenses incurred by the University, cash payments totaling \$2.0M from Research Foundation to the University's Incubator program (TBTI) will occur in FY21. As of the date of this report \$1,500,000 has already been transferred towards this commitment. The transfer of this fiduciary cash to the University's chartfield for the Incubator program, will reduce the University's FY21 program expense. A quarterly transfer of \$250,000 on an ongoing basis (\$1,000,000 per annum) which approximates the positive cash flow generated from tenant rents and sponsor support, will reduce the University's expense each year thereafter.
- To reduce the University's operating expenses for Patents and Licensing (TTO), management of the Research Foundation is working with University financial leadership and the DSO Board of Directors, to restructure the allocation of net revenue generated from Intellectual Property Program fees that are processed by the Research Foundation. The forecasted financial plan for FY22 and future years, reflects a proposed 5% administrative fee revenue (\$300K) be earned by the Research Foundation, and the net earnings of \$450,000 and \$480,000 for FY22 and FY23, respectively, be transferred to Patents and Licensing.
- Construction of the new USF Research Park mixed use lab and office building has a projected completion date of December 31, 2021. Pursuant to the executed Credit Agreement with USF Financing Corporation and a bank, the Research Foundation has committed to provide equity of \$15.0M towards the cost of the project, on or prior to the issuance of a certificate of occupancy. To provide security to the Bank and USF Financing Corp, the Research Foundation must assign the leases and lease revenue from the new building in addition to lease revenue from buildings 3650, 3702 and 3802 Spectrum.

A master lease agreement with USF Financing Corp was also entered into which obligates Research Foundation to pay an escalating annual principal payment that commenced January 2021, and base rent equal to interest cost on the financed amount of \$27.0M that began in FY20. Upon project completion in FY22, a capital asset and capital lease obligation will be recorded by the Research Foundation.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- Research laboratories and office space are leased to the University under operating leases which generally range from 36 to 120 months. In addition thereto, the University leases a building from the Research Foundation, under a master lease agreement through 2036 or the expiration of the long-term debt, if earlier. Total rent revenues from the University approximate 90% of the Research Foundation's total rental revenue. Forecasted revenues include receipt of these future minimum lease payments.



USF Research Foundation, Inc.

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance		FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
			\$	%			
REVENUES							
Rental Revenue	\$9,564	\$9,564	\$0	0 %	\$8,968	\$8,689	\$8,379
Intellectual Property Revenue	2,600	2,600	-	0 %	2,666	3,592	3,728
NMR Use License Fee	244	307	(63)	(21)%	307	307	307
Other Operating Revenues	177	204	(27)	(13)%	188	269	244
Total Revenues	\$12,585	\$12,675	\$(90)	(1)%	\$12,129	\$12,858	\$12,657
EXPENSES							
Salaries & Benefits	1,194	\$1,328	\$(134)	(10)%	\$1,297	\$1,288	\$1,347
Intellectual Property & Other Program Expense	1,939	1,989	(50)	(3)%	1,882	3,036	3,045
Operations - Research Park	3,128	3,648	(520)	(14)%	3,489	3,076	3,075
Other Operating Expenses	162	162	-	0 %	195	135	165
UBC Net Expense (University Business Center)	229	198	31	15 %	256	332	4
Interest Expense	609	609	-	0 %	526	622	687
Depreciation & Amortization	2,815	2,893	(79)	(3)%	2,562	2,648	2,907
Total Expenses	\$10,075	\$10,827	\$(752)	(7)%	\$10,207	\$11,136	\$11,230
NET OPERATING PROFIT	\$2,509	\$1,848	\$662	36 %	\$1,922	\$1,722	\$1,427
Investment Income	2,151	1,935	216	11 %	1,917	2,212	3,117
Non-Operating Interest Expense	(854)	-	(854)	%	(401)	-	-
Total Non-Operating	\$1,297	\$1,935	\$(638)	(33)%	\$1,516	\$2,212	\$3,117
NET INCOME	\$3,806	\$3,782	\$24	1 %	\$3,438	\$3,934	\$4,544
Operating Profit Margin	20%	15%		5 %	16%	13%	11%



USF Research Foundation, Inc.

FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance		FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
			\$	%			
OPERATING ACTIVITIES							
Net Income	\$3,806	\$3,782	\$24	1 %	\$3,438	\$3,934	\$4,544
Adjustments for Non-Cash Activities:							
Less Non-Cash Investment Income	(2,151)	(1,935)	(216)	(11)%	(1,550)	(2,212)	(3,114)
Add back Depreciation/Amortization Exp	2,815	2,893	(79)	(3)%	2,562	2,648	2,907
Add back Other Non-Cash Expenses	10	10	-	0 %	333	464	25
Less Other Non-Cash Revenue	-	-	-	%	(18)	(26)	(49)
Add back Other Income Restatement	-	-	-	%	-	-	786
Changes in Operating Assets and Liabilities	(600)	(600)	-	0 %	(1,113)	1,877	(783)
Total Cash From Operating Activities	\$3,880	\$4,151	\$ (271)	(7)%	\$3,653	\$6,685	\$4,316
FINANCING ACTIVITIES							
Principal Payments - Notes Payable	\$(775)	\$(775)	\$0	0 %	\$(1,745)	\$(1,720)	\$(1,590)
Principal Payments Capital Lease - UDI Building	(261)	(241)	(20)	(8)%	(261)	-	-
Principal Payment - New Building	(900)	(1,754)	854	49 %	-	-	-
Redeem Investments - Fund New Building Costs	2,754	3,254	(500)	(15)%	2,514	-	-
Cash Outlay: New Bldg - Debt Sinking Fund	-	-	-	%	(1,983)	-	-
Cash Outlay: New Bldg - Debt Service Coverage	-	-	-	%	(531)	-	-
Cash Outlay: New Bldg - Closing Costs	-	-	-	%	(53)	-	-
Total Cash From Financing Activities	\$819	\$484	\$335	69 %	\$(2,059)	\$(1,720)	\$(1,590)
INVESTING ACTIVITIES							
Capital Expenditures	\$(1,126)	\$(1,483)	\$357	24 %	\$(1,242)	\$(640)	\$(591)
Capital Expenditures - New Bldg Tenant Improvements	(1,000)	(1,500)	500	33 %	-	-	-
Purchase of Investments	-	-	-	%	(4,050)	(3,251)	(1,000)
Seed Capital Loan Repayments (Issuance)	31	-	31	%	28	(25)	(17)
Transfer from Venture Investment Fund	-	-	-	%	-	-	50
Total Cash From Investing Activities	\$(2,095)	\$(2,983)	\$888	30 %	\$(5,264)	\$(3,916)	\$(1,558)
CHANGE IN CASH	2,604	1,652	952	58 %	(3,670)	1,049	1,168
Cash, Beginning of Year	3,456	3,456	-	0 %	7,127	6,077	4,909
Cash, End of Year	\$6,060	\$5,108	\$952	19 %	\$3,456	\$7,127	\$6,077
Total Cash & Investments	\$48,106	\$42,642	\$5,464	13 %	\$46,106	\$46,807	\$40,622
Days Cash on Hand	522	291	231	79 %	339	457	325



USF Research Foundation, Inc.

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<u>ASSETS</u>						
Cash & Investments	\$40,622	\$46,807	\$46,106	\$48,106	\$39,620	\$42,201
Fixed Assets	31,901	33,510	34,512	33,823	69,097	65,799
Other Assets	18,837	18,039	19,247	19,131	19,015	18,900
Total Assets	\$91,360	\$98,355	\$99,864	\$101,060	\$127,732	\$126,900
<u>LIABILITIES</u>						
Payables	\$2,284	\$2,704	\$2,089	\$1,789	\$1,842	\$1,897
Long-Term Debt	18,875	20,610	18,654	17,618	42,625	40,553
Other Liabilities	7,646	8,553	9,196	9,471	9,756	10,048
Total Liabilities	\$28,806	\$31,868	\$29,938	\$28,878	\$54,223	\$52,498
NET ASSETS	\$62,554	\$66,488	\$69,926	\$72,182	\$73,510	\$74,402
Days Cash on Hand	325	457	339	522	610	684
<u>REVENUES</u>						
Rental Revenue	\$8,379	\$8,689	\$8,968	\$9,564	\$10,168	\$11,068
Intellectual Property Revenue	3,728	3,592	2,666	2,600	2,700	2,800
Other Revenues	551	576	495	420	469	467
Total Revenues	\$12,657	\$12,858	\$12,129	\$12,585	\$13,337	\$14,335
<u>EXPENSES</u>						
Salaries & Benefits	\$1,347	\$1,288	\$1,297	\$1,194	\$1,368	\$1,409
Operations - Research Park	3,075	3,076	3,489	3,128	3,534	3,860
Other Expenses	6,808	6,772	5,421	5,753	7,500	8,629
Total Expenses	\$11,230	\$11,136	\$10,207	\$10,075	\$12,402	\$13,898
Operating Profit Before Non-Operating	\$1,427	\$1,722	\$1,922	\$2,509	\$934	\$438
Total Non-Operating , Net	3,117	2,212	1,516	1,297	1,447	1,519
NET INCOME	\$4,544	\$3,934	\$3,438	\$3,806	\$2,381	\$1,957
Operating Profit Margin	11%	13%	16%	20%	7%	3%



USF Sun Dome, Inc.

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- Expense management and cut backs, including staff reductions and furloughs. Priority payments related to costs essential to ensuring the maintenance & the upkeep of the Arena, as well as return to operations are reflected in the FY21 forecast. A \$100 thousand reduction in the management fee has been factored into the FY21 forecast per the expense management provision of the management agreement.
- FY21 forecast includes \$413 thousand in annual debt service payments
- FY21 forecast assumes \$335 thousand in cash received for on-sales related to FY22 events and USF-only events, with the exception of the Pasco County graduation in June
- FY21 Cash Flows assume the DSO, with full support from the Manager, will defer payments to the Manager until such time as cash flow is available to satisfy that obligation

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- Prior to the COVID-19 Pandemic, the DSO and the Manager were successfully guiding the business to a record year.
- Unfortunately, the COVID-19 Pandemic impacted the operations of the DSO particularly hard, resulting in a complete cessation of events for an extended period.
- By working together, the DSO and the Manager have developed a plan to navigate this year's unique difficult operational and financial reality caused by this unfortunate event.
 - Primary goal of the plan is to protect the DSO's liquidity by managing the accounts payable until such time as ticket sales resume to a sufficient level
 - The DSO and the Manager have made a joint commitment to protect the revenue generating ability of the Yuengling Center so that upon the return of events, the Yuengling Center is positioned to provide positive business operations
 - Throughout the near future, the DSO and the Manager agree to determine the appropriate earn out process such that the Manager is repaid while maintaining the liquidity of the DSO. Further, the reality of the upside operations will generate additional incentives to both organizations.



USF Sun Dome, Inc.
FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance		FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
			\$	%			
<u>REVENUES</u>							
Direct Event Income	\$311	\$321	\$(10)	(3)%	\$155	\$398	\$264
Ancillary Revenue:							
Suites/ Loge	17	53	(36)	(69)%	37	45	20
Concessions & Novelty	65	301	(236)	(79)%	315	333	271
Parking	0	410	(410)	(100)%	325	437	318
Service Charges	0	412	(412)	(100)%	372	383	297
Ticketmaster Rebates	0	409	(409)	(100)%	550	384	214
Total Ancillary Revenue	81	1,584	(1,503)	(95)%	1,600	1,582	1,121
Miscellaneous	20	75	(55)	(73)%	70	191	110
Total Revenues	\$412	\$1,980	\$(1,568)	(79)%	\$1,825	\$2,171	\$1,494
<u>EXPENSES</u>							
Salary & Benefits	\$784	\$983	\$(199)	(20)%	\$943	\$940	\$817
General & Administrative	263	449	(186)	(41)%	461	456	427
Marketing & Sales	7	43	(36)	(83)%	15	24	22
Equipment & Supplies	58	101	(43)	(42)%	63	65	53
Utilities	12	41	(29)	(71)%	29	38	31
Insurance	150	126	24	19 %	146	125	152
Transition Expenses	0	0	0	%	0	0	96
Incentive Fees/ Profit Share	0	50	(50)	(100)%	25	150	0
Total Expenses	\$1,275	\$1,793	\$(518)	(29)%	\$1,682	\$1,798	\$1,596
OPERATING PROFIT BEFORE NON-CASH CHANGES	\$(863)	\$187	\$(1,050)	(561)%	\$143	\$373	\$(102)
Unrealized Investment Gains (Losses)	0	0	0	%	0	0	0
Total Non-Cash Changes	\$0	\$0	\$0	%	\$0	\$0	\$0
NET OPERATING PROFIT	\$(863)	\$187	\$(1,050)	(561)%	\$143	\$373	\$(102)
Operating Profit Margin	-209%	9%	(219)%		8%	17%	-7%



USF Sun Dome, Inc.
FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

OPERATING ACTIVITIES

Net Operating Profit
Adjustments for Non-Cash Activities:
(Increase) Decrease in Accounts Receivable
(Increase) Decrease in Prepaids
Increase (Decrease) in Accounts Payable
Increase (Decrease) in Accrued Liabilities
Increase (Decrease) in Deferred Revenue
Total Cash From Operating Activities

FINANCING ACTIVITIES

Capital Expenditures ⁽¹⁾
Total Cash From Financing Activities

INVESTING ACTIVITIES

Event Revenue Transfers to USF, net
Total Cash From Investing Activities

CHANGE IN CASH

Cash, Beginning of Year
Cash, End of Year

Total Cash & Investments

Days Cash on Hand

FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
		\$	%
\$ (863)	\$187	\$ (1,050)	(561)%
233	47	186	396 %
24	0	24	%
1,356	0	1,356	%
(170)	8	(178)	(2,226)%
158	200	(42)	(21)%
\$738	\$442	\$296	67 %
0	0	0	%
\$0	\$0	\$0	%
(413)	(413)	0	0 %
\$(413)	\$(413)	\$0	0 %
325	29	296	1,021 %
225	37	188	506 %
\$550	\$66	\$484	732 %

\$550	\$66	\$484	732 %
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157	13	144	1,070 %
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FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$143	\$373	\$ (102)
(49)	(63)	122
(25)	1	2
(331)	29	25
62	171	554
(975)	990	(317)
\$(1,176)	\$1,501	\$284
0	0	0
\$0	\$0	\$0
(118)	(686)	(544)
\$(118)	\$(686)	\$(544)
(1,294)	815	(260)
1,519	704	964
\$225	\$1,519	\$704

\$225	\$1,519	\$704
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49	308	161
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USF Sun Dome, Inc.

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ASSETS						
Cash & Investments	\$704	\$1,520	\$225	\$550	\$550	\$550
Accounts Receivable	124	362	411	178	184	203
Other Assets	0	(1)	24	0	0	0
Total Assets	\$828	\$1,881	\$661	\$728	\$734	\$753
LIABILITIES						
Payables	\$248	\$400	\$68	\$1,424	\$740	\$244
Accrued Liabilities	647	818	880	709	825	863
Deferred Revenue	143	1,185	210	369	688	798
Total Liabilities	\$1,037	\$2,403	\$1,158	\$2,502	\$2,253	\$1,904
NET ASSETS	\$(209)	\$(522)	\$(498)	\$(1,774)	\$(1,518)	\$(1,152)
Days Cash on Hand	161	309	49	157	116	111
REVENUES						
Direct Event Income	\$264	\$398	\$155	\$311	\$321	\$354
Ancillary Revenue:						
Suites/ Loge	20	45	\$37	\$17	53	58
Concessions & Novelty	271	333	\$315	\$65	301	331
Parking	318	437	\$325	\$0	410	450
Service Charges	297	383	\$372	\$0	412	453
Ticketmaster Rebates	214	384	\$550	\$0	409	450
Total Ancillary Revenue	\$1,121	\$1,582	\$1,600	\$81	\$1,584	\$1,742
Miscellaneous	110	191	70	20	75	75
Total Revenues	\$1,494	\$2,171	\$1,825	\$412	\$1,980	\$2,171
EXPENSES						
Salary & Benefits	\$817	\$940	\$943	\$784	\$900	\$945
General & Administrative	427	456	461	263	450	472
Marketing & Sales	22	24	15	7	30	32
Equipment & Supplies	53	65	63	58	80	84
Utilities	31	38	29	12	40	42
Insurance	152	125	146	150	150	150
Transition Expenses	96	-	-	-	-	-
Incentive Fees/ Profit Share	-	150	25	-	75	80
Total Expenses	\$1,596	\$1,798	\$1,682	\$1,275	\$1,725	\$1,804
Operating Profit Before Non-Cash Changes	\$(102)	\$373	\$143	\$(863)	\$255	\$367
Total Non-Cash Changes	\$0	\$0	\$0	\$0	\$0	\$0
NET OPERATING PROFIT	\$(102)	\$373	\$143	\$(863)	\$255	\$367
Operating Profit Margin	-7%	17%	8%	-209%	13%	17%



USF Health Professions Conferencing Corporation

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

• Client preservation

- In FY2021, HPCC has been working to coordinate rescheduling FY2020 programs affected by COVID19 and valued at more than \$1 million in revenue. CAMLS affirmative actions to proactively postpone many programs with long lead times, has strengthened relationships with external clients and as a result, is projected to grow revenue and increase operating earnings for FY2022 and 2023. This Revised Operating Plan anticipates a significant portion of the rescheduled programming will occur in FY2022.
- In April 2020, CAMLS launched its Assurance Campaign which addressed CAMLS' broad approach to site safety, facility cleanliness and sanitizing, and a range of access controls to prevent the spread of COVID-19. This extensive internal program included an aggressive outreach plan to ensure visibility and heightened awareness of this critical aspect of CAMLS recovery plan. The campaign, coupled with new virtual reality and live streaming capabilities resulted in several external clients that had postponed their activities returning to CAMLS as well as the identification of numerous new clients who were unable to return to facilities they had previously used for simulation training.
- Through its Assurance Campaign and by providing additional required space to enable physical distancing, HPCC and the CAMLS facility continued to provide flexible space and access to simulation learning and healthcare education to USF students, including Morsani College of Medicine Undergraduate Medical Education (UME), MCOM Anatomy Laboratory, Graduate Medical Education (GME), and Physician's Assistant (PA) students, College of Nursing Certified Registered Nurse Anesthetist (CRNA) students, College of Pharmacy students, and Muma College of Business students. Decreasing tax receipts, limitations on carryforward usage and movement of classroom training to the new Morsani College of Medicine downtown building have reduced funds available for training at CAMLS, but usage remains strong, especially in the most expensive simulation and wet lab spaces for patient simulation training and anatomy. The return of external clients to CAMLS will enable HPCC to continue providing low cost advanced medical simulation training space, equipment and expertise to the USF community.
- CAMLS has successfully developed new relationships to deliver programming that occurs off-site ('CAMLS Without Walls') which exports CAMLS' talent, tools, and resources to support our community and other Florida hospitals and healthcare systems where face to face lifesaving training is needed but the ability for participants to travel was not possible.
- Although live events are postponed indefinitely, The Office of Continuing professional Development has expanded its portfolio of online programming in partnership with medical education companies (MEC) to compensate for some of the lost live event business.

• Expense reductions

- Since March 2020, HPCC has proactively reduced its operating expenses, interest expense and administrative footprint to compensate for reduced business volumes and create more training space. These reductions are prudent for meeting short-term needs and will reduce FY2021 operating and interest expenses by 15% from the approved FY2021 Financial Plan and better position HPCC over the long-term as follows:
- Staffing - HPCC proactively froze 3.5 FTEs in early 2020, eliminated staff and leadership annual bonus, required mandatory leave, eliminated optional professional development and travel related expenses, cross-trained and reassigned staff to meet demand, transitioned temporary staffing needs for programming to full time staff and after all other facility cost saving measures had been implemented HPCC completed a staffing reorganization which eliminated 8 FTEs and created 4 new FTEs to better service customer remote and virtual training needs. The resulting 15% reduction in workforce, positions HPCC to pivot toward a new reality of increased distance learning over the long-term.

- Staffing footprint - HPCC has transitioned more than 40% of its workforce to remote work, freeing up 3,000 square feet of space for revenue generation.
- Operations - Working with the operational consortium which supports USF Health's downtown facilities and spaces CAMLS has been able to scale housekeeping based on need and CAMLS staff have assumed the daytime responsibilities of security. Utilities have been efficiently managed and adjusted for reduced activity and the parking footprint reduced to eliminate unused spaces as well as the most expensive spaces while employee share of parking rates were increased to cover at least the cost of the space. Rent forgiveness and waiver of monthly fees were solicited from vendors with some successes. HPCC also provided some concessions to CAMLS vendors dependent on its business volume.
- Debt Service - The USF Financing Corporation refunded the CAMLS bond in early FY2021 reducing the net interest rate from 3.51% to 2.25%, which will in turn reduce HPCC's future interest payments by approximately \$871 thousand through 2031. Although FY2021 interest expense will be less, the cash savings will be a wash since an early payment premium was required with the refunding.

- **Contractual obligations and liquidity**

- HPCC has and will continue to make all debt service and other contractual payments in FY2021. The targeted minimum days cash on hand at 6/30/2021 is 30.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- The approved FY2021 Financial Plan included \$500 thousand of support from UMSA. That amount continues to be the targeted amount of needed financial support from related USF parties. However, \$180 thousand of the funding is expected to be for simulation equipment used by students and funded as a non-recurring purchase with carryforward funding. Therefore, the assets belong to USF and the funding is not reflected in HPCC financials.
- The return of external clients to CAMLS in FY2022 will enable HPCC to rebuild its cash position.
- HPCC's proactive measures to reduce expenses, preserve client relationships and create a safe learning environment with remote training options will ensure HPCC's cash reserves carry it through these challenging times to a more profitable FY2022.



USF Health Professions Conferencing Corporation

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

REVENUES

Continuing Professional Development	\$4,770	\$5,070	\$ (300)	(6)%
CAMLS - USF Health Programming	1,911	1,675	236	14 %
CAMLS - Industry, Societies, Healthcare	698	3,141	(2,443)	(78)%
Other HPCC Divisions	0	207	(207)	(100)%
In Kind Donations	17	20	(3)	(15)%
Rents, Parking, Rebates, Interest	133	279	(146)	(52)%
Gain on Sale of Fixed Assets	7	0	7	%
Transfer from USF-Plant Operations & Maint.	1,293	1,293	0	0 %
Transfer from UMSA - Wages and Benefits	0	60	(60)	(100)%
USF Carryforward funding - temp staffing - programs	50	0	50	%
Transfer from UMSA Continuing Ed - Faculty, Students	270	500	(230)	(46)%

Total Revenues

\$9,149 **\$12,245** **\$ (3,096)** **(25)%**

EXPENSES

Wages and Benefits	\$3,628	\$4,073	\$ (445)	(11)%
Wages - program driven temporary staffing	60	160	(100)	(63)%
Utilities, Leases, Maint., Supplies, Marketing	1,596	1,944	(349)	(18)%
Direct Program Expense	4,283	5,097	(815)	(16)%
Interest	351	487	(136)	(28)%
In Kind Expense	17	20	(3)	(15)%
Depreciation & Amortization	957	938	20	2 %

Total Expenses

\$10,891 **\$12,720** **\$ (1,829)** **(14)%**

OPERATING PROFIT BEFORE

NON-CASH CHANGES

\$ (1,742) **\$ (475)** **\$ (1,267)** **(267)%**

Unrealized Investment Gains (Losses)

0 0 0 %

Total Non-Cash Changes

\$0 **\$0** **\$0** **%**

NET OPERATING PROFIT

\$ (1,742) **\$ (475)** **\$ (1,267)** **(267)%**

Operating Profit Margin

-19% **-4%** **(15)%**

FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$7,162	\$6,901	\$3,943
2,313	2,872	3,158
2,661	4,540	5,381
205	575	523
29	68	22
484	732	531
0	0	10
1,293	1,293	1,293
60	60	0
0	0	0
250	1,000	1,033
\$14,458	\$18,041	\$15,893
\$3,898	\$3,900	\$3,124
250	214	254
1,891	2,262	2,466
7,348	8,252	5,744
527	570	681
29	68	22
1,089	1,440	1,720
\$15,033	\$16,706	\$14,011
\$ (576)	\$1,335	\$1,882
0	0	0
\$0	\$0	\$0
\$ (576)	\$1,335	\$1,882
-4%	7%	12%



USF Health Professions Conferencing Corporation

FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

OPERATING ACTIVITIES

Net Operating Profit
Adjustments for Non-Cash Activities:
Depreciation
(Gain)/Loss on sale of fixed assets
Adjustments for Changes in
Operating Assets and Liabilities
Total Cash From Operating Activities

FINANCING ACTIVITIES

Proceeds of Long-Term Debt
Principal Payments
Interest Payments
Total Cash From Financing Activities

INVESTING ACTIVITIES

Capital Expenditures
Net (Purchases) Sales of Investments
Total Cash From Investing Activities

CHANGE IN CASH

Cash, Beginning of Year
Cash, End of Year

Total Cash & Investments

Days Cash on Hand

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
			\$	%
Net Operating Profit	\$(1,742)	\$(475)	\$(1,267)	(267)%
Adjustments for Non-Cash Activities:			0	%
Depreciation	957	938	20	2 %
(Gain)/Loss on sale of fixed assets	0	0	0	%
Adjustments for Changes in			0	%
Operating Assets and Liabilities	(1,500)	0	(1,500)	%
Total Cash From Operating Activities	\$(2,285)	\$463	\$(2,748)	(594)%
FINANCING ACTIVITIES				
Proceeds of Long-Term Debt	\$0	\$0	\$0	%
Principal Payments	(1,160)	(1,160)	0	0 %
Interest Payments	0	0	0	%
Total Cash From Financing Activities	\$(1,160)	\$(1,160)	\$0	0 %
INVESTING ACTIVITIES				
Capital Expenditures	\$(20)	\$(200)	\$180	90 %
Net (Purchases) Sales of Investments	0	0	0	%
Total Cash From Investing Activities	\$(20)	\$(200)	\$180	90 %
CHANGE IN CASH	(3,465)	(897)	(2,568)	(286)%
Cash, Beginning of Year	4,288	2,787	1,501	54 %
Cash, End of Year	\$823	\$1,890	\$(1,067)	(56)%
Total Cash & Investments	\$823	\$1,890	\$(1,067)	(56)%
Days Cash on Hand	30	59	(28)	(48)%

FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$(576)	\$1,335	\$1,882
1,089	1,440	1,720
0	0	(10)
644	386	(553)
\$1,157	\$3,161	\$3,039
\$0	\$0	\$0
(1,096)	(1,171)	(1,148)
0	0	0
\$(1,096)	\$(1,171)	\$(1,148)
\$(134)	\$(154)	\$(345)
0	217	46
\$(134)	\$63	\$(299)
(73)	2,053	1,592
4,361	2,308	716
\$4,288	\$4,361	\$2,308
\$4,288	\$4,361	\$2,308
112	104	69



USF Health Professions Conferencing Corporation

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<u>ASSETS</u>						
Cash & Investments	\$2,309	\$4,362	\$4,288	\$823	\$1,423	\$2,423
Fixed Assets	18,548	17,277	16,307	15,370	14,670	13,970
Other Assets	1,963	1,824	960	960	960	960
Total Assets	\$22,820	\$23,463	\$21,555	\$17,153	\$17,053	\$17,353
<u>LIABILITIES</u>						
Payables	\$2,997	\$1,606	\$1,760	\$1,760	\$1,760	\$1,535
Long-Term Debt	14,934	13,844	12,678	11,518	10,418	9,668
Other Liabilities	2,086	3,874	3,554	2,054	2,054	2,054
Total Liabilities	\$20,017	\$19,324	\$17,992	\$15,332	\$14,232	\$13,257
NET ASSETS	\$2,803	\$4,139	\$3,563	\$1,821	\$2,821	\$4,096
Days Cash on Hand	69	104	112	30	37	57
<u>REVENUES</u>						
Program revenues	15,352	17,309	13,973	9,016	15,300	16,300
Other Revenues	541	732	484	133	700	700
Total Revenues	\$15,893	\$18,041	\$14,458	\$9,149	\$16,000	\$17,000
<u>EXPENSES</u>						
Salaries & Benefits	\$3,378	\$4,114	\$4,148	\$3,628	\$3,700	\$3,800
Program services	9,952	12,022	10,357	6,912	11,000	11,500
Interest	681	570	527	351	350	320
Total Expenses	\$14,011	\$16,706	\$15,033	\$10,891	\$15,050	\$15,620
Operating Profit Before Non-Cash Changes	\$1,882	\$1,335	\$(576)	\$(1,742)	\$950	\$1,380
Total Non-Cash Changes	\$0	\$0	\$0	\$0	\$0	\$0
NET OPERATING PROFIT	\$1,882	\$1,335	\$(576)	\$(1,742)	\$950	\$1,380
Operating Profit Margin	12%	7%	-4%	-19%	6%	8%



USF Financing Corporation & USF Property Corporation

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- The Financing Corporation is USF's conduit financing entity. The Corporation issues debt on behalf of the University and receives pledged revenues or lease payments from the University's major business units to pay debt service on their capital projects.
- The pandemic has adversely affected DSO and Auxiliary revenues pledged to the bonds issued by the Financing Corporation. All DSOs and Auxiliaries have implemented cost-cutting measures to preserve essential liquidity and maintain required lease payments.
- The DSO and Auxiliary debt service obligations are priority payments to the Corporation; thus, the Corporation does not anticipate any difficulty in making its Fiscal Year 2020-21 annual debt service payments.
- The key aspects of the Corporation's Revised Operating Plan for FY 2021, compared to the BOT-approved Financial Plan (Budget), include the following:
 - Debt service payments and maintenance of debt service reserves continue to be a priority for DSOs and Auxiliaries in FY 2021.
 - The Corporation is a conduit financing entity and, thus, operates with minimal operating expenses. The necessary restructuring responsibility to offset the reduction in DSO and Auxiliary revenues belongs to the DSOs and Auxiliaries.
 - As a key aspect of the Corporation's Revised Operating Plan, the Corporation waived \$2.1 million of the DSO and Auxiliary payments for management fees and renewal and replacement reserve contributions. While this resulted in a decrease in Corporation revenues, it did not impact the Corporation's ability to pay its fiscal year 2020-21 annual debt service payments, maintain strong liquidity (exceeding 300 days cash on hand), maintain its \$20 million in reserves, and report a positive operating profit.
 - The Corporation assessed 19 outstanding series of bonds to identify refunding opportunities to reduce DSO and Auxiliary annual debt service payments:
 - Identified 3 private placement bonds: \$30 million total outstanding - average 3.5% fixed rate
 - Negotiated new 2.25% rate over remaining 10 years to maturity; No new covenants
 - Savings for CAMLS and Athletics' debt service equals \$2.1 million over the remaining term of the bonds
- To protect USF's credit ratings, the Corporation filed 6 voluntary disclosures with Moody's and S&P and on EMMA (SEC database for public bonds) in May, June and August 2020. Disclosures were filed for Housing, Parking and Marshall Student Center public bonds to provide timely information on University fall 2020 enrollment, student refunds, CARES Act funding, affected revenues, debt service coverage ratios, operating and reserve balances, and state support.
- INTO USF, at its Board Meeting on February 2, 2021, forecast a net operating loss of (\$2,574,000) and a net cash reduction of (\$3,279,000) for fiscal year 2020-2021. USF Financing Corporation has a 50% equity investment in INTO USF with a net investment of \$93,836 as of June 30, 2020. The Corporation's fiscal year 2020-2021 Mid-Year Forecast writes off the remaining investment in INTO USF and recognizes 50% of INTO USF's net operating loss. On January 17, 2010, the Financing Corporation approved a promissory note to lend to INTO USF amounts not to exceed \$2,250,000. As of June 30, 2020, and today, there have been no borrowings or outstanding borrowings on the promissory note; however, the Corporation has a contingent obligation to fund the \$2.25 million note to INTO USF.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- The Corporation relies on USF DSOs and Auxiliaries to make lease payments corresponding to the Corporation's debt service obligations. Management is working closely with the DSOs and Auxiliaries to monitor necessary operational restructuring to offset revenue losses.
- The Corporation's Revised Operating Plan incorporates management's expectation that the DSOs and Auxiliaries will continue to make the required lease payments to the Corporation.



USF Financing Corporation & USF Property Corporation

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance		FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
			\$	%			
<u>REVENUES</u>							
Housing lease revenue	\$8,640	\$10,321	\$(1,681)	(16)%	\$10,334	\$10,504	\$10,418
Marshall Center lease revenue	1,270	1,367	(97)	(7)%	1,419	1,459	1,496
Athletics lease revenue	635	693	(58)	(8)%	764	841	1,068
Arena lease revenue	740	740	0	0 %	778	824	876
DSO (UMSA) lease revenue	1,516	1,735	(219)	(13)%	1,766	1,858	2,072
DSO (HPCC) lease revenue	505	563	(58)	(10)%	588	614	960
DSO (Research) lease revenue	998	174	824	474 %	641	63	0
Total Revenues	\$14,304	\$15,593	\$(1,289)	(8)%	\$16,290	\$16,163	\$16,890
<u>OPERATING EXPENSES</u>							
Management fee	0	795	\$(795)	(100)%	719	706	691
General and administrative expenses	620	580	40	7 %	604	529	574
Total Operating Expenses	\$620	\$1,375	\$(755)	(55)%	\$1,323	\$1,235	\$1,265
<u>OTHER REVENUES (EXPENSES)</u>							
Interest expense on debt	(11,854)	(11,878)	\$24	0 %	(10,822)	(11,647)	(12,152)
Loss on debt extinguishment	0	0	0	%	0	0	(71)
Interest income	40	400	(360)	(90)%	444	708	332
Total Other Revenues (Expenses)	\$(11,814)	\$(11,478)	\$(336)	(3)%	\$(10,378)	\$(10,939)	\$(11,891)
OPERATING PROFIT BEFORE NON-CASH CHANGES	\$1,870	\$2,740	\$(870)	(32)%	\$4,589	\$3,989	\$3,734
Equity contribution from USF for USFSP Project	0	0	0	%	1,166	800	0
Equity contribution from USF Research for reserves	0	0	0	%	2,514	0	0
Reimbursement to USF for furniture or equipment	(626)	0	(626)	%	(271)	0	0
Distribution of INTO CD Proceeds to USF Foundation	0	0	0	%	(2,200)	0	0
Non-cash adjustment related to accounting change	0	0	0	%	0	0	72
Change in INTO USF equity investment	(1,287)	0	(1,287)	%	(103)	450	333
Total Contributions and Non-Cash Changes	\$(1,913)	\$0	\$(1,913)	%	\$1,106	\$1,250	\$405
NET OPERATING PROFIT (LOSS)	\$(43)	\$2,740	\$(2,783)	(102)%	\$5,695	\$5,239	\$4,139
Operating Profit Margin	13.1%	17.6%	(4)%		28.2%	24.7%	22.1%



USF Financing Corporation & USF Property Corporation

FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

OPERATING ACTIVITIES

Lease payments received from USF	\$22,337	\$23,990	\$ (1,653)	(7)%
Lease payments received from UMSA	3,887	4,072	(185)	(5)%
Lease payments received from HPCC	1,451	1,508	(57)	(4)%
Lease payments received from Research Foundation	2,150	2,193	(43)	(2)%
Payment to USF for management services	0	(795)	795	100 %
General and administrative disbursements	(620)	(580)	(40)	(7)%
Total Cash From Operating Activities	\$29,205	\$30,388	\$ (1,183)	(4)%

FINANCING ACTIVITIES

Capital expenditures	\$(23,758)	\$(23,353)	\$ (405)	(2)%
Debt issuance costs	(30)	0	(30)	%
Proceeds of long-term debt	0	0	0	%
Proceeds of long-term debt - Refunding	30,056	0	30,056	%
Principal payments - Refunding	(30,056)	0	(30,056)	%
Principal payments	(14,110)	(14,520)	410	3 %
Interest payments	(13,900)	(14,400)	500	3 %
Equity contribution from USF for USFSP Project	0	0	0	%
Equity contribution from USF Research for reserves	0	0	0	%
Reimbursement to USF for furniture or equipment	(626)	0	(626)	%
Security received from lessee for swap collateral	0	0	0	%
Security (pledged to) returned from counterparty	0	0	0	%
Total Cash From Financing Activities	\$(52,424)	\$(52,273)	\$ (151)	(0)%

INVESTING ACTIVITIES

Proceeds from maturity/redemption of INTO CD	\$3,774	\$4,050	\$ (276)	(7)%
Purchase of INTO CD	(3,774)	(4,050)	276	7 %
Distribution to USF of INTO CD Proceeds	0	0	0	%
Interest income	65	500	(435)	(87)%
Total Cash From Investing Activities	\$65	\$500	\$ (435)	(87)%

CHANGE IN CASH

Cash, Beginning of Year

Cash, End of Year

Total Cash & Investments

Days Cash on Hand

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
			\$	%
OPERATING ACTIVITIES				
Lease payments received from USF	\$22,337	\$23,990	\$ (1,653)	(7)%
Lease payments received from UMSA	3,887	4,072	(185)	(5)%
Lease payments received from HPCC	1,451	1,508	(57)	(4)%
Lease payments received from Research Foundation	2,150	2,193	(43)	(2)%
Payment to USF for management services	0	(795)	795	100 %
General and administrative disbursements	(620)	(580)	(40)	(7)%
Total Cash From Operating Activities	\$29,205	\$30,388	\$ (1,183)	(4)%
FINANCING ACTIVITIES				
Capital expenditures	\$(23,758)	\$(23,353)	\$ (405)	(2)%
Debt issuance costs	(30)	0	(30)	%
Proceeds of long-term debt	0	0	0	%
Proceeds of long-term debt - Refunding	30,056	0	30,056	%
Principal payments - Refunding	(30,056)	0	(30,056)	%
Principal payments	(14,110)	(14,520)	410	3 %
Interest payments	(13,900)	(14,400)	500	3 %
Equity contribution from USF for USFSP Project	0	0	0	%
Equity contribution from USF Research for reserves	0	0	0	%
Reimbursement to USF for furniture or equipment	(626)	0	(626)	%
Security received from lessee for swap collateral	0	0	0	%
Security (pledged to) returned from counterparty	0	0	0	%
Total Cash From Financing Activities	\$(52,424)	\$(52,273)	\$ (151)	(0)%
INVESTING ACTIVITIES				
Proceeds from maturity/redemption of INTO CD	\$3,774	\$4,050	\$ (276)	(7)%
Purchase of INTO CD	(3,774)	(4,050)	276	7 %
Distribution to USF of INTO CD Proceeds	0	0	0	%
Interest income	65	500	(435)	(87)%
Total Cash From Investing Activities	\$65	\$500	\$ (435)	(87)%
CHANGE IN CASH	(23,154)	(21,385)	(1,769)	(8)%
Cash, Beginning of Year	72,615	72,615	0	0 %
Cash, End of Year	\$49,461	\$51,230	\$ (1,769)	(3)%
Total Cash & Investments	\$53,235	\$55,280	\$ (2,045)	(4)%
Days Cash on Hand	322	317	5	2 %

	FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
Lease payments received from USF	\$21,940	\$22,280	\$21,314
Lease payments received from UMSA	4,106	4,138	4,262
Lease payments received from HPCC	1,479	1,453	1,750
Lease payments received from Research Foundation	860	0	0
Payment to USF for management services	(719)	(706)	(691)
General and administrative disbursements	(601)	(529)	(574)
Total Cash From Operating Activities	\$27,065	\$26,636	\$26,061
Capital expenditures	\$(23,852)	\$(6,926)	\$(4,177)
Debt issuance costs	(95)	(516)	(58)
Proceeds of long-term debt	27,000	33,740	0
Proceeds of long-term debt - Refunding	0	36,540	33,708
Principal payments - Refunding	0	(34,354)	(33,708)
Principal payments	(13,059)	(12,198)	(11,733)
Interest payments	(14,347)	(13,360)	(13,815)
Equity contribution from USF for USFSP Project	1,967	0	0
Equity contribution from USF Research for reserves	2,514	0	0
Reimbursement to USF for furniture or equipment	(271)	0	0
Security received from lessee for swap collateral	5,210	3,750	0
Security (pledged to) returned from counterparty	(5,130)	(3,757)	5,390
Total Cash From Financing Activities	\$(20,063)	\$2,919	\$(24,393)
Proceeds from maturity/redemption of INTO CD	\$7,596	\$6,024	\$6,000
Purchase of INTO CD	(5,707)	(5,596)	(6,024)
Distribution to USF of INTO CD Proceeds	(2,200)	0	0
Interest income	974	924	0
Total Cash From Investing Activities	\$663	\$1,352	\$(24)
CHANGE IN CASH	7,665	30,907	1,644
Cash, Beginning of Year	64,950	34,043	32,399
Cash, End of Year	\$72,615	\$64,950	\$34,043
Total Cash & Investments	\$76,323	\$70,547	\$40,067
Days Cash on Hand	403	353	342



USF Financing Corporation & USF Property Corporation

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<u>ASSETS</u>						
Cash & Investments	\$40,067	\$70,547	\$76,323	\$53,235	\$47,500	\$48,000
Capital Lease Receivable	298,038	292,423	278,917	294,556	305,832	289,471
Construction in Progress	0	5,671	32,728	22,250	0	0
Other Assets	10,514	18,234	28,271	29,149	24,996	21,201
Total Assets	\$348,619	\$386,875	\$416,239	\$399,190	\$378,328	\$358,672
<u>LIABILITIES</u>						
Payables - Interest and Construction	\$7,348	\$7,880	\$9,584	\$9,500	\$8,000	\$8,000
Long-Term Debt	321,621	346,018	358,162	342,284	325,080	307,419
Interest Rate Swap & Other Payables	13,829	15,948	25,769	24,725	22,244	19,721
Total Liabilities	\$342,798	\$369,846	\$393,515	\$376,509	\$355,324	\$335,140
NET ASSETS	\$5,821	\$17,029	\$22,724	\$22,681	\$23,004	\$23,532
Days Cash on Hand	342	353	403	322	337	349
<u>REVENUES</u>						
USF Debt Payments	\$13,858	\$13,628	\$13,296	\$11,285	\$11,470	\$10,979
UMSA Debt Payments	2,072	1,858	1,766	1,516	1,670	1,610
HPCC Debt Payments	960	614	588	505	377	316
Research Debt Payments	0	63	641	998	993	953
Total Revenues	\$16,890	\$16,163	\$16,291	\$14,304	\$14,510	\$13,858
<u>EXPENSES</u>						
Operating Expenses	1,265	1,235	1,323	620	1,307	1,315
Total Expenses	\$1,265	\$1,235	\$1,323	\$620	\$1,307	\$1,315
<u>OTHER REVENUES (EXPENSES)</u>						
Interest Expense on Debt	\$(12,152)	\$(11,647)	\$(10,822)	\$(11,854)	\$(11,890)	\$(11,413)
Other Revenues/Expenses	261	708	444	40	40	40
Total Other Revenues (Expenses)	\$(11,891)	\$(10,939)	\$(10,378)	\$(11,814)	\$(11,850)	\$(11,373)
Operating Profit	\$3,734	\$3,989	\$4,590	\$1,870	\$1,353	\$1,170
University/DSO support - Project related	0	800	3,409	(626)	0	0
Distribution of INTO CD Proceeds to Foundation	0	0	(2,200)	0	0	0
Total Non-Cash Changes	405	450	(103)	(1,287)	(1,030)	(643)
NET OPERATING PROFIT	\$4,139	\$5,239	\$5,696	\$(43)	\$323	\$528
Operating Profit Margin	22.1%	24.7%	28.2%	13.1%	9.3%	8.4%



University of South Florida, Alumni Association Inc.

FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- Events: Revenue and Expenses
 - The Association's 2021 budget contained an assumption that events and other activities in person would return at the end of the first quarter of the fiscal year. Instead, events are being held virtually throughout the whole fiscal year. We expect a decrease in event revenue, event related giving, and sponsorships of approx \$383k. Expenses associated with these activities will also decrease by \$347k. The net effect of having all activities held virtually instead of in person is a \$36k loss.
- Royalty Revenue
 - The Association has affinity contracts with various entities. Royalties are significantly based on activities that have been discontinued or greatly reduced during the quarantine. The largest one of these affinity contracts is with Follet for marketing services provided by the Association and compensation is based on the number of cap and gowns sold for commencement. The virtual nature of these events has decreased our Follet revenue stream by 93%, or \$95k. Other activities effected by COVID-19 include: travel program, Days at the Rays, and sale of class rings.
- Other expenses
 - In order to cover the decreased revenue from activities described above, the Association has made reductions in almost all expense areas. We currently have two unfilled positions which contribute to salary savings that will remain open throughout the year. Travel expenses, membership solicitation, and professional services have also been decreased.
- Membership Revenue
 - Membership revenue is an area that is outperforming our original budget by 12%. These gains are contributing to an increase in operating profit for the Association.
- Days cash on hand/ Available Reserves
 - Reducing our draw on reserves has increased our forecasted days cash on hand by 41%; however, the reserve draws throughout the year will reduce the Association's reserves by 44%.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- The Association received \$364k in financial support from the University and the Foundation. To balance the Association's FY'21 budget, funding support of \$864k was requested. However, this request was reduced by \$500k to support the University's overall budget needs. As such, the Association planned to support its budget needs through a up to \$500k draw on its reserves. Due to the favorability in our forecasted results, the expected draw requirement has reduced from \$500k to \$378k, or 25%.
- No additional financial support from USF parties is needed to meet our revised operating plan.



University of South Florida, Alumni Association Inc.

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

REVENUES

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
			\$	%
Membership	\$549	\$489	\$60	12 %
Budget Support	364	364	0	0 %
Royalties	309	449	(140)	(31)%
License Plate Revenue	394	391	3	1 %
Sponsorships	162	320	(158)	(49)%
Investment Income	289	281	8	3 %
Event and other Revenue	39	238	(199)	(84)%
Gifts and Donations	160	186	(26)	(14)%
Total Revenues	\$2,266	\$2,718	\$(452)	(17)%

EXPENSES

Salaries & Benefits	\$1,804	\$1,892	\$(88)	(5)%
Membership and Membership Services	159	193	(34)	(18)%
Printing & Duplicating	3	11	(8)	(73)%
Event Services	58	405	(347)	(86)%
Professional Services	80	95	(15)	(16)%
Postage	54	60	(6)	(10)%
Travel	6	62	(56)	(90)%
Advertising & Marketing	14	22	(8)	(36)%
Insurance	46	56	(10)	(18)%
Community Relations	9	30	(21)	(70)%
Credit Card Fees	25	30	(5)	(17)%
Other expenses	23	18	5	28 %
Bad debt expense	0	0	0	%
Transfer to USF Scholarships	75	75	0	0 %

Total Expenses	\$2,356	\$2,949	\$(593)	(20)%
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OPERATING PROFIT BEFORE NON-CASH CHANGES

	\$(90)	\$(231)	\$141	61 %
Unrealized Investment Gains (Losses)	196	196	0	0 %
Total Non-Cash Changes	\$196	\$196	\$0	0 %
NET OPERATING PROFIT	\$106	\$(35)	\$141	403 %

Operating Profit Margin

-4%	-8%	5 %
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FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$550	\$536	\$490
804	718	625
399	484	576
381	390	383
141	229	180
272	260	238
207	214	194
225	197	179
\$2,979	\$3,028	\$2,865
\$1,840	\$1,766	\$1,691
112	214	181
25	26	14
242	269	246
103	99	98
55	53	53
42	61	57
18	31	24
49	54	50
33	33	42
26	30	25
29	33	33
-	3	16
85	95	76
\$2,659	\$2,767	\$2,606
\$320	\$261	\$259
(32)	15	376
\$(32)	\$15	\$376
\$288	\$276	\$635

11%	9%	9%
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University of South Florida, Alumni Association Inc.

FY 2021 Mid-Year Forecast

STATEMENT OF CASH FLOWS

(In thousands)

OPERATING ACTIVITIES

FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
		\$	%
Net Operating Profit	\$106	\$(35)	\$141 403 %
Adjustments for Non-Cash Activities:		0	%
Unrealized gain on investments	(196)	(196)	0 0 %
Adjustments for Changes in		0	%
Operating Assets and Liabilities	79	100	(21) (21) %
Total Cash From Operating Activities	\$(11)	\$(131)	\$120 92 %

FINANCING ACTIVITIES

Capital Expenditures	\$0	\$0	\$0 %
Total Cash From Financing Activities	\$0	\$0	\$0 %

INVESTING ACTIVITIES

Net (Purchases) Sales of Investments	\$14	\$134	\$(120) (90) %
Total Cash From Investing Activities	\$14	\$134	\$(120) (90) %

CHANGE IN CASH

Cash, Beginning of Year	5	5	0 0 %
Cash, End of Year	\$8	\$8	\$0 0 %

Total Cash & Investments

\$1,052	\$932	\$120	13 %
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Days Cash on Hand

163	115	48	41 %
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FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$320	\$261	\$635
0		
32	(15)	(376)
0		
(179)	70	(99)
\$173	\$316	\$160
\$0	\$0	\$0
\$0	\$0	\$0
\$(153)	\$(315)	\$(155)
\$(153)	\$(315)	\$(155)
20	1	5
7	6	1
\$27	\$7	\$6

\$1,408	\$1,390	\$1,343
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193	183	188
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University of South Florida, Alumni Association Inc.

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<u>ASSETS</u>						
Cash & Investments	\$1,343	\$1,390	\$1,408	\$1,052	\$1,184	\$1,247
Restricted Cash & Investments	5,957	6,388	6,783	6,979	7,191	7,419
Other Assets	313	293	1,651	360	360	360
Total Assets	\$7,613	\$8,071	\$9,842	\$8,391	\$8,735	\$9,026
<u>LIABILITIES</u>						
Payables	\$99	\$177	\$163	\$150	\$150	\$150
Long-Term Debt	0	0	0	0	0	0
Other Liabilities and deferred inflows	2,140	2,183	2,272	2,281	2,306	2,356
Total Liabilities	\$2,239	\$2,360	\$2,435	\$2,431	\$2,456	\$2,506
NET ASSETS	\$5,374	\$5,711	\$7,407	\$5,960	\$6,279	\$6,520
Days Cash on Hand	188	183	193	163	158	161
<u>REVENUES</u>						
Membership	\$490	\$536	\$550	\$549	\$565	\$582
Support	625	718	804	364	864	864
Other Revenues	1,750	1,774	1,625	1,353	1,674	1,724
Total Revenues	\$2,865	\$3,028	\$2,979	\$2,266	\$3,103	\$3,170
<u>EXPENSES</u>						
Salaries & Benefits	\$1,691	\$1,766	\$1,840	\$1,804	\$1,895	\$1,952
Event Expenses	246	269	242	58	249	257
Other Expenses	669	732	577	494	594	612
Total Expenses	\$2,606	\$2,767	\$2,659	\$2,356	\$2,739	\$2,821
Operating Profit Before Non-Cash Changes	\$259	\$261	\$320	\$(90)	\$364	\$349
Total Non-Cash Changes	\$376	\$15	\$(32)	\$196	\$212	\$229
NET OPERATING PROFIT	\$635	\$276	\$288	\$106	\$576	\$578
Operating Profit Margin	9%	9%	11%	-4%	12%	11%



USF Institute of Applied Engineering, Inc.
FY 2021 Mid-Year Forecast - Revised Operating Plan

MID-YEAR FORECAST - REVISED OPERATING PLAN FOR FY 2021

Outline below the Key Aspects of your Revised Operating Plan for FY 2021. Describe operations you have restructured to offset revenue losses from the BOT-approved Financial Plan, priority payments for FY 2021 (such as debt service and other contractual obligations), and describe your targeted minimum liquidity measure for 6/30/21 (days cash on hand) and reserves.

- In the first half of FY21, US Special Operations Command, US Air Force, and SOFWERX awarded 13 contracts to USF IAE worth \$10.4M. Earned revenues from these contracts as well as those awarded in FY20 keep us on pace to earn \$4.8M in planned contract revenues.
- USF IAE officially opened its 4000 sq ft research headquarters facility at the University Mall in November. While currently minimally staffed due to COVID-19 precautions, it provides secure access to research equipment and network infrastructure necessary to execute USF IAE contracts.
- In the first half of FY21, USF IAE hired 13 new full time employees. This brings the total number of IAE employees to 23, providing support necessary to execute IAE contracts.
- Under year two of USF IAE's grant agreement, Hillsborough County continues to fund facility improvements, equipment and staff necessary to support IAE's rapidly expanding operations.
- USF IAE helps ensure its targeted minimum liquidity for the remaining six months of FY21 through closely managing its vendor payments. USF IAE pays vendors directly supporting its contracts only after receiving payments from its sponsors. For non-direct project related expenses, USF IAE pays its vendors NET 45 days.

Describe and quantify needed financial support from related USF parties you are relying on to ensure basic financial performance outcomes, meet contractual commitments and maintain minimum liquidity and reserves. State whether this support is included in your Revised Operating Plan.

- USF IAE is currently in year three of USF's five year funding commitment to support establishment of the Institute. This funding has been necessary to execute IAE's growth plan while maintaining minimum liquidity. The funding USF provided in FY21 is the same as was established in the original plan approved by the Board of Trustees in summer 2018.



USF Institute of Applied Engineering, Inc.

FY 2021 Mid-Year Forecast

INCOME STATEMENT

(In thousands)

REVENUES

	FY 2021 MID-YEAR FORECAST	FY 2021 FINANCIAL PLAN	Variance	
			\$	%
Contracts Revenues	\$4,805	\$4,868	\$(62)	(1)%
Hillsborough County Grant	2,970	2,478	492	20 %
University Support	714	714	(0)	(0)%
College of Engineering Support	23	23	0	0 %
Donation and Other Revenue	378	74	304	410 %
Total Revenues	\$8,889	\$8,156	\$733	9 %

EXPENSES

Salaries & Benefits	\$1,168	\$867	\$302	35 %
College of Engineering Salary Support	23	23	0	0 %
Gift In-Kind Expenses	43	74	(31)	(42)%
Materials, Supplies, Software & Equip., Travel	94	87	7	8 %
Banking, Insurance, Audit, Tax Services	98	100	(2)	(2)%
Facilities, Utilities, Telecomm., Security	0	63	(63)	(100)%
Depreciation & Amortization	47	140	(93)	(66)%
Hills. County Salaries & Benefits	981	984	(3)	(0)%
Hills. County Materials & Equip.	182	353	(171)	(48)%
Hills. County Facilities, Telecomm., & Security	424	641	(218)	(34)%
Direct Program Costs	3,517	3,399	118	3 %
Indirect Return to University	257	380	(123)	(32)%
Total Expenses	\$6,834	\$7,110	\$(276)	(4)%

OPERATING PROFIT BEFORE NON-CASH CHANGES

	\$2,055	\$1,046	\$1,009	96 %
Equipment Donations to USF	0	0	0	%
Total Non-Cash Changes	\$0	\$0	\$0	%
NET OPERATING PROFIT	\$2,055	\$1,046	\$1,009	96 %

Operating Profit Margin

23%	13%	10 %
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FY 2020 ACTUAL RESULTS	FY 2019 ACTUAL RESULTS	FY 2018 ACTUAL RESULTS
\$947	\$0	\$0
151	0	0
770	187	0
23	385	0
6	1	0
\$1,897	\$573	\$0
\$695	\$61	\$0
20	385	0
0	0	0
16	26	0
64	4	0
107	0	0
0	0	0
87	0	0
38	0	0
18	0	0
698	0	0
15	0	0
\$1,758	\$476	\$0
\$139	\$97	\$0
(82)	0	0
\$(82)	\$0	\$0
\$57	\$97	\$0

7%	17%	0%
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FY 2021 Mid-Year Forecast

(In thousands)

96



USF Institute of Applied Engineering, Inc.

FY 2021 Mid-Year Forecast

3-YEAR FORECAST

(In thousands)

	ACTUAL			FORECAST		
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<u>ASSETS</u>						
Cash & Investments	\$0	\$11	\$265	\$595	\$1,505	\$2,815
Account Receivables	0	0	168	1,315	1,594	1,350
Fixed Assets	0	81	8	1,122	1,266	688
Other Assets	0	4	21	514	409	305
Total Assets	\$0	\$97	\$461	\$3,546	\$4,774	\$5,158
<u>LIABILITIES</u>						
Accounts Payable	\$0	\$0	\$286	\$907	\$1,423	\$1,488
Accrued Salaries	0	0	21	430	415	248
Long-Term Debt	0	0	0	0	0	0
Other Liabilities	0	0	0	0	0	0
Total Liabilities	\$0	\$0	\$307	\$1,337	\$1,838	\$1,736
NET ASSETS	\$0	\$97	\$154	\$2,209	\$2,936	\$3,422
Days Cash on Hand	0	9	55	32	57	112
<u>REVENUES</u>						
Contracts Revenues	\$0	\$0	\$947	\$4,805	\$7,140	\$9,000
Hillsborough County Grant	0	0	151	2,970	2,613	0
University Support	0	187	770	714	603	603
College of Engineering Support	0	385	23	23	25	25
Donation and Other Revenue	0	1	6	378	0	0
Total Revenues	\$0	\$573	\$1,897	\$8,889	\$10,380	\$9,628
<u>EXPENSES</u>						
Salaries & Benefits	\$0	\$61	\$695	\$1,168	\$1,203	\$1,239
College of Engineering Salary Support	0	385	20	23	25	25
Gift In-Kind Expenses	0	0	0	43	0	0
Materials, Supplies, Software & Equip., Travel	0	26	16	94	89	113
Banking, Insurance, Audit, Tax Services	0	4	64	98	103	163
Facilities, Utilities, Telecomm., Security	0	0	107	0	140	176
Depreciation & Amortization	0	0	0	47	438	438
Hills. County Salaries & Benefits	0	0	87	981	871	0
Hills. County Materials & Equip.	0	0	38	182	854	0
Hills. County Facilities, Telecomm., & Security	0	0	18	424	388	0
Direct Program Costs	0	0	698	3,517	4,986	6,285
Indirect Return to University	0	0	15	257	557	702
Total Expenses	\$0	\$476	\$1,758	\$6,834	\$9,654	\$9,141
Operating Profit Before Non-Cash Changes	\$0	\$97	\$139	\$2,055	\$727	\$487
Total Non-Cash Changes	\$0	\$0	\$(82)	\$0	\$0	\$0
NET OPERATING PROFIT	\$0	\$97	\$57	\$2,055	\$727	\$487
Operating Profit Margin	0%	17%	7%	23%	7%	5%

Agenda Item: IVb1

USF Board of Trustees
Finance Committee
February 23, 2021

Issue: Legislative Budget Update

Proposed action: Informational

Executive Summary:

Mark Walsh, USF Assistant Vice President for Government Relations, will provide information on the legislative budget process, based on what we know at the current time, including the Governor's recommended budget.

Financial Impact:

N/A

Strategic Goal(s) Item Supports: Sound Financial Management
BOT Committee Review Date: February 23, 2021
Supporting Documentation Online (*please circle*): Yes
Prepared by: Business & Finance

No

Agenda Item: IVb2

USF Board of Trustees
Finance Committee
February 23, 2021

Issue: Budget Realignment Process

Proposed action: Informational

Executive Summary: The USF Board of Trustees approved a plan to address the BOG-requested 8.5% (\$36.7 million) reduction in state appropriations to be implemented no later than July 1, 2021. This is an update on the progress of the implementation of the Budget Realignment Process.

Financial Impact: Implementation of an 8.5% budget reduction of \$36.7 million.

Strategic Goal(s) Item Supports:	Goal 4: Sound Financial Management
BOT Committee Review Date:	February 23, 2021
Supporting Documentation Online (<i>please circle</i>):	Yes No
Prepared by:	Nick Trivunovich, Vice President/CFO (813) 974-3297

BUDGET UPDATE

Progress Report

Nick Trivunovich
February 23, 2021



Update – Activities since January 12

- 6% cash holdback resolved
- Continuing dialogues on targets
- Receipt of the Governor's budget
- Receipt of Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) funds

How the “Holdback” works

- Budgets were formulated prior to Governor July 1 letter
- General “holds” were put on 6% of all budgeted amounts
- Colleges had already committed budgets at 100%
- Colleges and support units asked to identify cash savings equivalent to the 6% holdback
- Once cash was identified, holds were released

Continued Discussions to Achieve Targets

- Deans and colleges
- Faculty senate executive committee

CRRSAA Funding

Second allocation of funding received: \$58 million.

Rules surrounding allowable expenditures have not been promulgated.

The MOU USF signed to receive the funds states we will abide by current rules and restrictions and those that are yet to be formulated by federal oversight authorities.

While the program allows recovery of “lost revenues” it is prudent to assume that the objectives of the draws must be expenditure-based and have a Covid-related purpose.

There are also legislative considerations.

Next Steps

- **Spring 2021:** Use Strategic Plan to inform/refine targets for fiscal 2023
- **March / April 2021** – Legislative session
- **May / June 2021:** Bring fiscal year 2023 implementation plan and budget to BOT
- **June 8, 2021:** BOT approval of Strategic Plan
- **July 1, 2021:** New fiscal year 2022 budgets for departments and units posted, net of first round reductions
- **July 1, 2022:** New fiscal year 2023 budgets for departments and units posted, net of both rounds of reductions

Thank You

