



**USF Board of Trustees
Governance Committee**

Tuesday, May 23, 2023
Microsoft Teams Meeting

Trustees: Will Weatherford, Chair; Sandra Callahan, Michael Carrere, Mike Griffin, Melissa Seixas

A G E N D A

- I. Call to Order and Welcome Chair Will Weatherford
- II. Public Comments Subject to USF Procedure
- III. New Business – Action Items
 - a. [Approval of February 14, 2023, Minutes](#) Chair Weatherford
 - b. DSO Boards of Directors Chair Weatherford
 - i. [USF Research Foundation, Inc. Board of Directors](#)
 - ii. [USF Alumni Association Board of Directors](#)
 - iii. [USF Health Services Support Organization, Inc. Board of Directors](#)
 - c. [Revisions to USF BOT 06-003 Debt Management Policy](#) University Treasurer,
Fell Stubbs
- IV. New Business – Information Items
 - a. [NCAA Compliance Education](#) Sr. Assoc. Athletic Director,
Brendan Armitage
 - b. [BOT Election Procedure](#) Chair Weatherford
 - c. [Conflict of Interest Disclosure](#) General Counsel, Gerard Solis
- V. Adjournment Chair Weatherford



**USF Board of Trustees
Governance Committee**

**Tuesday, February 14, 2023
10-10:15am**

MINUTES

Chair Will Weatherford welcomed everyone to the Governance Committee meeting and called the meeting to order.

Kiara Guzzo called the roll

Trustee Sandra Callahan
Trustee Michael Carrere
Trustee Michael Griffin
Trustee Melissa Seixas
Trustee Will Weatherford

Public Comments Subject to USF Procedure

There were no public comments

New Business Action Items

a. Approval of November 21, 2022 Minutes

Chair Weatherford requested a motion to approve the Minutes. It was given by Trustee Callahan and seconded by Trustee Mike Griffin. The November 21, 2022 Minutes were approved.

b. DSO Board of Directors

i. USF Research Foundation Inc. Board of Directors

Chair Will Weatherford presented.

Approve reappointment of a Direct Support Organization Board Member for the USF Research Foundation, Inc.

Per Florida Statute Section 1004.28 and USF System Regulation 13.002, the USF Board of Trustees must approve members of Direct Support Organizations' Boards of Directors. This is a request to approve the reappointment of Gwen Mitchell as a non-USF member of the Research Foundation Board of Directors.

Mitchell has more than 40 years of experience in public accounting with Deloitte, primarily serving clients in consumer business, heavy manufacturing and distribution. She has significant experience in the steel and metals industry and has served as the lead client service partner on significant global public reporting, mid-size and private clients and as a leader in community organizations. She has worked on significant transactions including offerings, acquisitions and dispositions.

ii. USF Foundation, Inc. Board of Directors

Review and approval of USF Foundation Board of Directors for ex-officio term to commence upon employment and approval by the USF Board of Trustees.

The following have been selected in accordance with the Foundation's bylaws and are now being presented to the USF Board of Trustees' Governance Committee for consideration and approval:

Ex Officio Appointment - Prasant Mohapatra. Ph.D., Provost and Executive Vice President

The Chair commented that we're always grateful to those who volunteer their time by serving on the USF DSO Boards. There were also comments on the importance of becoming a member of the USF Foundation Board of Directors.

After review of the materials and nominations, Chair Weatherford requested a motion to approve the USF Research Foundation Inc. Board of Directors and the Ex Officio Appointment of Prasant Mohapatra. Ph.D., Provost and Executive Vice President to the USF Foundation Board of Directors.

The motion was given by Trustee Seixas and seconded by Trustee Griffin. Both items were voted on and approved. 1. USF Research Foundation Inc. Board of Directors and 2. USF Foundation, Inc. Board of Directors

c. Revisions to USF Institute of Applied Engineering Bylaws

USF General Counsel Gerard Solis presented.

Per USF Regulation 13.002, the USF Board of Trustees must approve all revisions to DSO bylaws. USF IAE proposed the following changes to its bylaws.

Article IV, Section 2 of the bylaws establishes USF IAE Board of Director nomination and appointment responsibilities and quotas in accordance with Section 1004.28, Florida Statutes. Paragraph C has been revised to assign a portion of that responsibility to the USF IAE Corporation President/CEO.

Article V, Section 2 of the bylaws establishes officers of the corporation. The first paragraph in Section 2 has been revised to reflect the University of South Florida President has the responsibility to assign the individual who serves as the USF IAE Corporation President/CEO.

The USF IAE Board of Directors approved these bylaws changes at its January 23, 2023, meeting, and has forwarded to the USF Board of Trustees Governance Committee for their review and approval.

General Counsel Gerard Solis presented to demonstrate the changes to Article 5 Section 2 and Article 4 Section 2 referencing a technical clean up that replaces the Dean of Engineering with the President as CEO of the Corporation. This will give the President more flexibility as it relates to the IAE moving forward.

Mr. Solis thanked Dean Robert Bishop for his service with IAE.

Trustee Griffin asked if officers of the DSO would still have to come before the Board members, to which the answer was yes.

Trustee Schneider had a comment concerning the Dean of Engineering no longer having a direct appointment to DSO.

With no further questions regarding the revisions to the Bylaws, Chair Weatherford requested a motion to approve. The motion was given by Trustee Callahan and seconded by Trustee Seixas. The Revisions to USF Institute of Applied Engineering Bylaws were approved.

In considering the below agenda item, the Governance Committee is acted on behalf of the full board pursuant to the BOT Operating Procedures, Article III. A., in order to comply with the Board of Governors submission deadline.

d. Acceptance of Performance Based Funding (PBF) and Preeminence Data Integrity Audit & Approval of Data Integrity Certification

Executive Director Virginia Kalil presented.

Pursuant to Florida Statute 1001.706(5)(e) and Board of Governors Chair Lamb's letter to University Presidents and University Board of Trustees Chairs dated June 21, 2022, the USF Office of Internal Audit (IA) conducted internal audits of PBF and Preeminence Data Integrity. The primary audit objectives for both audits were to:

- Determine whether the processes and internal controls established by the university ensure the completeness, accuracy, and timeliness of data submissions which support the performance measures.
- Provide an objective basis of support for the President and Board of Trustees Chair to sign the representations included in the Data Integrity Certification.

The Board of Governors requires the acceptance of the audit results and the approval of the Data Integrity Certification by the Board of Trustees, with submittal to the Board of Governors by March 1, 2023.

Executive Director Kalil commented that the Board of Governors relies on the information provided by the universities in order to make their funding decisions. The audits are conducted every year and due to the Board by March 1st.

Chair Weatherford requested a motion to approve the items. The motion was given by Trustee Carrere and seconded Trustee Callahan. The PBF and Preeminence Data Integrity Audit & Approval of Data Integrity Certification was approved.

Having no further business Chair Weatherford adjourned the Governance Committee meeting.

Agenda Item: III.b.i.

USF Board of Trustees
Governance Committee
May 23, 2023

Issue: Direct Support Organization Board Membership

Proposed action: Approve Appointment of a Direct Support Organization Board Member for the USF Research Foundation, Inc.

Executive Summary:

Per Florida Statute Section 1004.28 and USF System Regulation 13.002, the USF Board of Trustees must approve members of Direct Support Organizations' Boards of Directors. The Research Foundation Bylaws provide for ex-officio membership on the Board of Directors by virtue of University leadership positions.

This is a request to approve the ex-officio appointment of Dr. Prasant Mohapatra as a member of the USF Research Foundation Board of Directors as the incumbent holder of the office of University Provost and Executive Vice President.

Financial Impact: No financial impact

BOT Committee Review Date:

Supporting Documentation Online (please circle): Yes

Prepared by: Allison Madden, Corporate Secretary, USF Research Foundation

No

Agenda Item: III.b.ii.

USF Board of Trustees
Governance Committee
May 23, 2023

Issue: Direct Support Organization (DSO) submission of new or renewed USF Alumni Association Board of Directors for terms starting on July 1, 2023.

Proposed action: Review and approval of the new or renewed USF Alumni Association Board of Directors for terms starting on July 1, 2023.

Executive Summary:

The following new and renewed USF Alumni Association Board of Directors have been selected in accordance with the Association's bylaws, and now are being presented for consideration and approval of the USF Board of Trustees' Governance Committee.

New Board of Directors for FY 2024:

- 1. Emily Colón – Director**
 - a. BA 2010, International Business, MPA Public Administration 2014
 - b. Assistant City Manager and Manager of Innovation and Strategy, City of Lakeland
 - c. USF Adjunct Professor – College of Public Affairs

- 2. Sara DuCuennois – Director**
 - a. BA 1999, Mass Communications
 - b. Associate Vice President of Alumni Relations, Office of Alumni Relations and Annual Giving, Florida International University

- 3. Mark Giddarie – Director**
 - a. MS 2017, Entrepreneurship and Applied Technologies, Ph.D. Business Administration 2020
 - b. President and CEO, AQUIPMED Global Procurement Solutions
 - c. President and Owner, Alpha Eagle Aviation
 - d. Adjunct Instructor, USF Muma College of Business

4. Ram Kancharla – Director

- a. BA 1985, Business Administration, MBA International Business and Finance 1987
- b. Vice President, Planning and Development, Port Tampa Bay
- c. Certified as a Professional Port Manager by the American Association of Port Authorities

5. Diana Michel – Director

- a. BS 1988, Business Administration
- b. President, Michel Sports Marketing
- c. Member, USF Sarasota Manatee campus board
- d. Former USF Alumni Association Board of Directors member and former President of Sarasota-Manatee Alumni Chapter

6. To Be Determined

- a. USF Student Government Vice President

7. Sean Schrader

- a. USF Ambassador – St. Petersburg Campus president
- b. 2022 USF graduate; currently a USF master's student
- c. Current Campus Governor, USF St. Petersburg campus

Returning Board of Directors for FY 2024:

8. Kerine Black – Director

- a. BS 2000, Information Systems and Decision-Making Science and Finance
- b. Vice President, FRI Project and Project Management Lead Analyst, Citi Bank
- c. Member USF Athletics Hall of Fame
- d. Current USFAA board member

9. Maya Brown – Director

- a. BA 2015, Sociology and Africana Studies
- b. Founder and Principal Strategist – MB Strategies, LLC.
- c. Current USFAA board member

10. Todd St. John-Fulton – Director

- a. BGS 2019, General Studies
- b. Vice President of Human Resources, Habitat for Humanity of Pinellas and West Pasco Counties
- c. Current USFAA Board member

Ex-Officio Positions for FY 2024:

1. Jay Stroman – Director

- a. Senior Vice President, University Advancement and Alumni Affairs, and CEO of USF Foundation
- b. Current USFAA Board member

2. Bill McCausland – Director (non-voting)

- a. Vice President and Executive Director, USF Alumni Association
- b. Current USFAA Board member (non-voting)

Financial Impact: None.

BOT Committee Review Date:

Supporting Documentation Online (*please circle*): Yes

No

Prepared by: Bill McCausland, vice president and executive director of the USF Alumni Association.

Agenda Item: III.b.iii

USF Board of Trustees
Governance Committee
May 23, 2023

Issue: University of South Florida (USF) Health Services Support Organization, Inc. Board of Directors

Proposed action: Approve University of South Florida (USF) Health Services Support Organization (“HSSO”) Board of Directors, FY 2023

Executive Summary:

Per Florida Statute Section 1004.29, USF Regulation 13.002, and the HSSO Corporate By-Laws, the USF Board of Trustees must approve appointment of all members of the HSSO Board of Directors.

Ex-Officio Members of HSSO Board of Directors:

1. **Charles J. Lockwood, M.D. – Board Chair** (V.1.1ⁱ)
Serves as by virtue of position as:
 - Senior Vice President, USF Health (IV.2.Aⁱ)

2. **Harry van Loveren, M.D. – Vice-Chair and Director** (V.1.2ⁱ)
Chair, USF Health Department of Neurosurgery, Morsani College of Medicine

Serves by virtue of appointment by USF Health Senior VP (IV.2.Dⁱ)

3. **Steve Omli – Secretary/Treasurer** (V.1.3ⁱ)
Chief Financial Officer, USF Health

Serves by virtue of appointment by USF Health Senior VP (IV.2.Dⁱ)

Appointed Members of HSSO Board of Directors:

4. **Uday Murthy, PhD – Director**
Serves as by virtue of position as:
 - Chair of the HSSO Audit Committee (IV.1.Eⁱ)

5. Kathryn Gillette – Director

Serves by virtue of appointment by USF Health Senior VP (IV.2.D ⁱ)

Chief Executive Officer: Daniel Vukmer, JD (V.2.2ⁱ)

For informational purposes, the following positions are appointed by the Board Chair and the President, but do not require BOT approval:

1. Harold W. Mullis – Director

Serves by virtue of USF Board of Trustee Chair Appointee (IV.2.B ⁱ)

2. Angie Sklenka

Vice President and Chief Human Resources Officer, USF

Serves by virtue of appointment by USF President (IV.2.C ⁱ)

Financial Impact: No financial impact.

Strategic Goal(s) Item Supports:

BOT Committee Review Date:

Supporting Documentation Online (*please circle*):

Yes

No

Prepared by: Daniel Vukmer, JD

ⁱ Parenthetical references align with the corresponding sections of the HSSO By-Laws.

Agenda Item: III.c.

USF Board of Trustees
Governance Committee
May 23, 2023

Issue: Revisions to USF BOT 06-003 Board of Trustees Debt Management Policy

Proposed action: Approve Amendment to USF Board of Trustees Debt Management Policy USF BOT 06-003

Executive Summary:

The USF Board of Trustees Debt Management Policy 06-003 was initially approved by the Board of Trustees on December 7, 2006, and last amended on March 5, 2019.

Attached are clean and red-line proposed revisions to the USF Debt Management Policy. These revisions were promulgated for comment on March 30, 2023. No comments were received.

These Policy revisions are primarily for clarification purposes. The key financial ratios provided in Section VI.B, Debt Capacity Assessment, have been updated for consistency with current, relevant key financial ratios assessed by major credit rating agencies (Moody's and Standard & Poor's).

Once approved by the Board of Trustees, the final USF Board of Trustees Debt Management Policy 06-003 will be recommended to the DSOs for approval.

Financial Impact:

N/A

Strategic Goal(s) Item Supports:	Goal 5: Strong, Sustainable and Adaptable Financial Base
Workgroup Review Date:	May 23, 2023
Supporting Documentation Online (please circle):	Yes No
USF or Institution specific:	USF
Prepared by:	Fell L. Stubbs, University Treasurer, (813) 974-3298



**UNIVERSITY OF
SOUTH FLORIDA**

BOT POLICY

Number: USF BOT 06-003
Title: Debt Management Policy
Responsible Office: Business and Finance

Date of Origin: 12-7-06

Date Last Amended: 3-5-19

Date Last Reviewed: 1-30-2023

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UNIVERSITY OF SOUTH FLORIDA

DEBT MANAGEMENT POLICY

I. INTRODUCTION (Purpose and Intent)

Mission of the University

The University of South Florida (the “University”) is a multi-campus national research university that supports the development of the metropolitan Tampa Bay Region, the United States and the world. Building upon unique strengths inherent in Florida’s population, location, and natural resources, the university is dedicated to excellence in:

- Teaching and lifelong learning in a student-centered environment
- Research to advance knowledge and promote social, cultural, economic, educational, health, and technological development
- Service based on academic excellence and the ethic of community responsibility
- Community engagement to build university-community partnerships and collaborations.

Purpose of the Policy

To fulfill its mission, the University will need to make strategic capital investments in its facilities that could affect the University’s credit. Funding sources, including State funds (appropriations and debt), University debt, internal reserves and philanthropy will be utilized by management to achieve the University’s strategic objectives. Debt, particularly tax-exempt debt, provides a low cost source of capital to fund capital investments and is viewed as a long-term component of liabilities.

The purpose of this University Debt Management Policy (the “Policy”) ~~document~~ is to establish a policy for the University of South Florida to be used to evaluate the appropriate issuance of debt, mix of funding sources, the capital funding structure and the appropriate use of leverage ~~(the “Policy”)~~.

II. STATEMENT OF POLICY

It is the policy of the University of South Florida that debt financing conform to the authority granted by Florida and Federal laws and regulations, its Board of Trustees and the Board of Governors’ Debt Management Guidelines for Capital Outlay Projects initially approved on April 27, 2006, and subsequently revised, the Board of Governors’ Public-Private Partnership Guidelines for Capital Outlay Projects initially approved on September 3, 2015 and subsequently revised, and that the management of debt be conducted in such a manner as to promote the interests of the University.

This Policy will be implemented, reviewed and monitored by the University Chief Financial Officer, the University Treasurer (“Treasurer”) and the CFO of the DSO or CU.

III. ENTITIES COVERED BY THIS POLICY

The Policy applies to all units within the University, to direct support organizations (“DSO”), to component units (“CU”) and to units for which the University is financially and legally accountable. DSOs are separate not-for-profit corporations organized and operated exclusively to assist the University achieve its mission. CUs are organizations operated exclusively to assist the University achieve its mission. In accordance with Florida Statutes and Rules and University Regulations and Policies, these organizations receive, hold, invest and administer property and make expenditures to or for the benefit of the University.

All University, DSO and CU debt financings, to the extent such debt financings are allowed by applicable law, require approval by the DSO and CU Boards, the University Board of Trustees and the Florida Board of Governors, and such projects shall be managed by the University Chief Financial Officer, the Treasurer and the designated chief financial officer ~~(“CFO”)~~ of the DSO and CU.

The USF Financing Corporation is authorized by the University Board of Trustees to issue bonds, certificates of participation and notes to finance, construct, hold, make expenditures and administer property for the exclusive benefit of the University.

IV. FINANCING OBJECTIVES

The financing objectives below, combined with the judgment of the University, and DSO and CU as appropriate, provide a framework for decisions regarding the use and management of debt. The objectives are subject to review and change over time.

- A. Identify eligible capital projects for debt financing. Restricting debt to projects that are critical to the mission of the University will ensure that debt capacity is optimally utilized. Projects that relate to the strategic objectives of the University and projects which are self-funding with associated revenues will receive priority consideration.
- B. Maintain favorable access to capital. Management will manage the timing and overall level of debt to ensure low-cost and timely access to the capital markets.
- C. Limit risk within the debt portfolio. Management will balance the goal of achieving the lowest cost of capital with the goal of limiting exposure to interest rate risk and other financing and credit risks.
- D. Manage credit to maintain the highest possible credit rating. Maintaining the highest

possible credit rating will facilitate the issuance of debt at favorable cost. Outstanding debt will be limited to a level that will maintain acceptable credit ratings from the credit rating agencies. While maintaining or attaining a specific credit rating is not an objective of this Policy, the University Chief Financial Officer and University Treasurer will monitor the University's credit ratings and assess factors that might affect those ratings.

V. **RESPONSIBILITIES**

Pursuant to the delegated authority of the University President, the responsibility for implementing the Policy and ~~debt management its~~ procedures lies with the University Chief Financial Officer. The University Chief Financial Officer may delegate debt management duties to ~~the University Treasurer and~~ other officers.

The Treasurer will provide direction for managing outstanding University debt and the respective CFO of the DSO or CU will be responsible for managing the outstanding debt of the relevant organization. Debt management guidance, review and recommendations will be provided by the University Chief Financial Officer and ~~University~~ Treasurer.

VI. **DEBT MANAGEMENT STRATEGIES**

To achieve its financing objectives above, the University will adopt the following debt management strategies and procedures. These strategies will be reviewed and modified by the University over time.

A. Funding Strategies

1. Only capital projects that relate to the mission of the University will be considered for debt financing.
2. Projects which are self-funding or can create budgetary savings will receive priority consideration.
3. The Chief Financial Officer will prioritize all projects put forward for funding.
4. Projects supported by a security pledge that meet debt service obligations and provide for operations will be considered.
5. Cash reserves, philanthropy and all other sources of legally available funds are expected to finance a portion of the cost for the ~~University's or, as appropriate, the DSO's and CU's investment in capital project facilities.~~
6. Debt is to be used sparingly and strategically.
7. The University, in the context of this Policy, will consider alternative financing arrangements, including public-private partnerships, when appropriate and advantageous to the University.

B. Debt Capacity Assessment

1. Debt capacity is a measure of how much debt an institution can borrow at a particular rating level. Debt capacity is a function of the University's scope of operations, reputation and pricing power, operating results, revenue diversity, total wealth, operating reserves, liquidity, financial leverage and debt affordability.

2. This Policy requires the assessment of University debt capacity using key financial ratios. These ratios should be consistent with those used in the capital markets and will constitute benchmarks for debt capacity. The ratios will be evaluated over the past several years and will be compared to appropriate industry medians at specific rating levels.

The following ratios, supplemented from time to time with other measures, will be calculated on a University-wide basis and reported annually and on a pro forma basis when new debt is issued, and will be revised to reflect any changes in the capital markets and accounting standards:

- Annual ~~Actual~~ Debt Service Coverage from Operations (x)
Measures the ~~actual~~ margin of protection for annual debt service payments from annual operations.

The Sum of: Operating ~~operating~~ surplus (deficit) plus depreciation and mortization expense plus interest expense plus unusually large non-cash expenses divided by total principal and interest expense.

- Annual ~~Actual~~ Debt Service to Operating Expenses (%)
Measures the ability to pay debt service associated with all outstanding debt and the impact on the overall budget.

Annual ~~Actual~~ annual debt service divided by total operating expenses.

- Operating Surplus to Operating Revenue Margin (%)
Measures the operating surplus on each dollar of operating revenue.

*Operating surplus (deficit)
Divided by total operating revenue.*

- Spendable Cash & Investments to Total ~~Expendable~~ Financial Resources to Direct Debt (x)
Measures the ability to repay debt from cash and

investments that can be accessed over time or for a specific purpose. coverage of direct debt by financial resources that are ultimately expendable.

Total cash and investments excluding permanently restricted cash and investments~~The Sum of:~~

~~unrestricted net assets~~

~~plus restricted expendable net assets~~

~~plus foundation unrestricted / temporarily restricted net assets~~

~~less foundation net investment in plant~~

Divided by total outstanding direct debt.

- Spendable Cash & Investments Expendable Financial Resources to Operations (x)

Measures the extent to which cash and investments can be accessed over time or for a specific purpose to operate without earning any additional revenue.

~~coverage of operating expense by financial resources that are ultimately expendable.~~

Total cash and investments excluding permanently restricted cash and investments~~The Sum of:~~

~~unrestricted net assets~~

~~plus restricted expendable net assets~~

~~plus foundation unrestricted / temporarily restricted net assets~~

~~less foundation net investment in plant~~

Divided by total operating expense.

- Operating Cash Flow Margin (%)

Measures the operating surplus, before non-cash items, on each dollar of operating revenue.

Operating surplus (deficit)

plus depreciation and amortization expense

plus interest expense

plus unusually large non-cash expenses

Divided by total operating revenue.

- Monthly Days Cash on Hand

Measures the number of days cash operations can be covered by cash and investments that can be liquidated within one month.

Monthly liquidity times 365

Divided by: total operating expense less depreciation and amortization expense less unusually large non-cash expenses.

- Total Debt to Cash Flow (x)
Measures the ability to repay debt from the profitability of operations.

Total debt

Divided by: operating revenue less operating expense plus depreciation and amortization expense plus unusually large non-cash expenses.

32. Target ratios or Policy limits may be established as part of this Policy. These targets or limits will vary depending on risk tolerance and strategic objectives.

C. Debt Instruments

1. Tax-Exempt Debt. Tax-exempt debt is beneficial, and efforts will be made to maximize the amount of tax-exempt debt outstanding under the Policy.
2. Taxable Debt. Taxable debt is appropriate when the project being financed will include private activity. The University debt portfolio will be managed to minimize the amount of taxable debt outstanding. Taxable debt will be used to fund projects ineligible for tax-exempt financing.

~~D.~~ Financing Structures

1. Funding risk is reduced by maintaining diverse sources for project financing in addition to debt, including gifts and donations, equity contributions and public-private partnerships.
2. Funding risk is also reduced by maintaining diverse sources of pledged revenues or security for the debt.
3. Consideration will be given to the credit quality of the proposed transaction and likely credit ratings, access to public or private capital markets, competitive or negotiated sales, credit enhancement, bond covenants, debt service reserves, whether funded by bond proceeds or cash balances, compliance, and reporting requirements.

~~D.E.~~ Interest Rate Swaps

1. Interest rate swaps will be used by the University in a manner consistent with the Derivatives Policy to reduce interest rate risk and to manage variable rate exposure.
2. Interest rate swaps will be evaluated in a framework incorporating a cost/benefit analysis of any derivative instrument, market, and interest rate conditions, ~~and~~ counterparty exposure and compliance.
3. Under no circumstances will a derivative transaction be utilized that is not fully understood or that imposes inappropriate risk on the University.
4. The use of interest rate swaps to hedge variable rate debt will be limited.
5. Only counterparties with ratings of “AA-” or better at the time of the transaction will be used.
6. If, following the transaction, the counterparty is downgraded, the relationship will be subject to immediate review.
7. All swap contracts will include provisions for collateralization upon certain events to secure the interests of the University and particularly that the contract will terminate at the University’s option if the counterparty’s rating falls below a “BBB-“.
8. Exposure to counterparties will be diversified.

F. Variable Interest Rate Debt Exposure

1. Due to the typically low interest rate cost of variable rate debt relative to fixed rate debt, it may be beneficial for the University to maintain a portion of outstanding debt in a variable rate mode.
2. Variable rate debt, however, introduces a number of significant risks: the potential volatility of debt service requirements, a risk that associated credit arrangements that expire prior to the maturity of the underlying debt may be difficult or costly to renew, financing arrangements that may include rating triggers or covenants that could accelerate debt repayment and collateral pledge requirements. Thus, the amount of variable rate debt not swapped to fixed rates will be limited as a portion of the total amount of outstanding University debt. Fixed rate debt will be the primary source of capital infrastructure financing.
3. The amount of variable rate debt will be limited and vary depending on liquidity constraints, capital market conditions and the level of interest rates.

G. ~~F.~~ Off-Balance Sheet Financing

1. Off-balance sheet financing may be considered by the University when it is desirable to work with a third party for risk sharing and for leasing.

2. The effect of such financing will be considered on the cost of capital, credit ratings and debt capacity, making the assumption that the financing is included on the balance sheet.
3. Off-balance sheet financing will conform to the Florida Board of Governors' Public-Private Partnership Guidelines, effective as of September 3, 2015.

VII. DEBT MANAGEMENT PRACTICES

A. Debt Administration

1. The University Chief Financial Officer, who may delegate duties to other officers, will be responsible for structuring new University transactions, managing project funds and developing repayment schedules from units. The CFO of the DSO or CU will have similar responsibilities for the DSO or CU.
2. The University's outstanding debt will be managed by the Treasurer. The DSO's and CU's outstanding debt will be managed by the CFO of the DSO and CU.
3. The Treasurer will review debt management practices and new transactions reported by the University and the DSOs and CUs at least on a quarterly basis ~~with~~ and will provide guidance and recommendations to the University Chief Financial Officer.
4. In circumstances where the University issues debt for capital projects benefiting multiple units, the Treasurer will pool the debt and allocate funds and financing costs for the various projects to the units on a consistent basis.
5. The University Chief Financial Officer will review proposals for new financed projects and rank them according to the foregoing University objectives and strategy.
6. The University Chief Financial Officer will review, at least annually, the University's debt capacity, repayment sources and other capital market, budget, and financing considerations.
7. The University Board of Trustees and the DSO and CU Boards, if applicable, must approve capital projects before issuing the debt.

B. Structure

1. To obtain the lowest possible financing costs, debt should be structured with the strongest possible authorized security.
2. Debt maturity structures will not exceed the useful life of the facilities financed.
3. Debt service should not exceed the expected revenues used to repay the debt at any time.
4. Public debt is preferred over directly placed bank debt.
5. Directly placed bank debt should not include cross-default provisions, financial ratio covenants, material adverse change

covenants, acceleration provisions, or events of default beyond nonpayment.

6. The University will maintain ample same-day liquid funds to fully cover the total amount of directly placed bank debt outstanding in the event of an un-remedied event of default resulting in immediate acceleration.

7. Call features should be structured to provide maximum flexibility to the University relative to cost.

C. Methods of Sale

1. Negotiated or competitive debt transactions will be considered on a case-by-case basis.
2. Directly placed bank debt ~~Private placements~~ will be considered for debt transactions where the size is too small or the structure is too complicated for public debt issuance.

D. Purchase of Insurance or Other Credit Enhancement

1. Insurance and other credit enhancement opportunities will be evaluated and utilized if they are considered cost effective and when they do not require material debt and operating restrictions.

E. Selection of Underwriters and Advisors

1. A competitive selection process will be utilized to select senior and co-managing underwriters. This process will serve to select a group of lead underwriters for debt issuance for a specified period. The process will also be utilized to pre-qualify a roster of other firms for participation on the underwriting team. A competitive or negotiated process will be utilized for any single issue.
2. Financial and legal advisors to the University and DSO's and CU's for debt issuance and management requirements will be selected from a request-for-proposal process from time to time to serve for a specified period. Advisors may be selected for any single issue utilizing a competitive or negotiated process.

F. Refunding Targets

1. Outstanding debt will be monitored for refunding opportunities.
2. As a guideline, refunding debt that produces a 5% or greater net present value will be considered.
3. Refunding outstanding debt will also be considered if the University benefits from eliminated restrictive covenants, payment obligations, reserve and/or security requirements or other obligations, or from consolidation into larger, more cost-effective transactions.

G. Communications and other activities with rating agencies relating to credit ratings on University and DSO debt and activities relating to disclosure under Rule 15c2-12 of the Securities and Exchange Commission shall be conducted jointly between the University and/or DSO and the Florida Board of Governor's Office and State Division of Bond Finance under the management and coordination of the Florida Board of Governor's Office and State Division of Bond Finance. The University or DSO must notify the Florida Board of Governor's Office and State Division of Bond Finance in advance of any contact with a rating agency, such that the Florida Board of Governor's Office and State Division of Bond Finance will have an adequate opportunity to prepare and participate. In addition, the University or DSO must promptly notify the Florida Board of Governor's Office and State Division of Bond Finance when a rating agency requests to schedule surveillance calls, site visits, or other activities, or whenever any request for information is received, such that the Florida Board of Governor's Office, and State Division of Bond Finance will have an adequate opportunity to prepare and participate. The Florida Board of Governor's Office and State Division of Bond Finance must be notified on the same day that a rating agency publishes their final rating action, should the final rating action not be provided directly to the Florida Board of Governor's Office and State Division of Bond Finance. The Florida Board of Governor's Office and State Division of Bond Finance will coordinate with the University and/or DSO on the appropriate level of engagement by the Florida Board of Governor's Office and State Division of Bond Finance for any given call, draft report, site visit, etc., as determined by the Florida Board of Governor's Office and State Division of Bond Finance. The Florida Board of Governor's Office and State Division of Bond Finance must be copied on any communications between the University and/or the DSO and any rating agency. The University and DSO must provide all information relating to credit ratings or disclosure to the Florida Board of Governor's Office and State Division of Bond Finance and respond timely to requests from the Florida Board of Governor's Office and State Division of Bond Finance for any information necessary to facilitate activities relating to credit ratings or appropriate disclosure.

H. ~~H.~~ Reporting to the Board of Trustees

1. The Treasurer will present an annual report to the Board of Trustees on debt issued and outstanding, the estimated University debt capacity and the credit ratings. The CFO of the DSO or CU will submit information as requested by the Treasurer for this annual report.

I. ~~I.~~ Reporting Subsequent Events and Amendments to the Board of Governors

1. The Treasurer will timely notify the Board of Governors and the Division of Bond Finance of any proposed changes in the terms or conditions of debt issued by the University or DSO. No material changes shall be made without specific Board authorization, which may include items such as, but not limited to:
 - Extending maturities
 - Changes in bond covenants
 - Changes in pledged revenues
 - Debt acceleration
 - Cross default
 - Changes to remedies provided to investors
 - Variable rate refundings
 - Other actions that may reduce debt service coverage or credit ratings
 - Termination or modification of swap agreements
 - Use of derivatives

VIII. ARBITRAGE AND INVESTMENT OF BOND PROCEEDS

Compliance with arbitrage requirements on invested tax-exempt bond funds will be maintained. Proceeds that are to be used to finance construction expenditures are excepted from the filing requirements, provided that proceeds are spent in accordance with requirements established by the IRS.

IX. DISCLOSURE

Initial and ongoing disclosure requirements will be met in accordance with Rule 15c2-12 of the Securities and Exchange Commission (SEC), Florida Statutes or Rules, as applicable, and best practices including applicable policies, procedures and guidelines. Financial reports, statistical data and descriptions of any material events will be submitted as required under outstanding bond indentures.

Date Approved: Dec. 7, 2006

Substantively Amended: (none)

Technically Amended: Mar. 5, 2019, Mar. 9, 2017

Biennial Review: Jan. 30, 2023

Other: Jul. 1, 2020 (Consolidation)



BOT POLICY

Number: USF BOT 06-003
Title: Debt Management Policy
Responsible Office: Business and Finance

Date of Origin: 12-7-06 **Date Last Amended:** 3-5-19 **Date Last Reviewed:** 1-30-2023

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UNIVERSITY OF SOUTH FLORIDA

DEBT MANAGEMENT POLICY

I. **INTRODUCTION (Purpose and Intent)**

Mission of the University

The University of South Florida (the “University”) is a multi-campus national research university that supports the development of the metropolitan Tampa Bay Region, the United States and the world. Building upon unique strengths inherent in Florida’s population, location, and natural resources, the university is dedicated to excellence in:

- Teaching and lifelong learning in a student-centered environment
- Research to advance knowledge and promote social, cultural, economic, educational, health, and technological development
- Service based on academic excellence and the ethic of community responsibility
- Community engagement to build university-community partnerships and collaborations.

Purpose of the Policy

To fulfill its mission, the University will need to make strategic capital investments in its facilities that could affect the University’s credit. Funding sources, including State funds (appropriations and debt), University debt, internal reserves and philanthropy will be utilized by management to achieve the University’s strategic objectives. Debt, particularly tax-exempt debt, provides a low-cost source of capital to fund capital investments and is viewed as a long-term component of liabilities.

The purpose of this University Debt Management Policy (the “Policy”) is to establish a policy for the University of South Florida to be used to evaluate the appropriate issuance of debt, mix of funding sources, the capital funding structure, and the appropriate use of leverage.

II. **STATEMENT OF POLICY**

It is the policy of the University of South Florida that debt financing conform to the authority granted by Florida and Federal laws and regulations, its Board of Trustees and the Board of Governors’ Debt Management Guidelines for Capital Outlay Projects initially approved on April 27, 2006 and subsequently revised, the Board of Governors’ Public-Private Partnership Guidelines for Capital Outlay Projects initially approved on September 3, 2015 and subsequently revised, and that the management of debt be conducted in such a manner as to promote the interests of the University.

This Policy will be implemented, reviewed, and monitored by the University Chief Financial Officer, the University Treasurer (“Treasurer”) and the CFO of the DSO or CU.

III. ENTITIES COVERED BY THIS POLICY

The Policy applies to all units within the University, to direct support organizations (“DSO”), to component units (“CU”) and to units for which the University is financially and legally accountable. DSOs are separate not-for-profit corporations organized and operated exclusively to assist the University achieve its mission. CUs are organizations operated exclusively to assist the University achieve its mission. In accordance with Florida Statutes and Rules and University Regulations and Policies, these organizations receive, hold, invest and administer property and make expenditures to or for the benefit of the University.

All University, DSO and CU debt financings, to the extent such debt financings are allowed by applicable law, require approval by the DSO and CU Boards, the University Board of Trustees and the Florida Board of Governors, and such projects shall be managed by the University Chief Financial Officer, the Treasurer and the designated chief financial officer of the DSO and CU.

The USF Financing Corporation is authorized by the University Board of Trustees to issue bonds, certificates of participation and notes to finance, construct, hold, make expenditures and administer property for the exclusive benefit of the University.

IV. FINANCING OBJECTIVES

The financing objectives below, combined with the judgment of the University, and DSO and CU as appropriate, provide a framework for decisions regarding the use and management of debt. The objectives are subject to review and change over time.

- A. Identify eligible capital projects for debt financing. Restricting debt to projects that are critical to the mission of the University will ensure that debt capacity is optimally utilized. Projects that relate to the strategic objectives of the University and projects which are self-funding with associated revenues will receive priority consideration.
- B. Maintain favorable access to capital. Management will manage the timing and overall level of debt to ensure low-cost and timely access to the capital markets.
- C. Limit risk within the debt portfolio. Management will balance the goal of achieving the lowest cost of capital with the goal of limiting exposure to interest rate risk and other financing and credit risks.
- D. Manage credit to maintain the highest possible credit rating. Maintaining the highest

possible credit rating will facilitate the issuance of debt at favorable cost. Outstanding debt will be limited to a level that will maintain acceptable credit ratings from the credit rating agencies. While maintaining or attaining a specific credit rating is not an objective of this Policy, the University Chief Financial Officer and University Treasurer will monitor the University's credit ratings and assess factors that might affect those ratings.

V. **RESPONSIBILITIES**

Pursuant to the delegated authority of the University President, the responsibility for implementing the Policy and debt management procedures lies with the University Chief Financial Officer. The University Chief Financial Officer may delegate debt management duties to the University Treasurer and other officers.

The Treasurer will provide direction for managing outstanding University debt and the respective CFO of the DSO or CU will be responsible for managing the outstanding debt of the relevant organization. Debt management guidance, review and recommendations will be provided by the University Chief Financial Officer and University Treasurer.

VI. **DEBT MANAGEMENT STRATEGIES**

To achieve its financing objectives above, the University will adopt the following debt management strategies and procedures. These strategies will be reviewed and modified by the University over time.

A. Funding Strategies

1. Only capital projects that relate to the mission of the University will be considered for debt financing.
2. Projects which are self-funding or can create budgetary savings will receive priority consideration.
3. The Chief Financial Officer will prioritize all projects put forward for funding.
4. Projects supported by a security pledge that meet debt service obligations and provide for operations will be considered.
5. Cash reserves, philanthropy and all other sources of legally available funds are expected to finance a portion of the cost for the capital project.
6. Debt is to be used sparingly and strategically.
7. The University, in the context of this Policy, will consider alternative financing arrangements, including public-private partnerships, when appropriate and advantageous to the University.

B. Debt Capacity Assessment

1. Debt capacity is a measure of how much debt an institution can borrow at a particular rating level. Debt capacity is a function of the University's scope of operations, reputation and pricing power, operating results, revenue diversity, total wealth, operating reserves, liquidity, financial leverage and debt affordability.
2. This Policy requires the assessment of University debt capacity using key financial ratios. These ratios should be consistent with those used in the capital markets and will constitute benchmarks for debt capacity. The ratios will be evaluated over the past several years and will be compared to appropriate industry medians at specific rating levels.

The following ratios, supplemented from time to time with other measures, will be calculated on a University-wide basis and reported annually and on a pro forma basis when new debt is issued, and will be revised to reflect any changes in the capital markets and accounting standards:

- Annual Debt Service Coverage from Operations (x)
Measures the margin of protection for annual debt service payments from annual operations.

The Sum of: Operating surplus (deficit) plus depreciation and mortization expense plus interest expense plus unusually large non-cash expenses divided by total principal and interest expense.

- Annual Debt Service to Operating Expense (%)
Measures the ability to pay debt service associated with all outstanding debt and the impact on the overall budget.

Annual debt service divided by total operating expenses.

- Operating Surplus to Operating Revenue (%)
Measures the operating surplus on each dollar of operating revenue.

*Operating surplus (deficit)
Divided by total operating revenue.*

- Spendable Cash & Investments to Total Debt (x)
Measures the ability to repay debt from cash and investments that can be accessed over time or for a specific purpose.

*Total cash and investments excluding permanently restricted cash and investments
Divided by total debt.*

- Spendable Cash & Investments Operations (x)
Measures the extent to which cash and investments can be accessed over time or for a specific purpose to operate without earning any additional revenue.

*Total cash and investments excluding permanently restricted cash and investments
Divided by total operating expense.*

- Operating Cash Flow Margin (%)
Measures the operating surplus, before non-cash items, on each dollar of operating revenue.

*Operating surplus (deficit)
plus depreciation and amortization expense
plus interest expense
plus unusually large non-cash expenses
Divided by total operating revenue.*

- Monthly Days Cash on Hand
Measures the number of days cash operations can be covered by cash and investments that can be liquidated within one month.

*Monthly liquidity times 365
Divided by: total operating expense less depreciation and amortization expense less unusually large non-cash expenses.*

- Total Debt to Cash Flow (x)
Measures the ability to repay debt from the profitability of operations.

*Total debt
Divided by: operating revenue less operating expense plus depreciation and amortization expense plus unusually large non-cash expenses.*

3. Target ratios or Policy limits may be established as part of this Policy. These targets or limits will vary depending on risk

tolerance and strategic objectives.

C. Debt Instruments

1. Tax-Exempt Debt. Tax-exempt debt is beneficial, and efforts will be made to maximize the amount of tax-exempt debt outstanding under the Policy.
2. Taxable Debt. Taxable debt is appropriate when the project being financed will include private activity. The University debt portfolio will be managed to minimize the amount of taxable debt outstanding. Taxable debt will be used to fund projects ineligible for tax-exempt financing.

D. Financing Structures

1. Funding risk is reduced by maintaining diverse sources for project financing in addition to debt, including gifts and donations, equity contributions and public-private partnerships.
2. Funding risk is also reduced by maintaining diverse sources of pledged revenues or security for the debt.
3. Consideration will be given to the credit quality of the proposed transaction and likely credit ratings, access to public or private capital markets, competitive or negotiated sales, credit enhancement, bond covenants, debt service reserves, whether funded by bond proceeds or cash balances, compliance, and reporting requirements.

E. Interest Rate Swaps

1. Interest rate swaps will be used by the University in a manner consistent with the Derivatives Policy to reduce interest rate risk and to manage variable rate exposure.
2. Interest rate swaps will be evaluated in a framework incorporating a cost/benefit analysis of any derivative instrument, market, and interest rate conditions, counterparty exposure and compliance.
3. Under no circumstances will a derivative transaction be utilized that is not fully understood or that imposes inappropriate risk on the University.
4. The use of interest rate swaps to hedge variable rate debt will be limited.
5. Only counterparties with ratings of “AA-” or better at the time of the transaction will be used.
6. If, following the transaction, the counterparty is downgraded, the relationship will be subject to immediate review.
7. All swap contracts will include provisions for collateralization upon certain events to secure the interests of the University and

particularly that the contract will terminate at the University's option if the counterparty's rating falls below a "BBB-".

8. Exposure to counterparties will be diversified.

F. Variable Interest Rate Debt

1. Due to the typically low interest rate cost of variable rate debt relative to fixed rate debt, it may be beneficial for the University to maintain a portion of outstanding debt in a variable rate mode.
2. Variable rate debt, however, introduces a number of significant risks: the potential volatility of debt service requirements, a risk that associated credit arrangements that expire prior to the maturity of the underlying debt may be difficult or costly to renew, financing arrangements that may include rating triggers or covenants that could accelerate debt repayment and collateral pledge requirements. Thus, the amount of variable rate debt not swapped to fixed rates will be limited as a portion of the total amount of outstanding University debt. Fixed rate debt will be the primary source of capital infrastructure financing.
3. The amount of variable rate debt will be limited and vary depending on liquidity constraints, capital market conditions and the level of interest rates.

G. Off-Balance Sheet Financing

1. Off-balance sheet financing may be considered by the University when it is desirable to work with a third party for risk sharing and for leasing.
2. The effect of such financing will be considered on the cost of capital, credit ratings and debt capacity, making the assumption that the financing is included on the balance sheet.
3. Off-balance sheet financing will conform to the Florida Board of Governors' Public-Private Partnership Guidelines, effective as of September 3, 2015.

VII. DEBT MANAGEMENT PRACTICES

A. Debt Administration

1. The University Chief Financial Officer, who may delegate duties to other officers, will be responsible for structuring new University transactions, managing project funds and developing repayment schedules from units. The CFO of the DSO or CU will have similar responsibilities for the DSO or CU.
2. The University's outstanding debt will be managed by the

Treasurer. The DSO's and CU's outstanding debt will be managed by the CFO of the DSO and CU.

3. The Treasurer will review debt management practices and new transactions reported by the University and the DSOs and CUs at least on a quarterly basis and will provide guidance and recommendations to the University Chief Financial Officer.
4. In circumstances where the University issues debt for capital projects benefiting multiple units, the Treasurer will pool the debt and allocate funds and financing costs for the various projects to the units on a consistent basis.
5. The University Chief Financial Officer will review proposals for new financed projects and rank them according to the foregoing University objectives and strategy.
6. The University Chief Financial Officer will review, at least annually, the University's debt capacity, repayment sources and other capital market, budget, and financing considerations.
7. The University Board of Trustees and the DSO and CU Boards, if applicable, must approve capital projects before issuing the debt.

B. Structure

1. To obtain the lowest possible financing costs, debt should be structured with the strongest possible authorized security.
2. Debt maturity structures will not exceed the useful life of the facilities financed.
3. Debt service should not exceed the expected revenues used to repay the debt at any time.
4. Public debt is preferred over directly placed bank debt.
5. Directly placed bank debt should not include cross-default provisions, financial ratio covenants, material adverse change covenants, acceleration provisions, or events of default beyond nonpayment.
6. The University will maintain ample same-day liquid funds to fully cover the total amount of directly placed bank debt outstanding in the event of an un-remedied event of default resulting in immediate acceleration.
7. Call features should be structured to provide maximum flexibility to the University relative to cost.

C. Methods of Sale

1. Negotiated or competitive debt transactions will be considered on a case-by-case basis.
2. Directly placed bank debt will be considered for debt transactions where the size is too small or the structure is too complicated for public debt issuance.

D. Purchase of Insurance or Other Credit Enhancement

1. Insurance and other credit enhancement opportunities will be evaluated and utilized if they are considered cost effective and when they do not require material debt and operating restrictions.

E. Selection of Underwriters and Advisors

1. A competitive selection process will be utilized to select senior and co-managing underwriters. This process will serve to select a group of lead underwriters for debt issuance for a specified period. The process will also be utilized to pre-qualify a roster of other firms for participation on the underwriting team. A competitive or negotiated process will be utilized for any single issue.
2. Financial and legal advisors to the University and DSO's and CU's for debt issuance and management requirements will be selected from a request-for-proposal process from time to time to serve for a specified period. Advisors may be selected for any single issue utilizing a competitive or negotiated process.

F. Refunding Targets

1. Outstanding debt will be monitored for refunding opportunities.
2. As a guideline, refunding debt that produces a 5% or greater net present value will be considered.
3. Refunding outstanding debt will also be considered if the University benefits from eliminated restrictive covenants, payment obligations, reserve and/or security requirements or other obligations, or from consolidation into larger, more cost-effective transactions.

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1. The Treasurer will timely notify the Board of Governors and the Division of Bond Finance of any proposed changes in the terms or conditions of debt issued by the University or DSO. No material changes shall be made without specific Board authorization, which may include items such as, but not limited to:
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IX. DISCLOSURE

Initial and ongoing disclosure requirements will be met in accordance with Rule 15c2-12 of the Securities and Exchange Commission (SEC), Florida Statutes or Rules, as applicable, and best practices including applicable policies, procedures and guidelines. Financial reports, statistical data and descriptions of any material events will be submitted as required under outstanding bond indentures.

Date Approved: Dec. 7, 2006

Substantively Amended: (none)

Technically Amended: Mar. 5, 2019, Mar. 9, 2017

Biennial Review: Jan. 30, 2023

Other: Jul. 1, 2020 (Consolidation)

Agenda Item: IV.a.

USF Board of Trustees
Governance Committee
May 23, 2023

Issue: NCAA Athletic Compliance Education

Proposed action: None, informational

Executive Summary:

The purpose of this presentation is to provide an overview of NCAA regulations regarding permissible and impermissible activities and interactions between representatives of athletics interest (commonly referred to as boosters) and prospective and current student-athletes at USF.

- Topics covered: NCAA regulations and guidelines, permissible and impermissible booster activities, consequences of violating NCAA rules.
- Goals: educate Board of Trustees members, raise awareness of potential consequences, provide key takeaways.
- Key takeaways: knowledge of types of booster activities allowed and not allowed.

Financial Impact: None.

Strategic Goal(s) Item Supports:

BOT Committee Review Date:

Supporting Documentation Online (please circle):

Yes

No

Prepared by: Brendan Armitage, Sr. Associate Athletics Director

Board of Trustees Governance Committee NCAA Compliance Education

May 23, 2023

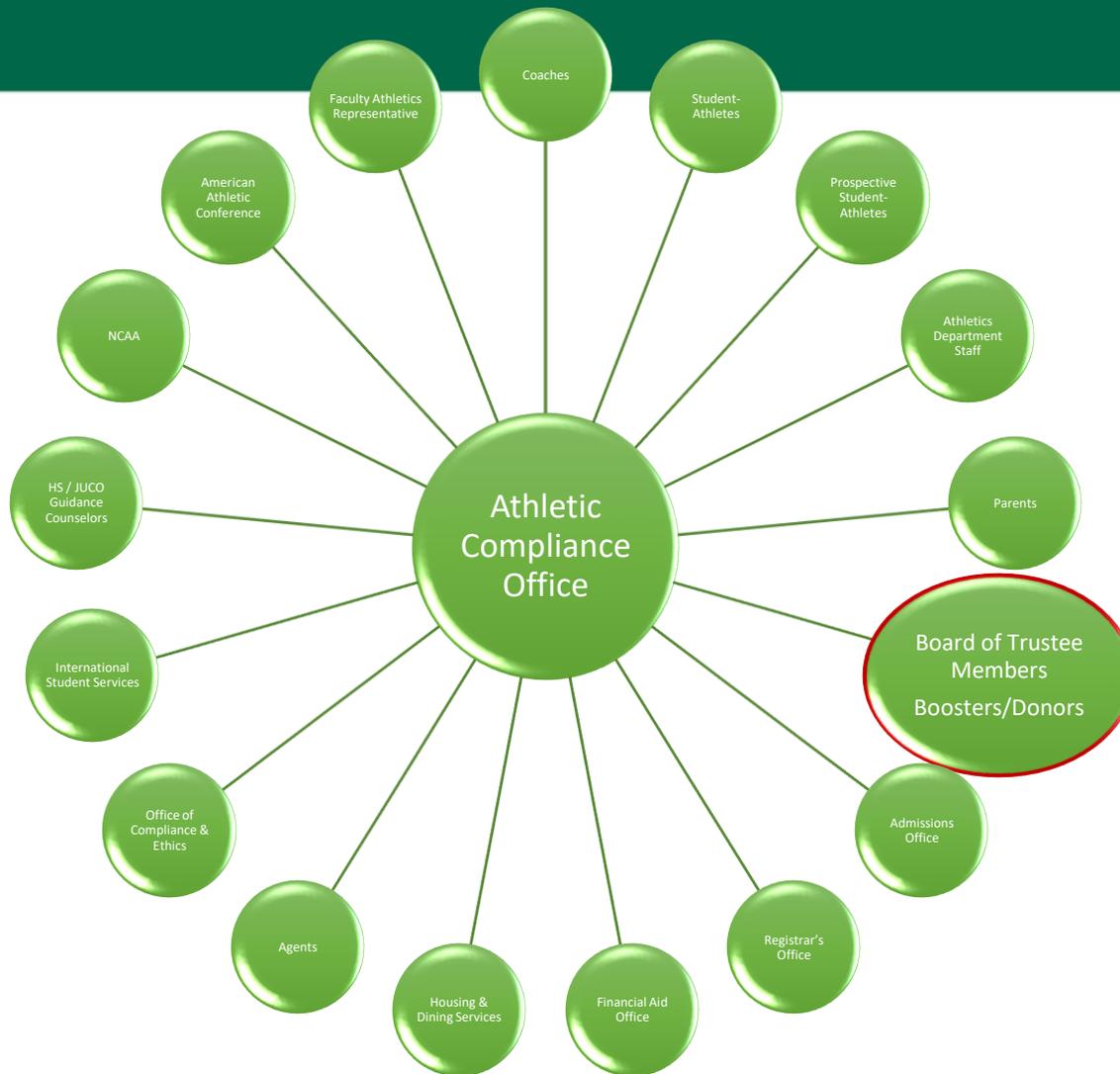
Brendan Armitage, Sr. Associate Athletic Director - Compliance



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

- NCAA's definition of an representative of athletics interest (booster)
 - Definition is purposefully broad in nature
 - Likely will include most/all BOT members
- Definition of a Prospective Student-Athlete (PSA)?
- Who is permitted to recruit PSAs to attend USF for varsity athletics participation?
 - General USF Recruitment vs. Varsity Athletic Recruitment
 - Off campus vs. On-campus contact
- Permissible vs. Non-Permissible booster activities
 - Extra benefit restrictions (general rule)
 - Booster interaction with PSAs vs. Current Student-Athletes
 - Name, Image and Likeness Opportunities
- Compliance Assistance
 - Please ask before you act!





Board of Trustees NCAA Compliance Education

Resource Information

Brendan Armitage, Sr. Associate Athletic Director - Compliance



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

Who is a “Representative of Athletics Interests” (also known as a booster)?

A "representative of the institution's athletics interests" is an individual, independent agency, corporate entity (e.g., apparel or equipment manufacturer) or other organization who is known (or who should have been known) by a member of the institution's executive or athletics administration to:

- a) Have participated in or to be a member of an agency or organization promoting the institution's intercollegiate athletics program;
- b) Have made financial contributions to the athletics department or to an athletics booster organization of that institution;
- c) Be assisting or to have been requested (by the athletics department staff) to assist in the recruitment of prospective student-athletes;
- d) Be assisting or to have assisted in providing benefits to enrolled student-athletes or their family members; or
- e) Have been involved otherwise in promoting the institution's athletics program.

Members of the USF Board of Trustees have most likely, by definition, triggered the representatives of the University’s athletics interests definition above.

13.02.15.1 Duration of Status. Once an individual, independent agency, corporate entity or other organization is identified as such a representative, the person, independent agency, corporate entity or other organization retains that identity indefinitely.

Simply put, once a booster, always a booster!



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

Recruiting

What does “recruiting” mean?

13.02.14 Recruiting.

- Recruiting is any solicitation of a **PSA or PSA’s family members** by an institutional staff member or by a representative of the institution's athletics interests for the purpose of securing the prospective student-athlete's enrollment and ultimate participation in the institution's intercollegiate athletics program. (Revised: 4/25/18)

• Who is a prospective student-athlete (PSA)?

13.02.13 Prospective Student-Athlete.

- *A PSA is a student who has started classes for the **ninth grade**. In addition, a student who has not started classes for the ninth grade becomes a prospective student-athlete if the institution provides such an individual (or the individual's family members or friends) any financial assistance or other benefits that the institution does not provide to prospective students generally.*
- *For camps/clinics purposes, a prospective student-athlete is a student who has started classes for the **seventh grade** in the sports of Men’s Basketball and Softball.*
- *PSA status continues until their initial full time enrollment at a four year institution, however status includes their time enrolled at a junior college if applicable.*



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

Recruiting

- As a general rule, boosters are not permitted to be involved in **athletic** recruiting activities.
 - *This includes off campus contact/evaluations, on campus contact, emails, text messages, phone calls, posting on social media, etc.*
 - *This rule is specific to recruitment of PSAs to participate in varsity athletics at USF, but does not include standard duties related to general student recruitment at USF.*
- Who can recruit PSAs:
 - *Only “countable coaches” may recruit PSAs **on-campus and off-campus***
 - *Only limited athletic department staff members may be a part of **on-campus** recruiting activities (e.g., unofficial/official visits).*
 - *Err on the side of caution and please leave all recruiting activities to the coaching staff.*
- NCAA is extremely strict with recruiting rules, specifically related to who can make contact with PSAs or members of their family for purposes of recruitment.



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

What can a booster do?

- Boosters are able to do any of the following:
 - With Regards to PSAs:
 1. If a PSA contacts a booster regarding interest in playing for USF, the boosters are able to notify the head coach of that sport of the initial contact and the PSAs interest, then discontinue recruiting contact.
 2. Booster is allowed to have a conversation with someone who might have triggered PSA status, however when potential recruitment comes up, please defer to rule 1 above and discontinue recruiting conversation.
 3. If booster is a former student-athlete at USF, that booster is permitted to have on-campus contact with a PSA during their visit to campus.
 - With Regards to Current Student-Athletes:
 - Provide occasional meals on-campus, off-campus (new rule) and/or at their home.
 - Employ current student-athletes (must be paid going rate for services)
 - *NIL rules might come into play if you are using the student-athlete to promote a business.*
 - Become a mentor through the Lee Roy Selmon Mentoring Institute
 - Have on/off campus contact with current student-athletes



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

What are examples of impermissible activities for boosters?

- Cannot associate in **ANY WAY** with NIL activities associated with PSAs (this is impermissible recruiting)
- Cannot provide transportation to a PSA, or loan/use of an automobile to a PSA/student-athlete
- Cannot provide or cosign for a loan.
- Cannot allow the use of personal property (e.g., boat, home, car, computer, iPad).
- Cannot give cash or allow the use of a credit card.
- Cannot provide free or reduced-cost entertainment, services, or products (NIL activities could provide an exception to this).
- Cannot provide free or reduced-cost lodging.
- Cannot provide **ANY** academic assistance to current student-athletes or PSAs.
- Cannot give a gift of any kind for any reason, including birthdays and holidays (exception exists for documented established pre-existing relationship)
- **Cannot provide an extra benefit of any kind to a student-athlete:**
 - *General rule of thumb is that boosters cannot provide something to student-athletes that is not generally made available to the general or student population at USF.*
 - *Examples that are included above constitute extra benefits*



BOOSTER/REPRESENTATIVE OF ATHLETICS INTEREST

The Athletic Compliance Office is here to assist you!

- We are happy to assist in the following ways:
 - Answer/clarify any questions you may have related to your role as a BOT member
 - Provide updated guidance related to new rules and regulations as determined by the NCAA
 - Provide more detailed information about what can, and cannot be afforded to student-athletes

Please remember to ASK BEFORE YOU ACT!



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EthicsPoint is a third-party hotline hired by USF to enable the safe, secure and anonymous reporting of activities which may involve misconduct, fraud, abuse and other policy violations.

DO NOT use EthicsPoint to report the following:

- **Academic Matters** involving faculty and/or students should be reported directly to the [Office of the Provost and Executive Vice President](#).
- **Non-Academic Student Conduct Matters** should be reported directly to [Student Conduct & Ethical Development](#) or by calling 813-974-9443.
- Events presenting an **immediate threat** to life or property. EthicsPoint is NOT a 911 or Emergency Service.

You may file a report by clicking on the “To Make a Report link” on the [EthicsPoint website](#) or by calling **1-866-974-U411**.

Agenda Item: IV.b.

**USF Board of Trustees
Governance Committee
May 23, 2023**

Issue: Board of Trustees Officer Elections

Proposed action: None, informational

Executive Summary:

Pursuant to Article I, section C of the USF Board of Trustees Operating Procedures, the officers of the Board of Trustees are the Chair and Vice-Chair. The Chair and Vice-Chair shall each serve two-year terms to begin on July 1 following the election and concluding two years later on June 30. The Chair and Vice-Chair shall be elected by majority vote by the Board of Trustees within 30 days of the expiration of the Term.

Elected officers may serve for one additional consecutive 2-year term or until a successor is elected by majority vote, and for each additional consecutive term beyond two terms officers may be reelected by a two-thirds vote.

At the June 13, 2023 BOT meeting, the Board of Trustees will hold officer elections.

Financial Impact: None.

BOT Committee Review Date: n/a
Supporting Documentation Online (please circle):
Prepared by: Kiara Gayle, Director Board Operations

Yes

No

**OPERATING PROCEDURES OF
THE UNIVERSITY OF SOUTH FLORIDA
BOARD OF TRUSTEES**

**ARTICLE I
ORGANIZATION**

A. Legal Status of Board of Trustees

The University of South Florida Board of Trustees (“Board of Trustees” or “Board”) is established as a public body corporate, with all powers as provided by Florida law. The Board of Trustees acts as an instrumentality or agency of the state for purposes of sovereign immunity pursuant to Section 768.28(2), Florida Statutes.

B. Members

The Board of Trustees shall be composed of thirteen persons, six members appointed by the Governor of the State of Florida and five members appointed by the Board of Governors. The other two members shall be (1) the elected representative of the University of South Florida Student Advisory Council and (2) the President of the University of South Florida Faculty Council.

Board of Trustees’ members who are appointed by the Governor and Board of Governors shall be appointed for 5-year terms.

Members of the Board of Trustees and the Campus Boards shall not serve on any other non-advisory (i.e. the advisory board does not vote or take actions on university matters) Board of the University or its Direct Support Organizations during their appointed term(s). However, this limitation does not apply to the Board representatives for: the student body serving on the USF Student Advisory Council; the faculty representative serving on the USF Faculty Advisory Council; Board members serving on the USF St. Petersburg and USF Sarasota-Manatee Campus Boards pursuant to Section 1004.341 Florida Statutes; and service on Boards with which the University has an affiliation agreement.

Members of the Board of Trustees shall serve without compensation but may be reimbursed for travel and per diem expenses in accordance with state law.

C. Officers

The officers of the Board of Trustees are the Chair and the Vice-Chair. The Chair and Vice-Chair shall each serve two-year terms to begin on July 1 following the election and concluding two years later on June 30 (“Term”). The Chair and Vice-Chair shall be elected by majority vote by the Board of Trustees within 30 (thirty) days of the expiration of the Term. Elected officers may serve for one additional consecutive 2-year term or until a successor is elected by majority

vote, and for each additional consecutive term beyond two terms officers may be reelected by a two-thirds vote.

In the event of a vacancy in the Chair and/or Vice Chair positions, an election will be held as soon as practical after the vacancy occurs to select a member of the Board, by a majority vote, to the applicable vacant position (s). A vacancy occurs upon the death, incapacity, resignation or removal of an Officer. The newly selected officer (s) will serve the remainder(s) of the Term of the vacating officer(s). The completion of a vacating officer's Term shall not limit a Trustee's eligibility to serve two consecutive 2-year terms by majority vote, and to serve each additional consecutive term beyond two terms by a two-thirds vote.

The Officers shall have the following responsibilities:

1. Chair

a. The Chair of the Board may serve as Chair of the Finance Committee, serves as an ex officio voting member of all Committees of University Strategic Priorities and all Standing Committees of the Board, and appoints members thereof.

b. The Chair of the Board presides at all meetings of the Board of Trustees, calls special meetings of the Board when necessary, serves as spokesperson for the Board, attest to actions of the Board and notify the Governor or Board of Governors in writing whenever a Board member fails to attend three consecutive regular meetings in any fiscal year, which may be grounds for removal.

c. The Chair of the Board shall appoint at least one representative to the board of directors and the executive committee of any direct-support organization certified by the Board.

2. Vice-Chair

The Vice-Chair acts as Chair during the absence or disability of the Chair of the Board and during any temporary period of vacancy before election of a new Chair of the Board pursuant to Section C, 1 above and, in that event, shall perform those duties of the Chair described in these Operating Procedures.

3. University President

a. The University President shall serve as the chief executive officer of the University and is responsible to the Board for all operations and administration of the University and sets the agenda for meetings of the Board in consultation with the Chair. During the absence or disability of the University President, the Provost and Executive Vice President will function as the President. The President may designate an individual to serve as corporate secretary to the Board. This individual may perform all duties delegated by the President. The President, or designee, shall attend all Board meetings as defined in Article II of these Operating Procedures. The President, or designee, will not be counted as part of a quorum for the purpose of transacting business and shall not vote.

b. Subject to the Board's fiduciary and oversight responsibilities, the President serves as the Board's point of official contact with the Campus Boards, faculty, staff, students and support organizations of the University. The President is at all times accountable to the Board. The President exercises such powers as are appropriate to his/her position in promoting, supporting and protecting the interests of the University and in managing and directing its affairs, including but not limited to approving all decisions impacting the organization, curriculum, budget, personnel and performance of the university, subject to the Board's established governance processes. The President shall have the authority to execute all documents on behalf of the university and the Board consistent with law, applicable Board of Governors' and Board of Trustees' rules and policies, and the best interests of the university. The President may issue directives and executive orders that are not in contravention of existing Board policies. The President is responsible for all educational, financial, business and administrative functions of the University to advance its educational missions and goals, consistent with University policy, and exercises such other powers, duties and responsibilities as are delegated or established by the Board.

c. The President shall receive all Campus Board recommendations, plans, requests and budgets (collectively "Campus Board Materials") on behalf of the Board. Campus Board Materials are non-binding and advisory on the President and Board. The President shall promptly forward to the Governance Committee any Campus Advisory Materials relating to a matter that will come before the Board for action in its original form along with the President's recommendation to the Board to approve, revise or reject any portion or all of the Campus

Advisory Board Materials. Consistent with the powers and duties delegated to the President by the Board, the President will review and consider Campus Board Materials that do not relate to a matter that will come before the Board for action.

D. Board of Trustees

The Board of Trustees is responsible for cost-effective policy decisions, implementing and maintaining high-quality education, research and creative programs consistent with the university's mission, measuring the University performance and providing input regarding compliance with state policy, budgeting and education standards. The Board of Trustees sets policy for the University and serves as its legal owner and final authority. As the "public body corporate" for the university, the Board holds the university's financial, physical and human assets and operations in trust and is responsible for efficient and effective use of resources. It must ensure the performance of all duties assigned by law, rules and regulations of the Florida Board of Governors. The Board, pursuant to Section 1004.28 Florida Statutes, provides budget and audit review and oversight of university Direct Support Organizations and establishes the conditions with which they must comply in order to use property, facilities or personal services at the university. The Board may adopt rules, regulations and policies consistent with established laws and the university's mission and strategic plan. Board members establish policy and assess the implementation of Board policies. When the Board, through majority vote at a public meeting, establishes a new rule, regulation or policy it will be promulgated as follows:

1. Rules- in accord with the requirements set forth in Ch. 120, F.S.;
2. Regulations- in accord with the provisions of the Board of Governor's Regulation Development Procedure for State University Boards of Trustees; and
3. BOT Policies- the President shall assign each BOT policy to the General Counsel office for promulgation with a distinct number that includes the year in which the policy was established (e.g. 2007-01) and posting the policy to the Office of the General Counsel web page.

The specific membership, powers and duties of the Board are authorized by Article 9, Section 7 of the Florida Constitution, and Sections 1001.71, 1001.72 and 1001.73, Florida Statutes.

**ARTICLE II
MEETINGS OF THE BOARD OF TRUSTEES**

A. Regular Meetings

The Board meets no fewer than four times per fiscal year, at a time and place designated by the Chair of the Board. Meetings of the Board are open to the public and all official acts are taken at public meetings. The schedule of meetings is available on the University of South Florida website at <http://www.usf.edu>.

B. Special Meetings

The Board may meet in special meetings, including hearings and workshops, at such times and places designated by the Chair of the Board.

C. Emergency Meetings

Emergency meetings of the Board may be called by the Chair of the Board upon such notice as is reasonable under the circumstances whenever, in the opinion of the Chair of the Board, an issue requires immediate Board action. Whenever such emergency meeting is called, the Chair of the Board will notify the President. The President or designee will immediately serve either verbal or written notice upon each member of the Board, stating the date, hour and place of the meeting and the purpose for which the meeting has been called. No other business will be transacted at the meeting unless additional emergency matters are agreed to by a majority of those Board members in attendance. The minutes of each emergency meeting will reflect the manner and method by which notice of such emergency meeting was given to each member of the Board.

D. Notice of Meetings

Notice, stating the time, date, place and agenda or purpose of the meeting, of regular meetings, special meetings and committee meetings shall be posted on the USF Website, and shall be distributed through an appropriate USF list serve. Notice will be given not less than seven (7) days, if practicable, before the event and will include a statement of the general subject matter to be considered. Whenever an emergency meeting is scheduled, the President or designee will post a notice on the USF Website and distribute same through an appropriate USF list serve as soon as practicable stating the time, date, place and agenda or purpose of the meeting.

E. Meetings by Means of Telephone Conference Calls and other Communications Media Technology

The Board may use telephone conference calls and other communications media technology to conduct Board business in the same manner as if the proceeding were

held in person. The notice of any meeting conducted by means of communication media technology will state where and how members of the public may gain access to the meeting. Such notice will be in accordance with the notice procedures set forth above.

F. Quorum

A majority of the members of the Board must be present to constitute a quorum for the transaction of business, unless otherwise provided in these Operating Procedures.

G. Voting

The decision of the majority of the Trustees in attendance and voting on an issue shall prevail, except that a majority vote of all members of the Board is required for appointing and removing the president and for approving or discontinuing academic programs. A Trustee may abstain from voting only under those circumstances prescribed by law. Voting by proxy or by mail shall not be permitted.

H. Parliamentary Rules

The most recent version of Roberts Rules of Order Newly Revised will be followed in conducting meetings of the Board, unless otherwise provided by the Board.

I. Agenda

The agenda for each meeting of the Board shall be prepared by the President or his/her designee. Every request for inclusion of an item on the agenda of a meeting shall be put in writing and filed, together with any supporting documents, with the President sufficiently far in advance of the meeting to permit a determination to be made by the President with respect to the propriety and practicability of including that item on the agenda for the meeting. The President will assemble the agenda and provide a copy of the agenda to each member of the Board at least seven (7) days prior to the meeting and will post the agenda to the USF list serve, the USF Board of Trustees website and with the University Communications Office prior to the meeting. If additional items or supporting documentation become available, a supplemental agenda may be provided at least five (5) days prior to the meeting.

Any proposal to the Board to increase tuition or fees shall be publicly noticed at least 28 days before its consideration at a board of trustees meeting. Such notice will be in accordance with the notice procedures set forth in s. 1009.24, F.S.

J. Minutes

Minutes of the meetings of the Board of Trustees shall be kept by the President or designee, who shall cause them to be posted on the Board website and to other places where deemed appropriate within two weeks after each Board meeting. Minutes must include the vote history and attendance of each trustee. All lengthy reports shall be referred to in the minutes and shall be kept on file as part of the University records, but such reports need not be incorporated in the minutes except when so ordered by the Board of Trustees.

**ARTICLE III
COMMITTEES**

A. The Governance Committee

The Governance Committee shall have no fewer than three (3) voting members, all of whom shall be trustees. The Chair and Vice-Chair of the Board of Trustees shall be members. Additional trustees shall be appointed by the Chair to serve on the Governance committee. A majority of Governance Committee members shall constitute a quorum.

The purpose of the Governance Committee is twofold: to conserve time, it shall serve at the pleasure of the Board as the Board's agent in assisting the President to address routine business between regular Board meetings; and it shall assist the Chair and the President in their joint responsibility to help the Board to function effectively and efficiently by suggesting board meeting agenda items and periodically assessing committee work. The Governance Committee shall have authority to act for the Board of Trustees on all matters except for the following, which shall be reserved for the full Board: appointing and removing the President; approving or discontinuing programs; board officer selection; Campus Board membership; changes in institutional mission and purposes; changes to the operating procedures; incurring of corporate indebtedness; and adoption of the annual budget. These operating procedures or other board policy may reserve other powers for the Governance Committee.

The Governance Committee shall meet as often as necessary to conduct business as the Chair and President shall determine, and it shall ensure that minutes are taken of such meetings which will be distributed to all Trustees for information at the next regular meeting of the Trustees.

B. Committees on University Strategic Priorities

The Chair of the Board may establish temporary committees on University strategic priorities as deemed necessary for the orderly conduct of the business of the Board and that relate directly to the strategic priorities of the University. Each committee shall have a written statement of purpose and primary responsibilities as approved

by the Board. The Chair of the Board shall determine the period of service of any such committee(s).

The Chair of the Board appoints the members of the committee and any non-voting faculty and community liaisons, selects a chair of the committee, and serves as an ex officio voting member (when present) of any such committees.

Committees on University Strategic Priorities shall make recommendations for consideration and action by the full Board or other Board committee, as authorized by these Operating Procedures.

The chair of the committee shall perform the chair's duties in consultation with the President and/or designee. The committees shall meet as often as the chair of the committee shall determine necessary. Minutes shall be taken and distributed to all Trustees for information at the next regular meeting of the Trustees. A majority of committee members present shall constitute a quorum for the transaction of business.

C. Standing Committees

Standing Committees are appointed by the Chair of the Board. The Chair of the Board appoints the members any non-voting faculty and community liaisons, selects a Chair of the Committee, and serves as an ex officio voting member (when present) of all Committees. Each standing committee shall consist of no fewer than three (3) members. Members of standing committees shall hold office until the appointment of their successors. Any vacancies on standing committees shall be filled by appointment of the Chair of the Board. Unless specifically delegated or as otherwise provided in these Operating Procedures, authority to act on all matters is reserved to the Board. The duty of each standing committee is to consider and to make recommendations to the Board upon matters referred to it. Each standing committee shall have a written statement of purpose and primary responsibilities as approved by the Board. The Chairs of all standing committees shall perform their duties in consultation with the University President and/or designee. Minutes shall be taken and distributed to all Trustees.

**ARTICLE V
AMENDMENT OF OPERATING PROCEDURES**

These Operating Procedures may be altered, amended or repealed by a majority vote of Board members at a regular meeting, when notice of the proposed amendment or repeal is provided in the meeting notice.

**ARTICLE VI
APPEARANCES BEFORE THE BOARD**

Individuals or group representatives, who desire to appear before the Board to address a subject within the Board’s jurisdiction may submit their requests in writing at least three (3) days in advance to the Office of Board of Trustees Operations, 4202 E. Fowler Avenue, CGS401, Tampa, FL 33620, specifying the agenda item on which the requestor(s) wishes to comment.

Comments shall be generally heard at Board Committees. However, the President in consultation with the Chair of the Board will determine whether the item will be heard and when the item will be heard. There will be a three minute time limit on any presentation. The total time allotted for all comments shall not exceed fifteen minutes, unless approved by the Chair.

As permitted by section 286.0114 F.S., the Chair of the Board may decline to hear any matter that: does not relate to a particular agenda item; is not practicable for a particular meeting; is outside the Board’s jurisdiction; or was made available for public comment at a prior workgroup or committee meeting before the Board takes action.

The Chair of the Board may recognize any individual or representative of groups to address the Board.

In order to proceed with the essential business of the Board in an orderly manner, any individual or group representative who attempts to disrupt a Board meeting will be subject to appropriate action pursuant to law.

**ARTICLE IV
REGIONAL CAMPUS BOARDS**

The Chair of the Board shall appoint members to the Regional Campus Boards for USF St. Petersburg and USF Sarasota-Manatee based on the recommendations of the USF President. Members shall be appointed for 4-year terms. Campus Board members serve at the will of the Board and may be removed by the Board for nonfulfillment of Campus Board duties, other than the Chair of the Campus Board. Members may be reappointed as described herein, at the discretion of the Board, for additional terms not to exceed eight (8) years of service.

In addition, a member of the USF Board of Trustees shall serve as provided below.

- A. USF St. Petersburg** – If a resident of Pinellas County is appointed to the Board of Trustees of the University, the Chair of the Board shall appoint that member to serve jointly as a member of the Campus Board. If more than one Pinellas County resident is appointed to the Board of Trustees, the Chair of the Board shall select one joint member.

- B. USF Sarasota-Manatee** – If a resident of Sarasota-Manatee Counties is appointed to the Board of Trustees of the University, the Chair of the Board shall appoint that member to serve jointly as a member of the Campus Board. If more than one Sarasota-Manatee County resident is appointed to the Board of Trustees, the Chair of the Board shall select one joint member.

- C. Campus Board Chair** – The Board of Trustees member appointed to the Campus Board shall chair their respective Campus Board Chair, unless otherwise approved by the Board of Trustees Chair.

- D. Authority** – As provided by applicable state law or regulation and subject to these Operating Procedures, the Regional Campus Boards shall have the authority to:
 - 1. Review and approve an annual campus legislative budget request, operating plan and budget, which will be submitted to the Board of Trustees.

 - 2. The Campus Board will exercise other such powers as are lawfully delegated by the University Board of Trustees to provide for the efficient operation and improvement of the campus.

ARTICLE VII CODE OF ETHICS

Trustees are Public Officers of the State of Florida who are invested with the public trust and appointed as fiduciaries of the University. Trustees will exercise their powers and duties in the best interests of the University and avoid actions or situations that result in or create the appearance of using their positions with the University for private gain, unwarranted preferential treatment to themselves or any outside individual or organization, or that calls into question a Trustee’s independence and impartiality, or adversely affects the University’s reputation.

At the same time, Trustees have a range of professional and personal associations and interests with individuals and other entities. These associations and interests routinely benefit the University and enhance the effectiveness of the Board. However, Trustees should also avoid situations where external associations or interests could compromise, or reasonably appear to compromise, the University’s academic values or business decisions, including but not limited to admissions and employment matters.

Accordingly, it is the policy of the Board that all Trustees will act in a manner consistent with their fiduciary responsibilities to the University and avoid circumstances in which their external financial or other ties could present an actual, perceived or potential conflict of interest.

1. Presumed Conflict of Interest

No policy statement can address every conceivable situation that might entail a conflict of interest. However, the following are presumed to create a conflict of interest:

- a. the Trustee's financial interests or other opportunities for personal benefit may compromise, or reasonably appear to compromise, the Trustee's independence of judgment in fulfilling his/her Board duties; or
- b. the Trustee or a member of his or her family, has an existing or potential financial interest or other opportunities for personal benefit relative to a university matter or initiative.

2. Conflict of Interest Disclosure

If a Trustee believes that he/she may have a conflict of interest, the Trustee shall fully and promptly disclose the conflict to the President, Director of Board Operations, or the General Counsel.

The President, Director of Board Operations or the General Counsel shall inform the Chair of the Board of all conflict of interest matters disclosed by a Trustee. If it is determined that a conflict of interest exists, the Chair of the Board, the President, the Director of Board Operations and the General Counsel shall work with the affected Trustee to address the conflict.

In addition, all Trustees shall annually list on the Conflict of Interest Disclosure Form the following relationships.

- a. Relationships that they or members of their family maintain with organizations that do business with the University; or
- b. Relationships and external interests that could be construed to affect their independent, unbiased judgment in light of their decision-making authority and responsibility. If a Trustee is uncertain as to whether to list a particular relationship, the General Counsel must be consulted.

Information shared or gathered as a result of such consultations (including information provided on the disclosure form) shall not be released except: in accordance with applicable public records laws; or when the institution's best interests would be served by disclosure, or as required by court order. Any such required disclosure will be made only after informing the affected Trustee.

3. Voting

Trustees are required to disclose all potential conflicts of interests as described above, but Trustees are still required to vote on all matters before the Board unless an actual conflict of interest as prescribed by law exists. In actual conflict of interest situations, Trustees are not permitted to vote. In situations that involve the appearance or potential of a conflict of interest and a Trustee is present and required to vote, the appearance

or potential of the conflict of interest will be disclosed publicly at the Board meeting in which the affected matter is being considered.

4. Public Officers

In addition to the foregoing, members of the Board of Trustees shall be guided by the provisions set forth in Florida law for the conduct of public officers.

5. Regional Campus Board Members

This Code of Ethics applies equally to Trustees and Regional Campus Board Members. Disclosures from Regional Campus Board Members should be made to the Regional Chancellor and the General Counsel, who will notify the Chair of the Board and the President in the event of an actual conflict.

6. Definitions

The terms used in this Article should be interpreted and defined as provided in Chapter 112, Part III, Florida Statutes: Code of Ethics for Public Officers and Employees.

**ARTICLE VIII
MISCELLANEOUS PROVISIONS**

A. Indemnification

The University of South Florida (University) shall indemnify, defend, and hold harmless each Trustee of and from any and all claims, demands, civil or criminal actions, rights, defenses, counterclaims, proceedings, administrative actions, agreements, contracts, covenants, accounts, offsets, attorneys' fees, costs, damages, liabilities, losses, expenses, suits, debts, judgments, awards, duties or obligations, of any nature whatsoever, at law or in equity (collectively referred to as "Claims"), that arise from or relate in any way to his or her position on the Board of Trustees, or any act undertaken or omitted in connection with his or her service as a Trustee.

B. Fiscal Year

The fiscal year of the Board shall commence on July 1 of each year and end on June 30.

C. Sunshine Laws

Public access to Board records will be governed by the provisions of the Public Records Law, Chapter 119, F.S. Board meetings shall be governed by the provisions of the Open Meetings Law, Chapter 286, F.S.

D. Corporate Seal

The corporation shall have a seal on which shall be inscribed “The University of South Florida Board of Trustees”.

Approved 9/21/01; Amended 03/21/02; Amended 01/21/03; Amended 06/12/08; Amended 06/14/12; Amended, 12/5/13; Amended 06/03/16; Amended 09/01/16; Amended 12/03/19; Amended 3/10/20; Amended 4/1/21; Amended 12/7/21; Amended 5/18/23.

Agenda Item: IV.c.

USF Board of Trustees
Governance Committee
May 23, 2023

Issue: Conflict of Interest Disclosure

Proposed action: None, informational

Executive Summary:

Article VII (Code of Ethics) of the BOT Operating Procedures states that it is the policy of the Board that all Trustees will act in a manner consistent with their fiduciary responsibilities to the University and avoid circumstances in which their external financial or other ties could present an actual, perceived, or potential conflict of interest.

If a Trustee believes that he/she may have a conflict of interest, the Trustee shall fully and promptly disclose the conflict to the President, Director of Board Operations, or the General Counsel.

Trustees will be asked to complete the Conflict of Interest Disclosure form, which is distributed annually to provide an opportunity to disclose and review any potential conflicts of interest.

Financial Impact: n/a

BOT Committee Review Date: n/a
Supporting Documentation Online (*please circle*): Yes
Prepared by: Kiara Gayle, Director Board Operations

No