

USF PROPERTY CORPORATION
MINUTES OF ANNUAL MEETING
BOARD OF DIRECTORS

November 2, 2021

The annual meeting of the Board of Directors of the USF Property Corporation was held on November 2, 2021 at the University of South Florida, 4202 E. Fowler Avenue, CGS 402, Tampa, Florida, pursuant to the Corporation's Bylaws, for the purpose of discussing corporate operations and for the transaction of any other business that may properly come before the Board.

The meeting was held pursuant to Notice duly provided on October 26, 2021. A copy of the meeting Notice is attached to these minutes.

The meeting was called to order by Chair Smith following the USF Financing Corporation.

The following directors, who constitute a quorum of the Board of Directors, were present, unless noted:

Mr. Richard D. Smith
Mr. Steve A. Williamson
Mr. Jose E. Valiente
Ms. Erin Smith Aebel
Mr. Nick J. Trivunovich
Ms. Linda O. Simmons

The following individuals were also present at the meeting:

Mr. Fell L. Stubbs, Executive Director
Ms. Hilary Black, Senior Associate General Counsel
Ms. Dawn M. Rodriguez, Assistant Treasurer
Ms. Virginia Kalil, Chief Internal Auditor
Ms. Lori A. Nissen, KPMG

Call to Order and
Roll Call

Public Comments
Subject to Procedure
for Appearance before
the Board of Directors

Chair Smith asked Mr. Stubbs if, under the Procedure for Appearances before the Board of Directors, any party had requested to appear before the Board. Mr. Stubbs stated that no notices requesting appearance before the Board were received in advance of the meeting.

Elect Directors

Chair Smith asked Mr. Stubbs to introduce the new Board Members. Mr. Stubbs first stated that both Ms. Erin Aebel and Mr. Nick Trivunovich were appointed to the Board of Directors of the USF Financing Corporation and the USF Property Corporation by the USF Board of Trustees on August 24, 2021. Ms. Aebel and Mr. Trivunovich were both formally elected to the USF Financing Corporation Board at its Special Meeting on September 21, 2021. Ms. Aebel is a Shareholder of the Trenam law firm and a board certified health law specialist by the Florida Bar. With more than 20 years of experience, Ms. Aebel successfully represented clients in a wide range of matters, including Stark law, fraud and abuse, acquisitions and changes of ownership, HIPAA, and licensure issues arising from joint ventures. She regularly prepares and negotiates hospital related agreements and licensure and scope of practice issues. Ms. Aebel frequently speaks throughout the country and writes on health care topics. Mr. Stubbs stated that her experience is a great fit with our Boards' responsibilities. He added that pursuant to the bylaws, Ms. Aebel will serve a term of 4 years on both Boards.

Chair Smith asked for a motion to elect Ms. Erin Aebel to serve a 4-year term as a member of the Board of Directors of the Corporation, with immediate effect. The motion was duly made and seconded, and Ms. Erin Aebel was unanimously elected to serve a 4-year term on the Board of Directors of the Corporation with immediate effect.

Mr. Stubbs introduced Mr. Trivunovich. Mr. Nick Trivunovich is well known to the Board as the University's Vice President of Business & Finance and Chief Financial Officer. Mr. Trivunovich will fill vacancies on both Boards from the July 1, 2021 resignation of Mr. David Lechner, former Senior Vice President and Chief Operating Officer. Pursuant to the Bylaws, Mr. Trivunovich will continue to serve so long as he is in the Chief Financial Officer position.

Chair Smith asked for a motion to elect Mr. Nick Trivunovich to serve as a member of the Board of Directors of the Corporation while he is in the Chief Financial Officer position. The motion was duly made and seconded, and Mr. Nick Trivunovich was unanimously elected to serve on the Board of Directors of the Corporation while in the Chief Financial Officer position.

Approval of Minutes

The minutes of the May 3, 2021 special meeting were distributed on October 26, 2021. Chair Smith called for any corrections to the minutes. Hearing none, he asked for a motion to approve the minutes of the special meeting held on May 3, 2021. The motion was duly made and seconded, and the minutes of the meeting were unanimously approved.

Resolution:
Ratification of Act
and Transactions of
Officers and Directors

Chair Smith asked Mr. Stubbs to introduce the resolution. Mr. Stubbs stated that this resolution to ratify the acts and transactions of the officers and directors of the Corporation is our standard procedure following action taken by officers and directors since the previous annual meeting. Mr. Stubbs stated that, since the annual meeting in November 2020, the Corporation held three special board meetings.

The Executive Director made operating decisions throughout the year and stated that the Corporation converted the Series 2013A and Series 2013B private placement bonds from tax-exempt interest rates to taxable interest rates on October 1,

2021 due to the change in private business use of the Health facilities resulting from the USF Health, UMSA and TGH affiliation agreement and formation of an Academic Medical Center. Mr. Stubbs also disclosed that the Corporation recently filed a voluntary disclosure on EMMA (SEC disclosure database for public bonds) to provide timely information on the status of USF's housing operations as we are coming out of the pandemic.

Chair Smith called for further comments or questions. Hearing none, he requested a motion to ratify the acts and transactions of officers and directors of the Corporation. The motion was made and seconded, and the following was unanimously approved:

RESOLVED, Resolution PC 11-02-21A, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of this meeting.

Chair Smith stated that the Board was provided with a copy of the audited financial statements on October 26, 2021 and asked Mr. Stubbs to introduce the resolution to approve the audited financial statements reported by the independent accounting firm, KPMG, LLP. Mr. Stubbs first reminded the Board that the entire Board acts as the Audit Committee of the Corporation. He then introduced the KPMG representatives in attendance: Ms. Lori Nissen, the partner in charge on the audit. Mr. Stubbs noted that the financial statements are the responsibility of the Corporation's management and that the Corporation's management has been active in managing existing programs. He stated that he wanted to recognize Ms. Dawn Rodriguez for successfully managing the audit. He informed the Board that the statements were

Resolution: Approval
of Audited Financial
Statements

prepared as of June 30, 2021. Mr. Stubbs stated that KPMG also provided a report assessing internal controls over financial reporting, compliance, and other matters.

Mr. Stubbs provided an overview of the audited financial statements and noted that the USF Property Corporation is included as a blended component unit rather than being presented as a consolidated entity. Mr. Stubbs also called attention to the subsequent events disclosures, including the acceptance of the cancellation and release of the promissory note presented by INTO USF, Inc. and the conversion of the Series 2013A and Series 2013B bonds from tax-exempt interest to taxable interest rates.

Chair Smith asked KPMG for their report. Ms. Nissen presented KPMG's report to the Corporation's Board of Directors. Ms. Nissen stated that that audit went very well and complemented Ms. Rodriguez on her work on the financial statements.

Ms. Nissen noted that the audit was performed in accordance with auditing standards generally accepted in the United States and Government Auditing Standards and included a review of internal controls over financial reporting and compliance to the extent necessary to render an opinion on the financial statements. KPMG issued an unmodified opinion on the Corporation's financial statements for the year ended June 30, 2021. Ms. Nissen stated that KPMG received full cooperation from the Corporation's staff and full access to the books and records, and there were no disagreements with the Corporation's management.

Ms. Nissen stated that there were no significant deficiencies or material weaknesses to report. Management's estimates related to the valuation of interest rate swap instruments were deemed reasonable in relation to the financial statements as a whole, and that the application of significant accounting policies and financial presentation were deemed materially correct for fiscal year 2021. She added that there

were no fees for management advisory or other services during fiscal year 2021 which might affect auditor independence.

Ms. Nissen discussed the upcoming accounting pronouncements that will impact the Corporation's financial statements in future fiscal years. Ms. Nissen noted that, in accordance with applicable standards, KPMG is independent with regard to the Corporation. She completed KPMG's report and required communications to the Board and asked if there were any questions.

The Board thanked the Corporation's management and staff for their presentation and for a successful audit.

The Board thanked KPMG for their attendance, presentation, and thoroughness during the audit.

Chair Smith requested a motion to approve the audited financial statements as presented. The motion was made and seconded, and the following was unanimously approved:

RESOLVED, Resolution PC 11-02-21B, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of the meeting.

Chair Smith asked Mr. Stubbs to provide a brief overview of the annual reports and status of Corporation projects. Mr. Stubbs reviewed the annual report to the Board, which includes the Corporation's long-term financing objectives, highlights of the past year, near-term initiatives, outstanding debt and swaps as of June 30, 2021, the 16-year corporate track record, and the corporate governance structure.

Mr. Stubbs stated that the Corporation provides low-cost, low-risk, long-term financing for the University's major capital projects by negotiating sound credit

structures, capitalizing on opportunities to convert variable-rate debt to fixed rates, reduce credit risks, reduce swaps, and refund bonds at call dates to lock in low interest rates. The Corporation also maintains strong credit ratings for the USF Housing, Marshall Center, and Parking systems. To date, the Corporation has closed \$1.8 billion in transactions and has developed over 2 million square feet of projects. Current outstanding long-term debt equals \$342 million with a current cost of capital of 3.69%.

In the past year, the Corporation closed the \$46 million Series 2013A and Series 2013B conversion of bonds from tax-exempt interest rates to taxable interest rates, described above. The Research Park Project that was approved last year is under construction and continues to be on time and on budget.

Mr. Stubbs reviewed the Investment Policy Statement and Guidelines, noting that 100% of the investments held by the Trustee are short-term, and are swept daily into an Invesco Short Term Treasury Money Market Fund. No changes were proposed to the guidelines.

Mr. Stubbs also reviewed the Annual DSO Compliance Certification, stating that this certification process is a good business practice and is essential for good governance. USF Financing and Property Corporations are in full compliance with all laws, regulations, standards and requirements. This report is provided annually to the USF Board of Trustees, as well. Mr. Stubbs stated that he signs the Compliance Certification along with the Chairs of the USF Financing and Property Corporation.

Mr. Stubbs asked the Board to review and sign the Conflict of Interest Policy Statement, which is required on an annual basis to comply with requirements of the IRS Form 990. He pointed out that, as Executive Director, he is also required to sign a statement and has done so.

Chair Smith thanked Mr. Stubbs for his reports and asked if there were any other reports or information items to come before the Board. Hearing none, he moved to the next order of business.

Other Business

Chair Smith asked if there were any other items for the Board's consideration. Mr. Stubbs introduced Ms. Virginia Kalil, USF's Chief Internal Auditor, to provide an internal audit update. Ms. Kalil stated that a change in USF Regulations this year now requires all DSOs to use USF Internal Audit for internal audit services. Since 2005, USF Internal Audit has already served in that capacity for the USF Financing Corporation. A detailed audit is performed once every 3-5 years, with the most recent audit of USF Financing Corporation occurring in 2018, at which time it was determined that the Corporation had adequate controls. USF Internal Audit did recommend enhancing and documenting certain procedures, but nothing significant. Ms. Kalil also disclosed that the Board of Governors has requested that all universities in the State University System perform an assessment of all Support Organizations (nearly 100). The universities have engaged Crowe to perform this review on a joint and comprehensive basis. Field work is expected from January 31 to March 11 and we expect to have the results by this time next year.

Chair Smith thanked Ms. Kalil for her report and asked if there were any comments or questions from the Board. Hearing none, he asked for a motion to adjourn.

Adjournment

There being no further business to come before the Board, the meeting was adjourned on motion duly made and carried at 1:51 p.m.

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Richard D. Smith, Chair

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Linda Simmons

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Linda O. Simmons, Secretary/Treasurer