8 1 , 9 (5 6 , 7 <   2)   6 2 8 7 +   )   •   *ƒ* $ X !ñ

81,9(56,7< 2) 6287+)/25,'$

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$8',725(1(5$/
67$7(2))/25,'$

&ODXGH 'HQVRQ 3HSSHU %XLOGLQJ 6XLWH *

6KHUULOO) 1RUPDQ &3$:HVW 0DGLVRQ 6WUHHW 3KRQH

$XGLWRU *HQHUDO 7DOODKDVVHH)ORULGD)D[

7KH 3UHVLGHQW RI WKH 6HQDWH WKH 6SHDNHU RI WKH
+RXVH RI 5HSUHVHQWDWLYHV DQG WKH
/HJLVODWLYH $XGLWLQJ &RPPLWWHH

,1'(3(1'(17 $8',725¶6 5(3257

5HSRUW RQ WKH)LQDQFLDO 6WDWHPHQWV

:H KDYH DXGLWHG WKH DFFRPSDQ\LQJ LYLGDQ\ELDO VRWDXWHPHQWHV RWIUWKLHRU ...
XQLW RI WKH 6WDWH RI)ORULGD DQG WKH GVFRPSRQHDQWH XGLLWVFUHWDHRO ...
\HDU HQGHG -XQH   DQG WKH UHOVDWWDDHWGHQ RQWV WZRKLWFKHFROQQH ...
WKH 8QLYHUVLW\¶V EDVLF ILQDQFLDEDOOH VRWDFRQPHHQWV DV OLVWHG L ...

ILQDQFLDO UHSRUWLQJ IRU SODFL QLQ WDKH DSDSVULRFS ULLQDDVQHF LRDSOH LV DWD LW

KLVWRULFDO FRQWH[W :H KDYH D SSWORLHWGK FHUHWDXLLQJHOGLPVLXSSLG HSPURQ

LQ DFFRUGDQFH ZLWK DXGLWLQJ VWDQ GLQUG MGJHVQHDUWDHVV \R DF\PHHS.D

FRQVLVWHG RI LQTXLULHV RI PDQDJHPHQWQJ DVEKRXLWQ WRKUHPDPWHLWRKRGVQG

LQIRUPDWLRQ IRU FRQVLVWHQF\ ZLWKLQTDXODUJLHHPVH QWKHV EUDWVLSR OLQHDV

DQG RWKHU NQRZOHGJH ZH REWDLQHGLGQ XFLQ O RVXWD WVXHGHWQ VRV WKHH

DQ RSLQLRQ RU SURYLGH DQ\ DVVXUDQWFKHH OOLPWLKVHH GQS\BPHOWXLRQVE

XV ZLWK VXIILFLHQW HYLGHQFH WR H[SUHVVDQG HRSLQLRQ RU SURY

MANAGEMENT'S DISCUSSION AND ANALYSIS

0DQDJHPHQW¶V GLVFXVV LRQ D QG YDQ HO\ WLQQR WRYWKHYLHIL QDQFLDO SR
DFWLYLWLHV RI WKH 8QLYHUVLW\ IRU WDQGHG ILVKRXOG HEHHU UHHQGDG GQ-XFG
WKH ILQDQFLDO VWDWHPHQWV DQG QRWLHDOWWKHDWJHWVRR WVWKHDOO S QDR
WKH UHVSRQVLELOLW\ RI 8QLYHUVLW\ PDQDQHFHPHQWD FW7KYHLW\ $R FRWO
WKH ILVFDO \HDUV HQGHG -XQH DQG -XQH

7KH 8QLYHUVLW\¶V DVVHWV DQG GHIHOUHUHG RXEWOOODRLRZQ RDIWUHXVRXUF
EDODQFH UHIOHFWV D PLOOLRQFRRUS DUHSGHU WUFRHQWKHLQFUHDLV
UHVXOWLQJ IURP LQFUHDVHV LQ FDSKLHWJUDSSRD WVHWHPSW\WR RLPRQHYHQWV WPEHQHQWLV
SHQVLRQ UHODWHG GHIHUUHG RXWIORXWV VRZKVLGRIHUDHVWRXUVFHDO\QGUGHHZ
GHIHUUHG LQIORZV RI UHVRXUFH DOWR LQSHHUHDOQG EWR WDOLQIO
-XQH DV FRPSDUHG WR PLUOHVVLXRQWDWQJ-XKQURHP LQFUHDVH
DQG SHQVLRQ OLDELOLWLHV DV ZHOO DV 2/3H(%YLDFHQHGFSXEOQGHGVLVRQRRQHDU
LQIORZV $V D UHVXOW WKH 8QLYHEUYVLW\¶PLOOHWRSRUVLHWLXRQOQWG EOFU
EDODQFH RI PLOOLRQ

7KH 8QLYHUVLW\¶V RSHUDWLQJ UHYHQHXHV WRIWWDDFODHOG \HDUPLUHQSLSORH
SHUFHQW LQFUHDVH FRPSDUHG WRLWQ QHWR LQIFULHFDDVHOH VHLDLQ JGUXHQ
2SHUDWLQJ H[SHQVHV WRWDOHG E\LHOODLQUORQHSRRUHVWVWHHQWLQJ DQL
SHUFHQW DV FRPSDUHG WR WKH R LQFLVFUHDDV VHHVDDUQGFRRHP SRODQO
HPSOR\HH EHQHILWV VHUYLFHV DQG VXSSOLHV DQG VFKRODUVKL

1HW SRVLWLRQ UHSUHVHQWV WKH ¶V VDLGVXHDOVLDQQOWQGHGHHVWVLUGHQGWV RXYXS
DIWHU GHGXFWLQJ OLDELOLWLHV DQG KHG HX8QUVYHUGVLQW\O¶R ZFVRR RSDUHD
SRVLWLRQ E\ FDWHJRU\ IRU WKH ILVFDQG\HXQ HQGHG LXVQJKKRZQ
IROORZLQJ JUDSK

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7KH IROORZLQJ FKDUW SURYLGHV D JUDSKLF LOOXVWUDWLRQ RI WKHVH DOORFDWLRQV
ILVFDO \HDU

7RWDO 5HYHQXHV
)LVFDO <HDU

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K‰ Œ š]vP Z À v µ •
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| OVERVIEW OF FINANCIAL STATEMENTS |

3XUVXDQW WR *$6% 6WDWHPHQW PHQWV LQYROYH IRVLHS RU WLRQ QDQFLDO VURI WKUHH
VWDWHPHQWV WKH VWDWHPHQW RI QOHQX HSR VHLVSLHRQQ VHW K DQVGW D KD
SRVLWLRQ DQG WKH VWDWHPHQW RPH FODWV KI IOD QGL GVQ RWKHV IWOO QIFLWDDRO
8QLYHUVLW\ DQG LWV FRPSRQHQW XQLGHV 7KHVH FRPSRQHQW XQI

- %OHQGHG &RPSRQHQW 8QLW

  o 8QLYHUVLW\ RI 6RXWK)ORULGD +HDQWHK 3VFRRHUHOQFDPHV &HQWHU

- 'LVFUHWHO\ 3UHVHQWHG &RPSRQHQW 8QLWV
    - 8QLYHUVLW\ RI 6RXWK)ORULGD)RXQGDWLRQ ,QF
    - 8QLYHUVLW\ RI 6RXWK)ORULGD $OXPQL $VVRFLDWLRQ ,QF
    - 86) +HDOWK 3URIHVVLRQV &RQIHUHQFLQJ &RUSRUDWLRQ
    - 8QLYHUVLW\ RI 6RXWK)ORULGD 0HGLFQDO 6HUYLFHV 6XSSRU
    - 6XQ 'RPH ,QF
    - 8QLYHUVLW\ RI 6RXWK)ORULGD 5HVHDUFK)RXQGDWLRQ ,Q
    - 86))LQDQFLQJ &RUSRUDWLRQ
    - 86) 3URSHUW\ &RUSRUDWLRQ
    - 8QLYHUVLW\ 0HGLFDO 6HUYLFH $VVRFLDWLRQ ,QF

,QIRUPDWLRQ UHJDUGLQJ WKHVH FRPSRQHQW XQLWV LV LQFOXGHG XDGLQG
SUHVHQWHG FRPSRQHQW XQLWV¶ VHSDUDWHO\ SUHVHQWHG ILQDQFLDO
VWDWHPHQWV 7KLV 0'$ IRFXVHV RQ WKH 8QLYHUVLW\V SWHVHH[FOXGLQJ
)RU WKRVH FRPSRQHQW XQLWV UHSRUWLQJ IRQ EOW *URG %LWWLDQGX
VHSDUDWHO\ LVVXHG DXGLW UHSRUWV

<u>7KH 6WDWHPHQW RI 1HW 3RVLWLRQ</u>

7KH VWDWHPHQW RI QHW SRVLWLRQIORZOYHFWVWRKUDFHHWVOLDGHOLH
LQIORZV RI UHVRXUFHV RI WKH 8QLYRUIDFRRXQWLLQJWEGGDSUHXDOO
SRVLWLRQ RI WKH 8QLYHUVLW\ DWHDLHUSUHHGIRQGWORRZ RSUUHVWRXUS
OHVV GHIHUUHG LQIORZV RI UHVRXUFHRQHTXLGOGLVFDWWRURSRVLWKHRQQ
ILQDQFLDO FRQGLWLRQ 7KH FKDQHHVVWLOPHQHLQSGLFDWLHLRRSWRDYWPRH
LQ WKH 8QLYHUVLW\¶V ILQDQFLDO FRQGLWLRQ

7KH IROORZLQJ VXPPDUL]HV WKH 8QLYRORZLWVRWV\¶VHDRXHFWHV GHOLELUG
LQIORZV RI UHVRXUFHV DQG QHW SRVLWLRQ DW -XQH

$VVHWV
&XUUHQW $VVHWV
&DSLWDO $VVHWV 1HW
2WKHU 1RQFXUUHQW $VVHWV

7RWDO $VVHWV

'HIHUUHG 2XWIORZV RI 5HVRXUFHV

/LDELOLWLHV
&XUUHQW /LDELOLWLHV
1RQFXUUHQW /LDELOLWLHV

7RWDO /LDELOLWLHV

'HIHUUHG ,QIORZV RI 5HVRXUFHV

1HW 3RVLWLRQ
1HW ,QYHVWPHQW LQ &DSLWDO $VVHWV
5HVWULFWHG
8QUHVWULFWHG

7RWDO 1HW 3RVLWLRQ

Operating Expenses
For the Fiscal Years
In Thousands

Compensation and Employee Benefits
Services and Supplies
Utilities and Communications
Scholarships, Fellowships and Waivers
Depreciation
Self Insurance Claims
Total Operating Expenses

The following chart presents the University's top 8 operating expenses over the past [...] years.

Operating Expenses
In Thousands

Chart categories (top to bottom):
- Compensation and Employee Benefits
- Services and Supplies
- Utilities and Communications
- Scholarships, Fellowships and Waivers
- Depreciation
- Self-Insurance Claims

Total operating expenses increased by [...] million, resulting in [...] nonoperating [...] million increase in compensation and employee benefits, [...] supplies, and a [...] million increase in [...] scholarships, fellowships and waivers [...]. The increase in compensation and employee benefits was due to salary increases as well as increases in [...] supplies due to purchases associated with [...] maintenance and travel expenses [...], and increased disbursements for Federal [...].

Nonoperating Revenues and Expenses

Certain revenue sources that the University relies on to support its operations, such as [...] noncapital appropriations, Federal and [...] aid and state [...] funds [...].

DQG IHHV LQFUHDVHG E\   PLOOLRQ 'RDZLQ\WR ZGOX FDW\R DW\ IODDIGGR DO DWR

0RUVDQL &ROOHJH RI 0HGLFLQH SURMHFWV

<u>7KH 6WDWHPHQW RI &DVK)ORZV</u>

7KH VWDWHPHQW RI FDVK IORZV SURYLGHV GHWDLOV RI IURP DQ\ ERDOO ERXWW
PDMRU VRXUFHV DQG XVHV RI FDVK DQHP FDO WK ZHLTXL YDDVOH QW VLQ 7H
8QLYHUVLW\¶V DELOLW\ WR JHQHU PHHWV QHLW FDLQ DQG FRLDVO R\ ODDE LW
GXH DQG LWV QHHG IRU H[WHUQDO DLVWLQDQQF DQG WL Y&DWWLKHVORORZ IURKPH
WKH RSHUDWLQJ DFWLYLWLHV RI WKSHLWWOOLYHHQVLDOWFLQ &DDFWLOR ZLH
IXQGV DQG UHODWHG ORQJ WHUP GQHEWW VDFWLQJYD FWHLYLWL&DDWKVIHVKRRZZ W
XVH RI FDVK UHODWHG WR SXUFKDVDOOJQ RQJVLHQOGORLPFHU RLQ WHKVVRRWPHPHQQWYV
IORZV IURP QRQFDSLWDO ILQDQFLQJLDHFVWOQ RX WLWFLRHYHHUGHQFOXG HR WWKKRUVH

7KH IROORZLQJ VXPPDUL]HV FDVK IORZV LIRFDO WKHDUV   DQG

&RQGHQVHG 6WDWHPHQW RI &DVK)ORZV
)RU WKH)LVFDO <HDUV
,Q 7KRXVDQGV

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<u>&DSLWDO $VVHWV</u>

$W -XQH   WKH 8QLYHUVLW\ KDG QHW   ELOOLRQ LQ FDSLWDO DVVHWV
        PLOOLRQ IRU QHW FDSLWDO DHSUHFLDWLRQ FKDUJHV DORQJ WKH $U
WRWDOHG   PLOOLRQ 7KH IROORZLQJ   E\ FDSLWDO DVVHWV WKH
GHSUHFLDWLRQ DW -XQH

&DSLWDO $VVHWV 1HW DW -XQH

,Q 7KRXVDQGV

_____ _____

/DQG
&RQVWUXFWLRQ LQ 3URJUHVV
%XLOGLQJV
,QIUDVWUXFWXUH DQG 2WKHU ,PSURYHPHQWV
)XUQLWXUH DQG (TXLSPHQW
/LEUDU\ 5HVRXUFHV
3URSHUW\ 8QGHU &DSLWDO /HDVHV
:RUNV RI $UW DQG +LVWRULFDO 7UHDVXUHV
2WKHU &DSLWDO $VVHWV _____ _____

&DSLWDO $VVHWV 1HW _____ _____

$GGLWLRQDO LQIRUPDWLRQ DERXW WKH SHU   QHLQYHVWHGLWWQ WFKDSODQRWDH
VWDWHPHQWV

<u>&DSLWDO (ISHQVHV DQG &RPPLWPHQWV</u>

7KH 8QLYHUVLW\¶V FRQVWUXFWLRQ FRPPLWRPHQW DW -XQH

$PRXQW
,Q 7KRXVDQGV

7RWDO &RPPLWWHG
&RPSOHWHG WR 'DWH _____

%DODQFH &RPPLWWHG _____

$GGLWLRQDO LQIRUPDWLRQ DERXW WKLV PHQLQWHULVLS\MV FRQWHGUX

Long Term Debt at June

In Thousands

Capital Improvement Debt
Installment Purchases
Capital Leases

Total

7 + , 6 3 $ * (, 1 7 (1 7 , 2 1 $ / / < / ( ) 7 % / $ 1 .

UNIVERSITY OF SOUTH FLORIDA
A Component Unit of the State of Florida
Statement of Net Position

June

	Component University	Units

ASSETS

Current Assets
Cash and Cash Equivalents
Investments
Accounts Receivable, Net
Loans and Notes Receivable, Net
Due from State
Due from University
Due from Component Units
Inventories
Other Current Assets

Total Current Assets

Noncurrent Assets
Restricted Cash and Cash Equivalents
Restricted Investments
Loans and Notes Receivable, Net
Depreciable Capital Assets, Net
Nondepreciable Capital Assets
Other Noncurrent Assets

Total Noncurrent Assets

Total Assets

DEFERRED OUTFLOWS OF RESOURCES
Other Postemployment Benefits

Assets and Deferred Outflows
Net Position

UNIVERSITY OF SOUTH FLORIDA
A Component Unit of the State of Florida
Statement of Net Position Continued

June

	Component University	Units
LIABILITIES Continued		
Noncurrent Liabilities		
Bonds Payable		
Certificates of Participation Payable		
Capital Improvement Debt Payable		
Loans and Notes Payable		
Installment Purchases Payable		
Capital Leases Payable		
Estimated Insurance Claims Payable		
Compensated Absences Payable		
Federal Advance Payable		
Other Noncurrent Liabilities		
Dining Fee Facility Payable		
Other Postemployment Benefits Payable		
Net Pension Liability		
Total Noncurrent Liabilities		
Total Liabilities		
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits		
Pensions		
Deferred Service Concession Arrangement Receipts		
Total Deferred Inflows of Resources		
NET POSITION		
Net Investment in Capital Assets		
Restricted for Nonexpandable		
Endowment		
Restricted for Expendable		
Debt Service		
Loans		
Capital Projects		
Other		
Unrestricted		
TOTAL NET POSITION		

The accompanying notes to financial statements are an integral

UNIVERSITY OF SOUTH FLORIDA
A Component Unit of the State of Florida
Statement of Revenues, Expenses, and Changes in Net
For the Fiscal Year Ended June

Component
University   Units

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81,9(56,7< 2) 6287+)/25,'$
$ &RPSRQHQW 8QLW RI WK

UNIVERSITY OF SOUTH FLORIDA
A Component Unit of the State of Florida
Statement of Cash Flows – Continued

For the Fiscal Year Ended June

RECONCILIATION OF OPERATING LOSS
  TO NET CASH USED BY OPERATING ACTIVITIES
Operating Loss
Adjustments to Reconcile Operating Loss
  to Net Cash Used by Operating Activities
  Depreciation Expense
  Changes in Assets, Liabilities, Deferred Outflows of Resources
    and Deferred Inflows of Resources
    Receivables, Net
    Loans and Notes Receivable, Net
    Inventories
    Other Assets
    Accounts Payable
    Salaries and Wages Payable
    Deposits Payable
    Compensated Absences Payable
    Unearned Revenue
    Estimated Insurance Claims Payable
    Other Postemployment Benefits Payable
    Net Pension Liability
    Deferred Outflows of Resources Related to Other Postemployment
    Deferred Inflows of Resources Related to Other Postemployment
    Deferred Outflows of Resources Related to Pensions
    Deferred Inflows of Resources Related to Pensions

NET CASH USED BY OPERATING ACTIVITIES

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND
  CAPITAL FINANCING ACTIVITIES

Unrealized gains on investments were recognized as an increase to inv[...]
income on the statement [...]

Losses from the disposal of capital assets were recognized on the stat[ement of]
revenues, expenses, and changes in net position but are not cash tran[sactions]
for the statement of cash flows

6XPPDU\ RI 6LJQLILFDQW $FFRXQWLQJ 3ROLFLHV

5HSRUWLQJ (QWLW\ 8QLYHUVLW\ LV D VHSDUDWH SXEOLF WKLQJ VWUXPHHQ V\VWHP RI SXEOLF XQLYHUVLWLHV ZKLR K DQ OXQGRHQW WKROH RIH QHKUD *RYHUQRUV 7KH 8QLYHUVLW\ LV GLUHFWO\ HRYHU QHGWE\D %R PHPEHUV 7KH *RYHUQRU DSSRLQWV DFGWRL]H RYPHURQHERHUUV DSSOSR LWQ PHPEHUV 7KHVH PHPEHUV DUH FRQILUPMGEUE\HWWKMD)JQIRUJLHHGDW6HHQPD\ 7KH FKDLU RI WKH IDFXOW\ VHQDWHWD GORGGW KRH 8UKHHVX8GLHQLUHVVRLWW\KDU 7KH %RDUG RI *RYHUQRUV HVWDEOLVK7HKUVXWWWKHHSRZFKZL DQOGVGWXHMLVHD IRU VHWWLQJ SROLFLHV IRU WKH 8QFLHLYHOQ VDLFFF\RUZKDORQKFHSLZRWWLKGHWJDRW RI * RI 5WRHV@UGUH„ @ ÀPP€VWLQ @U P0PPRI 2,0€ À•€P`Àp•3W DUHV@

H[FHOOHQFH E\ SURYLGLQJ VXSSOHPHQWDOOGUHVRXHFVWV DURRP YSDUOLY

VXSSRUW VHUYLFHV DQG DUH JRYHUQHGW E\DVXHSORUDLWHVEW[HUGN RU

UHFHLYH KROG LQYHWWHU SDQRGS EGPLQDQGLWRUPDYNWRHSH IRU WKH

8QLYHUVLW\ 7KHVH RUJDQL]DWLRQVHGQDV WKHOQOB ZXUSRVHV DUH H

- 7KH 8QLYHUVLW\ RI 6RXWK)ORULGD)RXQGDWLRQ ,QF DFFH

DOVR SURYLGHV WKH 8QLYHUVLW\ ZLW«O«FH«RFURUGPDP«HQF«G«ZLWVLR«QVH«S«UH«DV«

DFFRXQWLQJ SULQFLSOHV SURPXOJDWH«R«XQW\«*$6%«6DDQGDQ«GDKUHG«LV«%DRO«

*$6% DOORZV SXEOLF XQLYHUVLWLHV«8OLYLRXVLWH«SKRDUVVHOQH«HFRVSHWGR«R«

HQWLW\ HQJDJHG LQ RQO\ EXVLQHVVWUTSHUDHFVVWKHWDLGHRSWLKRLRV«RIO«

RI DFFRXQWLQJ DQG HQWLW\ZLGH UHSRRUSURWOLHQQWLQ FOXGLQJ WKH IRO«

- 0DQDJHPHQW¶V 'LVFXVVLRQ DQG $QDO\VLV
- %DVLF)LQDQFLDO 6WDWHPHQWV
  - 6WDWHPHQW RI 1HW 3RVLWLRQ
  - 6WDWHPHQW RI 5HYHQXHV ([SHQVHV DQG &KDQJHV LQ 1HW
  - 6WDWHPHQW RI &DVK)ORZV
  - 1RWHV WR)LQDQFLDO 6WDWHPHQWV
- 2WKHU 5HTXLUHG 6XSSOHPHQWDU\ ,QIRUPDWLRQ

0HDVXUHPHQW)RFXV DQG %DVLV%DRVLV$FFRRXDOQFWFLRQXQWLQJ UHIHUV V

H[SHQVHV DVVHWV GHIHUUHG RXWIDODORRGVZGHLRIHIUHUHUVVHRGGXXWLQLHQHOVRZLOVDEELOL

UHFRJQL]HG LQ WKH DFFRXQWV DQG HUGHVSGSRXUWV6HSSHFLQLILWFXO0OL0QLGDWQ FUHLHDO

RI WKH PHDVXUHPHQWVVPRDGGHWKWKHUPHHHJDHDGUGXXOSHHSHPOHLQHWW IRRFK\K 8QLYHUVLW

VWDWHPHQWV DUH DTLP € p€@@ 0À

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7RWDO 8QUHVWULFWHG 1HW 3RVLWLRQ %HIRUH 5HFRJQLWLRQ RI
/RQJ 7HUP /LDELOLWLHV 'HIHUUHG 2XWIORZV RI 5HVRXUFHV
DQG 'HIHUUHG ,QIORZV RI 5HVRXUFHV
$PRXQW ([SHFWHG WR EH)LQDQFHG LQ)XWXUH <HDUV

Stocks and other equity securities   7KLV W\SH LQFOXGHV GRPHVWLF DQG GWQWH
TXRWHG SULFHV LQ DQ DFWLYH PDUNHW   /HYHO   LQSXWV

Equity Mutual Funds   7KLV FDWHJRU\ LQFOXGHV LQYHVWPHQWV LQ FRPPLQJOHG
FRPPLQJOHG IXQG VWUXFWXUHV   7KH IXQGV LQYHVW PRVWO\ LQ SXEOLFO\ WUDGHG HTXLW\
UHVSHFWLYH EHQFKPDUNV   ,QYHVWPHQWV TXRWHG WKHLU SULFDFWHV JRLQ \DDQU\
/HYHO   LQSXWV

Bond Mutual Funds   7KLV FDWHJRU\ LQFOXGHV LQYHVWPHQWV RXU IRRPPL QH
IXQG VWUXFWXUHV   7KH LQYHVWPHQW WUREMHFWLYH VHHURIIRWR DOO FHIXRO G

(GXFDWLRQ IRU WKH EHQHILW RI WLWKQHYHQYLWPHHUQVWLW\FRQKHLV8QLRYH8QLLWL
VHFXULWLHV ZLWK PDWXULW\ GDWHVSRWHGRDQWVKDVLEUYDOIXM D7QKGH
RQ SROLFLHV GHYHORSHG E\ WKH 6%$NIRQOGPDFQIDGLLQWJ UWQWNHURHUVWW
'LVFORVXUHV IRU WKH 'HEW 6HUYLFHRSDFHFRXXQWRILVOODDUGHFLQODOOVWGLDG\HLRQ
&RPSUHKHQVLYH $QQXDO)LQDQFLDO 5HSRUW

&RPSRQHQW 8QLWV ,QYHVWPHQWV

7KH 8QLYHUVLW\ GLVFUHWHO\ SUHVHQWWDDOHG FRRPSRQHQW DXQLHLWWVHV¶SRUL
YDOXH DV IROORZV

	8QLYHUVLW\ RI	8QLYHUVLW\ RI		8QLYHUVLW\
	8QLYHUVLW\ RI	6RXWK)ORULGD	6RXWK)ORULGD		0HG
	6RXWK)ORULGD	$OXPQL	5HVHDUFK	86)	6HUYLFH
	)RXQGDWLRQ	$VVRFLDWLRQ	)RXQGDWLRQ	)LQDQFLQJ	$VV
,QYHVWPHQW 7\SH	,QF	,QF	,QF	&RUSRUDWLRQ	,QF

&HUWLILFDWHV RI 'HSRVLW
6HFXULW\ 3OHGJHG WR
 6ZDS &RXQWHUSDUW\
%RQGV DQG 1RWHV
6   • HG WR
                                   ••0 ´Q   C" C" C" H'(€°0 0

4 X R W H G
                                        3 U L F H V   6 L J Q L I L F D Q W
                                        L Q $ F W L Y H   2 W K H U   6 L J Q L I L F [
                                        0 D U N H W V   I R U   2 E V H U Y D E O H   8 Q R E V H [
                                        , G H Q W L F D O $ V V H W V   , Q S X W V   , Q S [
, Q Y H V W P H Q W V   E \   I D L U   Y D O X H   O H Y H O $ P R X Q W   / H Y H O   / H Y [

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  (T X L W L H V
  % R Q G V
  0 R Q H \   0 D U N H W
7 R W D O   L Q Y H V W P H Q W V   E \   I D L U   Y D O X H   O H Y H O

, Q Y H V W P H Q W V   P H D V X U H G   D W   W K H   Q H W   D V V H W   Y D O X H   1 $ 9

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,QYHVWPHQW 7\SH	$YHUDJH 0DWXULWLHV	6WDQGDUG 0RRG\'V	)DLU DQG 3RR
8QLWHG 6WDWHV 7UHDVXU\ 6HFXULWLHV	<HDUV		
%RQGV DQG 1RWHV	<HDUV	$DD $	$$$ $
%RQGV DQG 1RWHV	'D\	$D	1RW 5DWHG
%RQG 0XWXDO)XQGV	<HDUV	1RW 5DWHG	1RW 5D
0RQH\ 0DUNHW 0XWXDO)XQGV	'D\V	$DD PI	$$$P
0RQH\ 0DUNHW 0XWXDO)XQGV	'D\V	$DD PI	$$$P

7RWDO

'LVFORVXUH RI FUHGLW ULVN LV QRW UHTXLUHG IRU WKLV LQYHVWPH
86) +HDOWK 6FLHQFHV &HQWHU 6HOI ,QVXUDQFH 3URJUDP
8QLYHUVLW\

8QLYHUVLW\ RI 6RXWK)ORULGD 5HVHDUFK)RXQGDWLRQ ,Q

,QYHVWPHQW 7\SH	9DOXH	,QYHVWPHQW 0DWXULWHV ,Q <HDUV		
		)DLU	/HVV 7KDQ	0RUH 7KDQ
%RQGV DQG 1RWHV				
0XWXDO)XQGV				
%RQGV				
0RQH\ 0DUNHW				

7RWDO

8QLYHUVLW\ RI 6RXWK)ORULGD 5HVHDUFK)RXQGDWL
4XDOLW\ 5DWLQJV

,QYHVWPHQW 7\SH	)DLU 9DOXH	$$$	$$	$	/HVV 7KDQ $ RU 1RW 5D
%RQGV DQG 1RWHV					
0XWXDO)XQGV					
%RQGV					
0RQH\ 0DUNHW					

7RWDO   1   RQG   •   V

7KH   UHSRUWHG DV GXH IURP FRPPSRRXQWQWV RZQHLGVW WFRFRWQKVHL 8X
WKH 8QLYHUVLW\ RI 6RXWK)ORULGD 5HVHDUFFKU)RXQQGDWDRRQ V
SURMHFW UHODWHG UHYHQXH DQG DGPLQXW'RDWLY,Q FRYHUKHDG
RSHUDWLQJ H[SHQVHV DQG PHUFKDQGLWH RDOVRXWKHYOHRXLHGDU)RX
                SULPDULO\ IRU VDODU\ DQGWR SHURDRPWWGH 8,63H-QHVHDOW WKS S
&RQIHUHQFLQJ &RUSRUDWLRQ   IIRRPSWRHUSU8OPLHVVGWDORV 6L
$OXPQL $VVRFLDWLRQ   IRU SD\UROO H[SHQVHV

7KH   UHSRUWHG DV GXH WR FRPPSRQWQWRZHQGLVE WVKVSU8HQVLHYG
86))LQDQFLQJ &RUSRUDWLRQ IRU WKH ERQOGVLLQXJFWWDRQOG SOGGLILKQ
          DQG WR WKH 8QLYHUVLW\ OHGOLFDO 6HUYLFHR$VGVRFRDWLVW
VXSSRUW WKH IXQGLQJ RI VDODULHV DQG+RDOWWK RSHUDWLQJ H[SH

    &DSLWDO $VVHWV

&DSLWDO DVVHWV DFWLYLW\ IRU WKHLLVWKRZOQHLDUWHQGHGHRROOXRZLQJ

	%HJLQQLQJ	$GMXVWPHQW			(QGL...
'HVFULSWLRQ	%DODQFH	$GGLWLRQV	5HGXFWLRQV	%DOD...

1RQGHSUHFLDEOH &DSLWDO $VVHWV
 /DQG
 :RUNV RI $UW DQG +LVWRULFDO 7UHDVXUHV
 2WKHU &DSLWDO $VVHWV
 &RQVWUXFWLRQ LQ 3URJUHVV

7RWDO 1RQGHSUHFLDEOH &DSLWDO $VVHWV

'HSUHFLDEOH &DSLWDO $VVHWV
 %XLOGLQJV
 ,QIUDVWUXFWXUH DQG 2WKHU ,PSURYHPHQWV
)XUQLWXUH DQG (TXLSPHQW
 /LEUDU\ 5HVRXUFHV
 3URSHUW\ 8QGHU &DSLWDO /HDVHV
 :RUNV RI $UW DQG +LVWRULFDO 7UHDVXUHV
 2WKHU &DSLWDO $VVHWV

7RWDO 'HSUHFLDEOH &DSLWDO $VVHWV

/HVV $FFXPXODWHG 'HSUHFLDWLRQ
 %XLOGLQJV
 ,QIUDVWUXFWXUH DQG 2WKHU ,PSURYHPHQWV
)XUQLWXUH DQG (TXLSPHQW
 /LEUDU\ 5HVRXUFHV
 3URSHUW\ 8QGHU &DSLWDO /HDVHV   Ð0
 :RUNV RI $UW DQG +LVWRULFDO 7UHDVXUHV
 2WKHU &DSLWDO $VVHWV

 7RWDO $FFXPXODWHG 'HSUHFLDWLRQ

7RWDO 'HSUHFLDEOH &DSLWDO $VVHWV 1HW

Service Concession Arrangement

During the ____ fiscal year, the University entered into a ____ LLC (Tenant) under which the Tenant controlled the ____ and retail facilities ____ The University entered into this ____ agreement ____ demands for student housing facilities ____ Phase I of construction including ____ completed during the current fiscal year ____

____ fiscal year. The Tenant will ____ of the agreement. The Tenant ____ housing facilities ____ pays the University ____ operating surplus as defined ____ per year for the use of the ____ land ____ tenants and will oversee student ____ rates must be approved ____ by the University. The University reports ____ the amount of $____ housing facilities with a ____ liability in the amount of $____ year end pursuant to the service concession arrangement.

Unearned Revenue

Unearned revenue at June ____ which the University had not yet ____ June ____ to spend the funds ____ and student tuition and fees ____ As of June ____ the University ____

Description	Amount
Contracts and Grants	
Capital Appropriations	
Auxiliary Prepayments	
Student Tuition and Fees	
Total Unearned Revenue	

Long Term Liabilities

Long term liabilities of the University ____ installment purchases ____ compensated absences payable ____ Federal ____ postemployment benefits payable ____ ended June ____ is shown in the following table.

)LVFDO <HDU (QGLQJ -XQH   3ULQFLSDO   ,QWHUHVW

6XEWRWDO
'HIHUUHG /RVV RQ
 5HIXQGLQJ

7RWDO

,QVWDOOPHQW 3XUF,KOPV)QD 3D(EHOHG,QQG PXsT(WRP#PJJDDUpJåZ585Àû#0l sU&

IRU WKH DFFUXHG OHDYH KRZHYHU 6IXDQ\VHRQGQ FVKDSHLVSRDOWDLRSURRS
WKDW LV XVHG RU SDLG LQ WKH FX8UULQHYGHVILWWFDHOSHHDUV V$KOHVOLRLXJ
SULPDULO\ IURP IXWXUH DSSURSULDWLRQQVSUULHQQFHLSDOGHO\GDFOQRSWSHG
RI D UHFHLYDEOH LQ DQWLFLSDWLRQQRI IXWXUHEOSSHURSSUPDWHRG
FRPSHQVDWHG DEVHQFHV ZKLFK LQFOXGHHV)OVWRKUHLGQL5YHWVLUWUP'HQW
),&$ FRQWULEXWLRQV WRWDOHG I WKH 7KPSFXQVUDHWQHG SDEWWQQ
LV WKH DPRXQW H[SHFWHG WRDOH\SDUGDQG WKSUHFRVHLOOQW
SHUFHQWDJH RI OHDYH XVHG DSSOLWLQJ WR WRWDO DFFUXHG OHDYH

)HGHUDO $GYDQFH7KDVDEOHSHUHVHQWV WKH 8QLYHUDVSWW¶VDOO&LORGELOOWLV
 DGYDQFH SURYLGHG WR IXQG WKH 8QLSUHRUVLUDP¶V7KHLGHDUPDROXQHUXI
 EH UHWXUQHG WR WKH)HGHUDO *RYHUVWHPPDQL\QJKRJGGUDWKOH3HOLNLYLK
 KDV H[FHVV FDVK LQ WKH ORDQ SURJULRRPV KHHGHUE\O VFDSL8QOLYHU

'LQLQJ)DFLOLW\ )HFK3DV\DEHOSHUHVHQWV WKH 8QLYHUVLRQH¶V7DPSELO
//& WKH 7HQDQW LQ D VHUYLFH FRQFHLVHLRRRUDWLJIODQXVHPHRQWVWKDIIQG
FRQVWUXFWHG DV SDUW RI WKH DJUHRHPGHHQWWHUP7LKQHHGWLKVFROOXLGDWEOUULDOLW
)XWXUH PLQLPXP SD\PHQW UHPDLQLQJ XQGHVHUQWKHDDXUHRRPHQWKH
SD\PHQWV DV RI -XQH   DUH DV IROORZV

)LVFDO <HDU (QGLQJ -XQH $PRXQW

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p... P P
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• u

,QIODWLRQ   SHUFHQW

6DODU\ LQFUHDVHV   W   DYHSHUJHHQ QFOXGLQJ LQIODWLRQ

'LVFRXQW UDWH   SHUFHQW

+HDOWKFDUH FRVW WUSHHQOFHUHODWHRU 3UHIHUUHG 3URYLGHU
2UJDQL]DWLRQDOO G 332SHUFHQW IRU
+HDOWK 0DLQWHQDQFH 2UJDQL]DWLRQV +0
ILVFDO \HDUV   WR   GHFUHDVLQJ WR]
XOWLPDWH UDWH RI   SHUFHQW IRU ILVFD
DQG ODWHU \HDUV

5HWLUHHV¶ VKDUH RI EHQHILFLHQWUROOSWRRGHFWHG KHDOWK LQVXU
FRVWV   SUHPLXPV IRU UHWLUHHV

7KH GLVFRXQW UDWH ZDV EDVHG RQ WKQH %\ROG %XQHLU L*SHDOOH %ORRQ G%

0RUWDOLW\ UDWHV ZHUH EDVHG RQ WKHH FWGLGUDFDLORQ %% 53   ZL

:KLOH DQ H[SHULHQFH VWXG\ KDG QRW OHHQ WRPSODFWWXDUULRO WKDW
GHWHUPLQHG WKH WRWDO 23(% OLDELOOLRWQ\FRUWWDKLQ 23(%XOODQVRZH
H[SHULHQFH VWXG\ IRU WKH)56 3ODQ

7KH IROORZLQJ FKDQJHV KDYH EHHQ PDGH VLQFH WKH SULRU YDOX

- 7KH FHQVXV GDWD UHIOHFWV FKDQJHUVLURLG WWLQDFWLM-X0OR WKH

- 7KH DQQXDO SHU FDSLWD FODLP FRVWFXVKUDHYHQHEDHJHQ DXGSGXDWWHHGG

- 7KH SUHPLXP UDWHV KDYH EHHQ XSGDWWHUHG WR XVH WKH UDWH

- +HDOWKFDUH LQIODWLRQ UDWHV KDPMEHEHHQH]HSXGQGPDRWGHHGOO WSRXEUOLHO
  6RFLHW\ RI $FWXDULHV $GGLWLRQDODHOW WKH XQ GDOUWPHQGV WRULHQO
  RQ WKH)LQDQFLDO 2XWORRN IRU WKH ILWKFDORXVHKD UXQ HQGLQJ
  DGRSWHG $XJXVW   E\ WKH 6HOI ,OQQVFXUDQFH (VWLPDWHG

- 7KH DFWLYH PRUWDOLW\ UDWHV KDYHOEHHGG EXSSGDSWHHGUWR XVH
  RI)ORULGD IRU SHQVLRQ SODQV   7KLDWWV2PO&DZ ELRROODGR3DLQWOVKHW
  PRVW UHFHQW)56 YDOXDWLRQV   7KHHUOUDODWLYOHLVLPDULQH¶WVKXROVH RXW
  YDOXDWLRQ UHSRUW

- 7KH GLVFRXQW UDWH DV RI WKH PHDVXUUHP\HOQQPDDGPDDWWH¶IRU *$6

	1% Decrease	Current Discount Rate	1% Increase
University's proportionate share of the total liability			

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates   The following table presents the University's proportionate share of the total OPEB liability, as well as what the University's proportionate share of the total liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or higher than the current healthcare cost trend rates.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
University's proportionate share of the total liability			

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the University recognized OPEB expense of $... For the year ended June 30, 2018, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions or other inputs		
Changes in proportion and differences between University benefit payments and proportionate share of benefit payments		
Transactions subsequent to the measurement date		
Total		

Of the total amount reported as deferred outflows of resources related to OPEB flows resulting from transactions subsequent to the measurement date, ... will be included as a reduction of the total OPEB liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

7KH 6HULHV $ YDULDEOH UDWH &HUWWRIOEDPLWWV ZKHUH HIIOHFWJRO\FK
UDWHV 2Q $SULO LQ FRQQHFWLRQ &ZHLUWKLIVFKDWHUUHHVLVWKEQJ
&RUSRUDWLRQ WHUPLQDWHG WKH LQWWURHWWKHVUDV&HUVZDSLFDDJHWHPH

7KH 6HULHV $ 5HPDUNHWLQJ &HUWLILFWRWDHVODZHWHULYUXXQG $J
GDWHG 0D\ DV VXSSOHPHQWHG E\ WQKHDOV6HU7WULXHVVW $JJUHHXPHQSO
2FWREHU DQG DPHQGHG RQ $SULOUXVWHH E\KDHQ8V6)DPURRQJHUW\
DV OHVVRU DQG WKH 86))LQDQFLQJ &RUSRUDWLRQ DV OHVVHH

)RU WKH 6HULHV $ 5HPDUNHWLQJ &HURWURLSIRIUDWHRQWKKHH 8HQ6O)V3HURS
/HDVH $JUHHPHQW GDWHG 0D\ DQG ZDLPWHQOGHKGRQLOYODUVLW\
7UXVWHHV ZKHUHE\ WKH 8QLYHUVLW\KOURUGSRODDHWJHRWVQRWWKKHHOO86Q3G5U
KRXVLQJ DQG SDUNLQJ IDFLOLWLHV DULWVOHORFFDOGGLQV$HOOOHRRW WRWKH
&RUSRUDWLRQ LQ WKH *URXQG /HDV RJ UWHKHPHHQOGW 3URRFSFHXOGGLQ&JRRWS
UHFHLYH OHDVH SD\PHQWV WR XVHG VWR OH[DOQFGLVWHHI OOHHPPHQGWSURSHUWK
EHHQ LUUHYRFDEO\ DVVLJQHG E\ WKHH8V6)UXVRSHHUW\ &RUSRUDWLRQ

<u>&HUWLILFDWHV RQ 3DUWHHFLSDWEL UHIXQGH&GLU6WWLIUFLHIIDWHV ± +R</u>
2Q 2FWREHU WKH 86))LQDQFLQJ &RUSR&HHUWLRLOIFLDWWHHVGRW3KD
% WR UHIXQG WKH 6HULHV &HU+WRRXLVIEOQJWHV7KRHVWDUJWLHFHLPSDWWLY
&HUWLILFDWHV DUH KHGJHG WR OLPLW WKH HIIHFW RI FKDQJHV @

$V D UHVXOW RI D FKDQJH LQ WKH 8HJHFVRUSRUWDWHRQVWDKHU\WWHULHV
&HUWLILFDWHV LQFUHDVHG WR SHUFHQW HIIHFWLYH -DQXDU\

7KH SURFHHGV GHULYHG IURP WKH LVVXDLFFDWHRV \K+HD6OHWVKHVL\V
1RYHPEHU ZHUH XVHG WR SURYLGH ILXQDODQVFLQJ WWKHH DS
FRQVWUXFWLRQ LQVWDOODWLRQ DQLG GHLTXLSSRLFDOJWRHGDRPHGKFD8QE
&DPSXV IXQG D FDSLWDOL]HG LQWUHWDUHLVQWHDSRXGIW UDHOOGWHSD
DQG VDOH RI WKH &HUWLILFDWHW ± 7KHDOVWWKLLHQVLWLD&OHUVWFIDLIUEDN
UDWHV IRU JHQHUDOO\ VXFFHVVLYH VHGHZHQGGE\ VZHHFXNUH\G USDXWUHV XSD
LUUHYRFDEOH GLUHFW SD\ OHWWHGUJ ER\I WFKJHH GLHWWJLSVURLRU%W&RHEHJHWLLQUF

VHOO   DQG UH OHW SURSHUWLHV   DQG KWDORY H[HUHFQVLHU **UHPRYDEOH** W\D

86) 3URSHUW\ &RUSRUDWLRQ WR WKH 7UXVWHH

<u>%RQGV 6HULHV   ± 0DUVKDOO &HQWHU LULHIDXQSOQ GD6HULHV</u>

WKH 86))LQDQFLQJ &RUSRUDWLRQ LVVXH&GD WKLVDOO ,PSURY6HHPUHLQHV

5HYHQXH %RQGV ± 0DUVKDOO &HQWHU WRILLFHDIWGLG RVKSDOGHWULULFLSL

WD[H[HPSW IL[HG UDWH %RQGV KDYH RQWSHHUUHVHQWWDDDQHGV PDUDWOXQJLQJ

7KH SURFHHGV GHULYHG IURP WKH LVVLXDRIDQFWHRV WLWKMXVHGULRHQV -DQ &

ZHUH XVHG WR   ILQDQFH WKH FRQVWWUXFXGLHRQQWRFHQWKHHU UDUDQKGO

H[SHQVHV UHODWHG WR WKH LVVXDQFHHDUWQGLILVLDPODWHRI LWQKFOX6GHULQJ

JXDUDQW\ LQVXUDQFH SROLF\ SUHPLXP

2Q 0D\   LQ FRQQHFWLRQ ZLWK WKH &HH&XHQGULLLQJLFRWHWKHZL

6HULHV   0DUVKDOO &HQWHU %RQGV HWWOKDHWHGJRRXWOQRGWOHHD\VRHXDWOLQJH

DPHQGHG DQG WKH 0DUVKDOO &HQWHU ZDFHVOUHJH7URKYHHJGURXURQPOG VOKKHHDWH

UHTXLUHV WKDW DQ\ SURSHUW\   DQG FLNPLSWORURYWHVKHHOQLWVLYMVUKHLULWWH\RXQS RUG

WKH JURXQG OHDVH   7KXV   RQ WKH VDPHRMRGDDWWHLRQOWKHU OORQ)VHQDDEEH

&HQWHU EXLOGLQJ DQG EXLOGLQJ LPSOHUWRYEHRPRHNQWDDVOWWR WKH 8QLYHU

7KH 6HULHV   %RQGV ZHUH LVVXHG SXXWWV,XOQGGDQHOQWQ VWRXRUWWKKGDDWWHHHUGPDG VR

E\ DQG DPRQJ D 7UXVWHH DQG WKH 86))LQDQFLQJ &RUSRUDWLRQ

<u>1RWHV 6HULHV $ DQG   % UHIXQGHG FV $2 OQ QOOGUFK % $WL</u>

WKH 86))LQDQFLQJ &RUSRUDWLRQ LVVXVHSHHDGWWWOGHWLFV 7D[([HHPSW 3

1RWH DQG WKH   6HULHV   % $WKOVVWRU FV1RWDH (WHRPSUWHI[

6HULHV $ DQG   % $WKOHWLFV 7D[DEOH 3UHRPPLW\RVULHGRUDWHV 67

1RWH KDV DQ LQWHUHV UDWH RI   7S6HH UWFDLQJHV [HDRQOGSW PDWL[HGUHVDLWQH

1RWH KDV DQ LQWHUHV UDWH RI   SHUFHQW DQG PDWXUHV LQ

7KH SURFHHGV GHULYHG IURP WKH LVVXDQOF%HF$HVRRKWOHKWHLF6HHU1RHWHV

-DQXDU\   DQG 'HFHPEHU   UHVSHDQFWOLFYHWWOKH ZOHFTUTILXLLVWHGVGRRWQRFLR

HTXLSSLQJ RI T@ ɲ0"ÀR\6DÀR`UH@0

UHIXQG WKH 6HULHV   &$0/6 7D[DEOH ([HPSW 3URPLVVRU\ IRUJLYHG RUUDWH 7KH 6HULHV
KDV DQ LQWHUHVW UDWH RI   SHUFHQW DQG PDWXUHV LQ

7KH SURFHHGV GHULYHG IURP WKH LVVX1DRQFH RLV WKHHG6RQ L'HIHPEH&U
ZHUH XVHG WR ILQDQFH WKH DFTXLVLWLRQ WKRRQ8/6U&XHFOWLRQ IRQ
0HGLFDO /HDUQLQJ DQG 6LPXODWLRQ &$0RVVHIDKFOLGODLWJUR7VKH LGWHUH
    SHUFHQW $V WKH 1RWH ZDV LVVXRHOGO XSGIRU UWDPH ELWHOOOHQ$PHOLV
HTXDO WR   SHUFHQW RI WKH JURVVHUGWXHLLUHPVHQQODWHRI SKH VDXPHQO
%XGJHW DQG (PHUJHQF\ 'HILFLW &RQWUROIJF WDRI\HDU GWKLURRJKWK
UHIXQGLQJ WKH GLUHFW)HGHUDO VOXEWLHUHLHVZDVFRVVHGXHFTXGOOHQG WK

)RU WKH 6HULHV   &$0/6 1RWH   WKH 8D0V)HOODWHFULQJ &QWVSRDD*WB
$JUHHPHQW GDWHG DV RI 'HFHPEHU   H   DQG DQSOOQGHUFKDV RI -X
WKH 8QLYHUVLW\ %RZDUGHRHHI\ 7UXJKV8OHHVHGVLWR\WKOHV 8OVHD)LQDQFLQJ
WKH ODQG RQ ZKLFK WKH &$0/6 IDFLOLWQJ LV&ORURSFRUDWHGLR7QKKD\V8VX
&$0/6 IDFLOLW\ WR WKH 86) +HDOWK 3UURDWLVVRLRQDV &LRURQHFWHQFXSSRU
RI WKH 8QLYHUVLW\ SXUVXDQW WR D IDFLOLW\ OHDVH DJUHHPHQV

<u>1RWH 6HULHV   6XQ 'RPH $SSWHOPEHU   WKH 86))LQDQFLQJ</u>
WKH   6HULHV $UHQD 7D[DEOH SURSRHPLGVVRRI\ WRWHRW7KHZ
UHLPEXUVH WKH 8QLYHUVLW\ RI 6RXWFRV)OWRUXLOGGHURDUDNHSRROWLWLRWKH
UHQRYDWH WKH 86) 6XQ 'RPH $UHQD   7KHQWHHUUHLVHV UDWHRWIH KDV S
PDWXUHV LQ

<u>3ULQFLSDO DQG ,QWHUHSHUVLQWFSLDS\PHOQWODQG LQWHUHYV SD\PHQWGHUHTXL</u>
RXWVWDQGLQJ DV RI -XQH   DUH DV IROORZV

)LVFDO <HDU (QGLQJ -XQH   3ULQFLSDO   ,QWHUHVW

    6XEWRWDO
    3UHPLXV
    &RVW RI ,VVXDQFH

    7RWDO

,QWHUHVW 5DWH 6ZDS (JUHHFWLPYHQVVHSWHPEHU   WKH 86))LQ
HQWHUHG LQWR DQ LQWHUHVW UDWH\ VZDSSODLUJL#+HWÑ#HQW(ZLWK D FRX

RQ WKH VZDS DJUHHPHQW DV DPHQGHG HRUFHOHQW FXQG WKH LQWHUL
DJUHHPHQW H[SLUHV -XO\

(IIHFWLYH 1RYHPEHU WKH 86))LUHDQ ELQQJR &RQ SLRUWDHWULHRQV HV
ZLWK D FRXQWHUSDUW\ WR OLPLW WKLEWHHVHRWV RKH F6FKHDULQJHW LQ%
UHIXQGHG 6HULHV &HUWLILFDWHRQ DO+DPPRXOXW R7KWKHQLWLDO
DJUHHPHQW LV 7KH HIIHFW PRLWWWKHDULQWHHURJPHQWVW LHVSWRV
SULQFLSDO LQ WKH YDULDEOHI%WUHDWH 7KHULHQWHUHP V&HUDW
DJUHHPHQW LV SHUFHQW DQG WKH VZDS DJUHHPHQW H[SLUH -

7KH LQWHUHVW UDWH VZDS DJUHHPHQWRV FLRWQLWLDJDWDQ FFRROODWHUDSDOWV
FROODWHUDO SURYLVLRQV RI WKH LQWHWURHWWWKHJDWUHLPZDS D%J&HHUWURW
WKH 86))LQDQFLQJ &RUSRUDWLRQ WR PDPLHQWORRRGD¶VD,QYLGV VRRUDW
%%% E\ 6WDQGDUG 3RRU¶V RQ LWV +YRXVLRQJ&HHUTWXLUULHFDWKHV 86)

FROODWHUDO DVVHWV ZRXOG SURYLGH LQ JD &ROWSXRLGDRVLIRLHQWKD VKHQ 8Rc $ W
WKH LQWHUHVW UDWH VZDS DJUHHPHQWOQDOQ LQGJ &RUVSRUH DFWDLVHRQRRZLWKH
SD\PHQW WR WKH FRXQWHUSDUW\ WKHF8Ylq LRYHU UXVOLGWX SRJRROGGXHGG EF\DW
WUDQVDFWLRQ

5HWLUHPHQW QGHDQ%HQHHLLW 3HQVLRQ 3ODQV

<u>*HQHUDO ,QIRUPDWLRQ RRQ UDGR X5HWWLKUHHPHQW 6\VWHP)56</u>

7KH)56 ZDV FUHDWHG LQ &KDSWHU H)DOO RUHLG QQ HHGVW DLWVXHHV SWHRQ W
SDUWLFLSDWLQJ SXEOLF HPSOR\HHV 7X GGG)5W6 KZHD VH DHPUHUHQHGGH GHLWQL U H
3URJUDP '523 XQGHU WKH GHILQHG EHQWWLRWS SGD YQGDQDQD GHPHLQQGHGG
SODQ DOWHUQDWLYH WR WKH GHILQHGHEWWQYHLLWX SS ODQ IRU 75K6 LPH
GHILQHG FRQWULEXWLRQ SHQVLRQ S8OKDDODS WH)WUWKH))5R6,OQGLYLGHDV 6WPDLOQWVV
WKH 5HWLUHH +HDOWK ,QVXUDQFH 6XELLQJPXL, WLLSLORJHUPSPORDHFRUGVW
SHQVLRQ SODQ WR DVVLVW UHWLUHG PHUHPEHLUUV RRHQDOWQ\V6WWDWHVPH LDLQG S
RI KHDOWK LQVXUDQFH &KDSWHU GHVIRULGRQ6LWQDQWLXXWDWHG ORRS
SURJUDPV LQ OLHX RI WKH)56 WR FHUQDDJHOQ HPHQWPE6HHUUV YLRFHW&KHDV6HQH

enrolled prior to July [ ] are [ ] eligible [ ] [ ] [ ] [ ] [ ] [ ] or [ ] [ ]

years of creditable service [ ] especially [ ] members who [ ] salaries [ ]

retirement benefits at age [ ] or disability [ ] age a five [ ] [ ] members [ ]

the Plan on or after July [ ] normal retirement benefits [ ] members [ ]

time after [ ] years of creditable [ ] as especially [ ] members [ ]

for normal retirement benefits [ ] at age of [ ] creditable [ ] service [ ]

enrolled in the Plan may include up to [ ] years of credited [ ]

Plan also includes an early retirement [ ] [ ] [ ]

member retires before his or her normal retirement date [ ] [ ]

benefits and annual cost of living adjustments to eligible [ ]

The DROP, subject to provisions of [ ] permits [ ] [ ] [ ] [ ]
normal retirement under the Plan [ ] [ ] [ ] [ ]
employment with an FRS-implementing employer [ ] [ ] in DROP for [ ]
to exceed [ ] months after electing to participate in DROP [ ]
monthly benefits are held in the FRS Trust [ ] [ ] [ ]
include amounts for DROP participants [ ] [ ] [ ] [ ]
additional pension benefits.

Benefits Provided. Benefits under the Plan are computed [ ] on their [ ]
average final compensation, and credit service [ ]

&ODVV ,QLWLDO (QUROOPHQW $JH 5DQJH 5HWLUHPHQW RI 6HUYLFH

5HJXODU &ODVV PHPEHUV LQLWLDOO\ HQUROOHG EHIRUH -XO\

  5HWLUHPHQW XS WR DJH   RU XS WR   \HDUV RI VHUYLFH

  5HWLUHPHQW DW DJH   HDUV RRU ZLHWK LFH

  5HWLUHPHQW DW DJH   HDUV RRU ZLHWK LFH

  5HWLUHPHQW DW DJ PRUH RUH DOLWV KRI VRHUUYLFH

5HJXODU &ODVV PHPEHUV LQLWLDOO\ HQUROOHG RQ RU DIWHU -XO\

  5HWLUHPHQW XS WR DJH   RU XS WR   \HDUV RI VHUYLFH

  5HWLUHPHQW DW DJH   HDUV RRU ZLHWK LFH

  5HWLUHPHQW DW DJH   HDUV RRU ZLHWK LFH

  5HWLUHPHQW DW DJ PRUH RUH DOLWV KRI VRHUUYLFH

6HQLRU 0DQDJHPHQW 6HUYLFH &ODVV

6SHFLDO 5LVN &ODVV

 6HUYLFH RQ DQG DIWHU 2FWREHU

$V SURYLGHG LQ 6HFWLRQ   )ORULGD 6WDWXWHV DOO EHQHILWV WR EH PHPEHU
-XO\   DQG DOO VHUYLFH FUHGLW ZDWK E FDFOXVQ WKH OGOE ERRV WKH -XO\ OLY
LV   SHUFHQW SHU \HDU ,I WKH PHPEHU -XO\ V LQLWLDOO\ HQ\KHQ VUHROOLY
RU DIWHU -XO\   WKHUH LV D QRLIQOOLYYLOGXDO OGNXV FD OH FXQOD W7KH FRD
DGMXVWPHQW LV D SURSRUWLRQ RI WKH FXPXRI GWHKV HSHUPHLQ HXHG \E GM
E\ WKH WRWDO VHUYLFH FUHGLW DQWVUH3 ODWDUH PHPHQW EHPRXVOOWQLQSVOLLDOGOOE \V
-XO\   ZLOO QRW KDYH D FRVWH VRL LUGHLPYHLQW DGMXVWPHQW DIWH

Contributions 7KH)ORULGD /HJLVODWXUH HVWDEOLVKHV SDFW LRQ QJ UHE XOV
HPSOR\HHV &RQWULEXWLRQ UDWHV HGXHULQJ WKH   ILVFDO \H

                            3HUFHQW RI *URVV 6DODU\

&ODVV	(PSOR\HH	(PSOR\HU
)56 5HJXODU		
)56 6HQLRU 0DQDJHPHQW 6HUYLFH		
)56 6SHFLDO 5LVN		
)56 3ODQ (		
'HIHUUHG 5HWLUHPHQW 2SWLRQ 3URJUDP DSSOLFDEOH WR PHPEHUV IURP KDOO ERRYH FODVVHV		
)56 5HHPSOR\HG 5HWLUHH		

  (PSOR\HU UDWHVSHOFHOXQGH IRU WKH SHRDOWW LRSROORV XPHDOQWFH VXEVLG\
  $OVR HPSOR\HU UDWHV RWKHU WKDQ IRU S-28 FSHOD WV ILRFLSDQWV
  DGPLQLVWUDWLYH FRVWV RI WKH ,QYHVWPHQW 3ODQ
  &RQWULEXWLRQQGDOQWVXSRG GHSWLHKLHPHQWHPSODVRXHLGQ Z

7KH 8QLYHUVLW\¶V FRQWULEXWLRQVIRUR WKKH IXOODQWO RI DDOOHQGHG -

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions $W -XQH   WKH 8QLYHUVLW\ UHSRUWWHG D
LWV SURSRUWLRQDWH VKDUH RI WKHSHQOQHWLRSQHOOLDELRQOOLLWDE\ ZOOV WR H

-XQH   DQG WKH WRWDO SHQVLRQ OLDELOLW\ SODQ QHW SRVLWLRQ OLDELOLW\
E\ DQ DFWXDULDO YDOXDWLRQ DV RI SXOO SURSRUWLRQ DWH 8QLYHUVLW\V RI WKH
OLDELOLW\ ZDV EDVHG RQ WKH 8QLYHUVLW\V FRQWULEXWLRQ UHODWLYH WR WKH
\HDU FRQWULEXWLRQV RI DOO SDUWLFLSDWLQJ PHPEHUV 8QLYHUVLW\V $SSURYHG
ZDV   SHUFHQW ZKLFK ZDV DQ LQFUHDVH GHFUHDVH DUH VI
DV RI -XQH

)RU WKH \HDU HQGHG -XQH   WKHV8QLYHUVLW\ UHFRJQL]HG
DGGLWLRQ WKH 8QLYHUVLW\ UHSRUWHG GHIHUUHG RXWIORZV RI UHVRXUFHV
WR SHQVLRQV IURP WKH IROORZLQJ VRXUFHV

'HVFULSWLRQ	'HIHUUHG 2XWIORZV RI 5HVRXUFHV	'HIHUUHG ,QIORZV RI 5HVRXUFH...
'LIIHUHQFHV EHWZHHQ H[SHFWHG DQG DFWXDO H[SHULHQFH		
&KDQJH RI DVVXPSWLRQV		
1HW GLIIHUHQFH EHWZHHQ SURMHFWHG DQG DFWXDO HDUQLQJV RQ)56 3ODQ LQYHVWPHQWV		
&KDQJHV LQ SURSRUWLRQ DQG GLIIHUHQFHV EHWZHHQ 8QLYHUVLW\ FRQWULEXWLRQV DQG SURSRUWLRQDWH VKDUH RI FRQWULEXWLRQV		
8QLYHUVLW\ )56 FRQWULEXWLRQV VXEVHTXHQW WR WKH PHDVXUHPHQW GDWH		
7RWDO		

<u>+,6 3HQVLRQ 3ODQ</u>

Plan Description   7KH +,6 3HQVLRQ 3ODQ +,6 3ODQ LPSODR\FRRUV WHVKQHG QEJ
SHQVLRQ SODQ HVWDEOLVKHG XQGHUV6HFWKHLRERQ HQILW LOVRDJLPGRDD WW
DVVLVW UHWLUHHV RI 6WDWH DGPLQLLQVWHUKHHGLU HKWHLDUHPHQLQ VXWVDWO
DGPLQLVWHUHG E\ WKH)ORULGD 'HSDU'WWPLHQVLRQWR QRRDO5GLDVLHUHHPHQWQ 6HU

Benefits Provided   )RU WKH ILVFDO \HDU HQGHG -XQGGHG EHQHILHFLOODLJULEHOH U
D PRQWKO\ +,6 SD\PHQW RI   IRU HDFKR\HPSODUHRVHHFUYLG\WLWWKHEOHLPYHHURY
D PLQLPXP +,6 SD\PHQW RI   DQG D PD[LPXSPHU+,RQDOSDURWHSWUURXKD
6HFWLRQ   )ORULGD 6WDWXWHV   +7R EEOHDGLOEHOLHJQHOLHWV WR UHIHFH
6WDWH DGPLQLVWHUHG UHWLUHPHQW VWKWLHHPV PXXDOQ\FSURRYLGHDG SHU
LQFOXGH 0HGLFDUH

Contributions   7KH +,6 3ODQ LV IXQGHG E\ UHTXLUUHWGLFRRQWUULEXWHPSRQRI
E\ WKH)ORULGD /HJLVODWXUH (PSOQRPV\DHJHUHFRRIQWWURLVEVXFVRLRSRQHQODYDODWH IDF
)56 PHPEHUV)RU WKH ILVFDO \HDU HQOQGHEGXWLVRQHUDWH ZDWKH FRQW
SXUVXDQW WR 6HFWLRQ   )ORULFGRDQO6WWDEXXWWHHGV   7&KHU8FOHLQYWHLVURU
UHTXLUHG FRQWULEXWLRQV IRU WKH+,6X3UODUHODQQ WWRRDQQOGU SOEUXMHWHFRRLQQ JDU
VHSDUDWH WUXVW IXQG IURP ZKLFK +6,63 SODDPEHQLQOHHQ\MVIDDWWNH DXWVW KRRUWLL]H
DUH VXEMHFW WR DQQXDO OHJLVODWWKHLYYHHDLSSUSOSDUORRSULYDDVODSSRORQLQWDKH
IDLO WR SURYLGH IXOO VXEVLG\ EHHQWMHLPWWWV EWWRRDUHHGDOOFXFSHHDDGU WRU FFLSDOSQRHQWO

7KH 8QLYHUVLW\¶V FRQWULEXWLRQV WRRUWWWKKHH+,6V3ODDDOQ\HDWRDUWVZILOQ3G0HG

&KDQJH RI DVVXPSWLRQV

'LIIHUHQFH EHWZHHQ DFWXDO DQG H[SHFWHG
  H[SHULHQFH

1HW GLIIHUHQFH EHWZHHQ SURMHFWHG DQG DFWXDO
  HDUQLQJV RQ +,6 3ODQ LQYHVWPHQWV

&KDQJHV LQ SURSRUWLRQ DQG GLIIHUHQFHV EHWZHHQ
  8QLYHUVLW\ +,6 FRQWULEXWLRQV DQG SURSRUWLRQDWH
  VKDUH RI +,6 FRQWULEXWLRQV

8QLYHUVLW\ +,6 FRQWULEXWLRQV VXEVHTXHQW WR WKH
  PHDVXUHPHQW GDWH

7RWDO

V H O H F W H G   E \   W K H   S O D Q   V S R Q V R U   7 K H   % R Q G   G   G % X X H Q L U   F H S D H O J   D % R   Q 6

D G R S W H G   D V   W K H   D S S O L F D E O H   P X Q L F D S W D O H   X E V R H G G   L Q Q   W K H   7 K H Y   D G O

X S G D W H G   I U R P   S H U F H Q W   W R   S H U F H Q W

&RQVWUXFWLRQ &RPPLWPHQWV

7KH 8QLYHUVLW\¶V FRQVWUXFWLRQ FRPPLWRRORZDW -XQH

                        7RWDO   &RPSOHWHG   %DODQFH
3URMHFW 'HVFULSWLRQ   &RPPLWPHQW   WR 'DWH   &RPP

86) 0RUVDQL &ROOHJH RI 0HGLFLQH
86) +HDOWK +HDUW ,QVWLWXWH
86) :HOOQHVV &HQWHU &RPSOH[
+ROO\ 5HVLGHQFH +DOO 5HQRYDWLRQV
6XEWRWDO

Functional Classification	Amount
Instruction	
Research	
Public Services	
Academic Support	
Student Services	
Institutional Support	
Operation and Maintenance of Plant	
Scholarships Fellowships and Waivers	
Depreciation	
Auxiliary Enterprises	
Loan Operations	
Total Operating Expenses	

Segment Information

A segment is defined as an identifiable activity that ... other debt instruments outstanding in ... the activity's related revenues, expenses, gains, losses, ... and deferred inflows of resources ... are required to be accounted for ... information for the University's ... segment ... (facilities/activities) ... bonds are outstanding

Condensed Statement of Net Position

	Parking Facilities
Assets	
Current Assets	
Capital Assets, Net	
Other Noncurrent Assets	
Total Assets	
Deferred Outflows of Resources	
Liabilities	
Current Liabilities	
Noncurrent Liabilities	
Total Liabilities	
Deferred Inflows of Resources	
Net Position	
Net Investment in Capital Assets	
Restricted Expendable	
Unrestricted	
Total Net Position	

%OHQGHG &RPSRQHQW 8QLW

7KH 8QLYHUVLW\ KDV RQH EOHQGHG FRPSRQHQW 7KH IROORZLQJ LQIRUPDWLRQ LV SUHVHQWHG QHW ¶V EOHQGHG FRPSRQHQW XQLW

&RQGHQVHG 6WDWHPHQW RI 1HW 3RVLWLRQ

USF Health
Sciences Center   7RW
Self Insurance   3ULPDU
Program   8QLYHUVLW\   (OLPLQDWLRQV

\$VVHWV
  2WKHU &XUUHQW \$VVHWV
  &DSLWDO \$VVHWV 1HW
  2WKHU 1RQFXUUHQW \$VVHWV

  7RWDO \$VVHWV

'HIHUUHG 2XWIORZV RI 5HVRXUFH

/LDELOLWLHV
  2WKHU &XUUHQW /LDELOLWLHV
  1RQFXUUHQW /LDELOLWLHV

7RWDO /LDELOLWLHV

'HIHUUHG ,QIORZV RI 5HVRXUFHV

1HW 3RVLWLRQ
  1HW ,QYHVWPHQW LQ &DSLWDO \$VVHWV
  5HVWULFWHG ([SHQGDEOH
  8QUHVWULFWHG

7RWDO 1HW 3RVLWLRQ

Condensed Statement of Revenues, Expenses and Changes in Net Position

	USF Health Sciences	Total Self Insurance	Primary Program	University	Eliminations

Operating Revenues
Depreciation Expense
Other Operating Expenses

Operating Income (Loss)

Nonoperating Revenues (Expenses)
  Nonoperating Revenue
  Interest Expense
  Other Nonoperating Expense

  Net Nonoperating Revenues

Other Revenues

Increase in Net Position

Net Position Beginning of Year
Adjustment to Beginning Net Position

Net Position Beginning of Year as Restated

Net Position End of Year $mm

	8QLYHUVLW\ RI 6RXWK)ORULGD 6RXWK)ORULGD)RXQGDWLRQ ,QF	8QLYHUVLW\ RI 6RXWK)ORULGD $OXPQL $VVRFLDWLRQ ,QF	86) +HDOWK 3URIHVVLRQV &RQIHUHQFLQJ &RUSRUDWLRQ	86))LQDQFLQJ &RUSRUDWLRQ 6XQ 'RPH ,QF	8QLYHUVLW\ RI 6RXWK)ORULGD 5HVHDUFK)RXQGDWLRQ	0HG DQG 86) 3URSHUW\ ERQ)R...WR...Q\ &RUSRUDW $VV... &RUSRUDW
$VVHWV						
&XUUHQW $VVHWV						
&DSLWDO $VVHWV 1HW						
2WKHU 1RQFXUUHQW $VVHWV						
7RWDO $VVHWV						
'HIHUUHG 2XWIORZV RI 5HVRXUFHV						
/LDELOLWLHV						
&XUUHQW /LDELOLWLHV						
1RQFXUUHQW /LDE#LOLW...Dds\Ep						

&XUUHQW /@p`s QÀ PpLEpLH

| | 86) | 86) | 86) 6DUDVRWD | 7RWDO 86 |
| | 7DPSD | 6W 3HWHUVEXJ | 0DQDWHH | (|

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&XUUHQW $VVHWV
  &DVK DQG &DVK (TXLYDOHQWV
  ,QYHVWPHQWV
  $FFRXQWV 5HFHLYDEOH 1HW
  /RDQV DQG 1RWHV 5HFHLYDEOH 1HW
  'XH IURP 6WDWH
  'XH IURP &RPSRQHQW 8QLWV
  ,QYHQWRULHV
  2WKHU &XUUHQW $VVHWV

  7RWDO &XUUHQW $VVHWV

1RQFXUUHQW $VVHWV
  5HVWULFWHG &DVK DQG &DVK (TXLYDOHQWV
  5HVWULFWHG ,QYHVWPHQWV
  /RDQV DQG 1RWHV 5HFHLYDEOH 1HW
  'HSUHFLDEOH &DSLWDO $VVHWV 1HW
  1RQGHSUHFLDEOH &DSLWDO $VVHWV

  7RWDO 1RQFXUUHQW $VVHWV

7RWDO $VVHWV

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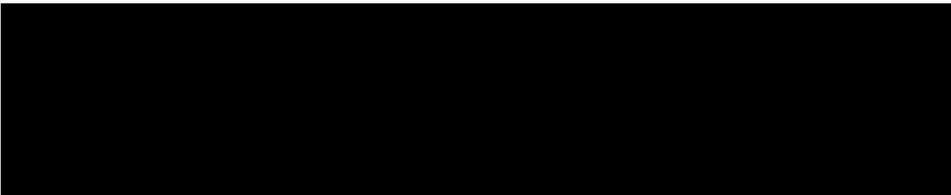
| | 86) | 86) | 86) 6DUDVRWD | 7RWDO 86 |
| 7DPSD | 6W 3HWHUVEXUJ | 0DQDWHH | (|

/LDELOLWLHV &RQWLQXHG
1RQFXUUHQW /LDELOLWLHV

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                         86)            86)        86) 6DUDVRWD      7RWDO 86
                        7DPSD        6W  3HWHUVEXUJ     0DQDWHH              (
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&$6+)/2:6)520 23(5$7,1* $&7,9,7,(6
6WXGHQW 7XLWLRQ DQG)HHV 1HW
*UDQWV DQG &RQWUDFWV
6DOHV DQG 6HUYLFHV RI $X[LOLDU\ (QWHUSULVHV
,QWHUHVW RQ /RDQV DQG 1RWHV 5HFHLYDEOH
3D\PHQWV WR (PSOR\HHV
3D\PHQWV WR 6XSSOLHUV IRU *RRGV DQG 6HUYLFHV
3D\PHQWV WR 6WXGHQWV IRU 6FKRODUVKLSV DQG
)HOORZVKLSV
3D\PHQWV RQ 6HOI ,QVXUDQFH &ODLPV DQG ([SHQVHV
/RDQV ,VVXHG WR 6WXGHQWV
&ROOHFWLRQ RQ /RDQV WR 6WXGHQWV
2WKHU 2SHUDWLQJ 5HFHLSWV

1HW &DVK 8VHG E\ 2SHUDWLQJ $FWLYLWLHV

&$6+)/2:6)520 121&$3,7$/
  ),1$1&,1* $&7,9,7,(6
6WDWH 1RQFDSLWDO $SSURSULDWLRQV
)HGHUDO DQG 6WDWH 6WXGHQW)LQDQFLDO $LG
1RQFDSLWDO *UDQWV &RQWUDFWV DQG 'RQDWLRQV
)HGHUDO 'LUHFW /RDQ 3URJUDP 5HFHLSWV
)HGHUDO 'LUHFW /RDQ 3URJUDP 'LVEXUVHPHQWV
2SHUDWLQJ 6XEVLGLHV DQG 7UDQVIHUV
1HW &KDQJH LQ)XQGV +HOG IRU 2WKHUV   0 1 •ð

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/ 2 6 6 7 2 1 (7 & $ 6 + 8 6 (' % <
2 3 (5 $ 7 , 1 * $ & 7 , 9 , 7 , (6
2 S H U D W L Q J / R V V
$ G M X V W P H Q W V W R 5 H F R Q F L O H 2 S H U D W L Q J / R V V
W R 1 H W & D V K X V H G E \ 2 S H U D W L Q J $ F W L Y L W L H V
' H S U H F L D W L R Q ([S H Q V H
& K D Q J H V L Q $ V V H W V / L D E L O L W L H V ' H I H U U H G
2 X W I O R Z V R I 5 H V R X U F H V D Q G ' H I H U U H G
, Q I O R Z V R I 5 H V R X U F H V
5 H F H L Y D E O H V 1 H W
/ R D Q V D Q G 1 R W H V 5 H F H L Y D E O H 1 H W
, Q Y H Q W R U L H V
2 W K H U $ V V H W V
$ F F R X Q W V 3 D \ D E O H   P @ Qp 7• 4€ À

AUDITOR GENERAL
STATE OF FLORIDA

Sherrill F. Norman, CPA
Auditor General

Claude Denson Pepper Building
West Madison Street
Tallahassee Florida

Phone
Fax

The President of the Senate, the Speaker of the House of Representatives, and the
Legislative Auditing Committee

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of ... Florida, a component unit of the State of Florida, and its discretely presented component unit as of and for the fiscal year ended June 30, ... and the related notes to the financial statements, which collectively comprise ... basic financial statements, and have issued our report thereon dated January ... Our report includes a reference to other auditors who audited the financial statements of ... discretely presented component unit, as described in our report ... This report does not include the results of our testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ... internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ... internal control. Accordingly, we do not express an opinion on the effectiveness of ... internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of ...

WKDW LV OHVV VHYHUH WKDQ D PDW XUKDWRZ HENQWVDWWWHWQWPRRUE
ZLWK JRYHUQDQFH

2XU FRQVLGHUDWLRQ RI LQWHUQDO FRQWURO ZDV IRU WKH OLPLW