

USF

Ms. Lori A. Nissen, KPMG
Ms. Heather N. Sydnor, KPMG

Director Lechner stated that Ms. Hilary Black's 2-year term as Assistant Secretary and Ms. Dawn Rodriguez's 2-year term as Assistant Secretary expires at the conclusion of this meeting. Pursuant to the Corporation's Bylaws, a vacancy in any office other than the Executive Director may be filled by the Board of Directors.

questions. Hearing none, she 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 FC 11-03-20A, 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.

Resolution: Approval
of Audited Financial
Statements

Chair Simmons stated that the Board was provided with a copy of the audited financial statements on October 27, 2020 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 and Ms. Heather Sydnor, audit senior manager for 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 Dawn Rodriguez for successfully managing the audit. He informed the Board that the statements were prepared as of June 30, 2020. Mr. Stubbs stated that KPMG also provided a report assessing internal controls over financial reporting and 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 refundings that were closed in August 2020, as well as management's response to the challenges caused by the COVID-19

pandemic. Director Lechner added that as part of the budget process, the University assessed its outstanding debt for refunding opportunities. The 3 refunding opportunities identified were issued by the Corporation and resulted in interest rate savings of more than \$1.8 million.

Chair Simmons asked KPMG for their report. Ms. Nissen presented KPMG's report to the Corporation's Board of Directors. Ms. Nissen stated that, although this audit took place in a unique environment due to COVID-19, with the audit being completed entirely remote, it was a huge success that the audit went so well and was completed on time.

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, 2020. 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

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at its April 28, 2020 meeting, approved the \$2.2 million contribution to the USF Foundation from INTO USF's distribution to its shareholders in 2016 (\$6 million to USF Financing Corporation).

Chair Simmons asked for questions from the Board regarding the information presented on INTO USF. Hearing none, she thanked Director Lechner for the report on INTO USF.

million USF Research Park Laboratory & Office Building Project. A change in dining services provider at the St. Petersburg campus resulted in a delayed delivery of the dining center and the project is over budget by \$1.2 million. The Housing Project and Research Park Project are both 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 Corporations and will sign the Corporation Certifications before the Chairs.

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

Chair Simmons asked if there were any other items for the Board's consideration.

Other Business

