USF FINANCING CORPORATION

MINUTES OF ANNUAL MEETING BOARD OF DIRECTORS

November 2, 2021

The annual meeting of the Board of Directors of the USF Financing 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 Simmons at 12:00 p.m.

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

Chair Simmons

Chair Simmons called for further comments or 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 11-02-21A, 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.

Resolution: Approval of Audited Financial Statements

Chair Simmons 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 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 Simmons 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 Simmons 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 FC 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.

INTO USF Update

Chair Simmons asked Director Trivunovich to provide his report on INTO USF. Director Trivunovich stated that the USF Financing Corporation Board, at its September 21, 2021 meeting, approved the acceptance of the cancellation and release of the promissory note issued by INTO USF, Inc. However, the INTO USF, Inc. Board has not approved the cancellation. Chair Simmons asked if INTO USF, Inc. and the INTO University Partnerships stockholder know that the USF Financing Corporation approved the cancellation. Director Trivunovich stated that they are aware that we approved it, but they are exploring all of their options to reduce the expected deficit of the INTO USF Center and to right-size the entity.

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

Chair Simmons 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.

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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 Simmons thanked Mr. Stubbs and Ms. Kalil for their reports and asked if there were any comments or questions from the Board. Hearing none, she asked for a motion to adjourn.

There being no further business to come before the Board, the meeting was

adjourned on motion duly made and carried at 1:39 p.m.

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Adjournment

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