



USF Board of Trustees

Thursday, October 12, 2017

USF Marshall Student Center Room 3707

8:00 am – 9:30 a.m.

A G E N D A

I. Call to Order and Comments Chair Brian Lamb

II. New Business – Action Items (Minutes and Consent)

a. FL 101 – Approval of Minutes Chair Brian Lamb
June 8, 2017
August 21, 2017
September 27, 2017

b. Consent Agenda (FL 102 – FL 106) Chair Brian Lamb

(BOT committee representatives may address approved items listed below. UFF representative may address any item that relates to terms and conditions of in-unit faculty employment.)

Board members should notify the Assistant Corporate Secretary of any items they wish to be pulled from the Consent Agenda 48 hours prior to the meeting. Items pulled will be discussed and voted on separately after the remainder of the consent agenda is approved.

Academic and Campus Environment Committee Approved Items

FL 102 – Approval of Tenure as a Condition of Employment, USF Tampa

FL 103 – Approval of the Statewide Mutual Aid Emergency Management Agreement Renewal

FL 104 – Approval of the Amendment to USF Regulation 10.110: Non-Reappointment (Faculty)

Finance Committee Approved Items

FL 105 – Approval of the 2017-2018 Operating Budget

FL 106 – Approval of the Amendment to USF Regulation 4.0095: Employee Debt Collection

c. New Business – Action Items (FL 107 – FL 111)

FL 107 – Approval of President Genshaft’s 2017-2018 Goals Chair Brian Lamb

- FL 108** – Approval of the USF St. Petersburg P3 Project Reg. Vice Chancellor Joe Trubacz
- FL 109** – Approval of USF Sarasota-Manatee Campus Board Members President Judy Genshaft
- FL 110** – Approval of Shell Floors for USF Health MCOM and HI Vice President Calvin Williams
- FL 111** – Approval of Naming Projects President Judy Genshaft

USF Tampa/USF Health

- a. The Vince & Lenda Naimoli Women’s Tennis Locker Room in the James Tennis Center; The Vince & Lenda Naimoli Computer Learning Center in the Fishman’s Family Student Athletic Enrichment Center; & The Vince & Lenda Naimoli Football Team Meeting Room in the Selmon Athletic Center (*\$1 million gift*)
- b. Patricia A. Burns, Ph.D., RN, FAAN Dean’s Suite within the College of Nursing
- c. Fishman Family Student Athletic Enrichment Center in Athletics
- d. Lasher Center for Financial Markets in the Muma College of Business
- e. Glenn & Linda Ruediger Varsity Tennis Court at the James Tennis Center
- f. Sherrill & Paul Tomasino Exam Room in the Byrd Mobile Memory Suite
- g. Helen & Panos Vasiloudes, M.D. Lobby in the Morsani College of Medicine Downtown facility

III. New Business – Informational Items

- a. USF System Fall 2017 Enrollment Provost Ralph Wilcox
- b. USF System Updates President Judy Genshaft
 1. USF Interim Regional Chancellor Martin Tadlock
 2. USF St. Petersburg Interim Regional Chancellor Terry Osborn
 3. USF Sarasota-Manatee

IV. BOT Roundtable Discussion Chair Brian Lamb

V. Adjournment Chair Brian Lamb

University of South Florida
Board of Trustees
Marshall Center Ballroom
Thursday, June 8, 2017
Official Minutes

Vice Chair Jordan Zimmerman convened the regular meeting of the USF Board of Trustees on June 8, 2017 at 9:30 a.m. The Vice Chair welcomed everyone to the meeting.

Vice Chair Zimmerman welcomed the new student Trustee Moneer Kheireddine.

President Judy Genshaft called roll with the following Trustees present:

Trustee Mike Carrere – By Phone
Trustee James Garey
Trustee Stephanie Goforth
Trustee Scott Hopes
Trustee Moneer Kheireddine
Trustee Brian Lamb – Not in attendance
Trustee Stan Levy
Trustee Hal Mullis
Trustee John Ramil
Trustee Byron Shinn
Trustee James Stikeleather – By Phone
Trustee Nancy Watkins
Trustee Jordan Zimmerman

Vice Chair Jordan Zimmerman invited the Sr. Vice President for Research and Innovation Paul Sanberg to share exciting news pertaining to the research enterprise and work of our faculty and students who were granted US utility patents in 2016.

A video was shown that announced USF's record year for patents. . USF is currently ranked fifth in the nation for public universities and 11th worldwide and 1st among Florida universities. USF is ranked #1 among non AAU Public Universities in the top 100.

Sr. Vice President Sanberg provided an update and passed around sample inventions to the Trustee members. Samples included two types of artificial skin that physicians use to practice sewing and a dietary supplement product called KETO//OS.

Sr. Vice President Sanberg introduced USF Researcher Dr. Robert Frisina. Dr. Frisina serves as the new chair for the Medical Engineering Department at USF / Global Center for Hearing and Speech Research and his current research is on hearing loss, which he discussed briefly.

Trustee Mullis asked Dr. Sanberg how patents and licenses are generated. Sr. Vice President Sanberg introduced Valerie McDevitt, Associate Vice President for Tech Transfer. Associate Vice President McDevitt provided a brief explanation of how the patents are generated across the USF System. The vast majority of patents are generated from Interdisciplinary research, mostly from the Colleges of Medicine, Engineering and Arts and Sciences.

Vice Chair Zimmerman congratulated Vice President Sanberg along with the faculty, staff and students on their outstanding success in research.

FL 101 Approval of March 9, 2017 Minutes

After a brief discussion with the USF Board staff, Trustee Nancy Watkins suggested a change in the way the Board of Trustee meeting minutes are recorded to reflect more closely the BOG minutes. She also requested that the motion they are voting on be repeated prior to the vote so that each trustee is better aware of the vote.

Vice Chair Jordan Zimmerman asked if there was a motion to approve the March 9, 2017 minutes. Trustee Hal Mullis made a motion to approve the minutes as submitted. It was seconded by Trustee Byron Shinn. The motion was unanimously carried.

Vice Chair Zimmerman moved to the Consent Agenda calling on each committee chair for their recommendation.

Consent Agenda

FL 102 – Approval of Faculty Nominations for Tenure, USF Tampa

FL 103 - Approval of Tenure as a Condition of Employment, USF Tampa

FL 104 – Approval of Faculty Nominations for Tenure, USF St. Petersburg

FL 105 – Approval of Tenure as a Condition of Employment, USF St. Petersburg

FL 106 – Approval of Faculty Nominations for Tenure, USF Sarasota-Manatee

FL 107 – Approval of Proposed Amendment to USF Regulation 10.203:
Benefits & Hours of Work

FL 108 – Approval of Proposed New USF Regulation 3.038: Academic Curricular Offerings

FL 109 – Approval of Proposed Amendment to USF Regulation 6.028: Student Government Associations

FL 110 – Approval of Educational Plant Survey

FL 111 – Approval of Proposed Amendments to Campus Master Plans
(USF Tampa & USF St. Petersburg)

FL 112 – Approval of Termination of M.A. in Journalism

Audit and Compliance Committee Approved Items

FL 113 – Approval of Audit & Compliance Committee Charter

FL 114 – Approval of USF System Compliance & Ethics Program Plan

Finance Committee Approved Items

FL 115 – Approval of 2017-18 Continuation Operating Budget

FL 116 – Approval of 2017-18 Preliminary Fixed Capital

FL 117 – Approval of USF System Five-Year Capital Improvement Plan

FL 118 – Approval of DSO 2017-18 Annual Financial Plans

FL 119 – Approval of Student Green Energy Fee (USF Tampa & USF St. Petersburg)

Trustee Stan Levy reported on behalf of the ACE committee. Items FL 102 – 112 were discussed and unanimously supported by the ACE committee and recommended for approval.

Trustee Nancy Watkins reported on behalf of the Audit and Compliance committee items FL 113 and 114. The Audit and Compliance committee recommends the adoption of the new Audit and Compliance Committee Charter. A copy has been provided to the Trustee members. Trustee Watkins acknowledged both Audit and Compliance staff members and commended them on their excellent work.

Trustee Nancy Watkins also provided an update on the Compliance and Ethics Program Plan. Once approved by the Board of Trustees today, this will complete the Board of Governors' requirements for the reorganization and reconstruction of the entire State University System. Items FL 113 and FL 114 were discussed, unanimously supported by the committee and recommends approval.

Vice Chair Jordan Zimmerman applauded Trustee Nancy Watkins and the Audit and Compliance team on their accomplishments.

Trustee John Ramil reported on behalf of Chair Lamb for the Finance Committee, that items FL 115 – FL 119 were unanimously supported by the committee and recommends approval.

The United Faculty of Florida liaison Dr. Arthur Shapiro was not in attendance.

After having no changes or modifications to the consent agenda, Vice Chair Zimmerman asked for a motion to approve the Consent Agenda. Trustee Nancy Watkins made the motion, it was seconded by Trustee Byron Shinn and the consent agenda items FL 102 – 119 were unanimously carried.

New Business FL 120 - Approval of 2017-2018 SUS Work Plans

USF St. Petersburg 2017 Work Plans

USF St. Petersburg Regional Vice Chancellor Martin Tadlock presented the 2017 SUS Work Plan for USFSP. A power point presentation was provided. Vice Chancellor Tadlock highlighted the following items:

- Student success- top priority – Academic Progress Rate for 2016-17 has improved
- Student Retention and Graduation Rates are a high concern.
- Faculty Excellence
- Develop Infrastructure.
- Housing
- On-Campus Programing
- Athletics

- Programs of Strategic Emphasis
- Implementing Master Academic Plan – 11 of 14 will be STEM Programs.
- Awarding Degrees without excess hours
- Incoming FTIC students
- Bachelor Degrees in areas of Strategic Emphasis
- Courses offered on line
- Enrollment
- Implementing 3 new programs and 3 new majors
- Action Steps
- College Scheduler – scheduling module
- Priorities and Goals
- Continuation Scholarships
- Snapshot of Strategies
- Master Academic Plans
- Hired a new Retention Specialist
- Considering hiring a new Graduation Specialist
- Reorganizing

Vice Chair Zimmerman questioned if USFSP were using best practices learned from the USF Tampa campus.

Trustee Stephanie Goforth made comments pertaining to the differences between USF Tampa and USF St. Petersburg.

Trustee Stan Levy reported that the ACE committee did not approve the USF St. Petersburg Work Plan. The ACE committee recommended modifications and to incorporate specific action steps in order to improve the Work Plans.

There was discussion concerning making changes with the current students and going after different types of students in the future in order to improve the metrics.

Trustee Stephanie Goforth and Trustee Stan Levy commented on the difficulties of anticipating the incoming FTIC top 10% freshman.

Trustee Scott Hopes commented on determining the eligibility of Florida Bright Futures scholarship graduating class ranking.

Vice Chair Zimmerman commented that public high schools are no longer ranking.

Provost Ralph Wilcox commented that the standardized tests scores and high school GPA are the primary factors that determine the Bright Futures eligibility.

Trustee Byron Shinn discussed one of the key metrics, the four and six year graduation rates and questioned if there were plans to improve it at USFSP. A summer acceleration program has been implemented.

Vice Chair Jordan Zimmerman commented on ways to market the USF St. Petersburg campus.

Trustee Stephanie Goforth commented that it is a balance between enrolling the right students and growing the campus.

Chancellor Sophia Wisniewska made comments on a plan to increase courses and degrees at USFSP and provide high quality internships that will lead to high paying jobs.

Trustee Hal Mullis commended the strategy of trying to identify and bring in more committed students to the USF St. Petersburg campus and questioned if the admission standards will need to be lowered. As of now the average GPA is 3.89 and the average ACT score is 26.

Trustee James Stikeleather commented on the importance of the strategic plan and being able to construct differential advantages for each of the three institutions in the USF System.

Trustee Scott Hopes suggested trying a new strategy of focusing more on the quality of new students in addition to their academic achievement and progress. Trustee Hopes questioned the enrollment growth and the percentage of freshman. The majority of students enrolled are transfer students.

Trustee Nancy Watkins suggested that students who fall short of eligibility to attend USF be referred to Hillsborough Community College or to St. Petersburg College.

With the help and feedback of the ACE committee, targets have been adjusted. Vice Chancellor Tadlock commented that they meet with the USF Tampa PBF team (Performance Base Funding) once a month to share information and practices and also with the Information Technology team.

President Judy Genshaft would like to have faculty members more engaged with students. A student will be more likely to stay and become more grounded if connected with a faculty member or a community mentor.

Trustee Moneer Khiereddine spoke from experience as a student, his interaction with faculty members was key for his continued enrollment at the USF Tampa campus. Trustee Khiereddine questioned if the admission qualifications at USFSP will continue to increase in the future.

Vice Chair Zimmerman thanked Vice Chancellor Tadlock on his presentation and also Trustees Goforth and Levy on their work with the ACE committee and USFSP. Trustee Zimmerman would like to schedule a group to meet with leadership at the USF St. Petersburg campus on a quarterly basis to assure goals are being met and achieved.

Trustee Stephanie Goforth moved to approve the 2017 USFSP Work Plan with the understanding that an accountability structure be in place to identify and monitor action steps to improve retention and graduation rates. Progress will be reviewed on a quarterly basis.

Trustee Scott Hopes seconded, the motion was unanimously carried.

USF Sarasota Manatee Campus 2017 Work Plans

USF Sarasota Manatee Interim Regional Chancellor Terry Osborn presented a power point presentation on the 2017 USF Sarasota -Manatee Work Plans. Interim Regional Chancellor Osborn highlighted the following items:

- Key Initiatives and Investments
- Work Plan Achievements
- Expand STEM
- Preserve Grow and Diversify Resources
- Benchmarks
- Performance Funding Goals
- Percent of Bachelor's Graduates Enrolled or Employed
- Median wages of Bachelors Graduates Employed Fulltime.
- FTIC Six Year Graduation Rate – The first four - year cohort finished in May
- Academic Progress Rate
- Tutoring Services Available
- Percentage of Bachelor's Degrees Awarded Within Programs of Strategic Emphasis
- Risk Management - on line
- University Access Rate
- Percentage of Graduate Degrees Awarded
- Master's in Biology will be added
- Bachelor's Degrees Awarded without Excess Hours
- Post-Doctoral Appointees with Mote Marine Laboratory
- Freshman Profile – Top 10 in the high school class.
- Limited recruiting
- Housing Affiliation Agreements
- Online classes continue to grow
- Percentage of Undergraduate FTE in Online Courses is strong
- Percentage of Hispanic and African American Students
- Non White Faculty and Staff
- Online Agreements
- Enrollment – continues to grow

Interim Regional Chancellor Osborn reported that the MBA Program has seen a dramatic growth while the educational programs following the national trend have not.

Trustee Hal Mullis wanted to know more about the Housing Affiliation Agreement.

Interim Regional Chancellor Osborn commented that they continue to work with the African American and Latino community leaders to improve the climate at USFSM campus.

Trustee Byron Shinn anticipates that the Affiliation Agreement will be a positive move. Trustee Shinn also commented on the success of the Biology and Science Program as well as the need to utilize the STEM building at USFSM. As a result of having the Mote Marine program, USFSM has attracted some of the brightest top level students in the local community.

Vice Chair Jordan Zimmerman applauded Interim Regional Chancellor Terry Osborn and the team at USFSM on their accomplishments and raising the bar. Vice Chair Zimmerman recommended a group meet and monitor the plans on a quarterly basis.

Trustee Byron Shinn moved to approve the 2017 USFSM Work Plan with the understanding that progress will be reviewed on a quarterly basis. The motion was seconded by Trustee John Ramil. The motion was unanimously carried.

Provost Ralph Wilcox presented a power point presentation for the 2017 USF Tampa and the USF System Work Plans. Provost Wilcox highlighted the following items:

- Key Initiatives and Investments
- Strategic Plan and Student Success
- Enhancing Research and Innovation
- Growing new partnerships
- USF Tampa met and exceeded goals on each of the 9 metrics
- Benchmarks
- Performance Funding Goals
- Close to 70% of Students are employed
- Retention and Graduation Rates
- Academic Progress Rate
- USF leads all state universities in the Percentage of Bachelor Degrees Awarded in Programs of Strategic Emphasis and Graduate Degrees awarded within programs of Strategic Emphasis
- Preeminent Funding Metrics
- Endowments
- Four year Graduation Rate
- Key Performance Indicators
- Enrollment Plan
- New Programs

Trustee Nancy Watkins discussed meeting preeminence standards, seeking certification and preeminence funding.

Trustee Hal Mullis had questions relating to Pell Grants and USF's ranking in the SUS.

Vice Chair Jordan Zimmerman and Trustee Hal Mullis discussed the Preeminence Endowment at USF and the age advantage of the other two preeminent universities in the State University System of Florida.

Trustee John Ramil discussed Pell Grant eligible students; comparing student bodies and graduation rates.

Trustee Nancy Watkins discussed the national graduation rates.

Trustee Scott Hopes discussed the preeminence metrics and working with the Provost's office to discuss facts regarding the BOG and the legislatures.

President Judy Genshaft commented that the Tampa Bay community came together to discuss facts surrounding preeminence.

Trustee Hal Mullis discussed the Four year Graduation Rate.

Vice Chair Jordan Zimmerman moved to approve the 2017 USF Work plan Trustee Nancy Watkins seconded, the motion was unanimously carried.

Provost Ralph Wilcox presented a power point presentation on the 2017 USF Tampa campus and the USF System Work Plans. Provost Wilcox highlighted:

- Key Initiatives & Investments
- Performance Base Funding – The USF System continues to be a statewide leader.
- Performance Funding Goals
- Financial Aid
- Textbook Affordability – Exploring the possibility to reduce the cost
- Key Performance Indicators
- Enrollment Growth
- New Degree Proposals

Trustee John Ramil had questions concerning other urban universities.

Vice Chair Jordan Zimmerman moved to approve the 2017 USF System Work Plan. Trustee Hal Mullis seconded and, the motion was unanimously carried.

Trustee Stan Levy and Vice Chair Jordan Zimmerman commended everyone on their efforts in putting together and presenting the USF System Work Plans.

FL 121 Approval of USF System Strategic Plan

Sr. Vice President Ed Funai provided an update of the USF System Strategic Plan. A power point presentation was presented. The presentation highlighted:

- Development Process

- USF System Strategic Plan Goals - Goal 1 - Leveraging the USF System. Goal 2 – Activate Key Constituencies. Goal 3 – To be widely known for excellence
- Enhancing the System resources around communications and marketing through collaboration among the sister institutions
- Expand the ability to communicate with key stakeholders
- Brand Research
- Updating visual identity – marks and logos
- Current System Shared Services/Resources
- Adaptive Strategic Planning

Trustee Moneer Kheireddine inquired about one of the key constituencies in goal 2 - Enhancing Diversity for Competitive Advantage. Trustee Kheireddine asked for an example of how we are planning to enhance diversity.

Sr. Vice President Ed Funai reported that they are working to schedule a USF System Strategic Planning Committee meeting during fall of this year to discuss the metrics.

Sr. Vice President Funai thanked faculty, staff and leaders on their work organizing the USF System Strategic Plan report. He also thanked the Board for their time and feedback. There was a special thanks to Trustee James Stikeleather for contributing great ideas and energy.

Vice Chair Jordan Zimmerman commended the work that Vice President Ed Funai has done in a short length of time working on the Strategic Plan report.

Trustee Byron Shinn is happy to know that the report will be evaluated in six months.

Trustee Stan Levy would like to see a presentation of the action steps taken to increase the USF brand. Trustee Levy would also like to discuss the changing landscape of education.

Trustee Scott Hopes also commended Sr. Vice President Funai and his team for taking on the challenging task of working on the USF System Strategic Plan. He commented that this has resulted in a different approach as it relates to the planning process for the USF System.

Trustee John Ramil thanked Sr. Vice President Funai for his leadership and for corresponding with and valuing the Trustee members input. Trustee Ramil discussed the goal of excellence and reminded everyone that the USF System is committed through compliance, ethics and partnerships.

Trustee James Garey thanked Sr. Vice President Funai for his work with the USF System Strategic Plan. Trustee Garey would like to move toward knowing the vision of the regional institutions and their interactions with their communities.

Trustee James Stikeleather commented that the most exciting thing about working with Dr. Funai and his team is moving forward in the USF System Strategic planning process; this will provide new opportunities for the regional institutions. Opportunities relating to funding, business and

research as well as becoming the go to institution. Trustee Stikeleather thanked Dr. Funai and his team for completing a very difficult task.

Trustee Jordan Zimmerman moved to approve the USF System Strategic Plan, and that the plan would be reevaluated at least once every six months. Trustee Nancy Watkins seconded. The motion was unanimously carried.

FL 122 Approval of the 2017-2020 Agreement with GAU

Dr. Kofi Glover provided an update on the United Faculty of Florida Graduate Assistants United. This is a new three-year contract between the USF BOT and GAU which when ratified, will take effect July 1, 2017 at the expiration of the current contract on June 30, 2017, and remain in effect until June 30, 2020. Both parties agreed that there shall be no re-openers but that any mutually “acceptable agreement” or Memorandum of Understanding shall be put in writing and become part of the Agreement upon ratification by both parties.

Trustee Nancy Watkins pointed out that this Agreement is for a three-year contract and thanked the parties in agreement for sharing the risks should USF lose Performance Based Funding.

Vice Chair Jordan Zimmerman moved to approve the 2017-2020 Agreement with the Graduate Assistants United, as is. Trustee Nancy Watkins seconded. The motion was unanimously carried.

FL 123 Approval of Naming Projects

The University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System. In accordance with university regulations, rules and processes, President Judy Genshaft proposes the following in recognition of gifts to the USF System.

Sr. Vice President for Advancement Joel Momberg expressed appreciation on behalf of the USF System for the generous gifts provided by our donors. Sr. Vice President Momberg highlighted the following gifts:

- Florida Blue Health Knowledge Exchange for the downtown facility
- Harvard - Jolly Inc. Walkover Bridge Gift in the Lynn Pippenger Hall
- Bomstein Family Creative Contractors Walkover Bridge in the Lynn Pippenger Hall

Sr. Vice President Momberg presented a power point presentation acknowledging all gifts to the USF System. The power point highlighted each of the 14 items:

USF Tampa/USF Health

- a. John S. Curran, M.D. Children’s Health Center
- b. The Florida Blue Health Knowledge Exchange within the Morsani College of Medicine Downtown facility

- c. Carmalis Family Exam Room in the USF/Byrd Alzheimer Center
- d. Richard & Lisa Yost Tutor Room in the Athletic Academic Enrichment Center
- e. Jennifer & Mark Van Dame Tutor Room in the Athletic Academic Enrichment Center
- f. Ernie & Alisa Kretzmer Studio at WUSF Radio Station

USF St Petersburg

- g. Harvard Jolly, Inc. Walkover Bridge in Lynn Pippenger Hall
- h. Bomstein Family/Creative Contractors Walkover Bridge in Lynn Pippenger Hall
- i. Al & Sandee Steinberg Small Business Development Conference Room in Lynn Pippenger Hall
- j. Dr. Gus Stavros Dean's Boardroom in Lynn Pippenger Hall
- k. Bull Market Café Sponsored by Smith & Associates Real Estate in Lynn Pippenger Hall
- l. Alfred T. May Undergraduate Studies Reception Area in Lynn Pippenger Hall
- m. Judy & Jeff Mitchell Faculty Office in Lynn Pippenger Hall
- n. David & Nancy Ridenour Faculty Office in Lynn Pippenger Hall

Trustee Scott Hopes made comments concerning USF faculty member John Curran, who he has known for over 37 years. Over the years not only has Dr. Curran has made a positive impact on his life and career but has also had an impact on children's health and policy.

Sr. Vice President Momberg announced that this represents \$2,413,000 in giving.

Vice Chair Zimmerman commented that each of the naming projects is honors and dedicated services and/or generous financial contributions. Vice Chair Zimmerman requested one vote for all items.

With gratitude on behalf of the board, Trustee Stephanie Goforth made a motion to approve the naming of 14 projects. Trustee Scott Hopes seconded. The motion was unanimously approved.

Vice Chair Jordan Zimmerman congratulated Sr. Vice President for Advancement Joel Momberg and his team on getting closer to the \$1 billion goal for the Unstoppable Campaign.

Vice Chair Zimmerman also thanked Dr. John Curran for his forty plus years of service to children's health and to the University of South Florida.

BOT Roundtable Discussion

Trustee Scott Hopes thanked Executive Director for Government Relations Mark Walsh and his team for an excellent legislative session. Among items approved during the session was funding for Graduate Degrees in Excellence Program for USF Health and Business. Trustee Scott Hopes requested that the distribution of those funds of \$5.7 million be discussed with the ACE and Strategic Initiative committees to assure that the use of those funds are aligned with the strategic initiatives and the USF System Plan.

Vice Chair Jordan Zimmerman announced that USF is hosting the Florida Board of Governors on the Tampa campus in the Marshall Student Center on June 20–22. President Judy Genshaft and BOT Chair Brian Lamb will be presenting the USF System Work Plans on June 21st at 11:30. There will be a BOG welcome reception held on June 21st, in the ISA building at 5:30. Chair Brian Lamb will be hosting a dinner the same day at 6:30, in the Patel Center.

Vice Chair Jordan Zimmerman expressed that it was an honor to work with President Judy Genshaft, fellow Trustee members, USF leadership, the USF community and the USF System. He wished everyone a pleasant summer.

Having no further business, BOT Vice Chair Jordan Zimmerman concluded the USF BOT Meeting.

DRAFT

University of South Florida
Board of Trustees
Board Conference Call
Monday August 21, 2017

Chair Brian Lamb convened the USF Board of Trustees Conference Call on August 21, 2017 at 9:01 a.m. Chair Lamb explained that the reason for the ad hoc meeting was to meet the submission deadline for Metric 10 to the Florida Board of Governors (BOG).

President Judy Genshaft called roll with the following Trustees present:

Trustee Mike Carrere – Not in attendance
Trustee James Garey
Trustee Stephanie Goforth
Trustee Moneer Kheireddine
Trustee Brian Lamb
Trustee Stan Levy
Trustee Hal Mullis
Trustee John Ramil
Trustee Byron Shinn
Trustee James Stikeleather – Not in attendance
Trustee Nancy Watkins
Trustee Jordan Zimmerman – Not in attendance

President Genshaft reported first day enrollment figures for the USF System as 50,279, the highest enrollment in USF history. She detailed specific numbers by category:

- Total Students: 50,279 (+2% over fall 2016 first day)
- Undergraduates: 37,020 (+1.6%)
- FTICs: 3,076 (+3.2%)
- New Transfers: 5,088 (+5.9%)
- New Grad I students: 2,807 (+7.1%)
- New Grad II students: 453 (+6.3%)
- Professional Grad (Health): 417 (+8.6%)
- Fundable SCH: 536,843 (+3.5%)
- Gross SCH: 553,204 (+3.0%)

New Business FL 101 – Performance-Based Funding Metric 10

Trustee Stan Levy thanked Trustee Byron Shinn for chairing the August 17 BOT Academics & Campus Environment Committee meeting. He also noted that the ACE Committee approved three choices for Metric 10 (required submission to the BOG by September 1, 2017) but, that

upon further analysis, it was determined a change in one of the three selections was needed. He introduced System Provost Ralph Wilcox to explain.

Dr. Wilcox explained that five principles guided the decision:

- Strategic alignment with priorities of USF System
- Ability to impact a positive performance
- Confidence in the ability to improve over time
- Metrics should be clearly defined and auditable
- All members of the USF System can contribute

Through a collaborative process across the USF System, Dr. Wilcox reported the three metrics recommended, in rank order, for consideration are:

1. 4-Year Graduation Rate for First Time in College (FTIC) Fulltime Students
A caveat to this recommendation is if the BOG changes the current Metric 4 to the 4-Year Graduation Rate. If that occurs, the recommendation reverts to the 6-Year Graduation Rate for both fulltime and part-time students.
2. Percentage of Graduate Degrees in STEM & Health
This is the same #2 recommendation from the ACE meeting, as it aligns with USF Institution Strategic Plans and, though the “floor” is already high, continued growth is expected.
3. Post-Doctoral Appointees
This is the current Metric 10 and also the same #3 recommendation from the ACE meeting. Last year’s number was 282 with the Preeminence benchmark set at 200. This selection is not ranked as strongly with federal funding for research in question.

The Trustees discussed, including confirmation that the BOG provided a list from which to choose, and consensus that the graduation rates are the most important relative to student success. Chair Lamb said that other institutions are taking a similar approach, and that the recommendations are consistent with how the BOG wants the SUS to look at metrics. The Trustees unanimously approved FL 101.

Chair Lamb adjourned the meeting at 9:24 a.m.

University of South Florida
Board of Trustees
Board Conference Call
Wednesday September 27, 2017
Unofficial Minutes

Chair Brian Lamb convened the USF Board of Trustees Conference Call on September 27, 2017 at 12:30 p.m.

President Judy Genshaft called roll with the following Trustees Present:

Trustee Mike Carrere
Trustee James Garey
Trustee Stephanie Goforth
Trustee Moneer Kheireddine – Not in attendance
Trustee Brian Lamb
Trustee Stan Levy
Trustee Hal Mullis
Trustee John Ramil
Trustee Byron Shinn - not in attendance
Trustee James Stikeleather
Trustee Nancy Watkins
Trustee Jordan Zimmerman – Not in attendance

Chair Brian Lamb welcomed and thanked everyone for participating in this special board call to approve consent agenda items that have time sensitive BOG deadlines for submission.

Chair Lamb announced that due to Hurricane Irma we were not able have the regularly scheduled board meeting that was scheduled for September 7th.

The Chair gave recognition to the families who are suffering devastation in Puerto Rico and reported that Governor Scott sent out a recommendation to state institutions to consider that students from Puerto Rico pay instate tuition. Chair Brian Lamb reported that a note was sent back to Governor Scott stating USF's full participation in aiding those students.

Trustee Jordan Zimmerman questioned the number of USF students from Puerto Rico that were affected by the hurricane Irma. President Genshaft reported that at this time there are 28 students who were affected. We are currently gathering information and will continue to keep the trustees updated.

Trustee Nancy Watkins would like to also consider extending assistance to students from the US Virgin Islands who suffered catastrophic conditions during Hurricane Irma.

Trustee Stan Levy wanted the minutes to reflect that the USF System is 100 percent supportive of Governor Scott's efforts.

Consent Agenda FL 101 – FL 103

FL 101- Approval of the USF System 2016 SUS Equity Report

FL 102 -Approval of the 2016-2017 Annual FIO Report by Host Institution

FL 103 – Approval of the 2016 -2017 Textbook Affordability Report

Trustee Stan Levy reported on behalf of the ACE committee. Consent Agenda Items FL 101 – FL 103 was discussed, supported 100 percent by the ACE committee and recommended for approval.

Trustee Levy was particularly impressed on the data surrounding the Equity Report.

Trustee Hal Mullis moved to have the consent agenda approved. Trustee John Ramil seconded the motion and the consent agenda items FL 101 – FL 103 were approved.

Replacing the canceled September 7, 2017 full Board Meeting.

Chair Brian Lamb reported that on October 12, 2017 the committees will meet after a shortened board meeting. The full board meeting will be held during the first part of the morning from 8:00 until 9:30. Among the items for discussion are the President's Goals.

Chair Lamb suggested that during the second half of the morning, the committee Chairs should decide if they will meet. Trustee Hal Mullis, Chair of the Strategic Planning Committee has confirmed that they will meet from 10:00 – 11:30 that morning.

Trustee Stan Levy reported that he would like for the ACE committee to meet that afternoon.

Trustee Nancy Watkins reported that the Audit and Compliance committee is scheduled to meet November 2nd.

Chair Lamb plans to speak with Nick Trivunovich Sr. VP for Business and Finance, to confirm there are no issues to approve relating to finance. The P3 Project will soon be discussed. Chair Lamb suggested that at this time the Finance committee will tentatively meet however, he will confirm the meeting within 24 hours.

Assistant Corporate Secretary Dr. Cynthia Visot confirmed that the Governance committee is scheduled to meet in the month of November.

Trustee John Ramil commented that he will not be in attendance on October 12th due to prior travel commitment.

Dr. Cynthia Visot noted that the full board meeting planned for this December will be held at the USF St. Petersburg campus.

President Judy Genshaft expressed hope that everyone was safe and did well during the hurricane.

Chair Brian Lamb gave recognition to President Judy Genshaft and the entire leadership team on their serious response to student safety during Hurricane Irma. The Chair received an abundance of positive feedback. There were sections of USF Tampa used as shelters for individuals with disabilities and for others in the local community who were in need of a safe place to stay during the hurricane.

Having no further business Chair Brian Lamb adjourned the Board of Trustee conference call at 12:43p.m.

Agenda Item: FL 102

USF Board of Trustees
October 12, 2017

Issue: Tenure Nomination as a Condition of Employment

Proposed action: Approve Tenure as a Condition of Employment, USF Tampa

Executive Summary:

Administrators such as the President, Provost, Deans, Chairs, and senior faculty who are recruited to USF Tampa are normally awarded tenure as a condition of employment. These highly qualified individuals usually have earned tenure at their previous institutions, which makes them attractive candidates to USF. In order to attract them, USF must provide a package that is competitive with other nationally and internationally ranked institutions. Tenure upon appointment for qualified candidates, among other things, is a term and condition of the employment package that makes USF an institution of choice.

Financial Impact:

Strategic Goal(s) Item Supports:

USF Strategic Plan 2013-2018, Goal II

BOT Committee Review Date:

Academics and Campus Environment Committee – August 17, 2017

Supporting Documentation Online (*please circle*): **Yes** **No**

[Tenure Nominations as a Condition of Employment](#)

USF System or Institution specific: USF Tampa

Prepared by: Dwayne Smith, Senior Vice Provost & Dean, Graduate Studies, 813-974-2267



MEMORANDUM

DATE: September 7, 2017

TO: Brian Lamb, Chair

FROM: Judy Genshaft
President

SUBJECT: Tenure as a Condition of Employment Nominations, USF Tampa

I am requesting approval by the USF Board of Trustees of the enclosed Tenure as a Condition of Employment Nominations at USF Tampa. In nominating these faculty members for tenure, I certify that the requirements and conditions contained in USF Regulations, Policies, and Procedures for the granting of tenure have been met. I am satisfied that the nominees will make a significant professional contribution to USF Tampa and the academic community.

Enclosures

Faculty Nominations for Tenure as a Condition of Employment, USF-Tampa
USF Board of Trustees Meeting – September 7, 2017

<u>College</u>	<u>Name</u>	<u>Rank</u>	<u>Department/ School</u>	<u>Degree of Effort*</u>	<u>Previous Institution</u>	<u>Tenure at Previous Institution</u>
Arts & Sciences	Charles Chalfant	Professor & Chair	Cell Biology, Microbiology & Molecular Biology	1.0	Virginia Commonwealth University	Yes
Muma College of Business	Dirk Libaers	Associate Professor	Marketing	1.0	D'Amore-McKim School of Business at Northeastern University	Yes
Education	Chloe Lancaster	Associate Professor	Leadership, Counseling, Adult, Career and Higher Education	1.0	University of Memphis	Yes
Morsani College of Medicine	Thomas McDonald	Professor, DUP	Pathology and Cell Biology	1.0	Albert Einstein College of Medicine	No
Nursing	Victoria L. Rich	Dean & Professor	College of Nursing	1.0	University of Pennsylvania School of Nursing	No
Patel College of Global Sustainability	Govindan Parayil	Dean & Professor	Dean's Office	1.0	University of Oslo, Norway	Yes

*If less than 1.0 FTE

University of South Florida
Tenure Nominations as a Condition of Employment

1

Arts & Sciences

Charles Chalfant, Ph.D.

Dr. Charles Chalfant will join the faculty of the Department of Cell Biology, Microbiology & Molecular Biology as Professor and Chair in Fall of 2017. He completed his Ph.D. in Biochemistry and Molecular Biology from the University of South Florida in 1997, and trained as a post-doctoral fellow at both Duke University and the Medical University of South Carolina. He then joined the faculty at Virginia Commonwealth University as an Assistant Professor (Research Track) in 2001, becoming a tenure track faculty member in 2003. He was promoted to Associate Professor with tenure in 2007, and promoted to Full Professor in 2012. He was named Vice Chair of the Department of Biochemistry and Molecular Biology at VCU in 2012, and an Endowed Chair of Cancer Signaling Research. Currently, Dr. Chalfant remains as Vice Chair of his department, and is also the Paul M. Corman, M.D. Endowed Chair in Cancer Research. In addition to his academic positions, Dr. Chalfant has been a Career Research Scientist in the Hunter Holmes McGuire Veteran's Administration Medical Center, Richmond, Virginia since 2003. Dr. Chalfant's specific area of scholarship relates to lipid signaling and metabolomics as they apply to inflammation and cancer. He has authored 11 book chapters, 10 review articles and over 90 peer reviewed research articles during his career. He has received numerous awards for his scholarship, and is, or has been, editor for several prestigious scientific journals. Dr. Chalfant has supervised more than 20 graduate students, 12 post-doctoral fellows, and 4 junior faculty members in his laboratory. He has been issued 4 U.S. patents stemming from his research endeavors. During his time as faculty, Dr. Chalfant has served as PI on multiple federal research grants totaling greater than \$10 million, with current active grants totaling over \$2.5 million. The tenured faculty and chair of the Department of Cell Biology, Microbiology & Molecular Biology recommend Dr. Chalfant for tenure and appointment at the rank of Professor. Eric Eisenberg, Dean of the College of Arts & Sciences, along with Provost Ralph Wilcox and President Judy Genshaft, concur with this recommendation for tenure upon appointment.

University of South Florida
Tenure Nominations as a Condition of Employment

2

Business

Dirk Libaers, Ph.D.

Dr. Dirk Libaers joined the faculty of the Department of Marketing as Associate Professor in the Fall of 2017. Dr. Libaers received the B.S. and M.S. degrees in Electrical Engineering from the Vrije Universiteit Brussel, Brussels, Belgium, the M.B.A. degree in finance from The George Washington University, Washington, DC, the M.S. degree in Technology and Innovation Management from the University of Sussex in the U.K., and the Ph.D. degree from the Georgia Institute of Technology. Dr. Libaers came to USF from the D'Amore-McKim School of Business at Northeastern University where he had served as a tenured Associate Professor of Entrepreneurship & Innovation since 2014. Prior to that, he was first an Assistant, and later a tenured Associate Professor of Entrepreneurship & Innovation at the Regnier Institute of Entrepreneurship and Innovation at the Henry W. Bloch School of Management, University of Missouri-Kansas City from 2007 to 2014. In addition he was a Visiting Scholar in the School of Business, Management and Economics, University of Sussex, and a Visiting Professor at the University of Kent in the UK and the University of Queensland in Australia. Dr. Libaers research interests include technology entrepreneurship, academic entrepreneurship, technology commercialization from universities, and new product development in new ventures and established organizations. His research papers have been published in *Research Policy*, *Journal of Business Venturing*, *Journal of Product Innovation Management*, *IEEE Transactions on Engineering Management*, *Industrial and Corporate Change*, *Technovation*, *Regional Studies*, and several other professional outlets. He is a member of the Academy of Management and the Technology Transfer Society. The faculty and chair of the Department Marketing, as well as Dean Moez Limayem of the Muma College of Business, recommend Dr. Libaers for tenure as an Associate Professor. Provost Ralph Wilcox and President Judy Genshaft concur with this recommendation.

University of South Florida
Tenure Nominations as a Condition of Employment

3

Education

Chloe Lancaster, Ph.D.

Dr. Chloe Lancaster will join the faculty of the Department of Leadership, Counseling, Adult, Career and Higher Education in Fall 2017 as an Associate Professor. Dr. Lancaster received a Ph.D. in Counselor Education and M.S. in Special Education from Texas A&M University, Corpus Christi. She is originally from the United Kingdom and received a B.A. in Social Anthropology from the University of Kent at Canterbury. Dr. Lancaster comes to USF from the University of Memphis where she was Associate Professor of School Counseling and served as Program and Accreditation Coordinator. Dr. Lancaster is a National Certified Counselor with approximately 10 years of K-12 experience as a middle school special education teacher and elementary school counselor. Her academic background and research bridge school counseling, mental health and special education, as well as K-12 and higher education. Her research interests include adoptive family issues, transition to higher education for marginalized populations, experiences of minorities in the STEM and law fields, and school counselor identity, efficacy and supervision. She uses both qualitative and quantitative research designs. Dr. Lancaster has published with strong publishing houses (Wiley-Blackwell, Springer, Taylor & Francis, Sage) and in peer-reviewed journals such as the *Journal of Teacher Education*, *Journal of College Counseling*, and *Measurement and Evaluation in Counseling and Development*. Dr. Lancaster engages with multiple professional organizations and has served in leadership roles in state level professional counseling associations. The tenured faculty and chair of the Department of Leadership, Counseling, Adult, Career and Higher Education recommend Dr. Lancaster for tenure as an Associate Professor. Dr. Roger Brindley, Dean of Education, along with Provost Ralph Wilcox and President Judy Genshaft, concur with this recommendation for tenure upon appointment.

University of South Florida
Tenure Nominations as a Condition of Employment

4

Patel College of Global Sustainability

Govindan Parayil, Ph.D.

Dr. Govindan Parayil joined the Patel College of Global Sustainability as Dean on July 1, 2017. Because the Patel College is interdisciplinary with faculty appointments being held in various departments, his tenure home is in the School of Global Sustainability in the College of Arts & Sciences. Dr. Parayil received his B.S. in Electrical Engineering from the National Institute of Technology Calicut (formerly Regional Engineering College Calicut), an M.S. in Science, Technology, and Values at Rensselaer Polytechnic Institute, an M.A. in Development Economics at American University, and a Ph.D. at Virginia Tech in Science and Technology Studies. Dr. Parayil served as the 2016-17 Mark and Melody Teppola Distinguished Visiting Professor at Willamette University. He was the Vice-Rector of the United Nations University in Tokyo, Japan (2008-2014), and Director of the United Nations University Institute of Advanced Studies (2009-2013), now Institute for the Advanced Study of Sustainability, also in Tokyo, Japan. He was a tenured Full Professor of Science, Technology and Innovation at the University of Oslo in Norway. Dr. Parayil's research interests include Sustainability Science, Technology and Innovation, Climate Change, Energy Policy, and Multi-level Transition Toward Global Sustainability. His most recent research award was from the Ministry of the Environment in Japan (2009-2013). He has authored, edited, and co-edited five books and published over 40 peer-reviewed articles, as well as numerous book chapters. The tenured faculty of the School of Global Sustainability, the Director of that department, and Dean Eric Eisenberg of the College of Arts & Sciences recommend his being granted tenure at the rank of Professor. President Judy Genshaft and Provost Ralph Wilcox concur with this recommendation.

University of South Florida
Tenure Nominations as a Condition of Employment

5

Morsani College of Medicine

Thomas McDonald, Ph.D.

Dr. Thomas V. McDonald will join the faculty of the Department of Cardiovascular Sciences in Fall 2017 as a Professor. He comes to USF from Albert Einstein College of Medicine, Bronx, NY, where he co-founded the Montefiore-Einstein Cardiogenetics Clinic. He will focus his efforts on teaching medical students, residents, and fellows, and conduct research to diagnose and treat heart rhythm disorders. Dr. McDonald is an accomplished researcher and educator. His interest in heart health research and patient care was sparked early on during a fellowship at Stanford University. His success as both a researcher and clinician is the result of continually seeking to collaborate with other research groups, departments, and institutions to create a more personalized medical diagnosis and treatment plan. He has mentored and advised more than 100 medical students, residents, and post-doctoral fellows. His focus on teaching is to foster independent thinking and to embrace scientific questioning. He earned a Bachelor of Science degree in Zoology from the University of South Florida; an M.D. degree from the University of Florida, and completed a residency at Columbia-Presbyterian Medical Center, and as well as a fellowship and post-doctoral appointment at Stanford University. Dr. McDonald has published 65-peer reviewed publications, and has a history of consistent federal funding. He is currently the PI on three National Institute of Health (NIH) grants. The Morsani College of Medicine Appointment, Promotion and Tenure Committee, and the chair of the Department of Cardiovascular Sciences recommend Dr. McDonald for tenure at the rank of Professor. Dr. Charles Lockwood, Senior Vice President of USF Health, and Dean of the Morsani College of Medicine, and President Judy Genshaft concur with this recommendation.

**University of South Florida
Tenure Nominations as a Condition of Employment**

6

Nursing

Victoria L. Rich, Ph.D.

Dr. Victoria Rich joined the College of Nursing in June as Dean and Professor. Dr. Rich obtained her PhD in Nursing Administration from the University of Pittsburgh. She began her academic career in 1991 serving multiple universities as mentor, preceptor, and committee member for students developing their thesis or doctorate dissertations. In 2004 she was appointed as Assistant Dean of Clinical Practice at the University of Pennsylvania School of Nursing, combining it with her role as Chief Nurse of the University of Pennsylvania Medical Center and the School of Nursing. This alliance was awarded the 2013 Academic Service Partnership Recognition by the American Academy of Colleges of Nursing (ACCN). In 2008, she was made Associate Professor of Nursing Administration at the University of Pennsylvania School of Nursing. She has been tapped as keynote or invited speaker to conferences and workshops both nationally and internationally. Dr. Rich has been principal investigator on several research projects emphasizing nursing transition and group dynamics. She has also published multiple manuscripts primarily focused on nurses in the workplace and developing academic-practice partnerships. In 2014, she was awarded by Penn Medicine the Transformational Leadership Award and the AACN/AONE Academic Practice Partnership Award. The faculty of the College of Nursing and the members of the College of Nursing Appointment, Promotion and Tenure Committee, along with Dr. Charles Lockwood, Senior Vice President of USF Health, and Dean of the Morsani College of Medicine, and President Judy Genshaft, concur with this recommendation for tenure upon appointment.

Agenda Item: FL 103

USF Board of Trustees
October 12, 2017

Issue: Need for continued coordinated assistance with the State of Florida Division of Emergency Management for resource support during emergencies affecting the USF System.

Proposed action: Approve the renewal of the Florida Statewide Mutual Aid Agreement (SMAA).

Executive Summary:

The USF BOT approved the initial SMAA on July 27, 2015 and it self-renewed after one calendar year in 2016. The State of Florida Division of Emergency Management now requires that the SMAA renewal be approved with an executed signature by the BOT Chair for 2017.

The Florida Board of Governors Regulation 3-001(3)(b) expressly states that “[e]ach university shall sign the Statewide Mutual Aid Agreement “SMAA”.

The State of Florida Division of Emergency Management has an established Mutual Aid Agreement to coordinate the sharing of resources among Florida government entities for emergency aid and assistance before, during, or after a major or catastrophic disaster. The SMAA is pursuant to the Emergency Management Act, located in Florida Statue Chapter 252 governing emergency management for the State of Florida. Participating parties to the SMAA may request resource support from one-another or through the Florida Division of Emergency Management. The SMAA outlines important details and procedures on the use, cost, reimbursement, and insurance requirements by which signing parties must abide.

Financial Impact:

Renewal of this SMAA will authorize USF to request available State and local resources that may otherwise require additional spending through external contracts. In the event USF resources are utilized by another entity, reimbursement for the costs associated with the resource are clearly defined.

Strategic Goal(s) Item Supports: Goal 4 – Objective 2 - “Refine business practices to ensure a strong and sustainable economic foundation for the university”

BOT Committee Review Date: ACE August 17, 2017

Supporting Documentation Online (*please circle*): **Yes** **No**

[Agreement](#)
[Documentation](#)

USF System or Institution specific: USF System

Prepared by: Jennifer Fleischman – Emergency Management; Bryan Ruff – Associate General Counsel



STATE OF FLORIDA
DIVISION OF EMERGENCY MANAGEMENT

RICK SCOTT
Governor

BRYAN W. KOON
Director

STATEWIDE MUTUAL AID AGREEMENT

This Agreement is between the FLORIDA DIVISION OF EMERGENCY MANAGEMENT (“Division”) and the local government signing this Agreement (the “Participating Parties”). This agreement is based on the existence of the following conditions:

A. The State of Florida is vulnerable to a wide range of disasters that are likely to cause the disruption of essential services and the destruction of the infrastructure needed to deliver those services.

B. Such disasters are likely to exceed the capability of any one local government to cope with the emergency with existing resources.

C. Such disasters may also give rise to unusual technical needs that the local government may be unable to meet with existing resources, but that other local governments may be able to offer.

D. The Emergency Management Act, Chapter 252, provides each local government of the state the authority to develop and enter into mutual aid agreement within the state for reciprocal emergency aid and assistance in case of emergencies too extensive to deal with unassisted, and through such agreements to ensure the timely reimbursement of costs incurred by the local governments which render such assistance.

E. Pursuant to Chapter 252, the Division has the authority to coordinate assistance between local governments during emergencies and to concentrate available resources where needed.

Based on the existence of the foregoing conditions, the parties agree to the following:

ARTICLE I.

Definitions. As used in this Agreement, the following expressions shall have the following meanings:

A. The “Agreement” is this Agreement, which shall be referred to as the Statewide Mutual Aid Agreement (“SMAA”).

B. The “Participating Parties” to this Agreement are the Division and any and all special districts, educational districts, and other local and regional governments signing this Agreement.

C. The “Division” is the Division of Emergency Management.

E. The “Requesting Parties” to this Agreement are Participating Parties who request assistance during a declared state of emergency.

F. The “Assisting Parties” to this Agreement are Participating Parties who render assistance in a disaster to a Requesting Party.

G. The “State Emergency Operations Center” is the facility designated by the State Coordinating Officer to manage and coordinate assistance to local governments during a disaster.

H. The “Comprehensive Emergency Management Plan” is the biennial Plan issued by the Division in accordance with § 252.35(2)(a), Florida Statutes.

I. The “State Coordinating Officer” is the official whom the Governor designates, by Executive Order, to act for the Governor in responding to a disaster, and to exercise the powers of the Governor in accordance with the Executive Order, Chapter 252, Florida Statutes, and the State Comprehensive Emergency Management Plan.

J. The “Period of Assistance” is the time during which any Assisting Party renders assistance to any Requesting Party in a declared disaster, and shall include both the time necessary for the resources and personnel of the Assisting Party to travel to the place specified by the Requesting Party and the time necessary to return them to their place of origin or to the headquarters of the Assisting Party.

K. A “special district” is any local or regional governmental entity which is an independent special district within the meaning of § 189.403(1), Florida Statutes, regardless of whether established by local, special, or general act, or by rule, ordinance, resolution, or interlocal agreement.

L. An “educational district” is any school district within the meaning of § 1001.30, Florida Statutes and any community school and state university within the meaning of § 1000.21, Florida Statutes.

M. An “interlocal agreement” is any agreement between local governments within the meaning of § 163.01(3)(a), Florida Statutes.

N. A “local government” is any educational district and any entity that is a “local governmental entity” within the meaning of § 11.45(1)(e), Florida Statutes.

O. Any expressions not assigned definitions elsewhere in this Agreement shall have the definitions assigned them by the Emergency Management Act.

ARTICLE II.

Applicability of the Agreement. A Participating Party may request assistance under this Agreement only for a “major” or “catastrophic disaster” as defined in § 252.34, Florida Statutes. If the Participating Party has no other mutual aid agreement that covers a “minor” disaster, it may also invoke assistance under this Agreement for a “minor disaster.”

ARTICLE III.

Invocation of the Agreement. In the event of a disaster or threatened disaster, a Participating Party may invoke assistance under this Agreement by requesting it from any other Participating Party, or from the Division if, in the judgment of the Requesting Party, its own resources are inadequate to meet the disaster.

A. Any request for assistance under this Agreement may be oral, but within five (5) calendar days must be confirmed in writing by the County Emergency Management Agency of the Requesting Party, unless the State Emergency Operations Center has been activated in response to the disaster for which assistance is requested.

B. All requests for assistance under this Agreement shall be transmitted by County Emergency Management Agency of the Requesting Party to either the Division, or to another Participating Party. If

the Requesting Party transmits its request for Assistance directly to a Participating Party other than the Division, the Requesting Party and Assisting Party shall keep the Division advised of their activities.

C. The Division shall relay any requests for assistance under this Agreement to such other Participating Parties as it may deem appropriate, and shall coordinate the activities of the Assisting Parties so as to ensure timely assistance to the Requesting Party. All such activities shall be carried out in accordance with the State's Comprehensive Emergency Management Plan.

D. Nothing in this Agreement shall be construed to allocate liability for the costs of personnel, equipment, supplies, services and other resources that are staged by the Division, or by other agencies of the State of Florida, for use in responding to a disaster pending the assignment of such personnel, equipment, supplies, services and other resources to a emergency support function/mission. The documentation, payment, repayment, and reimbursement of all such costs shall be rendered in accordance with the Comprehensive Emergency Management Plan, and general accounting best practices procedures and protocols.

ARTICLE IV.

Responsibilities of Requesting Parties. To the extent practicable, all Requesting Parties seeking assistance under this Agreement shall provide the following information to the Division and the other Participating Parties. In providing such information, the Requesting Party may use *Form B* attached to this Agreement, and the completion of Form B by the Requesting Party shall be deemed sufficient to meet the requirements of this Article:

- A. A description of the damage sustained or threatened;
- B. An identification of the specific Emergency Support Function or Functions for which such assistance is needed;
- C. A description of the specific type of assistance needed within each Emergency Support Function;

D. A description of the types of personnel, equipment, services, and supplies needed for each specific type of assistance, with an estimate of the time each will be needed;

E. A description of any public infrastructure for which assistance will be needed;

F. A description of any sites or structures outside the territorial jurisdiction of the Requesting Party needed as centers to stage incoming personnel, equipment, supplies, services, or other resources;

G. The place, date and time for personnel of the Requesting Party to meet and receive the personnel and equipment of the Assisting Party; and

H. A technical description of any communications or telecommunications equipment needed to ensure timely communications between the Requesting Party and any Assisting Parties.

ARTICLE V.

Responsibilities of Assisting Parties. Each Participating Party shall render assistance under this Agreement to any Requesting Party to the extent practicable that its personnel, equipment, resources and capabilities can render assistance. If a Participating Party which has received a request for assistance under this Agreement determines that it has the capacity to render some or all of such assistance, it shall provide the following information to the Requesting Party and shall transmit it without delay to the Requesting Party and the Division. In providing such information, the Assisting Party may use *Form B* attached to this Agreement, and the completion of Form B by the Assisting Party shall be deemed sufficient to meet the requirements of this Article:

A. A description of the personnel, equipment, supplies and services it has available, together with a description of the qualifications of any skilled personnel;

B. An estimate of the time such personnel, equipment, supplies, and services will continue to be available;

C. An estimate of the time it will take to deliver such personnel, equipment, supplies, and services at the date, time and place specified by the Requesting Party;

D. A technical description of any communications and telecommunications equipment available for timely communications with the Requesting Party and other Assisting Parties; and

E. The names of all personnel whom the Assisting Party designates as Supervisors.

Rendition of Assistance. After the Assisting Party has delivered its personnel, equipment, supplies, services, or other resources to the place specified by the Requesting Party, the Requesting Party shall give specific assignments to the Supervisor(s) of the Assisting Party, who shall be responsible for directing the performance of these assignments. The Assisting Party shall have authority to direct the manner in which the assignments are performed. In the event of an emergency that affects the Assisting Party, all personnel, equipment, supplies, services and other resources of the Assisting Party shall be subject to recall by the Assisting Party upon not less than five (5) calendar days notice or, if such notice is impracticable, as much notice as is practicable under the circumstances.

A. For operations at the scene of *catastrophic* and *major* disasters, the Assisting Party shall to the fullest extent practicable give its personnel and other resources sufficient equipment and supplies to make them self-sufficient for food, shelter, and operations unless the Requesting Party has specified the contrary. For *minor* disasters, the Requesting Party shall be responsible to provide food and shelter for the personnel of the Assisting Party unless the Requesting Party has specified the contrary. In its request for assistance the Requesting Party may specify that Assisting Parties send only self-sufficient personnel or self-sufficient resources.

B. Unless the Requesting Party has specified the contrary, it shall to the fullest extent practicable, coordinate all communications between its personnel and those of any Assisting Parties, and shall determine all frequencies and other technical specifications for all communications and telecommunications equipment to be used.

C. Personnel of the Assisting Party who render assistance under this Agreement shall receive

their usual wages, salaries and other compensation, and shall have all the duties, responsibilities, immunities, rights, interests and privileges incident to their usual employment.

ARTICLE VII.

Procedures for Reimbursement. Unless the Division or the Assisting Party, as the case may be, state the contrary in writing, the ultimate responsibility for the reimbursement of costs incurred under this Agreement shall rest with the Requesting Party, subject to the following conditions and exceptions:

A. In accordance with this Agreement, the Division shall pay the costs incurred by an Assisting Party in responding to a request that the Division initiates on its own, and not for another Requesting Party.

B. An Assisting Party shall bill the Division or other Requesting Party as soon as practicable, but not later than thirty (30) calendar days after the Period of Assistance has closed. Upon the request of any of the concerned Participating Parties, the State Coordinating Officer may extend this deadline for cause.

C. If the Division or the Requesting Party protests any bill or item on a bill from an Assisting Party, it shall do so in writing as soon as practicable, but in no event later than thirty (30) calendar days after the bill is received. Failure to protest any bill or billed item in writing within thirty (30) calendar days shall constitute agreement to the bill and the items on the bill and waive the right to contest the bill.

D. If the Division protests any bill or item on a bill from an Assisting Party, the Assisting Party shall have thirty (30) calendar days from the date of protest to present the bill or item to the original Requesting Party for payment, subject to any protest by the Requesting Party.

E. If the Assisting Party cannot reach a mutual agreement with the Division or the Requesting Party to the settlement of any protested bill or billed item, the Division, the Assisting Party, or the Requesting Party may elect binding arbitration to determine its liability for the protested bill or billed item in accordance with Section F of this Article.

F. If the Division or a Participating Party elects binding arbitration it may select as an arbitrator

any elected official of another Participating Party, or any other official of another Participating Party whose normal duties include emergency management, and the other Participating Party shall also select such an official as an arbitrator, and the arbitrators thus chosen shall select another such official as a third arbitrator.

G. The three (3) arbitrators shall convene by teleconference or videoconference within thirty (30) calendar days to consider any documents and any statements or arguments by the Department, the Requesting Party, or the Assisting Party concerning the protest, and shall render a decision in writing not later than ten (10) business days after the close of the hearing. The decision of a majority of the arbitrators shall bind the parties, and shall be final.

H. If the Requesting Party has not forwarded a request through the Division, or if an Assisting Party has rendered assistance without being requested to do so by the Division, the Division shall not be liable for the costs of any such assistance. All requests to the Federal Emergency Management Agency (FEMA) for the reimbursement of costs incurred by any Participating Party shall be made by and through the Division.

I. If FEMA denies any request for reimbursement of costs which the Division has already advanced to an Assisting Party, the Assisting Party shall repay such costs to the Division, but the Division may waive such repayment for cause.

ARTICLE VIII.

Costs Eligible for Reimbursement. The costs incurred by the Assisting Party under this Agreement shall be reimbursed as needed to make the Assisting Party whole to the fullest extent practicable.

A. Employees of the Assisting Party who render assistance under this Agreement shall be entitled to receive from the Assisting Party all their usual wages, salaries, and any and all other compensation for mobilization, hours worked, and demobilization. Such compensation shall include any and all contributions for insurance and retirement, and such employees shall continue to accumulate

seniority at the usual rate. As between the employees and the Assisting Party, the employees shall have all the duties, responsibilities, immunities, rights, interests and privileges incident to their usual employment. The Requesting Party shall reimburse the Assisting Party for these costs of employment.

B. The costs of equipment supplied by the Assisting Party shall be reimbursed at the rental rate established for like equipment by the regulations of the Federal Emergency Management Agency, or at any other rental rate agreed to by the Requesting Party. The Assisting Party shall pay for fuels, other consumable supplies, and repairs to its equipment as needed to keep the equipment in a state of operational readiness. Rent for the equipment shall be deemed to include the cost of fuel and other consumable supplies, maintenance, service, repairs, and ordinary wear and tear. With the consent of the Assisting Party, the Requesting Party may provide fuels, consumable supplies, maintenance, and repair services for such equipment at the site. In that event, the Requesting Party may deduct the actual costs of such fuels, consumable supplies, maintenance, and services from the total costs otherwise payable to the Assisting Party. If the equipment is damaged while in use under this Agreement and the Assisting Party receives payment for such damage under any contract of insurance, the Requesting Party may deduct such payment from any item or items billed by the Assisting Party for any of the costs for such damage that may otherwise be payable.

C. The Requesting Party shall pay the total costs for the use and consumption of any and all consumable supplies delivered by the Assisting Party for the Requesting Party under this Agreement. In the case of perishable supplies, consumption shall be deemed to include normal deterioration, spoilage and damage notwithstanding the exercise of reasonable care in its storage and use. Supplies remaining unused shall be returned to the Assisting Party in usable condition upon the close of the Period of Assistance, and the Requesting Party may deduct the cost of such returned supplies from the total costs billed by the Assisting Party for such supplies. If the Assisting Party agrees, the Requesting Party may also replace any and all used consumable supplies with like supplies in usable condition and of like grade,

quality and quantity within the time allowed for reimbursement under this Agreement.

D. The Assisting Party shall keep records to document all assistance rendered under this Agreement. Such records shall present information sufficient to meet the audit requirements specified in the regulations of FEMA and any applicable circulars issued by the State of Florida Office of Management and Budget. Upon reasonable notice, the Assisting Party shall make its records available to the Division and the Requesting Party for inspection or duplication between 8:00 a.m. and 5:00 p.m. on all weekdays, except for official holidays.

ARTICLE IX.

Insurance. Each Participating Party shall determine for itself what insurance to procure, if any. With the exceptions in this Article, nothing in this Agreement shall be construed to require any Participating Party to procure insurance.

A. Each Participating Party shall procure employers' insurance meeting the requirements of the Workers' Compensation Act, as amended, affording coverage for any of its employees who may be injured while performing any activities under the authority of this Agreement, and shall file with the Division a certificate issued by the insurer attesting to such coverage.

B. Any Participating Party that elects additional insurance affording liability coverage for any activities that may be performed under the authority of this Agreement shall file with the Division a certificate issued by the insurer attesting to such coverage.

C. Any Participating Party that is self-insured with respect to any line or lines of insurance shall file with the Division copies of all resolutions in current effect reflecting its determination to act as a self-insurer.

D. Subject to the limits of such liability insurance as any Participating Party may elect to procure, nothing in this Agreement shall be construed to waive, in whole or in part, any immunity any Participating Party may have in any judicial or quasi-judicial proceeding.

E. Each Participating Party which renders assistance under this Agreement shall be deemed to stand in the relation of an independent contractor to all other Participating Parties, and shall not be deemed to be the agent of any other Participating Party.

F. Nothing in this Agreement shall be construed to relieve any Participating Party of liability for its own conduct and that of its employees.

G. Nothing in this Agreement shall be construed to obligate any Participating Party to indemnify any other Participating Party from liability to third parties.

ARTICLE X.

General Requirements. Notwithstanding anything to the contrary elsewhere in this Agreement, all Participating Parties shall be subject to the following requirements in the performance of this Agreement:

A. To the extent that assistance under this Agreement is funded by State funds, the obligation of any statewide instrumentality of the State of Florida to reimburse any Assisting Party under this Agreement is contingent upon an annual appropriation by the Legislature.

B. All bills for reimbursement under this Agreement from State funds shall be submitted in detail sufficient for auditing purposes. To the extent that such bills represent costs incurred for travel, such bills shall be submitted in accordance with applicable requirements for the reimbursement of state employees for travel costs.

C. All Participating Parties shall allow public access to all documents, papers, letters or other materials subject to the requirements of the Public Records Act, as amended, and made or received by any Participating Party in conjunction with this Agreement.

D. No Participating Party may hire employees in violation of the employment restrictions in the Immigration and Nationality Act, as amended.

E. No costs reimbursed under this Agreement may be used directly or indirectly to influence legislation or any other official action by the Legislature of the State of Florida or any of its agencies.

F. Any communication to the Division under this Agreement shall be sent to the Director, Division of Emergency Management, 2555 Shumard Oak Boulevard, Tallahassee, Florida 32399-2100. Any communication to any other Participating Party shall be sent to the official or officials specified by that Participating Party on *Form C* attached to this Agreement. For the purpose of this Section, any such communication may be sent by the U.S. Mail, e-mail, or by facsimile.

ARTICLE XI.

Effect of Agreement. Upon its execution by a Participating Party, this Agreement shall have the following effect with respect to that Participating Party:

A. The execution of this Agreement by any Participating Party which is a signatory to the Statewide Mutual Aid Agreement of 1994 shall terminate the rights, interests, duties, and responsibilities and obligations of that Participating Party under that agreement, but such termination shall not affect the liability of the Participating Party for the reimbursement of any costs due under that agreement, regardless of whether billed or unbilled.

B. The execution of this Agreement by any Participating Party which is a signatory to the Public Works Mutual Aid Agreement shall terminate the rights, interests, duties, responsibilities and obligations of that Participating Party under that agreement, but such termination shall not affect the liability of the Participating Party for the reimbursement of any costs due under that agreement, regardless of whether billed or unbilled.

C. Upon the activation of this Agreement by the Requesting Party, this Agreement shall supersede any other existing agreement between it and any Assisting Party to the extent that the former may be inconsistent with the latter.

D. Unless superseded by the execution of this Agreement in accordance with Section A of this Article, the Statewide Mutual Aid Agreement of 1994 shall terminate and cease to have legal existence after June 30, 2001.

E. Upon its execution by any Participating Party, this Agreement will continue in effect for one (1) year from its date of execution by that Participating Party, and it shall automatically renewed one (1) year after its execution unless within sixty (60) calendar days before that date the Participating Party notifies the Division, in writing, of its intent to withdraw from the Agreement.

F. The Division shall transmit any amendment to this Agreement by sending the amendment to all Participating Parties not later than five (5) business days after its execution by the Division. Such amendment shall take effect not later than sixty (60) calendar days after the date of its execution by the Division, and shall then be binding on all Participating Parties. Notwithstanding the preceding sentence, any Participating Party who objects to the amendment may withdraw from the Agreement by notifying the Division in writing of its intent to do so within that time in accordance with Section E of this Article.

ARTICLE XII.

Interpretation and Application of Agreement. The interpretation and application of this Agreement shall be governed by the following conditions:

A. The obligations and conditions resting upon the Participating Parties under this Agreement are not independent, but dependent.

B. Time shall be of the essence of this Agreement, and of the performance of all conditions, obligations, duties, responsibilities and promises under it.

C. This Agreement states all the conditions, obligations, duties, responsibilities and promises of the Participating Parties with respect to the subject of this Agreement, and there are no conditions, obligations, duties, responsibilities or promises other than those expressed in this Agreement.

D. If any sentence, clause, phrase, or other portion of this Agreement is ruled unenforceable or invalid, every other sentence, clause, phrase or other portion of the Agreement shall remain in full force and effect, it being the intent of the Division and the other Participating Parties that every portion of the

Agreement shall be severable from every other portion to the fullest extent practicable. The Division reserves the right, at its sole and absolute discretion, to change, modify, add, or remove portions of any sentence, clause, phrase or other portion of this Agreement that conflicts with state law, regulation, or policy. If the change is minor, the Division will notify the Participating Party of the change and such changes will become effective immediately; therefore, please check these terms periodically for changes. If the change is substantive, the Participating Party may be required to execute the Agreement with the adopted changes. Your continued or subsequent use of this Agreement following the posting of minor changes to this Agreement will mean you accept those changes.

E. The waiver of any obligation or condition in this Agreement by a Participating Party shall not be construed as a waiver of any other obligation or condition in this Agreement.

NOTE: On August 20, 2007, this Agreement was modified by the Division of Emergency Management. This document replaces the July 31, 2000 edition of the Statewide Mutual Aid Agreement; however, any and all Agreements previously executed shall remain in full force and effect. Any local government, special district, or educational institution which has yet to execute this Agreement should use the August 20, 2007 edition for the purposes of becoming a signatory.

IN WITNESS WHEREOF, the Participating Parties have duly executed this Agreement on the date specified below:

FOR ADOPTION BY A COMMUNITY COLLEGE OR STATE UNIVERSITY

STATE OF FLORIDA
DIVISION OF EMERGENCY MANAGEMENT

By: Phyllis Vandevoort Bryan Koon Date: 7/27/15
Director

ATTEST:

BOARD OF TRUSTEES
OF _____
COMMUNITY COLLEGE, STATE OF FLORIDA

BOARD OF TRUSTEES
OF University of South Florida
UNIVERSITY, STATE OF FLORIDA

By: _____
Clerk

By: [Signature]
Chairman

Date: 3/5/15

Approved as to Form:

By: Bryan D. Ruff
Attorney for Board

3.001 Campus Emergency Management

(1) Emergency Management Policies

- (a) Each university shall develop policies covering the development and maintenance of an all-hazards based, comprehensive emergency management program including preparing for, mitigating, responding to and recovering from emergencies.
- (b) Each institution shall develop and maintain a Comprehensive Emergency Management Plan (CEMP).
- (c) Each university shall develop a Continuity of Operations Plan(s) (COOP) to outline a comprehensive and effective program to ensure continuity of essential university functions under all circumstances, in accordance with Section 252.365 F.S.

(2) Emergency Coordination Officers and Emergency Management Contacts

- (a) The Chancellor shall designate an Emergency Coordination Officer (ECO) and alternate for the Board of Governors and the State University System. The Board of Governors' ECO shall develop a communications protocol that provides for State University System-level emergency notification, response and coordination of effort, as may be appropriate. The BOG ECO shall coordinate with the Florida Division of Emergency Management (DEM) on emergency management issues and serves as the designated liaison to university emergency management contacts;
- (b) The BOG ECO shall maintain a CEMP and COOP for the Chancellor's Office and Departments of the BOG as part of the state CEMP and the Department of Education's COOP.
- (c) Each university shall designate an emergency management contact and alternate. The university contact is the university liaison on emergency management issues, and is responsible for coordinating emergency management activities for the university, including the CEMP and COOP plans.

(3) Cooperation with Other Agencies

- (a) Each university shall cooperate with federal, state, county, and municipal agencies on activities pertaining to-emergency management, as may be appropriate.
- (b) Each university shall sign the Statewide Mutual Aid Agreement (SMAA).
- (c) Each university shall work cooperatively with the Board of Governors and the Florida Division of Emergency Management's State Emergency Response Team (SERT) under the framework of the State of Florida's Comprehensive Emergency Plan. The Board of Governors' ECO may act as a liaison between SERT and each university when appropriate.

Authority: Section 7(d), Art. IX, Fla. Const.; History - New 5-6-10

Agenda Item: FL 104

USF Board of Trustees
October 12, 2017

Issue: USF Regulation 10.110: Non-Reappointment (Faculty)

Proposed action: Amend USF Regulation 10.110: Non-Reappointment (Faculty)

Executive Summary:

Regulation 10.110 was enacted in 2003. It is being revised to bring it up to date, to reflect the University's current needs in regards to out-of-unit faculty, as well as to clarify existing practices.

Financial Impact: N/A

Strategic Goal(s) Item Supports: Goal One: Well-educated and highly skilled global citizens through our continuing commitment to student success.

BOT Committee Review Date: ACE- August 17, 2017

Supporting Documentation Online (please circle): Yes **No**
[Regulation](#)

USF System or Institution specific: USF System

Prepared by: Patsy Ciaccio, Office of the General Counsel, 813-974-1661



REGULATION

USF System USF USFSP USFSM

Number: USF10.110
Title: Non-Reappointment (Faculty)
Responsible Office: Administrative Services/Human Resources

Date of Origin: 10-5-03 **Date Last Amended:** 8-23-13 (technical) **Date Last Reviewed:** 8-23-13

- (1) Non-tenured faculty members (tenure-earning and non-tenure earning) may can be provided denied reappointment upon written notice of non-reappointment or end of funding in accordance with this Regulation.¹
- ~~(2) from the CAO or upon the appointment end date, if the employment contract or letter of offer or other documented appointment includes a statement that employment will end as of a certain date without additional notification. Absent such a statement, the period of notification (prior to the effective date of non-reappointment) is based on the faculty member's length of continuous employment as faculty as follows: One full semester notification for Instructional and Research Faculty in their first or second years of employment, and three (3) months for others.~~
- ~~(3)~~
- ~~(4)(2) One year's notice for all faculty members with two (2) or more years of service, with employment in the summer conditional upon the summer assignments procedures in the relevant department or unit.~~ Time-Limited Appointments:
- (a) When the employment contract, letter of offer, or other documented appointment includes a statement that employment will end as of a certain date without additional notification, no additional written notice of the end of the appointment is required; or
- (b) Faculty members appointed for less than one (1) calendar year, or appointed as temporary, or visiting, are not entitled to a notice of non-reappointment.
- ~~(5)(3) Tenure-Earning (out-of-unit) Faculty: If the employment contract, letter of offer, or other documented appointment does not contain an end date, the University shall provide written notice to tenure-earning faculty, on the tenure-earning portion of the appointment, as follows:~~
- (a) faculty with less than three (3) years of service will receive five (5) months' notice prior to

¹ In-unit faculty non-reappointments are controlled by the applicable collective bargaining agreement.

34 the last day of employment; or
35 **(b)** faculty with three (3) years or more years of service will receive twelve (12) months' notice
36 prior to the last day of employment. Faculty members appointed to "soft money" (contract,
37 grant, or other temporary funding source) are entitled to ninety (90) days notice if they have
38 been employed for three (3) years or more in the USF System.

39 ~~(6)~~**(4)** Non-tenure Earning (out-of-unit) Faculty. If the employment contract, letter of offer, or
40 other documented appointment does not contain an end date, the University shall provide
41 written notice as follows:

42 **(a)** For the non-tenure earning portion of any faculty appointment, a faculty member may be
43 provided a non-reappointment or end of funding notice when that portion of such
44 appointment is funded by soft-money as follows:

45 **(i)** faculty with less than three (3) years of service will receive thirty (30) days' notice prior to
46 the last day of employment; or

47 **(ii)** faculty with three (3) years or more years of service will receive ninety (90) days' notice
48 prior to the last day of employment.

49 **(b)** For the non-tenure earning portion of the faculty appointment funded by other than soft-
50 money sources, the faculty member shall receive ninety (90) days' notice.

51 ~~(7)~~**(5)**

52 **(a)** Following receipt of the notice of non-reappointment, the chief academic officer or designee
53 (CAO) has the option to change the faculty member's assignment ~~if necessary~~. The USF
54 System is committed to compensate the faculty member's current University benefits, ~~and~~
55 ~~to maintain current benefits~~ for which he/she is otherwise eligible until the effective date of
56 non-reappointment or separation from employment for other reasons, whichever is sooner.
57 However, compensation may be adjusted in accordance with any changes in assignment.

58 **(b)** Upon the delivery of a notice under this Regulation, if administrative duties or temporary
59 additional duties are removed for which a temporary special pay increase or stipend was
60 granted, that increase or stipend will be removed.

61 **(c)** Upon the delivery of a non-reappointment or end of funding notice, a faculty member will
62 not be eligible for a salary increase or bonus.

63 **(d)** If a faculty member receiving a notice of non-reappointment or end of funding also receives
64 separate clinical compensation from any University established practice plan (paid separately
65 from the regular University bi-weekly payroll system), such clinical compensation will be
66 treated in accordance with any clinical compensation guidelines in effect at the time the

67 notice is delivered.

68 ~~(8)~~(6) For purposes of this Regulation, the term “soft money” means contract, grant or sponsored
69 research funds, auxiliary or convenience accounts, clinical trial funds, clinical practice plan
70 revenue, endowed chair or other gift funds, non-recurring or carry-forward funds, non-state-
71 legislatively appropriated funds, or other temporary or external funding sources.

72

73

74

75 *Authority: Art. IX, Sec. 7, Fla. Constitution, Fla. Board of Governors Regulation 1.001.*

76

77 *History: New (BOT approval) 10-5-03. Formerly 6C4-10.110, F.A.C., Amended 11-17-09, 8-23-13 (technical).*

78

79 *Certification: The University of South Florida System certifies that it has followed the Florida Board of Governors*
80 *Regulation Development Procedure and has a record of written notices, comments, summaries and responses as required.*

81

Agenda Item: FL 105

USF Board of Trustees
October 12, 2017

Issue: 2017-18 Operating Budget

Proposed action:

- 1) Approve 2017-18 Operating Budget.

 - 2) Authorize the President (or the Designee) to implement budget amendments issued by the state during the fiscal year or other changes approved by the Board Chair.
-

Executive Summary:

The USF System Board of Trustees (the BOT) is required to adopt an annual budget for the operation of the University prior to July 1 of each year for the State Comptroller to process cash releases of state funds.

On May 18, 2017, the BOT approved a 2017-18 continuation operating budget at last year's level with the understanding that the USF System would prepare a 2017-18 budget for submission to the Board of Governors (BOG) by August 21, 2017 and for presentation to the Board of Trustees at this meeting.

The USF System 2017-18 operating budget excluding Direct Support Organizations (DSOs) and carry forward totals \$1.79B, an increase of \$97.7M or 5.4% over the previous year's budget. The increase resulted primarily from increased state support and tuition, contracts and grants as well auxiliary enterprises.

Financial Impact: See attached.

Strategic Goal(s) Item Supports: Goal 4 – Sound Financial Management

Committee Review Date: Finance Committee – 08/17/17

Supporting Documentation Online (please circle): Yes No

[Budget Overview](#)

[Summary Schedule I](#)

USF System or Institution specific: USF System

Prepared by: Resource Management & Analysis



2017-18 OPERATING BUDGET OVERVIEW

University Board of Trustees Finance Committee

August 17, 2017



USF SYSTEM 2017-18 OPERATING BUDGET HIGHLIGHTS

➤ **Budgeted Expenditures are up \$97.7M (5.4%), driven mainly by:**

- **Education & General (E&G) up \$38.5M:**
 - State Appropriations +\$37.9M from Performance-Based Funds, Emerging Preeminence, World Class Scholar, and Professional & Graduate Excellence
 - Net new specific appropriations +\$5.8M
 - Tuition Revenues +\$2M (TPA Only)
 - Vetoes included (\$7.2M) across USF System
- **Contracts & Grants** +\$45.1M via increases in TPA and Health (+\$25.2M and +\$18.8M, respectively)
- **Student Financial Aid** is up \$12.3M
- **Auxiliaries** up \$7.0M
- **Student Fees** down (\$4.1M) as less budgeted projects in 17/18 as compared to 16/17

Note: Faculty Practice Plan revenue up \$19M driven by higher demand for services and efficiencies following the EPIC implementation

Budget Entity	2017-18 Budget	2016-17 Budget	Variance	% Variance
Education & General	\$ 704,046,925	\$ 665,546,624	\$ 38,500,301	5.5%
Contracts & Grants	\$ 413,168,790	\$ 368,023,590	\$45,145,200	10.9%
Student Financial Aid	\$ 385,775,792	\$ 373,437,094	\$12,338,698	3.2%
Auxiliaries	\$ 215,240,147	\$ 208,257,901	\$6,982,246	3.2%
Athletics	\$ 39,522,918	\$ 40,140,918	(\$618,000)	-1.6%
Student Activities	\$ 21,922,015	\$ 22,316,337	(\$394,322)	-1.8%
Technology Fee	\$ 11,719,884	\$ 13,424,933	(\$1,705,049)	-14.5%
Board - Approved Fees	\$ 1,426,742	\$ 3,905,767	(\$2,479,025)	-173.8%
Concessions	\$ 733,327	\$ 774,076	(\$40,749)	-5.6%
Total Operating Budget	\$1,793,556,540	\$1,695,827,240	\$97,729,300	5.4%
Self-Insurance	\$ 7,917,004	\$ 7,575,293	\$ 341,711	4.3%
Faculty Practice Plan	\$ 247,325,971	\$ 228,290,197	\$ 19,035,774	7.7%
Totals	\$ 2,048,799,515	\$ 1,931,692,730	\$ 117,106,785	5.7%



USF SYSTEM EDUCATION & GENERAL HIGHLIGHTS +\$38.5M

- Incremental amount for USF System = \$45.7M (\$29.0M Recurring, \$16.7M Non-Recurring)
 - \$ 8.7M - **Emerging Preeminence**
 - \$10.5M - **World Class Scholars**
 - \$ 5.7M - **Professional and Graduate Excellence**
 - \$13.0M - **Performance Based Funding (\$10.4M Non-Recurring)**
 - \$ 5.8M - **Specific Appropriations including:**
 - \$.7M - **Midtown Early Care and Education Collaborative (Non-Recurring)**
 - \$1.3M - **Programs of Strategic Importance (Non-Recurring)**
 - \$1.5M - **Operational Support**
 - \$ 2.0M - **Additional Tuition from SCH/Out of State mix (All Non-Recurring)**
(No increase in student tuition/fee rates)

- Vetoes resulting in cuts to the USF System = **(\$7.2M)**
 - **\$2.40M - USF Health Sports Medicine & Athletics Related Trauma (SMART)**
 - **\$2.75M - USF SM STEM Programs at Mote Marine and PAINT Program**
 - **\$.55M – USF SP Poynter Library Weekly Challenger and Family Study Center**
 - **\$1.17M – Florida Institute of Oceanography**
 - **\$.35M – USF Library Services**

- Across the USF System, investments will be made in the following areas:
 - Retention of USF faculty by offering nationally competitive compensation packages
 - All campuses continue making further investments in Faculty in Areas of Strategic Emphasis to support degree production and continued improvement in graduation rates
 - All campuses are investing in infrastructure including Information Technology, Student Services, and Campus Safety
 - All campuses are making investments in Student Services for advising, recruiting, and faculty development which will allow USF to continue performance in retention and graduation rates



**USF SYSTEM
BUDGETED - ANTICIPATED 2017/18 PROJECTS**

No.	Project Name	Project Cost	Source
1	USF Holly Renovations (C, D, G)	\$9,000,000	Auxiliary
2	USF Kosove Renovations	\$5,000,000	Auxiliary
3	USF SM College of Hospitality & Tourism Expansion	\$2,454,000	E&G
4	USF New Entry / Laurel Drive Extension	\$4,855,000	E&G

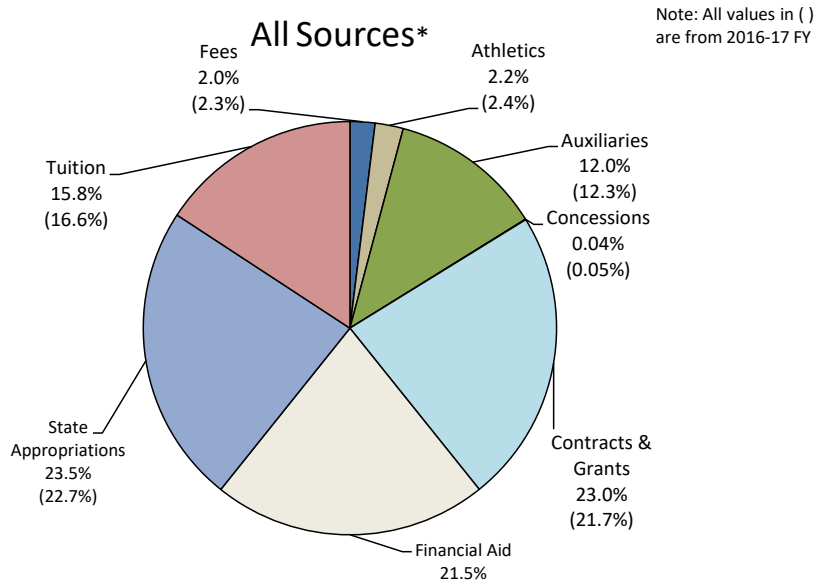


USF SYSTEM
PRIORITY INFRASTRUCTURE PROJECTS >\$1M

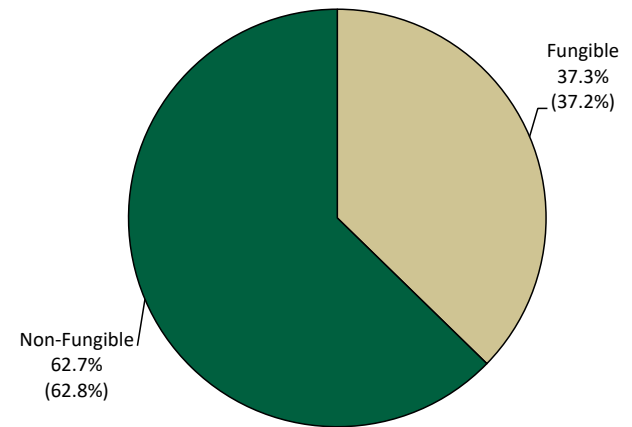
No.	Project Name	Project Cost	Source
<u>FUNDED PROJECTS:</u>			
1	CPT – Replace Terminally Failing Cooling Tower #5	\$2,482,338	E&G
2	Campus Feeder Replacement (Phase 1)	\$1,000,000	E&G
<u>CONTINGENCY-FUNDED PROJECTS:</u>			
1	Alternate Well Field (Phase 1 – Well Drilling)	\$1,000,000	E&G
2	Alternate Well Field (Phase 2 – Piping)	\$2,000,000	E&G
3	Northwest Campus Water Main Extension	\$1,500,000	E&G
4	CPT – Replace 25-Yr. Old Non-Compliant CFC Chiller	\$1,483,908	E&G
5	Expand SE Chiller Plant Capacity for Future Growth Ph 1	\$3,223,790	E&G
6	Expand SE Chiller Plant Capacity for Future Growth Ph 2	\$3,735,028	E&G
7	Emergency Roofs, HVAC, Electrical Replacement	\$4,500,000	E&G



USF SYSTEM 2017-18 BUDGETED SOURCES* FUNGIBLE VERSUS NON-FUNGIBLE



Fungible versus Non-fungible



Funding Source	17-18	16-17	Variance
State Appropriations	\$ 404,177,343	\$ 367,770,313	\$ 36,407,030
Contracts & Grants	\$ 413,168,790	\$ 368,023,590	\$ 45,145,200
Financial Aid	\$ 385,775,792	\$ 373,437,094	\$ 12,338,698
Tuition	\$ 263,909,988	\$ 262,413,668	\$ 1,496,320
Auxiliaries	\$ 215,240,147	\$ 208,257,901	\$ 6,982,246
Athletics	\$ 39,522,918	\$ 40,140,918	\$ (618,000)
Fees	\$ 35,068,641	\$ 39,647,037	\$ (4,578,396)
Tuition - Financial Aid	\$ 19,087,269	\$ 18,582,889	\$ 504,380
State Approp. - Financial Aid	\$ 16,147,857	\$ 16,061,087	\$ 86,770
Concessions	\$ 733,327	\$ 774,076	\$ (40,749)
State Approp. - Athletics	\$ 724,468	\$ 718,667	\$ 5,801
Total	\$ 1,793,556,540	\$ 1,695,827,240	\$ 97,729,300

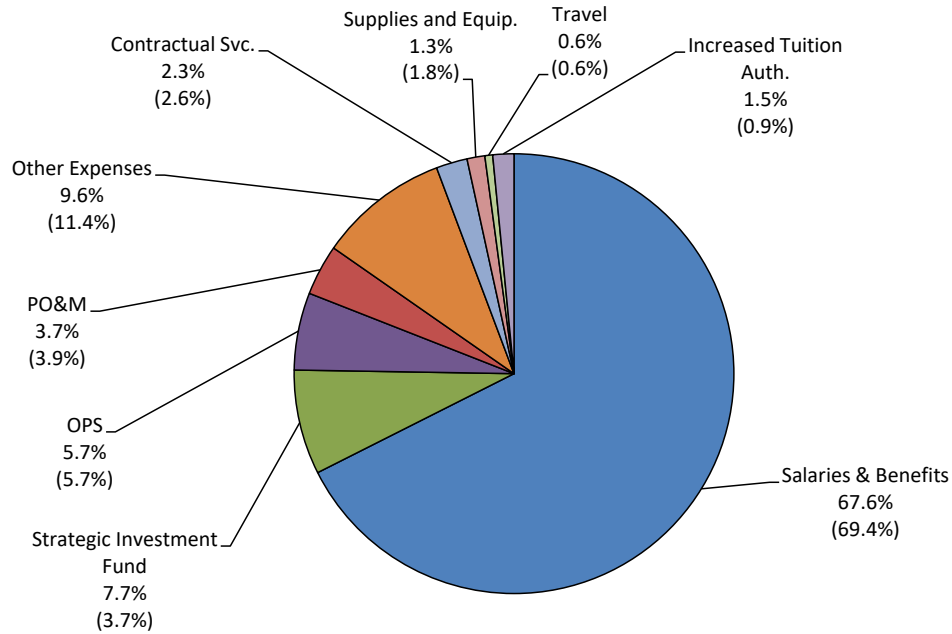
Funding Source	17-18	16-17	Variance
Fungible	\$ 668,820,658	\$ 630,958,057	\$ 37,862,601
Non-Fungible	\$ 1,124,735,882	\$ 1,064,869,183	\$ 59,866,699
Total	\$ 1,793,556,540	\$ 1,695,827,240	\$ 97,729,300

*Excludes Direct Support Organizations (DSOs)



USF SYSTEM 2017-18 FUNGIBLE BUDGET BY EXPENDITURE CATEGORY

Note: All values in ()
are from 2016-17 FY

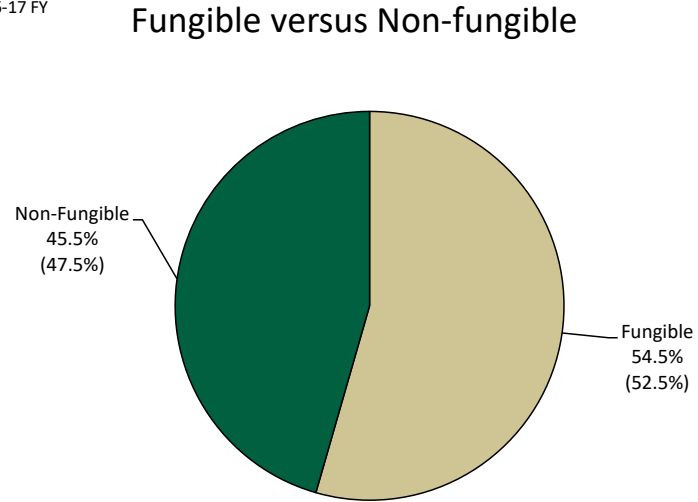
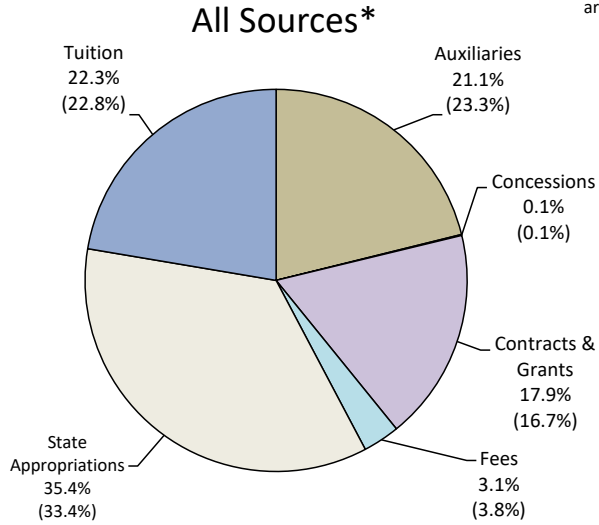


Expenditure Category	17-18	16-17	Variance
Salaries & Benefits	\$ 451,922,185	\$ 437,929,281	\$ 13,992,904
Other Expenses	\$ 64,149,753	\$ 72,184,682	\$ (8,034,929)
Strategic Investment Fund	\$ 51,463,224	\$ 23,132,809	\$ 28,330,415
OPS	\$ 38,045,500	\$ 36,256,192	\$ 1,789,308
PO&M	\$ 24,952,612	\$ 24,587,565	\$ 365,047
Contractual Svc.	\$ 15,344,542	\$ 16,339,709	\$ (995,167)
Increased Tuition Auth.	\$ 10,360,751	\$ 5,924,734	\$ 4,436,017
Supplies and Equip.	\$ 8,748,219	\$ 11,097,981	\$ (2,349,762)
Travel	\$ 3,833,872	\$ 3,505,104	\$ 328,768
Total	\$ 668,820,658	\$ 630,958,057	\$ 37,862,601



USF TAMPA 2017-18 BUDGETED EXPENDITURES
 (Excludes System Funding for Financial Aid (\$385.8M) and Athletics (\$40.2M))

Note: All values in () are from 2016-17 FY



Funding Source	17-18	16-17	Variance
State Appropriations	\$ 282,944,723	\$ 250,687,491	\$ 32,257,232
Auxiliaries	\$ 176,884,144	\$ 174,233,307	\$ 2,650,837
Tuition	\$ 172,128,196	\$ 170,513,774	\$ 1,614,422
Contracts & Grants	\$ 150,167,790	\$ 124,975,590	\$ 25,192,200
Fees	\$ 26,016,932	\$ 28,828,361	\$ (2,811,429)
Tuition - Fin. Aid	\$ 14,871,804	\$ 14,486,226	\$ 385,578
State Approp. - Fin. Aid	\$ 13,225,713	\$ 13,172,993	\$ 52,720
Concessions	\$ 676,327	\$ 718,232	\$ (41,905)
Total	\$ 836,915,629	\$ 777,615,974	\$ 59,299,655

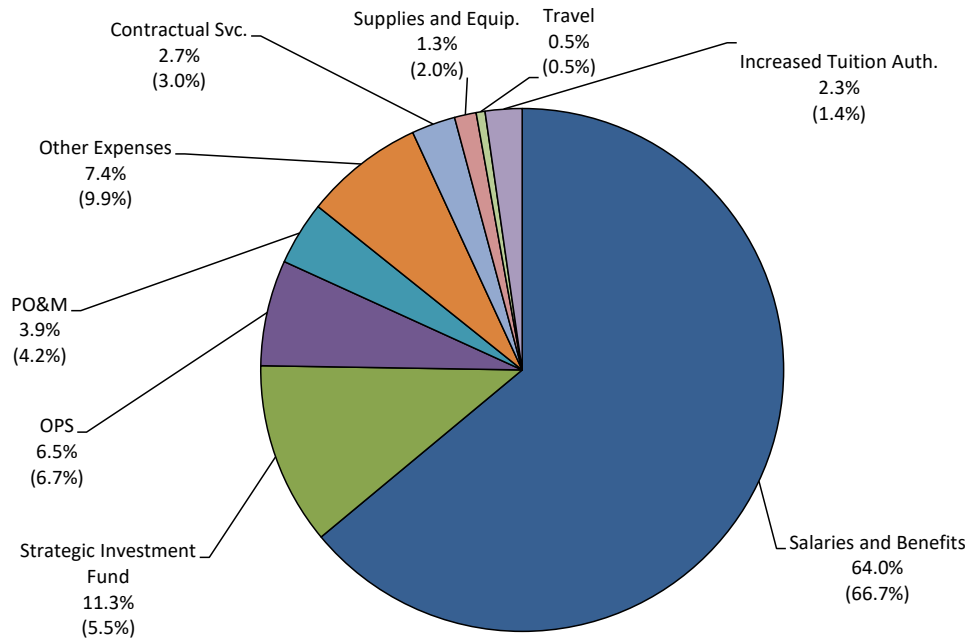
Funding Source	17-18	16-17	Variance
Fungible	\$ 455,749,246	\$ 421,919,497	\$ 33,829,749
Non-Fungible	\$ 381,166,383	\$ 355,696,477	\$ 25,469,906
Total	\$ 836,915,629	\$ 777,615,974	\$ 59,299,655

*Excludes Direct Support Organizations (DSOs)



USF TAMPA 2017-18 FUNGIBLE BUDGET BY EXPENDITURE CATEGORY

Note: All values in ()
are from 2016-17 FY

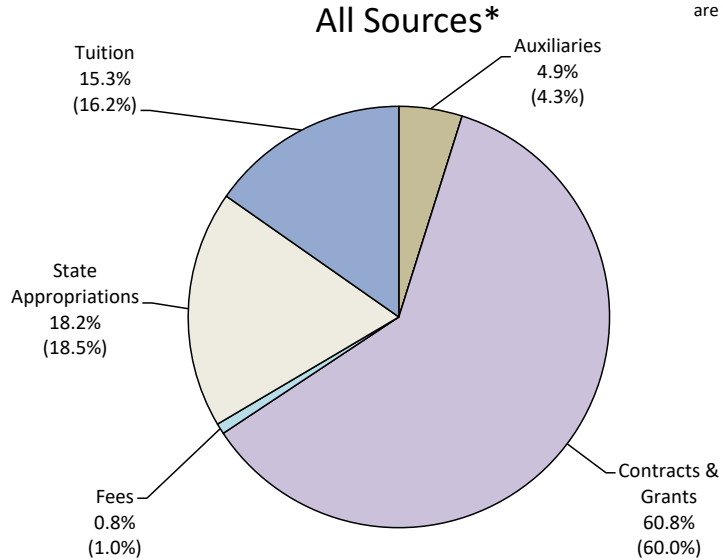


Expenditure Category	17-18	16-17	Variance
Salaries and Benefits	\$ 291,529,972	\$ 281,469,719	\$ 10,060,253
Strategic Investment Fund	\$ 51,463,224	\$ 23,132,809	\$ 28,330,415
Other Expenses	\$ 33,651,710	\$ 41,606,753	\$ (7,955,043)
OPS	\$ 29,816,190	\$ 28,458,447	\$ 1,357,743
PO&M	\$ 17,965,121	\$ 17,841,539	\$ 123,582
Contractual Svc.	\$ 12,337,913	\$ 12,753,998	\$ (416,085)
Increased Tuition Auth.	\$ 10,360,751	\$ 5,924,734	\$ 4,436,017
Supplies and Equip.	\$ 6,122,371	\$ 8,513,299	\$ (2,390,928)
Travel	\$ 2,501,994	\$ 2,218,199	\$ 283,795
Total	\$ 455,749,246	\$ 421,919,497	\$ 33,829,749

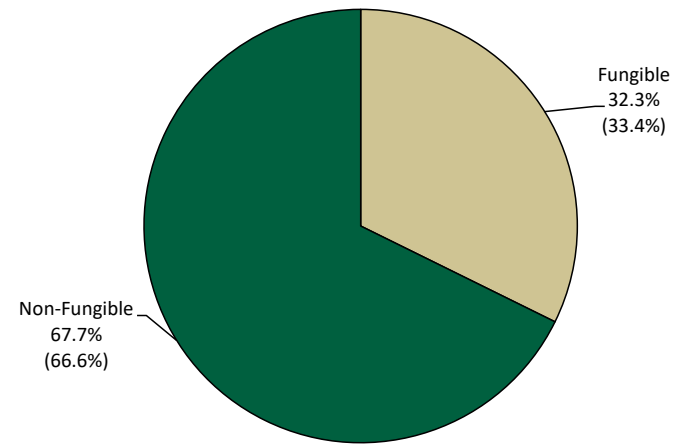


USF HEALTH 2017-18 BUDGETED EXPENDITURES

Note: All values in () are from 2016-17 FY



Fungible versus Non-fungible



Funding Source	17-18	16-17	Variance
Contracts & Grants	\$ 257,607,000	\$ 238,770,000	\$ 18,837,000
State Appropriations	\$ 74,295,524	\$ 70,681,917	\$ 3,613,607
Tuition	\$ 62,448,705	\$ 62,399,807	\$ 48,898
Auxiliaries	\$ 20,578,051	\$ 17,162,385	\$ 3,415,666
Fees	\$ 3,477,823	\$ 4,039,049	\$ (561,226)
State Approp. - Financial Aid	\$ 2,844,144	\$ 2,809,094	\$ 35,050
Tuition - Financial Aid	\$ 2,248,915	\$ 2,297,813	\$ (48,898)
Concessions	\$ -	\$ -	\$ -
Total	\$ 423,500,162	\$ 398,160,065	\$ 25,340,097

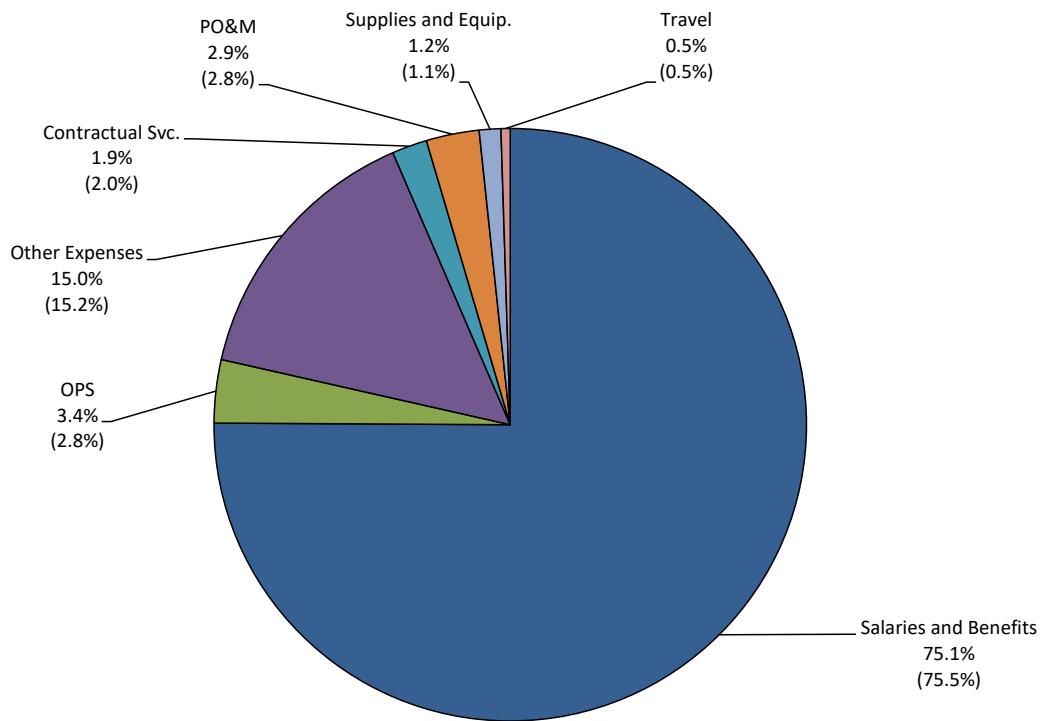
Funding Source	17-18	16-17	Variance
Fungible	\$ 136,744,229	\$ 133,081,724	\$ 3,662,505
Non-Fungible	\$ 286,755,933	\$ 265,078,341	\$ 21,677,592
Total	\$ 423,500,162	\$ 398,160,065	\$ 25,340,097

*Excludes Direct Support Organizations (DSOs)



USF HEALTH 2017-18 FUNGIBLE BUDGET BY EXPENDITURE CATEGORY

Note: All values in ()
are from 2016-17 FY

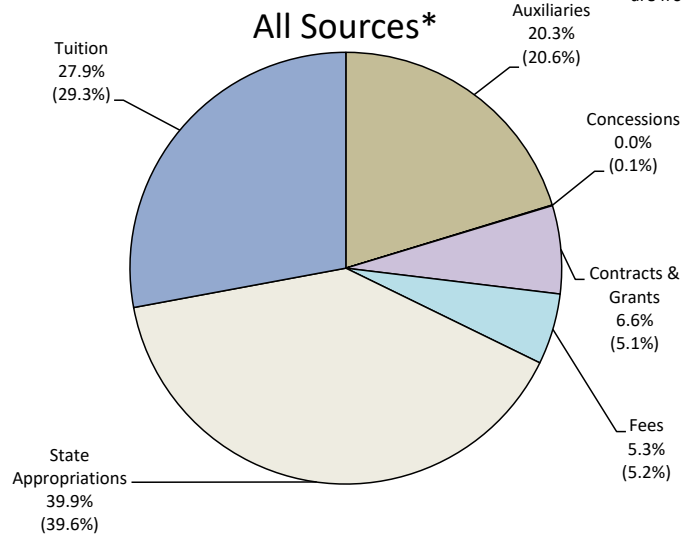


Expenditure Category	17-18	16-17	Variance
Salaries and Benefits	\$ 102,681,860	\$ 100,494,296	\$ 2,187,564
Other Expenses	\$ 20,485,916	\$ 20,294,058	\$ 191,858
OPS	\$ 4,710,705	\$ 3,675,860	\$ 1,034,845
PO&M	\$ 3,952,089	\$ 3,759,887	\$ 192,202
Contractual Svc.	\$ 2,619,885	\$ 2,724,251	\$ (104,366)
Supplies and Equip.	\$ 1,610,187	\$ 1,453,243	\$ 156,944
Travel	\$ 683,587	\$ 680,129	\$ 3,458
Total	\$ 136,744,229	\$ 133,081,724	\$ 3,662,505

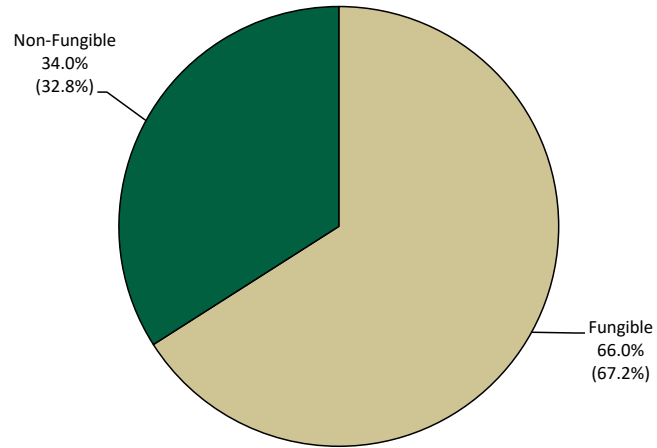


USF ST. PETERSBURG 2017-18 BUDGETED EXPENDITURES

Note: All values in () are from 2016-17 FY



Fungible versus Non-fungible



Funding Source	17-18	16-17	Variance
State Appropriations	\$ 30,913,975	\$ 29,254,319	\$ 1,659,656
Tuition	\$ 20,323,450	\$ 20,425,150	\$ (101,700)
Auxiliaries	\$ 15,756,284	\$ 15,273,635	\$ 482,649
Contracts & Grants	\$ 5,126,000	\$ 3,805,000	\$ 1,321,000
Fees	\$ 4,129,515	\$ 3,847,447	\$ 282,068
Tuition - Financial Aid	\$ 1,376,550	\$ 1,274,850	\$ 101,700
State Approp. - Financial Aid	\$ 59,000	\$ 60,000	\$ (1,000)
Concessions	\$ 37,000	\$ 37,844	\$ (844)
Total	\$ 77,721,774	\$ 73,978,245	\$ 3,743,529

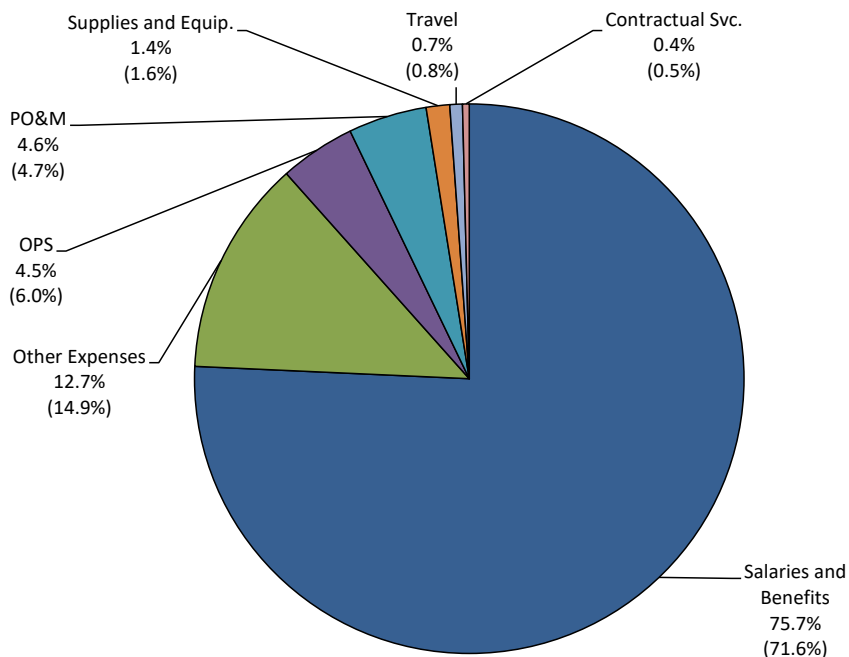
Funding Source	17-18	16-17	Variance
Fungible	\$ 51,274,425	\$ 49,717,313	\$ 1,557,112
Non-Fungible	\$ 26,447,349	\$ 24,260,932	\$ 2,186,417
Total	\$ 77,721,774	\$ 73,978,245	\$ 3,743,529

*Excludes Direct Support Organizations (DSOs)



USF ST. PETERSBURG 2017-18 FUNGIBLE BUDGET BY EXPENDITURE CATEGORY

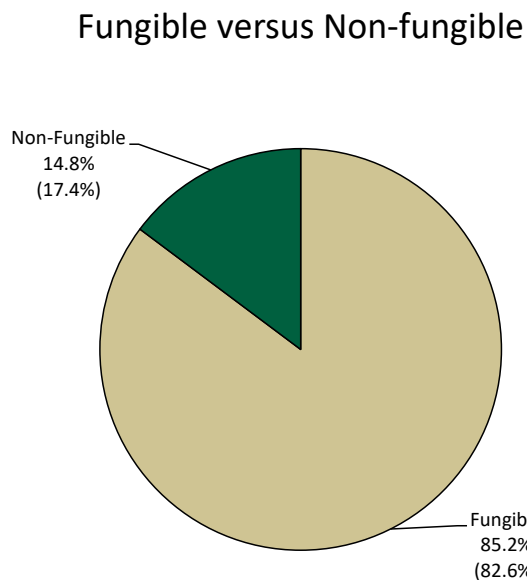
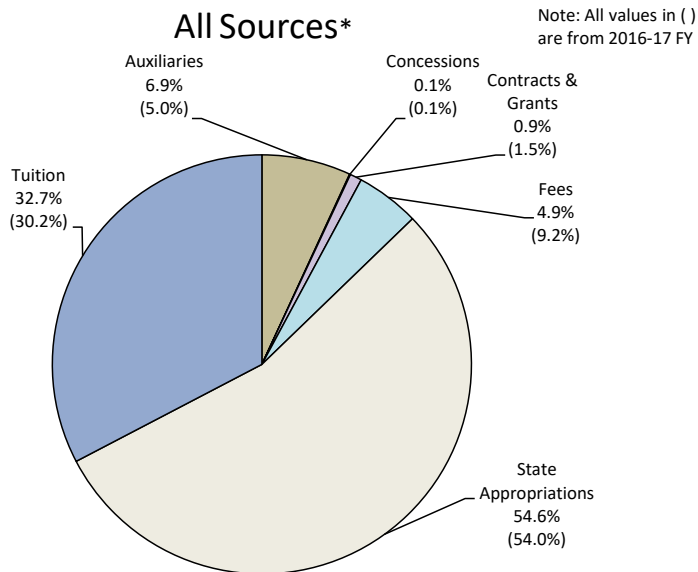
Note: All values in ()
are from 2016-17 FY



Expenditure Category	17-18	16-17	Variance
Salaries and Benefits	\$ 38,823,475	\$ 35,579,341	\$ 3,244,134
Other Expenses	\$ 6,508,442	\$ 7,392,635	\$ (884,193)
PO&M	\$ 2,369,213	\$ 2,356,012	\$ 13,201
OPS	\$ 2,283,320	\$ 2,959,000	\$ (675,680)
Supplies and Equip.	\$ 708,425	\$ 797,725	\$ (89,300)
Travel	\$ 379,300	\$ 383,900	\$ (4,600)
Contractual Svc.	\$ 202,250	\$ 248,700	\$ (46,450)
Total	\$ 51,274,425	\$ 49,717,313	\$ 1,557,112



USF SARASOTA-MANATEE 2017-18 BUDGETED EXPENDITURES



Funding Source	17-18	16-17	Variance
State Appropriations	\$ 16,023,121	\$ 17,146,586	\$ (1,123,465)
Tuition	\$ 9,009,637	\$ 9,074,937	\$ (65,300)
Auxiliaries	\$ 2,021,668	\$ 1,588,574	\$ 433,094
Fees	\$ 1,444,371	\$ 2,932,180	\$ (1,487,809)
Tuition - Financial Aid	\$ 590,000	\$ 524,000	\$ 66,000
Contracts & Grants	\$ 268,000	\$ 473,000	\$ (205,000)
Concessions	\$ 20,000	\$ 18,000	\$ 2,000
State Approp. - Financial Aid	\$ 19,000	\$ 19,000	\$ -
Total	\$ 29,395,797	\$ 31,776,277	\$ (2,380,480)

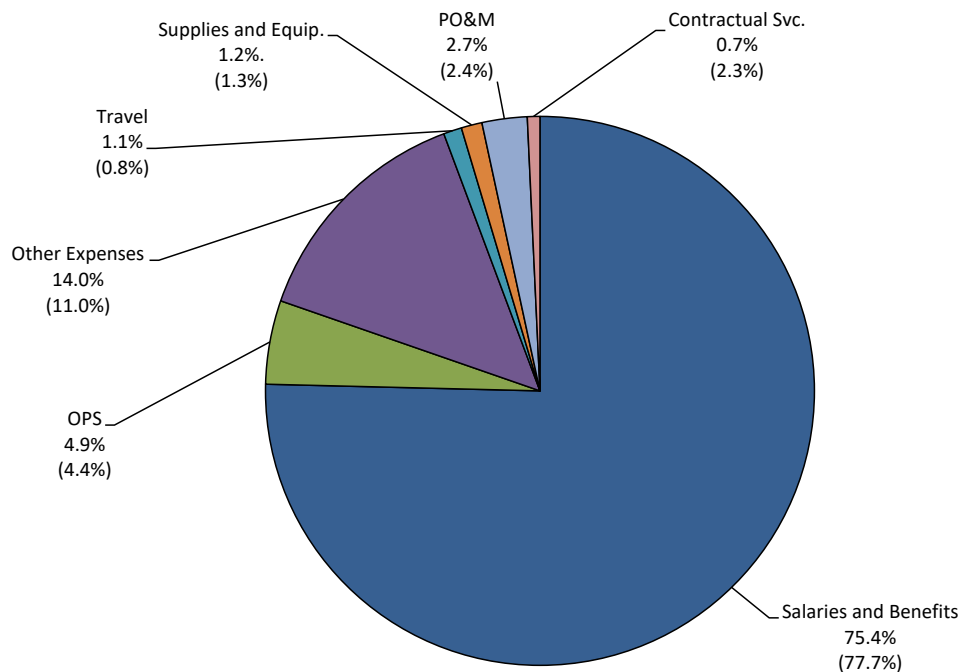
Funding Source	17-18	16-17	Variance
Fungible	\$ 25,052,758	\$ 26,239,523	\$ (1,186,765)
Non-Fungible	\$ 4,343,039	\$ 5,536,754	\$ (1,193,715)
Total	\$ 29,395,797	\$ 31,776,277	\$ (2,380,480)

*Excludes Direct Support Organizations (DSOs)



USF SARASOTA-MANATEE 2017-18 FUNGIBLE BUDGET BY EXPENDITURE CATEGORY

Note: All values in ()
are from 2016-17 FY



Expenditure Category	17-18	16-17	Variance
Salaries and Benefits	\$ 18,886,878	\$ 20,385,925	\$ (1,499,047)
Other Expenses	\$ 3,503,685	\$ 2,891,236	\$ 612,449
OPS	\$ 1,235,285	\$ 1,162,885	\$ 72,400
PO&M	\$ 666,189	\$ 630,127	\$ 36,062
Supplies and Equip.	\$ 307,236	\$ 333,714	\$ (26,478)
Travel	\$ 268,991	\$ 222,876	\$ 46,115
Contractual Svc.	\$ 184,494	\$ 612,760	\$ (428,266)
Total	\$ 25,052,758	\$ 26,239,523	\$ (1,186,765)

Board of Trustees Meeting - New Business - Consent agenda

University of South Florida System
STATE UNIVERSITY SYSTEM OF FLORIDA
2017-2018 OPERATING BUDGET
SUMMARY SCHEDULE I

	Education & General ¹	Contracts & Grants ²	Auxiliaries ³	Local Funds ⁴							Board - Approved Fees	Faculty Practice Plan ⁵	Summary Totals
				Student Activities	Financial Aid	Concessions	Intercollegiate Athletics	Technology Fee	Self-Insurance				
1 Beginning Fund Balance :	\$ 219,791,847	\$ 93,660,622	\$ 194,981,931	\$ 9,961,029	\$ 7,505,910	\$ 1,388,541	\$ 2,184,031	\$ 10,063,344	\$ -	\$ 3,022,851	\$ 29,323,142	\$ 571,883,247	
2													
3 Receipts/Revenues													
4 General Revenue	\$ 377,695,480	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,695,480	
5 Lottery	\$ 43,354,188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,354,188	
6 Student Tuition	\$ 271,423,177	\$ -	\$ 3,546,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 274,969,590	
7 Phosphate Research	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9 Other U.S. Grants	\$ -	\$ 349,457,590	\$ -	\$ -	\$ 325,710,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 675,167,590	
10 City or County Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11 State Grants	\$ -	\$ -	\$ -	\$ -	\$ 40,441,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,441,800	
12 Other Grants and Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13 Donations / Contrib. Given to the State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
14 Sales of Goods / Services	\$ -	\$ 146,000	\$ 78,788,307	\$ -	\$ -	\$ 565,000	\$ 7,018,900	\$ -	\$ -	\$ -	\$ -	\$ 86,518,207	
15 Sales of Data Processing Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
16 Fees	\$ -	\$ -	\$ 61,881,918	\$ 17,377,053	\$ 12,550,000	\$ -	\$ 16,940,684	\$ 9,820,001	\$ 7,917,004	\$ 1,149,477	\$ 186,837,001	\$ 314,473,138	
17 Miscellaneous Receipts	\$ -	\$ 488,000	\$ 53,145,076	\$ -	\$ 75,000	\$ 106,400	\$ 11,703,931	\$ -	\$ -	\$ -	\$ 111,508,878	\$ 177,027,285	
18 Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
19 Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
20 Assessments / Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
21 Other Receipts / Revenues ⁶	\$ 1,322,569	\$ 2,479,000	\$ 34,555,479	\$ 45,000	\$ 7,505	\$ 1,900	\$ 6,300	\$ 12,272	\$ -	\$ 5,106	\$ -	\$ 38,435,131	
22 Subtotal:	\$ 693,795,414	\$ 352,570,590	\$ 231,917,193	\$ 17,422,053	\$ 378,784,305	\$ 673,300	\$ 35,669,815	\$ 9,832,273	\$ 7,917,004	\$ 1,154,583	\$ 298,345,879	\$ 2,028,082,409	
23 Transfers In	\$ 178,645	\$ 122,127,000	\$ 42,508,318	\$ 10,432,320	\$ 21,769,912	\$ 17,418	\$ 9,745,777	\$ -	\$ -	\$ -	\$ -	\$ 206,779,390	
24 Total - Receipts / Revenues:	\$ 693,974,059	\$ 474,697,590	\$ 274,425,511	\$ 27,854,373	\$ 400,554,217	\$ 690,718	\$ 45,415,592	\$ 9,832,273	\$ 7,917,004	\$ 1,154,583	\$ 298,345,879	\$ 2,234,861,799	
25													
26 Operating Expenditures													
27 Salaries and Benefits	\$ 451,723,731	\$ 179,912,413	\$ 67,801,194	\$ 6,015,674	\$ 840,424	\$ 160,000	\$ 14,341,085	\$ -	\$ 600,000	\$ 36,000	\$ 173,537,957	\$ 894,968,478	
28 Other Personal Services	\$ 38,045,000	\$ 76,404,777	\$ 17,369,747	\$ 4,060,087	\$ 103,000	\$ 500	\$ 953,084	\$ 197,400	\$ -	\$ 1,400	\$ 5,319,212	\$ 142,454,207	
29 Expenses	\$ 188,242,045	\$ 153,851,600	\$ 122,291,373	\$ 11,554,436	\$ 384,832,368	\$ 572,827	\$ 23,595,249	\$ 11,500,892	\$ 7,317,004	\$ 1,373,742	\$ 68,468,802	\$ 973,600,338	
30 Operating Capital Outlay	\$ 1,769,018	\$ 2,574,000	\$ 3,337,596	\$ 253,818	\$ -	\$ -	\$ 65,000	\$ 21,592	\$ -	\$ 15,600	\$ -	\$ 8,036,624	
31 Risk Management	\$ 4,209,378	\$ 426,000	\$ 1,112,072	\$ 38,000	\$ -	\$ -	\$ 517,000	\$ -	\$ -	\$ -	\$ -	\$ 6,302,450	
32 Financial Aid	\$ 13,399,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,399,176	
33 Scholarships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
34 Waivers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
35 Finance Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
36 Debt Service	\$ -	\$ -	\$ 3,192,355	\$ -	\$ -	\$ -	\$ 51,500	\$ -	\$ -	\$ -	\$ -	\$ 3,243,855	
37 Salary Incentive Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
38 Law Enforcement Incentive Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
39 Library Resources	\$ 6,658,577	\$ -	\$ 135,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,794,387	
40 Institute of Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
41 Regional Data Centers - SUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
42 Black Male Explorers Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
43 Phosphate Research	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
44 Other Operating Category (Provide Details)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
45 Total Operating Expenditures :	\$ 704,046,925	\$ 413,168,790	\$ 215,240,147	\$ 21,922,015	\$ 385,775,792	\$ 733,327	\$ 39,522,918	\$ 11,719,884	\$ 7,917,004	\$ 1,426,742	\$ 247,325,971	\$ 2,048,799,515	
46													

Board of Trustees Meeting - New Business - Consent agenda

University of South Florida System
STATE UNIVERSITY SYSTEM OF FLORIDA
2017-2018 OPERATING BUDGET
SUMMARY SCHEDULE I

	Education & General ¹	Contracts & Grants ²	Auxiliaries ³	Local Funds ⁴							Board - Approved Fees	Faculty Practice Plan ⁵	Summary Totals
				Student Activities	Student Financial Aid	Concessions	Intercollegiate Athletics	Technology Fee	Self-Insurance				
47 Non-Operating Expenditures													
48 Transfers	\$ -	\$ 61,417,900	\$ 64,835,762	\$ 11,052,320	\$ 14,612,500	\$ 67,418	\$ 5,892,674	\$ -	\$ -	\$ -	\$ 32,642	\$ 51,019,908	\$ 208,931,124
49 Fixed Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50 Carryforward (From Prior Period Funds)	\$ 118,716,239	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51 Other ⁷	\$ 295,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,658
52 Total Non-Operating Expenditures :	\$ 119,011,897	\$ 61,417,900	\$ 64,835,762	\$ 11,052,320	\$ 14,612,500	\$ 67,418	\$ 5,892,674	\$ -	\$ -	\$ -	\$ 32,642	\$ 51,019,908	\$ 327,943,021
53													
54 Ending Fund Balance :	\$ 90,707,084	\$ 93,771,522	\$ 189,331,533	\$ 4,841,067	\$ 7,671,835	\$ 1,278,514	\$ 2,184,031	\$ 8,175,733	\$ -	\$ 2,718,050	\$ 29,323,142	\$ 430,002,510	
55													
56 Fund Balance Increase / Decrease :	\$ (129,084,763)	\$ 110,900	\$ (5,650,398)	\$ (5,119,962)	\$ 165,925	\$ (110,027)	\$ -	\$ (1,887,611)	\$ -	\$ (304,801)	\$ -	\$ -	\$ (141,880,737)
57 Fund Balance Percentage Change :	-58.73%	0.12%	-2.90%	-51.40%	2.21%	-7.92%	0.00%	-18.76%	#DIV/0!	-10.08%	0.00%	-24.81%	

1. The Education and General budget funds the general instruction, research, and public service operations of the universities. Universities have accumulated ending fund balances for activities such as the implementation and maintenance of Enterprise Resource Program systems, contingency for unfunded enrollment growth, potential budget reductions, anticipated increases in utilities, and prior year encumbrances (recorded, estimated liability at year-end for ordered or received goods or services), and compliance with Section 1011.40(2) F.S. on maintaining a 5% reserve.
2. The Contracts and Grants budget contains activities in support of research, public service, and training. Large fund balances are due to the timing of receipt of Federal contracts or grants.
3. Auxiliaries are ancillary support units on each university campus. Some of the major activities include housing, food services, book stores, student health centers, facilities management, and computer support. Ending fund balances includes financial activities such as debt service payments, reserve, repair and replacement reserves for future maintenance costs, construction/renovation of auxiliary facilities, and prior year encumbrances.
4. Local funds include the following university activities:
 - a. Student Activities - Supported primarily by the student activity and service fee and funds operations of the student government, cultural events, organizations, and intramural/club sports.
 - b. Financial Aid - This activity represents the financial aid amounts for which the university is fiscally responsible. Examples include: student financial aid fee, bright futures, federal grants, college work study, and scholarships. The ending fund balance represents a timing difference between the receipts of funds and disbursement to the students.
 - c. Concessions - These resources are generated from various vending machines located on the university campuses.
 - d. Athletics - Revenues are primarily derived from the student athletic fee, ticket sales, and sales of goods. Sufficient fund balances are maintained to provide the necessary support for ongoing athletic activities.
 - e. Technology fee - Collections are used to enhance instructional technology resources for students and faculty.
 - f. Self-Insurance Program - These programs are directed by the respective self-insurance councils and the captive insurance companies (These companies underwrite the risks of its owner and the owner's affiliates.). These activities are supported by premiums charged to the insured individuals and entities (primarily medical faculty and institutions).
 - g. Board-Approved Fees - Student fees proposed by each university and authorized by the Board of Governors to address specific student-based needs not addressed through another service or fee.
5. Faculty Practice - The Faculty Practice Plan collects and distributes income from faculty billings for patient services provided in conjunction with state university medical school programs.
6. Other Receipts/Revenues includes categories such as interest, penalties, refunds, admissions, fines, taxes, etc.
7. Other Non-Operating Expenditures includes categories such as refunds, payment of sales taxes, or indirect costs.

Agenda Item: FL 106

USF Board of Trustees
October 12, 2017

Issue: Need to amend USF System Regulation 4.0095: Employee Debt Collection

Proposed action: Approve the amendment of USF System Regulation: Employee Debt Collection

Executive Summary:

Pursuant to Florida Statute 1010.03, the USF System is directed to exert every effort to collect all delinquent accounts. Regulation 4.0095 provides for the collection of funds owed to the USF System by its employees.

The proposed amendment to Regulation 4.0095 more effectively set forth the procedures for salary overpayments. The amended Regulation includes guidance for USF System departments regarding the methods of overpayment recovery such as retraction of the original payment, automatic reduction of the immediate next payrolls, and set-off procedures.

Financial Impact: NA

Strategic Goal(s) Item Supports Goal: Goal 4 - Sound financial management to establish a strong and sustainable economic base in support of USF's continued academic advancement

Committee Review Date: Finance Committee – 08/17/17

Supporting Documentation Online, (please circle): Yes **No**

[Proposed draft of new Regulation Employee Debt Collection \(redline format\)](#)

[Proposed draft of new Regulation Employee Debt Collection \(clean format\)](#)

USF System or Institution specific: USF System

Prepared by: Patsy Ciaccio, Office of the General Counsel, 813-974-1661



REGULATION

USF System USF USFSP USFSM

Number: USF4.0095
Title: Employee Debt Collection
Responsible Office: Business & Finance

Date of Origin: 8-29-83 **Date Last Amended:** 9-9-14 (technical) **Date Last Reviewed:** 9-9-14

(1) Purpose – Pursuant to Section 1010.03 F.S., the University of South Florida (USF ~~system~~System or USF) is directed to exert every effort to collect all delinquent accounts. The purpose of this ~~regulation~~Regulation is to provide for the collection of funds owed to the USF ~~system~~System by its employees.

(2) Categories of employee debt, grouped according to the department which has responsibility for collection, are as follows:

(a) ~~Travel Advances/Overpayments:~~

(b) Accounts Receivable Charges – Tuition and fees, returned checks and fees, physical education equipment, keys, library fines, learning technologies fines/sales, graduation fees, health services, food services, rental fees, housing, child care, traffic fines, overpayments, copy charges, and other miscellaneous charges:

(c) Loan Repayments – Perkins Loans, USF ~~system~~System student loans, health profession loans, and nursing loans, ~~short-term loans, Scholarship and/or grant repayments.~~

~~(e)~~(d) Short-Term Loans and Scholarships and/or Grants

~~(d)~~(c) Salary Overpayments:

(3) Preliminary collection procedures:

(a) Travel Advances.

1. All employees who receive travel advances must complete and return an expense report immediately upon returning from the trip for which the advance was made.

2. If no expense report is approved and submitted to the University Controller’s Office Travel Department (Travel) within thirty (30) days of the employee’s date of return,

34 notice will be ~~send~~sent to the employee's USF email address that the expense report is
35 overdue.

36 3. If no expense report is received by Travel within sixty (60) days of returning from a trip
37 and excess funds have not been remitted to USF, set-off procedures may be
38 implemented as stated below.

39 (b) Accounts Receivable Charges – Set-off procedures may be implemented for an accounts
40 receivable balance over \$20 when the charges represented by the balance have gone unpaid
41 more than ten (10) days after the employee was notified to either pay the charges or make
42 arrangements for payment of the charges.

43 (c) Loan Repayments – Repayment of Perkins Loans, USF ~~system~~System student loans, health
44 profession loans, and nursing loans is made through a billing service contracted by the USF
45 ~~system~~System. The billing service will send each employee a past due notice at the following
46 intervals after payment is due: fifteen (15) days, forty-five (45) days, sixty (60) days and
47 seventy-five (75) days. At ninety (90) days, the delinquent account is turned over to the USF
48 ~~system~~System and the borrower is contacted by telephone and advised that repayment must
49 be made. If no contact is made, or no reasonable repayment agreement can be made,
50 employee debtors will be sent a letter at their residence informing them that set-off
51 procedures may be implemented. If the employee does not contact the Accounts Receivable
52 Department of Student Financial Services within ten (10) days after receipt of the above
53 letter, set off procedures may be implemented as stated below.

54 (d) Short-Term Loans and Scholarships and/or Grants- Repayment of these accounts are
55 handled entirely by the USF ~~system~~System. The employee responsible for the delinquency
56 will be sent past-due notices at the following intervals after payment is due: 5 days, 10 days,
57 and 2 weeks. The past due notice sent two (2) weeks after payment is due will include a
58 warning that if payment is not received within thirty (30) days, set-off procedures will be
59 implemented.

60 (e) Salary Overpayments.

61 1. When a department identifies that a salary overpayment has occurred, the Payroll Office
62 is contacted to determine the method by which the overpayment can be recovered. exact
63 amount of the overpayment. The department is then responsible for providing written
64 notification of the overpayment to the affected employee. This notification must advise
65 him/her of the overpayment situation and request a response within ten (10) days.

66 a. Retraction of the original payment – this option should be used if the entire check is
67 an overpayment and the payment is recoverable. If not, proceed to options b. or c.
68 below.

69 b. Automatic reduction of the immediate next payroll(s), up to three pay periods - with
70 employee’s notification, this option should be used if the overpaid hours or dollars
71 are 15% or less that the total gross amount of an employee’s paycheck..

72 c. Set-Off Procedures – the amount of the overpayment is determined by the Payroll
73 Department.

74 i.—The department is then responsible for providing written notification of the
75 overpayment to the affected employee. This notification requiring a response,
76 must advise the affected employee of the overpayment situation and request the
77 response within ten (10) days.

78 i._____

79 ii.—At the expiration of this ten (10) day period, if the overpayment has not been
80 repaid or if no response with a reasonable repayment agreement has been
81 received, the department must notify the Payroll Office for implementation of
82 set-off procedures, stated below.

83 ii._____

84 iii._____

85 Set-Off Procedures:

86 v.—The employee is advised by certified letter (return receipt) that he/she/the
87 employee has _ten (10) calendar days to either clear the account, make
88 satisfactory payment arrangements, or submit documentary evidence disputing
89 his/her/the employee’s debt. The employee is also advised of his/her/the
90 employee’s right to administrative review of the decision to set-off his/her/the
91 employee’s debt and deduct sums from the employee’s paycheck.

92 iii._____

93 vi.—If no arrangements have been made at the end of ten (10) days, all evidence of
94 the employee’s debt is reviewed.

95 iv._____

96 vii.—If, upon review, a determination is made that the debt is in fact due and owing,
97 set-off procedures are implemented and the employee is advised in writing of the
98 amount and duration of the deductions from his/her/the employee’s salary that
99 are warranted.

100 v._____

101 ~~viii.~~—

102 ~~Amount of Payroll Deduction:~~

103 ~~In the event that the total amount of the debt is less than ten percent (10%) of the employee's~~
104 ~~biweekly gross salary, the full amount of the employee's debt will be deducted in the first or second~~
105 ~~pay period after the decision to set off the debt is made.~~

106 ~~If the amount of the debt is greater than ten percent (10%) of the employee's biweekly gross salary,~~
107 ~~the amount deducted each pay period will be at least ten percent (10%) of the employee's gross~~
108 ~~salary and will not exceed twenty percent (20%) of the employee's net salary after mandatory~~
109 ~~deductions.~~

110 ~~xiii.vi.~~ In the event that an employee-debtor is terminated or voluntarily leaves the USF
111 ~~system's System's~~ employ, the entire amount of the debt will be deducted from
112 the employee's final paycheck. If the amount is not paid back in full, the
113 outstanding amount and employee information will be sent to Accounts
114 Receivable to source to the USF System's Collection Agent.

115
116 *Authority: Art. IX, Sec. 7, Fla. Constitution and Resolutions issued by the FL Board of Governors.*

117 *History— New 8-29-83, Formerly 6C4-4.095, Amended 8-19-90, 4-27-94, 7-20-95, 7-31-02, 3-16-09,*
118 *9-9-14 (technical).*



REGULATION

USF System USF USFSP USFSM

Number: **USF4.0095**
Title: **Employee Debt Collection**
Responsible Office: **Business & Finance**

Date of Origin: 8-29-83

Date Last Amended: 9-9-14 (technical)

Date Last Reviewed: 9-9-14

(1) Purpose – Pursuant to Section 1010.03 F.S., the University of South Florida (USF System or USF) is directed to exert every effort to collect all delinquent accounts. The purpose of this Regulation is to provide for the collection of funds owed to the USF System by its employees.

(2) Categories of employee debt, grouped according to the department which has responsibility for collection, are as follows:

(a) Travel Advances/Overpayments

(b) Accounts Receivable Charges – Tuition and fees, returned checks and fees, physical education equipment, keys, library fines, learning technologies fines/sales, graduation fees, health services, food services, rental fees, housing, child care, traffic fines, overpayments, copy charges, and other miscellaneous charges

(c) Loan Repayments – Perkins Loans, USF System student loans, health profession loans, and nursing loans

(d) Short-Term Loans and Scholarships and/or Grants

(e) Salary Overpayments

(3) Preliminary collection procedures:

(a) Travel Advances.

1. All employees who receive travel advances must complete and return an expense report immediately upon returning from the trip for which the advance was made.

2. If no expense report is approved and submitted to the University Controller's Office Travel Department (Travel) within thirty (30) days of the employee's date of return, notice will be sent to the employee's USF email address that the expense report is

34 overdue.

35 3. If no expense report is received by Travel within sixty (60) days of returning from a trip
36 and excess funds have not been remitted to USF, set-off procedures may be
37 implemented as stated below.

38 (b) Accounts Receivable Charges – Set-off procedures may be implemented for an accounts
39 receivable balance over \$20 when the charges represented by the balance have gone unpaid
40 more than ten (10) days after the employee was notified to either pay the charges or make
41 arrangements for payment of the charges.

42 (c) Loan Repayments – Repayment of Perkins Loans, USF System student loans, health
43 profession loans, and nursing loans is made through a billing service contracted by the USF
44 System. The billing service will send each employee a past due notice at the following
45 intervals after payment is due: fifteen (15) days, forty-five (45) days, sixty (60) days and
46 seventy-five (75) days. At ninety (90) days, the delinquent account is turned over to the USF
47 System and the borrower is contacted by telephone and advised that repayment must be
48 made. If no contact is made, or no reasonable repayment agreement can be made, employee
49 debtors will be sent a letter at their residence informing them that set-off procedures may be
50 implemented. If the employee does not contact the [Accounts Receivable Department of](#)
51 [Student Financial Services](#) within ten (10) days after receipt of the above letter, set off
52 procedures may be implemented as stated below.

53 (d) Short-Term Loans and Scholarships and/or Grants- Repayment of these accounts are
54 handled entirely by the USF System. The employee responsible for the delinquency will be
55 sent past-due notices at the following intervals after payment is due: 5 days, 10 days, and 2
56 weeks. The past due notice sent two (2) weeks after payment is due will include a warning
57 that if payment is not received within thirty (30) days, set-off procedures will be
58 implemented.

59 (e) Salary Overpayments.

60 1. When a department identifies that a salary overpayment has occurred, the Payroll Office
61 is contacted to determine the method by which the overpayment can be recovered.

62 a. Retraction of the original payment – this option should be used if the entire check is
63 an overpayment and the payment is recoverable. If not, proceed to options b. or c.
64 below.

65 b. Automatic reduction of the immediate next payroll(s), up to three pay periods - with
66 employee's notification, this option should be used if the overpaid hours or dollars
67 are 15% or less that the total gross amount of an employee's paycheck..

- 68 c. Set-Off Procedures – the amount of the overpayment is determined by the Payroll
69 Department.
- 70 i. The department is then responsible for providing written notification of the
71 overpayment to the affected employee. This notification requiring a response,
72 must advise the affected employee of the overpayment situation and request the
73 response within ten (10) days.
- 74 ii. At the expiration of this ten (10) day period, if the overpayment has not been
75 repaid or if no response with a reasonable repayment agreement has been
76 received, the department must notify the Payroll Office for implementation of
77 set-off procedures, stated below.
- 78 iii. The employee is advised by certified letter (return receipt) that the employee has
79 ten (10) calendar days to either clear the account, make satisfactory payment
80 arrangements, or submit documentary evidence disputing the employee’s debt.
81 The employee is also advised of the employee’s right to administrative review
82 of the decision to set-off the employee’s debt and deduct sums from the
83 employee’s paycheck.
- 84 iv. If no arrangements have been made at the end of ten (10) days, all evidence of
85 the employee’s debt is reviewed.
- 86 v. If, upon review, a determination is made that the debt is in fact due and owing,
87 set-off procedures are implemented and the employee is advised in writing of the
88 amount and duration of the deductions from the employee’s salary that are
89 warranted.
- 90 vi. In the event that an employee-debtor is terminated or voluntarily leaves the USF
91 System’s employ, the entire amount of the debt will be deducted from the
92 employee’s final paycheck. If the amount is not paid back in full, the outstanding
93 amount and employee information will be sent to Accounts Receivable to source
94 to the USF System’s Collection Agent.

95

96 *Authority: Art. IX, Sec. 7, Fla. Constitution and Resolutions issued by the FL Board of Governors.*

97 *History– New 8-29-83, Formerly 6C4-4.095, Amended 8-19-90, 4-27-94, 7-20-95, 7-31-02, 3-16-09,*
98 *9-9-14 (technical).*

Agenda Item: FL 107

USF Board of Trustees
October 12, 2017

Issue: President's 2017-2018 Goals

Proposed action: Approval of President Genshaft's 2017-2018 Proposed Goals

Executive Summary:

President Genshaft's 2017-2018 Proposed Goals are based on BOG and BOT approved USF System Work Plans and USF Tampa Preeminence Plan. In addition, some proposed goals are tied to the respective strategic plan that effects the USF System. Governance Committee recommended updates are included (breakdown of goals for USF Health and Athletics and leadership role modeling expanded).

Strategic Goal(s) Item Supports:

Supporting Documentation Online: **Yes** **No**

President's 2017-2018 Goals

USF System or Institution specific: **USF System**

Prepared by: Dr. Cynthia Visot, Chief of Staff

USF System President July 2017-June 2018 PROPOSED GOALS

GOAL 1: Research

- Research & Innovation will continue to work to enhance the USF System ranking in the top 10% in total research expenditures for research universities as per the annual NSF Higher Education Research & Development Survey of research institutions' classification.
- Research & Innovation will promote externally sponsored research in order to remain at or above the FY2016-17 mark of \$475.2 million in contracts and grants and awards.
- Research & Innovation will continue to exceed the Florida BOG Preeminence metrics for USF Tampa unless noted related to research as reported in Emerging Preeminence Plan*:
 - Science & Engineering Research Expenditures - \$434M (2017-18)
 - Non-Medical Sciences Research Expenditures - \$237M (2017-18)
 - National Ranking in S.T.E.M. Research Expenditures = 8 of 8 disciplines (2017-18)
 - Patents Awarded - 276 for 2016-2018 for 3-year period
 - National Academy Members – 10 (2018)
 - Postdoctoral appointees – 260 (Fall 2017)

**Performance Goals based on those approved by BOT and BOG in the recent USF System Work Plan and Emerging Preeminence Plan*

- Research & Innovation will continue to foster an innovative culture and promote the intellectual property of faculty, students and staff to be in the top 25% nationally when compared to individual institutions in patents, licensing and commercialization activities.
- In acknowledgement of the commitment that the USF System has to the citizens of Florida, Research & Innovation will continue to enhance the workforce and increase employment opportunities in our community and state by partnering with others to attract new business to our area and propelling start-up companies to success.
- Research & Innovation will seek out and nurture business partnerships, economic development initiatives and economic engagement opportunities for the USF System in order to remain at or above the FY 2016/17 mark of 416 industry-related grants and contracts (e.g., industry investments, SBIR, STTR, State of Florida investments in SBIR/STTR). ***

****Goal has been modified to be consistent with the Florida SUS Board of Governors-approved Research Dashboard, established on unique count of industry partners, whether they have one or multiple contracts/modifications, to provide an accurate measure of business partnerships.*

- *USF Health and its affiliates will increase the amount of NIH grants and contract awarded by 5% over FY2017.*

GOAL 2: Revenue Generating Funds including Fundraising

Fundraising

- Raise \$80 million or more in total gifts and commitments for the USF System (USF Health \$16.6M; Athletics \$15M; USF SP \$3M; USF S-M \$3M)
- Increase the endowment through a combination of gifts and investments in adherence to our policy.
- Maintain top quartile (better than 75% of others) ranking in NACUBO long-term endowment ranking.
- Complete a fundraising feasibility study and analysis for a football stadium

Finance

- The USF System will retain its positive bond ratings by Moody's Investor Service (AA2) as well as its S&P ratings.
- Complete a financial feasibility study and analysis for a football stadium.

GOAL 3: Student Success*

The USF System will continue to demonstrate progress toward meeting Florida Performance Based Funding metrics at a higher level and USF (Tampa) will continue to demonstrate progress toward meeting the 12 metrics for Florida Preeminence status as well as four primary and four secondary performance indicators of institutional breadth and quality in research and education for AAU membership eligibility.

- Academic progress rate for the summer/fall 2016 FTIC cohort for the USF System – 87.5%¹
(USF Tampa 91%²; USF St. Petersburg 73%¹; USF Sarasota-Manatee 82%¹)
- 6-year graduation rate for the summer/fall 2011 FTIC cohort for the USF System – 70%¹
(USF Tampa 71%²; USF St. Petersburg 36%¹; USF Sarasota-Manatee N/A)
- 4-year graduation rate for summer/fall FTIC 2013 cohort (fulltime students only) for the USF System – 53%¹
(USF Tampa 56%²; USF St. Petersburg 30%¹; USF Sarasota-Manatee 35%)
- Average High School GPA for Fall 2017 FTICs for USF (Tampa) - 4.1³
- Average 2-section SAT score for Fall 2017 FTICs for USF (Tampa) – 1280³
- Total Doctorates awarded in AY 2017/18 - 655
- Percentage of baccalaureate students graduating in AY 2016/17 without excess hours for the USF System – 77.5% (USF Tampa 77%; USF St. Petersburg 77%; USF Sarasota-Manatee 78%)
- Percentage of baccalaureate degrees awarded in areas of strategic emphasis in AY 2017/18 for the USF System - 59.5 (USF Tampa 62%; USF St. Petersburg 45%; USF Sarasota-Manatee 45%)
- Percentage of graduate degrees awarded in areas of strategic emphasis in AY 2017/18 for the USF System – 74.2% (USF Tampa 78%; USF St. Petersburg 30.2%; USF Sarasota-Manatee 20%)
- Percentage of bachelor's graduates enrolled or employed one year after graduation (2015-16 graduates) USF System – 70.5% (USF Tampa 70%; USF St. Petersburg 71.0%; USF Sarasota-Manatee 72.8%)
- Median Wages of Bachelor's Graduates Employed Full-time one-year after graduation (\$25,000+) (2015-16 graduates as defined by BOG) USF System - \$38,600 (USF Tampa \$38,500; USF St. Petersburg \$36,600; USF Sarasota-Manatee \$40,700)
- USF Health will enhance academic excellence, student access and student success through enhancement of student space, focus groups with students, tracking system for student satisfaction and performance, application screenings and admissions, and licensure exam preparations. The mean MCAT scores for the incoming Fall 2017 MCOM class will equal or exceed 514. The mean US Medical Licensing Examination Step 2 Scores for medical students will exceed 245.

*Performance Goals approved by BOT and BOG in recent Work Plans; Due to lapse in reporting, 2015/16 & 2016/17 goals are used in some metrics

¹ Reflects the **Performance Based Funding (PBF)** definition and methodology of retention rate (FTIC 2nd year retention rate with GPA > 2.0) and 6-year graduation rate (cohort = Full- and Part-Time) or 4-year graduation rate (cohort = Full-Time) from the home campus only. This does not include "swirl" data for all students retained and graduating across the USF System.

² Reflects the **preeminence** definition and methodology of retention rate (IPEDS definition of a cohort = Full-Time) and 6-year or 4-year graduation rate (IPEDS definition of a cohort = Full-Time)

³ Student Profile metrics (HS GPA and SAT) are captured in the BOG Work Plans only as a **preeminence** metric thus goals for USF Tampa is reflected

GOAL 4: Strategic Initiatives

USF System

- Analyze the brand research completed during 2016-17 academic year, develop a comprehensive plan (deliverable in approximately 6 months), and in partnership with USF System leadership, the new Chief Marketing Officer will begin to execute the plan to reposition USF's brand.
- Refine and enhance the BOT approved USF System Strategic Plan including quantitative metrics on community engagement and reputation.
- USF System will continue to advance its strategies and programs that foster a culture of inclusion and diversity. Specifically, during the next year the USF System will finalize the Supplier Diversity Strategic Plan, launch a comprehensive supplier diversity website and develop a coordinated effort across all institutions as it relates to our supplier diversity programs. USF System will also continue to serve as a national model for attracting, retaining and graduating (including being a national leader for the competitive student achievement gap) the most diverse students and faculty, and for defining best practices in their success.
- USF System leadership will continue to work with the Legislature and Governor to achieve as many 2017-18 approved priorities as possible. Leadership will also continue to work to secure additional BOG Florida Performance Based Funding that would benefit the USF System.

Leadership

- USF System President will continue to engage in leadership positions on the Local, National and Global levels to enhance the University's role and status. As a role model to others, the President will encourage leadership to actively engage their respective communities.

8/31/17

Agenda Item: FL 108

USF Board of Trustees
October 12, 2017

Issue: USFSP Proposed Public-Private Partnership (P3) Housing Development Project

Proposed action: Request the BOT approve a multi-use development project and enter into a ground sublease agreement with National Campus and Community Development Corporation (NCCDC), or an affiliate; request the Florida Board of Governors approve the project and approve the terms of the ground sublease agreement; and provide an effective date as outlined in the attached resolution.

Executive Summary:

The USFSP Vision 20/20 Strategic Plan projects a steady rise in student enrollment over the next 10 years. In addition, the university has already exceeded capacity to meet current student housing demand. In response to growing demand for on-campus housing, USFSP developed an Invitation to Negotiate (“ITN”) to solicit responses from interested parties to enter into a public private partnership agreement with the University to develop a new 550 bed residence hall with a new dining facility and a conference center. The University is seeking approval for a Private Entity to design-build-finance the new facilities consistent with the University’s objectives and Florida BOG P3 Guidelines. The Project has a target date of completion of August 2019.

Financial Impact:

The public private partnership allows for major capital improvements to be done on the St. Petersburg campus with modest impact to the financial position of the University.

Strategic Goal(s) Item Supports: Infrastructure to Meet Current and Future Needs
Sustainable Funding
Student Success and Culture

BOT Committee Review Date: August 17, 2017

Supporting Documentation Online (please circle):

Yes

No

[Sublease
Resolution
Presentation](#)

USF System or Institution specific: USFSP

Prepared by: Joseph Trubacz, Regional Vice Chancellor Administrative & Financial Svcs



Student Housing Project Presentation

October 2017



PROJECT CONCEPT

Meets all BOG P3 Guidelines WITH NO EXCEPTIONS



Project Overview

- ◆ 552 beds (538 revenue-generating beds)
- ◆ 15,000 GSF residential dining facility
- ◆ 21,135 GSF conference center on top floor
- ◆ Delivered in Fall 2019

PROJECT CONCEPT

PARTNER DETAILS

- ◆ EdR was selected as partner in May 2017
- ◆ EdR has extensive on-campus development and management experience
 - Development: ~23,000 beds delivered in last 10 years (equal to \$1.7 billion in development costs)
 - Management: ~17,900 beds at 18 institutions

EdR Tax Exempt Project Examples

Tax-exempt Structures			
	University of California, Berkeley	Shepherd University	West Chester University of Pennsylvania
Type of Development	Housing and dining renovation	Housing, dining and retail	Suite-style housing
Ownership/ Financing	<ul style="list-style-type: none"> ▪ University-affiliated 501(c)(3) ▪ Tax-exempt bond financing ▪ 30-year term 	<ul style="list-style-type: none"> ▪ University-affiliated 501(c)(3) ▪ Tax-exempt bond financing ▪ 40-year term 	<ul style="list-style-type: none"> ▪ University-affiliated 501(c)(3) ▪ Tax-exempt bond financing ▪ 30-year term

PROJECT DEFINITION

ENROLLMENT PROJECTIONS

USFSP Full-Time Enrollment Projections for Demand

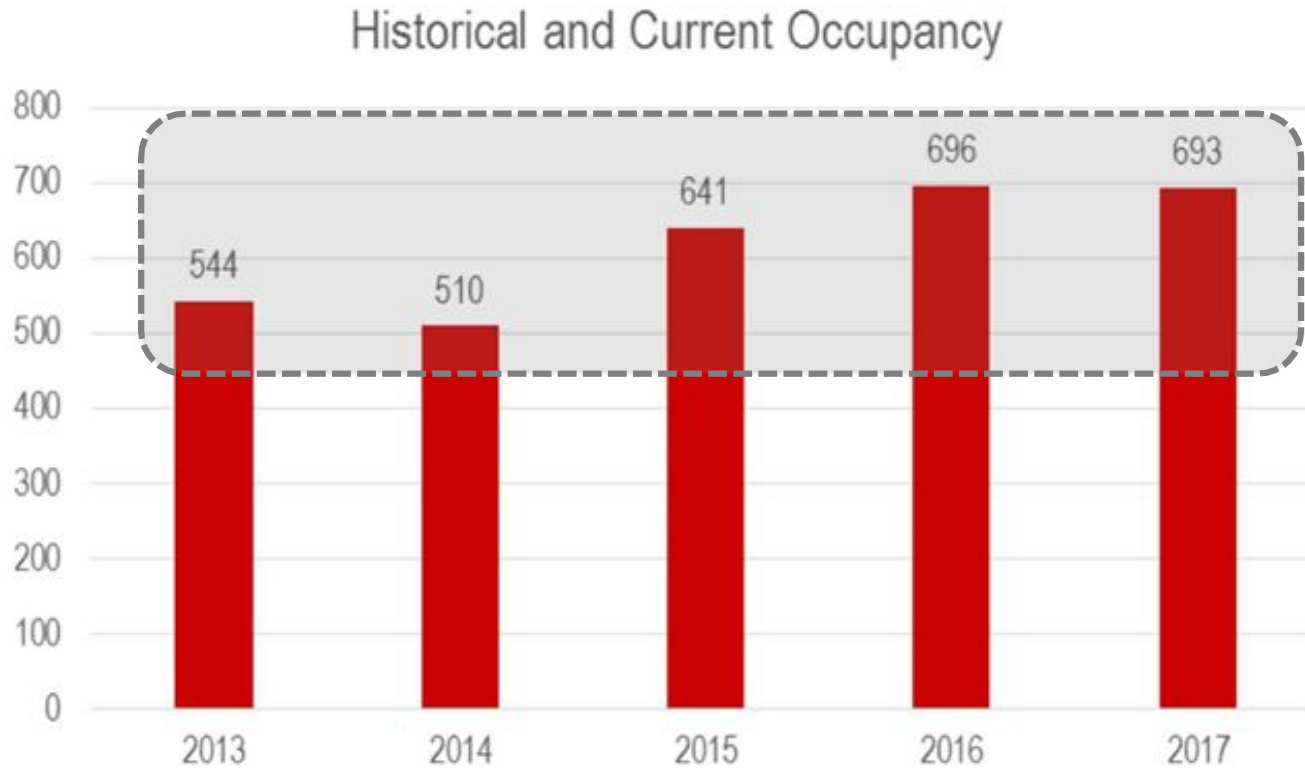
Academic Classification	Actual Enrollment		Projections								
	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025
Freshman	549	656	689	723	759	797	837	879	923	969	969
Sophomore	378	422	451	481	513	547	583	620	660	701	701
Junior	765	763	793	825	859	894	931	969	1,009	1,050	1,050
Senior	966	935	964	996	1,029	1,062	1,097	1,134	1,172	1,212	1,212
Graduate	143	168	206	216	227	238	250	263	276	290	290
TOTAL	2,801	2,944	3,103	3,241	3,387	3,538	3,698	3,865	4,040	4,222	4,222

Enrollment numbers above were utilized to inform demand projections

PROJECT DEFINITION

STUDENT HOUSING DEMAND TRENDS

USFSP Fall Housing Occupancy Trends



**Fall 2017 occupancy assumes 78 students in Hilton / Prince Gregor Apts.*

Growing demand has led to maximum occupancy in existing facilities

PROJECT DEFINITION

P3 OBJECTIVES

Impact of St. Petersburg Off-Campus Market

- ◆ **Lack of affordable student housing near campus**
 - On-campus housing directly impacts retention and graduation rate
- ◆ **Students leave USFSP due to lack of affordable housing in downtown (Fall 2017 rental rates shown below)**
 - AER Apartments – 2 bedroom units start at \$1,225 / month including utilities (equal to \$5,513 / semester)
 - *Will not rent to students*
 - Cottonwood Bayview (formerly Modera Prime 235) – 2 bedroom units start at \$1,068 / month including utilities (equal to \$4,804 / semester)
 - Hermitage Apartments (Opening Fall 2017) – 2 bedroom units start at \$1,218 / month including utilities (equal to \$5,479 / semester)

P3 HOUSING

RENTAL RATE COMPARISON

Rental Rates

	Unit Type	Rental Rate 2019	P3 Rental Rate 2019	Differential	
				Dollars	Percent
On Campus	Hilton Double	*\$4,984 / Semester	\$4,600 / Semester	-\$384 / Semester	-8.3%
	USC Double	\$4,505 / Semester	\$4,600 / Semester	+\$95 / Semester	2.1%
	RHO Single	\$4,671 / Semester	\$4,800 / Semester	+\$129 / Semester	2.7%
**Off Campus	AER Apts. - 2BR	\$5,849 / Semester	\$4,800 / Semester	-\$1,049 / Semester	-21.9%
	Cottonwood - 2BR	\$5,097 / Semester	\$4,800 / Semester	-\$297 / Semester	-6.2%
	Hermitage Apts. - 2BR	\$5,813 / Semester	\$4,800 / Semester	-\$1,013 / Semester	-21.1%
Survey Rates	2/1 Suite DO	\$4,571 / Semester	\$4,600 / Semester	+\$29 / Semester	0.6%
	2/1 Suite SO	\$5,770 / Semester	\$4,800 / Semester	-\$970 / Semester	-20.2%
	4/2 Suite SO	\$4,808 / Semester	\$4,800 / Semester	-\$8 / Semester	-0.2%

*Hilton is projected to come offline in Fall 2019, but rental rate is being utilized as comparison in this chart

**Off-campus rates assume 3% annual inflation between Fall 2017 and Fall 2019

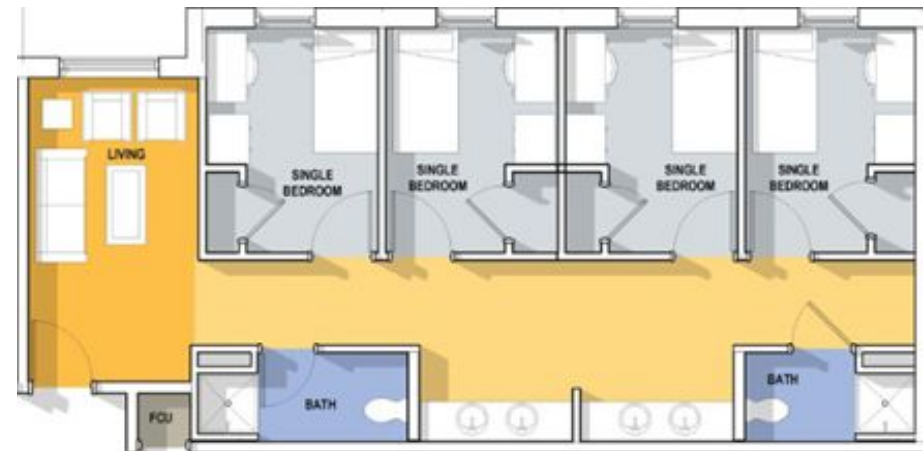
- ◆ Rates are priced competitively with the existing housing system
- ◆ Rental rates are comparable with those tested in survey
- ◆ Students living in the Hilton will experience a reduced rental rate
- ◆ Nearby off-campus inventory is priced significantly higher than the new project – most will also not rent to students

P3 HOUSING

PROGRAM

Housing Program

Unit Description	Bed Count	Net SF / Unit	Net SF / Bed	Net SF
4-Bed / 2-Bath Suite (SO)	288	829	207	59,688
2-Bed / 1-Bath Suite (DO)	248	556	139	34,472
2-Bed / 1-Bath Suite (SO)	2	243	243	486
Revenue-Generating Beds:	538	696	176	94,646
RA Beds (SO)	14	243	243	3,402
Total Beds:	552	654	178	98,048



P3 HOUSING

OPERATIONS / PROJECT DELIVERY

Operations

- ◆ Within the parameters of debt covenants, annual rate increases will be established by a USFSP-controlled advisory committee
- ◆ New and existing USFSP housing operations to be transferred to EdR, resulting in reduced operating costs
- ◆ Budget includes mandatory repair and replacement reserves for long-term asset management

Project Delivery

- ◆ EdR chose to deliver 538 revenue beds, as well as dining and conference space, for Fall 2019 to comprehensively meet University objectives and quantified 2019 student demand
- ◆ USFSP transfers budget, occupancy, construction, and financing risk to EdR

Existing housing system cash flow is not supporting the new project

P3 HOUSING

DISTRIBUTIONS

Distributions

- ◆ USFSP receives 100% of cash flow after debt service and expenses, estimated at \$23mm discounted at 8% over 40-year term
- ◆ USFSP receives annual reimbursement of \$600 per bed for Residence Life and \$225 per bed for USFSP IT services
- ◆ USFSP receives one-time contributions of \$1,054,000 for parking and \$500,000 for predevelopment cost reimbursement
- ◆ EdR team receives 5.00% of project cost one-time development fees, and \$132,000 for one-time foundation partnership fees
- ◆ EdR team annually receives 4.00% of project revenue as management fee (of which 1.50% subject to meeting Key Performance Indicators) and \$87,000 for foundation partnership fees
- ◆ EdR team receives 11.90% taxable interest on subordinate corporate debt (\$4.7mm) – The overall weighted interest rate average is 5.20%

P3 NON-HOUSING COMPONENTS

DINING / CONFERENCE CENTER / PARKING

- ◆ **Full Service Dining Program and Operations**
 - New full service dining program replaces existing limited service facility
 - 15,000 GSF – Kitchen doubles as cooking area for conference center
 - Seats up to 400 students (equal to 1/3 of residential population)
 - Sodexo is guaranteeing \$600,000 in commissions to be returned to USFSP (USFSP will utilize these funds to support dining debt service)
 - Sodexo is financially responsible for operations
- ◆ **Conference Center Program and Operations**
 - 21,135 GSF – Ballroom, breakout rooms, and lobby
 - Sodexo is contributing \$5 million in equity upfront for the buildout and an additional \$600,000 for FF&E
 - Sodexo is financially responsible for operations
 - Sodexo will be providing commission to USFSP
- ◆ **Parking Contribution**
 - EdR upfront parking contribution for lost spaces equals \$1.05 million

FUNDING MODEL COMPARISON

COMPARISON MATRIX

Project Delivery Methods	USFSP P3 - 501(c)(3) (No Sub Debt)	USFSP P3 - 501(c)(3) (10% Sub Debt)	USFSP P3 100% Equity	USF Self Fund Housing System Debt
Assumptions				
Net New Revenue-Generating Beds	538 Beds	538 Beds	538 Beds	195 Beds
Net New Total Beds	552 Beds	552 Beds	552 Beds	200 Beds
Student Rental Rates	Consistent with BOT-Approved Rental Rates in 2019-2020	Consistent with BOT-Approved Rental Rates in 2019-2020	Consistent with BOT-Approved Rental Rates in 2019-2020	Consistent with BOT-Approved Rental Rates in 2019-2020
Housing Construction Cost Per Bed	\$60,300	\$60,300	\$60,300	\$64,927 (Fall 2020 Delivery)
Total Housing / Conference / Dining Cost	\$49,428,634	\$49,428,634	\$49,428,634	\$22,586,080 (Housing / Dining Only)
Dining Facility Cost	\$6,000,000	\$6,000,000	\$6,000,000	\$3,323,295
Dining Facility Funding Sources	Sodexo repays shell and buildout debt through annual commission	Sodexo repays shell and buildout debt through annual commission	Sodexo repays shell and buildout debt through annual commission	Sodexo repays shell debt through annual commission / Sodexo funds buildout
Conference Center Cost	\$5,006,254	\$5,006,254	\$5,006,254	N/A
Conference Center Funding Sources	Equity Funded by Sodexo	Equity Funded by Sodexo	Equity Funded by Sodexo	N/A
Residence Life Operating Cost / Bed	\$600	\$600	\$600	\$800
USFSP IT / Cable Cost / Bed	\$225	\$225	\$225	\$225
Facilities & Maintenance Cost / Square Foot	\$2.62	\$2.62	\$2.62	\$3.00
Parking Contribution	\$1,054,000	\$1,054,000	\$1,054,000	No Parking Contribution
Ground Lease Term	40 years (30 year bond)	40 years (30 year bond)	50 years	N/A
Minimum Facility Life	62.5 years	62.5 years	62.5 years	62.5 years
Delivery Risks				
Project Delivery Date	Fall 2019	Fall 2019	Fall 2019	At Earliest - Fall 2020
Deliver Dining Facility	Included	Included	Included	Included
Deliver Conference Center	Equity Funded by Operator	Equity Funded by Operator	Equity Funded by Operator	Not Funded by Operator
Project Delivery Risk Transfer	Private Partner	Private Partner	Private Partner	Design-Builder
Operating Risks				
Occupancy Assumption	95%	95%	95%	95%
Required Residential Policy Changes: First Fill / Live-on / Reduction in Existing Housing	No	No	Developer Requirement	No
Required Control over Operations / Performance: Marketing / Leasing / Maintenance	University's Choice	University's Choice	Developer Requirement	University
Facilities Management	Private Partner	Private Partner	Private Partner	Private Partner

USFSP / EdR collaborated to evaluate and model all partnership options

FUNDING MODEL COMPARISON

COMPARISON MATRIX

Project Delivery Methods	USFSP P3 - 501(c)(3) (No Sub Debt)	USFSP P3 - 501(c)(3) (10% Sub Debt)	USFSP P3 100% Equity	USF Self Fund Housing System Debt
Financial Risks				
% Project Funded with Senior Debt	100%	90%	0%	100%
Term of Senior Debt	30 years	30 years	N/A	30 years
Credit Rating	Baa3	Baa3	N/A	A1 - USF Housing System
Rate on Senior Debt	4.46%	4.46%	N/A	5.00% (State's Official Bond Rate)
Term of Subordinated Debt	N/A	30 years	N/A	N/A
Credit Rating	N/A	Private Partner Debt	N/A	N/A
Rate on Subordinated Debt	N/A	11.9%	NA	N/A
Term of Equity	N/A	N/A	Equal to ground lease term	N/A
Internal Rate of Return (IRR)	N/A	N/A	9.17% (Return on Capital)	N/A
Weighted Average Rate on Project Debt	4.46%	5.20%	9.17% (Return on Capital)	5.00% (State's Official Bond Rate)
DSCR Year 1	1.20x	1.31x	N/A	1.02x (1.26x Housing System)
DSCR Year 2	1.20x	1.36x	N/A	1.05x (1.29x Housing System)
DSCR Year 3	1.22x	1.40x	N/A	1.08x (1.33x Housing System)
USFSP Share of Project Net Cash Flow	100%	100% after Subordinated Debt Payment	100% after Equity Payment	100%
40 Years Cumulative Project Cash Flow	\$178 MM	\$166 MM	\$96 MM	\$60 MM
40 Years Net Project Cash Flow (discounted at 8%)	\$24.8 MM	\$23.0 MM	\$8.1 MM	\$7.8 MM
Risk to University Credit Ratings	Limited	Limited	Low	Direct
Risk to University Debt Capacity	Limited / No Impact	Limited / No Impact	No Impact	Direct
Risk for USFSP Project Step-In	Moderate	Moderate / Low Moderate	Low	Low
Institutional Risks				
USFSP Guarantees Occupancy	No	No	Developer Requirement	No
USFSP Support Agreements / Subordinated Expenses	No	No	Developer Requirement	No
Rental Rates Control	University	University	Developer Requirement	University
Assignments / Marketing / Leasing Control	University	University	Developer Requirement	University
Buyout Option	Call Bonds at Par	Call Bonds at Par	Purchase Equity Interest at Premium	Call Bonds at Par
Additional Bed Development Restriction	Market Study	Market Study / Sub Debt Retirement	Market Study / Hold Harmless	None
Mandatory Replacement Reserve	\$150 / bed	\$150 / bed	\$150 / bed	\$200 / bed
University Competitive Position Value	Positive	Positive	Positive	Positive
Force Majure Events	Insured	Insured	Insured	Insured

USFSP / EdR collaborated to evaluate and model all partnership options

FUNDING MODEL COMPARISON

501(C)3 WITH 10% Sub Debt VS USF Housing System Debt

USFSP P3 Housing Project	501(c)3 with 10% subordinated debt	USF Self Fund Housing System Debt
Net New Total Beds	552	200
Total Project Cost	\$49,428,634	\$22,586,080
Project Completion Date	August 2019	August 2020
Ground Lease Term	40 Years	N/A
Min. Certified Useful Life	62.5 years	62.5 years
Debt Service Coverage Ratio	1.31x Year 1	1.02x Year 1
EdR Total Management Fee Debt Service on B-Bond	Up to \$217,502 first year \$618,314	N/A
USFSP Cash Flow over 40 yrs	\$23 MM (discounted at 8%)	\$7.8 MM (discounted at 8%)
Construction, Financial and Operating Risks	Transferred to P3	Retained
Weighted Cost of Debt	5.2%	5.0% (State's Bond Rate)

FUNDING MODEL SELECTION

FINANCIAL PERFORMANCE

Financial risk for the project is reduced due to high debt coverage ratios in initial operating years

- ◆ Project still achieves a 1.20 DCR in Year 1 at 86% occupancy
- ◆ Project still achieves a 1.20 DCR in Year 1 if expenses exceed the budget by \$450,000
- ◆ Project still achieves a 1.10 DCR in Year 1 at 80% occupancy

RECOMMENDATION

MODEL SELECTION

The recommended structure is the 501c3 with subordinate EdR corporate debt because:

- ◆ Ability to meet student housing demand in Fall 2019
- ◆ Effective transfer of risk:
 - **Construction delivery risk**
 - **Occupancy risk**
 - **Operating risk**
 - **Asset management risk**
- ◆ Strength of financial structure (1.30x DCR in Year 1 and beyond) and cash flow is returned to USFSP
- ◆ Ability to include the mixed-use components (dining / conference center), which are funded by Sodexo
- ◆ 10% of project debt provided through subordinate EdR corporate debt that functions as equity, enhancing DSCR
- ◆ Preserve University debt capacity
- ◆ Alignment with BoG Guidelines – No exceptions

NEXT STEPS

- ◆ BoG materials submission due by August 11th submitted August 4th
- ◆ USFSP Campus Board approved August 11th
- ◆ USF BOT Strategic Initiatives Committee Meeting approved on August 17th
- ◆ USF BOT approval is scheduled for October 12th
- ◆ BoG approval is scheduled for November 8-9th

EdR's SITE PLAN



SUBLEASE AGREEMENT

between

THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

and

[Insert name of entity]

ARTICLE NUMBER	PAGE NUMBER
ARTICLE 1 PROPERTY	3
ARTICLE 2 TERM.....	5
ARTICLE 3 RENT	6
ARTICLE 4 DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS.....	8
ARTICLE 5 USE AND CARE OF PROPERTY BY TENANT.....	18
ARTICLE 6 OPERATIONS AND ADVISORY COMMITTEE.....	20
ARTICLE 7 UTILITY INSTALLATION.....	27
ARTICLE 8 ALTERATIONS OR IMPROVEMENTS BY TENANT	27
ARTICLE 9 REMOVAL OF PERSONALTY AND OTHER PERSONAL PROPERTY FROM THE IMPROVEMENTS.....	28
ARTICLE 10 ACCESS TO PROPERTY	28
ARTICLE 11 ALL MAINTENANCE AND REPAIRS BY TENANT.....	29
ARTICLE 12 NO REPAIRS BY LANDLORD; NO PRE-EXISTING CONDITIONS.....	29
ARTICLE 13 DEFAULT	29
ARTICLE 14 DAMAGE AND DESTRUCTION	32
ARTICLE 15 ASSIGNMENT AND SUBLETTING; CHANGE IN OWNERSHIP	33
ARTICLE 16 ACCORD AND SATISFACTION.....	34
ARTICLE 17 MECHANICS AND MATERIALMENS' LIENS.....	34
ARTICLE 18 LEASEHOLD MORTGAGES.....	34
ARTICLE 19 WAIVER.....	37
ARTICLE 20 WAIVER OF LIABILITY/INDEMNIFICATION	38
ARTICLE 21 SURRENDER AND HOLDING OVER.....	39
ARTICLE 22 CONDEMNATION	40
ARTICLE 23 EXCEPTIONS TO DEMISE	41
ARTICLE 24 SUBLEASE INURES TO BENEFIT OF ASSIGNEES.....	42
ARTICLE 25 QUIET ENJOYMENT	42
ARTICLE 26 NO PARTNERSHIP.....	42
ARTICLE 27 NOTICES.....	42

ARTICLE 28 LANDLORD’S AND TENANT’S MARKS.....	44
ARTICLE 29 INTEREST	44
ARTICLE 30 WAIVER OF JURY TRIAL.....	44
ARTICLE 31 NOT CONSENT TO SUE; GOVERNING LAW	45
ARTICLE 32 FORCE MAJEURE	45
ARTICLE 33 MASTER LANDLORD’S WAIVER.....	46
ARTICLE 34 ENVIRONMENTAL MATTERS.....	46
ARTICLE 35 RADON GAS.....	47
ARTICLE 36 BROKERS.....	47
ARTICLE 37 LANDLORD’S APPROVALS.....	48
ARTICLE 38 MEMORANDUM OF SUBLEASE.....	48
ARTICLE 39 OFAC.....	48
ARTICLE 40 RIGHTS OF WAY AND LICENSES.....	49
ARTICLE 41 TENANT’S REPRESENTATIONS AND WARRANTIES.....	49
ARTICLE 42 MISCELLANEOUS.....	50
Exhibit A	Copy of Master Lease and Lease Modification Agreement
Exhibit B	Description of Property
Exhibit C	List of Encumbrances
Exhibit D	Description of Staging Site
Exhibit E	Acknowledgement of Expiration Date
Exhibit F	Form of Memorandum of Lease
Exhibit G	List of Exclusive Agreements with University

SUBLEASE AGREEMENT

This SUBLEASE AGREEMENT ("Sublease") is made as of the Effective Date (as hereinafter defined), between THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES, a public body corporate of the State of Florida ("Landlord"), and [Insert name of entity] ("Tenant"), a single member limited liability company the sole member of which is National Campus and Community Development Corporation ("NCCD"). Landlord and Tenant are each referred to herein as a "Party" and together, the "Parties".

WITNESSETH:

WHEREAS, Landlord (as successor in interest to the Board of Regents of the State of Florida) has entered into a Lease Modification Agreement dated April 29, 1999, Lease No. 2735 with the State of Florida Board of Trustees of the Internal Improvement Trust Fund ("Master Landlord") (collectively, the "Master Lease"), a copy of which is attached hereto as **Exhibit A** and incorporated by reference, pursuant to which Landlord leases its St. Petersburg campus ("SPC") from Master Landlord;

WHEREAS, Landlord is authorized to enter into this Sublease pursuant to the provisions of the Master Lease and Section 1013.171(1), Florida Statutes;

WHEREAS, Landlord's institutional missions through the University of South Florida (the "University") include teaching, research and service on the campus of the University of South Florida (the "University"), located in St. Petersburg, Florida (the "SPC");

WHEREAS, the availability of safe, quality on-campus student housing and dining on SPC which encompasses convenient, well-appointed accommodations within proximity to classrooms, offices, and campus facilities and amenities is an objective of Landlord in entering into this Sublease and related agreements;

WHEREAS, Landlord does not have sufficient student housing facilities and dining facilities available on SPC to meet the current or projected needs and demand for student housing facilities;

WHEREAS, Landlord desires to develop a mixed use residential community which will include approximately 550 beds and associated residential space (the "Housing Component"), approximately 15,000 square feet of dining space (the "Dining Component" which together with the Housing Component is referred to as the "Project");

WHEREAS the Landlord also plans to develop the top floor of the building where the Project will be located with approximately 25,000 square feet of conference center space (the "Conference Center Component") that will not be a part of the Project;

WHEREAS, Landlord, in an effort to use its resources in an efficient and effective manner, has determined that it is in Landlord's best interest to pursue an arrangement whereby a qualified

private entity shall provide planning, programming and financial analysis, debt financing, design, construction, management, operation, maintenance and repair of the Project on land leased by Landlord from the State of Florida located on SPC;

WHEREAS, Landlord's objectives in entering into this Sublease include addressing student needs and the institutional mission of the Landlord by creating an environment which promotes a living/learning community concept; providing facilities and resources supportive of residents in and out of class activities; assuring residents a level of comfort and security in housing facilities on SPC; accommodating a staffing structure which supports attainment of these goals to support the expansion of student life programming, community building and integration of the University with the City of St. Petersburg;

WHEREAS, Landlord issued USFSP Student Housing Development Project ITN# 17-06 – GC including the above terms, and EDR Collegiate Housing (the "Developer") submitted the best and final offer;

WHEREAS, in order to finance the costs of the Project with the lowest cost of capital the Developer has proposed Landlord sublease the Property (defined below) to the Tenant;

WHEREAS, Landlord desires to sublease the Property (defined below) to Tenant, and Tenant desires to sublease the Property from Landlord pursuant to the terms, conditions, covenants, and provisions of this Sublease and the terms of the Operating Agreement dated [____], 2017 by and between Landlord and Tenant, as may be amended from time to time (the "Operating Agreement");

WHEREAS, to accommodate the inclusion of the Conference Center Component within the building, Tenant intends to subject its leasehold interest in the Property to a leasehold commercial condominium (the "Condominium"), pursuant to Chapter 718, Florida Statutes (the "Condominium Law") in accordance with the provisions of a Declaration of Condominium of USF St. Petersburg Communities to be executed by Tenant and recorded among the public records of Pinellas County, Florida, and any other related condominium documents (together, the "Condominium Documents"), which will establish one (1) Student Residential Unit, which will comprise the Housing Component and the Dining Component and one (1) Conference Center Unit, which will comprise the Conference Center Component contemplated in this Sublease;

WHEREAS, Tenant will retain ownership of the Student Residential Unit and will transfer the Conference Center Component to Landlord;

WHEREAS, Tenant expects and intends that the acquisition, construction, furnishing, and equipping of the Project will be financed through the issuance by the City of St. Petersburg (the "Issuer") of its revenue bonds (together with any bonds issued to redeem or refund the same, the "Bonds") pursuant to a Trust Indenture (as the same may be amended, supplemented, and or restated in accordance with the provisions thereof, the "Indenture") between the Issuer and

[insert name], as trustee (together with its successors and assigns in such capacity, the "Bond Trustee") the proceeds of which will be lent by the Issuer to Tenant in accordance with the provisions of a Loan Agreement (as the same may be amended, supplemented, and or restated in accordance with the provisions thereof and of the Indenture, the "Loan Agreement");

WHEREAS, Tenant will subject the Student Residential Unit to the terms and provisions of this Sublease; and

WHEREAS, Landlord will be responsible for the acquisition, construction, furnishing, equipping, operations and management of the Conference Center Component.

NOW THEREFORE, for and in consideration of the covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1
PROPERTY

A. Demise and Description of the Property. Landlord does hereby lease, demise and let unto Tenant, and Tenant does hereby lease, rent, and hire from Landlord, certain real property (the "Property") described on Exhibit B, being a portion of SPC, for purposes of financing, designing, constructing, operating, and managing the Project on the terms outlined herein. The Property shall be leased by Landlord to Tenant in its current condition, "AS-IS, WHERE-IS, AND WITH ALL FAULTS". Tenant acknowledges and agrees that Tenant has had the opportunity to fully inspect the Property and accepts the Property "AS-IS, WHERE-IS, AND WITH ALL FAULTS". The Property and the Project shall be collectively referred to herein as the "Premises." The leasehold estate created by this Sublease in the Property shall constitute the "Sublease Estate."

B. Use of Premises. Tenant shall use and occupy the Premises only for the Permitted Use (as defined herein) in accordance with the provisions of this Sublease and the Operating Agreement. The Permitted Use shall be: (1) designing, engineering, constructing, managing and operating the Project, (2) using the Housing Component and the Dining Component of the Project for the benefit of Eligible Residents, as defined herein; (3) subleasing the Conference Center Component and the Dining Component to the University or other qualified sublessee (collectively, the "Permitted Use").

For purposes of the Housing Component, "Eligible Residents" shall mean, in order of acceptance priority, (i) students registered in an academic program at the University; (ii) regular full time faculty of the University; (iii) visiting faculty serving at the University on a temporary basis; (iv) staff of Landlord; (v) persons or groups participating in any activity, conference, or program sponsored by Landlord; and (vi) persons or groups participating in any activity, conference, or program sponsored by a third party that Landlord has pre-approved the date and time in writing.

The Project shall not be used for any purpose other than a Permitted Use without the advance written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion and without regard to any reasonableness standard or other limitation on such discretion.

C. Title to Improvements and Personalty.

(i) Landlord acknowledges and agrees that title to (i) all improvements comprising the Project, including, but not limited to, all buildings, structures, Building Systems, as defined in (iv) below, fixtures, utility lines, pipes, connections, and other infrastructure constructed or installed on the Property by Tenant, other than the utility lines, connections, and other infrastructure which Tenant is required to transfer by any governmental authority to any governmental authority or to Landlord and (ii) any and all equipment, furniture, furnishings, appointments and other personal property to be located therein and paid for by the Tenant, regardless of whether such items are affixed or attached to the Property in any manner (collectively, the "Personalty"), whether now or hereafter acquired during the Initial Term or any Renewal Term (collectively, the "Term"), is and shall remain the sole property of Tenant during the Term. After the date the Term expires or this Sublease is terminated if it is terminated prior to the natural expiration of the Term, any Personalty left on the Property shall be deemed to be a part of the Project unless Landlord provides Tenant notice of Landlord's desire that Tenant remove the Personalty from the Property.

(ii) The Property is being subleased by Landlord to Tenant in accordance with the terms of the Master Lease, subject to all easements, restrictions, and other matters recorded in the public records of Pinellas County which encumber the Property as of the Effective Date, and as may be amended from time to time, which are listed on Exhibit C attached hereto, and any agreements entered into by Landlord that encumber the Property and future documents of record as long as such future documents (i) do not impair Tenant's ability to use the Premises for the Permitted Use (ii) do not impair Tenant's other rights under this Sublease (collectively, the "Permitted Exceptions") and (iii) Landlord bears the cost associated with granting any future easements. Tenant shall have the sole right to claim all depreciation with respect to the Project and Personalty during the Term.

(iii) Except as specifically provided herein, upon the expiration or the earlier termination of this Sublease, title to the Project and any Personalty that Tenant has not removed from the Property within the time period permitted for such removal shall automatically be transferred to Landlord or if Landlord requests, transferred by bill of sale or other documents reasonably requested by Landlord. Notwithstanding this provision, Landlord may, at its sole discretion, require Tenant to remove all Tenant Improvements/Personalty at Tenant's sole cost and expense upon the expiration or earlier termination of this Sublease.

(iv) If and when Tenant transfers the Project to Landlord it shall represent and warrant the following: (a) Tenant owns the Project, (b) no other party holds a lien or any other interest

related to the Project, and (c) the Project and the Property have been maintained as required by this Sublease. Tenant shall deliver the Property to Landlord in good condition, ordinary wear and tear excepted, with all Building Systems (as hereinafter defined) in good working order, ordinary wear and tear excepted. As used herein, the term "Building Systems" shall mean the collective reference to the HVAC, mechanical, electrical, and plumbing components of the Project; expressly excluding any audio/visual system, any telephone system, any internet system, and any security/alarm system in the Project. Upon the expiration or the earlier termination of this Sublease, Tenant shall provide Landlord with copies of maintenance records for the Project and any information in Tenant's possession or control relating to the non-compliance of the Property or the Project thereon with Applicable Laws (as defined herein) pertaining to life-safety, if any, for the five (5) years prior to the date of expiration or earlier termination of the Term.

(v) Tenant shall cooperate in the execution of any documents (in form and substance reasonably acceptable to Tenant and Landlord) which are deemed desirable by Landlord to confer title to the Project upon Landlord and in good working order and maintained as required by this Sublease.

(vi) Tenant shall hold a leasehold interest in the Property. During the Term, Tenant shall own the Project. In no event shall Tenant be deemed to hold a fee simple interest in the Property.

D. Landlord acknowledges and agrees, upon completion of the Project, to permit the submission by Tenant of its leasehold interests in the Property to the Condominium in order to create separate condominium units, consisting of the Student Residential Unit and the Conference Unit, respectively, each having a separate legal description for the components contemplated therein, and to memorialize the respective ownership, rights and obligations of Landlord, Tenant and NCCD with regard to the condominium units and common elements so created. In addition, Landlord agrees to join in the applicable Condominium Documents, which shall be prepared by Landlord's counsel, subject to Tenant's approval, not to be unreasonably withheld, conditioned or delayed, and any amendments to this Sublease, as may reasonably be necessary in order to effectuate and implement the Condominium in a manner consistent with the Condominium Law and the purposes and intents of this Sublease. Landlord further agrees, upon request of Tenant, to execute a Joinder and Consent thereto in order to evidence its approval of the Condominium Documents; provided, however, that nothing contained herein or in such Joinder and Consent shall be deemed to constitute the agreement of Landlord to presently subject its fee simple ownership of the Property to the condominium form of ownership, it being agreed that only Tenant's leasehold interests in the Property pursuant to this Sublease is being converted to the condominium form of ownership by Tenant.

ARTICLE 2
TERM

A. Initial Term: Tenant shall have and hold the Property subject to the conditions, covenants, and agreements herein set forth for a term commencing on the Effective Date and ending on the date (the "Expiration Date") that is the last day of the fortieth annual anniversary of the date of Substantial Completion (as defined in this Sublease), unless the debt is paid in full and Landlord elects to take title to the Property, in that case, the Expiration Date is the date the debt is paid in full. Upon the request of either Party, the other Party shall execute and deliver a written acknowledgment of the Expiration Date when such date is established in the form of the "Acknowledgement of Expiration Date" attached to this Sublease as Exhibit E, provided, however, a Party's failure to execute and deliver such acknowledgment shall not affect either Party's rights hereunder.

B. Option to Purchase. Landlord shall have the option to purchase the Sublease Estate, from Tenant, any time after _____ 1, 2027 by delivering written notice to Tenant. The purchase price for the Sublease Estate shall be the price equal to the then outstanding par amount of the Bonds, accrued interest to the date of redemption of the Bonds and all costs incurred in the early redemption of the Bonds.

ARTICLE 3
RENT

A. Base Rent: Throughout the Term of this Sublease, Tenant covenants and agrees to pay to Landlord as Base Rent an amount equal to the Net Available Cash Flow. Until such time as the Bonds and all obligations of Tenant under the Loan Agreement shall have been paid in full, the Net Available Cash Flow shall mean and refer to the amount available to be paid to Landlord in accordance with the provisions of the Indenture, including particularly, Section ____ thereof, within thirty (30) days of receipt by Tenant and the Bond Trustee of the annual financial statements and audit report for the corresponding Annual Period (as defined in the Loan Agreement) provided to the Bond Trustee in accordance with the provisions of the Loan Agreement.

B. After the Bonds and all obligations of Tenant under the Loan Agreement shall have been paid in full, Net Available Cash Flow shall mean and refer to the excess, if any, of (a) the gross amount of all rents and all other revenues received in any way or manner from the ownership, use and operation of the Project during each Annual Period over (b) the aggregate of all costs and expenses of the Project paid or incurred during that same Annual Period in connection with the ownership, use, management, operation, maintenance, repair, marketing, promotion and furnishing of the Project, including, but not limited to, the cost and expense of any electric, telephone, internet, cable television, water, sanitary sewer, gas, and any other utility service to the Project, all debt service payments to the holders of all leasehold mortgages encumbering the Project permitted by this Sublease, and all reserves required or permitted under the terms of this Sublease and the Operating Agreement or under the terms of any leasehold indebtedness secured by Tenant's leasehold interest under this Sublease. If the Net Available Cash Flow for any year is zero (0) or a negative amount, no Base Rent shall be paid to Landlord

hereunder, and it is understood that Landlord is under no obligation, express or implied, to contribute or pay Tenant for any such deficit in Net Available Cash Flow. For purposes of this Sublease, Landlord agrees that Tenant may, in each year of this Sublease, charge rates, fees and charges for the units comprising [the Housing Component] sufficient to comply with all of the covenants and agreements of Tenant contained in the Loan Agreement. Payment of all Base Rent and all other sums due to Landlord under this Sublease shall be made payable to Landlord and delivered to Landlord at the address shown in Section 27 hereof or at such other place as Landlord may notify Tenant from time to time.

C. Additional Rent and Tenant Payments. The term "Additional Rent" shall mean all amounts required to be paid by Tenant under this Sublease other than the Base Rent identified above. The term "Rent" shall mean collectively, Base Rent and Additional Rent. Tenant shall also be responsible for and shall pay at the same time as the payment of Rent, all sales and use taxes assessed by the State of Florida or any other governmental entity on the amount of such Rent or the value of the leasehold interest created hereby or on any other sums due under this Sublease. Landlord acknowledges that payment by Tenant of any Additional Rent hereunder, shall, until such time as the Bonds and all obligations of Tenant under the Loan Agreement shall have been paid in full, reduce the Net Available Cash Flow on a dollar-for-dollar basis.

D. Net Lease. This Sublease is a net lease. The Parties acknowledge and agree that Landlord would not enter into this Sublease if the Rent described in this Sublease were not absolutely net to Landlord and if Landlord were to incur any current or future cost, expense or liability whatsoever, foreseen or unforeseen, with respect to (i) the Project, (ii) the Property or any portion thereof, (iii) the entitlement of the Property, (iv) other costs related to or necessary for the development of the Property, (v) the construction of the Project or any portion thereof, (vi) Tenant's use of the Property, or (vii) Tenant's exercise of any other of its rights under this Sublease. Accordingly, Tenant shall pay all expenses, costs, taxes, fees and charges of any nature whatsoever arising in connection with or attributable to the Property or the Project (collectively, the "Property Costs") (in each case, arising from and after the Effective Date), or in any manner whatsoever arising as a result of Tenant's exercise of, or Landlord's grant of, the rights described in this Sublease, including, without limitation, all fees of consultants, documentary stamp taxes, sales taxes, intangible personal property taxes, ad valorem real estate taxes, costs of design, permitting and construction of the Project, accounting and attorney's fees, capacity charges, connection fees, impact fees, utility charges and insurance premiums. Notwithstanding the foregoing, in the event the construction and installation of the Project necessitates the enhancement, replacement, upsizing, repair or improvement of utilities infrastructure or stormwater facilities, including, without limitation, water, sewer, stormwater, telephonic and/or electrical lines or other facilities, servicing other portions of SPC (in addition to the Property) (collectively, the "Utility Lines"), then Tenant shall be required to pay, and shall pay, for the costs to connect to the existing Utility Lines to service the Project. Tenant's obligations shall specifically include, but not be limited to, its share of any concurrency obligations, on-site infrastructure improvements, off-site infrastructure improvements, proportionate share payments, and other costs payable with respect to the construction or use of the Project.

E. Payment Provisions. Tenant shall pay all Rent and all other charges due under this Sublease without notice or demand and without any deductions, set-offs, counterclaims, abatements, suspensions or defenses of any kind. It is the intention of the Parties that the obligations of Tenant shall be separate and independent covenants, that the Rent and all other costs, expenses and charges payable by Tenant shall continue to be payable in all events, and that the obligations of Tenant shall continue unaffected unless the requirement to pay or perform the same shall have been terminated or modified pursuant to an express provision of this Sublease. Tenant shall pay and be responsible for all costs, expenses, obligations, liabilities, and acts necessary to and for the proper use, operation, maintenance, repair, replacement, care, occupancy, or use (as appropriate) of the Property, the Project, and any other landscape or hardscape elements related to the Property or the Project arising from and after the Effective Date. Tenant waives all rights now or in the future conferred by law to quit, terminate, or surrender this Sublease or the Property or to any abatement, suspension, deferment, or reduction of the Rent or any costs, expenses, obligations, or charges under this Sublease, except as expressly provided in this Sublease.

F. Default Rate. If Tenant fails to pay as and when due any amounts due to Landlord, then, in addition to any other remedies available to Landlord under this Sublease, Tenant shall pay Landlord interest on any amount due at the Default Rate (as hereinafter defined), from the date the amount is due until it is paid by Tenant.

G. Payment Obligations. Tenant shall pay or reimburse Landlord for other costs or expenses incurred by Landlord in connection with this Sublease, the Property, or the Project.

H. Survival. This Article shall survive the expiration or earlier termination of this Sublease.

ARTICLE 4 DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS

A. Minimum Requirements. Tenant shall at its sole cost and expense, finance, construct, and operate and manage the Project. The Project must at a minimum: (a) have the Housing Component and the Dining Component open no later than for the 2019 fall semester to accommodate at least 550 Eligible Residents; and (c) be designed to be compatible with SPC as reasonably determined by Landlord, which determination shall not be unreasonably delayed, withheld or conditioned, as long as Tenant complies with the terms of this Sublease.

B. Design. Tenant shall enter into the Development Agreement dated as of [_____], 2017 (the "Development Agreement") by and between Tenant and the EdR Development LLC (the "Developer") pursuant to which the Developer will be obligated to engage architects, space planners, engineers, and other design personnel licensed to practice in the State of Florida and coordinate the production of drawings and specifications for the Project. All design work will be done by an architect or firm of architects licensed by the State of Florida

that is selected by Tenant and the Developer pursuant to the Development Agreement (the "Architect") and that executes an architect's agreement (the "Architect's Agreement") with the Developer. The cost of all professional engineering, surveying, design, and architectural services required by Tenant to prepare the site, design, and construction plans will be paid by Tenant. The design and construction shall meet all applicable published design and construction standards and requirements for a State of Florida public facility set forth in: (i) University of South Florida Facilities Design and Construction Guidelines and Standards located at <http://www.usf.edu/administrative-services/facilities-planning/guidelines-standards/design-construction-guidelines.aspx>; (ii) the USF System 2015-2025 Campus Master Plan, (iii) the St. Petersburg Master Plan in effect on Effective Date, (iv) the USF System 2015-2025 Campus Master Plan, the St. Petersburg Master Plan, (v) the State Requirements for Educational Facilities (November 19, 2012); (vi) Landlord's general conditions and sustainability, safety, security, insurance and privacy requirements; and (vii) Landlord's communication and information technology standards, software and hardware and other policies, rules and regulations of Landlord, as each such standards and requirements may be amended from time to time being referred to collectively herein as the "University Standards"), and the Florida Building Codes applicable to buildings owned and occupied by Landlord of a similar type and nature. Notwithstanding the foregoing, Tenant, or the Developer on Tenant's behalf, may submit written requests for reasonable variances from University Standards, and Landlord and Tenant shall work in good faith to resolve any such issues, provide that such variances shall not impact the structural integrity of the construction of the Project, be contrary to the Florida Building Code, or impact any life safety requirements under Applicable Law. Additionally, the University shall not take any action which would cause a change in the University Standards or other building or development codes or the design standards of the University or the University's governing body, which are applicable to the design, development or construction of the Project, unless such changes are beneficial to the Project as agreed upon by both parties. In addition to any sets of Plans and Specifications (as hereinafter defined) or other design documents that must be provided to Landlord's codes personnel in connection with permitting and otherwise exercising its legal responsibilities relating to the Project and to Landlord's committees which will review the Plans and Specifications as provided below, design documents related to the Project will be made reasonably available to Landlord's Facilities Planning and Construction department personnel for review at a central file room maintained by Tenant during all phases of the design effort in Room ____ of the _____ Building located on SPC. Landlord's Facilities Planning personnel shall provide reasonable prior written notice to Tenant before accessing such central file room. In designing the Project, Tenant's shall cause the Developer to take into account architectural designs and ambiance of SPC, the location of the Project, and the necessity that the final design complements other buildings and facilities in the surrounding area.

The Plans and Specifications shall be subject to the approval of the University's President or the President's designee with respect to the site orientation, location, and exterior appearance and compliance with the requirements of this Sublease, such approval not to be unreasonably withheld or delayed provided the Plans and Specifications comply with the requirements of this Sublease. Landlord shall have fifteen (15) Business Days from receipt of three sets of the Plans

and Specifications to notify Tenant in writing of its approval or rejection. Failure to respond within the fifteen (15) Business Days shall be deemed an approval. If Landlord rejects the Plans and Specifications, Landlord shall deliver to Tenant, within such fifteen (15) Business Day period, detailed written objections with specific changes proposed by Landlord. Tenant shall incorporate such revisions as are reasonably acceptable to Tenant and submit the same for Landlord's approval or rejection, Landlord having an additional five (5) Business Days in which to approve or reject. Failure to respond within five (5) Business Days shall be deemed an approval. The Parties shall follow the foregoing procedures for approving the Plans and Specifications until the same are finally approved by Landlord and its Facilities Management Department (such final approval, the "Landlord's Plans Approval"). The term "Plans and Specifications" shall mean the final construction drawings and specifications for the Project and any other exterior alterations to the Property or any area on which any work is to be done.

With respect to the construction of the Project, Tenant hereby grants a security interest in, and collaterally assigns to the Landlord, any and all of its respective right, title, and interest in and to all Plans and Specifications, drawings, renderings, studies, contracts and marketing material of any kind relating to the Project and the potential development of the Property, now or hereafter existing (collectively, "**Development Work Product**"), effective automatically and without further action. This Sublease shall constitute a security agreement with respect to the aforementioned security interest, and authorizes Landlord to file Uniform Commercial Code financing statements with respect thereto, so that Landlord can perfect its security interest therein. Landlord's rights under this Article IV are subordinate to the rights in favor of any leasehold mortgagee. Tenant shall cause all Development Work Product expressly to provide that Landlord has the right to use the Development Work Product without further approval or compensation; and Tenant hereby authorizes Landlord's use of same. Promptly upon request of the Landlord from time to time, Tenant shall execute such assignments and assurances as the Landlord may request to perfect the assignment of the Development Work Product to the Landlord. Tenant will indemnify, defend and hold harmless the Landlord and Master Landlord from and against any and all costs, claims or liabilities, including mechanic's and materialmen's liens, caused by the failure of Tenant to fully pay for all Development Work Product or any adverse claim to or lien upon the Development Work Product. Tenant's obligations pursuant to this Article 4 shall survive termination of this Sublease. [The Landlord reserves its rights to reuse the Development Work Product, as provided in Section 287.055(10), Florida Statutes, for a project other than the Project on terms mutually agreeable to the Landlord and Tenant.]

Tenant shall be required to obtain all zoning type authorizations necessary to construct the Project and any associated infrastructure through Landlord's committee review process and building permits through Landlord's codes office. Landlord shall use cooperative efforts to assist Tenant in obtaining all zoning type authorizations and building permits necessary to construct the Project (collectively, the "Landlord Building Permits"); provided, that, no representative of Landlord shall be obligated to exercise any undue or otherwise inappropriate influence on Landlord's committees or on representatives of Landlord's codes office to issue such authorizations and permits. For purposes hereof, a "Landlord Delay" means any delay in the

performance of Landlord's obligations under this Sublease beyond the time periods permitted hereunder for such performance, including but not limited to failure to review Plans and Specifications within the time provided, changes required by Landlord that cause a delay and any other failure to act in accordance with the terms of this Sublease which actually delays Tenant, all such delays being subject to Force Majeure.

If the Parties cannot agree on the Plans and Specifications (or the conditions of approval in connection therewith), by _____, 2017 this Sublease may be terminated by Tenant upon written notice to Landlord prior to commencement of construction. Thereafter, the Parties shall have no further obligation to the other hereunder except any terms and conditions which expressly survive the termination of this Sublease. Tenant's right to terminate this Sublease pursuant to this Article 4, Section B shall terminate and be of no further force and effect unless Tenant has exercised such right on or before the Commencement Deadline Date.

C. Construction.

(i) Commencement Covenant. Tenant shall use commercially reasonable efforts to obtain all required federal, state, and local land use and building permits, approvals, licenses, and consents (collectively, the "Governmental Building Permits") as soon as reasonably practicable after Landlord's Plans Approval and the issuance of Landlord's Building Permits. All applications and related materials must be submitted to Landlord no later than five (5) Business Days prior to submitting, but Landlord will waive this requirement in writing for a discrete submittal or application if Tenant has ensured that Landlord has been involved in the process of such that Landlord is comfortable with the subject matter and specifics of a submittal or application. Subject to Landlord Delay and delay for Force Majeure, Tenant shall commence the construction (i.e., construction of the _____ for the Project) of the Project set forth in the Plans and Specifications on or before thirty (30) days following the Effective Date of this Sublease (such date, the "Commencement Deadline Date"). If Tenant has not commenced the construction of the Project prior to the Commencement Deadline Date, then Landlord shall have the right to terminate this Sublease by providing written notice of termination to Tenant. Thereafter, the Parties shall have no further obligation to the other hereunder except any terms and conditions which expressly survive the termination of this Sublease. Provided that if Landlord does not terminate this Sublease as set forth in the prior sentence, Tenant shall be responsible for and shall pay all costs and expenses set forth in this Sublease.

(ii) General Contractor. All construction work will be done by a general contractor licensed by the State of Florida that is selected by Tenant and the Developer pursuant to the Development Agreement (the "Contractor") and that executes a construction contract (the "Construction Contract") with the Developer.

(iii) Bond. Prior to commencement of the Project or work by Tenant at or on the Property, Tenant shall provide Landlord with performance and payment bonds, including those required under Section 255.05, Florida Statutes, and Landlord's policies and procedures ("P&P

Bonds"). All P&P Bonds shall be issued on behalf of the Bond Trustee and recorded and certified in accordance with Section 255.05, Florida Statutes. The P&P Bonds will cover the faithful performance of the Construction Contract with the Contractor regarding the strict compliance with the Plans and Specifications, and the payment of all obligations in the full amount of the Construction Contract with the Contractor.

(iv) Release. Prior to the commencement of construction, Contractor must deliver to Landlord, in a form reasonably acceptable to Landlord's attorney, a waiver and release stating the following: an acknowledgment by Contractor that all portions of SPC are owned by the State of Florida; a waiver of any right Contractor may have to a claim of lien of any kind or nature upon any part of SPC, and a release of Landlord and Master Landlord from all claims that Contractor might have arising out of the construction contract.

(v) Tenant Responsibility. Tenant will be required to make, and be responsible for, all site inspections and payment authorizations.

(vi) Obligation to Minimize Disruption to Adjacent Properties. During the course of Tenant's work, Tenant shall cause those working on the Project to park trucks and delivery vehicles solely in the staging site described on Exhibit D (the "Staging Site") and to store materials and temporary structures and other matters incidental to construction in the Staging Site. Tenant shall reasonably cooperate with Landlord to ensure that use and enjoyment of the area surrounding the Property by the occupants thereof, including, but not limited to, Landlord's faculty, students and staff, and the customers and patrons of Landlord shall be interfered with as little as reasonably possible. Landlord shall reasonably cooperate with Tenant to provide access over SPC to the Property for construction and acknowledges such access will cause unavoidable disruption to portions of SPC, but such access will not by itself constitute a breach of this subsection, provided Tenant complies with its obligations hereunder and pays for any and all damage done by construction traffic.

(vii) Compliance with Laws and University Standards. Tenant's construction of the Project and any other approved construction on/or within the Premises shall be performed in a good and workmanlike manner and in accordance with (i) all laws, statutes, regulations, codes, ordinances, orders, permits, and requirements of any federal, state, or local governmental authority having jurisdiction over SPC or the Project as well as the orders of the fire marshal, board of fire underwriters, and similar bodies affecting SPC or the Project or the management, leasing, use, occupancy, construction, maintenance, repair, or reconstruction thereof (collectively, "Applicable Laws"), (ii) the University Standards in effect as of the date the Plans and Specifications are approved by Landlord and (iii) the Plans and Specifications which are approved by Landlord in accordance with this Sublease.

(viii) Insurance Requirements. Tenant shall require Contractor to procure and maintain the following insurance coverages throughout the course of site preparation and construction and shall require all subcontractors providing services in relation to this Sublease to carry any and all

insurance coverage that adequately covers each subcontractor's exposure based on the type of services each will provide. All policies shall be with insurance companies authorized to do business in the State of Florida and meeting the requirements for insurance companies set forth in this Sublease. Tenant agrees to furnish a current Certificate(s) of Insurance to Landlord prior to commencement of construction and at the later written request of Landlord as evidence that the following coverages remain in effect:

(a) Builders Risk Insurance. Completed value form in amount of protection of not less than 100% of the completed value of the Project covering "all risk" perils of loss that includes Windstorm and Flood as covered causes of loss. The Bond Trustee, Tenant, Contractor, and all subcontractors shall be named insureds.

(b) Worker's Compensation and Employer's Liability Insurance. Worker's Compensation insurance shall be obtained in accordance with Chapter 440, Florida Statutes, with the prescribed limits of liability for all employees who will be working at the project site whether working for Contractor or any subcontractor.

(c) Commercial Liability Insurance. Commercial General Liability including Property products/completed operations, contractual and explosion, collapse and underground (XCU) coverages where required by the risks. The limits of liability must be at least \$2,000,000.00 each occurrence, \$5,000,000.00 annual aggregate for bodily injury and property damage liability. The limit may include umbrella or excess liability insurance. The policy shall carry an endorsement which names the Bond Trustee, Landlord, Master Landlord and Florida Board of Governors as "Additional Insureds."

(d) Comprehensive Automobile Liability Insurance. All owned, hired, leased or non-owned vehicles used on the construction project shall be covered. Policy limits shall be at least combined single limit of \$2,000,000 each accident, for bodily injury and property damage liability. This limit may include umbrella or excess liability insurance. The policy shall carry an endorsement which names the Bond Trustee, Landlord, Master Landlord and Florida Board of Governors as "Additional Insureds."

(e) Professional Liability Insurance. (For Contractor/Subcontractor's such as an architect/engineer/consultants/etc. providing the design services related to the construction of the Project to Landlord's property.) \$5,000,000 per claim and aggregate liability limit. Policies written on a claims made form shall continue for five (5) years following the completion of the performance or the attempted performance of the construction provisions of this Sublease. If the coverage is cancelled or non-renewed and not replaced with another claims made

policy form with a retroactive date prior to the effective date or coinciding with the effective date of this Sublease the Contractor/Subcontractor must purchase extended reporting ("Tail") coverage for a minimum of five (5) years following the completion of the performance or the attempted performance of the construction provisions of this Sublease.

The above sub-paragraphs establish minimum insurance requirements. It remains the responsibility of Tenant and/or Contractor to secure and maintain any additional insurance that may be necessary in connection with the construction contract. The absence of a demand for any type of insurance policy or insurance condition, or for higher coverage limits shall not be construed as a waiver of Tenant's, Contractor's and all subcontractor's obligation to carry and maintain the appropriate types of insurances at limits that are appropriate to the liability exposure associated with this agreement. Landlord does not represent that coverage and limits specified herein will necessarily be adequate to cover Tenant's, Contractor's and all subcontractor's liability.

Tenant waives all rights and claims against Landlord for all losses covered by Tenant's policies, and waives all rights of subrogation of its insurers. Tenant hereby represents and warrants that Tenant's insurance policies are now, or shall be prior to the Effective Date, endorsed so that such waiver of subrogation shall not affect Tenant's rights to recover thereunder.

(ix) Completion Deadline. Once commenced, subject to Landlord Delays and delays for Unforeseen Circumstances and Force Majeure, Tenant shall prosecute the construction of the Project to completion with all due diligence. If Tenant has not received a certificate of occupancy of the Project included in the Plans and Specifications by _____, 2019 (the "Completion Deadline"), then Tenant shall provide, at Tenant's sole cost and expense, after consultation with Landlord, either (A) temporary housing for Eligible Residents who have executed leases with respect to the Housing Component and who, as a result of such delay, are prevented from occupying their residences in the Project (collectively, Affected Residents") until such time as Affected Residents are no longer prevented from occupying their residences in the Project or (B) a daily stipend in an amount equal to the equivalent daily rental under a lease agreement for a comparable space in the Project. On or before July 15, 2019 Tenant shall provide Landlord with either a notice that it expects to meet the Completion Deadline or a written plan to provide temporary housing for Affected Residents which shall be subject to Landlord's review and approval. The plan shall include the date that Substantial Completion is estimated to be achieved, a list of identified alternate housing location or locations to be provided to the Affected Residents, the transportation plan for transporting Affected Residents to and from each alternate housing location and SPC, the security services to be provided at the alternate housing locations, if any, and the written materials to be provided to Affected Residents describing the options available to the Affected Residents. The selection of providing either (A) or (B) as described in the immediately preceding sentence shall be at the election of the Affected Residents. [The University agrees to cooperate with Tenant to identify and provide, if available, on campus housing to temporarily house the Affected Residents.]

(x) For purposes of this Article, the Term of this Sublease shall be deemed to have commenced as of the date of the Completion Deadline. If Tenant fails after the Completion Deadline to continue to diligently prosecute construction of the Project for any period in excess of thirty (30) days, subject to Landlord Delay and delay for Unforeseen Circumstances and Force Majeure, then, in the event Tenant fails to prosecute construction of the Project within fifteen (15) days after receiving written notice from Landlord, then, Landlord shall have the right to terminate this Sublease, at no cost to Landlord, by giving Tenant written notice of termination.

(xi) In the event Tenant shall be required to provide temporary housing for Affected Residents hereunder, Tenant shall also be obliged to pay the cost of reasonable transportation of Affected Residents to and from SPC; until such time as Affected Residents are no longer prevented from occupying their residences in the Project and the cost of moving the Affected Residents (collectively, with the cost of providing temporary housing and reasonable concessions that may be provided by Tenant to Affected Residents, the "Temporary Housing Costs"). In the event an action or inaction of Landlord causes the Completion Deadline to be extended beyond _____ 15, 2019, Landlord shall be responsible to pay Tenant, Tenant's Temporary Housing Costs of Affected Residents in an amount equal to the costs associated with the number of days the Completion Deadline was extended beyond _____ 15, 2019 that were caused by Landlord Delay.

Tenant shall provide information and documents reasonably requested by Landlord to enable Landlord to monitor the performance and progress of the design, permitting and construction of the Project. Landlord shall have the right to attend meetings involving Tenant and Developer and Contractor, subcontractors, consultants and vendors relating to the Project and the performance and progress of the work and activities related to the Project. Prior to Substantial Completion, Tenant shall meet at least monthly with the University Board Representative and provide a report on the performance and progress of the design, permitting and construction of the Project. Tenant shall promptly notify Landlord in the event of the occurrence of any fact or circumstance reasonably likely to cause the delay in completion of the Project and achievement of requirements for occupancy beyond the target Completion Deadline.

(xii) If Tenant has not achieved Substantial Completion of the Project included in the Plans and Specifications by the date which is one year following the Completion Deadline, taking into account any extension of such date for each day of Landlord Delay and delay for Force Majeure (as extended, the "Outside Completion Deadline"), then Landlord shall have the right to terminate this Sublease, at no cost to Landlord, by giving Tenant written notice of termination. In the event Landlord terminates this Sublease on the terms set forth in this Sublease then, at the option of Landlord to be exercised within sixty (60) days after such termination, Landlord may, but is not obligated to, complete the Project.

(xiii) The remedies set forth in the preceding subsection, shall not affect Landlord's rights and remedies in the event of any other Event of Default by Tenant under this Sublease. The Completion Deadline and the Outside Completion Deadline shall be extended on a day-for-

day basis for each day of Landlord Delay and delay for Unforeseen Circumstances and Force Majeure. In the event this Sublease is terminated by Landlord as provided herein, Landlord shall not require, and shall not be entitled to require, Tenant to remove or demolish any of the Project made within the Property and SPC.

(xiv) The terms "Substantial Completion" and/or "Substantially Complete" shall be the date upon which Tenant's architect executes and delivers, for the benefit of Tenant and Landlord, a Certificate of Substantial Completion in the form of the American Institute of Architects ("AIA") document G704, indicating completion of all building and site work construction to the Project as indicated on the Plans and Specifications, including change order work, and Tenant has obtained from the governing authority a Certificate of Occupancy allowing occupancy of the Project. The foregoing definition of Substantial Completion shall be exclusive of immaterial "punch list" work that does not prevent Tenant from occupying, on a permanent basis, the constructed facilities within the Project [and receipt of a LEEDS silver certification or an equivalent certification approved by the Landlord in the event the Green Globe certification is not available]. Within one hundred and eighty (180) days after Substantial Completion, Tenant shall provide Landlord with a complete set of the "as built" Plans and Specifications. The "as built" plans shall be subject to the rights of the parties preparing such plans under copyright and other Applicable Laws and shall not be construed to grant Landlord any rights to any trademarked or proprietary elements shown on such plans.

(xv) In the event of a default by the Developer, the Contractor, or the Architect in connection with the design and/or construction of the Project, Tenant shall exercise all of the rights and remedies available to Tenant in each such agreement in consultation with Landlord. If an Event of Default shall occur and be continuing or if Tenant shall default under the Development Agreement, Landlord may, subject to the rights of the Bond Trustee, assert the rights of Tenant under the terms of the Development Agreement, the Construction Contract, and the Architect's Agreement.

D. Construction Access. Landlord shall reasonably cooperate with Tenant in defining and coordinating the ingress and egress routes that all construction traffic must use to access the Property. Until the construction of the Project has been finally completed, Landlord shall provide to Tenant non-exclusive licenses and rights of ways over the sidewalks, parking lots, and roadways on SPC in order to provide ingress and egress of pedestrians and vehicles to and from the Property and/or to and from a duly open public street. Landlord shall have the right to change the locations of any such licenses or rights of way, as it sees fit, as long as such changes do not unreasonably interfere with the construction of the Project or prohibit Tenant's access to an open public street.

E. Other Easements, Licenses or Rights of Way. The Project may require easements, licenses or rights of way for utilities and surface water drainage, detention, and retention over portions of SPC, as required by Landlord, Water Management District, and other governmental agencies having jurisdiction over SPC. To effect this provision, Landlord shall grant (or cause to

be granted) temporary construction easements, licenses, rights of way, or easements for utilities or surface water drainage, detention, and retention, co-terminous with this Sublease, upon request by Tenant and on terms consistent with this Sublease or any other licenses or easements granted contemporaneously herewith. By way of illustration and not limitation, any documents granting such rights to Tenant shall provide that Tenant shall bear all costs related thereto and to the exercise of the rights granted therein, and Landlord shall have no obligation to expend funds, indemnify or hold harmless any party. Tenant, at its sole cost and expense, shall provide Landlord with the legal descriptions and sketches of the areas to be subject to the easements, licenses and rights of way. Landlord's failure to grant (or to cause to be granted) within a reasonable period of time (which generally will not exceed thirty (30) days after written request, but may exceed such thirty (30) day period by a reasonable time period in the event the Parties have no prior agreement regarding the location to be encumbered by such document) such required easements, licenses or rights of way after Tenant's request shall be deemed a "Landlord Delay" hereunder. After the execution of such documents, Landlord shall have the right to change the locations of any such easements, licenses or rights of way, as it sees fit, as long as such changes do not create a material, adverse impact on Tenant's ability to construct and use the Project.

F. Construction Parking. Tenant's employees, representatives, vendors, invitees, guests, agents, and contractors (which includes all contractors, subcontractors of all levels, materialmen, and suppliers performing work or supplying material related to the Project) must comply with all rules and regulations of Landlord listed in the University Standards; provided that cranes, heavy machinery, dump trucks, concrete trucks, and other heavy construction vehicles and equipment that are used on the Project site shall not require parking decals subject to the condition that all such vehicles are parked on and within the Staging Site. If Tenant's contractors and subcontractors park elsewhere on SPC, they shall be obligated to comply with Landlord's applicable parking regulations. All vehicles not parked within the Staging Site will require a Landlord issued parking decals. Landlord shall sell all parking decals for Tenant's employees and Contractor's and subcontractor's employees and staff at the rates charged by Landlord from time to time to its students, faculty, staff and employees for similar parking decals.

G. Changes to Plans and Specifications. Tenant shall be permitted to request changes and modifications to the Plans and Specifications from time to time following their initial approval by Landlord. No external aesthetic changes or material changes, modifications or alterations to the Plans and Specifications may be made without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed though the Project on the Plans and Specifications must at all times continue to comply with the requirements of this Sublease, including, but not limited to, the University Standards and Applicable Laws, in each case, in effect as of the date of such change, modification or alteration is approved by Landlord. Within ten (10) Business Days after written request from Tenant, Landlord shall either approve the proposed changes to the Plans and Specifications or specify the particular changes with reasonable detail, if possible, which must be made to such document(s) for them to be reasonably acceptable to Landlord. Tenant shall incorporate such reasonable revisions as are

reasonably acceptable to Tenant and submit the same for Landlord's approval or rejection, Landlord having ten (10) Business Days in which to respond.

If Landlord does not notify Tenant in writing within ten (10) Business Days of any changes Landlord desires to be made to the proposed changes to the Plans and Specifications, then Tenant shall deliver a second notice to Landlord requesting Landlord's approval. If Landlord does not notify Tenant in writing within five (5) Business Days of any changes Landlord desires to be made to the proposed Plans and Specifications after such second notice has been sent to Landlord, then, Landlord shall be deemed to have approved the requested changes and modifications to the Plans and Specifications. The Parties shall follow the foregoing procedures for approving changes and modifications to the Plans and Specifications until the same are finally approved by Landlord and Tenant.

H. Tenant shall provide the Landlord no later than [_____], 2017, and thereafter, on or prior to the last day of each calendar month until the Substantial Completion of the Project, (i) a calculation of the cumulative percentage of completion of the Project as of the end of such month, (ii) the monthly construction progress report as to the status of the construction of the Project of the Developer to the Tenant and the Independent Engineer, (iii) the monthly report of the Independent Engineer to the Tenant as to (A) the status of the construction of the Project in accordance with the Plans and Specifications and the requirements of the General Construction Contract and the Project Schedule (as defined in and attached to the General Construction Contract) and (B) any variances from the Plans and Specifications or the Project Schedule, and (iv) to the extent there are variances from the Project Schedule, a schedule recovery plan of the Developer to the Tenant.

ARTICLE 5

USE AND CARE OF PROPERTY BY TENANT

A. Tenant's Use of Property. Tenant shall operate the Project on the Property during the Term under such name which is reasonably acceptable to both Landlord and Tenant approved in writing by the Parties, and shall use the Property solely for the Permitted Use, and for no other purpose.

Tenant agrees that it, and the use of the Project, is subject at all times to the provisions of the Master Lease, as amended from time to time. Any act or omission by Tenant, any party hired by Tenant, or any of Tenant's invitees, representatives, licensees, agents, employees, or contractors, that causes a default by Landlord under the Master Lease shall be deemed to be a default under this Sublease entitling Landlord to all remedies provided in this Sublease following expiration of all cure periods hereunder.

B. Nature of Use. Tenant agrees to use and occupy the Premises in a careful, safe and proper manner, in compliance with the requirements of this Sublease and in compliance with University Standards and Applicable Laws. Tenant shall keep the Premises in a clean and safe

condition. Tenant shall not do or permit any act or thing which is contrary to any Applicable Laws or which would materially impair the value of the Property, the Project, SPC or any part thereof, or which constitutes a public or private nuisance. Tenant, at its expense, after obtaining Landlord's consent, shall have the right to contest or review by legal, administrative or other proceedings the validity of any such Applicable Laws or the application thereof to Tenant, as long as Tenant initiates such action as early as reasonably possible and diligently pursues it without interruption. During any such proceedings, compliance with any such Applicable Laws may be challenged by Tenant upon the condition that (a) Landlord shall not be in any danger of any civil or criminal liability for failure to comply therewith, (b) the Property shall not be subject to the imposition of any lien as a result of such noncompliance that has not been bonded, (c) the ultimate imposition of or compliance with such Applicable Laws shall not extend beyond the last day of the Term, (d) failure to comply therewith will not adversely impact Landlord's operations on the rest of SPC, (e) any such action will not reflect unfavorably upon Landlord, and (f) the failure to comply with any such Applicable Laws does not increase the risk of injury to person or property during the pendency of the challenge. Landlord may elect to join in such proceedings, and shall join in such proceedings if required by law in order to prosecute such proceedings. Tenant shall pay to Landlord any third-party costs or expenses (including Landlord's reasonable legal fees and costs) and Landlord's internal costs or expenses that are customarily charged by any department of Landlord to other departments of Landlord for similar services provided by such department of Landlord in the ordinary course of the operations of Landlord. If there shall be any refund or damages payable in connection with any proceeding pursued in accordance with this Section, Tenant shall be entitled to receive and retain same. The proceedings referred to herein shall include, but shall not be limited to, appropriate appeals from any judgments, decrees or orders made in any such proceedings.

Tenant shall repair, replace, and maintain all elements of the Project, the Premises, any service drive areas, any infrastructure supporting the Project or constructed or installed by Tenant which is located in, on or under the Property or is used by any party in connection with the Project; provided however that Tenant shall not be required to repair or replace or maintain any roadway, service road, driveway, parking lot, parking space or sidewalk which is not located on the Property, unless damage to such areas is caused by Tenant or Tenant's employees, agents, contractors, licensees or invitees. Tenant shall also keep the Premises reasonably lighted at all times during the conduct of its business and as required by the University Standards and any Applicable Laws. Landlord shall maintain such areas reasonably clear of litter.

C. Signs and Other Advertising. Tenant shall not place, erect, or maintain or suffer to be placed, erected or maintained on any doors or any other surface visible from the outside or any roof of the Property or any vestibule, or anywhere else visible from the outside, any sign, lettering, decoration or advertising without first obtaining Landlord's written consent, which Landlord may withhold in its sole and absolute discretion. The Parties anticipate agreeing to temporary signage during construction and permanent monument signage on the Property in conformity with University Standards and any other Applicable Laws, and subject to the prior approval of Landlord of the location, plans and specifications therefore. Upon the expiration or

earlier termination of this Sublease, if directed by Landlord, Tenant shall remove all such signs and repair all damage caused by such removal. Such signs shall relate solely to the Permitted Use of the Project. All Tenant signage shall be designed, constructed, installed and maintained at Tenant's sole cost and expense. The University's general signage requirements are summarized on the University Standards.

D. Parking. Following Substantial Completion during the Term, Landlord agrees to provide access to parking places for the Eligible Residents of the Housing Component and the Dining Component and guests and invitees of the Conference Center Component consistent with Landlord's plan for the development of a parking and transportation system for Landlord as provided in the Operating Agreement.

ARTICLE 6 OPERATIONS AND ADVISORY COMMITTEE

A. Aesthetic and Operational Standards. Without limitation of any of the other obligations in this Sublease, Tenant stipulates and acknowledges that a material condition to Landlord's entering into this Sublease is the agreement by Tenant to maintain and operate the Project or within the Premises at a building standard which is consistent with the University Standards. It is the intent of the Parties that the Project will be operated as a well-maintained facility with all Building Systems in good, working condition for the Permitted Use in all material respects in accordance with the provisions of the Operating Agreement. Tenant shall not use or permit the Project to be used for any unlawful, disreputable or immoral purpose or in any way which may adversely reflect upon the name or reputation of Landlord or impair the health safety or welfare of the Eligible Residents or guests and invitees of the Conference Center Component.

B. Insurance Requirements during Operation of Facility. Tenant shall, after the Project is constructed, obtain and maintain as an operating expense of the Project, the following policies of insurance covering activities performed under and contractual obligations undertaken during the Term:

(i) Commercial Property Insurance (Building & Personal Property). The Project shall be insured against loss by fire, lightning, windstorm, flood, sinkhole, vandalism, malicious mischief, and other hazards customarily insured by extended coverage, all risk (now known as causes of loss-special form) coverage for their full replacement value, which shall be adjusted from time to time to reflect current replacement value.

(ii) Worker's Compensation and Employer's Liability Insurance. Worker's Compensation insurance shall be obtained in accordance with Chapter 440, Florida Statutes, with the prescribed limits of liability for all employees who will be working on the Property whether working for Tenant, Contractor or any subcontractor.

(iii) Commercial General Liability Insurance. Commercial general liability insurance including property, products, completed operations, and contractual liability. Limits of coverage

shall be at least \$5,000,000.00 each occurrence limit for bodily injury and property damage liability. The policy shall carry an endorsement which names the Bond Trustee, Landlord, Master Landlord, and the Florida Board of Governors as "Additional Insured."

(iv) Comprehensive Automobile Liability Insurances. All owned, hired, leased, or non-owned vehicles used by Tenant shall be covered. Policy limits shall be at least \$1,000,000 each accident combined single limit for bodily injury and property damage liability. The policy shall carry an endorsement which names the Bond Trustee, Landlord, Master Landlord and the Florida Board of Governors as "Additional Insured."

(v) Boiler and Machinery. Commencing on the date on which the Project contains a steam boiler, pressure vessels, or pressure piping, boiler explosion insurance on steam boilers, if any, pressure vessels, and pressure piping in an amount not less than one hundred percent (100%) of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions not to exceed Twenty-Five Thousand Dollars (\$25,000) per occurrence).

(vi) Liquor Liability. Liquor liability insurance in an amount of at least \$1,000,000 only when and if an event is held that involves the sale, distribution or serving of alcoholic beverages at the Project.

All policies of insurance provided for herein shall be issued by insurance companies authorized to do business in the State of Florida and with general policy holder's rating of not less than A- and a financial rating of not less than Class VIII as rated in the most current available "Best's" insurance reports. Certificates of insurance shall be delivered to Landlord and Master Landlord within ten (10) Business Days after the Effective Date, and thereafter certificates of renewal policies shall be delivered to Landlord and Master Landlord upon expiration of the term of each existing policy. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent. If available, all policies of insurance required hereby must contain a provision that the company writing said policy will endeavor to give to Landlord and Master Landlord thirty (30) days' notice in writing in advance of any cancellation or lapse or of any reduction in the amounts of coverage.

Tenant shall carry such additional insurance which may be required to meet any requirements of Applicable Laws. In addition, the liability insurance requirements under this Section B shall be reviewed by Landlord and Tenant every five (5) years for the purpose of reducing or increasing (in consultation with their respective insurance advisors) the minimum limits of such insurance to limits which shall be reasonable and customary for similar facilities of like size and operation in accordance with generally accepted insurance industry standards. The replacement value of the buildings and other insurable improvements of the Property shall be re-evaluated from time to time (but no more frequently than once every five (5) years) at the request of either Landlord or Tenant.

Tenant shall be entitled to adjust, collect and compromise, in its sole discretion, all claims under any of the insurance policies required under this Section B and/or relating to the Project to insurers with respect to such claims and to receive the proceeds of any such claims.

In addition to the insurance required to be obtained and maintained by Tenant, if Tenant assigns any portion of the duties under this Sublease in accordance with the terms hereof, each subcontractor or assignee is required to purchase and maintain insurance coverage that adequately covers each subcontractor's or assignee's exposure based on the type of services they are providing in connection with this Sublease.

Tenant's procuring of the required insurance shall not relieve Tenant of any obligation or liability assumed under the Agreement, including specifically the indemnity obligations. Tenant may carry, at his own expense, such additional insurance, as Tenant deems necessary. Landlord recommends Tenant obtain and maintain a policy of business interruption insurance. Tenant shall assist and cooperate in every manner possible in connection with the adjustment of all claims arising out of Tenant's operations within the scope provided for under the Agreement, and shall cooperate in all litigated claims and demands, arising from said operations, which its insurance carrier or carriers are requested to respond.

The absence of a demand for any type of insurance policy or insurance condition, or for higher coverage limits shall not be construed as a waiver of Tenant's obligation to carry and maintain the appropriate types of insurances at limits that are appropriate to the liability exposure associated with this agreement. Landlord does not represent that coverage and limits specified herein will necessarily be adequate to cover Tenant's liability.

C. Operation of Project. Upon Substantial Completion of the Housing Component, Tenant shall operate the Premises as a student housing facility to serve Eligible Residents as provided by the Management Agreement (the "Management Agreement") dated as of [_____, 2017 by and between Tenant and [the University] (the "Manager"). Tenant shall not enter into any other management agreement of the Housing Component without Landlord's prior written consent, which consent shall not be unreasonably withheld. It is the intention of the Parties that the Project be treated at all times as part of the University's student housing program on an equal basis, whether or not the Housing Component is managed by the University. To such end, Landlord agrees to:

- (i) include the Housing Component in all information and marketing materials regarding student housing that it provides to students and prospective students;
- (ii) to the extent possible, provide to students residing at the Housing Component the same services and access Landlord provides to students in University housing facilities from time to time, including, without limitation, access to Landlord's computer network and student transportation system;

(iii) take into account the Housing Component and its occupancy in any planning for future housing projects on SPC; and

(iv) if the Housing Component is not being managed by Landlord, implement procedures to assist students in applying for residence at the Housing Component.

(v) Tenant shall provide information regarding the Housing Component appropriate to assist Landlord in carrying out its undertakings pursuant to this Section and, if Landlord is not the manager of the Housing Component, provide in any management contract for the Housing Component provisions requiring the Manager to implement appropriate procedures to facilitate Landlord's undertakings pursuant to this Section.

D. Payment of Taxes. Tenant covenants and agrees to pay prior to delinquency all municipal, county, state, federal and other taxes assessed against the Premises are due and owing during the term of this Sublease ("Real Property Taxes"), Tenant's leasehold interest and Tenant's Personalty of any kind owned, installed and existing in the Property and on any other matters related to the Project assessed or incurred during the Term of this Sublease. Real Property Taxes include all taxes and assessments levied against the Premises. Tenant shall provide Landlord, upon Landlord's request, with evidence of payment of all taxes which may be due. Tenant shall have the right, at its sole cost and expense, with Landlord's consent, to contest or review by legal, administrative or other proceedings the validity and amount of any taxes (whether Real Property Taxes assessed against the Premises or personal property taxes assessed against the Premises as specified above on Tenant's Personalty). Tenant may make such challenge upon the condition that (a) Landlord shall not be in danger of any civil or criminal liability for failure to comply therewith, and (b) the Premises shall not be subject to the imposition of any lien as a result of such noncompliance that has not been bonded. Landlord may elect to join in such proceedings, and shall join in such proceedings if required by law in order to prosecute such proceedings. Tenant shall pay Landlord for any third-party or internal costs or expenses incurred in connection therewith. If there shall be any refund or damages payable in connection with any proceeding pursued in accordance with this Section, Tenant shall be entitled to receive and retain same. The proceedings referred to herein shall include, but shall not be limited to, appropriate appeals from any judgments, decrees or orders made in any such proceedings. Landlord shall have the right to have the Premises assigned a separate tax parcel ID number and may elect to have Tenant pay all Real Property Taxes directly.

If Tenant fails to pay any taxes which it is required to pay within the time period provided above, Landlord may pay said taxes, together with any and all penalties, at its option, following written notice to Tenant demanding that Tenant pay said taxes and provided Tenant fails to make such payment prior to the expiration of a thirty (30) day cure period following such written notice. All amounts so paid by Landlord shall bear interest at the Default Rate from the date Landlord makes such payment, and said amounts with all interest accrued thereon shall become immediately due and payable as Additional Rent.

E. Other Taxes. In the event there is currently in effect any law providing for the taxation of leases or if any law is enacted or adopted after the date of this Sublease, which changes the laws now in force for taxation of leases, including but not limited to a Goods and Services Tax (GST), or the manner of the operation of any such taxes, or which otherwise imposes a tax either directly or indirectly on this Sublease or the Rent payments received herefrom, Tenant will pay such tax at the same time that Tenant pays the related Rent payments. This provision shall not be deemed to impose liability for any income tax owed by Landlord, whether by reason of this Sublease or otherwise. Tenant's obligation under this Article 6 shall terminate with respect any Real Property Taxes or any other taxes accrued even if not then due with respect to the Project from and after the expiration or termination of the Term.

F. Advisory Management Committee. There is hereby created by the Parties for the purposes of this Sublease an Advisory Management Committee (the "Committee") composed of three (3) members, as follows: one person designated by Tenant (initially, its President), one person designated by the current Manager (initially, [INSERT name]), and one person designated by Landlord (initially, the University Board Representative which shall initially mean the [Vice President for Student Affairs], or such officer's designee).

Except as provided with respect to the approval of the Annual Budget, the Committee shall render non-binding advice to Tenant in order that Tenant may fulfill its obligations under this Sublease, any applicable leasehold mortgage, the Management Agreement and the Operating Agreement. The Committee shall also render advice to the Manager in order that the Manager may fulfill its obligations under the Management Agreement. Without limiting the generality of the foregoing, the Committee shall render advice to Tenant with respect to matters pertaining to this Sublease and with respect to (i) the Operating Budget; (ii) the expenditure of the repair and replacement reserve and any other needed reserve; (iii) the amount and type of rental rates and other charges to Eligible Residents; (iii) the Management Agreement and the Manager; (iv) the residential student lease form; (v) policies and procedures governing student conduct and guest conduct; and (vi) any other matters agreed upon by Landlord and Tenant. Unless waived by Landlord for any Annual Period as provided below in this Article, Tenant shall provide Landlord and the Committee copies of the annual audited financial statements of Tenant not more than six (6) months after the close of each Annual Period of Tenant.

Landlord's appointee shall be designated to serve as the chairman of the Committee, shall preside over meetings of the Committee and have such other duties and responsibilities as may be determined by the Committee. The designee of Tenant shall serve as Vice Chairman. The Committee shall meet not less often than quarterly during the term of this Sublease and all Committee actions, decisions and recommendations to Tenant or the Manager shall require the affirmative vote of at least two (2) members of the Committee.

Tenant will cause the Manager to submit to the Tenant, Landlord and the Committee, by not later than February 1st of each calendar year, commencing February 1, 2019, an annual plan for the ensuing Annual Period that includes the following:

(i) A proposed budget (each, an "Operating Budget") for the operation of the Project for the next ensuing Annual Period, including, but not limited to, line items for proposed rents, charges, fees and other projected Revenues, proposed maintenance, utility, housekeeping and other Expenses of the Project, proposed reserves for repair and replacement of capital improvements and furniture, fixtures and equipment, including sufficient information to explain the basis for the budgeted Revenues, capital expenditures, and Expenses. To the extent supported by prevailing market conditions and subject to any applicable requirements or restrictions imposed by law, Tenant shall use commercially reasonable efforts to establish and charge, and Tenant shall include a requirement in the Management Agreement that the Manager shall use commercially reasonable efforts to establish and charge, rental rates for the residential units in the Project (other than units occupied by any maintenance and security personnel, community assistants, residence assistants or other staff of the Manager or the Landlord) and charges for other revenue producing facilities of the Project at a level sufficient to maintain maximum practicable occupancy and use of the Project and the services related thereto, and to satisfy the applicable debt service payments, reserve requirements and other financial covenants contained in the Loan Agreement and any mortgage encumbering Tenant's leasehold interest under this Sublease.

From time to time during or in respect to an Annual Period, the Tenant shall have the right to modify the Operating Budget, which amendment shall be subject to the Landlord's consent unless: (i) the amendment is to reflect additional Revenues or the receipt of insurance or condemnation proceeds; (ii) the amendment shall be for an amount in respect to a line item (A) that does not increase or decrease, when added to all other changes to that line item, either the original amount of that line item or an increased amount approved by the Landlord and then in effect by more than ten percent (10%), and (B) that does not increase the original total amount of Expenses or an increased amount approved by the Landlord and then in effect by more than ten percent (10%) or (iii) the amendment shall be necessary to preserve life or property. An Operating Budget for an Annual Period, as so amended, shall, after such amendment, be the Operating Budget for such Annual Period. Notwithstanding the above, any increase in Revenues during an Annual Period due to a proposed increase in rates, fees or charges to Eligible Residents shall require the prior written consent of the Landlord. It shall not be necessary to amend this Sublease in order to amend the Operating Budget.

For each month within an Annual Period, Tenant shall submit to the Landlord and the other members of the Advisory Committee not later than fifteen (15) days after the end of such month, monthly operating statements reflecting budget to actual on all operating revenues and expenses and a statement of cash flows and the information required by Section 4.1 (d) of the Operating Agreement. Such statements shall be accompanied by an update with respect to the occupancy of the Project at the end of such month.

The Landlord acknowledges that there may be certain periods (e.g., the summer months) when the Revenues may be inadequate to pay all of the Expenses (collectively, the "*Shortfall Periods*" and each, a "*Shortfall Period*") and agrees that provision should be made for the

funding of any such liquidity shortfalls (collectively, the "*Shortfalls*" and each, a "*Shortfall*") during the periods when the Revenues are more than adequate to pay all of the Expenses (collectively, the "*Surplus Periods*" and each, a "*Surplus Period*"). The Landlord therefore authorizes the Tenant to make provision for such Shortfalls by arranging to have amounts deposited in the Operating Account (as defined in the Loan Agreement) during Surplus Periods to be in excess of that which is required to pay Expenses during such Surplus Periods with such excesses to be in the amounts of the anticipated Shortfalls. The Landlord also acknowledges that the funding for a Shortfall Period in one Annual Period may be made during a Surplus Period occurring in the immediately preceding Annual Period. The Tenant agrees that any such funding for a Shortfall Period shall be clearly and completely identified in the Operating Budget submitted to and approved by the Landlord. Any funding of a Shortfall with surplus funds from an immediately preceding Annual Period year shall not diminish the calculation of Net Available Cashflow for the preceding Annual Period. Revenues in the current Annual Period shall be used to pay the Landlord from the first available revenues any amounts used to fund Shortfalls prior to the payment of any management fees to the Manager or annual fees due Tenant.

(ii) A proposed management and marketing plan (each, a "Management and Marketing Plan") for the Housing Component for such Annual Period, including proposed changes in any policies, staffing, staff training inclusive of fair housing and nondiscrimination training and awareness, facilities management, Eligible Residents satisfaction and retention measurements, marketing and promotional plans, and student and student's guest conduct regulations, insurance program, and other programs or activities in discharge of Manager's duties under the Management and Marketing Agreement. It shall not be necessary to amend this Sublease in order to amend the Management and Marketing Plan.

(iii) Any additional information that may be reasonably requested by Tenant, Landlord, or the Committee.

Prior to April 30 of each year, the Committee will meet to review and comment on the proposed Operating Budget and Management and Marketing Plan and may vote to recommend changes to the same. Each Operating Budget and Management and Marketing Plan is subject to approval in writing by both Tenant and Landlord. In the event the Parties are unable after consultation to agree upon a mutually-acceptable Operating Budget or Management and Marketing Plan for any Annual Period, the Operating Budget and/or Management and Marketing Plan for the preceding Annual Period shall remain in effect. Tenant shall ensure that the operation, maintenance, repair and marketing of the Housing Component by Tenant and the Manager will be in accordance with the approved Operating Budgets, Management and Marketing Plans and Operating Agreement, as amended from time to time.

Except to the extent waived in writing for any Annual Period by Landlord, each Annual Period, Tenant shall cause its books and records with respect to the Project to be audited by a certified public accountant or firm of such accountants and shall provide to Landlord, the Committee and the Manager, within six (6) months following the expiration of such Annual

Period, a copy of its financial statement as of the end of such Annual Period and its statement of income and expenses for the Annual Period then ended, certified by the financial advisor of Tenant and accompanied by a copy of the report thereon of the accountant or firm of accountants performing such audit.

Tenant shall keep, or cause to be kept, accurate, full and complete books and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Project. All financial statements shall be accurate in all material respects, shall present fairly the financial position and results of the operations of the Project and shall be prepared in accordance with generally accepted accounting principles consistently applied. Tenant, Landlord and the Committee shall determine the presentation of such financial reports consistent with generally accepted accounting principles consistently applied. The books, accounts and records of the Project shall be maintained at the office of the Manager at the Project.

Landlord may, at its option and at its own expense and during customary business hours, conduct internal audits of the books, records and accounts of the Project. Audits may be made on either a continuous or a periodic basis, or both, and may be conducted by employees of Landlord, or by independent auditors retained by Landlord. All such audits shall be conducted without materially or unreasonably interrupting or interfering with the normal conduct of business affairs by Tenant. Should such audits disclose an underpayment of Rent due Landlord hereunder, Tenant shall immediately reimburse Landlord for the expense of the audit.

ARTICLE 7
UTILITY INSTALLATION

Other than Landlord's obligations to grant utility easements, rights of way and licenses, Tenant shall be solely responsible for the costs of obtaining necessary utility service at its own expense, including, without limitation, the cost of all reservation charges, capacity charges, taxes and other charges incurred in connecting the Project to existing utility infrastructure.

ARTICLE 8
ALTERATIONS OR IMPROVEMENTS BY TENANT

During the Term, but subject to the terms, conditions and restrictions set forth in this Sublease Agreement, Tenant shall have the right to make alterations or improvements to the Project; provided Tenant shall pay all costs, expenses and charges thereof and that all work be performed in a safe and good and workmanlike manner and in compliance with Applicable Laws, University Standards, this Sublease and any easement agreement, license agreement or other agreement to which Landlord and Tenant are parties. Tenant shall not make, nor permit to be made, any alterations, additions or improvements (i) materially affecting the structure of the Project, (ii) impacting the operations of the Project, (iii) which would affect the external aesthetic appearance of any component of the Project as described in the Plans and Specifications, (iv) which would materially change the Property as opposed to the Project, (v) resulting in the

installation of signage on the Premises (vi) which would involve any improvement outside the Property, without prior written approval of Landlord as set forth in this Sublease, which approval shall not be unreasonably withheld, delayed or conditioned. Landlord shall have fifteen (15) Business Days to review such changes and approve or disapprove the proposed plans.

In reviewing any such requests, Landlord shall apply the University Standards to the proposed alteration, addition or improvement and all elements of landscaping. All alterations, additions and improvements shall comply with the requirements of this Sublease. Notwithstanding the foregoing, Tenant shall be permitted to make changes, improvements, modifications, and additions to the interior space of the Project, the rooftop equipment, Building Systems, HVAC, exhaust, fans, back-up generators and other building service equipment that are not visible from the exterior of the Project and do not otherwise trigger Landlord's review rights under this Article or replacements of such equipment which are the same or substantially the same and in the same location as the equipment being replaced, without the prior approval of or prior notice to Landlord. Alterations to the interior of the Project not triggering Landlord's review rights under this Article due to their non-structural nature shall not require Landlord's consent or prior notice.

ARTICLE 9
REMOVAL OF PERSONALTY AND OTHER PERSONAL PROPERTY FROM THE
IMPROVEMENTS

All Personalty, trade fixtures which are not affixed to the Project, furniture, furnishings and signs installed in or to the Project by Tenant and paid for by Tenant shall remain the property of Tenant and may be removed by Tenant prior to the expiration or early termination of this Sublease. If Tenant fails to remove such personal property items from the Project within this time-frame, such trade fixtures, furniture, furnishings and signs shall become the property of Landlord, unless Landlord elects to require the removal in which case Tenant shall promptly remove the same and restore the Project to its prior condition at Tenant's sole cost and expense. All lighting fixtures, heating and cooling equipment, and all other installations and construction to be furnished or performed by Tenant constituting a fixture to the Project shall become the property of Landlord on the ending term hereof and shall not be removed from the Project. Provided that Tenant has Substantially Completed the construction of the Project pursuant to the terms of this Sublease and has maintained the Project as required by this Sublease, Tenant shall not be required to remove or demolish any of the Project from the Property at the expiration or earlier termination of this Sublease.

ARTICLE 10
ACCESS TO PROPERTY

Landlord may have free access to the Premises at all reasonable times, at its own risk and expense and upon not less than forty-eight (48) hours prior written notice, for the purpose of making any alterations or repairs to the Premises which Tenant has failed to make in accordance

with this Sublease, after applicable notice and cure periods expire, or to examine or inspect the Property. Such action shall not be deemed an eviction or disturbance to Tenant nor shall Tenant be allowed any abatement of Rent or damages for any injury or inconvenience occasioned thereby. Neither Landlord nor its agents shall direct or require the Contractor or any subcontractors or any other consultant of Tenant regarding the Premises to perform or not perform any act pertaining to the Project or the construction thereof outside of the presence of a Tenant representative. Such access shall be (a) during normal business hours and (b) subject to Tenant's right to escort Landlord during such access. Notwithstanding the foregoing, in the event of an emergency or in the event Landlord has specific and legitimate concerns regarding safety of persons or property, on or off the Premises, Landlord shall have access to the Premises at all times and upon reasonable oral notice to the Manager, if any is reasonably possible, given the circumstances. This Article is not meant to imply that Landlord has any obligation to provide any services or make any alterations or repairs to the Property or the Project. Landlord and Tenant acknowledge and agree that nothing in this Sublease is intended to diminish Landlord's rights to access the Property under Applicable Laws in its capacity (i) as a building permitting authority and (ii) as the provider of police services to the Premises.

ARTICLE 11

ALL MAINTENANCE AND REPAIRS BY TENANT

A. Tenant, at its sole cost and expense, shall keep and maintain the Premises, the Project and every part of each, including, but not limited to, the structure, foundations, roof, fixtures, paved areas, sidewalks, building mechanical systems, utility/service lines, pipes and conduit, security grills, facilities, hardscaping, or equipment contained therein, in good condition and repair and making such replacements as are necessary to keep all components of the Project in first class condition and repair.

ARTICLE 12

NO REPAIRS BY LANDLORD; NO PRE-EXISTING CONDITIONS

A. Landlord's Duties. No duties shall be imposed upon Landlord to inspect the Premises and Landlord shall have no duty or obligation to make any repairs whatsoever to the Premises or any improvements located on the Premises or on SPC.

B. Tenant's Duties. During the Term of this Sublease, Tenant shall be responsible for addressing and curing any violations of Applicable Laws on the Premises or related to the Project. If Tenant becomes aware of any such violations of Applicable Laws or the presence of Hazardous Substance or Materials (as hereinafter defined) it shall promptly notify Landlord in writing.

ARTICLE 13

DEFAULT

A. Default. This Sublease is made upon the condition that Tenant shall punctually and faithfully perform all of the covenants and agreements to be performed by it as herein set

forth. If any of the following events shall occur Tenant shall be deemed in default of this Sublease ("Default" or an "Event of Default").

(i) Any payment of Rent or any other sums required to be paid to Landlord pursuant to this Sublease, shall at any time be in arrears and unpaid within ten (10) Business Days after receipt of written notice from Landlord that such amount is past due; or

(ii) Any payment required to be made by Tenant to a third party pursuant to the terms of this Sublease, shall at any time be in arrears and unpaid within fifteen (15) Business Days after receipt of written notice form Landlord that such amount is past due; or

(iii) There shall be any default on the part of Tenant in the observance or performance of any of the other covenants, agreements or conditions of this Sublease on the part of Tenant to be kept and performed, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant; provided, however, that if such default is of a nature that it cannot be reasonably cured within such thirty (30) day period, then Tenant shall have such time as is reasonably required to cure such default; provided that such reasonable time period shall not exceed 180 days and provided further that Tenant commences the cure within such thirty (30) day period and is diligently pursuing completion of such cure; or

(iv) Failure by Tenant to operate and maintain the Project such that it is safe and secure for occupancy by Eligible Residents and any such occurrence or failure continues for a period of thirty (30) days after written notice thereof is given by Landlord to Tenant and the holder of any leasehold mortgage encumbering Tenant's leasehold interest hereunder; or

(v) Failure of Tenant to achieve the construction Commencement Deadline Date or the Completion Deadline within the time periods set forth in this Sublease subject to Landlord Delays, Unforeseen Circumstances and Force Majeure; or

(vi) Tenant shall file a petition in bankruptcy or be adjudicated bankrupt or file any petition or answer seeking a reorganization, liquidation, dissolution or a similar relief for itself under any present or future federal, state or other statute, law or regulation related to bankruptcy, or make an assignment for the benefit of creditors; or

(vii) Any trustees, receiver or liquidator of Tenant shall be appointed and any action, suit or proceeding be instituted by or against Tenant in such preceding or action shall not have been dismissed within sixty (60) days after such appointment; or

(viii) The leasehold estate hereby created shall be taken (by any governmental entity other than by Landlord) by execution or other process of law; or

(ix) A Transfer without the prior written consent of Landlord as described in Article 15, Section B; or

- (x) Cessation of operations or abandonment of the Project.

B. Notice and Remedies During Tenant's Default. Except for monetary defaults as described above, in the event of Default by Tenant under this Sublease, Landlord shall provide Tenant with written notice of such Default (a "Default Notice") and Tenant shall have the time period set forth above (if any) to cure such Default. If Tenant fails to cure the Default within any cure period as herein provided, Landlord shall provide Tenant with a second notice in writing notifying Tenant of Landlord's intention to terminate this Sublease. Tenant shall have ten (10) days from receipt of Landlord's second notice to cure such breach. Upon the expiration of such additional ten (10) day cure period, Landlord, as its sole and exclusive remedies under this Sublease, shall be entitled to (i) terminate this Sublease and reenter upon the Premises and take possession thereof, and terminate all rights to use the Premises and (ii) sue Tenant for and collect all sums or amounts with respect to which Tenant may then be in default and accrued up to the date of such termination of this Sublease (including, without limitation, amounts due under the provisions which survive such termination) and (iii) sue Tenant under the provisions of this Sublease for any holdover obligations of Tenant, if any, and (iv) require Tenant to document the conveyance and transfer set forth in this Sublease.

C. Landlord's Optional Cure Rights. In addition to the foregoing rights of Landlord, if Tenant shall be in default hereunder beyond applicable notice and cure periods, if any, Landlord shall have the option, but not the obligation, to cure the act or failure constituting such default for the account of, at the expense of, Tenant. All such reasonable costs or expenses incurred by Landlord shall be considered Additional Rent hereunder. Landlord shall provide Tenant with thirty (30) days written notice prior to curing any default, provided, however (i) no such notice shall be required for emergency repairs, and (ii) if Tenant's default would result in the imposition of a lien or the issuance of a tax sale certificate, Landlord shall provide, if possible, notice at least ten (10) days before such lien would be created or tax sale certificate be issued. If Landlord has already terminated this Sublease pursuant to this Article, Landlord's cure or attempt to cure of any act or failure constituting a default by Tenant (which act or failure occasioned the termination of this Sublease) shall not result in a waiver of such termination by Landlord.

D. Performance by Landlord of Tenant's Obligation; Interest. If Tenant at any time shall fail to pay any taxes, assessments, or, to make any payment or perform any act required by this Sublease to be made or performed by it, Landlord, without waiving or releasing Tenant from any obligation or default under this Sublease, may (but shall not be obligated to) at any time thereafter make such payment or perform such act for the account and at the expense of Tenant. All sums to be paid by Landlord and all costs and expenses so incurred, shall accrue interest at the Default Rate from the date of payment or incurring thereof by Landlord and shall constitute Additional Rent payable by Tenant under this Sublease and shall be paid by Tenant to Landlord within thirty (30) days following written demand.

E. Waiver. Tenant waives and releases Landlord from any claims and/or liability for any special, consequential, incidental or punitive damages arising under or in connection with the Premises or this Sublease.

F. Tenant shall not seek an award of damages or the return of any amounts paid by Tenant in connection with the foregoing remedies.

ARTICLE 14
DAMAGE AND DESTRUCTION

Tenant agrees to provide such insurance coverage as required in this Sublease. In the event all or any portion of the Project is damaged, destroyed or rendered inoperative, by fire, flood, natural elements or other causes (collectively, the "**Damage**"), Tenant shall give notice to Landlord within five (5) Business Days of such Damage. Tenant shall promptly rebuild or repair such Damage as a cost of the Project utilizing the available insurance proceeds and other Project funds. If the Premises has sustained "Substantial Damage" (as hereinafter defined), then within sixty (60) days, or such longer period as is reasonably required under the circumstances (but not to exceed one hundred twenty (120) days), following any Damage, Tenant, in its sole and absolute discretion, may elect in writing to rebuild or repair such Damage, at Tenant's expense, or to terminate this Sublease. If Tenant fails to timely make such election, then Landlord may send a written notice to Tenant requesting that Tenant make such election. Tenant's failure to respond within twenty (20) days after receipt of such written request shall be deemed to be an election by Tenant not to rebuild or repair such Substantial Damage. For purposes hereof, "Substantial Damage" shall mean the cost of repairing or replacing the same exceeds fifty percent (50%) of the replacement cost immediately prior to the Substantial Damage (excluding the value of foundations, footers and paving). If Tenant elects to not rebuild or restore any such Improvement or part thereof, Tenant agrees to deliver the Premises to Landlord clear of debris, and, at Landlord's option, Tenant shall demolish/remove any Improvements remaining on the Premises, or those specified in writing by Landlord, no later than two hundred ten days (210) days after the date of the casualty and this Sublease shall terminate on the date Tenant completes the demolition/removal but in any event no later than two hundred ten (210) days after the date of the Substantial Damage. Repairs and replacements shall be made in accordance with this Sublease. Tenant shall be entitled to adjust, collect and compromise, in its sole discretion, all claims under any applicable insurance policies carried by Tenant, to execute and deliver all necessary proofs of loss, receipts, vouchers and releases required by the insurers and to use any such proceeds as Tenant shall elect in its sole discretion, subject to its obligations under this Article.

Tenant agrees to provide such insurance coverage as required in this Sublease. In the event any or all of the Project is damaged, destroyed or rendered inoperative, by fire, flood, natural elements or other causes (collectively, the "Damage"), Tenant shall give notice to Landlord within five (5) Business Days of such Damage. If the Premises has been "substantially damaged" (as hereinafter defined), then within sixty (60) days, or such longer period as is

reasonably required under the circumstances (but not to exceed one hundred twenty (120) days), following any Damage, Tenant, in its sole and absolute discretion, may elect in writing to rebuild or repair such Damage, at Tenant's expense, or to terminate this Sublease. If Tenant fails to timely make such election, then Landlord may send a written notice to Tenant requesting that Tenant make such election. Tenant's failure to respond within twenty (20) days after receipt of such written request shall be deemed to be an election by Tenant not to rebuild or repair such Damage. For purposes hereof, "substantially damaged" shall mean if the cost of repairing or replacing the same exceeds fifty percent (50%) of their replacement cost immediately prior to the casualty (excluding the value of foundations, footers and paving). If Tenant elects to not rebuild or restore any such Improvement or part thereof, Tenant agrees to deliver the Premises to Landlord clear of debris, and, at Landlord's option, Tenant shall demolish/remove any Improvements remaining on the Premises, or those specified in writing by Landlord, no later than two hundred ten days (210) days after the date of the casualty and this Sublease shall terminate on the date Tenant completes the demolition/removal but in any event no later than two hundred ten (210) days after the date of the Damage. If the Project is not substantially damaged, Tenant shall promptly rebuild or repair such Damage at Tenant's sole cost and expense. Repairs and replacements shall be made in accordance with this Sublease. Tenant shall be entitled to adjust, collect and compromise, in its sole discretion, all claims under any applicable insurance policies carried by Tenant, to execute and deliver all necessary proofs of loss, receipts, vouchers and releases required by the insurers and to use any such proceeds as Tenant shall elect in its sole discretion, subject to its obligations under this Article.

ARTICLE 15

ASSIGNMENT AND SUBLETTING; CHANGE IN OWNERSHIP

A. General Prohibition. Tenant shall not have the right at any time to assign (whether by operation of law or otherwise) any rights granted by this Sublease or sublet any portion of the Property (each, a "Transfer") without the prior written consent of Landlord, which Landlord may withhold in its sole and absolute discretion;

B. Change in Ownership of Tenant. During the Term, the following shall be deemed a Transfer: _____ (the "Corporation") ceases to own 100% of the membership interests in Tenant, or if the Corporation is dissolved, or if the Corporation is merged, consolidated, liquidated, or the occurrence of an assignment for the benefit of creditors or by operation of law. Unless Tenant has obtained Landlord's written consent prior to such a Transfer, which consent Landlord may withhold in its sole and absolute discretion, such a Transfer shall constitute an Event of Default for purposes of this Sublease.

ARTICLE 16
ACCORD AND SATISFACTION

No payment by Tenant or receipt by Landlord of a lesser amount than the rental herein stipulated shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided for in this Sublease or available at law or in equity.

ARTICLE 17
MECHANICS AND MATERIALMENS' LIENS

Tenant shall not suffer any mechanics or materialmens' liens or other liens to be filed against the Premises or any other portion of SPC by reason of work, labor, services or materials performed or furnished to Tenant during the Term of this Sublease or related to the Project during the Term. If any such lien or any notice of intention to file a lien shall at any time be filed against the Premises, Tenant shall at Tenant's cost, within fourteen (14) days after the lien or other document is filed, commence and diligently pursue the same to be removed or discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise and shall thereafter diligently pursue such removal or discharge. If Tenant is not able to cause any lien to be removed or discharged of record within thirty (30) days after Tenant becomes aware of such lien, Tenant shall cause the lien to be bonded off within the following ten (10) days.

If Tenant shall fail to remove or discharge any such lien or any notice of intention to file a lien within the prescribed time, then in addition to any other right or remedy of Landlord, Landlord may, at its option, procure the removal or discharge of the same by payment or bond or otherwise. Any amount paid by Landlord for such purpose, including but not limited to, attorney fees, together with interest thereon at the Default Rate shall be and become due and payable by Tenant to Landlord as Additional Rent.

Nothing contained in this Sublease shall be construed as a consent or agreement on the part of Landlord to subject Landlord's estate in the Premises to any lien or liability arising out of Tenant's use or occupancy of the Premises. Tenant covenants and agrees to give any required notices or disclosures to Tenant's contractors advising that Landlord's interest in the Premises are not subject to liens arising from Tenant's construction of improvements on the Property.

ARTICLE 18
LEASEHOLD MORTGAGES

During the Term and subject to the terms of this Sublease, Tenant will have the right to pledge, hypothecate, or otherwise encumber from time to time its leasehold interest under this Sublease as security for one or more loans the proceeds of which are used exclusively for the purpose of funding the performance and satisfaction of Tenant's obligations under this Sublease.

Except to the extent expressly agreed to in writing by Landlord, no such leasehold mortgage loan, or any extension, renewal, re-financing or replacement thereof, obtained by or on behalf of Tenant shall impose any obligation or liability whatsoever on Landlord or attach to, encumber or otherwise affect Landlord's interest in the Premises or the Project. The sole recourse of any leasehold mortgagee shall be against Tenant and Tenant's interest in the Premises and this Sublease. The underlying fee simple title to the Land shall not be mortgaged or encumbered by Tenant. All loans secured by Tenant's interest in the Premises and this Sublease shall be paid in full before the expiration or earlier termination of the Term, including in connection with Landlord's exercise of its option to purchase pursuant to Paragraph C of Article 2 hereunder.

If, from time to time, Tenant or Tenant's successors and assigns shall encumber the leasehold estate created by this Sublease and/or Tenant's in the Premises with a mortgage (a "Leasehold Mortgage"), and if the holder thereof (a "Leasehold Mortgagee") delivers to Landlord an executed counterpart of such Leasehold Mortgage, together with each assignment thereof certified by such Leasehold Mortgage to be true together with written notice specifying the name and address of such holder and the pertinent recording data with respect to such Leasehold Mortgage, Landlord agrees that, anything in this Sublease to the contrary notwithstanding, from and after the date of receipt by Landlord of such notice and for the term (duration) of such Leasehold Mortgage, the following provisions shall apply:

(a) Consent to Amendment. Except as provided below, there shall be no cancellation, surrender or modification of this Sublease by Landlord or Tenant without the prior written consent of any Leasehold Mortgagee. Notwithstanding the foregoing (but, in any event, subject to a Leasehold Mortgagee's curative rights set forth in paragraphs (c) and (d) of this Article), nothing herein shall be deemed to prohibit Landlord from terminating this Sublease in accordance with its terms or exercising its option to purchase as provided for in this Sublease. Except for a refinancing pursuant to this Article 18, there shall be no material modification in the Leasehold Mortgage or related documentation without Landlord's prior written consent.

(b) Notices to Leasehold Mortgagees. Landlord, upon serving Tenant with any notice of an Event of Default, breach of a covenant or failure to perform, or termination, shall simultaneously serve a copy of such notice on any Leasehold Mortgagee. In the event Landlord shall serve Tenant with a notice of a failure to comply with any term, covenant, condition, or provision hereof, the Leasehold Mortgagee shall then have the same period after service of the notice on it as is given to Tenant hereunder to remedy or cause to be remedied such failure, and Landlord shall accept performances by or at the instigation of any Leasehold Mortgagee as if it had been done by Tenant. Any notice required to be given to any Leasehold Mortgagee shall be delivered as provided in Article 27 hereof to the Leasehold Mortgagee at the address and to the attention of the person designated to Landlord by such Leasehold Mortgagee to receive copies of such notices and shall be deemed to have been served as of the date the said notice is received or refused by such Leasehold Mortgagee.

(c) Curative Rights of Leasehold Mortgagees. In addition to the rights granted to any Leasehold Mortgagee under paragraph (b) of this Article 18, a Leasehold Mortgagee shall have an additional period of six (6) months to remedy or cause to be remedied any Event of Default of which it shall receive notice other than an Event of Default described in paragraph A. (iv) of Article 13 for which an additional 10 days to remedy may be provided by Landlord.

(d) Limitation upon Termination Rights of Landlord. If Landlord shall elect to terminate this Sublease upon the occurrence of an Event of Default, the Leasehold Mortgagee shall also have the right to postpone and extend the date of termination as fixed by the provisions of this Sublease for a period of not more than six (6) months from the expiration of the ninety (90) day period specified in subsection (c) hereof, provided that the Leasehold Mortgagee (i) shall cure the Event of Default under this Sublease during such period, and provided further, that the Leasehold Mortgagee shall forthwith take steps necessary to acquire Tenant's interest and estate in this Sublease by foreclosure of its Leasehold Mortgage, or otherwise, and shall prosecute such action to completion with due diligence or (ii) shall cause the Tenant to terminate the Management Agreement with the then current Manager and provide Landlord with a remedial plan acceptable to the Landlord setting forth in reasonable detail how the Leasehold Mortgagee and the proposed substitute manager shall cure the Event of Default. If at the end of the six (6) month period, the Leasehold Mortgagee shall be actively engaged in steps to acquire or sell Tenant's interest in this Sublease, the time for Leasehold Mortgagee to comply with the provisions of this subsection (d) shall be extended for a period, acceptable in the sole discretion of the Landlord, as shall be reasonably necessary to complete the remedial plan with reasonable diligence and continuity.

(e) Assignment. Landlord agrees that in the event of any foreclosure under any Leasehold Mortgage, either by judicial proceedings or under power of sale contained therein all right, title and interest encumbered by such Leasehold Mortgage may, without the consent of Landlord, be assigned to and vested in the purchaser at such foreclosure sale subject and subordinate, however, to the rights, title and interests of Landlord; and, notwithstanding that Landlord's consent to said assignment shall not have been obtained, any such assignee shall be vested by virtue of such assignment with any and all rights of the party whose estate was encumbered by such Leasehold Mortgage as though Landlord had consented thereto; provided, however, the assignee or purchaser at such foreclosure sale shall be required to provide a remedial plan that sets out in reasonable detail such party's plan to cure the Event of Default which caused the foreclosure to take place.

(f) Mortgagee Leases. Landlord agrees that in the event of a termination of this Sublease by reason of any Event of Default, and subject to the rights herein granted to Leasehold Mortgagees, the Leasehold Mortgagee shall have the option, but not the obligation, to enter into a sublease agreement directly with Landlord (a "Mortgagee Lease"); provided:

(i) the Leasehold Mortgagee shall enter into a Mortgagee Lease within the six (6) month period specified in subsection (d) of this Section;

(ii) the Leasehold Mortgagee shall perform and observe all covenants contained in the Mortgagee Lease on Tenant's part to be performed during such period of time commencing with the date of the execution of the Mortgagee Lease and terminating upon the abandonment or surrender of possession of the Premises under the said Mortgagee Lease;

(iii) the Leasehold Mortgagee terminates the Management Agreement with the then current manager and appoints a substitute manager acceptable to the Landlord; and

(iv) the Leasehold Mortgagee, as lessee under the Mortgagee Lease, shall have the same right, title and interest in and to the Premises and the right to use the Project as Tenant had under this Sublease.

(g) Agreement between Landlord and Leasehold Mortgagee. Landlord, upon request, shall execute, acknowledge, and deliver to each Leasehold Mortgagee an agreement, in form reasonably satisfactory to the Leasehold Mortgagee and Landlord, by and among Landlord, Tenant, and the Leasehold Mortgagee (provided the same has been previously executed by Tenant and Leasehold Mortgagee) agreeing to all of the provisions of this Section 18.

(h) Limitation on Liability of Leasehold Mortgagee. Notwithstanding any other provision of this Sublease, Landlord agrees that any Leasehold Mortgagee permitted under this Sublease shall in no manner or respect whatsoever be (i) liable or responsible for any of Tenant's obligations or covenants under this Sublease (nor shall any rights of such Leasehold Mortgagee be contingent on the satisfaction of such obligations or covenants), or (ii) required to cure any Event of Default, provided; however, that if such Leasehold Mortgagee becomes the owner of the leasehold estate created hereunder or becomes the lessee under a Mortgagee Lease, then such Leasehold Mortgagee shall be responsible and liable for all obligations and covenants accruing during such Leasehold Mortgagee's tenure as owner of such leasehold estate or as lessee under a Mortgagee Lease. Notwithstanding the foregoing, the liability of a Leasehold Mortgagee with respect to its obligations under this Sublease or any Mortgagee Lease shall be "non-recourse" and, accordingly, Landlord's source of satisfaction of such obligations shall be limited to its rights to terminate the Sublease as provided herein and/or the Net Available Cash Flow and Landlord shall not seek to obtain payment through any judicial process or otherwise from any person or entity comprising such Leasehold Mortgagee or from any assets of such Leasehold Mortgagee other than the Net Available Cash Flow.

ARTICLE 19
WAIVER

No waiver of any condition or legal right shall be implied by the failure of Landlord or Tenant to take action or for any other reason and no waiver of any condition or covenant shall be valid unless it be in writing signed by the party against whom the waiver is asserted. The mention in this Sublease of any specific right or remedy shall not preclude Landlord or Tenant from exercising any other right or from having any other remedy or from maintaining any action to which it may be otherwise entitled either at law or in equity except to the extent such right or remedy is waived herein; and for the purpose of any suit by Landlord brought or based on this

Sublease, this Sublease shall be construed to be a divisible contract, to the end that successive actions may be maintained as successive periodic sums shall mature under this Sublease and it is further agreed that failure to include in any suit or action any sums or sums then matured shall not be a bar to the maintenance of any suit or action for the recovering of said sum or sums so omitted.

ARTICLE 20
WAIVER OF LIABILITY/INDEMNIFICATION

A. Limitation of Liability. Notwithstanding anything herein to the contrary, Landlord shall not be liable for any claims for damage to property or injuries to persons in, on or about SPC or elsewhere occurring during the Term. This limitation on liability shall apply without limitation to claims by Tenant, its representatives, contractors, employees, agents, invitees, licensees, customers, guests, or related entities. Furthermore, in no event shall Landlord have any liability to Tenant on account of any consequential, incidental, special, punitive, exemplary or any other indirect damages, whether in contract, tort (including without limitation negligence and strict liability) or under any other legal or equitable principles whatsoever, or for any loss of profits or revenue. Tenant further acknowledges that nothing contained in this Sublease shall be construed as waiving or in any way modifying any statutory or sovereign immunity to which Landlord is entitled.

B. Limitation of Liability of Tenant. Notwithstanding anything herein to the contrary, the liability of Tenant hereunder (including, but not limited to its indemnity obligations) shall be "non-recourse" and, accordingly, Landlord's sole source of satisfaction of payment of such obligations shall be limited to the Tenant's interest in the Premises and the rents, issues and surplus related thereto, and Landlord shall not seek to obtain payment from any person or entity comprising Tenant or from any assets of Tenant other than those described herein, notwithstanding the survival of any obligation of Tenant beyond the term hereof.

Notwithstanding the foregoing, the Tenant shall be liable for any fraud, intentional misrepresentation or negligence by the Tenant or any of its officers.

C. Indemnification by Tenant. Tenant agrees that from and after the Effective Date: Tenant shall indemnify, defend (with counsel reasonably acceptable to the Indemnified Parties) and hold harmless Landlord, Master Landlord, and the Florida Board of Governors, and their respective employees, trustees, and governors (collectively, the "Indemnified Parties") from suits, actions, damages, liability and expense, including, but not limited to, attorney fees and court costs, which may be asserted against, imposed upon or incurred by the Indemnified Parties (i) to the extent arising from or out of any occurrence at, in, or from the Premises or any part thereof during the Term by reason of the construction, occupancy, or use of the Premises, (ii) by reason of Tenant's breach under any provision hereof during the Term, or (iii) by reason of any act or omission by Tenant, its employees, representatives, agents, contractors, partners, employees, servants, licensees, or invitees during the Term, except to the extent resulting from the gross negligence or willful misconduct or violation of Applicable Law of any Indemnified Party.

D. Miscellaneous Provisions. Tenant shall store its Personalty in the Premises and Tenant shall occupy and use the Premises at its own risk. Landlord, Master Landlord and the Florida Board of Governors shall not be responsible or liable at any time and Tenant expressly releases them from any loss or damage to Tenant's Personalty. Tenant shall give prompt notice to Landlord in case of fire or accidents on the Premises or in the Project causing material damage thereto.

E. Violation of Requirements. Tenant shall indemnify, defend (with counsel reasonably acceptable to Landlord and Master Landlord) and hold Landlord and Master Landlord harmless from and against any and all loss, cost, damage or claim arising during the Term out the failure of any portion of the Project or Premises to comply with all requirements (including, but not limited to, applicable terms of the Americans With Disabilities Act of 1990 (the "ADA"), as modified and supplemented from time to time) which shall impose any violation, order or duty upon Landlord, Master Landlord or Tenant arising from, or in connection with, the Project, the Property, Tenant's occupancy, use or manner of use of any portion of the Property or the Project (including, without limitation, any occupancy, use or manner of use that constitutes a "place of public accommodation" under the ADA), or any installations in the Property/Premises, Improvements, or required by reason of a breach of any of Tenant's covenants or agreements under this Sublease, whether or not such requirements shall now be in effect or hereafter enacted or issued. Tenant's indemnification obligation hereunder shall not extend to the gross negligence or willful misconduct or violation of any Applicable Laws by Landlord or its employees, trustees, and agents.

F. Survival. This Article will survive the termination of, or the expiration of the Term of, this Sublease.

ARTICLE 21
SURRENDER AND HOLDING OVER

Tenant shall deliver up and surrender to Landlord possession of the Premises and the Project, and shall execute mutually agreeable documentation of the termination upon the expiration or earlier termination of this Sublease, in the condition required by this Sublease. Should Tenant or any party claiming under Tenant remain in possession of the Premises, or any part thereof, after any termination of this Sublease, no tenancy or interest in the Premises or the Project shall result therefrom but such holding over shall be an unlawful detainer and all such parties shall be subject to immediate eviction and removal, and Tenant shall, upon demand, pay to Landlord, as liquidated damages, a sum equal to 200% of the prevailing market rent as determined by Landlord of the Property and the Project for any period during which Tenant shall hold the Property after the stipulated term of this Sublease may have expired or terminated.

ARTICLE 22
CONDEMNATION

In case of a Taking (as hereinafter defined) or the commencement during the Term of this Sublease of any proceedings or negotiations which might result in a Taking, Landlord and Tenant shall give notice thereof to the other. Landlord and Tenant shall have the right to appear in such proceedings and be represented by their respective counsel. Tenant shall be authorized to collect, settle and compromise, in its discretion, the amount of Tenant's award related to the leasehold estate created by this Sublease and the Project. Each of the Parties will cooperate in good faith with the other parties in all such proceedings, and to execute any and all documents that may be required in order to facilitate the collection of the maximum award to which each party shall be entitled thereunder. Notwithstanding anything to the contrary set forth in this Article, Landlord shall be prohibited from exercising any power of condemnation it may now or hereafter have and condemning the Property, the Sublease Estate, or the Project thereon, and from exercising undue influence on the condemning authority against the Property, the Sublease Estate and any improvements thereon. "Taking" shall mean any condemnation, requisition or other taking or sale of the use or occupancy of or title to the Property, the Sublease Estate and/or the Project in, by or on account of any actual or threatened eminent domain proceeding or other action by any governmental authority or other person or entity under the power of eminent domain or otherwise; provided however that Landlord shall be prohibited from exercising any such Taking. A Taking shall be deemed to have occurred on the earliest to occur of the dates that use, occupancy or title is taken.

If at any time during the Term of this Sublease there shall be a Taking of the whole or substantially all of the Property and/or the Project by any governmental entity other than Landlord, then, this Sublease shall terminate and expire on the date title is transferred to such Taking entity. No Rent shall be apportioned in connection with such Taking. For the purpose of this section "substantially all of the Property/Premises and/or the Project" shall be deemed to have been taken if the remaining part of the Property/Premises and/or the Project not so taken cannot be adequately restored, repaired or reconstructed, in the reasonable opinion of Tenant, so as to constitute a complete, architecturally sound facility of substantially the same usefulness, design and construction as the Project prior to the Taking. If this Sublease shall have terminated as a result of such Taking, then Tenant shall at Tenant's election in Tenant's sole discretion either restore the Project on the Property to complete, architecturally sound buildings, or demolish/remove any remaining improvements on the Property, provided Landlord shall have the right, at its option, to receive ownership of the remaining Improvements in their as-is, where-is condition, with all faults (and without representation or warranty, express or implied).

If this Sublease shall have terminated as result of such Taking by any governmental entity other than Landlord, then as between Landlord and Tenant, the Parties agree that each shall be entitled to its fair and equitable share of any award or awards which such awards shall be allocated as follows: (a) to Tenant in an amount equal to the fair market value of the Sublease Estate and the physical facilities of the Project apportioned to the remaining Term and any

Personalty of Tenant so taken; and (b) to Landlord in an amount necessary to compensate it for the fair market value of the Property (subject to, and burdened by, this Sublease for the entire Term and any Renewal Term (it being agreed that such Renewal Terms shall be assumed to have been exercised by Tenant) and excluding Improvements apportioned to the remaining Term). The Sublease Estate and the Project award shall be deemed to be that part of the award which shall be specifically attributable by the condemnation court (or condemnation commissioner or other body authorized to make the award) to the Sublease Estate and the Project on the Property. If any such awards are made without explicit allocation of an amount representing Tenant's interest under this Sublease and/or the Project and Personalty, Landlord and Tenant shall use good faith efforts to agree thereupon. If this Sublease shall continue after any such Taking, this Sublease shall remain unaffected except that this Sublease shall terminate as to the part of the Premises so taken (unless such Taking is a temporary taking, in which case this Sublease shall terminate with respect to the portion of the Premises Taken only so long as it remains taken) and except that Tenant shall, promptly after such Taking and at its expense, restore such Improvements to a complete architectural unit to the reasonable satisfaction of Landlord. The portion of the Premises remaining shall thereafter be referred to as the "Premises."

ARTICLE 23
EXCEPTIONS TO DEMISE

A. Pre-existing Recordings. Notwithstanding anything to the contrary herein contained with respect to the University Standards, this Sublease is subject to all University Standards, the Master Lease and the easements and the Permitted Exceptions, and documents that are imposed from time to time after the Effective Date as long as such future matters do not materially impair Tenant's rights under this Sublease. As provided in the Master Lease, Master Landlord does not warrant or guarantee title, right or interest in SPC and as a result thereof, Landlord under this Sublease does not warrant or guaranty title, right or interest in the Property to Tenant; provided however that Landlord does warrant and guaranty title, right and interest in and to the leasehold estate created by this Sublease in favor of Tenant; provided that the Board of Trustees approves this Sublease. Tenant acknowledges that it has performed whatever due diligence it deems advisable into the ownership, title, and condition of the Property and will obtain, at its discretion, a title insurance policy or other protection concerning Tenant's leasehold interest provided in this Sublease.

B. Subordination. Landlord shall have the right to cause this Sublease (and any renewals, amendments, replacements, modifications and extensions thereof) to be and become and remain subject and subordinate to any and all ground or underlying leases, mortgages or deeds of trust (or any renewals, modifications, consolidations, replacements or extensions thereof) covering the Property for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advances, together with interest thereon and subject to all the terms and provisions thereof; provided, however, that such lender or other party shall agree in a written subordination agreement, in form and substance reasonably acceptable to such lender, to Landlord and to Tenant, not to disturb Tenant's right of possession under this

Sublease pursuant to the terms of this Sublease, unless an Event of Default has occurred and is continuing. Notwithstanding anything to the contrary herein, Landlord shall not have the right to cause any mortgage, lien or encumbrance to be placed on or against the Premises, the Project, the other Improvements or the Personalty.

ARTICLE 24
SUBLEASE INURES TO BENEFIT OF ASSIGNEES

This Sublease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the permitted assigns, if any, of the Parties, provided, however, that no assignment by, from, through or under Tenant in violation of this Sublease shall vest in the assigns any right, title or interest whatever. **It is expressly understood and agreed that, subject to Section B of the Article entitled "Exceptions to Demise", this Sublease and all rights of Landlord hereunder shall be fully and freely assignable by Landlord without notice to or the consent of Tenant.**

ARTICLE 25
QUIET ENJOYMENT

Subject to the provisions of the Article entitled "Exceptions to Demise," Landlord hereby covenants and agrees that if Tenant shall perform all the covenants and agreements herein stipulated to be performed on Tenant's part, subject to the notice and cure rights in favor of Tenant set forth in this Sublease, Tenant shall at all times during the continuance hereof have the peaceable and quiet enjoyment and possession of the Premises without any manner of let or hindrance from Landlord, Master Landlord or any party claiming by or through Landlord or Master Landlord.

ARTICLE 26
NO PARTNERSHIP

By entering into this Sublease, Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or a joint venturer or a member of a joint enterprise with Tenant, it being understood and agreed that neither the method of computation of rent, nor any other provision contained herein, nor any acts of the Parties, shall be deemed to create any relationship other than landlord and tenant. By entering into this Sublease, Tenant does not, in any way or for any purpose, become a partner of Landlord in the conduct of its business, or otherwise, or a joint venturer or a member of a joint enterprise with Landlord, it being understood and agreed that neither the method of computation of rent, nor any other provision contained herein, nor any acts of the Parties, shall be deemed to create any relationship other than Landlord and Tenant.

ARTICLE 27
NOTICES

All notices, requests, consents, waivers, and approvals, under this Sublease shall be effective only if given or made in writing addressed to a party to the attention of the offices or individual(s) and at the address or to the facsimile number specified for that party in this clause and to such additional or other addressees, addresses, and/or facsimile numbers, as any party may designate by notice to the other party in accordance with this clause, and shall be effective at the times, and only if given by the means, specified below:

- i. By nationally recognized overnight delivery service or by government certified or registered mail return receipt requested, effective upon delivery or refusal of delivery by or on behalf of the intended recipient, as evidenced by the delivery receipt; or
- ii. By hand delivery using a commercial courier service, effective upon delivery or refusal of delivery by or on behalf of the intended recipient, as evidenced by the delivery receipt, or by other hand delivery effective upon delivery or refusal of delivery by or on behalf of the intended recipient according to all relevant evidence.

The addressees, addresses and facsimile numbers for notice shall be:

If to Landlord: UNIVERSITY OF SOUTH FLORIDA
Office of Finance and Administration
[insert address]
Attn: Chief Financial Officer

AND TO:

With copy to: UNIVERSITY OF SOUTH FLORIDA
Office of the General Counsel
4202 E. Fowler Avenue, CGS 301
Tampa, FL 33620-4301
Attn: General Counsel

If to Tenant: [

Attn: President]

Copies of all notices provided under this paragraph must also be sent to Master Landlord: State of Florida Department of Environmental Protection
Division of State Lands
3900 Commonwealth Boulevard, MS130
Tallahassee, FL 32399-3000

Attn: Chief, Bureau of Public Land
Administration

ARTICLE 28
LANDLORD'S AND TENANT'S MARKS

A. Landlord's Marks. Tenant shall not use the name of Landlord or any of its symbols, logos, trademarks or other representations of those of its affiliated organizations ("Landlord's Marks") without the express written consent of Landlord and the applicable affiliated organization(s). Tenant shall not, during the Term of this Sublease, change the name of the Housing Facility if such new name would include use of any Landlord's Marks, without the express written consent of Landlord, which consent may be granted or withheld in Landlord's sole and absolute discretion. Upon the expiration of, or earlier termination of, this Sublease, Landlord may require that the name of the Project be changed to remove Landlord's Marks.

B. Tenant's Mark's. Landlord shall not use the name of Tenant or any of its symbols, logos, trademarks or other representations of those of its affiliated organizations ("Tenant's Marks") without the express written consent of Tenant and the applicable affiliated organization(s). Landlord shall not, during the Term, change the name of the Project if such new name would include use of any Tenant's Marks, without the express written consent of Tenant, which consent may be granted or withheld in Tenant's sole and absolute discretion. Upon the expiration or early termination of this Sublease, Tenant may require that the name of the Project be changed to remove Tenant's Marks.

ARTICLE 29
INTEREST

All sums payable by Tenant to Landlord under this Sublease, if not paid when due, shall accrue interest at the lesser of: (i) the sum of the prime rate (published by the Wall Street Journal or similar publication) plus seven percent (7%) (700 basis points) per annum, and (ii) the highest rate allowed under the laws of the State of Florida (the "Default Rate"), from their due date until paid, said interest to be Additional Rent under this Sublease and shall be paid to Landlord by Tenant upon written demand.

ARTICLE 30
WAIVER OF JURY TRIAL

TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OF THE PARTIES KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS SUBLEASE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN), OR ACTION BETWEEN OR AMONG THE PARTIES OR ANY EXERCISE BY ANY PARTY OF ITS RESPECTIVE RIGHTS

UNDER THIS SUBLEASE OR IN ANY WAY RELATING TO THE PROJECT. THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT. THIS WAIVER SURVIVES THE EXPIRATION OR TERMINATION OF THIS SUBLEASE.

ARTICLE 31

NOT CONSENT TO SUE; GOVERNING LAW AND SOVREIGN IMMUNITY

A. Consent to Enforce Sublease. The provisions, terms or conditions of this Sublease shall not be construed as a consent of the State of Florida to be sued and no such consent is granted except as provided by Florida Statutes or case law; provided however that Landlord expressly consents to Tenant enforcing the obligations of Landlord under this Sublease pursuant to (i) an action for specific performance, (ii) an action for injunctive relief, (iii) an action for mandamus, and/or (iv) an action for declaratory judgment.

B. Governing Law; Venue. This Sublease shall be governed by Florida law without regard to its choice of law provisions. Venue for any litigation arising hereunder shall lie in the appropriate court located in [Hillsborough] County, Florida.

C. Sovereign Immunity: This Sublease does not affect the immunities, exemptions and limitations of liability of Landlord or Master Landlord under Section 768.28, Florida Statutes, and other applicable laws of the State of Florida. Nothing in this Sublease shall be deemed to affect the rights, privileges, and immunities afforded Landlord, The University of Florida Board of Trustees; the Florida Board of Governors, Master Landlord; and the State of Florida by law. Nothing herein shall be construed as consent by Landlord or Master Landlord to be sued by third parties in any manner arising out of this Sublease.

ARTICLE 32

FORCE MAJEURE; UNFORESEEN CIRCUMSTANCES

A. Force Majeure. In the event that Landlord or Tenant is delayed or prevented from performing any of their respective obligations during the Term by reason of, or related to or arising out of: acts of God, fire, flood, tornado, hurricane, or similar unforeseeable, extreme weather or accident, shortages, casualty, strikes, lockouts or other labor disputes, inability to procure equipment or labor, or inability to obtain utilities necessary for performance, governmental restrictions or orders, national emergencies, enemy or hostile governmental action, terrorism, insurrection, embargoes and quarantines, reasons of a like nature not the fault of the party delayed in the performance of such obligation (collectively, "Force Majeure"), then, the period of such delays shall be deemed added to the time herein provided for the performance of any such obligation and the defaulting party shall not be liable for losses or damages caused by such delays; provided, however, that this Article shall not apply to the payment of any sums of money required to be paid by Tenant hereunder or any obligation of Landlord or Tenant that can be satisfied by the payment of money. Landlord and Tenant acknowledge that normal and customary rain shall not constitute Force Majeure.

B. Unforeseen Circumstances. During the development and construction of the Project, delays caused or cost increases caused by events listed below that are outside of the reasonable control of the Developer are "Unforeseen Circumstances" include:

- (i) unexpected or unanticipated delays resulting from unforeseen site conditions that were not reasonably anticipated based upon the geotechnical investigation of the Property;
- (ii) hazardous materials are discovered, on or in the Property on which the Project is to be constructed;

ARTICLE 33
MASTER LANDLORD'S WAIVER

This Sublease is subject to and conditioned upon the initial written consent of Master Landlord. Neither Party shall be bound hereto unless and until the Master Landlord has given its written waiver of its right to reject this Sublease.

ARTICLE 34
ENVIRONMENTAL MATTERS

A. ESA. Landlord and Tenant hereby acknowledge that Tenant has performed all environmental due diligence desired by Tenant with respect to the Property and surrounding areas. Any contamination by Hazardous Substance or Materials (as hereinafter defined) located in, on or under the Property or any violations of Environmental Law (as hereinafter defined) or other Applicable Laws arising or occurring after the Effective Date shall not be the responsibility of Landlord.

B. Definitions. For purposes hereof, the following definitions shall apply: (i) "Environmental Law" means and includes the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA" or the Federal Superfund Act) as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA") 42 U.S.C. Sections 9601-9675; the Federal Resource Conservation and Recovery Act of 1976 ("RCRA"); the Clean Water Act, 33 U.S.C. Section 1321, et seq.; the Clean Air Act, 42 U.S.C. Section 7401, et seq., all as the same may be from time to time amended and any other federal, state, county, municipal, local or other statute, law, ordinance or regulation which may relate to or deal with human health or the environment, including, without limitation, all regulations promulgated by a regulatory body pursuant to any such statute, law or ordinance; and (ii) "Hazardous Substance or Materials" means asbestos, urea formaldehyde, polychlorinated biphenyls, nuclear fuel or materials, chemical waste, radioactive materials, explosives, known carcinogens, petroleum products or other dangerous, toxic, or hazardous pollutant, contaminant, chemical, material or substance defined as hazardous or as a pollutant or contaminant in, or the release or disposal of which is regulated by, any Environmental Law or other Applicable Law.

C. Environmental Compliance Requirements. Tenant agrees that the Premises will remain free from contamination by Hazardous Substance or Materials in excess of amounts permitted by Environmental Laws and that the Property and the activities conducted or to be conducted thereon do not and will not violate any Environmental Laws. Tenant shall not cause or permit the Premises to be used for the generation, handling, storage, transportation, disposal

or release of any Hazardous Substance or Materials except as specifically exempted or permitted at all times under applicable Environmental Laws. Tenant shall not cause or permit the Premises or any activities conducted thereon to be in violation of any current or future applicable Environmental Laws. Tenant will promptly notify Landlord of any violation of any Environmental Laws relating to the use of the Premises or the Project or the release or suspected release of Hazardous Substance or Materials in, under or about the Property/Premises in violation of Environmental Laws, and Tenant shall promptly deliver to Landlord a copy of any notices, filings or permits sent or received by Tenant or on behalf of Tenant with respect to the foregoing. Tenant shall have the right to direct decisions regarding remediation activities affecting the Premises which are the responsibility of Tenant under this Sublease all of which shall be performed at Tenant's cost, but Landlord shall have reasonable input into decisions regarding remediation activities. Notwithstanding the foregoing, in no event shall Tenant be entitled to agree to any lesser clean-up standard than is required by Applicable Law (without reliance on any risk based corrective action measures) or to any limitation on use that would bind the Premises following the expiration of the Term without Landlord's consent, which may be withheld in Landlord's sole and absolute discretion. In the event Landlord suffers any claims or loss pursuant to this Sublease, Tenant shall immediately reimburse Landlord hereunder, any such amounts shall constitute Additional Rent due from Tenant to Landlord, and will be due and payable in full within thirty (30) days following receipt of written notice. Tenant's liability under this provision for matters existing on or prior to the expiration or termination of this Sublease shall survive the expiration or any termination of this Sublease.

ARTICLE 35
RADON GAS

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Pinellas County public health unit.

ARTICLE 36
BROKERS

Tenant and Landlord each represent and warrant to the other that no real estate broker, agent, commission salesman, or other person has represented the warranting party in the negotiations for and procurement of this Sublease and of the Property (collectively, a "Broker"), and that no commissions, fees, or compensation of any kind are due and payable in connection herewith to any Broker. Each of Tenant and Landlord hereby agree to indemnify and hold harmless the other party for any claims made for the payment of any commissions, fees, or other compensation of any kind whatsoever which may be due and payable with respect to the negotiation and/or procurement of this Sublease and of the Property by any Broker claiming by, through or under, the indemnifying party.

ARTICLE 37
LANDLORD'S APPROVALS

If Tenant requests Landlord's consent or approval under this Sublease or requests that Landlord provide an estoppel certificate, and Landlord deems it necessary or desirable to seek the advice of its attorneys, architects, and/or other experts, then Tenant shall pay the reasonable fees of such persons and firms in connection with the consideration of such request and/or the preparation of any documents pertaining thereto. With respect to Landlord's review and approval of building code and plans and specifications and any required inspections of the Project (including, state fire marshal inspections), Tenant shall reimburse Landlord for the actual, out-of-pocket costs incurred by Landlord from a third party vendor retained by Landlord for such review and approval, together with an additional three percent (3%) administrative fee of such costs (excluding any overhead and salary costs and expenses of Landlord with respect thereto). Landlord's consent or approval shall only be valid if in writing and Landlord shall not unreasonably withhold or delay the granting of such consent or approval, unless expressly indicated to the contrary in this Sublease with respect to a particular consent or approval. In any request for consent or approval, Tenant shall endeavor to indicate the time period for review, recognizing that Landlord's internal processes and procedures may require a longer review and approval time than that of private parties. Unless otherwise expressly provided under this Sublease, no failure by Landlord to respond within a time period for review shall be deemed approval of, or consent to, a request.

ARTICLE 38
MEMORANDUM OF SUBLEASE

Landlord and Tenant agree to execute and deliver a memorandum or short form lease (hereinafter "Memorandum of Sublease") in a form sufficient to put all contractors, materialmen, and suppliers on notice that neither the underlying fee, interest, nor Landlord's interest in the Property will be subject to construction liens as set forth in Chapter 713, Florida Statutes. The Memorandum of Sublease shall otherwise be substantially similar to the form attached hereto and incorporated herein as Exhibit F, and it shall be recorded in the Official Records of Pinellas County, Florida. No copy of this Sublease shall be filed of record. Tenant shall pay all costs charged by the state and county to record the Memorandum of Sublease. Tenant agrees that upon the expiration or earlier termination of this Sublease and within ten (10) days of Landlord's written request, Tenant shall remove, at Tenant's sole cost and expense, the Memorandum of Sublease from the public records by executing a termination of the Memorandum of Sublease.

ARTICLE 39
OFAC

Without limiting the general requirements under this Sublease for the Parties to comply with Applicable Laws, to the extent applicable to each Party and/or its operations, each Party shall comply with all (i) regulations promulgated by the Office of Foreign Assets Control,

Department of the Treasury which are applicable to Tenant or any occupant of the Property, (ii) the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et seq., (iii) the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and (iv) the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism.

ARTICLE 40
RIGHTS OF WAY AND LICENSES

Tenant shall deliver written requests to Landlord and provide no less than ten (10 business days prior written notice of any utility rights of way and licenses required in connection with the construction, operation and use of the Project. All such utility rights of way and licenses shall be non-exclusive. Landlord, at Tenant's sole cost and expense, shall coordinate with Master Landlord and provide documents in forms acceptable to Landlord. Each such right of way or license shall (a) not materially impair the value, utility and remaining useful life of SPC, any portion thereof, any improvements thereon, the Property/Premises or the Project, (b) be reasonably necessary in connection with the construction, operation or use of the Project, (c) not cause any part of SPC, the Property, or the Project to fail to comply with all material requirements of Applicable Laws, and (d) be permitted by and subject to all recorded easements and other restrictions, encumbrances and agreements affecting the Property in effect as of the Effective Date. No such right of way or license shall extend beyond the Term (and any Renewal Term) of this Sublease.

ARTICLE 41
TENANT'S REPRESENTATIONS AND WARRANTIES

Tenant represents and warrants to and agrees with Landlord that, as of the Effective Date:

A. No Conflict. The execution and delivery of this Sublease, the performance of covenants, conditions, and obligations herein contemplated and compliance with the terms of this Sublease will not conflict with, or, with or without notice or the passage of time or both, result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, deed of trust, mortgage, loan agreement, or other document, or instrument or agreement, oral or written, to which Tenant is a party or by which Tenant is bound, or any applicable regulation of any governmental agency, or any judgment, order or decree of any court having jurisdiction over Tenant.

B. Due Formation. Tenant is a [limited liability company] duly formed under the laws of the State of [insert state], authorized to do business in Florida, and existing in good standing under the laws of the State of Florida, with its principal place of business in the State of [insert state]. All requisite corporate action has been taken by Tenant in connection with entering into this Sublease. No consent of any partner, director, shareholder, beneficiary, creditor, investor, judicial or administrative body, governmental authority, or other party is required in connection herewith which has not been obtained.

C. Authority. Tenant has full right, power and authority to enter into this Sublease and to carry out its obligations hereunder. The individual(s) executing this Sublease and the instruments referenced herein on behalf of Tenant have the legal power, right and actual authority to bind Tenant to the terms hereof and thereof. This Sublease is and all other documents and instruments to be executed and delivered by Tenant in connection with this Sublease shall be duly authorized, executed and delivered by Tenant and shall be valid, binding, and enforceable obligations of Tenant.

D. Rules and Regulations. Except as otherwise specifically provided for in this Sublease, Tenant agrees for itself and for its employees, contractors, agents, invitees, licensees, guests, and/or any other representatives (collectively referred to in this Article as "Tenant's Related Parties") to comply, and Tenant shall use reasonable efforts to cause Tenant's Related Parties to comply, with all regulations, policies, procedures, and guidelines, as may be now or hereinafter amended, which are applicable to SPC generally and Tenant's use and operations thereunder, on a non-discriminatory and reasonable manner and which include but are not limited to, those implemented by the University of South Florida Board of Trustees, The State of Florida Board of Governors, The State of Florida, and/or The State of Florida Board of Education.

E. Existing Exclusive Agreements of Landlord. Tenant shall not enter into any contracts or arrangements for the services generally described in **Exhibit G** which would place Landlord in violation of any of Landlord's exclusive agreements listed on **Exhibit G** hereof or the Master Lease.

ARTICLE 42
MISCELLANEOUS

A. Effective Date. As used herein, and subject to the provisions hereof requiring the prior consent of the Master Landlord, the term "Effective Date" shall mean[_____], 2017.

B. Counterparts. This Sublease may be executed in multiple counterparts each of which taken together shall constitute one and the same instrument.

C. Business Day. For purposes of this Sublease, "Business Day" shall mean all days, excluding Saturdays, Sundays, and all days observed as legal holidays by the Federal Government, the State of Florida and the University.

D. Waiver of Landlord's Lien. Landlord hereby expressly waives and releases any and all contractual liens and security interests or constitutional and/or statutory liens and security interests arising by operation of law to which Landlord might now or hereafter be entitled on the Personalty or any other property of Tenant which Tenant now or hereafter places in or upon the Property (except for judgment liens that may arise in favor of Landlord). The waiver and release contained herein shall not waive, release, or otherwise affect any unsecured claim Landlord may have against Tenant.

E. Time is of the Essence. Time is of the essence with regard to the obligations of both Parties herein.

F. Paragraph Headings. The paragraph headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent neither of this Sublease nor in any way affect this Sublease.

G. Entire Agreement. This Sublease and all Exhibits attached hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements and understandings of the Parties in connection therewith.

H. Amendment to this Sublease. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Sublease shall be binding upon Landlord or Tenant unless reduced to writing and signed by the Parties. Each Party to this Sublease agrees that the other Party and its agents have made no representations or promises with respect to this Sublease, the Property or the Project except as expressly set forth in this Sublease.

I. Recitals. Each of the Recitals to this Sublease is true and correct in all respects and is hereby incorporated into this Sublease for all purposes.

J. No Option. The submission of this Sublease for examination does not constitute a reservation of or option for the Property, and shall vest no right in any party. This Sublease becomes effective only upon execution and delivery thereof by Master Landlord, Landlord and Tenant.

K. No Merger of Title. There shall be no merger of this Sublease or of the leasehold estate created by this Sublease by reason of the fact that the same person, firm, or corporation or other entity may acquire or own or hold directly or indirectly (a) this Sublease or the leasehold estate created by this Sublease or any interest in this Sublease or in any such leasehold estate, and (b) the fee estate in the Property/Premises or any part thereof or any interest in such fee estate and no such merger shall occur unless and until all corporations, firms and other entities having any interest in (i) this Sublease or the leasehold estate created by this Sublease, and (ii) the fee estate in the Property or any part thereof shall join in a written instrument effecting such merger and shall duly record the same.

L. Severability of Provisions. The provisions of this Sublease are severable, and if any provision, or any portion thereof, is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable for any reason, any remaining portions of that provision, and all other provisions of this Sublease, shall remain valid and enforceable to the fullest extent permitted by law and equity in order to give effect to the Parties' intentions under this Sublease.

M. Negation of Partnership. Nothing contained in this Sublease is intended to create any partnership, joint venture or association between the Parties or in any way make the either

party a co-principal with the other party with reference to the property or the agreements referenced herein and any inferences to the contrary are hereby expressly negated.

N. No Third Party Beneficiary. Except as expressly set forth to the contrary in this Sublease, each of the Parties agree that no individual and/or entity is intended to have, nor shall such individual and/or entity be deemed to have, any rights or remedies as a third party beneficiary to, or under, this Sublease or otherwise and each of the Parties acknowledge and agree that any benefit conferred to any such individual and/or entity is, and shall be deemed for all purposes to be, merely incidental.

O. Anti-Bribery Provision. Each of Landlord and Tenant represents, warrants, and agrees with the other Party that it: (a) will comply with all anti-corruption laws applicable to its business operations; (b) has not and will not offer, promise, give, or authorize the payment of anything of value (e.g. cash or cash equivalents, gifts, travel and entertainment, stock, offers of employment, etc.), directly or indirectly, to any Government Official (as hereinafter defined) with the intention of inducing him or her to engage in improper or unlawful conduct or to secure an improper business advantage; (c) has not and will not make facilitation payments or "grease payments" to Government Officials or others in a position of authority to expedite routine non-discretionary government or lawful actions (e.g. processing permits, visas and licenses, scheduling inspections, clearing customs, etc.); and (d) has not and will not offer, promise, give, request, receive or accept anything of value, directly or indirectly, to or from any person for the purpose of influencing, inducing or rewarding the improper performance of an act or decision. For purposes of this clause, the term "Government Official" means any (a) officer or employee of government, department, agency, or instrumentality of a government (government-controlled enterprise); (b) officer or employee of a public international organization; (c) political party or party official; (d) candidate for political office; or (e) other person acting in an official capacity. Landlord and Tenant agree that failure to comply with this section will constitute a material breach of this Sublease.

P. Survival: Tenant's obligations which by their nature should survive or which this Sublease expressly states will survive will remain in full force and effect following termination or expiration of this Sublease.

Q. Funding Contingency: Landlord's performance and obligations under this Sublease shall be subject to the appropriation of funds sufficient for the purpose. Landlord shall provide Tenant notice of the non-availability of funds for this promptly after Landlord has knowledge thereof.

IN WITNESS WHEREOF, Landlord and Tenant have hereunto set their hands and seals as of the day and year first above written.

LANDLORD:

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES, a public body corporate

By: _____
Judy L. Genshaft, USF System President

WITNESSES:

SIGNATURE

PRINTED NAME

SIGNATURE

PRINTED NAME

Approved as to form and legality:

Gerald D. Solis, General Counsel
University of South Florida

TENANT:

[insert name]

By: _____

[INSERT name]

President

ATTEST:

SIGNATURE

PRINTED NAME

SIGNATURE

PRINTED NAME

EXHIBIT A

Copy of Master Ground Lease and First Amendment

25552/016/01210825.DOCXv6

EXHIBIT B

Description of Property

[INSERT]

B-1-1

25552/016/01210825.DOCXv6

EXHIBIT C

LIST OF ENCUMBRANCES

- 1. [INSERT]**

C-1

25552/016/01210825.DOCXv6

EXHIBIT D

DESCRIPTION OF STAGING AREA

D-1

25552/016/01210825.DOCXv6

EXHIBIT E

ACKNOWLEDGEMENT OF EXPIRATION DATE

This instrument prepared by:

Charles L. Cooper, Jr., Esquire
Bryant Miller Olive P.A.
101 North Monroe Street, Suite 900
Tallahassee, Florida 32301

ACKNOWLEDGEMENT OF EXPIRATION DATE

This Acknowledgement of Expiration Date ("Acknowledgement") relates to that certain Memorandum of Sublease recorded _____, 2015 at Official Record Book _____ at Page _____ Public Records of Pinellas County, Florida related to the Sublease Agreement between the UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES, a public body corporate of the State of Florida ("Sublessor") and _____, a _____ limited liability company.

Pursuant to Section A. of Article 2 of the Sublease Agreement the parties hereto acknowledge that Substantial Completion, as determined pursuant to the Sublease Agreement occurred on _____ and the parties agree and acknowledge that the Expiration Date of the initial term of the Sublease Agreement is therefore _____, 20__.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

SUBLESSOR:

**UNIVERSITY OF SOUTH FLORIDA
BOARD OF TRUSTEES, a public body
corporate**

Print Name: _____

By: _____
Judy L. Genshaft, as USF System President

Print Name: _____

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing Memorandum of Sublease was acknowledged before me this ____ day of _____, 2017, by _____, as _____ of University of South Florida Board of Trustees, on behalf of the University. He is (___) personally known to me or (___) produced _____ as identification.

Notary Public
My commission expires:

Signed, sealed and delivered
in the presence of:

SUBLEESSEE:

_____ LLC

Print Name: _____

By: _____
_____, President

Print Name: _____

STATE OF FLORIDA

E-2

COUNTY OF _____

The foregoing Acknowledgement was acknowledged before me this ____ day of ____, 20__, by _____, President of _____ LLC, a _____ limited liability company, on behalf of the Company. He is () personally known to me or () produced _____ as identification.

Notary Public
My commission expires:

EXHIBIT F

FORM OF MEMORANDUM OF LEASE

This instrument prepared by:
[Charles L. Cooper, Jr.], Esquire
Bryant Miller Olive P.A.
101 North Monroe Street, Suite 900
Tallahassee, Florida 32301

MEMORANDUM OF SUBLEASE

THIS MEMORANDUM OF SUBLEASE ("Memorandum") is made this 24th day of March, 2015, between the UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES, a public body corporate of the State of Florida, whose address is _____, Attn: Chief Financial Officer ("Sublessor") and _____ LLC ("Sublessee"), a _____ limited liability company, whose address is c/o _____, Attn: President.

WITNESSETH FOR AND IN CONSIDERATION of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Sublessor and Sublessee entered into that certain Sublease Agreement made as of _____ 1, 2017 (the "Sublease") which Sublease is for those certain premises located in Pinellas County, Florida (the "Subleased Premises") described in Exhibit "A" attached hereto and made a part hereof by this reference.

Notice is also hereby given pursuant to the Sublease, that no lien or claim arising from work performed by or on behalf of Sublessee may attach to the underlying fee interest, nor Sublessor's interest in the Subleased Premises.

It is the intention of the parties to put others on notice of the existence of the Sublease. Nothing herein shall in any way affect or modify the Sublease. In the event of conflict between the terms of this document and those contained in the Sublease, the terms in the Sublease shall control.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

SUBLESSOR:

**UNIVERSITY OF SOUTH FLORIDA
BOARD OF TRUSTEES, a public body
corporate**

Print Name: _____

By: _____
Judy L. Genshaft, USF System President

Print Name: _____

STATE OF FLORIDA

COUNTY OF PINELLAS

The foregoing Memorandum of Sublease was acknowledged before me this ____ day of March, 2015, by _____, as _____ of University of South Florida Board of Trustees, on behalf of the University. He is (___) personally known to me or (___) produced _____ as identification.

Notary Public

My commission expires:

[Remainder of page intentionally left blank]

Signed, sealed and delivered
in the presence of:

SUBLESSEE:

By: _____
_____, President

Print Name: _____

Print Name: _____

STATE OF FLORIDA

COUNTY OF _____

The foregoing Memorandum of Sublease was acknowledged before me this ____ day of
March, 2015, by _____, President of _____ LLC, a _____
limited liability company, on behalf of the Company. He is (___) personally known to me or (___)
produced _____ as identification.

Notary Public

My commission expires:

Exhibit "A"

F-5

EXHIBIT G

LIST OF EXCLUSIVE AGREEMENTS

G-1

A RESOLUTION APPROVING A MULTI-USE DEVELOPMENT PROJECT AND ENTERING INTO A GROUND SUBLEASE AGREEMENT WITH NATIONAL CAMPUS AND COMMUNITY DEVELOPMENT CORPORATION, OR AN AFFILIATE; REQUESTING THE FLORIDA BOARD OF GOVERNORS TO APPROVE THE PROJECT AND APPROVE THE TERMS OF THE GROUND SUBLEASE AGREEMENT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, The University of South Florida Board of Trustees (the "Board"), the governing body of the University of South Florida (the "University") is authorized and empowered pursuant to Section 1013.171 (1), Florida Statutes and the University's policies to lease its land for the purpose of having erected thereon facilities and accommodations necessary and desirable to serve the educational needs and purposes of the University; and

WHEREAS, in 2016, the Board engaged Brailsford & Dunlavey ("B&D") a nationally known comprehensive planning and program management firm to act as a development advisor for USFSP for a new, on campus mixed use project which analysis included a study of the of the strategic needs and demand for additional on campus housing and an evaluation of alternative delivery methods including public private partnerships (the "B&D Study"); and

WHEREAS, the B&D Study identified additional student housing, in addition to dining and conference space, was needed in response to the Board's strategic objectives, enrollment growth and short supply of student beds, food service and meeting space on USFSP; and

WHEREAS, the Board finds that a need exists to provide student housing including associated on-campus dining and a conference center (the "Project") on its St. Petersburg campus ("USFSP"); and

WHEREAS, while the student housing and dining components of the project do not require specific legislative approval the conference center did receive legislative approval pursuant to Section 11 of SB 2500 adopted during the 2017 legislative session; and

WHEREAS, the Project is to be located on the USFSP campus and is consistent with the 2010 Campus Master Plan and the 2015 Master Plan Update (collectively referred to as the "Master Plan") and the USFSP Strategic Plan 2014-2029; and

WHEREAS, based on the results of the B&D Study the Board conducted a publically announced competitive selection process as required pursuant to Section 1013.171 (4), Florida statutes and issued ITN #17-06-GC on October 24, 2016 for the development of the Project using the public private partnership delivery method to include a mixed-use residential community containing approximately 550 beds and associated residential spaces (the "Residential Component"), approximately 15,000 square feet of dining space (the "Dining Component") and

Draft Date 8/2

approximately 21,000 gross square feet of conference space (the Conference Center Component") with appropriate parking, lighting, security, site infrastructure and other related services and amenities; and

WHEREAS, the Project, as a whole, will support expansion of student life programming, community building and integration of the USFSP with the City of St. Petersburg, Florida; and

WHEREAS, the Board received eleven proposals in response to the ITN and following a shortlisting process negotiated with five of the proposers and selected the proposal submitted by EdR Collegiate Housing ("EdR"); and

WHEREAS, the Housing Component and the Dining Component will be jointly developed by National Campus and Community Development Corporation, a national not-for-profit 501(c)(3) organization, or an affiliated entity ("NCCD") and EdR in order to take advantage of tax exempt financing available for these components;

WHEREAS, the Conference Center Component will be jointly developed by the Board, Sodexo, the Board's current on campus dining provider for USFSP and EdR; and

WHEREAS, the Conference Center Component will be entirely financed with funds contributed to the Board by Sodexo; and

WHEREAS, the Board will enter a Ground Sublease Agreement, a proposed form of which is attached hereto as item (b) of Appendix A and the Senior Vice President has reviewed the Ground Lease Agreement in accordance with the Board's Real Property Policy; and

WHEREAS, the Board anticipates EdR having certain continuing asset maintenance responsibilities with respect to the building as a whole, operational responsibilities for the Housing Component remaining with the Board and operational responsibilities for the Dining Component and the Conference Center Component remaining with Sodexo; and

WHEREAS, in order to accommodate the different ownership interests in the various components, NCCD anticipates subjecting its leasehold interest to a commercial condominium whereby NCCD will own the condominium unit associated with the Housing Component and the Dining Component and the Board will own the condominium unit containing the Conference Center Component that will be constructed, equipped, operated and managed by Sodexo; and

BE IT RESOLVED BY THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES:

Section 1. The Board hereby finds that the Project is necessary and desirable to be erected on USFSP and is consistent with the University's Master Plan and the USFSP Strategic

Draft Date 8/2

Plan and it is more desirable to have NCCD, Sodexo and EdR develop the Project rather than the Board. The Board hereby approves the development of the Project, as more particularly described herein, and the Ground Sublease Agreement with NCCD, or an affiliated entity, to design, build, finance, manage, operate and maintain the various components of the Project as described herein and in the Ground Sublease Agreement and requests the Florida Board of Governors (the "Board of Governors") to approve the Project and the terms of the Ground Sublease Agreement.

Section 2. The Project is consistent with the objectives contained in the Housing Element of the 2010 Campus Master Plan (Section 7) that generally provides as a goal of the University is the provision of enhanced support facilities for campus housing, including expansion of programs to accommodate food service for the University's residential program.

Section 3. The Board hereby finds that development of the Project (i) is consistent with the goals contained in the Board's 2013-2018 Strategic Plan including Goal 1 to produce well educated and highly skilled global citizens through our continuing commitment to students success, Goal 3 to be a highly effective, major economic engine, creating new partnerships to build a strong and sustainable future for Florida in the global economy, and Goal 4 to use sound financial management to establish a strong and sustainable economic advancement which requires enhancing the physical infrastructure of the campus thorough fiscally responsible investments and (ii) complies with the requirements of the Board's Real Property Policy. Construction of the Project is expected to begin following execution of the Ground Sublease Agreement and is expected to be completed in July 2019.

Section 4. The University President, the authorized representatives of the University and the members of the Board are hereby authorized to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other actions as they may deem necessary or desirable, in connection with the Project and this resolution, including the execution and delivery of a Ground Sublease Agreement. The University's President or the President's designee is authorized to execute and deliver the Ground Sublease Agreement in a final form acceptable to the President, or the President's designee, General Counsel and Bryant Miller Olive P.A., the University's Special Counsel.

Section 5. In making the determination to approve the Project and the terms of the Ground Sublease Agreement, the Board has reviewed the information attached as Appendix A and finds that the Project and the Ground Sublease Agreement are in compliance with the University's Campus Master Plan and applicable law.

Section 6. This Resolution shall take effect immediately upon its adoption.

Adopted this ____ day of _____, 2017.

Appendix A

The following documents have been reviewed by the Board prior to the execution of this Resolution:

- (a) A study prepared by Brailsford & Dunlavey dated May 2016;
- (b) the Project operating pro-forma and cost information provided by EdR as validated by Public Financial Management and Brailsford & Dunlavey;
- (c) the Ground Sublease Agreement;
- (d) the depiction of the Project location on the USFSP Campus Master Plan Map, along with preliminary Project renderings and proposed floor plan; and
- (e) the letter of Bryant Miller Olive P.A., University Special Counsel, describing the rights and remedies to be available to the University upon a default of the Ground Sublease Agreement by NCCD.

STUDENT HOUSING DEMAND ASSESSMENT REPORT PREPARED FOR

UNIVERSITY OF SOUTH FLORIDA - ST. PETERSBURG

MAY 2016

FINAL REPORT



PREFACE

THIS PAGE LEFT INTENTIONALLY BLANK

PREFACE

In January 2016, University of South Florida St. Petersburg (“USFSP”) engaged Brailsford & Dunlavey, Inc. (“B&D”) for development advisory services related to new on-campus student housing. This report includes the results of B&D’s market and demand analysis during the project planning phase.

B&D would like to thank the following individuals who provided insight and comments throughout the process:

- ◆ Ms. Sophia Wisniewska, Regional Chancellor
- ◆ Mr. Joseph Trubacz, Regional Vice Chancellor, Administration and Financial Services
- ◆ Mr. Gardiner Tucker, Interim Regional Associate Vice Chancellor, Student Affairs
- ◆ Mr. Jacob Diaz, Dean of Students and Director of Housing
- ◆ Mr. Matt Morrin, Director of Student Life and Engagement
- ◆ Mr. John Dickson, Director, Facilities Services
- ◆ Mr. Jim Grant, Construction Project Manager
- ◆ Ms. Heather Klisanin, Assistant Director, Housing and Residence Life and Student Conduct
- ◆ Mr. Scott Hendershot, Coordinator, Housing Assignments and Operations

The B&D team that produced the report was comprised of the following individuals:

- ◆ Mr. Brad Noyes, Senior Vice President
- ◆ Mr. Ryan Gever, Assistant Project Manager

The report sets forth B&D’s findings with respect to various market conditions and concept options. The findings contained herein represent the professional opinions of B&D’s personnel based on assumptions and conditions detailed in this report. B&D has conducted research using both primary and secondary information sources which were deemed reliable, but whose accuracy cannot be guaranteed.

TABLE OF CONTENTS

THIS PAGE LEFT INTENTIONALLY BLANK

TABLE OF CONTENTS

- 1** Executive Summary
- 2** Recommendation
- 3** Strategic Asset Value Analysis
- 4** Market Analysis
 - a. On-campus Housing
 - b. Off-campus Housing
 - c. Student Survey
 - d. Demand

APPENDICES

- A** April 2016 Campus Board Presentation
- B** Student Survey Responses

TABLE OF CONTENTS

THIS PAGE LEFT INTENTIONALLY BLANK

SECTION 1:

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

THIS PAGE LEFT INTENTIONALLY BLANK

EXECUTIVE SUMMARY

The University of South Florida St. Petersburg is a growing institution that began to offer on-campus student housing in 2006. After successfully launching its residential program, the University built a second phase of student housing in 2012. Both facilities achieved full occupancy shortly after opening. At this time, there is surplus demand for student housing with students being turned away as well as accommodated in an off-campus hotel.

USFSP is in the midst of a period of substantial enrollment growth. The University projects that full-time undergraduate enrollment has the potential to grow nearly 60% over the next 10 years. The University's strategic plan highlights the importance of student housing through articulation of a goal to grow the residential population to 30% of undergraduate full-time equivalent (FTE) enrollment. Currently, only 13% of undergraduate FTE enrollment can be accommodated on campus.

Acknowledging this strategic goal as well as a current surplus of student housing demand, USFSP engaged Brailsford & Dunlavy for development advisory services related to their next student housing development. B&D's student housing demand assessment yielded the following key findings:

- ◆ Expansion of the student housing program is of great strategic importance to the University.
- ◆ There currently exists surplus demand for an additional 331 beds that will grow to 554 beds by 2019-2020 based on financially feasible rental rates.
- ◆ New housing at USFSP should utilize a full-suite unit configuration that will further diversify offerings and price point. The new unit type will maximize the capture rate since latent demand currently spans freshman to seniors.
- ◆ The current off-campus market for student housing is not student friendly and does not offer many student-amenable housing options in close proximity.
- ◆ USFSP students are particularly price sensitive with respect to housing. The next student housing development needs to be close to tested rental rates so as to avoid occupancy risk.
- ◆ The addition of 554 new beds will increase the total demand for contract dining space to 370 seats and could rise to 470 seats based on long-term housing goals. The recommended site for the new beds is the only designated location for dining expansion in the campus master plan.
- ◆ To take advantage of functional relationships between dining and conference services as well as the site relationship to the University parking garage and downtown St. Petersburg, any new University conference spaces should be considered as part of the new housing development.

EXECUTIVE SUMMARY

THIS PAGE LEFT INTENTIONALLY BLANK

SECTION 2:

RECOMMENDATION

RECOMMENDATION

THIS PAGE LEFT INTENTIONALLY BLANK

RECOMMENDATION

Based on the strategic goals of the University and projected demand for on-campus student housing, B&D recommends a 554 bed project, primarily full-suites, on the 6th Avenue site between 3rd Street and 4th Street. The recommendation is financially feasible with the tested rental rates if the project is developed by the University or through a public-private partnership. The recommendation below is based on a target occupancy date of Fall 2019.

PROJECT CONCEPT

RESIDENTIAL PROGRAM

The residential program of the next housing development should create an ideal product for sophomores and juniors. In order to support these needs, the recommended residential program primarily includes full-suite units, in which students of all undergraduate classifications expressed interest. These units will all have four beds per unit, but are split into single- and double-occupancy units. The number of beds is greater for single-occupancy units, which more students preferred, but by including double-occupancy units, a more efficient and affordable option can be provided as well as an option that is more developmentally appropriate for first-year students. With the addition of Residential Assistant studio units, the program includes a total of 554 beds. Additionally, students are very price sensitive and the two different unit-types will create more financially accessible options for more students. The residential program tested is outlined in Exhibit 4.1.

Unit Description	Quantity	Per Unit		Total	
		Net SF	Beds	Net SF	Beds
Full-Suite - 4BR/2BA single-occupancy	72	880	4	63,360	288
Full-Suite - 2BR/1BA double-occupancy	63	680	4	42,840	252
Resident Assistant Studio	14	350	1	4,900	14
Total Residential Net SF				119,640	554 Beds
Total Residential Gross SF				166,170	300 SF/Bed

EXHIBIT 4.1: RESIDENTIAL PROGRAM TESTED

The residential facility is recommended to also include laundry facilities in the building, a social and/or study lounge on each floor, and a larger community space that includes a full kitchen. Inclusive of the entire program, the program includes 166,170 gross square feet or 300 square feet per bed.

The next student housing development at USFSP will need to build upon the success of its first two housing facilities which support experiences that align with the University's vision for first-year and upper division students in USC and RHO, respectively. However, the projected enrollment growth will also lead

 RECOMMENDATION

to short-term need for additional first-year beds and up to 252 beds should be marketable to first-year students. In the long term, future phases of housing as identified in the campus master plan are anticipated to include additional first-year beds. B&D recommends minimizing additional apartment-style units in order to support the campus dining program and spread out the costs of the dining operation over a greater number of meal plans.

SITE LOCATION

The USFSP Comprehensive Master Plan identifies the following three sites for future student housing developments:

- ◆ North of 6th Avenue between 3rd Street and 4th Street
- ◆ East of RHO
- ◆ West of USC

It is recommended that the development occurs at the site north of 6th Avenue between 3rd Street and 4th Street. First, the scale of the demand allows for a development that is too large for either of the other sites. Second, the recommended development is intentionally adding a new type of residential product to the campus system and future phases of housing may add additional beds similar to the existing products at RHO and USC as the University continues to grow. The recommended site location can be seen in Exhibit 4.2.



EXHIBIT 4.2: SITE LOCATION

SECTION 3:

STRATEGIC ASSET VALUE ANALYSIS

STRATEGIC ASSET VALUE ANALYSIS

THIS PAGE LEFT INTENTIONALLY BLANK

STRATEGIC ASSET VALUE ANALYSIS

The Strategic Asset Value (“SAV”) session was conducted with key stakeholders across campus. The SAV is intended to communicate the role of student housing in the strategic context of the University. It should be used to assure informed decision-making regarding the strategic goals and objective of the University for its student housing system. The following individuals represented campus stakeholders in the initial visioning session:

- ◆ Sophia Wisniewska, Regional Chancellor
- ◆ Joseph Trubacz, Regional Vice Chancellor, Administration and Financial Services
- ◆ Gardiner Tucker, Interim Regional Associate Vice Chancellor, Student Affairs
- ◆ Jacob Diaz, Dean of Students and Director of Housing
- ◆ Matt Morrin, Director of Student Life and Engagement
- ◆ John Dickson, Director, Facilities Services
- ◆ Jim Grant, Construction Project Manager
- ◆ Heather Klisanin, Assistant Director, Housing and Residence Life and Student Conduct
- ◆ Scott Hendershot, Coordinator, Housing Assignments and Operations
- ◆ Brad Noyes, Senior Vice President, Brailsford & Dunlavey
- ◆ Ryan Gever, Assistant Project Manager, Brailsford & Dunlavey

Based on the results of the SAV session, B&D created a “draft” SAV Story for Student Housing. The draft SAV Story was reviewed and confirmed by the campus stakeholders who participated in the SAV session. The resulting story is expressed below using the following chapters:

- ◆ Quantity and Location of Student Housing
- ◆ Target Market, Unit Typology, and Program Requirements
- ◆ Financial Accessibility and Quality Reconciliation
- ◆ Financial Performance, Institutional Will, and Risk Tolerance

THE SAV STORY

QUANTITY AND LOCATION OF STUDENT HOUSING

- USFSP strives to move from the current capture rate of 13% to 30% undergraduate FTE living on campus.
- Graduate housing is not currently available, but will be considered as demand develops.
- Benefiting from its tight urban footprint, the University will continue to locate student housing close to the center of campus.

STRATEGIC ASSET VALUE ANALYSIS

- Given the campus footprint, the University will continue to make investments enhancing the central hub of campus, thereby creating a single, cohesive neighborhood.

TARGET MARKET, UNIT TYPOLOGY, AND PROGRAM REQUIREMENTS

- USF St. Petersburg seeks to provide housing to all students, particularly undergraduates, who desire to live on campus. Students who choose to live on campus should benefit from heightened access to resources available across campus and St. Petersburg.
- The University intends to create residential units that are market responsive while being developmentally appropriate for all four years of the undergraduate experience.
- The University would like to take advantage of the increased on-campus housing supply to create more opportunities to integrate academic programming into the residential experience such as living-learning communities.
- USF St. Petersburg's competitive advantage is the campus location in downtown St. Petersburg. The University should leverage this advantage and be market-responsive in providing amenities within housing facilities.

FINANCIAL ACCESSIBILITY AND QUALITY RECONCILIATION

- USF St. Petersburg wants to provide student housing pricing that is market-responsive. However, pricing should be kept at a level that minimizes occupancy risk and maintains financial accessibility.
- Differentiation of unit configurations and associated pricing should be considered if this approach maximizes the number of students who choose to live on campus.

FINANCIAL PERFORMANCE, INSTITUTIONAL WILL, AND RISK TOLERANCE

- Each student housing development should contribute positively to the bottom line of the overall housing system.
- While the expansion of the housing system is important to the institution, USF St. Petersburg is not willing to subsidize additional student housing by leveraging the University's balance sheet.
- Satisfying housing demand is of strategic importance and the University will build to meet demonstrated housing demand.
- Occupancy Coverage Ratios below represent risk profile (*for more information, see page 4.8*):

Occupancy Coverage Ratio	Target Market
1.05x	Freshmen
1.05x	Sophomores
1.1x	Juniors
1.15x	Seniors
1.5x	Graduates

SECTION 4:

MARKET ANALYSIS

MARKET ANALYSIS

THIS PAGE LEFT INTENTIONALLY BLANK

MARKET ANALYSIS

ON-CAMPUS STUDENT HOUSING

HOUSING INVENTORY AND OCCUPANCY

USFSP opened its first on-campus student housing facility, Residence Hall One (“RHO”), in 2006. With a design capacity of 352 students, RHO was composed of apartment-style units that would attract and retain students to live in the new residential community. Building off this success, the University opened its second housing facility, University Student Center (“USC”), in 2012. USC, a multi-use facility, included a residential wing with capacity for 201 students in semi-suite style units that targeted primarily freshmen. The combined, total design capacity of USFSP’s existing housing stock remains at 553 beds today.



EXHIBIT 3.1: ON-CAMPUS UNIT TYPE DISTRIBUTION

In Fall 2015, the University opened with 567 occupants, 14 beds or 2.5% over capacity. To accommodate the additional housing demand, USFSP has taken several steps. First, some rooms in RHO have been temporarily converted from single-occupancy to double-occupancy bedrooms. Second, USFSP removed their first-year live-on requirement. Third, graduate students interested in on-campus housing were turned away. Finally, the University entered into a temporary lease agreement with the Hilton St. Petersburg Bayfront Hotel where an additional 79 beds were occupied by USFSP students in semi-suite units even though units in the Hilton are further separated from campus and are 27% more expensive than apartments at RHO or 32% more expensive than semi-suites at USC. All of these techniques to manage demand for on-campus housing will continue into the following academic year. Exhibit 3.2 shows the overall capture rate by class for all full-time USFSP students.

MARKET ANALYSIS

Enrollment Classification (FTOnly)	onFall 2015 Capture Rate
Freshman	68%
Sophomore	38%
Junior	11%
Senior	4%
Graduate	0%
TOTAL	23%

EXHIBIT 3.2: FULL-TIME ON-CAMPUS CAPTURE RATE BY CLASS**RENTAL RATES**

USFSP offers a variable rental rate structure between the various buildings and unit-types as shown in Exhibit 3.3. The differences between the rates are proportionally small, with exception of the rates for units at the Hilton. However, the rate for shared studios in RHO will change in Fall 2016 to equal the rates at USC and for a two-bedroom shared apartment in RHO. This will result in a less variable and simpler rental rate structure.

Rental Rate (per semester)	2015-
Semi-Suite - Double (USC)	\$ 3,784
Apartment - Studio Shared (RHO)	\$ 3,174
Apartment - Two-Bedroom Shared (RHO)	\$ 3,784
Apartment - Four-Bedroom Single (RHO)	\$ 3,922
Semi-Suite - Double (Hilton)	\$ 4,984

EXHIBIT 3.3: USFSP RENTAL RATES 2015-2016 (PER SEMESTER)

In addition to rental costs, all students living on campus have a meal plan requirement. First-year students have a higher meal plan requirement than those in upper division classes.

STUDENT SATISFACTION

As evidenced by the latent demand for on-campus housing, students perceive there is value to live on campus. Eighty (80) percent of students indicated they are either very satisfied or satisfied with the overall housing experience on campus in the student survey. Students have the highest satisfaction with the floor plans and unit configurations, physical condition, and privacy offered and the least satisfaction with the student community, available dining options, and cost of housing.

UNIVERSITY OF SOUTH FLORIDA ST. PETERSBURG STUDENT HOUSING DEMAND ASSESSMENT

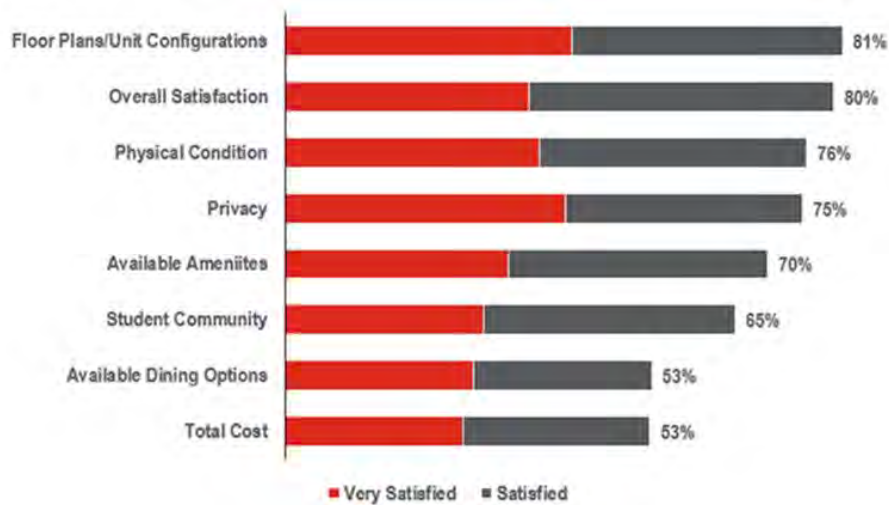


EXHIBIT 3.4: STUDENT SATISFACTION

B&D gained valuable insights into the current on-campus housing experience through student focus groups. Generally, students spoke very positively about their experience at USFSP as well as their experience in on-campus student housing. Students stated USC is great for the first-year experience, but afterwards they prefer independent living arrangements, particularly the single-occupancy bedrooms in RHO. Most found that the physical building was of a nicer quality in USC than RHO, but still are happy to live in RHO due to the private bedrooms. Many students acknowledged physical issues are mostly due to student mistreatment and praised the efforts of residential, custodial, and maintenance staff.

As a small residential program, offering additional housing will help create a more robust social environment. Many students commented that the residential experience would be much better if there was a larger community on campus outside of class hours. The most common reason students stated they eventually chose to live off campus was the limited scale of dining options on campus. As the housing system expands, the University will continue to consider new ways to enhance and expand the dining program on campus.

OFF-CAMPUS HOUSING

Although many students live off campus, the off-campus market is not student friendly. B&D conducted an off-campus analysis to understand how the private rental housing market compares to the on-campus options available to USFSP students. The project team analyzed thirty two (32) properties in the St. Petersburg region where students indicated they lived in the student survey. Specific criteria, such as target market emphases, rental rates, unit types, and available amenities, were analyzed to understand why some students choose off-campus properties over USFSP housing.

MARKET ANALYSIS

OFF-CAMPUS HOUSING MARKET SUMMARY

In the immediate vicinity of USFSP's campus, while there are many rental housing units available, few students live there. Due to the campus location immediately adjacent to downtown St. Petersburg, most off-campus housing near campus is not student friendly and very expensive. Instead, most students find off-campus housing options further from campus and chose to commute from where housing options are less expensive and better meet students' needs.

Among the surveyed units that students chose to live in, the average distance to campus was 6.5 miles. These units included a range of studio, one-bedroom, two-bedroom, and three-bedroom apartments which had an average monthly rent of \$910 per bedroom, which is 4-8% more expensive than the majority of units on campus. However, the average costs per bedroom varied by unit type implying there are living arrangements available off campus that can be much more expensive or less expensive than on campus.

Average Off - Campus Costs (per n		
	Rent / Bed	Total Cost / Bed*
Studio	\$ 800	\$ 980
1 Bedr oom	\$ 966	\$ 1,146
2 Bedr oom	\$ 632	\$ 812
3 Bedr oom	\$ 521	\$ 701
A V E R A G E	\$ 730	\$ 910

* Includes average self - utilities and commuting costs.

EXHIBIT 3.5: OFF-CAMPUS MARKET RENTAL RATES

In addition, surveyed properties were older than the options on campus with an average year built of 1983. Units offered an average of 550 square feet per bed as well as a wide range of amenities. Generally, the amenities found in off-campus properties are either available in existing on-campus housing or other parts of USFSP's campus. The most common amenities and features found in off-campus housing facilities include on-site parking, air-conditioning, pet-friendly units, pools, and fitness centers. However, off-campus housing facilities do not offer student-specific features such as individual leases or roommate matching and only 6% of units could be rented furnished.

STUDENT SURVEY

In order to specifically understand the amount of latent demand by unit type, B&D conducted a web-based survey that tested the housing preferences of USFSP students. Data collected through the survey formed the basis for the project team's recommendations of the types and amount of housing demanded on USFSP's campus. Survey questions were designed to assess current housing preferences and configurations, price sensitivities, unit type preferences, and other key housing selection criteria.

Responses captured student preferences regarding desirable facility characteristics, which were translated into demand for campus housing options. Demographic questions allowed the project team to sort responses to identify preferences and demand characteristics by sub-demographic levels.

SURVEY VALIDITY

A total of 546 survey responses were received, with 494 respondents completing the entire assessment. This response rate resulted in a 4.2% margin of error at a 95% confidence level, which passes B&D's statistical validity test. A copy of the student survey instrument, including response frequencies, is included in this document as Appendix B.

The demographic composition of survey respondents was similar to the University's demographic composition. Among full-time respondents, the breakdown by classification was within 10% in each sub-group. Females were overrepresented by 11.3%. However, overrepresentation by females is typically seen by B&D and adjusted for in the demand-based programming (DBP) analysis when needed.

SURVEY RESULTS

Fifty-two percent (52%) of survey respondents indicated that the availability of on-campus housing was either an important or very important factor in their decision to attend USFSP.

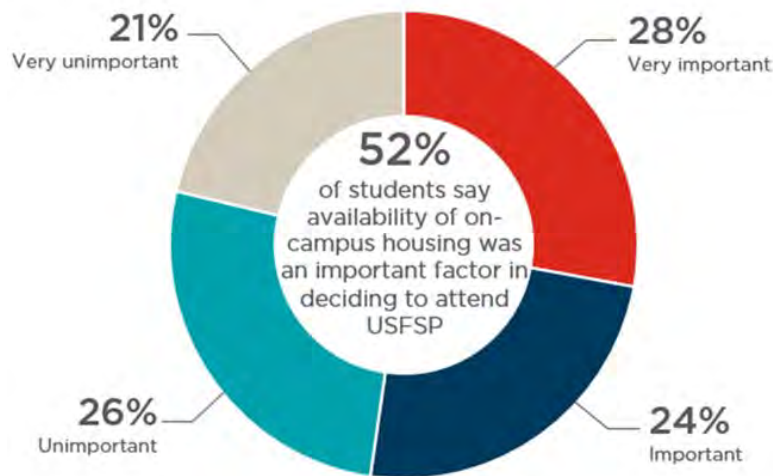


EXHIBIT 3.6: IMPORTANCE OF HOUSING IN DECISION TO ATTEND USFSP

The top ten decision factors in all survey respondents' decision on where to live this academic year is shown in Exhibit 3.7. Feeling safe and secure was the top factor followed by total cost of rent and utilities and physical condition of the residence.

MARKET ANALYSIS

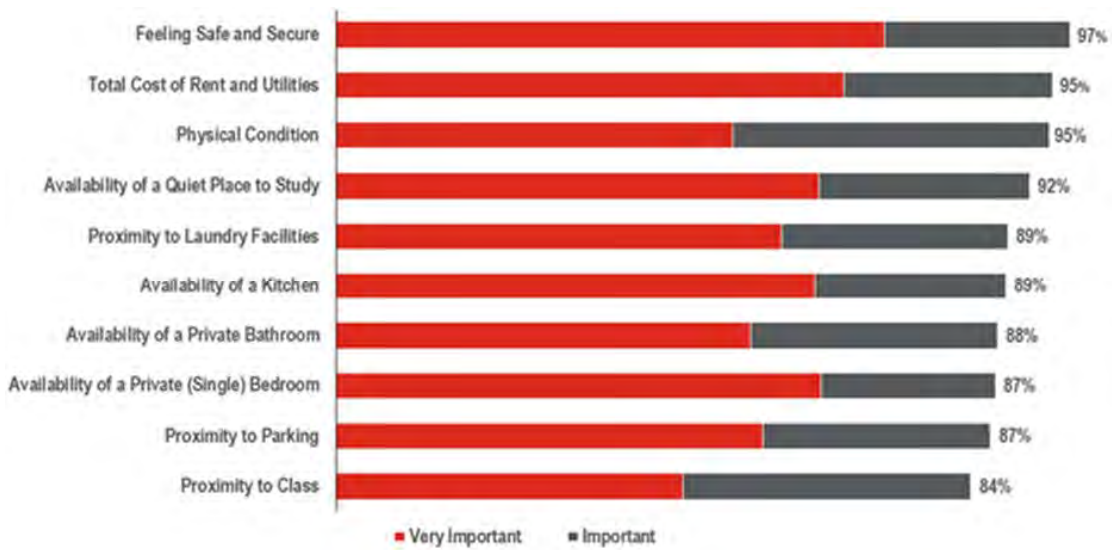


EXHIBIT 3.7: TOP TEN DECISION FACTORS ON WHERE TO LIVE THIS YEAR

The survey asked off-campus students about their residences and how much they pay in monthly rent, utilities, and other commuting costs. Among students who are most likely to live on campus (see *Target Market* in Demand section), students live in a variety of rental property types and 25% share a bedroom. As opposed to the surveyed properties off campus, the average rental cost reported by survey respondents was \$630 per month. In addition, renters off campus pay an average of \$100 and \$80 per month for utilities and commuting costs, respectively. The total average off-campus housing costs are \$810 per month, which is 3-7% less expensive than the majority of units on campus.

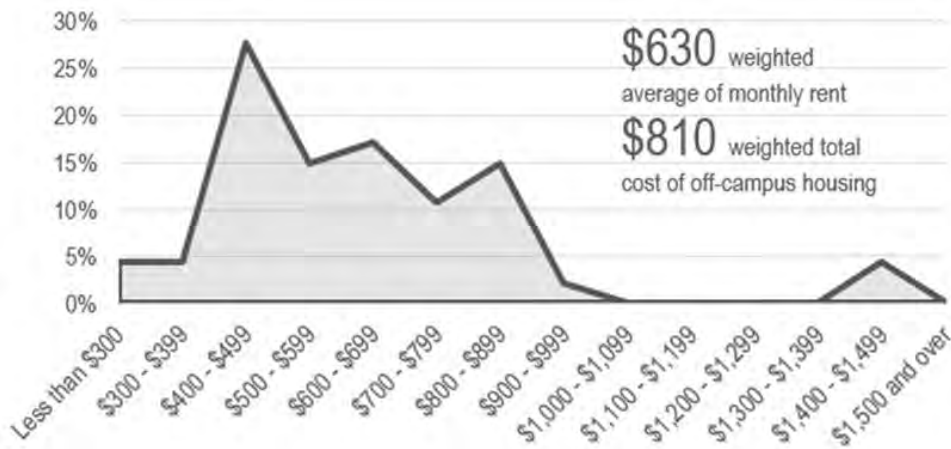


EXHIBIT 3.8: OFF-CAMPUS HOUSING COSTS (TARGET MARKET ONLY)

Among students in this sub-group, 68% of them used to live in USFSP on-campus housing.

DEMAND

DEMAND-BASED PROGRAMMING OBJECTIVES AND METHODOLOGY

B&D used its proprietary modeling tool to project demand by class for the unit types tested in the student survey. The demand-based programming (DBP) model projects demand based on the unit type and pricing options presented to respondents in the survey. The model applies the survey responses across the USFSP student population to project capture rates by classification. The calculated capture rates are then applied to enrollment projections that incorporate enrollment growth per the University's "10 in 10 Growth Initiative." To ensure accurate and feasible demand projections, the projected demand is filtered by the target market and University determined occupancy coverage ratios.

TARGET MARKET / DEMAND FILTERS

To ensure accuracy in its projections, the project team filtered the demand to only include students who would be viable occupants in any new student housing development. In order to be considered for the target market, students had to meet the conditions shown in Exhibit 3.9.

TARGET MARKET CHARACTERISTICS

<p><u>On-Campus Students</u> Currently residing in USFSP housing</p>
<p><u>Off-Campus Students</u> Full Time USFSP degree-seeking students (undergraduate or graduate) Less than 25 years old Single without children Currently paying more than \$500 per month in rent Living alone or with other USFSP students</p>

EXHIBIT 3.9: TARGET MARKET

Additionally, B&D applied the occupancy coverage ratios (OCRs) decided by USFSP during the SAV session that reflect the University's risk profile. An OCR measures the market risk of a given unit type; the lower the ratio, the higher the occupancy risk. A 1.00:1.00 ratio means that 100% occupancy can be achieved but that new competition or a modest decrease in enrollment will likely lead to immediate vacancies. Higher OCRs equate to better occupancy performance; however, very conservative OCRs will likely mean significant housing shortages, which could deter students from enrolling or persisting at the University. Exhibit 3.10 demonstrates the OCR assumptions.

MARKET ANALYSIS

Occupancy Coverage Ratio	Target Market
1.05x	Freshmen
1.05x	Sophomores
1.1x	Juniors
1.15x	Seniors
1.5x	Graduates

EXHIBIT 3.10: OCCUPANCY COVERAGE RATIOS

TESTED UNITS AND PRICE POINTS

The price points reflect the lowest, financially feasible rates for development of new student housing that also meets the vision for student housing set forth by the University. The unit types and price points tested in the survey were jointly developed by B&D and USFSP. The unit types reflect the full range of configurations determined to be programmatically capable of supporting the University’s vision for student housing. The unit types and rental rates, expressed in 2015-2016 dollars, are shown in Exhibit 3.11.

Unit Type		Rental Rate (per semester)
Sem i- Suite	2 BR / 1 BA D ouble	\$ 3,820
	2 BR / 1 BA Single	\$ 4,670
	1 BR / 1 BA D ouble	\$ 4,250
	1 BR / 1 BA Single	\$ 5,100
Full- Suite	2 BR / 1 BA D ouble	\$ 4,040
	2 BR / 1 BA Single	\$ 5,100
	4 BR / 2 BA Single	\$ 4,250
A partm ent	1 BR / 1 BA D ouble	\$ 5,180
	1 BR / 1 BA Single	\$ 6,300
	2 BR / 1 BA D ouble	\$ 4,270
	2 BR / 1 BA Single	\$ 5,400
	4 BR / 2 BA Single	\$ 4,500

EXHIBIT 3.11: SURVEY TESTED UNIT TYPES AND RENTAL RATES

UNIVERSITY OF SOUTH FLORIDA ST. PETERSBURG STUDENT HOUSING DEMAND ASSESSMENT

DEMAND PROJECTIONS

For the demand filters in Exhibits 3.9 and 3.10 and the units and rates in Exhibit 3.11, the total demand based on 2015-2016 enrollment levels is 884 beds or 331 net new beds. However, the university is currently two years into a period of enrollment growth, called the “10 in 10 Growth Initiative,” in which their total enrollment will grow through 2024. Annual enrollment targets were met in the first year of the plan period. When enrollment projections are applied to 2019-2020 levels, the earliest possible occupancy for new student housing, the total projected demand jumps to 1,107 beds or 554 net new beds. Project demand in 2019-2020 is shown in Exhibit 3.12.

Enrollment Classification	Enrollment	Current Capture Rate	Potential Capture Rate	Maximum Potential Demand	Semi-Suites	Full-Suites	Apartment
Freshman	759	68%	66%	475	141	73	261
Sophomore	513	38%	48%	226	52	42	132
Junior	859	11%	25%	183	24	33	126
Senior	1,029	4%	25%	220	30	39	151
Graduate	227	0%	2%	3	0	0	3
TOTAL	3,387	23%	33%	1,107	247	187	673
EXISTING BED COUNT				553	201	0	352
NET DEMAND (SUDREPLACES/T)				(554)	(46)	(87)	(321)

EXHIBIT 3.12: TOTAL PROJECTED DEMAND (2019-2020)

Total net demand, year-over-year, through the remainder of the growth period is shown in Exhibit 3.13.

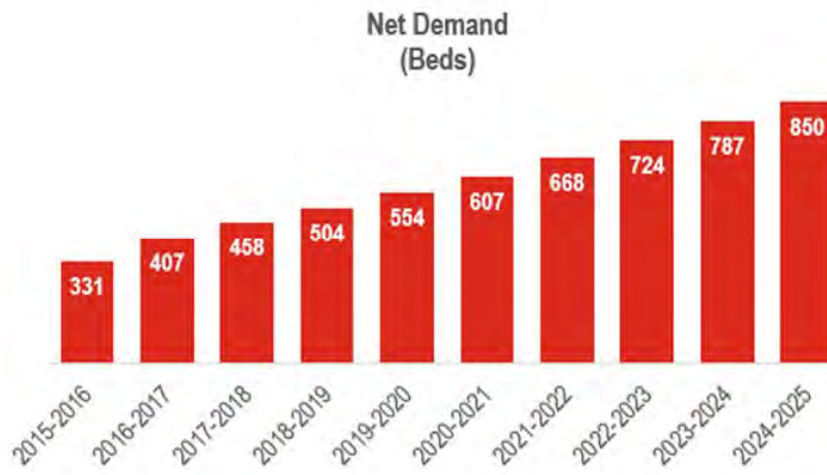


EXHIBIT 3.13: NET DEMAND (2015-2016 TO 2024-2025)

 MARKET ANALYSIS

PRICE SENSITIVITY

Students indicated they are very price sensitive. B&D adjusted the demand filters in the target market for off-campus renters by an additional \$100 per month. The resulting demand for net new beds decreased by 169 beds in 2015-2016 and 229 beds in 2019-2020. This indicates that the project must maintain equivalent rental rates as tested in the student survey, when adjusted for inflation. If not, either the project will need to be decreased in size or subsidized by another revenue source. Using rates that are \$100 per month higher (in 2015 dollars) than those tested in the survey, the resulting net demand over the University's growth period is shown in Exhibit 3.14.

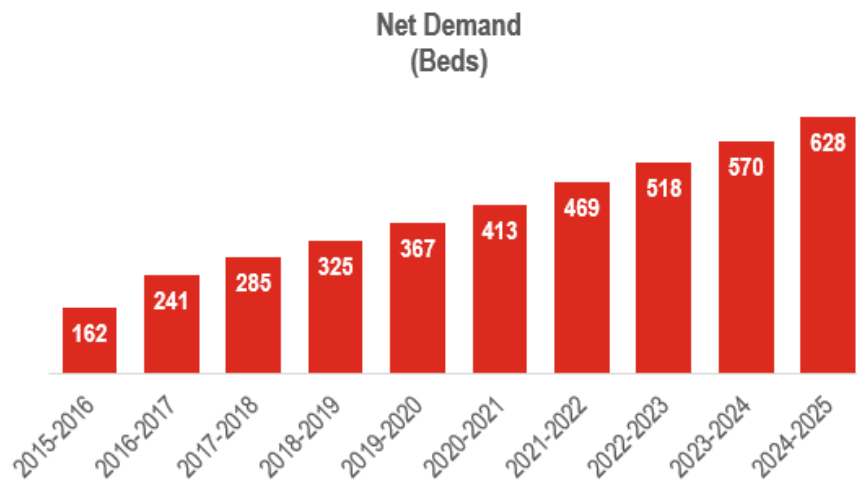


EXHIBIT 3.14: NET DEMAND (2015-2016 TO 2024-2025), WITH INCREASED RENTAL RATES

EXHIBIT A:

APRIL 2016 CAMPUS BOARD PRESENTATION



Student Housing Phase III

April 28, 2016



AGENDA

STUDENT HOUSING PHASE III

1

Strategic Value

2

Focus Groups

3

Off-Campus Market

4

Demand

5

Next Steps

Strategic Value

STRATEGIC VALUE

HOUSING AS A STRATEGIC NEED

Student-Centered Success
Research and Innovation
Inclusion of Differences
Commitment to Community
Care for Natural Environment

Inspire scholars to lead
lives of impact.

USF St. Petersburg faculty
and administrators will work
shoulder-to-shoulder with
students and community
partners to build a better
world.

Student Housing is Tied to the Strategic Plan:

1.3 Weave USFSP's identity with the city so that USFSP anchors the city.

2.1 Create a climate of social and academic support for students.

2.4 Create a signature First-Year Experience.

2.8 Develop, maintain and evolve student participation.

4.6 Contribute to the well-being and economic development of our community.

5.2 Optimize space to support academic, residential and co-curricular needs.

STRATEGIC VALUE

HOUSING AS A STRATEGIC NEED

- ◆ Satisfying housing demand is of strategic importance and the University will build to meet demonstrated housing demand.
- ◆ USF St. Petersburg seeks to provide housing to all students, particularly undergraduates, who desire to live on campus with a target of 30% of FTE.
- ◆ Create residential units that are market responsive, in amenities and rental rates, while being developmentally appropriate for all four years of the undergraduate experience and financially accessible to the greatest number of students.
- ◆ Students who choose to live on campus should benefit from heightened access to resources available across campus and downtown St. Petersburg.

Focus Groups

STUDENT FOCUS GROUPS

METHODOLOGY

- ◆ Why?
 - Reveal qualitative sensitivities
 - Inform student survey
- ◆ 33 Total Participants
- ◆ Demographics:
 - 19 females / 14 males
 - 12 freshmen / 21 upperclassmen
- ◆ Sessions:
 - Freshmen Residents
 - Upperclassmen Residents
 - Off-Campus Residents
 - Resident Assistants



STUDENT FOCUS GROUPS

WHY USFSP?

- ◆ USFSP is the only university in Florida that offers all of the following:
 - Public (affordable tuition)
 - Small size (enrollment, campus community, and student/faculty ratio)
 - Urban/waterfront location (access to entertainment, employment opportunities, and beach)
- ◆ Challenging academic experience
- ◆ Beautiful campus
- ◆ Expectations are generally met once students arrive to campus



STUDENT FOCUS GROUPS

STUDENT HOUSING

HOUSING STOCK

- USC is a great freshman experience
- RHO single-occupancy bedrooms are desirable
- living rooms/kitchens in apartment-style units are not always used
- desire for community kitchens for students in suites
- residential staff and custodial/maintenance staff do a great job

OFF-CAMPUS HOUSING

- prefer to live on campus but combined cost of room and board is too high
- more affordable options if commute from outside downtown St. Petersburg

STUDENT LIFE

- campus is dead during the weekends
- mixed interest in student activities but not enough students on campus for those students who are interested
- on-campus residents and off-campus residents do not interact very much outside of class/academic assignments

DINING

- meal plan is expensive and food options are overpriced
- food quality is okay but not enough variety/options on campus (the Reef)
- dining is a major reason for moving off campus

Off-Campus Market

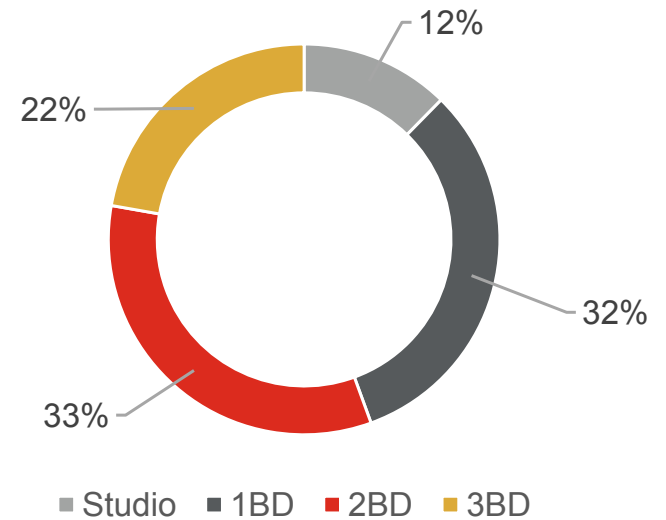
OFF-CAMPUS MARKET

METHODOLOGY



Can students find appropriate housing off campus?

Unit Types



Total properties surveyed: 32

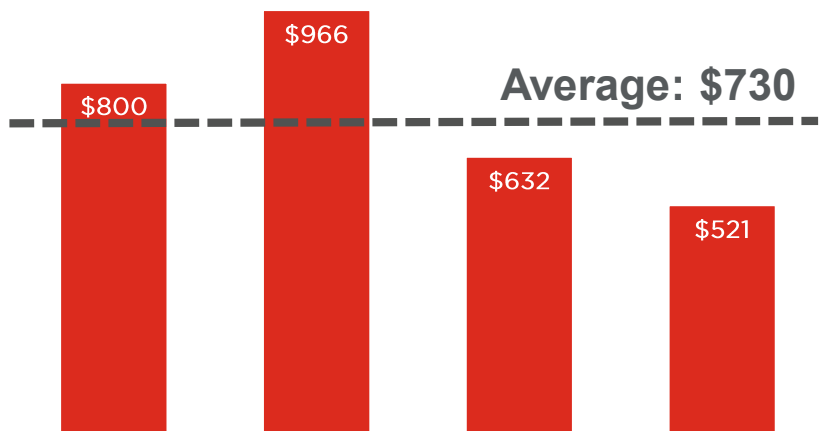
Average Year Built: 1983

Average Distance to Campus: 6.5 miles

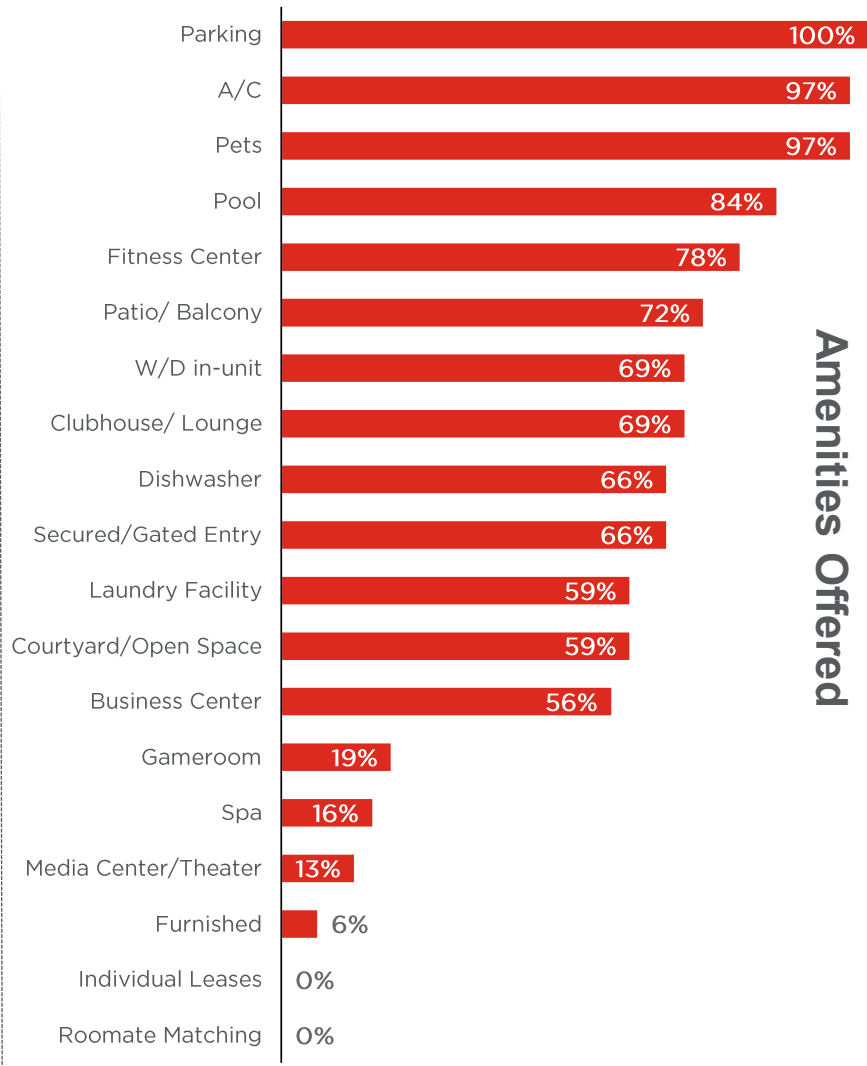
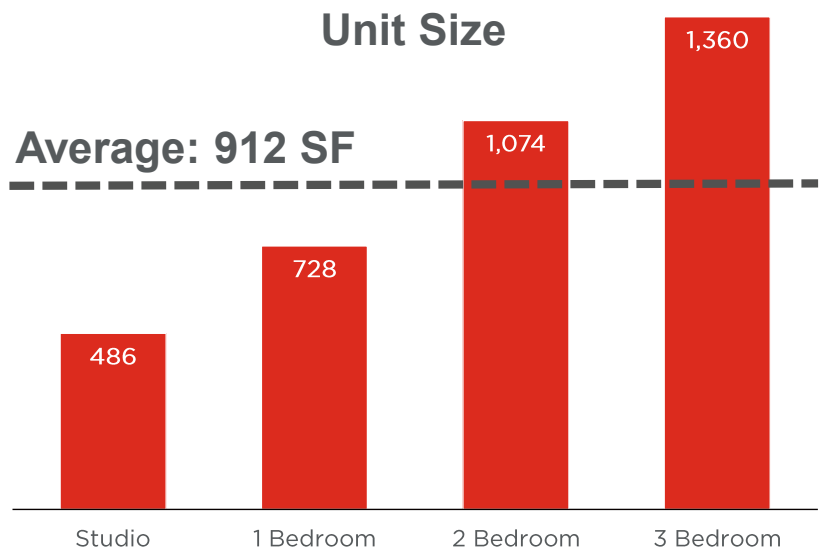
OFF-CAMPUS MARKET

HOUSING STOCK CHARACTERISTICS

Rent Per Bed



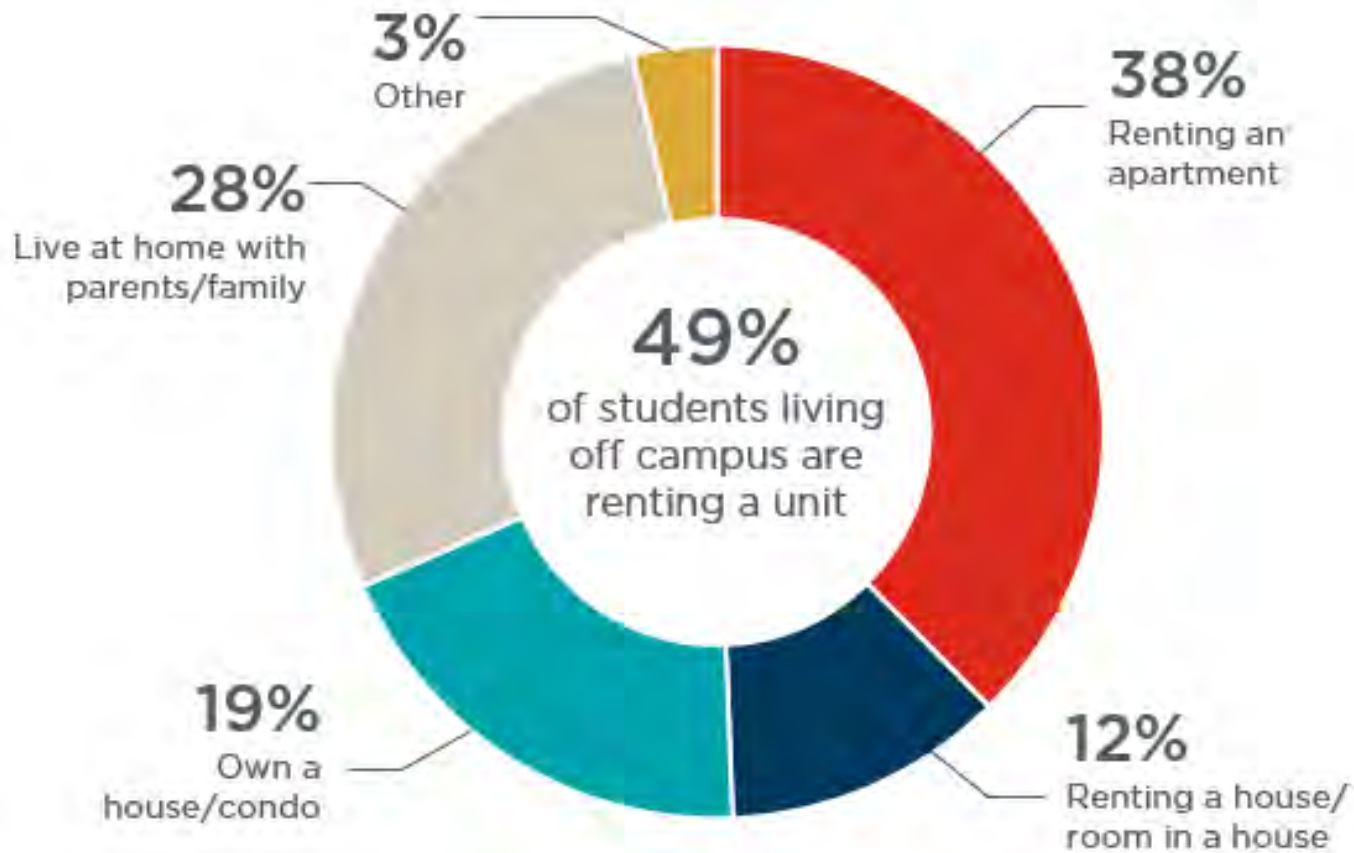
Unit Size



Amenities Offered

OFF-CAMPUS MARKET

OFF-CAMPUS SURVEY RESPONDENTS



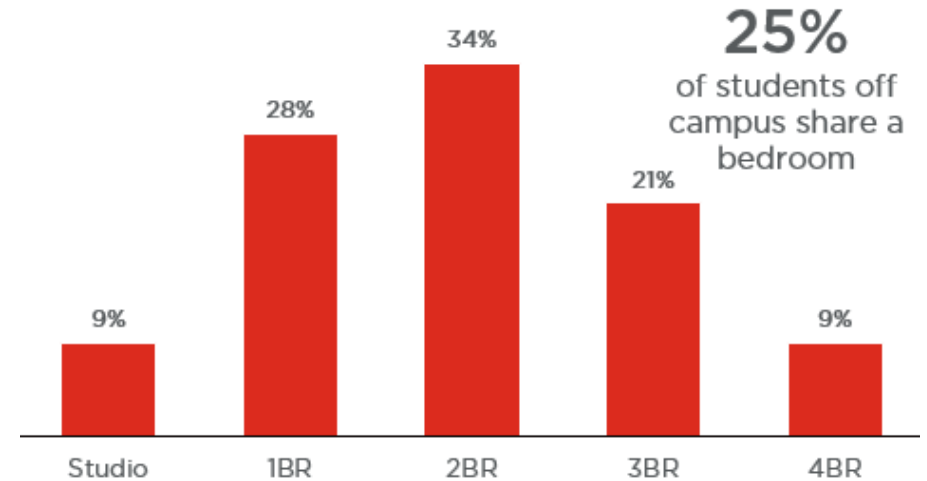
All USFSP students not living in on-campus housing

OFF-CAMPUS MARKET

OFF-CAMPUS SURVEY RESPONDENTS

Focus on students most likely to live on campus:

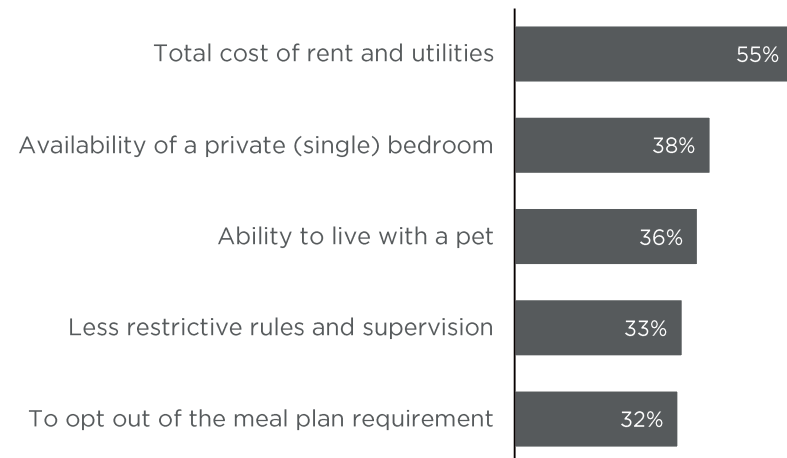
- ◆ Full-time
- ◆ Undergraduate or graduate (degree-seeking)
- ◆ Single without child(ren)/dependent(s)
- ◆ Less than 25 years old
- ◆ Pay \$500 or more per month in rent
- ◆ Living alone or with other USFSP students



Total Off-Campus Monthly Cost
(weighted averages for off-campus renters)

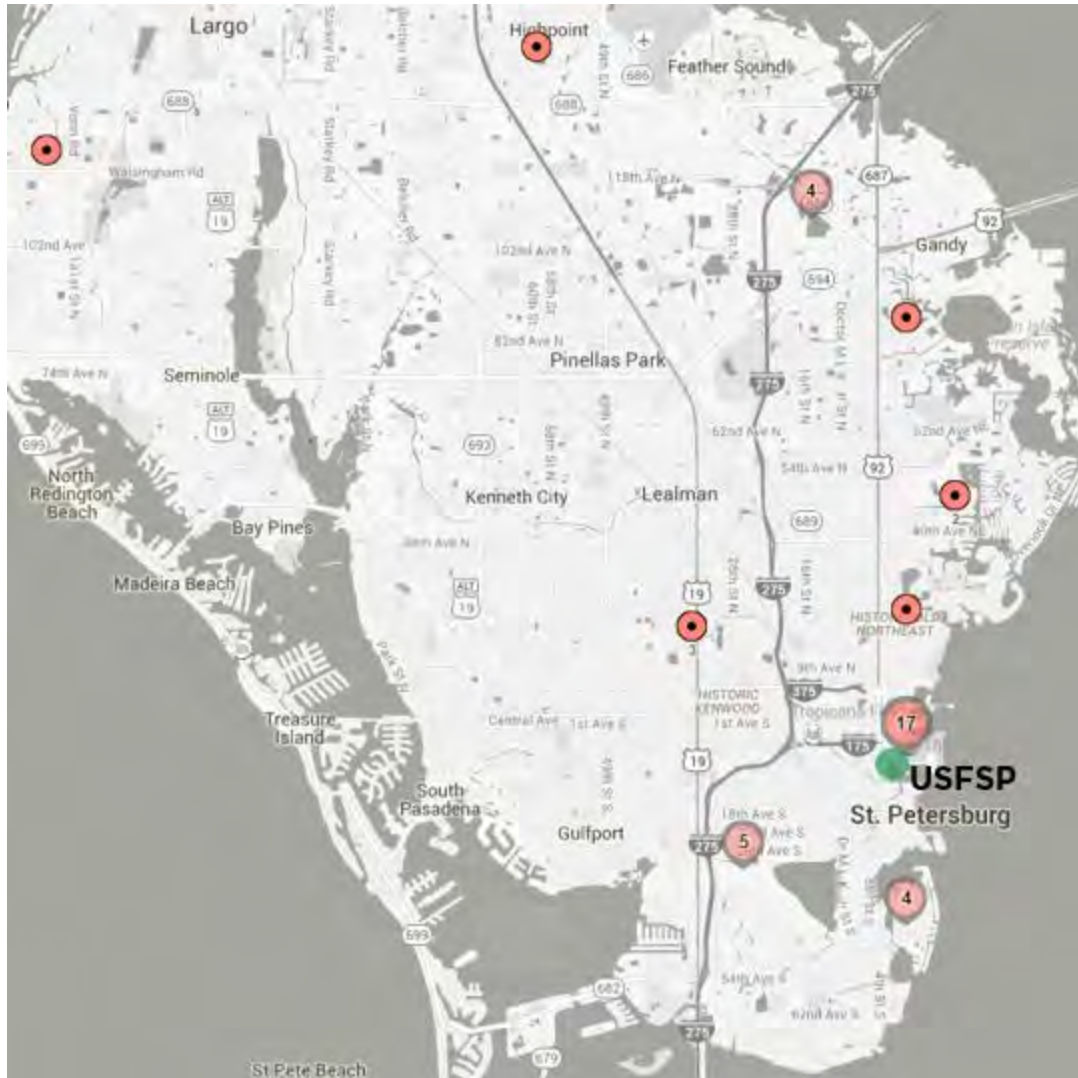
Rent: \$630
 Utilities: \$100
Commuting Costs: \$80
Total: \$810 per month

Most important factors to live off campus:

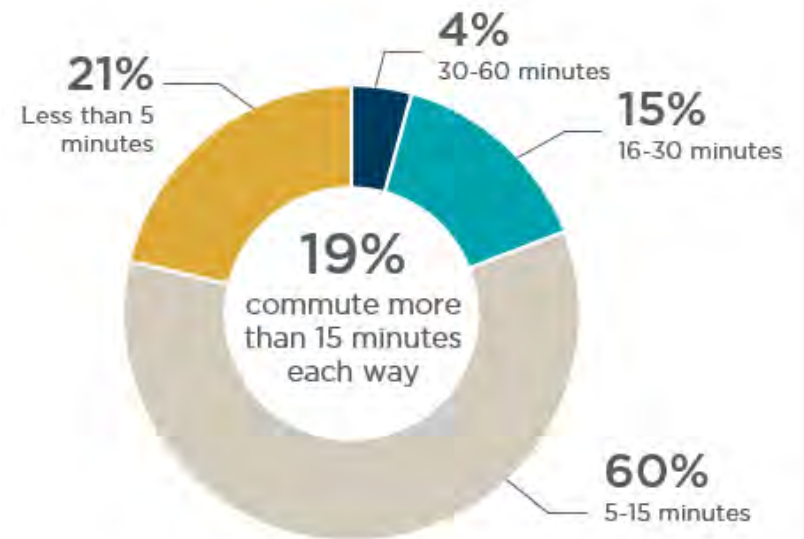


OFF-CAMPUS MARKET

OFF-CAMPUS SURVEY RESPONDENTS



Typical One-Way Commute Duration



Demand

DEMAND ANALYSIS

METHODOLOGY

- ◆ Demand is derived from student survey responses
 - Survey response rate of over 11%
 - 494 completed responses
 - 4.2% margin of error (with 95% confidence level)
- ◆ Students select their preferred unit-type from tested units/rates
 - Option to select 'I prefer to live off campus'
- ◆ Students self-report key demographic characteristics
- ◆ Occupancy coverage ratios are applied
- ◆ Results are applied to existing housing stock and enrollment projections to determine recommendations

Occupancy Coverage Ratio	Target Market
1.05x	Freshmen
1.1x	Sophomores
1.15x	Juniors
1.15x	Seniors
1.5x	Graduates

DEMAND ANALYSIS

TARGET MARKET

- ◆ Students currently living on campus
- ◆ Students currently living off campus who are:
 - Full-time
 - Single without child(ren)/dependent(s)
 - Less than 25 years old
 - Undergraduate or graduate students (no non-degree or system students)
 - Pay \$500 or more per month in rent
 - Living alone or with other USFSP students

DEMAND ANALYSIS

PROJECTED DEMAND (2019)

Enrollment Classification	Enrollment	Current Capture Rate	Potential Capture Rate	Maximum Potential Demand	Semi-Suites	Full-Suites	Apartments
Freshman	759	66%	66%	475	141	73	261
Sophomore	513	26%	48%	226	52	42	132
Junior	859	15%	25%	183	24	33	126
Senior	1,029	7%	25%	220	30	39	151
Graduate	227	0%	2%	3	0	0	3
TOTAL	3,387	-	33%	1,107	247	187	673
EXISTING BED COUNT				553	201	0	352
NET DEMAND (SURPLUS/(DEFICIT))				(554)	(46)	(187)	(321)

- ◆ Current capture rate based on Fall 2015 enrollment.
- ◆ Assumes design capacity for RHO & USC and Hilton offline.
- ◆ Incorporates variable annual enrollment per “10 in 10” growth initiative.
- ◆ Based on Fall 2019 enrollment (target occupancy).

DEMAND ANALYSIS

PROJECTED DEMAND (2024)

Enrollment Classification	Enrollment	Current Capture Rate	Potential Capture Rate	Maximum Potential Demand	Semi-Suites	Full-Suites	Apartments
Freshman	969	66%	66%	606	180	93	333
Sophomore	701	26%	48%	308	72	56	180
Junior	1,050	15%	25%	224	29	41	154
Senior	1,212	7%	25%	261	36	47	178
Graduate	290	0%	2%	4	0	0	4
TOTAL	4,222	-	33%	1,403	317	237	849
EXISTING BED COUNT				553	201	0	352
NET DEMAND (SURPLUS/(DEFICIT))				(850)	(116)	(237)	(497)

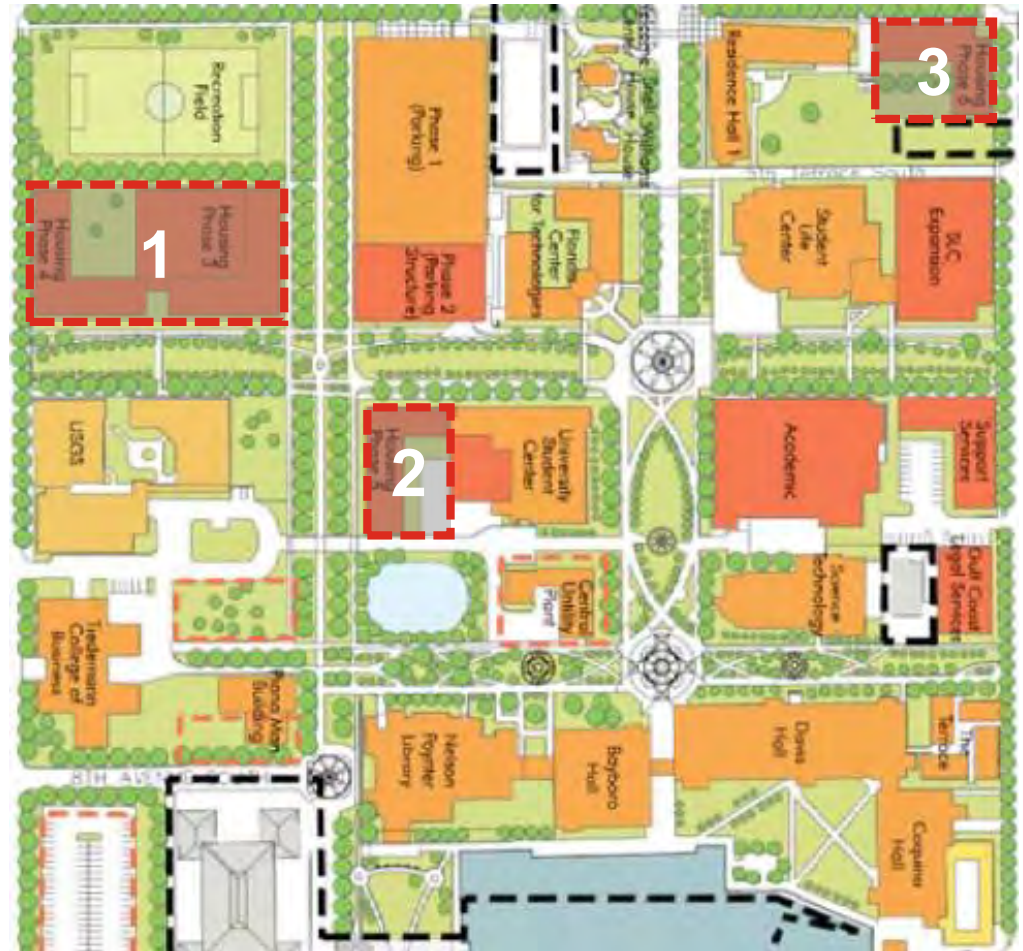
- ◆ Current capture rate based on Fall 2015 enrollment.
- ◆ Assumes design capacity for RHO & USC and Hilton offline.
- ◆ Incorporates variable annual enrollment per “10 in 10” growth initiative.
- ◆ Based on Fall 2024 enrollment (end of “10 in 10” growth initiative).

DEMAND ANALYSIS

PROJECT CONCEPT

Master Plan Housing Element:

- ◆ 1. Recreation Field Site
 - Capacity for greater than 500 beds
- ◆ 2. USC Addition
 - Capacity for less than 300 beds
 - Suited for semi-suite, freshman only housing
- ◆ 3. Next to RHO
 - Capacity for less than 300 beds
 - Suited for apartment-style, upper-division only housing

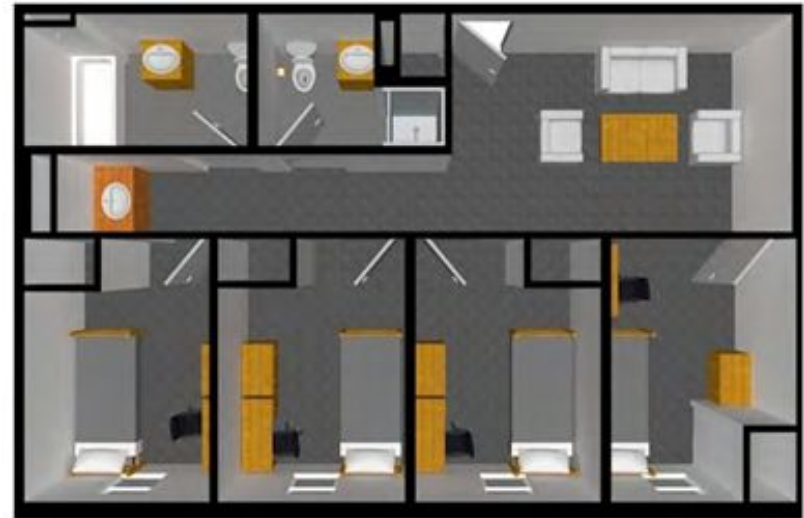


USFSP Comprehensive Master Plan, Urban Design Illustrative Plan, October 2015

DEMAND ANALYSIS

PROJECT CONCEPT

- ◆ Located at “Recreation Field Site”
- ◆ 550 full-suite beds
 - 4BR/2BA single-occupancy
 - 288 beds (72 units)
 - 980 SF per unit
 - 2BR/1BA double-occupancy
 - 252 beds (63 units)
 - 815 SF per unit
 - Resident Assistant studio
 - 10 beds (10 units)
 - 350 SF per unit
- ◆ In-building amenities:
 - Laundry
 - Lounges/study spaces on each floor
 - Building community lounge and full kitchen
- ◆ 184,000 GSF
- ◆ 335 SF/bed

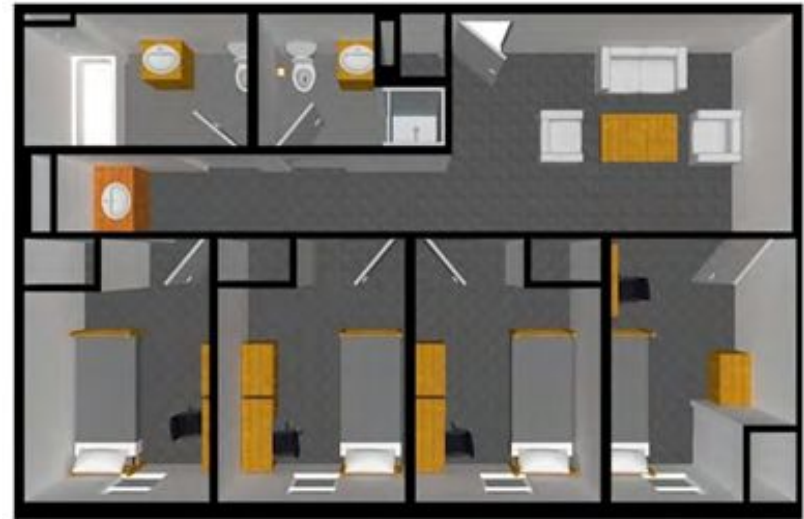


DEMAND ANALYSIS

PROJECT CONCEPT

Phase III *must* meet the following:

- ◆ Rental rates not to exceed tested rates
 - If rates increase \$100 per month, demand declines 30%.
- ◆ Desirable in the short-term to both underclassmen and upperclassmen
 - Need to accommodate enrollment growth (particularly underclassmen) as well as unmet demand for upperclassmen beds.
- ◆ Desirable in the long-term to upperclassmen
 - All freshmen demand can be accommodated by a future phase of housing.



Next Steps

NEXT STEPS

PROJECT IMPLEMENTATION SCHEDULE

◆ University-financed model:

	2016												2017												2018						2019																														
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	>>	J	J	A																														
Project Approval	[Teal bar from Jan 2016 to Feb 2017]																																																												
USFSP, Campus Board	★																																																												
USF, Finance & Audit Workgroup		★																																																											
USF, Board of Trustees			★																																																										
Board of Governors																																																													
Planning/Team Selection	[Teal bar from Jan 2016 to Feb 2017]																																																												
Feasibility																																																													
Structure & Due Diligence																																																													
ITN, Negotiations, Contracts																																																													
Design																																																													
Permits & Financing																																																													
Building Permits																																																													
Close of Financing																																																													
Construction																																																													
Occupancy																																																													

DRAFT

Meeting Schedule

USFSP, Campus Board, Preliminary	Thursday, April 28, 2016, 8:00-10:00 AM, USFSP
USF, F&A, Preliminary	Thursday, May 19, 2016, 9:00-11:30 AM, USF Tampa
USF, BoT, Preliminary	Thursday, June 2, 2016, 9:30-12:00 PM, USF Tampa
USFSP, Campus Board, Final	Thursday, July 14, 2016, 8:00-10:00 AM, USFSP
USF, F&A, Final	Thursday, August 25, 2016, 9:00-11:30 AM, USF Tampa
USF, BoT, Final	Thursday, September 1, 2016, 9:30-12:00 PM, USFSP
BoG, Submission Deadline*	Thursday, December 29, 2016
BoG, Approval	Wednesday, March 29 to Thursday, March 30, 2017, FAMU
Close of Financing Deadline*	Start of Construction, March 2018

NEXT STEPS

PROJECT FEASIBILITY

- ◆ Project structure to be studied and due diligence to occur.
- ◆ Study to include financial analysis and P3/project delivery modelling.

	University	501(c)(3)	Equity
Owner of Improvements	University	501(c)(3)	Equity
Residence Life	University	University or 3rd Party	University or 3rd Party
Construction Type	Steel or Concrete	Steel or Concrete	Steel or Concrete
Speed of Delivery	Can be Slower	Typically Faster	
Cost of Capital	Low	Low to Moderate	Moderate to High
Tax-exempt Debt	Yes	Yes	N/A
Real Estate Taxes	No	Typically No	Typically No
Ground Lease	None	30-40 Years	40 Years
Balance Sheet Impact	Yes	Maybe No	Maybe No
Financial Return	Net Surplus	Net Surplus	Ground Rent + Net Revenue Share
Financial Constraints	1.3x DCR	1.2x DCR	Targeted IRR

- ◆ Findings to be presented for approval at July 14 board meeting.



DISCUSSION



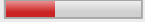

EXHIBIT B:

STUDENT SURVEY RESPONSES

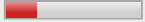

University of South Florida-St. Petersburg

Date Range: 2/29/2016 10:00:00 AM - 3/10/2016 11:59:00 PM
 Total Respondents: 546

Q1. Where are you currently living while attending USFSP?

Count	Percent		
199	36.45%		On Campus
347	63.55%		Off Campus
546	Respondents		


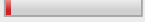
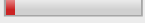
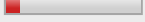
Q2. Have you ever lived in USFSP Student Housing?

Count	Percent		
79	23.10%		Yes
263	76.90%		No
342	Respondents		


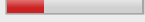
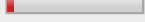
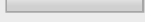
Q3. Please indicate your class status:

Count	Percent		
116	21.32%		Freshman
75	13.79%		Sophomore
131	24.08%		Junior
151	27.76%		Senior
62	11.40%		Graduate
1	0.18%		Professional
8	1.47%		Non-degree / other
544	Respondents		

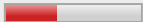

Q4. What is your family status?

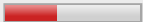

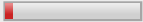
Count	Percent		
428	78.39%		Single without child(ren)/dependent(s)
23	4.21%		Single with child(ren)/dependent(s)
37	6.78%		Married/partnered without child(ren)/dependent(s)
58	10.62%		Married/partnered with child(ren)/dependent(s)
546	Respondents		


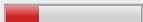
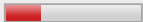
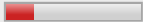
Q5. Which years have you lived in on-campus housing? SELECT ALL THAT APPLY, INCLUDING PARTIAL YEARS.

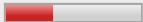

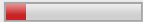
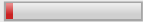
Count	Respondent %	Response %	
72	93.51%	67.92%	 First year
29	37.66%	27.36%	 Second year
5	6.49%	4.72%	 Third year
0	0.00%	0.00%	 Fourth year (and beyond)
77	Respondents		
106	Responses		


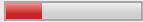
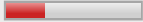
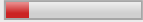
Board of Trustees Meeting - New Business - Action Items

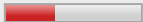
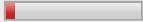
Q6. In which of the following residence halls do you currently live?			
Count	Percent		
76	38.19%		University Student Center
116	58.29%		Residence Hall One
7	3.52%		Residence Hall Hilton
199	Respondents		

Q7. In which of the following residence halls have you ever lived in? SELECT ALL THAT APPLY, INCLUDING PARTIAL YEARS			
Count	Respondent %	Response %	
140	50.54%	38.67%	 University Student Center
201	72.56%	55.52%	 Residence Hall One
21	7.58%	5.80%	 Residence Hall Hilton
277	Respondents		
362	Responses		

Q8. How important was the availability of on-campus housing in your decision to attend USFSP?			
Count	Percent		
152	27.89%		Very important
133	24.40%		Important
144	26.42%		Unimportant
116	21.28%		Very unimportant
545	Respondents		

Q9. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Overall level of satisfaction			
Count	Percent		
187	35.35%		Very satisfied
234	44.23%		Satisfied
79	14.93%		Slightly satisfied
29	5.48%		Dissatisfied
529	Respondents		

Q10. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Total cost of rent and utilities			
Count	Percent		
137	25.80%		Very satisfied
144	27.12%		Satisfied
157	29.57%		Slightly satisfied
93	17.51%		Dissatisfied
531	Respondents		

Q11. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Physical condition of your current residence			
Count	Percent		
197	36.89%		Very satisfied
207	38.76%		Satisfied
94	17.60%		Slightly satisfied
36	6.74%		Dissatisfied
534	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q12. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Floor plans/unit configurations of your current residence

Count	Percent		
219	41.56%		Very satisfied
207	39.28%		Satisfied
74	14.04%		Slightly satisfied
27	5.12%		Dissatisfied
527	Respondents		

Q13. Please indicate your level of satisfaction with your current living situation regarding the following factors: - The dining options available to me

Count	Percent		
143	27.24%		Very satisfied
136	25.90%		Satisfied
106	20.19%		Slightly satisfied
140	26.67%		Dissatisfied
525	Respondents		

Q14. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Student community and the ability to develop friendships

Count	Percent		
151	28.65%		Very satisfied
193	36.62%		Satisfied
104	19.73%		Slightly satisfied
79	14.99%		Dissatisfied
527	Respondents		

Q15. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Available amenities offered at your current residence

Count	Percent		
170	32.26%		Very satisfied
199	37.76%		Satisfied
106	20.11%		Slightly satisfied
52	9.87%		Dissatisfied
527	Respondents		

Q16. Please indicate your level of satisfaction with your current living situation regarding the following factors: - Amount of privacy provided by your current residence

Count	Percent		
215	40.64%		Very satisfied
182	34.40%		Satisfied
87	16.45%		Slightly satisfied
45	8.51%		Dissatisfied
529	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q17. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Total cost of rent and utilities

Count	Percent		
337	67.27%		Very important
139	27.74%		Important
19	3.79%		Unimportant
6	1.20%		Very unimportant
501	Respondents		

Q18. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to classes

Count	Percent		
232	45.94%		Very important
193	38.22%		Important
65	12.87%		Unimportant
15	2.97%		Very unimportant
505	Respondents		

Q19. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to other students

Count	Percent		
80	15.94%		Very important
152	30.28%		Important
196	39.04%		Unimportant
74	14.74%		Very unimportant
502	Respondents		

Q20. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to campus dining

Count	Percent		
81	16.27%		Very important
124	24.90%		Important
146	29.32%		Unimportant
147	29.52%		Very unimportant
498	Respondents		

Q21. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to campus activities

Count	Percent		
94	18.91%		Very important
184	37.02%		Important
156	31.39%		Unimportant
63	12.68%		Very unimportant
497	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q22. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to shopping, entertainment, or restaurants

Count	Percent		
117	23.45%		Very important
241	48.30%		Important
118	23.65%		Unimportant
23	4.61%		Very unimportant
499	Respondents		

Q23. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to the waterfront and other outdoor amenities

Count	Percent		
118	23.37%		Very important
196	38.81%		Important
157	31.09%		Unimportant
34	6.73%		Very unimportant
505	Respondents		

Q24. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Physical condition of the unit/building

Count	Percent		
260	52.53%		Very important
208	42.02%		Important
20	4.04%		Unimportant
7	1.41%		Very unimportant
495	Respondents		

Q25. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Feeling safe and secure

Count	Percent		
360	72.73%		Very important
122	24.65%		Important
9	1.82%		Unimportant
4	0.81%		Very unimportant
495	Respondents		

Q26. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of a private (single) bedroom

Count	Percent		
320	64.26%		Very important
115	23.09%		Important
50	10.04%		Unimportant
13	2.61%		Very unimportant
498	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q27. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of a private bathroom

Count	Percent		
272	54.95%		Very important
162	32.73%		Important
54	10.91%		Unimportant
7	1.41%		Very unimportant
495	Respondents		

Q28. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of a living room within my unit

Count	Percent		
203	41.01%		Very important
155	31.31%		Important
122	24.65%		Unimportant
15	3.03%		Very unimportant
495	Respondents		

Q29. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of a kitchen within my unit

Count	Percent		
317	63.40%		Very important
127	25.40%		Important
49	9.80%		Unimportant
7	1.40%		Very unimportant
500	Respondents		

Q30. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of a quiet place to study

Count	Percent		
317	64.04%		Very important
138	27.88%		Important
33	6.67%		Unimportant
7	1.41%		Very unimportant
495	Respondents		

Q31. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of social spaces outside of my unit but within my building

Count	Percent		
119	23.80%		Very important
152	30.40%		Important
172	34.40%		Unimportant
57	11.40%		Very unimportant
500	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q32. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Availability of a kitchen outside of my unit but within my building

Count	Percent		
87	17.68%		Very important
120	24.39%		Important
193	39.23%		Unimportant
92	18.70%		Very unimportant
492	Respondents		

Q33. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to convenient laundry facilities

Count	Percent		
296	59.08%		Very important
150	29.94%		Important
40	7.98%		Unimportant
15	2.99%		Very unimportant
501	Respondents		

Q34. Please rate how important each of the following factors was in your decision on where to live this year: (SELECT ONE RESPONSE FOR EACH FACTOR) - Proximity to convenient parking

Count	Percent		
282	56.51%		Very important
151	30.26%		Important
43	8.62%		Unimportant
23	4.61%		Very unimportant
499	Respondents		

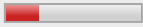
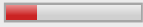
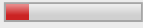
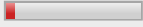
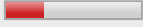
Q35. How influential was the meal plan requirement for on-campus residents when making your decision on where to live this year?

Count	Percent		
53	10.64%		Extremely influential
58	11.65%		Very influential
114	22.89%		Somewhat influential
25	5.02%		Slightly influential
248	49.80%		Not at all influential
498	Respondents		

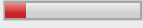
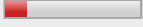
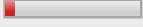
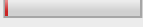
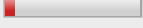
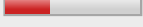
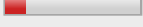
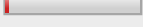
Q36. How influential was the ability to be involved in campus activities when making your decision on where to live this year?

Count	Percent		
55	10.93%		Extremely influential
79	15.71%		Very influential
126	25.05%		Somewhat influential
73	14.51%		Slightly influential
170	33.80%		Not at all influential
503	Respondents		

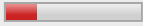

Board of Trustees Meeting - New Business - Action Items

Q37. How influential was the security of campus when making your decision on where to live this year?			
Count	Percent		
124	24.51%		Extremely influential
118	23.32%		Very influential
86	17.00%		Somewhat influential
33	6.52%		Slightly influential
145	28.66%		Not at all influential
506	Respondents		

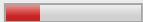


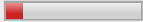
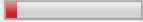
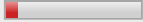
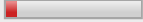
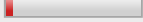
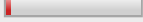
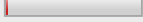
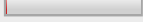
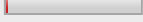
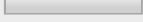
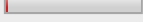
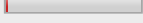
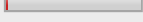
Q38. In which living arrangement do you currently reside?			
Count	Percent		
118	37.58%		Rent an apartment
37	11.78%		Rent a house/room in a house
60	19.11%		Own a house/condo
88	28.03%		Live with parents/relatives
11	3.50%		Other (please specify)
314	Respondents		

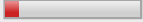
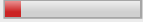
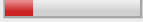
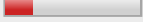
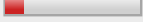
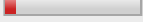
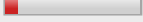
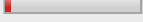
Q39. With whom do you currently live? SELECT ALL THAT APPLY					
Count	Respondent %	Response %			
43	17.99%	15.75%		With myself only	
44	18.41%	16.12%		With other university roommate(s)	
19	7.95%	6.96%		With other non-university roommate(s)	
6	2.51%	2.20%		With both university and non-university roommate(s)	
20	8.37%	7.33%		With roommates of the opposite gender	
90	37.66%	32.97%		With my parent(s) or other relative(s)	
43	17.99%	15.75%		With my spouse/partner and/or children	
8	3.35%	2.93%		Other (please specify)	
239	Respondents				
273	Responses				

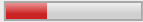
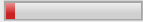
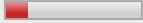
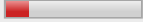
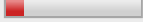
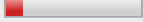
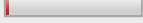
Q40. How many bedrooms does your residence have?			
Count	Percent		
12	5.02%		Studio
48	20.08%		One-bedroom
68	28.45%		Two-bedroom
74	30.96%		Three-bedroom
32	13.39%		Four-bedroom
5	2.09%		More than four bedrooms
239	Respondents		

Q41. Do you share a bedroom with at least one roommate(s)?			
Count	Percent		
55	23.01%		Yes
184	76.99%		No
239	Respondents		

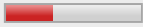
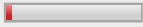

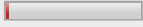
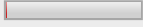
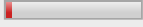
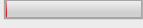
Board of Trustees Meeting - New Business - Action Items

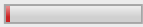
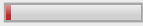
Q42. What is your personal share of monthly rent/housing costs excluding utilities?			
Count	Percent		
61	25.52%		Not applicable; I do not pay rent/housing costs
21	8.79%		Less than \$300
23	9.62%		\$300 - \$399
30	12.55%		\$400 - \$499
20	8.37%		\$500 - \$599
22	9.21%		\$600 - \$699
20	8.37%		\$700 - \$799
13	5.44%		\$800 - \$899
9	3.77%		\$900 - \$999
4	1.67%		\$1,000 - \$1,099
2	0.84%		\$1,100 - \$1,199
4	1.67%		\$1,200 - \$1,299
1	0.42%		\$1,300 - \$1,399
3	1.26%		\$1,400 - \$1,499
3	1.26%		\$1,500 and over
3	1.26%		I don't know
239 Respondents			

Q43. In addition to your rent, for which of the following utilities do you currently pay? SELECT ALL THAT APPLY				
Count	Respondent %	Response %		
69	29.36%	10.36%		Not applicable; I do not pay for any utilities
79	33.62%	11.86%		Cable/satellite television
138	58.72%	20.72%		Internet
138	58.72%	20.72%		Electric
93	39.57%	13.96%		Water
55	23.40%	8.26%		Sewer
64	27.23%	9.61%		Trash
30	12.77%	4.50%		Gas
235 Respondents				
666 Responses				

Q44. What is your personal share of all the utilities selected in the previous question?			
Count	Percent		
74	30.96%		Not applicable; I do not pay for any utilities
16	6.69%		\$1 - \$49
39	16.32%		\$50 - \$99
42	17.57%		\$100 - \$149
32	13.39%		\$150 - \$199
31	12.97%		\$200 or more
5	2.09%		I don't know
239 Respondents			

Board of Trustees Meeting - New Business - Action Items

Q45. How long is your current lease?			
Count	Percent		
85	35.56%		Not applicable; I have no lease
11	4.60%		More than 12 months
122	51.05%		12 months
6	2.51%		Academic year (approximately 9 months)
2	0.84%		Academic term (e.g., semester)
11	4.60%		Month to month
2	0.84%		Other (please specify)
239 Respondents			

Q46. How do you typically get to and from campus?			
Count	Percent		
12	5.02%		Walk
186	77.82%		Drive alone
21	8.79%		Drive/ride with others
7	2.93%		Ride a bicycle
9	3.77%		Public transit
4	1.67%		Other (please specify)
239 Respondents			

Q47. How long does it usually take you to get to campus from where you live?			
Count	Percent		
21	8.82%		Less than 5 minutes
86	36.13%		5 - 15 minutes
63	26.47%		16 - 30 minutes
54	22.69%		31 - 60 minutes
12	5.04%		61 - 90 minutes
2	0.84%		More than 90 minutes
238 Respondents			

Board of Trustees Meeting - New Business - Action Items

Q48. How much do you estimate you pay PER MONTH for the following commuting-related expenses: (SELECT ONE RESPONSE FOR EACH FACTOR) - Gas


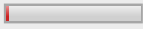
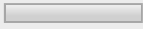
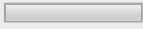
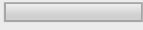
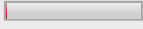
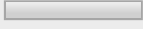
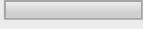
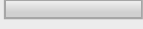
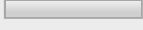
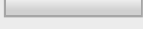
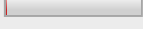
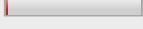
Count	Percent		
31	12.97%		I do not pay for this
29	12.13%		Less than \$25
67	28.03%		\$25 - \$49
46	19.25%		\$50 - \$74
22	9.21%		\$75 - \$99
19	7.95%		\$100 - \$124
12	5.02%		\$125 - \$149
2	0.84%		\$150 - \$174
3	1.26%		\$175 - \$199
1	0.42%		\$200 - \$224
1	0.42%		\$225 - \$249
2	0.84%		\$250 and over
4	1.67%		I don't know
239	Respondents		

Q49. How much do you estimate you pay PER MONTH for the following commuting-related expenses: (SELECT ONE RESPONSE FOR EACH FACTOR) - Parking

Count	Percent		
75	31.65%		I do not pay for this
83	35.02%		Less than \$25
38	16.03%		\$25 - \$49
9	3.80%		\$50 - \$74
6	2.53%		\$75 - \$99
8	3.38%		\$100 - \$124
4	1.69%		\$125 - \$149
1	0.42%		\$150 - \$174
2	0.84%		\$175 - \$199
1	0.42%		\$200 - \$224
0	0.00%		\$225 - \$249
1	0.42%		\$250 and over
9	3.80%		I don't know
237	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q50. How much do you estimate you pay PER MONTH for the following commuting-related expenses: (SELECT ONE RESPONSE FOR EACH FACTOR) - Public Transportation

Count	Percent		
220	93.22%		I do not pay for this
5	2.12%		Less than \$25
1	0.42%		\$25 - \$49
1	0.42%		\$50 - \$74
1	0.42%		\$75 - \$99
2	0.85%		\$100 - \$124
0	0.00%		\$125 - \$149
0	0.00%		\$150 - \$174
0	0.00%		\$175 - \$199
0	0.00%		\$200 - \$224
0	0.00%		\$225 - \$249
2	0.85%		\$250 and over
4	1.69%		I don't know
236	Respondents		

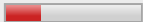


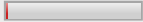
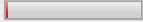
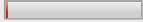
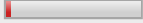
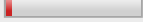
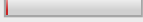
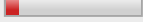
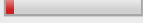
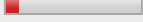
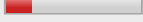
Board of Trustees Meeting - New Business - Action Items

Q51. What were the FIVE MOST important factors in your decision to NOT live on campus this year? SELECT UP TO FIVE RESPONSES				
Count	Respondent %	Response %		
85	35.86%	8.09%		Ability to live with a pet
32	13.50%	3.04%		Ability to live with roommates of another gender
46	19.41%	4.38%		Ability to live with spouse/partner and/or dependent(s)
55	23.21%	5.23%		Ability to stay during breaks
33	13.92%	3.14%		Access to a quiet place to study
43	18.14%	4.09%		Availability of a bathroom in my unit
71	29.96%	6.76%		Availability of a kitchen
91	38.40%	8.66%		Availability of a private (single) bedroom
18	7.59%	1.71%		Availability of additional living space outside my bedroom but within my unit
23	9.70%	2.19%		Availability of my preferred housing unit type
33	13.92%	3.14%		Dining options
28	11.81%	2.66%		Flexible lease/rental terms
78	32.91%	7.42%		Less restrictive rules and supervision
24	10.13%	2.28%		Parent/guardian decision or preferences
14	5.91%	1.33%		Proximity / availability of convenient laundry facilities
7	2.95%	0.67%		Proximity / availability of convenient parking
43	18.14%	4.09%		Proximity to my family
44	18.57%	4.19%		Proximity to my work
31	13.08%	2.95%		Sense of safety
3	1.27%	0.29%		Sustainability and 'green' features
25	10.55%	2.38%		The physical condition of the building (modern, well maintained, attractive, etc.)
76	32.07%	7.23%		To opt out of the meal plan requirement
130	54.85%	12.37%		Total cost of rent and utilities
18	7.59%	1.71%		Other (please specify)
237	Respondents			
1051	Responses			

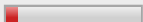
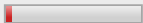
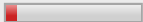

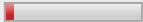
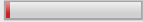
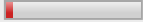
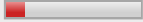
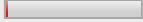
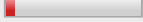
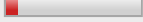
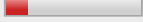
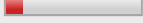
Q52. What is the 5-digit home zip code of your current residence?		
Count	Percent	
235	100.00%	
235	Respondents	

Board of Trustees Meeting - New Business - Action Items

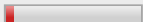

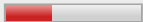
Q53. If the above units were offered this academic year, which unit would have been your first choice for the current academic year 2015-2016?

Count	Percent		
111	26.24%		None, I would have preferred to live in off-campus housing
31	7.33%		Unit A: Semi-Suite - 2BR/1BA Double Occupancy: \$3,820 per person per semester
26	6.15%		Unit B: Semi-Suite - 2BR/1BA Single Occupancy: \$4,670 per person per semester
6	1.42%		Unit C: Semi-Suite - 1BR/1BA Double Occupancy: \$4,250 per person per semester
7	1.65%		Unit D: Semi-Suite - 1BR/1BA Single Occupancy: \$5,100 per person per semester
8	1.89%		Unit E: Full-Suite - 2BR/1BA Double Occupancy: \$4,040 per person per semester
16	3.78%		Unit F: Full-Suite - 2BR/1BA Single Occupancy: \$5,100 per person per semester
20	4.73%		Unit G: Full-Suite - 4BR/2BA Single Occupancy: \$4,250 per person per semester
8	1.89%		Unit H: Apartment - 1BR/1BA Double Occupancy: \$5,180 per person per semester
42	9.93%		Unit I: Apartment - 1BR/1BA Single Occupancy: \$6,300 per person per semester
25	5.91%		Unit J: Apartment - 2BR/2BA Double Occupancy: \$4,270 per person per semester
40	9.46%		Unit K: Apartment - 2BR/1BA Single Occupancy: \$5,400 per person per semester
83	19.62%		Unit L: Apartment - 4BR/2BA Single Occupancy: \$4,500 per person per semester
423	Respondents		

Q54. If your first choice were unavailable, what unit would have been your second choice for the current academic year 2015-2016?

Count	Percent		
28	9.03%		None, I would have preferred to live in off-campus housing
15	4.84%		Unit A: Semi-Suite - 2BR/1BA Double Occupancy: \$3,820 per person per semester
26	8.39%		Unit B: Semi-Suite - 2BR/1BA Single Occupancy: \$4,670 per person per semester
11	3.55%		Unit C: Semi-Suite - 1BR/1BA Double Occupancy: \$4,250 per person per semester
18	5.81%		Unit D: Semi-Suite - 1BR/1BA Single Occupancy: \$5,100 per person per semester
9	2.90%		Unit E: Full-Suite - 2BR/1BA Double Occupancy: \$4,040 per person per semester
16	5.16%		Unit F: Full-Suite - 2BR/1BA Single Occupancy: \$5,100 per person per semester
44	14.19%		Unit G: Full-Suite - 4BR/2BA Single Occupancy: \$4,250 per person per semester
4	1.29%		Unit H: Apartment - 1BR/1BA Double Occupancy: \$5,180 per person per semester
21	6.77%		Unit I: Apartment - 1BR/1BA Single Occupancy: \$6,300 per person per semester
27	8.71%		Unit J: Apartment - 2BR/2BA Double Occupancy: \$4,270 per person per semester
51	16.45%		Unit K: Apartment - 2BR/1BA Single Occupancy: \$5,400 per person per semester
40	12.90%		Unit L: Apartment - 4BR/2BA Single Occupancy: \$4,500 per person per semester
310	Respondents		

Q55. Which meal plan do you currently have?

Count	Percent		
11	5.98%		Gold Plus Plan (\$2,077 / semester)
110	59.78%		Gold Plan (\$1,804 / semester)
63	34.24%		Green Plan (\$1,128 / semester)
184	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q56. If USFSP were to build new student housing, where would prefer it be located on campus?			
Count	Percent		
190	44.81%		Area 1
116	27.36%		Area 2
113	26.65%		Area 3
5	1.18%		Other (please specify)
424	Respondents		

Q57. Please indicate your gender:			
Count	Percent		
135	27.16%		Male
362	72.84%		Female
0	0.00%		Other
497	Respondents		

Q58. What is your age?			
Count	Percent		
3	0.60%		17 and under
160	32.13%		18 - 19
122	24.50%		20 - 21
79	15.86%		22 - 24
134	26.91%		25 and over
498	Respondents		

Q59. Please indicate your current enrollment status:			
Count	Percent		
415	83.17%		Full time
84	16.83%		Part time
499	Respondents		


Q60. Are you a veteran of the armed forces?			
Count	Percent		
14	2.82%		Yes
482	97.18%		No
496	Respondents		

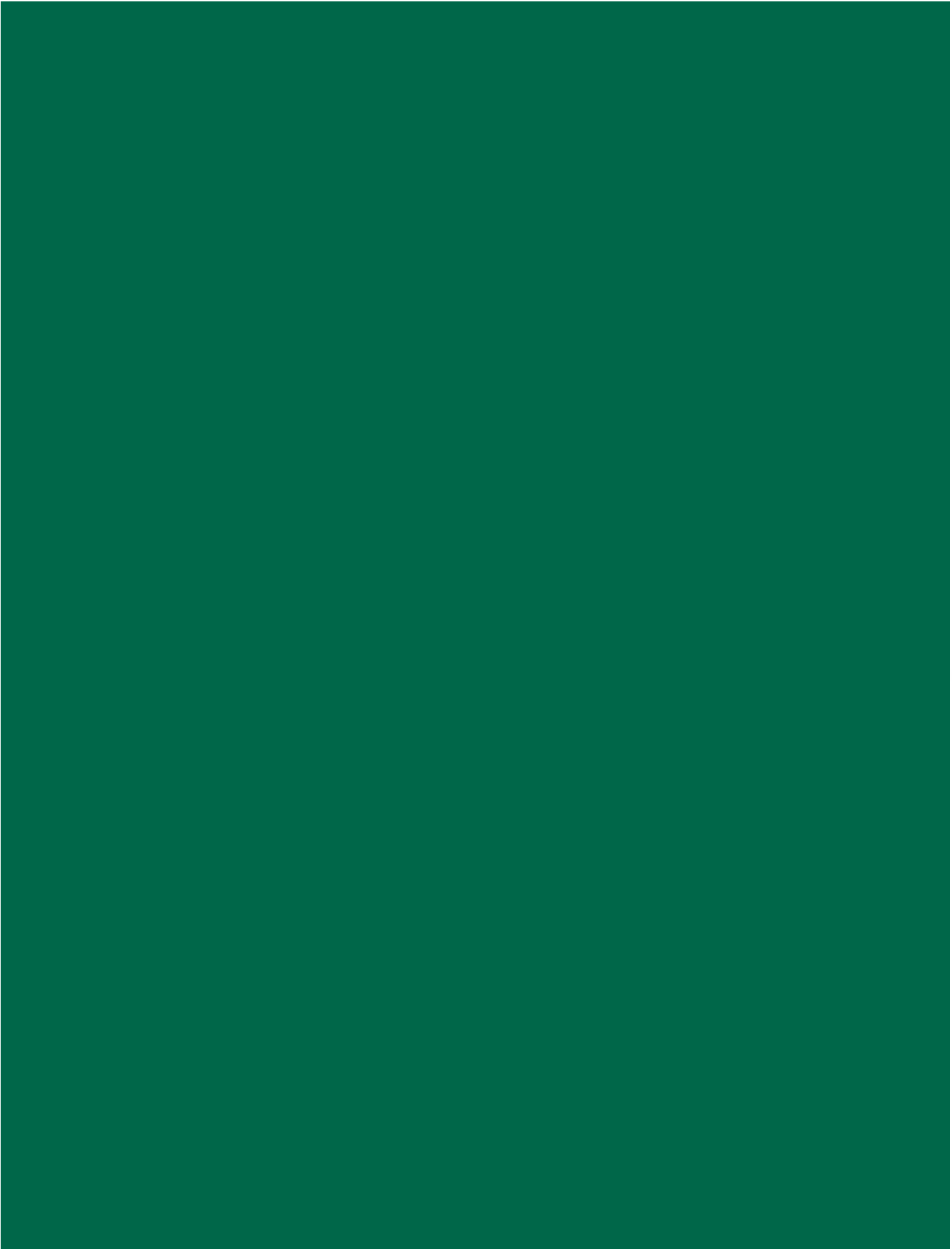
Q61. Are you a student-athlete?			
Count	Percent		
12	2.41%		Yes
485	97.59%		No
497	Respondents		

Q62. What is your residency status?			
Count	Percent		
492	99.19%		Domestic student (U.S. citizen or permanent resident)
4	0.81%		International student - Other
496	Respondents		

Board of Trustees Meeting - New Business - Action Items

Q63. Where is your permanent residence/home?			
Count	Percent		
224	44.89%		Pinellas County
67	13.43%		Hillsborough County
7	1.40%		Manatee County
21	4.21%		Pasco County
10	2.00%		Sarasota County
156	31.26%		Elsewhere in Florida
1	0.20%		Neighboring state to Florida (Alabama, Georgia)
11	2.20%		Elsewhere in USA
2	0.40%		Outside of USA
499 Respondents			

Q64. In the box below, please feel free to comment on USFSP housing or the concepts mentioned within this survey:			
Count	Percent		
174	100.00%		
174 Respondents			





Attorneys at Law
Citrus Center
255 South Orange Avenue
Suite 1350
Orlando, FL 32801
Tel 407.426.7001
Fax 407.426.7262
www.bmolaw.com

MEMORANDUM

TO: John Long
Joseph Trubacz

FROM: Ken Artin

DATE: October 5, 2017

RE: Analysis of Management of Risk under Proposed Ground Sublease with National Campus and Community Development Corporation

This memorandum was prepared at the request of the University to clarify an earlier analysis completed by this office on August 2, 2017; however, this clarifying memorandum does no substantively change the analysis presented on August 2, 2017.

The following is an analysis of the provisions that will protect the University in the event of a material default under the Ground Sublease Agreement (the "Ground Sublease") between the University and the tenant which will be an affiliated entity of National Campus and Community Development Corporation ("NCCD"). Pursuant to ITN #17-06-GC (the "ITN") the University solicited proposals from developers related to the development of a mixed use development on the University of South Florida St. Petersburg campus (the "Project"). We have reviewed the requirements of the ITN, the term sheet that has been negotiated between the University and EdR Collegiate Housing ("EdR") and the proposed form of Ground Sublease. While no Ground Sublease can be drafted to eliminate all risk, the parameters set forth in the term sheet have attempted to place the University in a neutral position with respect to most of the risks associated with the development, financing, operation and asset maintenance of the Project. As currently structured NCCD, as the tenant under the Ground Sublease, will enter into a guaranteed maximum price construction contract which will provide for a guaranteed project price and a fixed delivery date. Cost overruns will be the responsibility of the contractor and a delayed delivery will require the payment of liquidated damages. Once constructed, the University will manage student administrative functions for the Project. Occupancy risk will be managed through a number of measures. The bond financing that has been structured by NCCD includes a subordinate bond to be purchased by EdR, the developer of the project, in an amount equal to approximately ten percent of the housing component project cost. The

25552/016/01292634.DOCv1

25552/016/01222024.DOCv3

October 5, 2017

Page 2

subordinate bond debt service will only get paid if there are sufficient revenues after the payment of operating expenses and senior bond debt service. This transfers the first exposure to occupancy risk to EdR, as the subordinate debt holder, which strengthens the coverage ratio of the senior debt holder. It is important to note that EdR is the second largest student housing real estate investment trust in the country and possesses the experience to assist NCCD with the Project. The subordinate bond investment provides EdR with the required incentive to properly maintain the building so that the Project generates sufficient revenues to pay operating expenses, senior debt service payments and subordinate debt service. Next, the senior debt and subordinate debt will be non-recourse to the University, secured solely by the revenues of the Project. In addition, the senior debt holders will be granted a first lien leasehold mortgage on NCCD's leasehold interest. In the event the Project does not perform as expected the senior debt holders will have the right to replace NCCD and bring in a new operator to operate the Project. There are no University guarantees or preferential rights granted to NCCD by the University. The University will have no liability with respect to the NCCD debt financing for the Project. The dining component of the Project will be operated and managed by Sodexo, the University's current dining provider for the USF St. Petersburg campus.

The form of the Ground Sublease includes the following as the Events of Default:

(i) Any payment of Rent or any other sums required to be paid to the University pursuant to the Ground Sublease, shall at any time be in arrears and unpaid within ten (10) Business Days after receipt of written notice from the University that such amount is past due; or

(ii) Any payment required to be made by NCCD pursuant to the terms of the Ground Sublease, shall at any time be in arrears and unpaid within fifteen (15) Business Days after receipt of written notice from the University that such amount is past due; or

(iii) There shall be any default on the part of NCCD in the observance or performance of any of the other covenants, agreements or conditions of the Ground Sublease on the part of NCCD to be kept and performed, and such default shall continue for thirty (30) days after notice thereof in writing to NCCD; provided, however, that if such default is of a nature that it cannot be reasonably cured within such thirty (30) day period, then NCCD shall have such time as is reasonably required to cure such default; provided that such reasonable time period shall not exceed 180 days and provided further that NCCD commences the cure within such thirty (30) day period and is diligently pursuing completion of such cure; or

(iv) Failure by NCCD to operate and maintain the Project such that it is safe and secure for occupancy by Eligible Residents and any such occurrence or failure continues for a period of thirty (30) days after written notice thereof is given by the University to NCCD and the holder of any leasehold mortgage encumbering NCCD's leasehold interest thereunder; or

October 5, 2017

Page 3

(v) Failure of NCCD to achieve the construction Commencement Deadline Date or the Completion Deadline within the time periods set forth in the Ground Sublease; or

(vi) NCCD shall file a petition in bankruptcy or be adjudicated bankrupt or file any petition or answer seeking a reorganization, liquidation, dissolution or a similar relief for itself under any present or future federal, state or other statute, law or regulation related to bankruptcy, or make an assignment for the benefit of creditors; or

(vii) Any trustees, receiver or liquidator of NCCD shall be appointed and any action, suit or proceeding be instituted by or against NCCD in such preceding or action shall not have been dismissed within sixty (60) days after such appointment; or

(viii) The leasehold estate hereby created shall be taken (by any governmental entity other than by Landlord) by execution or other process of law; or

(ix) A Transfer without the prior written consent of the University as described in Article 15, Section B of the Ground Sublease; or

(x) Cessation of operations or abandonment of the Project.¹

The Ground Sublease also provides that upon the occurrence of an Event of Default and depending on the nature of the Event of Default, the University's rights under the Ground Sublease may include the University's right to cure the Event of Default, the right to receive an assignment of contracts with contractors, subcontractors, vendors and consultants, the right to terminate the Ground Sublease and the right to take possession and occupancy of any Project improvements. As is typical in debt financed projects the lender, or in this case, the bond trustee will have rights under Article 18 of the Ground Sublease to step in on behalf of the bondholders to cure a default of NCCD and in certain instances replace NCCD with another not-for-profit organization. The University as the administrator of student life functions of the student housing will be able to monitor NCCD's occupancy risk for the Project.

The various rights and remedies will depend on the nature of the default. For instance a breach of a covenant to provide financial information may not include the right to terminate the Ground Sublease but the failure to timely pay ground rent, timely complete the building or to operate the Project would include termination rights. Ground Rent is payable from the net cashflow of the Project. In the event the Project should generate insufficient revenues to pay operating costs or debt service payments the University is not responsible to pay any deficit. The bondholders must look solely to the Project to recover their investment.

¹ Capitalized terms used above that are not otherwise defined have the meaning set forth in the form of Ground Sublease.

October 5, 2017

Page 4

The conference center component will be financed, operated and managed by Sodexo. The University will have no financial responsibility with respect to the conference center. The bondholders financing the housing component and the dining component will not have an interest in the conference center component.

Agenda Item: FL 109

USF Board of Trustees
October 12, 2017

Issue: Appointment of USF Sarasota-Manatee Campus Board Members

Proposed action: Approve USF Sarasota-Manatee Campus Board Members

Background information:

The Board shall appoint members to the Campus Boards, from recommendation of the President. Consonant with the State Constitution, members shall hold no other State office. Members may be reappointed for additional terms not to exceed eight (8) years of service.

The USF Regional Campus Boards have the powers and duties provided by law and other such powers as are lawfully delegated by the University Board of Trustees to provide for efficient operation and improvement of the campus. It is within the authority of the Board of Trustees to appoint the members of the USF Regional Campus Boards.

Mr. William Joseph “Bill” Mariotti is president and CEO of Bill Mariotti Site Development Co., Inc. He also is president of Mariotti Asphalt, and Mariotti Utilities, a family owned business since 1952, providing complete site development for residential, industrial, and commercial properties.

Bill has received recognition in Who’s Who on multiple occasions. He was inducted in the Metropolitan Who’s Who Registry of which inclusion is limited to those individuals who have demonstrated outstanding leadership and/or achievement in their occupation, industry or profession. Bill is the past president of the Sarasota Site Contractors Association.

Bill is active in the community, serving on boards and committees of the Loveland Center, Children’s First (Head Start Program), Community Haven for Children and Adults with Disabilities, and the Board of Lakewood Ranch, serving as treasurer in 2010 and 2011. Bill is a member of Sigma Nu Fraternity and serves as treasurer of the House Corporation for the USF Chapter in Tampa.

Mr. Mariotti is eligible for a four year appointment ending June 30, 2021.

Mr. Fredrick “Rick” Piccolo is the president and CEO of the Sarasota Bradenton International Airport since 1995. After earning his BS degree in business administration

from the State University of New York Buffalo, he began his career as a janitor at the Buffalo International Airport. He held several positions at BIA including building superintendent, property manager, assistant to airport manager, and assistant director of operations. Locally, he worked in the operations department at Tampa International Airport and, prior to his position at SRQ, he was the assistant airport director at the St. Petersburg-Clearwater International Airport.

Mr. Piccolo has served as president of the Florida Airports Council. He has achieved executive accreditation to the American Association of Airport Executives, the largest professional airport managers association in the world. Mr. Piccolo served as the 2007 chair of the Airports Council International - North America (ACI-NA). He also served as chair on the Board of Directors of Airports Council International.

The Florida Department of Transportation selected Mr. Piccolo as the 2005 Aviation Professional of the Year. The Federal Aviation Administration also chose him as the 2005 Commercial Service Airport Manager of the Year. In October 2009, Airport Revenue News announced Piccolo as the winner of the "Small Airport CEO of the Year for 2009." Mr. Piccolo is a past chair of the Greater Sarasota Chamber of Commerce Board of Directors and is a past recipient of the Premier Volunteer Award, an honor given for his significant leadership commitment to the Chamber and community.

Mr. Piccolo is eligible for a four year appointment ending June 30, 2021.

Supporting Documentation: None

Prepared by: Paige Beles

Agenda Item: FL 110

USF Board of Trustees
October 12, 2017

Issue: Update on USF Health Morsani College of Medicine & Heart Institute

Proposed action: Information Purposes

Executive Summary: The new USF Health Morsani College of Medicine and Heart Institute, to be built in downtown Tampa, is envisioned to provide a superior teaching and research environment. The high-rise tower is to be 11 stories with the addition of two (2) floors and ground floor retail at this time as shell space. The project area is projected to be 395,194 GSF, including 57,000 NSF for Morsani College of Medicine, 64,000 NSF for Heart Institute labs, 29,100 NSF for auditorium/dining/support, 22,100 NSF for faculty offices, and 6,000 NSF for Clinical Trials/Care unit. The Design/Build team is proceeding with the construction phase of project development. Guiding principals have been followed in the design of the project.

Financial Impact: The total project budget is \$173 million.

Strategic Goal(s) Item Supports: USF System Strategic Goals Nos. 1-4; student success, high impact research, major economic engine and more secure economic base

Workgroup Review Date: SIC August 17, 2017

Supporting Documentation Online (please circle): **Yes** **No**

[Documentation](#)

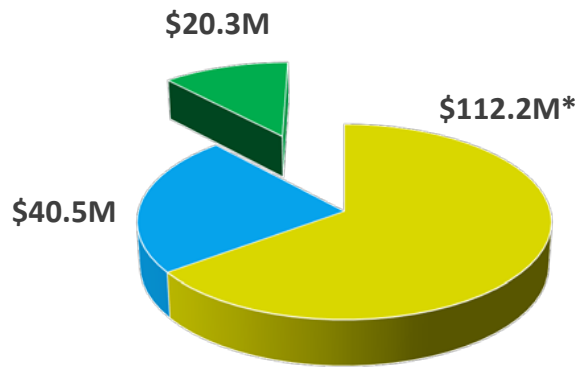
USF System or Institution specific: USF Health

Prepared by: Calvin Williams

USF Health: Morsani College of Medicine and Heart Institute



September 27, 2017
Installation of deep foundations (caissons)



Funding Source:

STATE FOUNDATION OTHER FUNDING

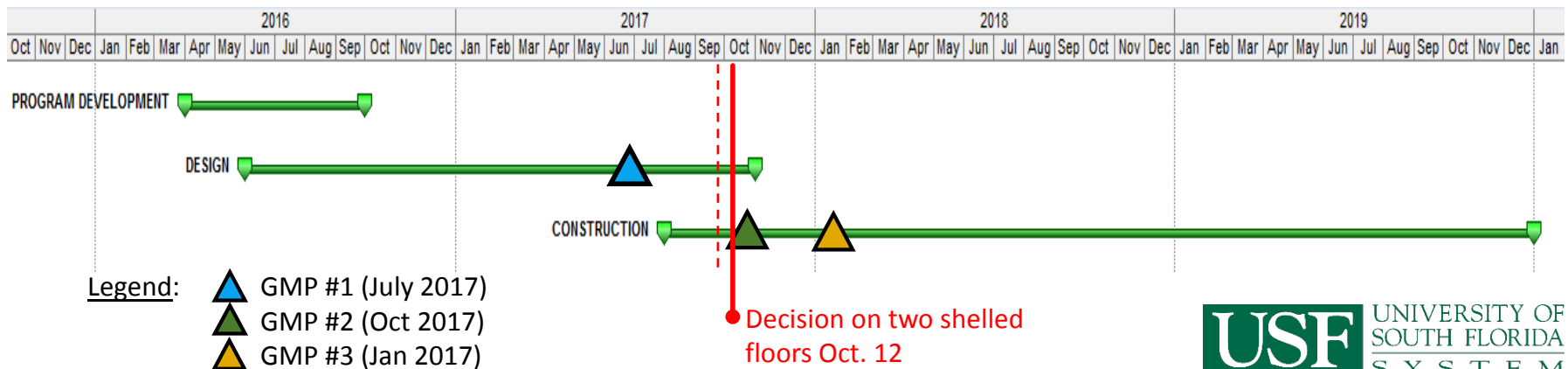
*We are not asking the State for anything more than \$112.2M for the construction of the MCOM+HI project

$$\underline{\$112.2} + \underline{\$40.5} = \underline{\$152.7M}$$

Owner's Rep	\$2.5
FF&E	\$5.8
Two (2) Shell Floors	\$12
	\$20.3M

$$\underline{\$152.7M} + \underline{\$20.3M} = \underline{\$173M}$$

Schedule:



Agenda item: FL 111 a-g

USF Board of Trustees
October 12, 2017

Issue: Naming Projects (9)

Proposed Action: Approve the Naming Nine (9) Projects based on Philanthropic Giving

Background Information:

Pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System. USF Policy 0-220 provides that the USF President may recommend a naming to the USF Board of Trustees in recognition of philanthropic support of the University. Therefore, in accordance with University regulations, rules and processes President Genshaft proposes the following in recognition of the 9 gifts to the USF System:

USF Tampa/USF Health

- a. The Vince & Lenda Naimoli Computer Learning Center in the Fishman Family Center; The Vince & Lenda Naimoli Women's Tennis Locker Room in the James Tennis Center; The Vince & Lenda Naimoli Football Team Meeting Room in the Selmon Athletic Center (\$1Million donation)*
- b. Patricia A. Burns, Ph.D., RN, FAAN Dean's Suite at the College of Nursing*
- c. Fishman Family Student Athletic Enrichment Center*
- d. Lasher Center for Financial Markets at the Muma College of Business*
- e. Glenn & Linda Ruediger Varsity Tennis Court*
- f. Sherrill & Paul Tomasino Exam Room in the Byrd Mobile Memory Research Suite*
- g. Helen & Panos Vasiloudes, M.D. Lobby in the Morsani College of Medicine Building in Downtown Tampa*

Strategic Goal(s) Item Supports: Revenue Generation

Committee Review Date: None

Supporting Documentation:

Presentation

Resolutions

USF System

Prepared by: Dr. Cynthia Visot, Ms. Noreen Segrest, Esq.

USF System Facility Naming

USF Tampa/USF Health

**Patricia A. Burns, Ph.D., RN, FAAN Dean's Suite at the College of Nursing
Fishman Family Student Athletic Enrichment Center**

Lasher Center for Financial Markets at the Muma College of Business

The Vince & Lenda Naimoli Computer Learning Center in the Fishman Family Center

The Vince & Lenda Naimoli Women's Tennis Locker Room in the James Tennis Center

The Vince & Lenda Naimoli Football Team Meeting Room in the Selmon Athletic Center

Glenn & Linda Ruediger Varsity Tennis Court

Sherrill & Paul Tomasino Exam Room in the Byrd Mobile Memory Research Suite

**Helen & Panos Vasiloudes, M.D. Lobby in the Morsani College of Medicine Building in
Downtown Tampa**

UNIVERSITY *of* SOUTH FLORIDA



UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Vince and Lenda Naimoli have provided support to the USF System and USF Intercollegiate Athletic Department including a gift of \$1,000,000 designated to support the James Tennis Center, Football-Softball Facilities Quasi-Endowment and Athletic Complex Facility Endowment funds of the USF Foundation; and

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of this donation, the President of the University recommends naming the main USF Athletics Varsity Tennis Court in honor of Vince and Lenda Naimoli;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRMS THE DECISION TO NAME THE FOLLOWING IN HONOR OF VINCE AND LENDA NAIMOLI, "THE VINCE AND LENDA NAIMOLI COMPUTER LEARNING CENTER" IN THE FISHMAN FAMILY STUDENT ATHLETE ENRICHMENT CENTER", "THE VINCE AND LENDA NAIMOLI WOMEN'S TENNIS LOCKER ROOM" IN THE JAMES TENNIS CENTER AND "THE VINCE AND LENDA NAIMOLI FOOTBALL TEAM MEETING ROOM" IN THE USF ATHLETICS SELMON CENTER, ALL IN HONOR, RECOGNITION AND APPRECIATION OF PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Patricia A. Burns, PhD, RN, FAAN, former Senior Associate Vice-President of USF Health and former Dean of the USF College of Nursing, provided many years of support to the USF System and the College of Nursing, serving as an academic leader and innovator in nursing education, developing advanced degree programs, promoting research and academic excellence and fostering financial donations to the College as well as her personal gifts to USF totaling nearly \$45,000, and;

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of these many achievements and contributions, the President of the University recommends naming the USF College of Nursing Dean's Suite in posthumous honor of Dr. Patricia A. Burns;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRMS THE DECISION TO NAME THE USF COLLEGE OF NURSING DEAN'S SUITE THE "PATRICIA A. BURNS, PhD, RN, FAAN DEAN'S SUITE" IN POSTHUMOUS HONOR, RECOGNITION AND APPRECIATION OF HER ACADEMIC AND PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Jeffrey and Brandy Fishman and their family, through the Fishman Family Foundation, have provided support to the USF System and USF Intercollegiate Athletic Department including a gift of \$450,000 to support the Athletic Complex Facility Endowment Fund of the USF Foundation for the benefit the new Student Athlete Enrichment Center to promote the academic, personal, career and community achievement of USF student athletes; and

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of this donation, the President of the University recommends naming the new Student Athlete Enrichment Center in honor of the Fishman Family;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRM THE DECISION TO NAME THE STUDENT ATHLETE ENRICHMENT CENTER THE "FISHMAN FAMILY STUDENT ATHLETE ENRICHMENT CENTER" IN HONOR, RECOGNITION AND APPRECIATION OF PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Stuart and Tyler Lasher have provided support to the USF System and the USF Muma College of Business including a gift of \$300,000 to support the Muma College of Business Finance Department, Applied Securities Analysis program and Student Managed Investment Fund on the Tampa campus of the university; and

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of this donation, the President of the University recommends naming the Center for Financial Markets of the Muma College of Business in honor of Stuart and Tyler Lasher;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRM THE DECISION TO NAME THE CENTER FOR FINANCIAL MARKETS OF THE USF MUMA COLLEGE OF BUSINESS THE "LASHER CENTER FOR FINANCIAL MARKETS" IN HONOR, RECOGNITION AND APPRECIATION OF PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Glenn and Linda Ruediger have provided support to the USF System and USF Intercollegiate Athletic Department including a gift of \$80,000, of which \$50,000 is designated to support the James Tennis Center Fund of the USF Foundation; and

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of this donation, the President of the University recommends naming the main USF Athletics Varsity Tennis Court in honor of Glenn and Linda Ruediger;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRMS THE DECISION TO NAME THE MAIN USF ATHLETICS VARSITY TENNIS COURT THE "GLENN AND LINDA RUEDIGER VARSITY TENNIS COURT" IN HONOR, RECOGNITION AND APPRECIATION OF PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Sherrill and Paul Tomasino have provided support to the USF System and USF Health Byrd Alzheimer’s Institute including a gift of \$122,000 to support the Byrd Mobile Memory Research Suite for the benefit of the Byrd Alzheimer’s Institute on the Tampa campus of the university; and

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of this donation, the President of the University recommends naming the large exam room in the Byrd Mobile Memory Research Suite in honor of Sherrill and Paul Tomasino;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRMS THE DECISION TO NAME THE LARGE EXAM ROOM IN THE BYRD MOBILE MEMORY RESEARCH SUITE THE “SHERRILL AND PAUL TOMASINO EXAM ROOM” IN HONOR, RECOGNITION AND APPRECIATION OF PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES

RESOLUTION

WHEREAS, Helen Vasiloudes and Panos Vasiloudes, M.D. have provided support to the USF System and USF Morsani College of Medicine including a gift of \$250,000 to support the USF Health Downtown Tampa Expansion for the benefit of the Morsani College of Medicine on the Tampa campus of the university; and

WHEREAS, pursuant to BOG Regulation 9.005, the University of South Florida Board of Trustees is vested with naming authority for all buildings, facilities and academic units of the USF System; and

WHEREAS, in recognition of this donation, the President of the University recommends naming the lobby in the new Morsani College of Medicine Building in downtown Tampa in honor of Helen Vasiloudes and Panos Vasiloudes, M.D.;

NOW, THEREFORE, BE IT RESOLVED THAT THE UNIVERSITY OF SOUTH FLORIDA BOARD OF TRUSTEES AFFIRMS THE DECISION TO NAME THE LOBBY OF THE NEW MORSANI COLLEGE OF MEDICINE BUILDING IN DOWNTOWN TAMPA THE "HELEN AND PANOS VASILOUDES, M.D. LOBBY" IN HONOR, RECOGNITION AND APPRECIATION OF PHILANTHROPIC SUPPORT PROVIDED TO THIS UNIVERSITY.

PASSED AND ADOPTED by the University of South Florida Board of Trustees, a public body corporate of the State of Florida, at a public meeting thereof duly called and held this 12th day of October 2017.

Brian Lamb, Chair

Judy Genshaft, Corporate Secretary

Fall 2017 USF System Enrollment & Student Profile

USF System Board of Trustees
October 12, 2017

Ralph Wilcox, Provost & Executive Vice President



Student Enrollment – USF System *(drop/add benchmark)*

USF System <i>Drop/Add</i>		2017 Work Plan Goal	Fall 2017		
			#	#	%
Total Enrollment	Total Students	50,679	50,577	50,577	
Degree Seeking	Total Degree-Seeking Students		48,537	48,537	96%
	Undergraduates	36,992	37,027	37,027	73%
	Grad I	11,094	11,510	7,657	16%
	Grad II			2,776	6%
	Medical (MD + PharmD)			1,077	2%
Non-Degree Seeking	Total Non-Degree Seeking	2,593	2,040	2,040	4%
	Undergraduates		980	980	48%
	Graduates		1,060	1,060	52%

Meets/Exceed WP Goal

Does Not Meet WP Goal

Student Enrollment – USF Tampa *(drop/add benchmark)*

USF <i>Drop/Add</i>		2017 Work Plan Goal	Fall 2017		
			#	#	%
Total Enrollment	Total Students	42,848	43,542	43,542	
Degree Seeking	Total Degree-Seeking Students		41,770	41,770	96%
	Undergraduates	30,332	30,984	30,984	71%
	Grad I	10,324	10,786	6,933	17%
	Grad II			2,776	7%
	Medical (MD + PharmD)			1,077	3%
Non-Degree Seeking	Total Non-Degree Seeking	2,193	1,772	1,772	4%
	Undergraduates		819	819	46%
	Graduates		953	953	54%

Meets/Exceed WP Goal

Does Not Meet WP Goal

Student Enrollment – USFSP *(drop/add benchmark)*

	USFSP <i>Drop/Add</i>	2017 Work Plan Goal	Fall 2017	
			#	%
Total Enrollment	Total Students	5,653	4,908	
Degree Seeking	Total Degree-Seeking Students		4,742	97%
	Undergraduates	4,783	4,170	88%
	Grad I	584	572	12%
Non-Degree Seeking	Total Non-Degree Seeking	286	166	3%
	Undergraduates		93	56%
	Graduates		73	44%

Meets/Exceed WP Goal

Does Not Meet WP Goal

Student Enrollment – USFSM *(drop/add benchmark)*

USFSM <i>Drop/Add</i>		2017 Work Plan Goal	Fall 2017	
			#	%
Total Enrollment	Total Students	2,178	2,127	
Degree Seeking	Total Degree-Seeking Students		2,025	95%
	Undergraduates	1,878	1,873	92%
	Grad I	186	152	8%
Non-Degree Seeking	Total Non-Degree Seeking	114	102	5%
	Undergraduates		68	67%
	Graduates		34	33%

Meets/Exceed WP Goal

Does Not Meet WP Goal

USF System - New FTIC Academic Profile

(drop/add benchmark)

New FTIC Profile <i>Drop/Add Benchmark</i>	Fall 2017 Headcount (Fall 2016)	Fall 2017 Avg. ACT (Fall 2016)	2017 Work Plan Goal	Fall 2017 * Avg. 2-Part SAT	2017 Work Plan Goal	Fall 2017 Avg. HSGPA (Fall 2016)
USF System	3,064 (2,948)	27 (27)	N/A	1266	N/A	4.08 (4.05) ↑
USF T	2,552 (2,465)	28 (28)	1280	1280	4.10	4.12 (4.08) ↑
USFSP	402 (396)	26 (26)	N/A	1208	N/A	3.82 (3.87) ↓
USFSM	110 (87)	25 (25)	N/A	1192	N/A	3.92 (3.9) ↑

*Prior year comparison is not available due to changes to the SAT

Meets/Exceed WP Goal

USF System - Diversity *(drop/add benchmark)*

USF System <i>Drop/Add Benchmark</i>	Fall 2017 Total Enrollment (Fall 2016)		Fall 2017 New FTICs Total Enrollment (Fall 2016)	
	#	%	#	%
Non-White	20,196 (19,448)	39% (39%)	1,229 (1,150)	40% (39%)
International (Non-Resident Alien)	4,946 (4,726)	9.8% (9.5%)	190 (175)	6.2% (8.6%)
Gender (Female/Male)	28,188 / 22,377 (27,578 / 21,979)	56% / 44% (56% / 44%)	1,825 / 1,239 (1,730 / 1,218)	60% / 40% (59% / 41%)
Pell *	12,692 (11,204)	37% (32%)	894 (831)	31% (30%)

*Preliminary data; Undergraduate students only, completion of application and subsequent payments continue through the Fall semester

USF SYSTEM

Tampa

PERFORMANCE UPDATE

USF BOARD OF TRUSTEES

Judy Genshaft
October 12, 2017



Student Access

Update on Future New Student Recruitment Strategy

- **Collaborating with student organizations on campus visits to connect under-represented student groups and enhance the experience.**
- **Improving the graduate admissions process by developing a business management platform (Archivum) that will speed the process and improve yield.**
- **Setting graduate enrollment targets by college and department to reflect market trends and student demand.**



Student Success

- USF Tampa is recognized as #1 by *The Chronicle of Higher Education* for greatest improvements in 6-year Graduation Rates among 4-year public colleges and universities.
- *The Times Higher Education* ranks USF 8th in the nation and 34th in the world among American public and private “Golden Age Universities,” the 1st ranking solely focused on higher education institutions founded between 1945 and 1966.
- According to the *Academic Ranking of World Universities*, USF Tampa ranks among the top 300 best.



Academic Programs

- **New Degree Program Proposals in Development:**
 - 09.0900 Public Relations, Advertising & Applied Communications (Bachelors, Masters) – GAP
 - 13.0501 Learning Design & Technology (Masters) – STEM
 - 14.0501 Biomedical Engineering (Bachelors) – STEM
 - 51.2099 Pharmacy (Doctoral) – Health
 - 51.2306 Occupational Therapy (Doctoral) - Health
- **New Degree Pre-Proposals in Development**
 - 11.0104 Informatics (PhD) STEM
 - 11.1003 (Change from 43.0303) Cybersecurity (Bachelors) – STEM
 - 52.0203 Logistics, Material, & Supply Chain Management (Masters; Bachelors) – STEM



Research - Funding

- **Total research expenditures against prior year and plan:**
 - FY 2015: \$485 million
 - FY 2016: \$506 million
 - **FY 2017 Plan: \$501 million**
- **Federal research expenditures against prior year and plan:**
 - FY 2015: \$218 million
 - FY 2016: \$228 million
 - **FY 2017 Plan: \$222 million**

Research - Commercialization

- **Utility patents awarded (over three calendar years)*:**
 - 2014-2016: 314
 - 2015-2017 Plan: 273
 - 2015-2017 (@ 8/22/17): 279
- **Licenses/options executed:**
 - FY 2016: 133
 - FY 2017 Plan: 121
 - FY 2017: 122
- **Number of start-up companies:**
 - FY 2016: 8
 - FY 2017 Plan: 9
 - FY 2017: 10

**Preeminence metric*



Fundraising

- **Total pledges/gifts received against prior year and plan:**
 - FY 2016 Actual: \$71.5 M
 - FY 2017 Plan: \$80 M
 - FY 2017: \$89.5 M
- **Major gifts received (>\$100,000):**
 - FY 2017: 76 gifts
- **Endowment against prior year and plan:**
 - FY 2016 Actual: \$395.3 M
 - FY 2017 Plan: \$412 M
 - FY 2017 Actual: \$441 M



Facilities

Project	Funded	Budget	Scope	Schedule
Morsani COM & Heart Institute	Y	●	●	●
"The Housing Village" – Phase 2	Y	●	●	●
Grocery – Publix	Y	●	●	●
Laurel Drive Extension/New Entry	Y	●	●	●
Holly Renovations (C, D, G)	Y	●	●	●
Kosove Renovations	Y	●	●	●
Replace Cooling Tower #5	Y	●	●	●
Campus Feeder Replacement - P1	Y	●	●	●



Leadership Talent

- **Critical hires:**

- *Dean Victoria Rich, College of Nursing*
- *Professor & Chair, Charles Chalfant, Cell Biology, Microbiology & Molecular Biology (VCU Massey Cancer Center)*
- *Professor Charles Stanish, Anthropology; National Academy of Sciences and AAAS Fellow (UCLA)*
- *Professor & Chair, Paul Kuo, Surgery/TGH Chief of Surgery (Loyola Univ.)*
- *Professor David Weill, Medicine & Cardiothoracic Surgery (Stanford)*
- *Professor & Chair, Clifford Henderson, Chemical Engineering (Georgia Tech)*
- *Professor Thomas McDonald, Cardiovascular Sciences (Albert Einstein COM)*
- *Professors Jason Anthony, Maria Carlo, Matthew Foster, Trina Spencer, Jeffrey Williams, Jungmee Lee (Cluster hire from UT Health Sciences Center)*



General

Next 90-day Strategic Priorities:

- Fundraising & Financial Feasibility Studies
- Branding Plan
- 2017-18 legislative session priorities

Success stories/institutional highlight:

- Ranked **1st** in Florida, **5th** in the nation among public universities & **11th** worldwide for U.S. **patents** among all universities (IPOA/NAI 2016)
- Ranked **19th** nationally among the “Best Universities for Technology Transfer” (Milken Institute 2017)
- Ranked **4th** worldwide for the most **AAAS Fellows** (*an AAU-recognized honor*) elected annually, for the 3rd year in a row. USF has a total of **57** AAAS Fellows among its faculty
- Ranked **1st** in Florida and **3rd** in the U.S. for the 3rd year in a row, with **25** USF teams selected for the national **NSF Innovation Corps** program



USF SYSTEM

St. Petersburg

PERFORMANCE UPDATE

USF BOARD OF TRUSTEES

Martin Tadlock
October 12, 2017



Student Access

New Student Recruitment Strategies:

- USFSP continues to strengthen its undergraduate recruitment partnerships with key Pinellas County High schools, working closely with each principal to advance a college-going culture and increase application generation for students who are a good fit for USF St Petersburg.
 - **Boca Ciega HS:** Year 3. 54% increase in apps, 52% increase in admits.
 - **Gibbs HS:** Year 2. 95% increase in apps, 50% increase in admits.
 - **Lakewood HS:** Year 1. Aligning USFSP's Biology program with the Academy for Aquatic Management Systems and Environmental Technology, and Journalism and Media Studies with the Center for Journalism and Multimedia.

Student Success

Points of Pride:

- **Early indicators of Academic Progress Rate and retention are positive.**
 - Student success is the focus at USFSP.
 - USFSP’s multi-functional Strategic Enrollment Management group implemented retention and completion initiatives for students in good standing as well as those who are academically challenged.
 - USFSP is experiencing important gains in the re-enrollment of under-represented students.
- USFSP piloted College Scheduler for the USF System, simplifying the registration process for students.
- USFSP launched Archivum/Civitas Student Success Module with a team of 40 from across the university who went live with the technology.

Academic Programs

- **Progress of new programs:**
 - USFSP's first graduate class in Conservation Biology filled.
- **Program reviews and accreditation:**
 - SACS Fifth Year Review was completed and submitted. Response due by April 2018.
 - KTCOB will undergo its re-accreditation review in Spring 2018.
 - Health Sciences will have an external review during FY 2017-2018.

Research - Funding

Points of Pride:

- **USFSP continues to see growth in the numbers of research proposals and funds awarded.**
 - USFSP's federal research expenditures reached a high of just over \$3.5 million.
 - Annual awards, both private and federal, for FY 16-17 also reached a new high of approximately \$4.5 million.

Research - Commercialization

- **Postdoctoral appointees against prior year and plan:**
 - Two new postdoctoral fellows are engaged in research on :
 - Community-Based Cross-Cultural HIV Research Among Youth with Psychology faculty Dr. Tiffany Chenneville, and
 - The Role of Motivational Value on Attentional Biases with Dr. Jennifer O'Brien.

Fundraising

- **Total pledges/gifts received against prior year and plan:**
 - FY 2016 Actual: \$7,432,128
 - FY 2017 Plan: \$3,000,000
 - FY 2017 (through 6/30/2017): \$3,272,439
- **Major gifts received (>\$100,000): 6**
 - FY 2017 (through 6/30/2017): 522 donors
- **Endowment against prior year and plan:**
 - FY 2016 Actual: \$15,276,191.01
 - FY 2017 Actual (through 6/30/2017): \$16,595,131.31

Strategic priority areas include growing USFSP's number of endowed chairs.

Facilities - St. Petersburg

Project	Funded	Budget	Scope	Schedule
Warehouse Science Labs	Y (E&G)	●	●	●
Parking Lot #19 (COB Lot)	Y (Fndn/Aux)	●	●	●
FTF Building Demolition	Y (E&G)	●	●	●
P3 Housing – Residence Life	Y (Developer)	●	●	●
Coquina Club Remodel – (COQ 1 st Fl)	Y (CITF/E&G)	●	●	●
Waterfront Bldgs/Site - Master Plan	Y (E&G)	●	●	●
Poynter Library Reroof	Y (PECO)	●	●	●



Leadership Talent

- **Critical hires:**

Allyson Watson, Dean, College of Education. Allyson was Assistant Dean of the Northeastern State University College of Education in Oklahoma, with over 1,900 teacher education students on three campuses.

Teresa Conover, Director, Program of Accountancy. Teri was with the University of North Texas for 28 years.

- **Open leadership positions:**

USFSP's search for a new Dean of the College of Arts and Sciences is in progress with candidates slated to visit USFSP in October for interviews.

General

90-day priorities: *(tied to strategic plan/work plan goals)*

- P3 initiative
- Final proposals & pre-proposals for relevant, high-demand academic programs listed on USFSP and USF System Master Academic Plans
- Implementation of technologies to help facilitate student persistence
- Investment in new financial support for students, i.e. on-campus employment

Success stories/institutional highlights:

- Student retention/APR rate 2016-2017
- Student profile and diversity
- Rankings
- Alumni stories, including a Pulitzer and National Milken Award for teaching

USF SYSTEM

Sarasota-Manatee

PERFORMANCE UPDATE

USF BOARD OF TRUSTEES

Dr. Terry Osborn
October 12, 2017



Student Access

Future New Student Recruitment Strategies

- **New Enrollment Management Plan**
- **New Admissions CRM system**
 - **Personalized website for each prospective student**
- **Diversity Recruiter working with Bilingual Recruiter to increase underrepresented populations**
- **FUSE Program Recruiter/Advisor**



Student Success

- *Persistence Task Force*
- *Green2Gold Academic Success Program*
- *Winter session*
- *Staff mentoring program for at-risk students*
- *15% increase in student participation in internships*



Academic Programs

In development 2017-18

- *Bachelor's Degree in Risk Management Insurance*
- *Bachelor's Degree in Management Science*
- *Master's Degree in Biology*

Program reviews and accreditation 2017-18

- *Program Review: English*
- *Accreditation: AACSB – January 2017 Site Visit*



Research

- ***Newly formed Office of Research at USFSM***
- ***Increasing rate of training and competitive submissions***
 - ***2016: \$755,948***
 - ***2017: \$1,409,929***
- ***\$272,000 in awards in 2016/2017***
- ***Future: \$13.8m submissions or proposals in development***



Fundraising

- **Total pledges/gifts received against prior year and plan:**
 - 2015-16 Goal: \$3,420,000 Amount Secured: \$ 855,594
 - 2016-17 Goal: \$2,150,000 Amount Secured: \$1,616,642
- **Major gifts received (>\$100,000):**
 - 2 gifts
- **Endowment against prior year and plan:**

Principal Value

 - 2015-16 (P/E June 2016): \$8,399,837
 - 2016-17 (P/E June 2017): \$8,430,318
- **Update on Strategic Priority Areas**
 - *Scholarships* FY18 Goal: \$ 500,000
 - *STEM Building* FY18 Goal: \$2,000,000
 - *Rowing* FY18 Goal: \$ 500,000



Facilities – Sarasota-Manatee

- Progress update on approved new facilities/construction:
- Institution’s Master plan and proposed new facilities:

Project	Funded	Budget	Scope	Schedule
Central Plant/EOC Expansion	Y (E&G)	●	●	●
CHTL Expansion/Addition	Y (E&G)	●	●	●
Parking/Signage Improvements	Y (E&G/Aux)	●	●	
Safety/Co-Curricular/Wellness	Y (CITF)	●		
Academic STEM Facility	N (PECO)	●	●	
Utilities/Infrastructure/Cap Renewal	N (PECO)	●	●	



Leadership Talent

- **Critical hires (including VCs, Deans):**
 - *Regional Vice Chancellor for Business & Finance*
 - *Interim Regional Vice Chancellor for Advancement*
 - *Assistant Vice President for Student Success*



General

- **90-day priorities: *(tied to strategic plan/work plan goals)***
 - *Programs of Strategic Emphasis*
 - *Safety review*
 - *Diversity initiatives*
 - *Partnership with SCF Leadership*
 - *Mental Health Outreach Specialist*
- **Success stories/institutional highlight**
 - *Student Success. Breakthrough Research. Community Engagement.*
 - *Partnerships with LECOM and Stetson*

