

Triumph Gulf Coast, Inc. Application for Funds



FLORIDA STATE UNIVERSITY
PANAMA CITY

COLLEGIATE LABORATORY
HIGH SCHOOL

March 2022

Triumph Gulf Coast, Inc. Trust Fund Application for Funds

Proposal Instructions: The Triumph Gulf Coast, Inc. Trust Fund Grant Application (this document) must be completed by the entity applying for the grant and signed, as applicable, by either the individual applying for funds, an individual authorized to bind the entity applying for funds, a chief elected official, the administrator for the governmental entity or their designee. Please read the Application carefully as some questions may require a separate narrative to be completed. In addition, please complete all Addendums that may be applicable to the proposed project or program.

Triumph Gulf Coast, Inc. will make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. Triumph Gulf Coast, Inc. may make awards for:

- Ad valorem tax rate reduction within disproportionately affected counties;
- Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education; encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

Pursuant to Florida Law, Triumph Gulf Coast, Inc. will provide priority consideration to Applications for projects or programs that:

- Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
- Increase household income in the disproportionately affected counties above national average household income.
- Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
- Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
- Benefit the environment, in addition to the economy.
- Provide outcome measures.
- Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- Are recommended by the board of county commissioners of the county in which the project or program will be located.
- Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

Additionally, the Board of Triumph Gulf Coast, Inc. may provide discretionary priority to consideration of Applications for projects and programs that:

- Are considered transformational for the future of the Northwest Florida region.
- May be consummated quickly and efficiently.
- Promote net-new jobs in the private sector with an income above regional average household income.
- Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.
- Create net-new jobs in targeted industries to include: aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing, and robotics.
- Promote industry cluster impact for unique targeted industries.
- Create net-new jobs with wages above national average wage (*e.g.*, similar to EFI QTI program, measured on graduated scale).
- Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).
- Provide a wider regional impact versus solely local impact.
- Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.
- Enhance research and innovative technologies in the region.
- Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.
- Create a unique asset in the region that can be leveraged for regional growth of targeted industries.

- Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.
- Leverage funding from other government and private entity sources.
- Provide local investment and spending.
- Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.
- Provide clear performance metrics over duration of project or program.
- Include deliverables-based payment system dependent upon achievement of interim performance metrics.
- Provide capacity building support for regional economic growth.
- Are environmentally conscious and business focused.
- Include Applicant and selected partners/vendors located in Northwest Florida.

Applications will be evaluated and scored based on compliance with the statutory requirements of the Triumph Gulf Coast legislation, including but not limited to the priorities identified therein and the geographic region served by the proposed project or program.

Applicant Information

Name of Individual (if applying in individual capacity): [NA](#)

Name of Entity/Organization: [Florida State University Panama City](#)

Background of Applicant Individual/Entity/Organization:

[Florida State University Panama City \(FSU PC\)](#) is a campus of Florida State University located in Bay County, Florida. FSU Panama City offers life-changing educational and social opportunities that prepare students, faculty, and community members to achieve their goals, develop a richer culture of diversity, and foster a spirit of lifelong learning. Partnering with area military installations, industry leaders and other Florida State University departments and colleges, FSU Panama City tailors the educational experience to make higher education more accessible to the residents of Northwest Florida. Florida State University is one of the nation's elite research universities and FSU Panama City amplifies the university's efforts to preserve, expand and disseminate knowledge in the sciences, technology, arts, humanities, and professions. The Bayside campus is home to a community of innovative thinkers who create programs that support and anticipate the sophisticated needs of business and industry in North Florida, preparing workforce-ready students to meet the region's economic demand.

[Home to FSU's College of Applied Studies](#), the FSU Panama City Campus is a full-service campus offering programs within many Colleges of the University – a true microcosm of FSU located in Bay County. Specifically, FSU PC students can pursue programs of study in Business, Engineering, Computer Science, Public Safety, Education, Professional Communications, and Psychology, among others.

Federal Employer Identification Number: [59-1961248](#)

Contact Information

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 Email Address: rhanna@pc.fsu.edu
 Website: <https://pc.fsu.edu/>

Identify any co-applicants, partners, or other entities or organizations that will have a role in the proposed project or program and such partners proposed roles.

Partners/Organizations with a Role in the Program		Proposed Role
Multiple Colleges within FSU	FSU's College of Education and other Colleges within the University.	As required by Florida Statute 1002.32, the planned lab school will be affiliated with FSU's College of Education where research will be conducted on educational practices. Dual enrollment coursework will be offered at FSU PC from multiple colleges within the university. Furthermore, the school's senior capstone experience will include faculty mentors who may represent multiple colleges at FSU.
Military Installations	Tyndall Airforce Base, United State Naval Support Activity Panama City (NSA PC), and Eglin Air Force Base	The Lab School will give admission preference to military dependents (expected to be up to 50% of seats).
School Districts	School districts within the eight disproportionately affected counties: Escambia, Santa Rosa, Okaloosa, Walton, Bay, Gulf, Franklin, and Wakulla	As a research-based school, the Lab School will exercise and extend best practices to school districts across the region to include educational opportunities for students and professional development opportunities for teachers.
State Colleges	State Colleges in the region	The Lab School curriculum will include dual enrollment coursework which may be completed at FSU PC or other state colleges in the region, if needed.
Local Industry	Various	In addition to the potential of school board and/or Advisory Committee membership, local industry leaders will be engaged in the school's senior capstone project.

Total amount of funding requested from Triumph GulfCoast: \$7,651,600

Has the applicant in the past requested or applied for funds for all or part of the proposed project/program?

☐ Yes ☒ No

If yes, please provide detailed information concerning the prior request for funding, including:

- the date the request/application for funding was made;
- the source to which the request/application for funding was made,
- the results of the request/application for funding, and
- projected or realized results and/or outcomes from prior funding.

Describe the financial status of the applicant and any co-applicants or partners:

FSU has the highest-rated credit of any public university in the state of Florida and is one of only eight public universities in the United States with an AA+ rating or better from both S&P and Fitch. More about the University's financial status can be found in the annual report (Appendix A).

In a separate attachment, please provide financial statements or information that details the financial status of the applicant and any co-applicants or partners.

See Appendix A.

Has the applicant or any co-applicants, partners or any associated or affiliated entities or individuals filed for bankruptcy in the last ten (10) years?

☐ Yes ☒ No

If yes, please identify the entity or individual that filed for bankruptcy and the date of filing. NA

Eligibility

Pursuant to Section 288.8017, Triumph Gulf Coast, Inc. was created to make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. The disproportionately affected counties are: Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County. See, Section 288.08012.

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):

- ☐ Ad valorem tax rate reduction within disproportionately affected counties;
- ☐ Local match requirements of s. 288.0655 for projects in the disproportionately affected

counties;

- ☐ Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- ☐ Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- ☒ Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties; Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- ☐ Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

2. Provide the title and a detailed description of the proposed project or program, including the location of the proposed project or program, a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote economic recovery, diversification, and enhancement of the disproportionately affected counties, a proposed timeline for the proposed project or program, and the disproportionately affected counties that will be impacted by the proposed project or program.

1. **Title:** FSU Panama City Collegiate Laboratory High School
2. **Detailed Description:** See Below
3. **Location:** The lab school will be partially located at FSU Panama City in Bay County. The school will include grades 9-12 with the freshman and sophomore classes offered off campus in leased classroom space.
4. **Amount of Funds:** Florida State University Panama City respectfully requests a catalyst investment of \$7,651,600 from Triumph Gulf Coast Inc.
5. **Quantitative Evidence:** See Below
6. **Proposed Timeline:** Funding is requested over 6 years to start up the school and attain sustainability. Upon contract execution and charter approval, renovation and equipment acquisition will begin along with the hiring of key personnel for planning. It is anticipated that the school will open in Fall 2023 with additional students and faculty added each year.
7. **Impacted Counties:** Bay and Gulf

Detailed Description

Florida State University Panama City (FSU PC) requests funding to create a new Collegiate Laboratory High School as allowed by an amendment to Florida Statute 1002.32 in the 2020 legislative session. The proposed school would serve grades 9-12, with an estimated enrollment of 125 students per grade (with an option to expand), and it would open as early as Fall 2023, pending all approvals and funding. Funding is sought to renovate existing classroom spaces on campus, lease off-campus space as may be needed for 9-10th grades, purchase furnishings and equipment necessary for academic instruction, and hire lab school and dual enrollment personnel. This collegiate laboratory high school would be the 8th lab school in the state, the first of its kind for Bay County, and would extend the benefits of having a local, top 20 university to families of high school-aged children. In addition to enhancing educational opportunities in the Northwest Florida area, this new Collegiate Laboratory High School would provide the opportunity to:

1. immerse students in a collegiate culture with supported services and defined curriculum pathways enabling students to earn dual enrollment credits toward a degree,
2. engage students in experiential learning with experts in the field and expose students to high-wage/high-demand fields through coursework and applied research projects,
3. develop autonomous learners who take ownership of their future educational/career plans,
4. train students to enter their preferred workforces or continue to college with highly sought after analytic, soft, and technical skills,
5. engage students in advanced coursework in the fields of engineering, computer science, cybersecurity, and health sciences, among others, that would allow them to earn industry certifications aligned with local workforce demand,

6. build capacity for educators to immerse students in learning opportunities that will lead to successful employment and higher education opportunities,
7. serve the area's growing military dependent population with innovative curriculum choices,
8. provide professional development and training opportunities for other K-12 teachers to become certified to teach career courses within their own schools, and
9. extend current knowledge about successful collegiate school strategies and their impacts on communities, student learning, and future success by engaging with education researchers.

What is the Planned Curriculum Model?

The proposed school aims to immerse secondary students in a collegiate environment where career paths are explored early, accelerated credits are earned, support services are readily available, parents are engaged, and students are prepared for a seamless entry into post-secondary study and the workforce. Initial plans are to have students in grades 9 and 10 complete a traditional high school curriculum with career-themed courses leading to industry certifications as electives. Special attention will be given to developing career-academies within the school with sequenced courses in the areas of Engineering, Computer Science, Cybersecurity, and health sciences among others. Students will be exposed to career opportunities in high-wage, high-skill, and high-demand areas early in their high school curriculum and will have the local opportunity to continue their post-secondary studies at FSU PC, or elsewhere, upon high school graduation.

Students in grades 11 and 12 will dual enroll, if eligible, alongside other first-time-in-college students on FSU PC's campus, or potentially at state colleges, to earn high school and college credits simultaneously. Dual enrollment serves as a vehicle for high school students in Florida to engage in challenging courses that can accelerate college completion, save a student and his or her family thousands of dollars in tuition and fees, and expedite entry into the workforce. Students will have the opportunity to complete the equivalent of the first two years of study while enrolled in the Collegiate Laboratory High School thus preparing them to begin post-secondary studies as a junior. While dual enrollment opportunities are currently available to students, scheduling, transportation, and lack of structure often prevents students from maximizing the opportunity. It will be a goal for all students to be ready to dual enroll by grade 11; however, for those who are not, a parallel curriculum, with opportunities for additional industry certification attainment, will be offered on the FSU PC campus, likely with some support from Florida Virtual School or county school districts.

Juniors and Seniors, regardless of whether in dual enrollment or traditional classes, will continue to study advanced topics in engineering, computer science, cybersecurity, and health sciences among others, and will work with FSU PC Faculty to complete a capstone project in their senior year. The capstone project will serve as a culminating project demonstrating acquired research skills in addition to workforce entry skills (e.g., communication skills, digital prowess, etc.) Students at all grade levels will participate in integrated academic seminars constructed to encourage them to reflect, integrate, synthesize, and apply academic principles to career development and life-long learning. The school will embed experiences to further develop responsible autonomous learners such as student-led conferences-meetings with parents led by the student.

Each student and his or her parent/guardian will meet with the high school's advisor to develop a comprehensive graduation plan (see Appendix B for a sample plan). The plan will outline requirements for high school graduation inclusive of dual enrollment courses applicable to the student's intended major. Dual Enrollment courses taken through the proposed charter school will

be FSU courses, taught by FSU faculty and aligned with FSU degree programs. These courses will earn college credit and be listed on the students' FSU college transcripts. As such, they will satisfy FSU degree requirements for the intended major. FSU participates in the Statewide Common Course Numbering System and is a participant in the Statewide Articulation Agreement. Both regulations govern the treatment of, and inter-institutional transfer of, coursework within the public higher education system of the State of Florida. These two regulations apply not only to credit earned by the traditional post-high school admitted, college-age student but also to any high school dual enrollment student who takes FSU classes. Thus, as an accredited institution in the State of Florida, the dual enrollment courses will also be accepted for transfer to other state public universities, subject to their credit hour limitations. Students enrolling in private schools in Florida or out-of-state schools will be subject to the transfer requirements of those institutions.

Qualitative Evidence

How Would this Collegiate Laboratory High School Benefit our Region?

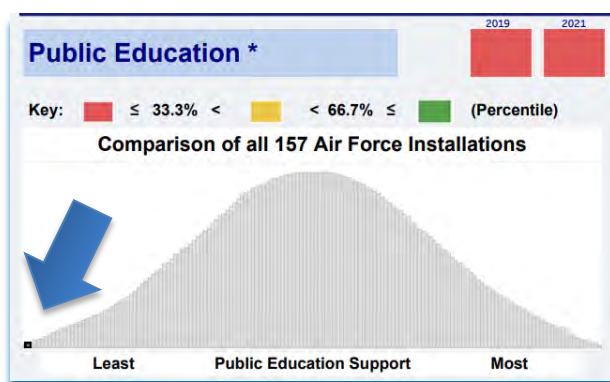
The Collegiate Laboratory High School will expand the district's capacity to serve students, especially our growing military dependent population. Concurrent to the development of this proposed Collegiate Laboratory High School, the US Air Force is undergoing a multi-billion dollar, rebuilding of Tyndall Air Force Base to be a "Base of the Future." As part of this massive undertaking, Tyndall AFB will be increasing its military personnel and bringing in new squadrons – far above their original capacity pre-Hurricane Michael. More specifically, the US Air Force has reported that F-35A squadrons will be moved to Tyndall, and potentially the MQ-9 as well, which will bring a combined 4,100 military personnel to Bay County. When we analyze capacity data further, we see that the Air Force predicts that about 512 school-aged students each year from 2022 to 2025 will be added to the area. This will place the school district's total enrollment at pre-hurricane levels by 2023, and the Air Force is expecting these increased military dependents to produce "short term crowding" in the local schools (United States Air Force, 2020. p. 4-186). Given these data, we feel the Collegiate High School is well-positioned to increase district school capacity, assist with school crowding, and provide an innovative school choice for these military families.

Total Enrollment Estimates in Bay County, Three-Squadron F-35A plus MQ-9			
School Year	Estimated Enrollment without F-35A or MQ-9	Incoming Students (with 3 F-35A Squadrons + MQ-9)	Estimated Enrollment (with 3 F-35A Squadrons + MQ-9)
2018	28,129	-	28,129
2019	23,927	-	23,927
2020	24,933	-	24,933
2021	25,949	-	25,949
2022	26,968	513	27,481
2023	27,508	512	28,505
2024	27,975	512	30,041
2025	28,395	512	32,089
2026	28,821	-	30,870
2027	29,253	-	31,302

United States Air Force, Air Force Civil Engineer Center, Air Combat Command. (2020). Final Environmental Impact Statement for F-35A Wing Beddown at Tyndall AFB and MQ-9 Wing Beddown at Tyndall AFB or Vandenberg AFB. Volume 1. p. 4-187. Retrieved from <https://www.f-35wingandmq-9wingeis.com/documentation.aspx>

To assess their bases and viability, the US Department of the Air Force conducts assessments regularly to determine the quality of public education offerings (pre-k to 12th grade) at all their Air Force installations/bases. In 2019 and 2021, the US Air Force reported that the current, public education offerings for Tyndall AFB (with personnel living in Bay and Gulf Counties) were ranked at or below the 33rd percentile based on the quality measures they used – meaning 67% or more of the 157 Department of the Air Force Installations had, based upon this analysis, higher quality, local public education offerings (Department of the Air Force, 2019, 2021). While there are numerous methodologies for rating public schools, there is a need to focus on and improve these quality measures given the importance of the military to our local economy.

Tyndall Air Force Base



Academic Performance Criteria	2019	2021
Graduation Rate	■	■
Student Learning Rate	■	■
School Climate Criteria	■	■
Chronic Absenteeism Rate	■	■
Suspension Rate	■	■
Service Offering Criteria	■	■
Pre-Kindergarten Availability	■	■
Student to Counselor Ratio	■	■
Student to Mental Health Support Ratio	■	■
Student to Nurse Ratio	■	■
Student to Teacher Ratio	■	■

The Department of the Air Force. (2019, 2021). Support of Military Families – Professional Licensure Portability Impacts on Military Families. Retrieved from https://www.af.mil/Portals/1/documents/2020SAF/August/Background_Information.pdf and [External_CASH_single_map_file_v4.2.pdf \(af.mil\)](#)

We believe the proposed collegiate laboratory high school can join the local school districts to provide a lab school where innovative education methods can be exercised and expanded. FSU PC is committed to sharing best practices and extending opportunities to benefit as many students as possible throughout the district. Through summer camps, afternoon classes, afterschool programs, and potentially real-time technology, it is a short-term goal to directly provide the opportunity for non-collegiate high school students to also participate in dual enrollment and/or career courses leading to industry certification attainment. A long-term goal is to provide professional development and training opportunities for other K-12 teachers to become certified to teach career courses within their own school to expand the reach of the proposed school.

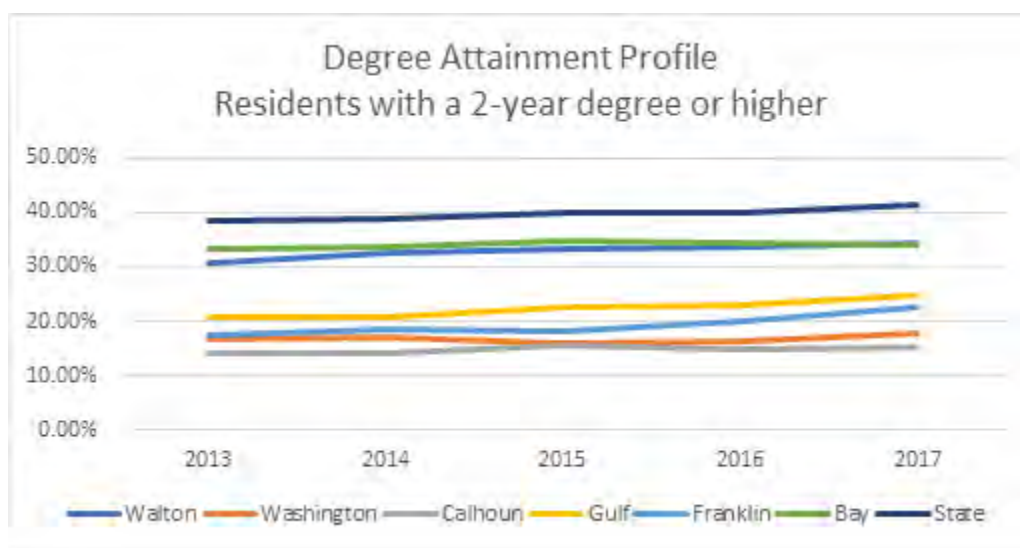
3. Explain how the proposed project or program is considered transformational and how it will affect the disproportionately affected counties in the next ten (10) years.

Many of FSU PC's surrounding counties have per capita income levels below the state's average with Bay County ranked 25th in the state and Gulf County ranked 53rd in the state during the 2010 Census. The chart below shows data from the 2020 Census with Bay and Gulf Counties still below the state's average Per Capita Income.

	Population	Median Household Income	Per Capita Income	Bachelor's degree or higher, percent of persons age 25+
Bay County	175,216	\$54,316	\$29,290	23.70%
Franklin County	12,451	\$46,643	\$26,574	18.80%
Gulf County	14,192	\$47,712	\$23,252	19.20%
Okaloosa County	211,668	\$63,412	\$33,019	31.10%
Wakulla County	33,764	\$61,410	\$25,733	18.30%
Walton County	75,305	\$58,093	\$34,475	28.50%
Florida	21,781,128	\$55,660	\$31,619	29.90%

<https://www.census.gov/quickfacts/fact/table/>

As we look at the current earnings of families in the region, it is not surprising to learn that citizens of Bay County, and surrounding counties, are also earning post-secondary credentials at a rate below the state's average. The chart above shows only 23.7% of individuals in Bay County and 19.2% of individuals in Gulf County (age 25 and up) hold a Bachelor's degree (or higher) while the State's average is 29.9%. If we drill down further, the attainment of associate degrees (or higher) for residents aged 25-64 has consistently ranked below the State's average for Bay County, Gulf County, and other surrounding counties.



<https://floridacollegeaccess.org/research-and-data/is-your-county-talent-strong/>

The proposed school aims to seed interest in high-wage, high-demand fields early and provide the necessary support for students to earn dual credits toward post-secondary credentials while in high school. By design, the proposed school provides a transformational “fast-track” to the development of a skilled workforce while also saving families thousands of dollars in college tuition and fees. Thus, graduates will be prepared to enter the regional workforce sooner and will have a higher earning potential upon workforce entry.

4. Describe data or information available to demonstrate the viability of the proposed project or program.

For over twenty years, FSU has served as the sponsor of Florida State University Schools (FSUS) – a K-12 Developmental Research Charter School in Leon County, Florida. FSUS partners with FSU’s College of Education to provide an educational center where teachers may observe and participate in best practices and where educational research findings can benefit the region, state, and nation – a partnership that will be replicated at the proposed school in Bay County.

In addition to looking inward for models of excellence and best practices, FSU PC leadership also visited and studied other high-performing charter schools in the Northwest Florida region, specifically those that utilize a dual enrollment curriculum model.

These schools have each consistently received A and A+ state ratings, earned high-performing status, and have received national recognition for their performance. FSU PC is committed to continuing to research and replicate best practices from both internal and external viable sources. The long-standing history of successful models in the state demonstrates the viability of the proposed school.

5. Describe how the impacts to the disproportionately affected counties will be measured long term.

Several assessments will be conducted as a part of the school’s curriculum, however, some of the measures we will use to assess the impact to the disproportionately affected counties include:

- The number of students who earn industry certifications and the type of certifications earned
- The number of students who complete dual enrollment credits and the number of credits completed
- The number of students who graduate high school
- The number of students who continue their educational pursuits and complete a bachelor’s degree or higher
- The number of students who enter the local workforce
- The salaries of graduates

6. Describe how the proposed project or program is sustainable. (Note: Sustainable means how the proposed project or program will remain financially viable and continue to perform

in the long-term after Triumph Gulf Coast, Inc. funding.)

The lab school will be sustainable beyond the period of the requested grant through the Florida Education Finance Program (FEFP) - the primary mechanism for funding the operating costs of Florida school districts including both charter schools and traditional public schools.

7. Describe how the deliverables for the proposed project or program will be measured.

Deliverables will be measured as the number of “milestones” each student reaches as defined below.

First, students will have the opportunity to complete high school career courses or dual enrollment courses leading to industry certification. It is anticipated that each 9th grade student will have at least 4 opportunities to earn an industry certification prior to graduation. (A 75% pass rate is assumed in the proposal.) Each industry certification, or “Industry Milestone,” earned will be counted and reported at the student-level.

In addition, students who meet all dual enrollment admission requirements will have the opportunity to earn up to 60 college credits prior to high school graduation. These dual credit hours will be measured and reported as four separate “Dual Credit Milestones”:

- Dual Credit Milestone 1: Student has earned 15 college credits applicable to his or her intended major.
- Dual Credit Milestone 2: Student has earned 30 college credits applicable to his or her intended major.
- Dual Credit Milestone 3: Student has earned 45 college credits applicable to his or her intended major.
- Dual Credit Milestone 4: Student has earned 60 college credits applicable to his or her intended major.

While difficult to predict, this proposal assumes 75% of the admitted students will be eligible to dual enroll by the 11th grade year. Students who do not meet dual enrollment admission requirements, will take additional high school career courses leading to industry certification. Thus, the “mixture” of Industry and Dual Credit Milestones obtained may vary from student-to-student based on curriculum preference and/or student readiness. **In general, the goal will be for students, who enroll in the lab school in 9th grade, to successfully to complete an average of 6 milestones by graduation (one in 9th and 10th grades and two in 11th and 12th grades, on average).**

For example, a student who completes a total of 45 dual credit hours (3 Dual Credit Milestones) and earns 3 Industry Certifications (3 Industry Milestones) will have reached 6 total milestones. Likewise, another student, who may not be eligible to dual enroll, could earn 6 industry certifications (6 Industry Milestones) through additional high school career courses and also graduate with 6 total milestones completed.

The table below outlines projected annual enrollment and completion based on assumed success rates.

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Enrolled Students	9 th Grade	0	75	100	100	100	125	500
	10 th Grade	0	0	75	100	100	125	400
	11 th Grade	0	10	20	75	100	125	330
	12 th Grade	0	10	20	50	75	125	280
	Total	0	95	215	325	375	500	1510
Industry Milestones	Attempted (assumes one per grade)	0	95	215	325	375	500	1510
	Completed (assumes 75% success rate)	0	71	161	244	286	375	1133
Dual Credit Milestones*	Maximum Available (2 in 11 th and 2 in 12 th)	0	40	80	250	350	400	1120
	Completed (assumes 75% of students are eligible and successful)	0	30	60	188	263	300	840
Total Milestones*	Attempted	0	135	295	575	725	1000	2730
	Completed	0	101	221	431	544	750	2048

*Note that each dual credit milestone equals 15 dual credits

**The composition of total milestones may vary from student to student.

Additional milestones may be reached by non-FSU PC Collegiate High School students – district students who participate in FSU PC sponsored after-school and summer programs. The lab school’s advisor will be responsible for tracking and reporting all milestones reached.

Priorities

- Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):
 - ☒ Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long- term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
 - ☒ Increase household income in the disproportionately affected counties above national average household income.
 - ☒ Leverage or further enhance key regional assets, including educational institutions, research facilities, and military Bases. Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
 - ☐ Benefit the environment, in addition to the economy. Provide outcome measures.

- ☒ Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- ☐ Are recommended by the board of county commissioners of the county in which the project or program will be located.
- ☐ Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

2. Please explain how the proposed project meets the priorities identified above.

Statutory Priorities	How the Project Meets the Priorities
Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long- term economic growth potential of the disproportionately affected counties may be enhanced by the investment.	A high performing charter school, particularly one with degree acceleration opportunities and affiliation with a top 20 University, will add to the list of key assets for Bay County’s economic growth. With immersion opportunities in high-wage, high-demand fields, students will be prepared to fill needed workforce gaps at an accelerated rate while saving their families thousands of dollars.
Increase household income in the disproportionately affected counties above national average household income.	The 2019 US median income was \$65,712 as reported by the United State Census Bureau, with Florida’s reported at \$59,227 in the same year. The school will include career courses leading to industry certification in cybersecurity, engineering, computer science, and information technology. The average income across occupations in the cybersecurity field (a targeted industry) is \$82,805,15 (EMSI Q1 2021 Data Set). This average is similar for the other high-tech, high-wage fields targeted. Additionally, families will realize an average savings of \$8000 for dual enrollment credits earned through the collegiate school.
Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.	The Bay County region is ripe for expanding into areas such as cybersecurity, engineering, information technology, and computer science due to its availability of 1) an international airport to connect to tech related companies around the country, 2) local industries with demand for tech jobs, 3) a university with numerous academic programs to support the workforce, and 4) a favorable business and financial climate to attract new industries and businesses to the region. The lab school will specifically leverage FSU’s Panama City campus and will serve the military

	by giving admission preference to military dependents.
Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.	FSU PC will partner with school districts and utilize existing classroom space for summer camps and professional development opportunities in addition to utilizing FSU PC's existing campus for 11 th and 12 th grade instruction.
Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.	The lab school will be sponsored by FSU on the Panama City Campus. Summer camps and professional developments opportunities will be available to district students and teachers.

3. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

- ☒ Are considered transformational for the future of the Northwest Florida region.
- ☒ May be consummated quickly and efficiently.
- ☐ Promote net-new jobs in the private sector with an income above regional average household income.
- ☒ Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.
- ☐ Create net-new jobs in targeted industries to include: aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing, and robotics.
- ☒ Promote industry cluster impact for unique targeted industries.
- ☐ Create net-new jobs with wages above national average wage (*e.g.*, similar to EFI QTI program, measured on graduated scale).
- ☒ Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).
- ☒ Provide a wider regional impact versus solely local impact.
- ☒ Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.
- ☒ Enhance research and innovative technologies in the region.
- ☒ Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.
- ☒ Create a unique asset in the region that can be leveraged for regional growth of targeted industries.
- ☒ Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.
- ☒ Leverage funding from other government and private entity sources.
- ☒ Provide local investment and spending.
- ☒ Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.
- ☒ Provide clear performance metrics over duration of project or program.
- ☒ Include deliverables-based payment system dependent upon achievement of interim

performance metrics.

- ☑ Provide capacity building support for regional economic growth.
- ☑ Are environmentally conscious and business focused.
- ☑ Include Applicant and selected partners/vendors located in Northwest Florida.

The Board of Triumph Gulf Coast Inc.'s Discretionary Priorities	How the Project Meets the Priorities
Are considered transformational for the future of the Northwest Florida region.	The ability to provide training for jobs that exceed the regional hourly wage of \$17.27 in Northwest Florida by supplying trained workers to fill jobs offering hourly wages ranging from \$19.23 to \$47.40 will be transformational for the region and the families of Northwest Florida. Moreover, the abundance of government defense contractors in the region will benefit from an increase in individuals locally trained in the many facets of information technology, computer science, engineering, and cybersecurity to meet personnel needs in the area.
May be consummated quickly and efficiently.	Assuming funding is secured early in the summer of 2022, FSU PC plans to open the lab school in Fall 2023. The existing knowledge and experience at FSU, from operating a successful lab school in Leon County, will aid in an efficient planning period and lead to a successful launch.
Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.	<p>The project is closely aligned with the five Focus Areas of Northwest Florida FORWARD. In particular, the areas of “Talent” and “Entrepreneurship and Innovation” support the mission of the school and the project through the following stated strategies:</p> <ul style="list-style-type: none"> • Expand work-based learning and career exploration opportunities for students. • Support entrepreneurial programs and curriculum in the K-20 continuum to foster a culture of innovation and cultivate an entrepreneurial spirit in the region.
Promote industry cluster impact for unique targeted industries.	The school has identified specific career fields for career course offerings leading to industry certifications that align with targeted industries in the region.
Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).	The FSU PC Collegiate High School will be located in Bay County, one of the eight disproportionately affected counties as identified in the Florida FORWARD report. While Bay County is not designated as a Rural Area of Opportunity (RAO), the project will also serve students from Gulf County which is a part of the Northwest RAO.
Provide a wider regional impact versus solely	As a lab school, the College of Education will have opportunity to research and disseminate best practices to other schools in the

local impact.	region. The lab school has the potential to be a model for other schools responding to the labor needs of businesses across the region. The inclusion of professional developmental opportunities for teachers in the summer will also impact students beyond the local area.
Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.	While there are existing charter schools in the state and region (Okaloosa and Walton Counties) that include a curriculum model with structured dual enrollment pathways, the FSU PC Collegiate High Lab School may be the first developmental laboratory school to offer such a curriculum model. The affiliation with FSU's College of Education, as required for lab school designation, will provide a unique opportunity for a top 20 University to conduct educational research and share gleaned best practices and innovative educational strategies.
Enhance research and innovative technologies in the region.	In addition to the high-tech career courses leading to industry certification that will be offered as a part of the curriculum, the lab school will require seniors to complete a senior capstone project. FSU PC faculty members will serve as research mentors throughout the project thus simultaneously preparing our youth for research and innovative technologies.
Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.	As identified by Northwest Florida FORWARD, cybersecurity is a targeted industry for our region. The proposed school will include in its curriculum multiple career courses leading to industry certification in cybersecurity and other supporting, high-tech fields such as Information Technology, Computer Science, and Engineering.
Create a unique asset in the region that can be leveraged for regional growth of targeted industries.	A high-performing charter lab school, particularly one with degree acceleration opportunities and affiliation with a top 20 University, will add to the list of key assets for Bay County's economic growth. With immersion opportunities in high-wage, high-demand fields, students will be prepared to fill needed workforce gaps at an accelerated rate while saving their families thousands of dollars.
Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.	The Collegiate High School will be able to maintain financial sustainability beyond the grant period with funding from the Florida Education Finance Program (FEFP). The inclusion of career courses leading to industry certification will also generate CAPE funding revenue from the state.
Leverage funding from other government and private entity sources.	State funding from the Florida Education Finance Program (FEFP) in addition to state CAPE funding will be leveraged for the project. Further, businesses and civic organizations within the region will be sought for support through scholarships, grants, and gifts.
Provide local investment and spending.	The expected outcome for graduates is an increase in their average wage as a result of training and job placement into high-tech, high-wage, high-demand fields. Such can forecast a benefit to the local area of increased investment and spending.

Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.	The Collegiate High School will serve students in Bay and Gulf Counties with admission preference given to military dependents.
Provide clear performance metrics over duration of project or program.	The faculty and staff of the Collegiate High School will measure progress in many areas of the curriculum by collecting data throughout the school year. Data will include metrics such as test scores, number and type CAPE certificates earned, funding received resulting from certificates earned, advanced degrees earned by graduates, and number and type job placements of graduates.
Include deliverables-based payment system dependent upon achievement of interim performance metrics.	The proposal includes a deliverables-based payment system dependent upon students 1) earning industry certifications and 2) completing dual enrollment credits.
Provide capacity building support for regional economic growth.	By monitoring labor needs in the region, the school will be able to support current and future critical workforce needs and adjust curriculum to align with those needs. Such a support system that is readily available for response to economic needs will enhance the potential for building capacity for economic growth.
Are environmentally conscious and business focused.	In addition to leased space, the proposed school will utilize existing facilities on the FSU PC's campus. Serving students on campus will enable many cost-sharing opportunities. As a result, funding can be invested in innovative curriculum design and research to scale best practices. The leadership team is committed to other environmentally conscious efforts including a desire to partner with the local school district or another charter school for student transportation.
Include Applicant and selected partners/vendors located in Northwest Florida.	The proposed school will engage local industry leaders to serve as mentors in the school's senior capstone research project and for inclusion in the school's advisory council and governing board.

4. In which of the eight disproportionately affected county/counties is the proposed project or program located? (List all that apply)

The proposed school will be located in Bay County. Students from Bay and Gulf County will be able to apply for admission.

5. Was this proposed project or program on a list of proposed projects and programs submitted to Triumph Gulf Coast, Inc., by one (or more) of the eight disproportionately affected Counties as a project and program located within its county?

☐ Yes ☒ No

If yes, list all Counties that apply: [NA](#)

6. Does the Board of County Commissioners for each County listed in response to question 5, above, recommend this project or program to Triumph?

☐ Yes ☒ No

**Please attach proof of recommendation(s) from each County identified. [NA](#)

Approvals and Authority

1. If the Applicant is awarded grant funds based on this proposal, what approvals must be obtained before Applicant can execute an agreement with Triumph Gulf Coast, Inc.?
[Final approval to execute the agreement will come from FSU's Vice President of Research.](#)
[\(FSU PC will need to finalize and submit its charter application for approval from FSU prior to opening the proposed School.\)](#)
2. If approval of a board, commission, council, or other group is needed prior to execution of an agreement between the entity and Triumph Gulf Coast:
 - A. Provide the schedule of upcoming meetings for the group for a period of at least six months. [NA](#)
 - B. State whether that group can hold special meetings, and if so, upon how many days' notice. [NA](#)
3. Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through completion of the proposed project or program.

[The table below outlines a timeline of the major activities and milestones associated with the project.](#)

	Activities	Y1	Y2	Y3	Y4	Y5	Y6
1	Seek Charter Approval	X					
2	Identify and recruit founding governing school board members, approve job description for the principal, establish governing board by-laws, establish governing board code of ethics and conflict of interest policies, etc.	X					
3	Advertise and hire school leadership team (Principal, Vice Principal (mid-year), Advisor/Records Specialist, Admin Support, Accounting Specialist, etc.)	X					

4	Secure lease for 9 th and 10 th grade classroom space, renovate leased classrooms for 9 th grade (if needed), renovate additional classroom and lab space at FSU PC for dual enrollment increase, purchase classroom equipment and supplies.	X					
5	Build class schedules, negotiate dual enrollment articulation agreements with FSU and state colleges, develop marketing materials, and advertise admission process.	X					
6	Develop accounting processes and procedures, finalize student transportation plan, food services plan, and school security plan	X					
7	Hold lottery, if needed, to admit first group of 9 th , 11 th and 12 th grade students.	X					
8	Hire 9 th grade teachers (in the summer), a guidance counselor, and additional FSU PC faculty for increased dual enrollment offerings.	X					
9	School Opens - First group of 9 th grade students with some 11 th and 12 th grade students begin taking classes.		X				
10	Renovate additional leased classrooms for 10 th grade (if needed), renovate additional classrooms and lab space at FSU PC for increased dual enrollment numbers, and purchase classroom equipment and supplies.		X				
11	Market professional development and summer camp options for district teachers and students.		X				
12	Milestone Reporting – Each 9 th grade student will have attempted a minimum of one industry certification exam at the close of year one and 11 th and 12 th grade students will have earned dual enrollment credits, if eligible. The school will hold its first high school graduation ceremony for the first class of 12 grade students.		X				
13	Admit 9 th , 10 th , 11 th , and 12 th grade students for the following academic year.		X				
14	Hire 10 th grade teachers (in the summer) to begin teaching in year 3.		X				
15	Offer Professional development and summer camp options for district teachers and students.		X				
16	Begin 2nd School Year with first 10 th grade class in addition to new 9 th grade students, 11 th and 12 th grade students.			X			
17	Milestone Reporting – 9 th through 12 th grade students will have attempted industry certification exams and 11 th and 12 th grade students will have earned dual enrollment credits. Hold high school graduation ceremony for the second class of students and first ceremony for students who complete 60 dual credits applicable toward the students' intended majors.			X			
18	Admit 9 th , 10 th , 11 th , and 12 th grade students for the following academic year.			X			

19	Offer Professional development and summer camp options for district teachers and students.			X			
20	Repeat Activities 16-19 for each year.				X	X	X
32	Ongoing Research, Assessment, and Evaluation	X	X	X	X	X	X

4. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners.

See Appendices C1 and C2.

Funding and Budget:

Pursuant to Section 288.8017, awards may not be used to finance 100 percent of any project or program. An awardee may not receive all of the funds available in any given year.

1. Identify the amount of funding sought from Triumph Gulf Coast, Inc. and the time period over which funding is requested. **\$7,651,600 over 6 years**
2. What percentage of total program or project costs does the requested award from Triumph Gulf Coast, Inc. represent? (Please note that an award of funding will be for a defined monetary amount and will not be based on percentage of projected project costs.) **42%**
3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.

Rather than creating new jobs, this project is designed to increase the degree attainment profile of the region and develop a pipeline of future employees to fill job vacancies in high-wage, high-demand fields. Indirectly, the region will be able to leverage the investment into the Collegiate Laboratory High School, along with other regional assets, to attract new industries, thereby creating additional jobs in the region.

Students who complete 45 dual credits will save their parents/guardians approximately \$8,100 in tuition. In total, families will experience household savings estimated at \$2,470,500 over the first 6 years of the project with a projection of \$1,012,500 saved each year thereafter in tuition (calculation also assumes 45 dual credits are earned). These projected savings are conservative as some students will earn up to 60 credits and the calculations do not include additional fees that would be incurred. Families of students who complete a career course or academy and earn articulated industry certifications will save additional college tuition for accelerated credits earned.

The 2019 US median income was \$65,712, as reported by the United States Census Bureau, with Florida's reported at \$59,227 in the same year. The proposed school will expose students to fields in Cybersecurity, Engineering, Information Technology, and other high-wage, high-demand career fields through high school career courses, faculty guided research opportunities as a part of the capstone experience, and dual enrollment courses. Students who opt to join the workforce or

continue their postsecondary education in these career fields will have increased earning potential.

As outlined in the table below, the average income is \$82,805.15 for Cybersecurity occupations, a targeted industry for our region as identified by Northwest Florida FORWARD. Rates are similar for other high-tech, high-demand, high-wage fields such as engineering, Information Technology, and Computer Science.

SOC Code	Occupation	Median Annual Earnings
11-3021	Computer and Information Systems Managers	\$102,099.27
13-111	Management Analysts	\$80,003.15
15-1211	Computer Systems Analysts	\$80,627.08
15-1212	Information Security Analysts	\$83,038.60
15-1231	Computer Network Support Specialists	\$52,454.56
15-1232	Computer User Support Specialists	\$53,755.99
15-1241	Computer Network Architects	\$98,501.27
15-1244	Network and Computer Systems Administrators	\$70,649.74
15-1245	Database Administrators and Architects	\$81,919.09
15-1251	Computer Programmers	\$105,070.91
15-1256	Software Developers and Software Quality Assurance Analysts and Testers	\$91,268.99
15-1257	Web Developers and Digital Interface Designers	\$94,273.15
	Cybersecurity Average	\$82,805.15

EMSI Q1 2021 Data Set (Bay, Franklin, Gulf)

4. Does the potential award supplement but not supplant existing funding sources? If yes, describe how the potential award supplements existing funding sources.
☒ Yes ☐ No
 All components of the project are new initiatives for FSU PC and therefore do not supplant existing funds.
5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

See Appendix D or Exhibit A for a detailed budget.

A. Project/Program Costs:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Personnel	\$570,515	\$1,577,222	\$1,911,330	\$1,981,005	\$2,050,861	\$2,134,922	\$10,225,855
Facilities	\$1,270,000	\$1,320,000	\$140,000	\$140,000	\$140,000	\$140,000	\$3,150,000
Equipment, Materials, & Supplies	\$100,500	\$161,481	\$194,609	\$374,500	\$460,463	\$543,874	\$1,835,427
Other	\$0	\$156,542	\$299,584	\$644,013	\$826,618	\$1,125,525	\$3,052,282
Total	\$1,941,015	\$3,215,245	\$2,545,523	\$3,139,518	\$3,477,942	\$3,944,321	\$18,263,564

B. Project Funding Sources:

In addition to funding requested from Triumph, the project will be funded through the Florida Education Finance Program (FEFP) - the primary mechanism for funding the operating costs of Florida school districts including both charter schools and traditional public schools. The proposed school will also utilize revenue from Florida's CAPE Act which awards funding to high schools for industry certification successfully completed on the state's list. Lastly, FSU PC will apply for a Charter Schools Program (CSP) Planning and implementation grant. The purpose of the grant is to provide financial assistance for the planning, program design, and initial implementation of high-quality charter schools.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Triumph	\$1,916,015	\$2,527,303	\$1,020,230	\$871,633	\$861,152	\$455,267	\$7,651,600
FEFP	\$0	\$632,166	\$1,430,641	\$2,162,597	\$2,495,304	\$3,327,073	\$10,047,781
CAPE	\$0	\$30,776	\$69,652	\$105,288	\$121,486	\$161,981	\$489,183
FLDOE Planning Grant	\$25,000	\$25,000	\$25,000	\$0	\$0	\$0	\$0
Total	\$1,941,015	\$3,215,245	\$2,545,523	\$3,139,518	\$3,477,942	\$3,944,321	\$18,263,564

Total Other Funding: \$10,611,964 (58%)

Total Amount Requested: \$7,651,600 (42%)

- C. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

The budget includes four primary expense types distributed over 6 years: Personnel; Facilities; Equipment, materials, and supplies; and Other. **Personnel** positions include leadership positions such as a Principal and an Assistant Principal; high school faculty positions (11 FTE); FSU PC dual enrollment faculty positions (2 FTE); support positions such as a Guidance Counselor, an Advisor, an Admin Support specialist, an SRO, Accounting Support (1.5 FTE); and part-time funding for tutoring, IT support, paraprofessionals, custodial staff, and library services. Expenses in the **Facilities** category include funding to lease additional classroom space for 9th and 10th grades; renovate FSU PC classrooms and labs and leased space (as needed); and funding for classroom furnishings, equipment, and technology to properly outfit the instructional spaces. **Equipment, materials, and supplies** include expenses such as dual enrollment textbooks, industry certification exam fees, printing, etc. Lastly, the **Other** category includes contracted services, dual enrollment tuition expenses, etc.

Matching funds for the project will come from Florida FEFP funding (estimated at \$6,654 per student per year) a DOE planning and implementation grant available for new charter schools (\$75,000), and CAPE funding for earned industry certifications (estimated at \$432 per certification). FSU respectfully requests a catalyst investment of \$7,651,600 from **Triumph Gulf Coast Inc.** to successfully launch the proposed school. Students will earn industry certifications and dual enrollment credits applicable to the students' intended majors, while earning their high school diploma with students who begin in 9th grade and graduate from the school expected to reach an

average of 6 milestones each. With a total of 2,048 milestones projected over the grant period, the funding request would yield a \$3,736 Triumph investment per milestone, if awarded.

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

☒ Yes ☐ No

Applicant understands that awardees must regularly report to Triumph Gulf Coast, Inc. the expenditure of funds and the status of the project or program on a schedule determined by Triumph Gulf Coast, Inc.

☒ Yes ☐ No

Applicant acknowledges that Applicant and any co-Applicants will make books and records and other financial data available to Triumph Gulf Coast, Inc. as necessary to measure and confirm performance metrics and deliverables.

☒ Yes ☐ No

Applicant acknowledges that Triumph Gulf Coast, Inc. reserves the right to request additional information from Applicant concerning the proposed project or program.

☒ Yes ☐ No

*** IMPORTANT ***

Required for ALL Projects in Bay, Franklin, Gulf and Wakulla Counties

Hurricane Michael Application Addendum

For ALL regular project applications not yet approved by the Triumph Gulf Coast Board in Bay, Franklin, Gulf and Wakulla counties:

Please provide documentation of support or continued support for the proposal as a component of the county's post-Hurricane Michael recovery efforts made by the Board of County Commissioners (for each Hurricane Michael impacted county included in the project) on a date after October 10, 2018.

In progress

ADDENDUM FOR WORKFORCE TRAINING PROPOSALS

1. Program Requirements

- A. Will this proposal support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties? If yes, please identify where the campuses are located and provide details on how the proposed programs will prepare students for future occupations and at which K-20 institutions the programs will be provided.
- ☒ Yes ☐ No

FSU PC is currently in communication with city and county leaders to discuss options for classroom space, within Bay County, for the 9th and 10th grade classes. Students in the 11th and 12th grades will dual enroll alongside other FSU PC students on the Panama City campus. Students will be prepared for occupations through career courses offered at the high school level, dual enrollment courses, and through the senior capstone project where students will work on a research project under the mentorship of an FSU PC faculty member in their field of choice.

Lab School	Facility	Address
9 th and 10 th Grade Classes	TBD – FSU PC is in communication with city and county leaders to discuss options for ideal classroom space. It is anticipated that space will be leased.	TBD
11 th and 12 th Grade Classes	Florida State University, Panama City	4750 Collegiate Drive, Panama City, FL 32405

- B. Will the proposed program (check all that apply):
- ☒ Increase students' technology skills and knowledge
 - ☒ Encourage industry certifications
 - ☒ Provide rigorous, alternative pathways for students to meet high school graduation requirements
 - ☒ Strengthen career readiness initiatives
 - ☐ Fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors
 - ☒ Encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties (similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission on Education)

For each item checked above, describe how the proposed program will achieve these goals.

Program Goals	How the Program will Achieve these Goals
Increase student's technology skills and knowledge	All planned programming supports the cybersecurity, information technology, computer science, and engineering fields. Each field requires the development of technology skills which will be included in the developed and delivered curriculum.
Encourage industry certifications	Students will have the opportunity to take career courses leading to industry certification at each grade level.
Provide rigorous, alternative pathways for students to meet high school graduation requirements	By design of the school's curriculum, students will have the opportunity to dual enroll, and earn up to 60 credits applicable to the students' intended majors.
Strengthen career readiness initiatives	The school will strengthen career readiness initiatives by aligning its career course curriculum with industry skills as measured by industry certifications.
Encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue	The lab school will offer career courses in fields such as computer science, information technology, engineering, and cybersecurity. Students with an interest in these fields, or others, will have an

postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties (similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission on Education)	opportunity to continue their studies at FSU PC and major in any of these fields, in addition to others. FSU PC will replicate several of the commendable outreach efforts as outlined in the Talent Retention Program in Florida Statutes 1004.082.
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- C. Will this proposal provide participants in the disproportionately affected counties with transferable, sustainable workforce skills but not confined to a single employer? If yes, please provide details.

☒ Yes ☐ No

The school will provide students with the opportunity to complete certifications identified from among the Florida Career and Professional Education (CAPE) Secondary and/or Post-Secondary Certification list. These certifications were chosen to provide a partnership between business and education communities, to expand and retain high-value industry, and sustain a vibrant state economy. Certifications on the CAPE list includes skills that are transferable from employer to employer. In addition to these technical skills, the students will take general education courses and a capstone course that will teach the students to think critically and exercise soft skills that are also highly needed, transferable workforce skills.

- D. Identify the disproportionately affected counties where the proposed programs will operate or provide participants with workforce skills.

Bay County

- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote:
- Economic recovery
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

Project to Promote	How the Project will Promote Each
Economic Recovery	The proposed school aims to combat multiple challenges that hinder economic recover. Specifically, the school aims to develop interest and talent in high-wage, high-tech, high-demand career fields to increase the labor pool, support existing industry, and attract new industries; accelerate the time-to-degree for students; and increase the average wage upon workforce entry.
Economic Diversification	The lab school will diversify the Bay County public school options providing choice to families. The unique and structured opportunity to earn industry certifications and dual enrollment credits while in high school further differentiates the school from others.
Enhancement of the disproportionately affected counties	Bay County, and surrounding counties, will be enhanced by the addition of a lab school affiliated with a top 20 University designed to immerse students in career fields identified as targeted industry sectors. Thus, the counties will benefit from an increased labor pool.
Enhancement of a Targeted Industry	As identified by Northwest Florid FORWARD, cybersecurity is a targeted industry. The school's curriculum will include career courses leading to industry certification in cybersecurity in addition to other supporting, high-tech fields such as Information Technology, computer science, and Engineering.

2. Additional Information

- A. Is this an expansion of an existing training program? If yes, describe how the proposed program will enhance or improve the existing program and how the proposal program will supplements but not supplant existing funding sources.

☐ Yes ☒ No

- B. Indicate how the training will be delivered (e.g., classroom-based, computer

based, other).

If in-person, identify the location(s) (e.g., city, campus, etc.) where the training will be available.

Courses	Modality(s)	Location(s)
9th Grade Courses	Classroom-based	TBD
10 th Grade Courses	Classroom-based	TBD
11th Grade Courses	Classroom-based, computer based (if needed)	FSU PC's Campus
12 th Grade Courses	Classroom-based, computer based (if needed)	FSU PC's Campus
Summer Camps and After School Programs	Classroom-based, computer based (if needed)	Local High Schools and FSU PCs Campus
Teacher Workshops	Classroom-based, computer based (if needed)	FSU PCs Campus

If computer-based, identify the targeted location(s) (e.g., city, county) where the training will be available.

In rare cases where computer-based instruction is needed, the students will be at an FSU PC lab school location.

C. Identify the number of anticipated enrolled students and completers.

The table below outlines projected annual enrollment and completion based on assumed success rates. In general, the goal will be for students, who enroll in the lab school in 9th grade, to complete an average of 6 milestones by graduation.

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Enrolled Students	9 th Grade	0	75	100	100	100	125	500
	10 th Grade	0	0	75	100	100	125	400
	11 th Grade	0	10	20	75	100	125	330
	12 th Grade	0	10	20	50	75	125	280
	Total	0	95	215	325	375	500	1510
Industry Milestones	Attempted (assumes one per grade)	0	95	215	325	375	500	1510
	Completed (assumes 75% success rate)	0	71	161	244	286	375	1133
Dual Credit Milestones*	Maximum Available (assumes 2 in 11 th and 2 in 12 th)	0	40	80	250	350	400	1120
	Completed (assumes 75% of students are eligible and successful)	0	30	60	188	263	300	840
Total Milestones*	Attempted	0	135	295	575	725	1000	2730
	Completed	0	101	221	431	544	750	2048

*Note that each dual credit milestone equals 15 dual credits

**The composition of total milestones may vary from student to student.

- D. Indicate the length of the program (e.g, quarters, semesters, weeks, months, etc.) including anticipated beginning and ending dates.

Program	Length of Program	Anticipated Start Dates	Anticipated End Dates
FSU PC Collegiate Lab School	4 years (9 th -12 th grade)	School will open in August 2023	Not Applicable

- E. Describe the plan to support the sustainability of the proposed program.

The lab school will be sustainable beyond the period of the requested grant through the Florida Education Finance Program (FEFP) - the primary mechanism for funding the operating costs of Florida school districts including both charter schools and traditional public schools.

- F. Identify any certifications, degrees, etc. that will result from the completion of the program.

Florida High School Diploma			
Dual Enrollment Credits	Title	Number of Credits	
	Dual Credit Milestone 1	15 Credit Hours applicable to intended major	
	Dual Credit Milestone 2	30 Credit Hours applicable to intended major	
	Dual Credit Milestone 3	45 Credit Hours applicable to intended major	
	Dual Credit Milestone 4	60 Credit Hours applicable to intended major	
Sample Industry Certifications	Certification Title	DOE Code	CAPE
CISCO004	Cisco Certified Network Associate (CCNA)	CISCO004	Yes
CISCO025	Cisco Certified Network Associate Cyber Ops (CCNA Cyber Ops)	CISCO025	Yes
COMPT001	CompTIA A+	COMPT001	Yes
COMPT005	CompTIA Linux+	COMPT005	Yes
COMPT006	CompTIA Network+	COMPT006	Yes
COMPT007	CompTIA Project+	COMPT007	Yes
COMPT008	CompTIA Security+	COMPT008	Yes
COMPT009	CompTIA Server+	COMPT009	Yes
COMPT016	CompTIA Cybersecurity Analyst (CySA+)	COMPT016	Yes
COMPT020	CompTIA Cloud Essentials+	COMPT020	Yes
ICOEC002	Certified Ethical Hacker (CEH)	ICOEC002	Yes
ICOEC003	Computer Hacking Forensic Investigator (CHFI)	ICOEC003	Yes

ICOEC004	Certified Security Analyst (ECSA)	ICOEC004	Yes
MICRO118	Microsoft 365 Certified: Modern Desktop Administrator Associate	MICRO118	Yes
MICRO119	Microsoft 365 Certified: Security Administrator Associate	MICRO119	Yes
ORACL004	Oracle Certified Associate (OCA): Java Programmer	ORACL004	Yes
ORACL005	Oracle Certified Professional (OCP): Java Programmer	ORACL005	Yes
PROSO006	Certified Internet Web (CIW) Database Design Specialist	PROSO006	Yes
PROSO021	Certified Internet Web (CIW) Web Design Professional	PROSO021	Yes
PROSO022	Certified Internet Web (CIW) Web Design Specialist	PROSO022	Yes
PROSO023	Certified Internet Web (CIW) Web Development Professional	PROSO023	Yes
PROSO027	Certified Internet Web (CIW) Advanced HTML5 & CSS3 Specialist	PROSO022	Yes
MICR0076	MTA Windows Operating Systems Fund	PROSO023	Yes
MICR0102	MTA Mobility & Devices Fund	MICR0102	Yes
MICRO0078	MTA Networking Fund	MICRO0078	Yes
MICRO0077	MTA Security Fund	MICRO0077	Yes
MICR0069	Microsoft Office Bundle	MICR0069	Yes
PROSO020	CIW Site Development Assoc	PROSO020	Yes
PROSO017	CIW JavaScript Specialist	PROSO017	Yes
ADESK002	AutoCad Certified User	ADESK002	Yes
ADESK001	AutoDesk Inventor Certified User	ADESK001	Yes

G. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.

☒ Yes

☐ No

Match	Amount
Florida FEFP Funding	\$10,047,781
CAPE Funding	\$489,183
DOE Planning/Implementation Grant	\$75,000
Total	\$10,611,964 (58%)

H. Provide any additional information or attachments to be considered for this proposal.

NA

FLORIDA STATE UNIVERSITY

ANNUAL REPORT 2019-2020







Florida State University

Annual Report 2019–2020

TABLE OF CONTENTS

Message from the President.....	1
Introduction from the Vice President for Finance and Administration.....	3
University Overview.....	4
Independent Auditor’s Report on Financial Statements	12
Management’s Discussion and Analysis.....	14
Basic Financial Statements:	
Statement of Net Position	20
Statement of Revenues, Expenses, and Changes in Net Position	22
Statement of Cash Flows.....	23
Notes to Financial Statements.....	24
Other Required Supplementary Information	46
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.....	48



MESSAGE FROM THE PRESIDENT

When I became president in 2014, we had some pretty audacious goals—to be recognized as a Top 25 public university, raise a billion dollars, expand our research enterprise and invest in faculty and student success, to name a few. I never had any doubt we would achieve these goals, but I never could have anticipated all the ups and downs along the way.

I certainly never imagined I would be finishing my term amid a global pandemic. The response to this unprecedented event by our dedicated faculty, staff, students and alumni provided more reason than ever for me to be proud of Florida State and who we are. In March, our faculty and staff converted 10,000 classes to remote delivery in just two weeks, allowing the university to continue to deliver a world-class education to our 43,000 students. We ended the 2019–2020 fiscal year with our first-ever virtual spring commencement ceremony and continued remote learning over the summer.

Despite the challenges of COVID-19, we accomplished so much during the past fiscal year.

Florida State University continues to be ranked by *U.S. News & World Report* among the nation's Top 20 public universities. The ranking is a reflection of Florida State's commitment to academic excellence and student success and is the result of hard work by many people across the university who developed a strategic plan that has guided our way. The Florida Legislature, Florida Board of Governors and the FSU Board of Trustees continue to be staunch champions of our goals and aspirations.

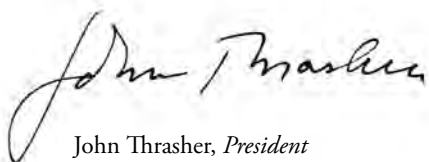
When it comes to student success, FSU has some of the best graduation and retention rates in the country. In fact, 95 percent of first-time-in-college students who were enrolled at FSU at the beginning of the 2019–20 academic year returned for their sophomore year—a record for the university. The rate is well above the national average of 81 percent for public universities and ranks FSU among the Top 15 in the nation. And 74 percent of our students graduate in four years.

Graduate student enrollment—a hallmark of any great research university—is at an all-time high, and we are advancing our goal to strengthen FSU's academic and research excellence through groundbreaking studies, original scholarship and creative endeavors.

This past year, FSU faculty researchers received more than \$250 million from federal, state and private sources—a new university record. The funding is supporting research in a wide range of disciplines, from health sciences to engineering to answering some of the many questions about the coronavirus.

While we celebrate these and other accomplishments, we know there are many challenges ahead, including navigating the negative impact that COVID-19 has had on state general revenues and the potential effect that may have on our budget. However, when we look back on our past, we can see that every success we have had is a result of obstacles we have overcome. I have no doubt that we will continue to face both difficulties and opportunities with the same strength, creativity and resilience that FSU has always demonstrated.

The work we have done together over the past year—and throughout my entire presidency—has established a strong foundation on which to build. We are fulfilling our promise as one of the very best public universities in America, and I am very excited about our future.



John Thrasher, *President*
Florida State University



INTRODUCTION FROM THE VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

I am pleased to present the 2019–20 Annual Financial Report for Florida State University. The end of the fiscal year left us in a much different place than where we had started, and more so than anyone could have imagined. The effects of the COVID-19 global pandemic on FSU were both significant and sudden.

COVID-19 and Campus Operations

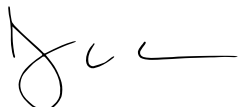
- In early March 2020, Florida Governor Ron DeSantis issued a series of Executive Orders in response to the growing and evolving COVID-19 global pandemic. Shortly thereafter, Florida State University began a new chapter in its history, as the entire campus moved to remote learning in response to the public health crisis created by the pandemic. Administrators, faculty, and staff across campus rose to the challenge of transitioning about 43,000 students and more than 3,000 faculty and instructors into this new era of remote learning in just two weeks.
- At the end of March 2020, Public Law No. 116-136, referred to as the Coronavirus Aid, Relief, and Economic Security (CARES) Act, was signed into law to mitigate the economic impact for those affected by the coronavirus. FSU received \$29.3 million from the CARES Act, of which \$14.67 million was designated for emergency grants to students. Under the Act, more than 20,300 Florida State University students had received emergency federal funding by the end of the fiscal year. The remaining balance of funds was earmarked to pay for other unexpected expenses related to the disruption of campus operations due to the pandemic.
- To minimize the risks associated with the spread of COVID-19, Florida State University implemented significant changes to its campus operations during the fourth quarter of the 2019–20 fiscal year, including the closing of its residence halls and other campus facilities, returning students back to the United States from its international study centers, and canceling nearly all of its in-person events and activities. Despite these unprecedented challenges, FSU was able to maintain a high-level of operational efficiency and effectiveness by quickly adapting to the imposed demands resulting from the pandemic and executing a highly successful remote work strategy by leveraging various work-from-home technology platforms.

Campus Facilities

- Just prior to the pandemic, Florida State University marked the official opening of its state-of-the-art Earth, Ocean, and Atmospheric Science Building and paid tribute to one of the university's former presidents, Dr. Eric Barron, during a ribbon-cutting ceremony. Going forward, FSU students and faculty in environmental science, geology, meteorology, and oceanography will now study, learn, and conduct research in the 130,500-square-foot space, which includes 23 research labs and eight teaching labs, a broadcast studio for meteorology students, a 280-seat auditorium and a 100-seat active learning classroom.
- Other significant capital projects still in progress included construction of the new Student Union as well as major renovations to the university's bio-medical research facility and the Hoffman chemistry teaching laboratory.

To ensure the critical functions of the university continued while at the same time keeping the campus community as safe as possible, Florida State finished the 2019–20 fiscal year focused on re-populating campus in a thoughtful and conservative manner as it prepared for the Fall 2020 semester. This significant undertaking was accomplished by putting various health policies, protocols, and guidelines in place that were designed to mitigate the spread of COVID-19. Examples of these included implementing a voluntary return-to-campus testing program, providing comprehensive training to faculty and staff, developing workplace expectations and guidelines, and putting protective safety measures in place for occupancy of public and common areas across campus.

While no one could have anticipated the unprecedented challenges the 2019–20 fiscal year presented, FSU's prudent financial stewardship and excellent national reputation has well positioned FSU to navigate through these difficult times. I am confident the university will be able to sustain its upward trajectory in 2021 and beyond.



Kyle C. Clark, *Vice President*
Florida State University

UNIVERSITY OVERVIEW

About FSU

Florida State University is a premier, comprehensive, graduate research university offering a broad array of academic and professional programs at all degree levels. Located in Tallahassee, Florida's capital city, and founded in 1851, FSU is the oldest of the twelve public institutions of higher learning in the State University System. The university is fully accredited by the Commission on Colleges of the Southern Association of Colleges and Schools and is officially designated as a preeminent research university in the state by the Florida Legislature.

Mission and Vision

Florida State University preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and embraces diversity.

Florida State University will be among the nation's most entrepreneurial and innovative universities, transforming the lives of our students and shaping the future of our state and society through exceptional teaching, research, creative activity, and service. We will amplify these efforts through our distinctive climate—one that places a premium on interdisciplinary inquiry and draws from the rich intellectual and personal diversity of our students, faculty, staff, and alumni. These three forces—entrepreneurship, interdisciplinary, and diversity—deepen FSU's impact and result in a powerful return to our students and the people of Florida for their continued support and trust.





Academics

Florida State University offers leading undergraduate, graduate, and professional programs that consistently rank among the nation's top twenty-five public universities. Baccalaureate degrees are offered in 106 programs, master's degrees in 113 programs, advanced master's/specialist degrees in 14 programs, doctorates in 70 programs, and three professional degrees.

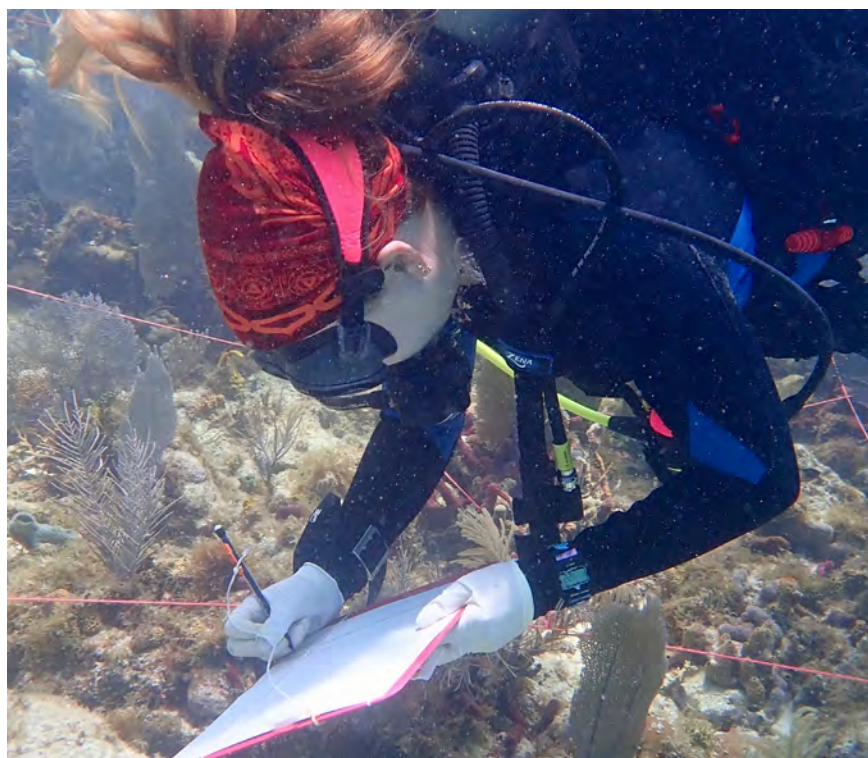
Students

Designated as a Carnegie Research University (designating very high research activity), Florida State awards more than 3,000 graduate and professional degrees each year, and is recognized as a national leader in the number of doctorates awarded to African-American students and in the graduation rate of African-American undergraduates.

During the Fall 2019 semester, there were 21 freshmen and 92 total undergraduate National Merit Scholars enrolled at Florida State University. The middle 50 percent high school GPA for the Fall 2019 freshman class was 4.0–4.4 and middle 50 percent SAT scores were 1250–1360.

With more than 42,000 students enrolled in Fall 2019, the student body was comprised of 77 percent undergraduates, 20 percent graduates, and 3 percent unclassified. Our student body is diverse and represents every county in Florida, all 50 states, and 130 countries. Minorities represent 35 percent, and women represent 57 percent of our students.

UNIVERSITY OVERVIEW



Faculty

At Florida State University, we are fortunate that our faculty comprises men and women who are widely acknowledged as the finest in their fields. They have distinguished themselves in many disciplines and have gained the high regard of peers around the world. Their academic careers are marked by excellence and the excitement of discovery so important to educating the next generation.

Our faculty members continually strive to build stronger programs in critical areas of technology and science and in the arts and humanities. The result is the expansion of knowledge as well as the discovery of new inventions, products, and processes benefiting the state of Florida, our nation, and the world.

Research

Research and creative activity is about discovery. It is about having an idea and finding the right environment in which to explore that idea. At FSU, we take great pride in our ability to provide supportive environments for the exploration of all types of ideas; and with approximately \$200 million in research expenditures each year, and more than 50 prominent research centers and institutes calling our campuses home, FSU continues to be one of the top idea-incubators in the nation.

Florida State University is also home to the National High Magnetic Field Laboratory (NHMFL), funded by the National Science Foundation. The only national lab in Florida, the NHMFL holds the most world records for the most powerful magnets on earth. Other research centers, such as the Center for Advanced Power Systems (CAPS), are supported by the U.S. Departments of Defense and Energy. The NHMFL and CAPS, among other labs, place Florida State University at the cutting edge of research and its application to industry.



UNIVERSITY OVERVIEW



Diversity

At Florida State University, we recognize that every competitive advantage begins with people. By valuing, celebrating, and leveraging the differences and similarities of our students, faculty, and staff, we inspire an environment of innovation and passion—one that enables us to create a teaching, research, and service environment that better reflects the needs of our students, faculty, staff, customers, constituents, communities, and other key stakeholders.

Veterans

The Florida State University Veterans Alliance represents the university's campus-wide commitment to veteran support and success. The Veterans Alliance encompasses FSU's initiatives that ease the transition from military service to campus life, foster a community of past, present, and future veterans, raise awareness of veterans issues among campus and local communities, and support student veterans through graduation and into rewarding careers and graduate-education programs. It is the goal of the Veterans Alliance that FSU be the most veteran-friendly and veteran-empowering university in the country.

Florida State University in 2019–20

FSU's rankings and achievements during fiscal year 2019–20 include:

- ◆ Florida State University retained its place in the Top 20 among national public universities in the latest *U.S. News & World Report* rankings
- ◆ FSU retained first-year students at a record rate of 95 percent, ranking in the Top 15 among national public universities
- ◆ For the ninth consecutive year, FSU has maintained its Top 5 standing as the nation's most efficient university among *U.S. News & World Report* national colleges
- ◆ Princeton Review ranked Florida State University No. 15 on its annual list of *Colleges that Pay You Back*
- ◆ Florida State was recognized for a fifth consecutive year by *INSIGHT Into Diversity* magazine as a "Diversity Champion" in higher education
- ◆ Florida State is one of the nation's top research institutions for producing Fulbright U.S. Scholars and students with eight FSU faculty members and ten students earning prestigious Fulbright awards
- ◆ Florida State University researchers received a record level of funding from Federal, State, and private sources, bringing in \$250.1 million to the university to support investigations into areas such as health sciences, high energy physics, and marine biology







Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



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

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Florida State University, a component unit of the State of Florida, and its aggregate discretely presented component units as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units columns. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of Florida State University and of its aggregate discretely presented component units as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Schedule of the University's Proportionate Share of the Total Other Postemployment Benefits Liability**, **Schedule of the University's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of University Contributions – Florida Retirement System Pension Plan**, **Schedule of the University's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan**, and **Schedule of University Contributions – Health Insurance Subsidy Pension Plan** be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Florida State University's basic financial statements. The Message from the President, Introduction from the Vice President for Finance and Administration, and University Overview, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Message from the President, Introduction from the Vice President for Finance and Administration, and University Overview have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021, on our consideration of the Florida State University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Florida State University's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
January 29, 2021
Audit Report No. 2021-119

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the university for the fiscal year ended June 30, 2020, and should be read in conjunction with the financial statements and notes thereto. The MD&A, and financial statements and notes thereto, are the responsibility of university management. The MD&A contains financial activity of the university for the fiscal years ended June 30, 2020, and June 30, 2019.

CORONAVIRUS PANDEMIC

In December 2019, a highly infectious respiratory virus caused by a novel strain of coronavirus, COVID-19, was first identified. After the rapid transmission of COVID-19 throughout the world, the President of the United States issued a proclamation concerning the outbreak, declaring a national state of emergency on March 13, 2020.

The coronavirus pandemic has caused domestic and global disruption in operations for institutions of higher education, including Florida State University, and these effects are discussed in the MD&A below and reflected in the financial statements and notes thereto.

OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to GASB Statement No. 35, the university's financial report includes three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The financial statements, and notes thereto, encompass the university and its component units. Based upon the application of the criteria for determining component units, twelve component units are included within the university reporting entity as discretely presented component units. Information regarding these component units, including summaries of the discretely presented component units' separately issued financial statements, is presented in the notes to financial statements. This MD&A focuses on the university, excluding the component units. The component units' MD&A information is included in their separately issued audit reports.

Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the university, using the accrual basis of accounting, and presents the financial position of the university at a specified time. Assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position, which is one indicator of the university's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the university's financial condition.

Condensed Statement of Net Position at June 30

(In Thousands)

	2020	2019
Assets		
Current Assets	\$ 843,215	\$ 800,832
Capital Assets, Net	2,055,422	2,030,994
Other Noncurrent Assets	149,282	186,186
Total Assets	3,047,919	3,018,012
Deferred Outflows of Resources	161,918	145,984
Liabilities		
Current Liabilities	174,913	211,954
Noncurrent Liabilities	860,809	793,245
Total Liabilities	1,035,722	1,005,199
Deferred Inflows of Resources	58,046	56,472
Net Position		
Net Investment in Capital Assets	1,820,444	1,793,176
Restricted	347,350	381,675
Unrestricted	(51,725)	(72,526)
Total Net Position	\$ 2,116,069	\$ 2,102,325

The university's total assets as of June 30, 2020, increased by \$29.9 million, or 1 percent. Current assets increased by \$42.4 million, or 5.3 percent, due to an increase in unrestricted investments, which was predominantly the result of a reduction in fourth quarter operating expenditures in response to the coronavirus pandemic. This increase was largely offset by a decrease in other noncurrent assets of \$36.9 million, or 19.8 percent, primarily related to restricted investments. The decrease in restricted investments was mainly driven by the completion of capital projects along with a reduction in investments in future capital projects. Net capital assets increased by \$24.4 million, or 1.2 percent.

Total liabilities as of June 30, 2020, increased by \$30.5 million, or 3 percent. Current liabilities decreased by \$37 million, or 17.5 percent, largely due to a decrease in accrued salaries and wages payable of \$19.5 million combined with a decrease in accounts payable of \$9.6 million related to a reduction in fourth quarter operating expenditures in response to the coronavirus pandemic. Noncurrent liabilities increased by \$67.6 million, or 8.5 percent, due to increases in the university's proportional share of the State's net pension and other postemployment benefit liabilities. Pensions and other postemployment benefits also drove deferred outflows and deferred inflows of resources, which increased by \$15.9 million and \$1.6 million, respectively.

As a result, the university's overall net position increased by \$13.7 million, or less than 1 percent; however, the unrestricted net position remained in deficit at the fiscal year end. This deficit is discussed further in the notes to financial statements.

Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the university's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

Condensed Statement of Revenues, Expenses, and Changes in Net Position For the Fiscal Years (In Thousands)

	2019-20	2018-19
Operating Revenues	\$ 590,413	\$ 609,289
Less, Operating Expenses	(1,400,300)	(1,325,888)
Operating Loss	(809,887)	(716,599)
Net Nonoperating Revenues	796,818	751,372
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(13,069)	34,773
Other Revenues, Expenses, Gains, or Losses	26,813	54,190
Net Increase in Net Position	13,744	88,963
Net Position, Beginning of Year	2,102,325	2,013,362
Net Position, End of Year	\$ 2,116,069	\$ 2,102,325

Operating Revenues

GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either give up or receive something of equal or similar value.

Operating Revenues (In Thousands)

	2019-20	2018-19
Net Tuition and Fees	\$ 206,516	\$ 216,991
Grants and Contracts	201,656	205,316
Sales and Services of Auxiliary Enterprises	173,607	179,846
Other	8,634	7,136
Total Operating Revenues	\$ 590,413	\$ 609,289

The university's total operating revenues were lower by \$18.9 million, or 3.1 percent, over the 2018-19 fiscal year. Net tuition and fees decreased by \$10.5 million mainly due to an increase of \$13.5 million in scholarship allowances resulting from a significant increase in State student financial aid, specifically Bright Futures. The \$3.7 million, or 1.8 percent, decrease in grants and contracts revenues resulted primarily from a decrease in nonfederal grants and contracts. Sales and services of auxiliary enterprises decreased by \$6.2 million, or 3.5 percent, due largely to disruptions in campus operations caused by COVID-19 during the fourth quarter of the 2019-20 fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Operating Expenses

Expenses are categorized as operating or nonoperating. The majority of the university's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The university has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position and has displayed the functional classification in the notes to financial statements.

Operating Expenses				
(In Thousands)				
	2019-20		2018-19	
Compensation and Employee Benefits	\$	874,247	\$	804,651
Services and Supplies		265,635		283,114
Utilities and Communications		34,161		35,083
Scholarships and Fellowships		136,881		117,664
Depreciation		89,376		85,376
Total Operating Expenses	\$	1,400,300	\$	1,325,888

Operating expenses increased by \$74.4 million, or 5.6 percent, over the 2018-19 fiscal year. Compensation and employee benefits were higher by \$69.6 million, which was largely the result of a \$31.5 million increase in the accrual of actuarial determined charges related to the university's proportional share of the State's net pension and other postemployment benefit expenses, along with higher operating costs associated with employee health insurance and retirement benefits. Services and supplies decreased by \$17.5 million, or 6.2 percent, which was predominantly due to a reduction in fourth quarter operating expenditures in response to the coronavirus pandemic. Scholarships and fellowships were higher by \$19.2 million, primarily driven by an increase in State Bright Futures scholarships of \$17.4 million, which was partially offset by an increase in the scholarship allowance.

Nonoperating Revenues and Expenses

Certain revenue sources that the university relies on to provide funding for operations, including State noncapital appropriations, Federal and State student financial aid, certain gifts and grants, and investment income, are defined by GASB as nonoperating. Nonoperating expenses include capital financing costs and other costs related to capital assets.

Nonoperating Revenues (Expenses)				
(In Thousands)				
	2019-20		2018-19	
State Noncapital Appropriations	\$	488,261	\$	498,951
Federal and State Student Financial Aid		187,443		156,883
Noncapital Grants, Contracts, and Gifts		85,688		80,703
Investment Income, Net of Expenses		25,487		17,954
Net Increase (Decrease) in the Fair Value of Investments		14,473		17,177
Other Nonoperating Revenues		10,034		1,549
Loss on Disposal of Capital Assets		(3,256)		(7,321)
Interest on Capital Asset-Related Debt		(10,263)		(10,377)
Other Nonoperating Expenses		(1,049)		(4,147)
Net Nonoperating Revenues	\$	796,818	\$	751,372

Net nonoperating revenues increased by \$45.4 million, or 6 percent, from the 2018-19 fiscal year. The major contributors to the overall increase were the receipt of emergency student and institutional aid of \$10 million and \$8 million, respectively, authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and an increase of \$17.4 million in State Bright Futures scholarships awarded. Noncapital grants, contracts, and gifts increased by \$5 million mainly resulting from insurance recoveries related to Hurricane Michael. However, State noncapital appropriations were lower by \$10.7 million, or 2.1 percent, due to a decrease in general appropriations.

Other Revenues, Expenses, Gains, or Losses

This category is composed of State capital appropriations and capital grants, contracts, donations, and fees.

Other Revenues, Expenses, Gains, or Losses (In Thousands)

	2019-20	2018-19
State Capital Appropriations	\$ 23,168	\$ 49,824
Capital Grants, Contracts, Donations, and Fees	3,645	4,366
Total	\$ 26,813	\$ 54,190

Capital appropriations, grants, contracts, donations, and fees decreased by \$27.4 million, or 50.5 percent, primarily due to decreases in both public education capital outlay and capital improvement fee funding.

Statement of Cash Flows

The statement of cash flows provides information about the university's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the university's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the university. Cash flows from capital financing activities include all plant funds and related long-term debt activities. Cash flows from investing activities show the net source and use of cash related to purchasing or selling investments, and earning income on those investments. Cash flows from noncapital financing activities include those activities not covered in other sections.

Condensed Statement of Cash Flows (In Thousands)

	2019-20	2018-19
Cash Provided (Used) by:		
Operating Activities	\$ (692,048)	\$ (593,146)
Noncapital Financing Activities	768,163	715,860
Capital and Related Financing Activities	(92,485)	(105,491)
Investing Activities	14,705	(20,993)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,665)	(3,770)
Cash and Cash Equivalents, Beginning of Year	14,843	18,613
Cash and Cash Equivalents, End of Year	\$ 13,178	\$ 14,843

Major sources of funds came from State noncapital appropriations (\$485.6 million), net student tuition and fees (\$208.4 million), grants and contracts (\$203.8 million), sales and services of auxiliary enterprises (\$164.9 million), and Federal and State student financial aid (\$187.4 million). Major uses of funds were for payments made to and on behalf of employees (\$829.7 million), payments to suppliers (\$308.9 million), payments to and on behalf of students for scholarships (\$136.9 million), and the purchase or construction of capital assets (\$114 million).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets

At June 30, 2020, the university had \$3.3 billion in capital assets, less accumulated depreciation of \$1.2 billion, for net capital assets of \$2.1 billion. Depreciation charges for the current fiscal year totaled \$89.4 million.

Capital Assets, Net at June 30

(In Thousands)

	2020	2019
Land	\$ 94,818	\$ 94,818
Buildings	1,559,608	1,518,077
Infrastructure and Other Improvements	80,159	72,740
Furniture and Equipment	105,743	111,956
Library Resources	35,525	34,535
Property Under Capital Lease	7,582	5,330
Works of Art and Historical Treasures	75,535	75,325
Construction in Progress	96,452	118,213
Capital Assets, Net	\$ 2,055,422	\$ 2,030,994

Additional information about the university's capital assets is presented in the notes to financial statements.

Capital Expenses and Commitments

Major capital expenses on the university's largest ongoing projects included the Student Union expansion (\$18.9 million) as well as renovations to the Hoffman Teaching Laboratory (\$9.7 million) and Biology Medical Research Building (\$9.5 million). The university's construction commitments are as follows:

Major Capital Commitments, at June 30

(In Thousands)

	2020
Total Committed	\$ 432,051
Completed to Date	(96,451)
Balance Committed	\$ 335,600

Additional information about the university's capital commitments is presented in the notes to financial statements.

Debt Administration

As of June 30, 2020, the university had \$218.8 million in outstanding capital improvement debt payable, representing a decrease of \$15.8 million, or 6.7 percent, from the prior fiscal year. Capital leases payable decreased by \$435 thousand, or 4 percent.

Long-Term Debt, at June 30

(In Thousands)

	2020	2019
Capital Improvement Debt Payable	\$ 218,848	\$ 234,629
Capital Leases Payable	10,473	10,908
Total	\$ 229,321	\$ 245,537

Additional information about the university's long-term debt is presented in the notes to financial statements.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

As a public institution, the condition of the State of Florida's economy is the primary factor impacting the university's future. In July 2020, the Florida Economic Estimating Conference adopted a new forecast for the State's economy and dramatically revised to the downside both the near and long-term outlooks relative to the forecast adopted in December 2019. The negative adjustments directly result from the coronavirus outbreak, the actions to contain it, and the pandemic-induced economic contraction that followed. The Conference expects that the State's Real Gross Domestic Product will decline 4.3 percent in the 2020-21 fiscal year, followed by an increase of 4.2 percent in the 2021-22 fiscal year, and then a gradual return to the 2 percent range expected in the prior forecast.

The university's 2020-21 operating budget adopted by the Florida Legislature included total recurring General Revenue and Lottery funding for the university of \$453.8 million, which represented an increase from the prior fiscal year of 4.2 percent; however, the Governor is currently withholding 6 percent in current year funds as a result of the drop in general revenue collections due to COVID-19. Legislative Budget Request instructions from the Legislature and Governor required all State agencies and the universities to prepare an 8.5 percent reduction plan for the 2020-21 operating year. This 8.5 percent reduction plan includes the 6 percent planned withholding of revenues. Unless the Legislature takes action, the 6 percent holdback of funds would have to be released before the end of the fiscal year. At this time, uncertainty remains as to the effect of any economic recovery from the coronavirus shutdown and its related impact to the State budget going forward.

In response to the public health crisis created by the pandemic, the university transitioned from in-person to predominately remote instruction during the Spring 2020 semester and has continued with this model into the Fall 2020 semester. Despite the significant reduction in its in-person delivery of instruction, total enrollment as well as student tuition and fees for the Fall semester remained consistent year over year. Although the Federal CARES Act provided some budgetary relief during the 2019-20 fiscal year, the university faces certain financial challenges due to the economic uncertainty surrounding the coronavirus pandemic, such as decreased density in on-campus student housing, reduced participation in its international programs, and self-imposed capacity limitations for on-campus events.

Florida State University has sustained its status as a top 20 institution and as one of the most efficient schools in the country. These factors, along with continued prudent financial management from the executive leadership team, should position FSU as one of the universities best situated to weather these uncertain times.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplemental information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the University Controller's Office, Florida State University, 2200A University Center, Tallahassee, Florida 32306.

STATEMENT OF NET POSITION

AS OF JUNE 30, 2020 (in thousands)

	UNIVERSITY	COMPONENT UNITS
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 11,002	\$ 33,006
Investments	677,766	183,031
Accounts Receivable, Net	55,358	22,471
Loans and Notes Receivable, Net	759	-
Due from State	58,334	274
Due from Component Units/University	25,725	54,805
Inventories	2,373	170
Other Current Assets	11,898	9,914
Total Current Assets	843,215	303,671
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	2,176	33,771
Restricted Investments	139,040	639,717
Loans and Notes Receivable, Net	4,028	38,272
Depreciable Capital Assets, Net	1,788,617	242,475
Nondepreciable Capital Assets	266,805	32,740
Other Noncurrent Assets	4,038	159,458
Total Noncurrent Assets	2,204,704	1,146,433
TOTAL ASSETS	3,047,919	1,450,104
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	129,379	-
Related to Other Postemployment Benefits	32,539	-
Loss on Debt Refunding	-	1,648
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 8,325	\$ 12,332
Construction Contracts Payable	11,800	-
Salaries and Wages Payable	10,680	-
Deposits Payable	8,935	35
Due to Component Units/University	57,009	32,155
Unearned Revenue	42,600	18,932
Other Current Liabilities	2,288	9,851
Long-Term Liabilities - Current Portion:		
Capital Improvement Debt Payable	16,406	-
Bonds Payable	-	6,614
Loans and Notes Payable	-	15,458
Capital Leases Payable	1,326	-
Compensated Absences Payable	5,506	-
Other Postemployment Benefits Payable	2,665	-
Revenue Received in Advance	3,419	21,576
Net Pension Liability	1,392	-
Other Noncurrent Liabilities	2,562	-
Total Current Liabilities	174,913	116,953

STATEMENT OF NET POSITION

AS OF JUNE 30, 2020 (in thousands)

	UNIVERSITY	COMPONENT UNITS
Noncurrent Liabilities:		
Capital Improvement Debt Payable	202,442	-
Bonds Payable	-	145,180
Loans and Notes Payable	-	38,757
Capital Leases Payable	9,147	313
Accrued Self-Insurance Claims	435	-
Compensated Absences Payable	77,453	328
Other Postemployment Benefits Payable	203,426	-
Revenue Received in Advance	20,991	10,574
Net Pension Liability	333,456	-
Other Noncurrent Liabilities	13,459	25,280
Total Noncurrent Liabilities	860,809	220,432
TOTAL LIABILITIES	1,035,722	337,385
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	21,611	-
Related to Other Postemployment Benefits	36,435	-
Split-Interest Agreements for Remainder Interests	-	3,177
Trusts Held by Others	-	10,128
Other	-	1,457
NET POSITION		
Net Investment in Capital Assets	\$ 1,820,444	\$ 79,360
Restricted for Nonexpendable, Endowment	-	506,467
Restricted for Expendable:		
Debt Service	3,444	6,996
Loans	3,538	-
Capital Projects	115,480	70,010
Other	224,888	20,978
Endowment	-	254,288
Unrestricted	(51,725)	161,506
TOTAL NET POSITION	\$ 2,116,069	\$ 1,099,605

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 2020 (in thousands)

	UNIVERSITY	COMPONENT UNITS
OPERATING REVENUES		
Student Tuition and Fees, Net of Scholarship Allowances of \$194,736	\$ 206,516	\$ -
Federal Grants and Contracts	166,992	-
State and Local Grants and Contracts	20,174	-
Nongovernmental Grants and Contracts	14,490	-
Sales and Services of Auxiliary Enterprises	173,607	-
Sales and Services of Component Units	-	35,342
Royalties and Licensing Fees	-	13,567
Gifts and Donations	-	91,548
Interest on Loans and Notes Receivable	266	-
Other Operating Revenues	8,368	17,634
Total Operating Revenues	590,413	158,091
OPERATING EXPENSES		
Compensation and Employee Benefits	874,247	32,818
Services and Supplies	265,635	156,515
Utilities and Communications	34,161	288
Scholarships and Fellowships	136,881	-
Depreciation	89,376	11,232
Total Operating Expenses	1,400,300	200,853
OPERATING LOSS	(809,887)	(42,762)
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	488,261	-
Federal and State Student Financial Aid	187,443	-
Noncapital Grants, Contracts, and Gifts	85,688	50
Investment Income, Net of Expenses	25,487	16,546
Net Increase (Decrease) in the Fair Value of Investments	14,473	(7,060)
Other Nonoperating Revenues	10,034	5,316
Gain (Loss) on Disposal of Capital Assets	(3,256)	1,416
Interest on Capital Asset-Related Debt	(10,263)	(7,316)
Other Nonoperating Expenses	(1,049)	(1,480)
NET NONOPERATING REVENUES	796,818	7,472
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(13,069)	(35,290)
State Capital Appropriations	23,168	-
Capital Grants, Contracts, Donations, and Fees	3,645	8,476
Additions to Permanent Endowments	-	10,370
Increase (Decrease) in Net Position	13,744	(16,444)
Net Position, Beginning of Year	2,102,325	1,116,520
Adjustments to Net Position, Beginning of Year	-	(471)
Net Position, Beginning of Year (As Restated)	2,102,325	1,116,049
NET POSITION, END OF YEAR	\$ 2,116,069	\$ 1,099,605

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020 (in thousands)

	UNIVERSITY
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and Fees, Net	\$ 208,367
Grants and Contracts	203,767
Sales and Services of Auxiliary Enterprises	164,883
Interest on Loans and Notes Receivable	265
Other Operating Receipts	4,278
Payments to Employees	(829,736)
Payments to Suppliers for Goods and Services	(308,852)
Payments to Students for Scholarships and Fellowships	(136,881)
Payments on Self-Insurance Claims	(3)
Collections on Loans to Students	1,864
Net Cash Used by Operating Activities	(692,048)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	485,599
Noncapital Grants, Contracts, and Gifts	75,045
Federal and State Student Financial Aid	187,443
Federal Direct Loan Program Receipts	159,895
Federal Direct Loan Program Disbursements	(159,775)
Net Change in Funds Held for Others	6,184
Other Nonoperating Receipts	13,772
Net Cash Provided by Noncapital Financing Activities	768,163
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Capital Debt	658
State Capital Appropriations	32,131
Capital Grants, Contracts, Donations, and Fees	3,221
Capital Subsidies and Transfers	11,507
Purchase or Construction of Capital Assets	(114,029)
Principal Paid on Capital Debt	(15,710)
Interest Paid on Capital Debt	(10,263)
Net Cash Used by Capital and Related Financing Activities	(92,485)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	1,017,905
Purchase of Investments	(1,029,352)
Investment Income	26,152
Net Cash Provided By Investing Activities	14,705
Net Decrease in Cash and Cash Equivalents	(1,665)
Cash and Cash Equivalents, Beginning of Year	14,843
Cash and Cash Equivalents, End of Year	\$ 13,178
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (809,887)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation Expense	89,376
Change in Assets, Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources:	
Other Receivables, Net	(5,296)
Inventories	152
Loans and Notes Receivable, Net	1,751
Deferred Charges and Other Assets	2,477
Accounts Payable	(9,533)
Salaries and Wages Payable	(18,308)
Accrued Insurance Claims	(3)
Deposits Payable	115
Compensated Absences Payable	4,011
Other Postemployment Benefits Payable	31,990
Unearned Revenue	(3,672)
Pension Liability	41,177
Pension Deferred Outflows	11,442
Pension Deferred Inflows	(4,984)
Other Postemployment Benefits Deferred Outflows	(27,376)
Other Postemployment Benefits Deferred Inflows	6,558
Other Liabilities	(2,038)
NET CASH USED BY OPERATING ACTIVITIES	\$ (692,048)
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING AND INVESTING ACTIVITIES	
Unrealized gains on investments were recognized on the statement of revenues, expenses, and changes in net position, but are not cash transactions for the statement of cash flows.	\$ 14,473
Losses from the write off of capital assets were recognized on the statement of revenues, expenses, and changes in net position, but are not cash transactions for the statement of cash flows.	\$ (3,256)

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The university is a separate public instrumentality that is part of the State university system of public universities, which is under the general direction and control of the Florida Board of Governors. The university is directly governed by a Board of Trustees (Trustees) consisting of thirteen members. The Governor appoints six citizen members and the Board of Governors appoints five citizen members. These members are confirmed by the Florida Senate and serve staggered terms of five years. The chair of the faculty senate and the president of the student body of the university are also members. The Board of Governors establishes the powers and duties of the Trustees. The Trustees are responsible for setting policies for the university, which provide governance in accordance with State law and Board of Governors' Regulations. The Trustees select the University President. The University President serves as the Executive Officer and the Corporate Secretary of the Trustees and is responsible for administering policies prescribed by the Trustees.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. These criteria were used to evaluate potential component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading. Based on the application of these criteria, the university is a component unit of the State of Florida, and its financial balances and activities are reported in the State's Comprehensive Annual Financial Report by discrete presentation.

Discretely Presented Component Units

Based on the application of the criteria for determining component units, the following organizations met all of the financial accountability criteria necessary for inclusion as discretely presented component units and therefore are included within the university reporting entity, or are included based on the nature and significance of their relationship with the university.

These organizations and their purposes are explained as follows:

- ◆ **The Florida State University Foundation, Inc. (Foundation)** - The university's fundraising and private support programs are accounted for and reported separately by the Foundation. The Foundation revenues include unrestricted and restricted gifts and grants, rental income, and investment income. The Foundation expenses include scholarship distributions to students and departmental faculty, staff development support, various memorials and class projects, departmental research, and administrative costs of the Foundation's development program.
- ◆ **Seminole Boosters, Inc. (Boosters)** - The primary purpose of the Boosters is to stimulate and promote the education, health, and physical welfare of university students by providing financial support from the private sector for the Intercollegiate Athletic Program. Funds raised by the Boosters are utilized for scholarships, recruiting expenses, and authorized travel and entertainment in accordance with the rules and regulations of the National Collegiate Athletic Association. The Boosters' financial information includes the activities of the Florida State University Financial Assistance, Inc., as a blended component unit.
- ◆ **The Florida State University Research Foundation, Inc. (Research Foundation)** - The Research Foundation was established to promote and assist the research and training activities of the university through income from contracts, grants, and other sources, including income derived from the development and commercialization of the university's work products.
- ◆ **Florida State University International Programs Association, Inc. (International Programs Association)** - The purpose of the International Programs Association is to promote intercultural activities among students, educators, and others. It provides teaching, studying, research, and conference opportunities to U.S. students, scholars, and other professionals and community groups through Florida State University Study-Aboard Programs in England, Italy, Costa Rica, and other sites.
- ◆ **Florida State University Schools, Inc. (School)** - The School is a charter school established pursuant to Section 1002.33(5)(a), Florida Statutes. The School provides a setting where university faculty, School faculty, and graduate students can design, demonstrate, and analyze the effectiveness of new instructional materials, technological advances, and strategies under controlled conditions. It also offers an environment for the systematic research, evaluation, and development of commercial or prototype materials and techniques adaptable to other Florida public schools and is supported by School and university researchers or private sector partners.
- ◆ **Florida State University Alumni Association, Inc. (Alumni Association)** - The Alumni Association serves as a connecting link between alumni and the university. The nature and purpose of the Alumni Association is to aid, strengthen, and expand the university and its alumni. The Alumni Association utilizes private gifts, devises, other contributions, and advertising income to publish and exchange information with university alumni, to assist the university's development programs, and to provide public and community service.
- ◆ **The John and Mable Ringling Museum of Art Foundation, Inc. (Ringling Museum Foundation)** - The Ringling Museum Foundation was established to provide charitable and educational aid to the university's John and Mable Ringling Museum of Art.
- ◆ **Florida Medical Practice Plan, Inc. (FMPP)** - FMPP's purpose is to improve and support medical education in the Florida State

University College of Medicine.

- ◆ **Florida State University Magnet Research and Development, Inc. (Magnet Research and Development)** - The Magnet Research and Development organization was incorporated to promote, encourage, and assist the research and training activities of faculty, staff, and students of the university and specifically to design, develop, invent, assemble, construct, test, repair, maintain, and fabricate magnets or magnet systems of any type or design.
- ◆ **The Florida State University Real Estate Foundation, Inc. (Real Estate Foundation)** – The Real Estate Foundation was established to receive, hold, manage, lease, develop, or sell real estate, and to make expenditures, grants, and contributions to or for the benefit of the university.
- ◆ **The Florida State University College of Business Student Investment Fund, Inc. (Student Investment Fund)** – The Student Investment Fund was established to support a student managed investment fund and other FSU College of Business programs.
- ◆ **Florida State University Athletics Association, Inc. (Athletics Association)** – The Athletics Association was established to administer varsity collegiate athletics for and on behalf of Florida State University, including oversight, governance, and coordination between the Department of Intercollegiate Athletics and Seminole Boosters, Inc.

An annual audit of each operational organization's financial statements is conducted by independent certified public accountants. The annual reports are submitted to the Auditor General and the University Board of Trustees. Additional information on the university's discretely presented component units, including copies of audit reports, is available by contacting the University Controller. Condensed financial statements for the university's discretely presented component units are disclosed in a subsequent note.

Basis of Presentation

The university's accounting policies conform with accounting principles generally accepted in the United States of America applicable to public colleges and universities as prescribed by GASB. The National Association of College and University Business Officers (NACUBO) also provides the university with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB which allows public universities various reporting options. The university has elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and entity wide reporting including the following components:

- ◆ Management's Discussion and Analysis
- ◆ Basic Financial Statements:
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements
- ◆ Other Required Supplementary Information

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. The statement of revenues, expenses, and changes in net position is presented by major sources of operating revenues, natural classifications of operating expenses, nonoperating revenues and expenses, and all other activity not otherwise classified. The statement of cash flows is presented using the direct method in compliance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Measurement Focus and Basis of Accounting

The university's and its discretely presented component units' financial statements are presented using the economic resources measurement focus, which aims to report all inflows, outflows, and balances affecting or reflecting an entity's net position, and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash in demand accounts. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted.

Investments and Fair Value Measurement

The university categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

Other Current Assets

Other Current Assets are primarily made up of prepaid items, which represent payments for goods and services that will benefit future periods.

Capital Assets

University capital assets consist of land, works of art and historical treasures, construction in progress, buildings, infrastructure and other improvements, furniture and equipment, library resources, property under capital lease, and computer software. These assets are capitalized and recorded at cost at the date of acquisition or at acquisition value at the date received in the case of gifts and purchases of State surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The university has a capitalization threshold of \$5,000 for tangible personal property, \$100,000 for buildings and other improvements, and \$4,000,000 for intangible assets.

Depreciation is computed on the straight-line basis over the following estimated useful lives:

- ◆ Buildings, Infrastructure and Other Improvements – 10 to 50 years
- ◆ Furniture and Equipment – 3 to 20 years
- ◆ Library Resources - 10 years
- ◆ Computer Software – 5 years

Noncurrent Liabilities

Noncurrent liabilities include capital improvement debt payable, capital leases payable, accrued self-insurance claims, compensated absences payable, other postemployment benefits payable, revenue received in advance, net pension liability, and other noncurrent liabilities that are not scheduled to be paid within the next fiscal year. Capital improvement debt payable is reported net of unamortized premium or discount. The university amortizes debt premiums and discounts over the life of the debt using the straight-line method.

Compensated Absences

Employees earn vacation and sick leave each pay period and can carryforward unused balances up to certain amounts each calendar year. The university calculates the compensated absences liability based on recorded balances of unused leave as of the end of the fiscal year for which the university expects to compensate employees through paid time off or cash payments at termination. Upon termination of employment, employees are entitled to be paid for any accumulated unused leave up to the maximum allowable amounts.

Pensions

For the purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and HIS fiduciary net positions have been determined on the same basis as they are reported by the FRS and HIS plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Other Postemployment Benefits

For the purposes of measuring the net postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to postemployment benefits, and benefit expense, information about the fiduciary net positions of the Florida Division of State Group Insurance Other Postemployment Benefits Plan (OPEB Plan) and additions to/deductions from the OPEB Plan fiduciary net positions have been determined on the same basis as they are reported by the OPEB Plan. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position

The university's components of net position are classified as follows:

Net Investment in Capital Assets - Represents the university's total investment in capital assets, net of accumulated depreciation and net of outstanding debt obligations and deferred outflows/inflows of resources related to those capital assets.

Nonexpendable Restricted Net Position – Consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be expendable or added to principal. All endowment and similar type funds are held by

the university's component units.

Expendable Restricted Net Position – Includes resources in which the university is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Position – Represents resources derived from student tuition and fees, State appropriations, and the sales and services of auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the university and may be used at the discretion of the governing board to meet current expenses for any purpose.

When both restricted and unrestricted resources are available to fund certain programs, generally it is the university's policy to first apply the restricted resources to such programs, followed by the use of the unrestricted resources.

Operating Revenues and Expenses

The university's principal operating activities consist of instruction, research, and public service. Operating revenues include activities that have characteristics of exchange transactions, such as student fees, net of scholarship discounts and allowances; sales and services of auxiliary enterprises; and Federal, State, local and nongovernmental grants and contracts.

Operating expenses include scholarships and fellowships for students, operation and maintenance of capital assets, depreciation on capital assets, and all other fiscal transactions directly related to the university's principal operating activities as well as those related to the academic and general administration of the university.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenue from students, are reported net of scholarship discounts and allowances, which are the differences between the stated charge for goods and services provided by the university and the amount that is actually paid by a student or a third party making payment on behalf of the student. Certain governmental grants, such as Pell grants, and other Federal, State, or nongovernmental programs, such as the Florida Bright Futures Program, are recorded as nonoperating revenues in the university's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the university has recorded a scholarship discount and allowance.

The university applied the "Alternate Method" as prescribed in NACUBO Advisory Report 2000-05 to determine the reported net scholarship discounts and allowances. Under this method, the university computes these amounts by allocating the cash payments to students, excluding payments for services, using a ratio of total aid to aid not considered third-party aid.

Nonoperating Revenues and Expenses

Nonoperating revenues include activities that have characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, as amended by GASB Statements Nos. 37 and 38. Nonoperating revenues include State noncapital appropriations; Federal and State student financial aid; Noncapital grants, contracts, and gifts; and investment income. Nonoperating expenses include interest on capital asset-related debt and losses on the disposal of capital assets.

2. DEFICIT NET POSITION

The university had a deficit unrestricted net position of \$51.7 million at June 30, 2020. As shown in the following schedule, this deficit can be attributed primarily to the full recognition of long-term liabilities (i.e., compensated absences payable, OPEB payable, and net pension liabilities) in the unrestricted fund.

Description	Amount
Total Unrestricted Net Position Before Recognition of Long-Term Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources	\$ 468,301,463
Amount Expected to be Financed in Future Years:	
Compensated Absences Payable	82,958,963
Other Postemployment Benefits Payable and Related Deferred Outflows of Resources and Deferred Inflows of Resources	209,987,635
Net Pension Liability and Related Deferred Outflows of Resources and Deferred Inflows of Resources	227,079,948
Total Amount Expected to be Financed in Future Years	(520,026,546)
Total Unrestricted Net Position	\$ (51,725,083)

3. INVESTMENTS

Section 1011.42(5), Florida Statutes, authorizes universities to invest funds with the State Treasury and State Board of Administration (SBA) and requires that universities comply with the statutory requirements governing investment of public funds by local governments. Accordingly, universities are subject to the requirements of Chapter 218, Part IV, Florida Statutes. The university's Board of Trustees has adopted a written investment policy providing that surplus funds of the university shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Pursuant to Section 218.415(16), Florida Statutes, the university is authorized to invest in the Florida PRIME investment pool administered by the SBA; interest-bearing time deposits and savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open-end or closed-end management type investment companies; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and other investments approved by the university's Board of Trustees as authorized by law. Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

The university's investments at June 30, 2020, are reported as follows:

Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3
External Investment Pool:				
State Treasury Special Purpose Investment Account	\$ 797,370,665	\$ -	\$ -	\$ 797,370,665
State Board of Administration Debt Service Accounts	3,614,771	3,614,771	-	-
Mutual Funds:				
Bonds	6,583,022	6,583,022	-	-
Equities	3,592,020	3,592,020	-	-
Other Investments	5,645,119	-	-	5,645,119
Total Investments by Fair Value Level	\$ 816,805,597	\$ 13,789,813	\$ -	\$ 803,015,784

Investments held by the university's component units at June 30, 2020, are reported as follows:

Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3
Domestic Stocks	\$ 24,196,833	\$ 24,196,833	\$ -	\$ -
International Stocks	651,941	651,941	-	-
Mutual Funds	141,345,506	141,345,506	-	-
Real Estate Investments	4,002,500	-	3,730,000	272,500
Other Investments	38,017,761	14,569,153	-	23,448,608
Total Investments by Fair Value Level	\$ 208,214,541	\$ 180,763,433	\$ 3,730,000	\$ 23,721,108

Investments Measured at the Net Asset Value (NAV)

Domestic Bonds and Notes	48,764,543
Domestic Stocks	113,801,132
International Stocks	177,422,107
Real Estate Investments	15,022,071
Hedge Funds	75,331,842
Private Equity Funds	98,603,527
Private Real Estate Funds	31,771,157
Total Investments Measured at NAV	560,716,379

Other

SBA Florida PRIME	52,779,250
Other Investments	1,038,077
Total Other Investments	53,817,327
Total Investments	\$ 822,748,247

The university's component units' investments measured at the net asset value (NAV), as of June 30, 2020, totaled \$560,716,379 as follows:

Investments Measured at the NAV	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Domestic Bonds and Notes	\$ 48,764,543	\$ -	Daily	2 days
Domestic Stocks	113,801,132	-	Daily to semi-annually	2 - 60 days
International Stocks	177,422,107	-	Daily to semi-annually	2 - 60 days
Real Estate Investments	15,022,071	-	Daily	2 days
Hedge Funds	75,331,842	-	Monthly to every 3 years	10 - 90 days
Private Equity Funds	98,603,527	85,452,894		
Private Real Estate Funds	31,771,157	21,715,740		
Total Investments Measured at NAV	\$ 560,716,379	\$ 107,168,634		

Investments measured at net asset value are comprised of the following categories:

- ◆ Domestic Bonds and Notes – domestic fixed income institutional pooled funds.
- ◆ Domestic Stocks – equity interests in domestic institutional pooled funds.
- ◆ International Stocks – equity interests in global and emerging market institutional pooled funds.
- ◆ Real Estate – equity interests in global real estate institutional pooled funds, and a real estate limited partnership.
- ◆ Hedge Funds – interests in offshore funds that invest both long and short in domestic and international equities as well as absolute return strategy interests in offshore funds that are designed to produce results that are largely independent of, or have low correlation to, the broader markets.
- ◆ Private Equity – interests in several limited partnership funds that invest in private equity, venture capital, and distressed assets.
- ◆ Private Real Estate - interests in several limited partnership funds that invest in real estate and natural resources.

External Investment Pools

The university reported investments at fair value totaling \$797,370,665 at June 30, 2020, in the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities. Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The SPIA carried a credit rating of AA-f by Standard & Poor's, had an effective duration of 0.43 years, and fair value factor of 1.0291 at June 30, 2020. Participants contribute to the Treasury Pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participants' total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. The university relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to financial statements of the State's Comprehensive Annual Financial Report.

The Research Foundation and Magnet Research and Development reported investments at fair value totaling \$52,477,895 and \$301,355, respectively, at June 30, 2020, in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. These investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, at June 30, 2020, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The Florida PRIME investment pool carried a credit rating of AAAM by Standard & Poor's and had a weighted average days to maturity (WAM) of 53 days as of June 30, 2020. A portfolio's WAM reflects the average maturity in days, based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the Florida PRIME investment pool to interest rate changes. The investments in the Florida PRIME investment pool are reported at fair value, which is amortized cost.

State Board of Administration Debt Service Accounts

The university reported investments at fair value totaling \$3,614,771 at June 30, 2020, in the SBA Debt Service Accounts. These investments are used to make debt service payments on bonds issued by the State Board of Education for the benefit of the university. The university's investments consist of United States Treasury securities, with maturity dates of six months or less, and are reported at fair value. The university relies on policies developed by the SBA for managing interest rate risk or credit risk for these accounts. Disclosures for the Debt Service Accounts are included in the notes to the financial statements of the State's Comprehensive Annual Financial Report.

Other Investments

In addition to external investment pools, the university and its discretely presented component units invested in various debt and equity securities, mutual funds, and real estate funds. The following are required risk disclosures applicable to investments of the university as well as its discretely presented component units.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The university has investments in bond mutual funds that are subject to interest rate risk. Additionally, investments of the university's discretely presented component units in debt securities, bonds and notes, and bond mutual funds are also subject to interest rate risk. These investments and their future maturities at June 30, 2020, are as follows:

	Fair Value	Investment Maturities (in years)		
		Less Than 1	1-10	Greater Than 10
University	\$ 6,583,022	\$ 5,358,142	\$ 1,224,880	\$ -
Discretely Presented Component Units	\$ 114,979,271	\$ 1,213,517	\$ 106,450,567	\$ 7,315,187

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Obligations of the United States government or obligations explicitly guaranteed by the United States government are not considered to have credit risk (by the GASB) and do not require disclosure of credit quality. The university and the university's discretely presented component units held bond mutual funds which have underlying investments with quality ratings by nationally recognized rating agencies at June 30, 2020, as follows:

	Fair Value	United States Government	AAA	AA/Aa	A/Ba	Less Than A/Ba or Not Rated
University	\$ 6,583,022	\$ -	\$ -	\$ 5,358,142	\$ 1,224,880	\$ -
Discretely Presented Component Units	\$ 114,979,271	\$ 1,428,977	\$ 46,344,173	\$ 10,497,793	\$ 48,181,812	\$ 8,526,516

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the counterparty, the component unit will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Exposure to custodial credit risk relates to investment securities that are held by someone other than the component unit and are not registered in the component unit's name. Neither the university nor its discretely presented component units have identified any investments falling into this category as of June 30, 2020.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the component unit's investment in a single issuer. The university's discretely presented component units manage their concentration of credit risk based on various investment policies, which may be obtained separately from the discretely presented component units.

4. RECEIVABLES

Accounts Receivable

Accounts receivable represent amounts for student tuition and fees, grant and contract reimbursements due from third parties, various sales and services provided to students and third parties, and interest accrued on investments and loans receivable.

As of June 30, 2020, the university reported the following amounts as accounts receivable:

Description	Amount
Student Tuition and Fees	\$ 15,346,370
Grants and Contracts	17,094,593
Sales and Services of Auxiliary Enterprises	23,742,543
Interest	1,440,469
Other	689,352
Total Accounts Receivable	\$ 58,313,327

Loans and Notes Receivable

Loans and notes receivable represent all amounts owed on promissory notes from debtors, including student loans made under the Federal Perkins Loan Program and other loan programs. Loans and notes receivable totaled \$7,103,103 at June 30, 2020.

Allowance for Doubtful Receivables

Allowances for doubtful accounts and loans and notes receivable are reported based on management's best estimate as of fiscal year end considering type, age, collection history, and other factors considered appropriate. Accounts receivable and loans and notes receivable are reported net of allowances of \$2,955,245 and \$2,315,966, respectively, at June 30, 2020. No allowance has been accrued for grants and contracts receivable as university management considers these to be fully collectible.

5. DUE FROM STATE

This amount consists of \$14,195,132 of Public Education Capital Outlay, \$38,177,881 of General Revenue, \$3,789,231 of State Student Financial Aid, and \$2,172,082 of Capital Improvement Fee Trust Fund allocations due from the State to the university for construction of facilities.

6. DUE FROM AND TO COMPONENT UNITS/UNIVERSITY

The university's financial statements are reported for the fiscal year ended June 30, 2020. The university's component units' financial statements are reported as of the most recent fiscal year for which an audit report is available. One component unit has a fiscal year other than June 30. Accordingly, amounts reported by the university as due from and to component units on the statement of net position do not agree with amounts reported by the component units as due from and to the university.

7. CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2020, is shown below:

Description	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable Capital Assets:				
Land	\$ 94,817,999	\$ -	\$ -	\$ 94,817,999
Works of Art and Historical Treasures	75,324,990	216,409	6,500	75,534,899
Construction in Progress	118,213,041	105,969,253	127,730,529	96,451,765
Total Nondepreciable Capital Assets	\$ 288,356,030	\$ 106,185,662	\$ 127,737,029	\$ 266,804,663
Depreciable Capital Assets:				
Buildings	\$ 2,157,604,236	\$ 96,142,193	\$ 151,887	\$ 2,253,594,542
Infrastructure and Other Improvements	152,831,533	13,559,753	1,911,864	164,479,422
Furniture and Equipment	368,616,003	21,886,512	17,008,072	373,494,443
Library Resources	163,789,758	8,533,674	25,193	172,298,239
Property Under Capital Lease	5,411,178	2,558,333	-	7,969,511
Computer Software	49,174,492	-	-	49,174,492
Total Depreciable Capital Assets	2,897,427,200	142,680,465	19,097,016	3,021,010,649
Less, Accumulated Depreciation:				
Buildings	639,527,489	54,473,373	13,285	693,987,577
Infrastructure and Other Improvements	80,090,673	4,232,734	3,255	84,320,152
Furniture and Equipment	256,660,139	22,820,782	11,730,226	267,750,695
Library Resources	129,254,972	7,542,936	25,193	136,772,715
Property Under Capital Lease	81,439	306,333	-	387,772
Computer Software	49,174,492	-	-	49,174,492
Total Accumulated Depreciation	1,154,789,204	89,376,158	11,771,959	1,232,393,403
Total Depreciable Capital Assets, Net	\$ 1,742,637,996	\$ 53,304,307	\$ 7,325,057	\$ 1,788,617,246

8. UNEARNED REVENUE

Unearned revenue includes capital appropriations for which the university had not yet received approval from the Florida Department of Education, as of June 30, 2020, to spend the funds, as well as grants and contracts, and auxiliary sales and services received prior to fiscal year end related to the subsequent accounting period.

As of June 30, 2020, the university reported the following amounts as unearned revenue:

Description	Amount
State Capital Appropriations	\$ 30,375,719
Grants and Contracts	1,136,696
Sales and Services of Auxiliary Enterprises	11,087,749
Total Unearned Revenue	\$ 42,600,164

9. LONG-TERM LIABILITIES

Long-term liabilities of the university at June 30, 2020, include capital improvement debt payable, capital leases payable, accrued self-insurance claims, compensated absences payable, other postemployment benefits payable, revenue received in advance, net pension liability, and other noncurrent liabilities.

Long-term liabilities activity for the fiscal year ended June 30, 2020, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Capital Improvement Debt Payable	\$ 234,629,756	\$ -	\$ 15,781,473	\$ 218,848,283	\$ 16,406,473
Capital Leases Payable	10,908,358	658,306	1,093,621	10,473,043	1,326,440
Accrued Self-Insurance Claims	438,153	-	3,098	435,055	-
Compensated Absences Payable	78,918,666	9,334,513	5,294,216	82,958,963	5,506,121
Other Postemployment Benefits Payable	174,101,000	73,523,913	41,533,475	206,091,438	2,665,138
Revenue Received in Advance	25,423,325	2,810,349	3,823,582	24,410,092	3,418,858
Net Pension Liability	293,670,768	191,342,309	150,165,062	334,848,015	1,391,780
Other Noncurrent Liabilities	11,062,715	8,156,851	3,198,925	16,020,641	2,561,783
Total Long-Term Liabilities	\$ 829,152,741	\$ 285,826,241	\$ 220,893,452	\$ 894,085,530	\$ 33,276,593

Capital Improvement Debt Payable

The university had the following capital improvement debt payable outstanding at June 30, 2020:

Capital Improvement Debt Type and Series	Amount of Original Issue	Principal Amount Outstanding	Unamortized Amount Outstanding (1)	Net Amount Outstanding	Interest Rates (Percent)	Maturity Date To
Auxiliary Revenue Debt:						
2010A Housing	\$ 18,910,000	\$ 14,855,000	\$ (96,852)	\$ 14,758,148	3.5 - 4.75	2040
2011A Housing	27,745,000	17,925,000	(226,416)	17,698,584	3.125 - 4.125	2031
2013A Housing	42,495,000	34,045,000	1,956,073	36,001,073	4.0 - 5.0	2033
2014A Housing	46,085,000	33,490,000	4,829,491	38,319,491	3.25 - 5.0	2031
2015A Housing	59,575,000	52,395,000	4,065,562	56,460,562	3.0 - 5.0	2035
Total Student Housing Debt	194,810,000	152,710,000	10,527,858	163,237,858		
2011A Parking	22,145,000	11,205,000	(41,852)	11,163,148	4.0 - 5.25	2031
2014A Parking	13,485,000	6,230,000	1,069,362	7,299,362	5.0	2025
2017A Parking	7,857,000	5,406,000	(43,441)	5,362,559	2.12	2026
Total Student Parking Debt	43,487,000	22,841,000	984,069	23,825,069		
2005A Dining	10,000,000	3,535,000	-	3,535,000	2.29	2025
2010A Wellness Center	31,320,000	18,975,000	621,350	19,596,350	4.0 - 5.0	2030
Total Auxiliary Debt	279,617,000	198,061,000	12,133,277	210,194,277		
2012 Research Foundation Revenue Debt	11,920,000	7,930,000	724,006	8,654,006	3.0 - 4.0	2031
Total Capital Improvement Debt	\$ 291,537,000	\$ 205,991,000	\$ 12,857,283	\$ 218,848,283		

(1) Unamortized amounts include bond discounts, premiums, and/or gains/losses on bond refundings.

The university has pledged a portion of future housing rental revenues, traffic and parking fees, food service revenues, and assessed student transportation and student health fees based on credit hours to repay \$279.6 million in capital improvement (housing, parking, etc.) revenue bonds issued by the Florida Board of Governors on behalf of the university. Proceeds from the bonds provided financing to construct student parking garages, student housing facilities, a health center, and other student service facilities. The bonds are payable solely from housing rental income, traffic and parking fees, food service revenues, and assessed student transportation and student health fees, and are payable through 2040. The university has committed to appropriate each year from the housing rental income, traffic and parking fees, food service revenues, and assessed student transportation and student health fees amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$261 million and principal and interest paid for the current year totaled \$23.1 million.

Revenue Pledged	Amount
Housing Rental Income	\$42,905,062
Traffic, Parking and Transportation Fees	12,229,569
Food Service Revenues	2,882,646
Student Health Fees	15,451,764

NOTES TO FINANCIAL STATEMENTS

Annual requirements to amortize all capital improvement debt outstanding as of June 30, 2020, are as follows:

Fiscal Year Ending June 30	General		Direct Placement		Total
	Principal	Interest	Principal	Interest	
2021	\$ 13,745,000	\$ 8,568,081	\$ 1,496,000	\$ 196,683	\$ 24,005,764
2022	14,390,000	7,934,413	1,544,000	163,676	24,032,089
2023	14,290,000	7,265,619	1,595,000	129,591	23,280,210
2024	13,460,000	6,592,107	1,649,000	94,451	21,795,558
2025	14,090,000	5,959,307	1,708,000	57,902	21,815,209
2026-2030	73,055,000	20,310,305	949,000	20,120	94,334,425
2031-2035	48,990,000	6,516,331	-	-	55,506,331
2036-2040	5,030,000	738,625	-	-	5,768,625
Subtotal	197,050,000	63,884,788	8,941,000	662,423	270,538,211
Plus: Unamortized Premiums and (Discounts), Net	12,900,724	-	(43,441)	-	12,857,283
Total	\$ 209,950,724	\$ 63,884,788	\$ 8,897,559	\$ 662,423	\$ 283,395,494

Direct placements are defined by GASB as debt obligations that have terms negotiated directly with an investor and are not offered for public sale. The 2005A Dining and 2017A Parking issues are the only direct placements of the university's capital improvement debt payable. All the remaining issues were offered for public sale.

Capital Leases Payable

The university has capital leases payable related to direct borrowing agreements entered into for equipment totaling \$10,473,043 with stated interest rates ranging from 1.8 to 3.295 percent. Direct borrowings are defined by GASB as debt obligations that have terms negotiated directly with a lender and are not offered for public sale.

Future minimum payments under the capital lease agreements and the present value of the minimum payments as of June 30, 2020, are as follows:

Fiscal Year Ending June 30	Amount
2021	\$ 1,565,993
2022	1,524,849
2023	1,524,849
2024	1,483,704
2025	1,360,272
2026-2029	4,117,974
Total Minimum Payments	11,577,641
Less, Amount Representing Interest	1,104,598
Present Value of Minimum Payments	\$ 10,473,043

Compensated Absences Payable

Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave earned pursuant to Board of Governors' Regulations, university regulations, and bargaining agreements. Leave earned is accrued to the credit of the employee and records are kept on each employee's unpaid (unused) leave balance. The university reports a liability for the accrued leave; however, State noncapital appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the university expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2020, the estimated liability for compensated absences, which includes the university's share of the Florida Retirement System and FICA contributions, totaled \$82,958,963. The current portion of the compensated absences liability, \$5,506,121, is the amount expected to be paid in the coming fiscal year, and represents a historical percentage of leave used applied to total accrued leave liability.

Other Postemployment Benefits Payable

As a participating employer in the State Employees' Group Health Insurance Plan, the university recognizes its proportionate share of the collective other postemployment benefits liability of the multiple-employer defined benefit health plan. As of June 30, 2020, the university's proportionate share of the total OPEB liability totaled \$206,091,438.

Revenue Received in Advance

Long-term revenue received in advance represents funds received but not yet earned under the terms and conditions of auxiliary services contracts. Total long-term revenue received in advance at June 30, 2020, amounted to \$24,410,092, with \$3,418,858 expected to be earned during the 2020-21 fiscal year.

Net Pension Liability

As a participating employer in the Florida Retirement System, the university recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2020, the university's proportionate share of the net pension liabilities totaled \$334,848,015.

Other Noncurrent Liabilities

Other noncurrent liabilities mainly consist of the Federal Capital Contribution (advance) provided to fund the university's Federal Perkins Loan Program, and the university's share of Social Security taxes deferred under the Federal CARES Act enacted during the 2019-20 fiscal year. The advance amount totaling \$7,935,872 will ultimately be returned to the Federal Government should the university cease making Federal Perkins Loans or if the university has excess cash in the loan program. The deferred employer taxes totaling \$6,249,756 as of June 30, along with any additional deferred taxes, will be remitted subsequent to the deferral period ending December 31, 2020.

10. OTHER POSTEMPLOYMENT BENEFITS

General Information about Other Postemployment Benefits

The university follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits administered by the Florida Department of Management Services, Division of State Group Insurance.

Other Postemployment Benefits Plan

Plan Description – The State Employees' Group Health Insurance Plan for other postemployment benefits is a multiple-employer defined benefit health plan (OPEB Plan). Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the university are eligible to participate in the OPEB Plan. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. A retiree means any officer or employee who retires under a State retirement system or State optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any officer or employee who retires under the Florida Retirement System Investment Plan is considered a "retiree" if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. The university subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan contribution requirements and benefit terms necessary for funding the OPEB Plan each year is on a pay-as-you-go basis as established by the Governor's recommended budget and the General Appropriations Act. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

Benefits Provided – The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

Proportionate Share of the Total OPEB Liability

The university's proportionate share of the total OPEB liability of \$206.1 million was measured as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2019. At June 30, 2020, the university's proportionate share, determined by its proportion of total benefit payments made, was 1.63 percent, which was a decrease of 0.2 percent from its proportionate share reported as of June 30, 2019.

Actuarial Assumptions and Other Inputs – The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- ◆ Inflation 2.60 percent
- ◆ Salary Increases Varies by FRS class
- ◆ Discount Rate 2.79 percent

Healthcare cost trend rates for the Preferred Provider Option (PPO) Plan and Health Maintenance Organization (HMO) Plan, respectively, are 6.7 and 5.2 percent for the 2019-20 fiscal year, increasing to a maximum rate of 8.6 and 6.6 percent in the 2022-23 fiscal year, and gradually decreasing to 5.2 and 5.3 percent after the 2070-71 fiscal year.

NOTES TO FINANCIAL STATEMENTS

Retiree premium trend rates for both the PPO and HMO plans are 5.9 percent for the 2019-20 fiscal year, increasing to a maximum of 7.4 percent for 2022-23 fiscal year, and gradually decreasing to 5.2 percent after the 2070-71 fiscal year.

The discount rate was based on the S&P Municipal Bond 20-year High Grade Rate Index. This is a change from the prior year discount rate which was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period January 1, 2010, through December 31, 2014, adopted by the FRS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the July 1, 2019, valuation were based on a review of recent plan experience done concurrently with the July 1, 2019, valuation.

The following changes have been made since the prior valuation:

- ◆ The census data reflects changes in status for the twenty-four (24) month period since July 1, 2019.
- ◆ The discount rate as of the measurement date for GASB 75 purposes is 2.79 percent. The prior GASB 75 report used 3.87 percent. The GASB 75 discount rate is based on the 20-year municipal bond rate as of June 30, 2019.
- ◆ In addition, the liability was increased by approximately 12 percent to reflect the full impact of the Excise Tax that will come into effect in 2022. There is a reasonable chance that this tax will be repealed before it actually takes effect.
- ◆ The assumed claims and premiums reflect the actual claims information as well as the premiums that are actually being charged to participants. These updates resulted in lower liabilities as of June 30, 2019.
- ◆ The medical trend assumption is updated each year based on the Getzen Model. The medical trend rates used are consistent with the August 2019 Report on the Financial Outlook of the Plan along with information from the Getzen Model and actuarial judgment. The impact of the trend rate changes is a decrease in the liability, due primarily to lower trend rates in the first several years.
- ◆ The mortality rates were updated to those required by Chapter 2015-157, Florida Statutes for pension plans. This law mandates the use of the assumption used in either of the two most recent valuations of the FRS. The rates are those outlined in Milliman's July 1, 2018 FRS valuation report. The impact of this change was very small and does not materially impact the results.

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate – The following table presents the university's proportionate share of the total OPEB liability, as well as what the university's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.79 percent) or 1 percentage-point higher (3.79 percent) than the current rate:

	1% Decrease (1.79%)	Current Discount Rate (2.79%)	1% Increase (3.79%)
University's proportionate share of the total OPEB liability	\$ 251,633,163	\$ 206,091,438	\$ 171,045,755

Sensitivity to the University's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table presents the university's proportionate share of the total OPEB liability, as well as what the university's proportionate share of the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
University's proportionate share of the total OPEB liability	\$ 166,604,573	\$ 206,091,438	\$ 260,398,901

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

For the fiscal year ended June 30, 2020, the university recognized OPEB expense of \$13,902,774. At June 30, 2020, the university reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 5,305,959
Changes of assumptions or other inputs	25,840,014	29,143,699
Changes in proportion and differences between university benefit payments and proportionate share of benefit payments	3,969,125	1,985,817
Transactions subsequent to the measurement date	2,730,138	-
Total	\$ 32,539,277	\$ 36,435,475

Of the total amount reported as deferred outflows of resources related to OPEB, \$2,730,138 resulting from transactions (e.g. benefit payments) subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability and included in OPEB expense in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2021	\$ (2,059,761)
2022	(2,059,761)
2023	(2,059,761)
2024	(2,059,761)
2025	(2,059,761)
Thereafter	3,672,469
Total	\$ (6,626,336)

11. RETIREMENT PLANS - DEFINED BENEFIT PENSION PLANS

General Information about the Florida Retirement System

The Florida Retirement System was created in Chapter 121, Florida Statutes, in order to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class (SMSC) employed by the State and faculty and specified employees in the State university system. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the university are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services website (www.dms.myflorida.com).

The university's pension expense for the FRS and HIS cost-sharing multiple-employer defined benefit plans totaled \$75,854,724 for the 2019-20 fiscal year.

FRS Pension Plan

Plan Description - The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- ◆ *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- ◆ *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- ◆ *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of creditable service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of creditable service. Members of the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The Deferred Retirement Option Program, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS-participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP

NOTES TO FINANCIAL STATEMENTS

participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided - Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 years of service or more	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00
Special Risk Class	3.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions - The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019-20 fiscal year were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (1)
Florida Retirement System, Regular	3.00	8.47
Florida Retirement System, Senior Management Service	3.00	25.41
Florida Retirement System, Special Risk	3.00	25.48
Teachers' Retirement System, Plan E	6.25	11.90
Deferred Retirement Option Program - Applicable to		
Members from All of the Above Classes or Plan	0.00	14.60
Florida Retirement System, Reemployed Retiree	(2)	(2)

(1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The university's contributions to the Plan totaled \$24,563,022 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2020, the university reported a liability of \$262,063,652 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The university's proportionate share of the net pension liability was based on the university's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the university's proportion was 0.76 percent, which was an increase of .01 percent from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the university recognized pension expense of \$69,957,375. In addition, the university reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	15,543,744	\$	162,634
Changes of assumptions		67,309,221		-
Net difference between projected and actual earnings on pension plan investments		-		14,498,729
Changes in proportion and differences between university contributions and proportionate share of contributions		7,906,663		210,969
University contributions subsequent to the measurement date		24,563,022		-
Total	\$	115,322,650	\$	14,872,332

The deferred outflows of resources totaling \$24,563,022, resulting from university contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2021	\$ 27,712,814
2022	8,802,080
2023	19,233,441
2024	14,838,712
2025	4,258,105
Thereafter	1,042,144
Total	\$ 75,887,296

Actuarial Assumptions - The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- ◆ Inflation 2.60 percent
- ◆ Salary Increases 3.25 percent, average, including inflation
- ◆ Investment Rate of Return 6.90 percent, net of Plan investment expense, including inflation

Mortality rates were based on the PUB2010 base table, projected generationally with Scale MP-2018. This is a change from the prior year mortality assumption which was based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Annual Geometric Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed Income	18.0%	4.1%	4.1%	3.5%
Global Equity	54.0%	8.0%	6.8%	16.5%
Real Estate (Property)	10.0%	6.7%	6.1%	11.7%
Private Equity	11.0%	11.2%	8.4%	25.8%
Strategic Investments	6.0%	5.9%	5.7%	6.7%
Total	100.0%			
Assumed Inflation - Mean			2.6%	1.7%

(1) As outlined in the Plan's investment policy

NOTES TO FINANCIAL STATEMENTS

Discount Rate - The discount rate used to measure the total pension liability was 6.90 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2019 valuation was updated from 7.00 percent to 6.90 percent.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the university's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the university's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
University's proportionate share of the net pension liability	\$ 453,020,787	\$ 262,063,652	\$ 102,582,144

Pension Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

HIS Pension Plan

Plan Description - The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended June 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2020, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statutes. The university contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The university's contributions to the HIS Plan totaled \$3,657,181 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2020, the university reported a liability of \$72,784,363 for its proportionate share of the net pension liability. The current portion of the net pension liability is the university's proportionate share of benefit payments expected to be paid within one year, net of the university's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, and update procedures were used to determine liabilities as of June 30, 2019. The university's proportionate share of the net pension liability was based on the university's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the university's proportion was 0.65 percent, which was equal to its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the university recognized pension expense of \$5,897,349. In addition, the university reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 884,047	\$ 89,122
Changes of assumptions	8,427,742	5,948,801
Net difference between projected and actual earnings on HIS Plan investments	46,967	-
Changes in proportion and differences between university contributions and proportionate share of contributions	1,040,285	700,550
University contributions subsequent to the measurement date	3,657,181	-
Total	\$ 14,056,222	\$ 6,738,473

The deferred outflows of resources totaling \$3,657,181 was related to pensions resulting from university contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflows and deferred inflows of resources of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2021	\$ 1,730,234
2022	1,285,262
2023	606,486
2024	(542,690)
2025	26,362
Thereafter	554,914
Total	\$ 3,660,568

Actuarial Assumptions - The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- ◆ Inflation 2.60 percent
- ◆ Salary Increases 3.25 percent, average, including inflation
- ◆ Municipal Bond Rate 3.50 percent

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate - The discount rate used to measure the total pension liability was 3.50 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. As part of the update procedures applied to the 2018 valuation, the discount rate was revised from 3.87 percent to 3.50 percent.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the university's proportionate share of the net pension liability calculated using the discount rate of 3.50 percent, as well as what the university's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.50 percent) or 1 percentage-point higher (4.50 percent) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
University's proportionate share of the net pension liability	\$ 83,087,082	\$ 72,784,363	\$ 64,203,365

Pension Plan Fiduciary Net Position - Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Comprehensive Annual Financial Report.

12. RETIREMENT PLANS - DEFINED CONTRIBUTION PENSION PLANS

FRS Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State's Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. University employees already participating in the State University System Optional Retirement Program or DROP are not eligible to participate in this program. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions, that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2019-20 fiscal year were as follows:

Class or Plan	Percent of Gross Compensation
Florida Retirement System, Regular	6.30
Florida Retirement System, Senior Management Service	7.67
Florida Retirement System, Special Risk	14.00

NOTES TO FINANCIAL STATEMENTS

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the university.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The university's contributions to the Investment Plan totaled \$4,445,819 and employee contributions totaled \$1,517,741 for the 2019-20 fiscal year.

State University System Optional Retirement Program

Section 121.35, Florida Statutes, provides for an Optional Retirement Program (ORP) for eligible university instructors and administrators. The ORP is designed to aid State universities in recruiting employees by offering more portability to employees not expected to remain in the FRS for eight or more years.

The ORP is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the ORP, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes 5.14 percent of the participant's salary to the participant's account, 3.56 percent to cover the unfunded actuarial liability of the FRS pension plan, and 0.01 percent to cover administrative costs, for a total of 8.71 percent, and employees contribute 3 percent of the employee's salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the university to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

The university's contributions to the ORP totaled \$24,849,555 and employee contributions totaled \$14,006,266 for the 2019-20 fiscal year.

13. CONSTRUCTION COMMITMENTS

The university's construction commitments at June 30, 2020, were as follows:

Project Description	Total Commitment	Completed to Date	Committed Balance
Student Union Expansion	\$ 139,678,838	\$ 41,493,299	\$ 98,185,539
Legacy Hall, College of Business	88,000,000	2,434,749	85,565,251
Interdisciplinary Research Commercialization Building	27,873,304	4,499,636	23,373,668
Biology Medical Research Building	20,000,000	11,337,078	8,662,922
Hoffman Teaching Lab Renovations	17,200,000	10,886,219	6,313,781
Center for Advanced Power Systems Research Building	9,700,000	3,940,188	5,759,812
Florida State University Schools STEAM Building	6,500,000	2,966,032	3,533,968
Other (1)	123,099,155	18,894,564	104,204,591
Total	\$ 432,051,297	\$ 96,451,765	\$ 335,599,532

(1) All other projects with committed balances less than \$5 million.

14. RISK MANAGEMENT PROGRAMS

The university is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Pursuant to Section 1001.72(2), Florida Statutes, the university participates in State self-insurance programs providing insurance for property and casualty, workers' compensation, general liability, fleet automotive liability, Federal Civil Rights, and employment discrimination liability. During the 2019-20 fiscal year, for property losses, the State retained the first \$2 million per occurrence for all perils except named windstorm and flood. The State retained the first \$2 million per occurrence with an annual aggregate retention of \$40 million for named windstorm and flood losses. After the annual aggregate retention, losses in excess of \$2 million per occurrence were commercially insured up to \$68.5 million for named windstorm and flood losses through February 14, 2020, and decreased to \$62.5 million starting February 15, 2020. For perils other than named windstorm and flood, losses in excess of \$2 million per occurrence were commercially insured up to \$225 million; and losses exceeding those amounts were retained by the State. No excess insurance coverage

is provided for workers' compensation, general and automotive liability, Federal Civil Rights and employment action coverage; all losses in these categories are completely self-insured by the State through the State Risk Management Trust Fund established pursuant to Chapter 284, Florida Statutes. Payments on tort claims are limited to \$200,000 per person, and \$300,000 per occurrence as set by Section 768.28(5), Florida Statutes. Calculation of premiums considers the cash needs of the program and the amount of risk exposure for each participant. Settlements have not exceeded insurance coverage during the past three fiscal years.

Pursuant to Section 110.123, Florida Statutes, university employees may obtain healthcare services through participation in the State group health insurance plan or through membership in a health maintenance organization plan under contract with the State. The State's risk financing activities associated with State group health insurance, such as risk of loss related to medical and prescription drug claims, are administered through the State Employees Group Health Insurance Trust Fund. It is the practice of the State not to purchase commercial coverage for the risk of loss covered by this Fund. Additional information on the State's group health insurance plan, including the actuarial report, is available from the Florida Department of Management Services, Division of State Group Insurance.

University Self-Insurance Program

The Florida State University College of Medicine Self-Insurance Program was established pursuant to Section 1004.24, Florida Statutes on July 1, 2006. The Self-Insurance Program provides professional and general liability protection for the Florida State University Board of Trustees for claims and actions arising from the clinical activities of the College of Medicine faculty, staff and resident physicians. This includes the faculty and staff of the College of Nursing, effective July 1, 2009, and the faculty and staff of the Student Health Center, effective July 1, 2010. Liability protection is afforded to the students of each college. The Self-Insurance Program provides legislative claims bill protection.

The university is protected for losses that are subject to Section 768.28, Florida Statutes, to the extent of the waiver of sovereign immunity as described in Section 768.28(5), Florida Statutes. The Self-Insurance Program also provides \$1,000,000 per legislative claims bills inclusive of payments made pursuant to Section 768.28, Florida Statutes; \$250,000 per occurrence of protection for the participants that are not subject to the provisions of Section 768.28, Florida Statutes; \$250,000 per claim protection for participants who engage in approved community service and act as Good Samaritans; and student protections of \$200,000 for a claim arising from an occurrence for any one person, \$300,000 for all claims arising from an occurrence and professional liability required by a hospital or other healthcare facility for educational purposes not to exceed a per occurrence limit of \$1,000,000.

The Self-Insurance Program's estimated liability for unpaid claims at fiscal year-end is the result of management and actuarial analysis and includes an amount for claims that have been incurred but not reported. Changes in the balances of claims liability for the Self-Insurance Program during the 2019-20 fiscal year are presented in the following table:

Fiscal Year	Claims Liabilities Beginning of Year	Current Claims/ Changes in Estimates	Claims Payments	Claims Liabilities End of Year
2018-19	\$ 516,411	\$ (77,501)	\$ (757)	\$ 438,153
2019-20	438,153	(3,098)	-	435,055

15. FUNCTIONAL DISTRIBUTION OF OPERATING EXPENSES

The functional classification of an operating expense (instruction, research, etc.) is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. For example, activities of academic departments for which the primary departmental function is instruction may include some activities other than direct instruction such as research and public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The operating expenses on the statement of revenues, expenses, and changes in net position are presented by natural classifications. The following are those same expenses presented in functional classifications as recommended by NACUBO:

Functional Classification	Amount
Instruction	\$ 418,033,153
Research	182,445,339
Public Service	36,896,261
Academic Support	127,755,340
Student Services	57,047,042
Institutional Support	86,643,567
Operation and Maintenance of Plant	103,957,260
Scholarships and Fellowships	136,880,541
Depreciation	89,376,158
Auxiliary Enterprises	161,265,395
Total Operating Expenses	\$ 1,400,300,056

16. SEGMENT INFORMATION

A segment is defined as an identifiable activity (or grouping of activities) that has one or more bonds or other debt instruments outstanding with a revenue stream pledged in support of that debt. In addition, the activity's related revenues, expenses, gains, losses, assets, and liabilities are required to be accounted for separately. The following financial information for the university's Parking and Housing facilities represents identifiable activities for which one or more bonds are outstanding:

Condensed Statement of Net Position

	Parking Facility	Housing Facility
Assets		
Current Assets	\$ 6,770,288	\$ 75,599,616
Capital Assets, Net	65,555,203	281,400,416
Other Noncurrent Assets	3,018,377	10,319,531
Total Assets	75,343,868	367,319,563
Liabilities		
Current Liabilities	4,029,317	10,910,810
Noncurrent Liabilities	19,925,446	154,590,936
Total Liabilities	23,954,763	165,501,746
Net Position		
Net Investment in Capital Assets	41,730,134	118,162,557
Restricted - Expendable	2,967,619	10,394,154
Unrestricted	6,691,352	73,261,106
Total Net Position	\$ 51,389,105	\$ 201,817,817

Condensed Statement of Revenues, Expenses, and Changes in Net Position

Operating Revenues	\$ 12,229,569	\$ 42,905,062
Depreciation Expense	(1,969,692)	(8,347,570)
Other Operating Expenses	(6,464,817)	(22,824,450)
Operating Income	3,795,060	11,733,042
Net Nonoperating Revenues (Expenses)	(389,279)	1,522,465
Income Before Other Revenues, Expenses, Gains, or Losses	3,405,781	13,255,507
Other Revenues, Expenses, Gains, or Losses	(247,843)	(1,313,717)
Increase in Net Position	3,157,938	11,941,790
Net Position, Beginning of Year	48,231,167	189,876,027
Net Position, End of Year	\$ 51,389,105	\$ 201,817,817

Condensed Statement of Cash Flows

Net Cash Provided (Used) by:		
Operating Activities	\$ 5,735,517	\$ 20,584,511
Noncapital Financing Activities	(247,843)	(1,313,717)
Capital and Related Financing Activities	(4,783,116)	(19,117,710)
Investing Activities	(695,290)	(262,226)
Net Increase (Decrease) in Cash and Cash Equivalents	9,268	(109,142)
Cash and Cash Equivalents, Beginning of Year	26,126	194,430
Cash and Cash Equivalents, End of Year	\$ 35,394	\$ 85,288

17. DISCRETELY PRESENTED COMPONENT UNITS

The university has twelve component units as discussed in note 1. These component units comprise 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns of the financial statements.

	Foundation 6/30/2020	Boosters 6/30/2020	Research Foundation 6/30/2020	International Programs Association 9/30/2019	Florida State University Schools 6/30/2020	Other Component Units 6/30/2020	Total
Condensed Statement of Net Position							
Assets:							
Current Assets	\$ 45,720,705	\$ 34,045,054	\$ 156,705,348	\$ 20,055,838	\$ 27,425,148	\$ 19,719,081	\$ 303,671,174
Capital Assets, Net	5,619,357	204,133,006	15,158,342	27,799,620	21,909,384	594,544	275,214,253
Other Noncurrent Assets	678,748,998	176,206,628	10,020,654	353,587	-	5,888,529	871,218,396
Total Assets	730,089,060	414,384,688	181,884,344	48,209,045	49,334,532	26,202,154	1,450,103,823
Deferred Outflows of Resources	-	1,648,172	-	-	-	-	1,648,172
Liabilities:							
Current Liabilities	11,201,456	64,351,369	20,790,917	2,905,636	10,106,254	7,597,532	116,953,164
Noncurrent Liabilities	11,870,903	178,133,865	8,251,999	327,816	9,431,439	12,415,850	220,431,872
Total Liabilities	23,072,359	242,485,234	29,042,916	3,233,452	19,537,693	20,013,382	337,385,036
Deferred Inflows of Resources	12,975,909	-	-	-	-	1,785,979	14,761,888
Net Position:							
Net Investment in Capital Assets	2,466,378	29,643,946	6,311,343	27,799,620	12,543,961	594,544	79,359,792
Restricted, Nonexpendable	456,823,214	47,823,619	-	-	-	1,820,572	506,467,405
Restricted, Expendable	234,091,308	108,306,108	-	-	8,144,161	1,730,529	352,272,106
Unrestricted	659,892	(12,226,047)	146,530,085	17,175,973	9,108,717	257,148	161,505,768
Total Net Position	\$ 694,040,792	\$ 173,547,626	\$ 152,841,428	\$ 44,975,593	\$ 29,796,839	\$ 4,402,793	\$ 1,099,605,071
Condensed Statement of Revenues, Expenses, and Changes in Net Position							
Operating Revenues	\$ 29,001,093	\$ 59,285,918	\$ 16,655,065	\$ 23,217,097	\$ 17,427,541	\$ 12,504,203	\$ 158,090,917
Operating Expenses	60,013,336	64,437,433	15,631,483	18,896,318	13,287,754	28,587,066	200,853,390
Operating Income (Loss)	(31,012,243)	(5,151,515)	1,023,582	4,320,779	4,139,787	(16,082,863)	(42,762,473)
Net Nonoperating Revenues (Expenses)	2,226,077	(3,045,908)	5,301,880	324,577	288,856	2,377,440	7,472,922
Other Revenues, Expenses, Gains, and Losses	11,469,478	7,220,671	-	-	155,912	-	18,846,061
Increase (Decrease) in Net Position	(17,316,688)	(976,752)	6,325,462	4,645,356	4,584,555	(13,705,423)	(16,443,490)
Net Position, Beginning of Year	711,357,480	174,524,378	146,515,966	40,330,237	25,212,284	18,579,474	1,116,519,819
Adjustment to Beginning Net Position	-	-	-	-	-	(471,258)	(471,258)
Net Position, End of Year	\$ 694,040,792	\$ 173,547,626	\$ 152,841,428	\$ 44,975,593	\$ 29,796,839	\$ 4,402,793	\$ 1,099,605,071

OTHER REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY

Description	2019 (1)	2018 (1)	2017 (1)
University's proportion of the total other postemployment benefits liability	1.63%	1.65%	1.65%
University's proportionate share of the total other postemployment benefits liability	\$206,091,438	\$174,101,000	\$178,386,000
University's covered payroll	\$482,527,134	\$455,890,734	\$438,212,856
University's proportionate share of the total other postemployment benefits liability as a percentage of its covered payroll	42.71%	38.19%	40.71%

(1) The amounts presented for the fiscal year were determined as of June 30.

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The university's June 30, 2020 proportionate share of the total OPEB liability increased from the prior fiscal year as a result of changes to assumptions as discussed below:

Changes of assumptions - In 2020, amounts reported as changes of assumptions resulted from adjustments to the discount rate which is based on the 20-year municipal bond rate as of June 30, 2019, and the full impact of the excise tax that will come into effect in 2022. The municipal bond rate used to determine OPEB liability decreased from 3.87 percent to 2.79 percent. Refer to Note 10 to the financial statements for further detail.

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM PENSION PLAN

Description	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)
University's proportion of the FRS net pension liability	0.76%	0.75%	0.72%	0.72%	0.72%	0.70%	0.55%
University's proportionate share of the FRS net pension liability	\$ 262,063,652	\$ 225,130,592	\$ 212,443,411	\$ 181,310,252	\$ 93,262,711	\$ 42,528,294	\$ 94,644,224
University's covered payroll (2)	\$ 482,527,134	\$ 455,890,734	\$ 438,212,856	\$ 423,172,345	\$ 407,099,915	\$ 389,854,458	\$ 368,648,639
University's proportion of the FRS net pension liability as a percentage of its covered payroll	54.31%	49.38%	48.48%	42.85%	22.91%	10.91%	25.67%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%	88.54%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State University System optional retirement program members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

SCHEDULE OF UNIVERSITY CONTRIBUTIONS - FLORIDA RETIREMENT SYSTEM PENSION PLAN

Description	2020 (1)	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
Contractually required FRS contribution	\$ 24,563,022	\$ 23,595,217	\$ 21,301,230	\$ 18,696,925	\$ 17,510,994	\$ 17,604,243	\$ 15,267,633
FRS contributions in relation to the contractually required FRS contribution	(24,563,022)	(23,595,217)	(21,301,230)	(18,696,925)	(17,510,994)	(17,604,243)	(15,267,633)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered payroll (2)	\$ 503,662,186	\$ 482,527,134	\$ 455,890,734	\$ 438,212,856	\$ 423,172,345	\$ 407,099,915	\$ 389,854,458
FRS contributions as a percentage of covered payroll	4.88%	4.89%	4.67%	4.27%	4.14%	4.32%	3.92%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State University System optional retirement program members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

Changes of assumptions - The long-term expected rate of return was decreased from 7.00 percent to 6.90 percent, and the active member mortality assumption was updated.

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - HEALTH INSURANCE SUBSIDY PENSION PLAN

Description	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)
University's proportion of the HIS net pension liability	0.65%	0.65%	0.65%	0.66%	0.65%	0.64%	0.62%
University's proportionate share of the HIS net pension liability	\$ 72,784,363	\$ 68,540,176	\$ 69,890,112	\$ 76,700,313	\$ 66,652,215	\$ 59,936,732	\$ 54,347,452
University's covered payroll (2)	\$ 216,222,787	\$ 209,298,557	\$ 206,288,311	\$ 201,302,795	\$ 196,319,296	\$ 188,768,602	\$ 179,775,016
University's proportion of the HIS net pension liability as a percentage of its covered payroll	33.66%	32.75%	33.88%	38.10%	33.95%	31.75%	30.23%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%	1.78%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

SCHEDULE OF UNIVERSITY CONTRIBUTIONS - HEALTH INSURANCE SUBSIDY PENSION PLAN

Description	2020 (1)	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
Contractually required HIS contribution	\$ 3,657,181	\$ 3,612,160	\$ 3,511,821	\$ 3,459,247	\$ 3,373,247	\$ 2,498,290	\$ 2,195,911
HIS contributions in relation to the contractually required HIS contribution	(3,657,181)	(3,612,160)	(3,511,821)	(3,459,247)	(3,373,247)	(2,498,290)	(2,195,911)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
University's covered payroll (2)	\$ 218,367,106	\$ 216,222,787	\$ 209,298,557	\$ 206,288,311	\$ 201,302,795	\$ 196,319,296	\$ 188,768,602
HIS contributions as a percentage of covered payroll	1.67%	1.67%	1.68%	1.68%	1.68%	1.27%	1.16%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Changes of assumptions - The 20-year municipal bond rate used to determine total pension liability decreased from 3.87 percent to 3.50 percent.



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

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Tallahassee, Florida 32399-1450



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Florida State University, a component unit of the State of Florida, and its aggregate discretely presented component units as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated January 29, 2021, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
January 29, 2021
Audit Report No. 2021-119



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Florida State University
Annual Report 2019–2020



FSU PC Collegiate High School

Sample Comprehensive Graduation Plan / Program of Study

This form is to be completed and signed by the student, his or her parent/guardian, the high school counselor, and an FSU PC Dual Enrollment Advisor.

Each plan is specific to the student and customized based on high school credits previously taken prior to admission.

The Collegiate High School's curriculum model provides an opportunity for students to meet high school graduation requirements, earn industry certifications related to the student's intended major, earn up to 60 dual enrollment credits applicable to the student's intended undergraduate major, and complete a senior capstone project. Students must meet dual enrollment admission criteria.

Name: _____ FSU ID: _____
 Phone Number: _____ Cell: _____
 Address: _____ HS Graduation Year: _____
 Intended Undergraduate Major: **Information Technology (11.0103)**
 Dual Enrollment Coursework includes common prerequisites for Information Technology as identified in Florida's Common Course
 Curriculum: Prerequisite Manual.
 Secondary Curriculum Information Technology, Career Cluster Pathway: Cybersecurity, CTE Secondary Curriculum Framework: Cybersecurity
 Framework: (9001300)
 Suggested Industry MTA Windows Operating Systems Fund, MTA Mobility & Devices Fund, MTA Networking Fund, MTA Security Fund,
 Certifications: CompTIA A+, CompTIA Security+, CompTIA Networking+ (MICRO076, MICRO102, MICRO078, MICRO077, COMPT001, COMPT006, COMPT009)

HS = High School Credits, CC=College Credits

	Fall	HS	CC	Spring	HS	CC
9th Grade	English 1	0.5	0	English 1	0.5	0
	Algebra 1	0.5	0	Algebra 1	0.5	0
	Earth Science	0.5	0	Earth Science	0.5	0
	America History	0.5	0	American History	0.5	0
	Computer and Network Security Fundamentals*	0.5	0	Computer and Network Security Fundamentals*	0.5	0
	Personal Fitness	0.5	0	Physical Education	0.5	0
10th Grade	English 2	0.5	0	English 2	0.5	0
	Geometry	0.5	0	Geometry	0.5	0
	Biology	0.5	0	Biology	0.5	0
	World History	0.5	0	World History	0.5	0
	Cybersecurity Essentials*	0.5	0	Cybersecurity Essentials*	0.5	0
	Elective	0.5	0	Elective	0.5	0
11th Grade	ENC 1101 Freshman Composition	1	3	ENC 2135 Research, Genre, and Context	1	3
	MAC 1105 College Algebra	1	3	STA 2023 Fundamental Business Statistics (or STA 2122)	1	3
	PHI 2010 Introduction to Philosophy (IDS 2144 or PHI 2630)	1	3	General Education History	1	3
	PHY 2012 General Psychology	1	3	ECO 2013 Principles of Macroeconomics	1	3
	Foreign Language	1	3	Foreign Language	1	3
	1700370 Critical Thinking and Study Skills*	0.5	0	1700370 Critical Thinking and Study Skills*	0.5	0
12th Grade	MAC 1140 Pre-Calculus Algebra	1	3	COP 2258 Problem Solving with Object-Oriented Programming	1	3
	General Education Core Humanities Cultural Practice	1	3	LIS 2780 Database Concepts	1	3
	General Education Natural Science	1	3	Multicultural (X/Y)	1	3
	Writing / E-Series Course	1	3	General Education Core Natural Science with Lab	1	4
	LIS 2360 Web Applications Development*	1	3	Scholarship in Practice	1	3
	1700380 Research / Capstone*	0.5	0	1700380 Research / Capstone*	0.5	0
Subtotal		17	30		17	31
Total					34	61

* Courses with opportunities to earn industry certifications

Signatures

Student _____

Date _____

Parent/Guardian _____

Date _____

HS Counselor _____

Date _____

FSU PC Advisor _____

Date _____

APPENDIX C1



THE FLORIDA STATE UNIVERSITY

Office of the Vice President for Research
3012 Westcott North
Tallahassee, Florida 32306-1330
Telephone: (850) 644-9694, FAX: (850) 645-0108

M E M O R A N D U M

TO: Russell Lentz, Associate Director of Sponsored Research Services
FROM: Laurel Fulkerson, Interim Vice President for Research
DATE: January 4, 2021
SUBJECT: Delegation of Authority

DocuSigned by:
Laurel Fulkerson
F1BF52FA8F64460...

Effective immediately, you are authorized to negotiate, enter into, and execute in my name and for the Board of Trustees of the Florida State University all contracts, grants and other documents necessary and appropriate to the activities described in Section 1004.22(3), Florida Statutes. This authorization is to be exercised during the time of my absence and/or unavailability.

This authority shall be exercised in accordance with all applicable laws, rules and regulations of the United States and the State of Florida. I reserve the authority to review, amend, modify, or annul any action taken pursuant hereto, which I deem to be in the best interest of the Florida State University, and to amend, modify, or withdraw the authority described above.

/bs

cc: President John Thrasher
Carolyn Egan, General Counsel
Director of Purchasing



February 1, 2022

Proposal: "Panama City Charter Lab School"
FSU Principal Investigator: Dr. Randall Hanna
Period of Performance: 07/01/22-06/30/28
Amount Requested: \$7,246,019

Florida State University is pleased to submit the above-referenced proposal to Florida Triumph Gulf Coast.

This proposal has been reviewed and approved by Sponsored Research Administration at Florida State University. If awarded, Florida State will negotiate and enter into any subsequent agreement resulting from this proposal.

If you have any questions or require additional information, please do not hesitate to contact Jan James by telephone at (850) 644-8663, or via email at jjames@fsu.edu.

Sincerely,

Russell D. Lentz for
Digitally signed by
Russell D. Lentz for
Date: 2022.02.01
08:32:49 -05'00'

Laurel Fulkerson
Interim Vice President for Research
Florida State University
Tallahassee, Florida 32306-4166

Appendix D

FSU PC Collegiate Lab High School Detailed Budget

Personnel Expenses - Triumph	FTE	Base Salary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Principal	1	\$95,000	\$128,725	\$0	\$0	\$0	\$0	\$0	\$128,725
Assistant Principal	1	\$67,500	\$47,925	\$0	\$0	\$0	\$0	\$0	\$47,925
High School Faculty - Math (10 Month)	1	\$50,000	\$18,625	\$76,735	\$0	\$0	\$0	\$0	\$95,360
High School Faculty - Math (10 Month)	1	\$50,000		\$19,184	\$79,037	\$69,221	\$38,867	\$0	\$206,309
High School Faculty - Humanities (10 Month)	1	\$50,000	\$18,625	\$76,735	\$0	\$0	\$0	\$0	\$95,360
High School Faculty - English (10 Month)	1	\$50,000	\$18,625	\$76,735	\$0	\$0	\$0	\$0	\$95,360
High School Faculty - English (10 Month)	1	\$50,000		\$19,184	\$0	\$0	\$0	\$0	\$19,184
High School Faculty History (10 Month)	1	\$50,000	\$18,625	\$76,735	\$79,037	\$0	\$0	\$0	\$174,397
High School Faculty History (10 Month)	1	\$50,000	\$0	\$19,184	\$79,037	\$0	\$0	\$0	\$98,221
High School Faculty - Science/Bio/Chem (10 Month)	1	\$50,000	\$18,625	\$76,735	\$79,037	\$81,408	\$83,850	\$0	\$339,655
High School Faculty - Science/Phy (10 Month)	1	\$50,000		\$19,184	\$79,037	\$81,408	\$83,850	\$0	\$263,479
High School Faculty-CTE (12 Month)	1	\$65,000	\$0	\$95,404	\$98,265	\$101,213	\$104,250	\$0	\$399,132
High School Faculty-CTE (12 Month)	1	\$65,000	\$25,000	\$95,404	\$98,265	\$101,213	\$104,250	\$0	\$424,132
FSU PC Math Faculty	0.5	\$75,000		\$53,882	\$55,498	\$57,163	\$58,878	\$60,645	\$286,067
FSU PC English Faculty	0.5	\$75,000		\$53,882	\$55,498	\$57,163	\$58,878	\$60,645	\$286,067
FSI PC History, Foreign Language, or Humanities Faculty	0.5	\$75,000		\$53,882	\$55,498	\$57,163	\$58,878	\$60,645	\$286,067
FSU PC Science Faculty	0.5	\$75,000		\$53,882	\$55,498	\$57,163	\$58,878	\$60,645	\$286,067
SRO	1	\$45,000	\$17,100	\$70,452	\$0	\$0	\$0	\$0	\$87,552
Advisor / Records Specialist	1	\$45,000	\$68,400	\$70,452	\$0	\$0	\$0	\$0	\$138,852
Director of Student Services and Counseling (Guidance)	1	\$53,000		\$80,520	\$0	\$0	\$0	\$0	\$80,520
Admin Support	1	\$32,000	\$52,960	\$54,549	\$0	\$0	\$0	\$0	\$107,509
Accounting Specialist	1.5	\$38,000	\$94,000	\$64,583	\$66,521	\$68,516	\$70,572	\$72,689	\$436,880
Technology Assistant (1@20hours/week)	PT	\$16,000	\$16,280	\$0	\$0	\$0	\$0	\$0	\$16,280
Faculty and Staff Travel / Professional Development	PT	NA	\$2,000						\$2,000
Personnel Sub Total (Triumph)			\$545,515	\$1,207,303	\$880,230	\$731,632	\$721,152	\$315,268	\$4,401,100
Personnel Expenses - FEFP	FTE	Base Salary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Principal	1	\$95,000	\$0	\$132,587	\$136,565	\$140,662	\$144,881	\$149,228	\$703,922
Assistant Principal	1	\$67,500	\$0	\$101,496	\$107,146	\$110,360	\$113,671	\$117,081	\$549,755
High School Faculty - Math (10 Month)	1	\$50,000	\$0	\$0	\$79,037	\$81,408	\$83,850	\$86,366	\$330,661
High School Faculty - Math (10 Month)	1	\$50,000		\$0	\$0	\$12,187	\$44,983	\$86,366	\$143,536
High School Faculty - Humanities (10 Month)	1	\$50,000	\$0	\$0	\$79,037	\$81,408	\$83,850	\$86,366	\$330,661
High School Faculty - English (10 Month)	1	\$50,000	\$0	\$0	\$79,037	\$81,408	\$83,850	\$86,366	\$330,661
High School Faculty - English (10 Month)	1	\$50,000		\$0	\$79,037	\$81,408	\$83,850	\$86,366	\$330,661
High School Faculty History (10 Month)	1	\$50,000	\$0	\$0	\$0	\$81,408	\$83,850	\$86,366	\$251,624
High School Faculty History (10 Month)	1	\$50,000		\$0	\$0	\$81,408	\$83,850	\$86,366	\$251,624
High School Faculty - Science/Bio/Chem (10 Month)	1	\$50,000	\$0	\$0	\$0	\$0	\$0	\$86,366	\$86,366
High School Faculty - Science/Phy (10 Month)	1	\$50,000		\$0	\$0	\$0	\$0	\$86,366	\$86,366
High School Faculty-CTE (12 Month)	1	\$65,000	\$0	\$0	\$0	\$0	\$0	\$107,378	\$107,378
High School Faculty-CTE (12 Month)	1	\$65,000	\$0	\$0	\$0	\$0	\$0	\$107,378	\$107,378
FSU PC Math Professor	0.5	\$75,000		\$0	\$0	\$0	\$0	\$0	\$0
FSU PC English Professor	0.5	\$75,000		\$0	\$0	\$0	\$0	\$0	\$0
FSI PC History, Foreign Language, or Humanities	0.5	\$75,000		\$0	\$0	\$0	\$0	\$0	\$0
FSU PC Science Professor	0.5	\$75,000		\$0	\$0	\$0	\$0	\$0	\$0
SRO	1	\$45,000	\$0	\$0	\$72,566	\$74,743	\$76,985	\$79,295	\$303,589
Advisor / Records Specialist	1	\$45,000	\$0	\$0	\$72,566	\$74,743	\$76,985	\$79,295	\$303,589
Director of Student Services and Counseling (Guidance Counselor)	1	\$53,000		\$0	\$82,936	\$85,424	\$87,987	\$90,626	\$346,973
Admin Support	1	\$32,000	\$0	\$0	\$56,185	\$57,871	\$59,607	\$61,395	\$235,057
Accounting Specialist	1.5	\$38,000	\$0	\$32,237	\$33,204	\$34,200	\$35,226	\$36,283	\$171,151
Technology Assistant (1@20hours/week)	PT	\$16,000	\$0	\$16,768	\$17,271	\$17,790	\$18,323	\$18,873	\$89,026
tutors (3 @ 10 hours/week)	PT	\$18,000	\$0	\$18,864	\$19,430	\$20,013	\$20,614	\$21,232	\$100,154
Library Services	PT	\$15,000	\$0	\$15,720	\$16,192	\$16,678	\$17,178	\$17,693	\$83,462
2 Paraprofessionals (classroom assistance, bus duty, lunch duty, etc.)	PT	\$50,000	\$0	\$0	\$27,401	\$51,765	\$52,671	\$53,593	\$185,430
Custodial Service	PT	\$28,000	\$0	\$14,245	\$28,490	\$28,989	\$29,496	\$30,012	\$131,232
FSU PC Faculty Pay for Research Mentorship Capstone (\$500 per Senior)	PT	NA	\$0	\$5,000	\$10,000	\$25,000	\$37,500	\$62,500	\$140,000
Faculty and Staff Travel / Professional Development	PT	NA	\$0	\$8,000	\$10,000	\$10,500	\$10,500	\$10,500	\$49,500
Personnel Expenses Subtotal (FEFP)			\$0	\$344,919	\$1,006,100	\$1,249,372	\$1,329,709	\$1,819,655	\$5,749,755
Personnel Expenses - FLDOE Grant	FTE	Base Salary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
High School Faculty-CTE (12 Month)	1	\$65,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$25,000
2 Paraprofessionals (classroom assistance, bus duty, lunch duty, etc.)	PT	\$50,000	\$0	\$25,000	\$25,000	\$0	\$0	\$0	\$50,000
Personnel Expenses Subtotal (FLDOE Grant)		\$115,000	\$25,000	\$25,000	\$25,000	\$0	\$0	\$0	\$75,000
Personnel Expenses - Total			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Personnel Expenses Total			\$570,515	\$1,577,222	\$1,911,330	\$1,981,005	\$2,050,861	\$2,134,922	\$10,225,855
Facilities Expenses - Triumph			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Lease			\$20,000	\$70,000	\$130,000	\$130,000	\$130,000	\$130,000	\$610,000
Classroom Renovation			\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$1,000,000

Classroom Equipment			\$750,000	\$750,000	\$10,000	\$10,000	\$10,000	\$10,000	\$1,540,000
Facilities Expenses Subtotal (Triumph)			\$1,270,000	\$1,320,000	\$140,000	\$140,000	\$140,000	\$140,000	\$3,150,000
Facilities Expenses - Total			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Facilities Expenses Total			\$1,270,000	\$1,320,000	\$140,000	\$140,000	\$140,000	\$140,000	\$3,150,000
Equipment, Materials, and Supplies Expenses - Triumph			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Freight and Postage			\$2,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Printing			\$5,500	\$0	\$0	\$0	\$0	\$0	\$5,500
Student Computers (Class sets of 25 @\$1000 per, refresh every 4 years)			\$75,000	\$0	\$0	\$0	\$0	\$0	\$75,000
Educational Materials and Supplies			\$12,000	\$0	\$0	\$0	\$0	\$0	\$12,000
Office/Department Materials and Supplies			\$6,000	\$0	\$0	\$0	\$0	\$0	\$6,000
Equipment, Materials, and Supplies Expenses Subtotal (Triumph)			\$100,500	\$0	\$0	\$0	\$0	\$0	\$100,500
Equipment, Materials, and Supplies Expenses - FEFP			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Freight and Postage			\$0	\$4,000	\$5,000	\$5,000	\$5,000	\$5,000	\$24,000
Printing			\$0	\$9,000	\$12,000	\$14,000	\$14,000	\$14,000	\$63,000
Student Computers (Class sets of 25 @\$1000 per, refresh every 4 years)			\$0	\$74,981	\$25,109	\$75,000	\$95,963	\$66,874	\$337,927
Educational Materials and Supplies			\$0	\$12,724	\$24,848	\$32,212	\$31,014	\$28,019	\$128,817
Office/Department Materials and Supplies			\$0	\$10,000	\$18,000	\$18,000	\$18,000	\$18,000	\$82,000
Dual Enrollment Instructional Materials (Textbooks) (approx \$100 per course)				\$20,000	\$40,000	\$125,000	\$175,000	\$250,000	\$610,000
Equipment, Materials, and Supplies Expenses Subtotal (FEFP)			\$0	\$130,705	\$124,957	\$269,212	\$338,977	\$381,893	\$1,245,744
Equipment, Materials, and Supplies Expenses - CAPE			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Industry Certification Exam Fees (estimated at \$300 per exam)			\$0	\$28,500	\$64,500	\$97,500	\$112,500	\$150,000	\$453,000
Educational Materials and Supplies			\$0	\$2,276	\$5,152	\$7,788	\$8,986	\$11,981	\$36,183
Equipment, Materials, and Supplies Expenses Subtotal (CAPE)			\$0	\$30,776	\$69,652	\$105,288	\$121,486	\$161,981	\$489,183
Equipment, Materials, and Supplies Expenses - Total			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Equipment, Materials, and Supplies Expenses Total			\$100,500	\$161,481	\$194,609	\$374,500	\$460,463	\$543,874	\$1,835,427
Other Expenses - FEFP			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Research Support - College of Education				\$47,500	\$107,500	\$162,500	\$187,500	\$250,000	\$755,000
Dual Enrollment Tuition				\$63,042	\$126,084	\$394,013	\$551,618	\$788,025	\$1,922,782
Student Transportation (Bus Lease or Contract)				\$15,000	\$20,000	\$30,500	\$30,500	\$30,500	\$126,500
Student Transportation Fuel				\$8,000	\$16,000	\$20,000	\$20,000	\$20,000	\$84,000
Other Contracted Service (ESE, etc.)				\$8,000	\$12,000	\$15,000	\$15,000	\$15,000	\$65,000
Institutional Memberships				\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000
Auditing Fees				\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
Food and Food Products (Supplement to Federal Program)				\$8,000	\$11,000	\$15,000	\$15,000	\$15,000	\$64,000
Other Subtotal (FEFP)			\$0	\$156,542	\$299,584	\$644,013	\$826,618	\$1,125,525	\$3,052,282
Other Expenses - Total			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Other Expenses Total			\$0	\$156,542	\$299,584	\$644,013	\$826,618	\$1,125,525	\$3,052,282
Total Expenses			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Personnel			\$570,515	\$1,577,222	\$1,911,330	\$1,981,005	\$2,050,861	\$2,134,922	\$10,225,855
Facilities			\$1,270,000	\$1,320,000	\$140,000	\$140,000	\$140,000	\$140,000	\$3,150,000
Equipment, Materials, Supplies			\$100,500	\$161,481	\$194,609	\$374,500	\$460,463	\$543,874	\$1,835,427
Other			\$0	\$156,542	\$299,584	\$644,013	\$826,618	\$1,125,525	\$3,052,282
Total			\$1,941,015	\$3,215,245	\$2,545,523	\$3,139,518	\$3,477,942	\$3,944,321	\$18,263,564
Total Revenue			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Triumph			\$1,916,015	\$2,527,303	\$1,020,230	\$871,633	\$861,152	\$455,267	\$7,651,600
FEFP			\$0	\$632,166	\$1,430,641	\$2,162,597	\$2,495,304	\$3,327,073	\$10,047,781
CAPE			\$0	\$30,776	\$69,652	\$105,288	\$121,486	\$161,981	\$489,183
FLDOE			\$25,000	\$25,000	\$25,000	\$0	\$0	\$0	\$75,000
Total			\$1,941,015	\$3,215,245	\$2,545,523	\$3,139,518	\$3,477,942	\$3,944,321	\$18,263,564

PT = Part Time

Exhibit A**FSU PC Collegiate High Lab School**

Budget

Estimated construction start date if applicable: October 2022

Estimated education component start date if applicable: August 2023

	Personnel	Facilities	Equipment, Materials, and Supplies	Other	Total
Project Total					
2022-2023	\$570,515	\$1,270,000	\$100,500	\$0	\$1,941,015
2023-2024	\$1,577,222	\$1,320,000	\$161,481	\$156,542	\$3,215,245
2024-2025	\$1,911,330	\$140,000	\$194,609	\$299,584	\$2,545,523
2025-2026	\$1,981,004	\$140,000	\$374,500	\$644,013	\$3,139,517
2026-2027	\$2,050,861	\$140,000	\$460,463	\$826,618	\$3,477,942
2027-2028	\$2,134,923	\$140,000	\$543,874	\$1,125,525	\$3,944,322
Project Total	\$10,225,855	\$3,150,000	\$1,835,427	\$3,052,282	\$18,263,564
Triumph					
2022-2023	\$545,515	\$1,270,000	\$100,500	\$0	\$1,916,015
2023-2024	\$1,207,303	\$1,320,000	\$0	\$0	\$2,527,303
2024-2025	\$880,230	\$140,000	\$0	\$0	\$1,020,230
2025-2026	\$731,632	\$140,000	\$0	\$0	\$871,632
2026-2027	\$721,152	\$140,000	\$0	\$0	\$861,152
2027-2028	\$315,268	\$140,000	\$0	\$0	\$455,268
Triumph Total	\$4,401,100	\$3,150,000	\$100,500	\$0	\$7,651,600
FEFP					
2022-2023	\$0	\$0	\$0	\$0	\$0
2023-2024	\$344,919	\$0	\$130,705	\$156,542	\$632,166
2024-2025	\$1,006,100	\$0	\$124,957	\$299,584	\$1,430,641
2025-2026	\$1,249,372	\$0	\$269,212	\$644,013	\$2,162,597
2026-2027	\$1,329,709	\$0	\$338,977	\$826,618	\$2,495,304
2027-2028	\$1,819,655	\$0	\$381,893	\$1,125,525	\$3,327,073
FEFP Total	\$5,749,755	\$0	\$1,245,744	\$3,052,282	\$10,047,781
CAPE					
2022-2023	\$0	\$0	\$0	\$0	\$0
2023-2024	\$0	\$0	\$30,776	\$0	\$30,776
2024-2025	\$0	\$0	\$69,652	\$0	\$69,652
2025-2026	\$0	\$0	\$105,288	\$0	\$105,288
2026-2027	\$0	\$0	\$121,486	\$0	\$121,486
2027-2028	\$0	\$0	\$161,981	\$0	\$161,981
CAPE Total	\$0	\$0	\$489,183	\$0	\$489,183
FLDOE Grant					
2022-2023	\$25,000	\$0	\$0	\$0	\$25,000
2023-2024	\$25,000	\$0	\$0	\$0	\$25,000
2024-2025	\$25,000	\$0	\$0	\$0	\$25,000
2025-2026	\$0	\$0	\$0	\$0	\$0
2026-2027	\$0	\$0	\$0	\$0	\$0
2027-2028	\$0	\$0	\$0	\$0	\$0
FLDOE Total	\$75,000	\$0	\$0	\$0	\$75,000