

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget & Finance Committee
March 29, 2017**

SUBJECT: Notice of Intent to Amend Board Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

PROPOSED COMMITTEE ACTION

Approve notice of intent to amend Board Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1013.02(b), Florida Statutes; Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation was created on December 6, 2007, and has not been amended since its creation.

The proposed revisions include:

- a. Authorizes the creation of other reserve accounts in addition to the maintenance and equipment reserve;
- b. Requires income and expenditure statements to be submitted when required by bond covenants;
- c. Requires Board of Trustee approval of operating budgets in advance of submission to the Board;
- d. Provides examples for the use of reserves; and
- e. Provides a policy goal for reserves, specifying that reserves should be focused on sustainability and student affordability with coverage adequate to meet bond covenants or they may be higher to maintain or improve credit ratings.

If approved, the amended regulation will be noticed on the Board's website for 30 days; with final approval by the Board scheduled for the June 22, 2017 meeting.

Supporting Documentation Included: Amended Regulation 9.008

Facilitators/Presenters: Mr. Tim Jones