



# ONWARD

MOMENTUM THAT MOVES OUR WORLD



University of Florida Annual Financial Report | 2023-2024

# Contents

- 4** University Overview
- 6** Introduction from the Senior Vice President and Chief Financial Officer
- 8** Independent Auditor's Report on Financial Statements
- 12** Management's Discussion and Analysis
- 22** Basic Financial Statements
  - 22 Statement of Net Position
  - 24 Statement of Revenues, Expenses, and Changes in Net Position
  - 25 Statement of Cash Flows
- 26** Notes to the Financial Statements
- 57** Other Required Supplementary Information
- 60** Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
- 62** University of Florida Board of Trustees



# University of Florida

**A COMMUNITY OF COLLABORATORS**

The University of Florida is a comprehensive learning institution built on a land-grant foundation. We are the Gator Nation, a diverse community dedicated to excellence in education and research and shaping a better future for Florida, the nation, and the world.

## **MISSION**

The University's mission is to enable students to lead and influence the next generation and beyond for economic, cultural, and societal benefit by striving to offer broad-based, inclusive public education, leading research, and public service. The fusion of these three endeavors stimulates a remarkable intellectual vitality and generates a synthesis that represents the University's greatest strength.

Education is a fundamental purpose of this University at both the graduate and undergraduate levels. Research and scholarship are integral to the education process and to the expansion of our understanding of the natural world, the intellect, and the senses. Service reflects the University's obligation to share the benefits of its research and knowledge for the public good.

These three interlocking elements span all academic disciplines and represent the University's commitment to lead and serve by pursuing and disseminating new knowledge while building upon the experiences of the past. The University of Florida aspires to advance by strengthening the human condition and improving the quality of life.

## **HISTORY**

The University of Florida, the State's oldest university, traces its beginning of rich history to 1853, when the state-funded East Florida Seminary acquired the Kingsbury Academy in Ocala. After the end of the Civil War, the institution relocated to Gainesville, ultimately consolidated with the State's land grant Florida Agricultural College and was renamed the University of Florida in 1906. At the time, the University was an all-male institution with only 102 students.

Until 1947, the University of Florida was one of only three State universities, along with the Florida State College for

Women (now Florida State University) and Florida A&M University. Women attended as early as 1916, and the student body grew to 601 women and 8,177 men when the Legislature removed all barriers for female enrollment in 1947.

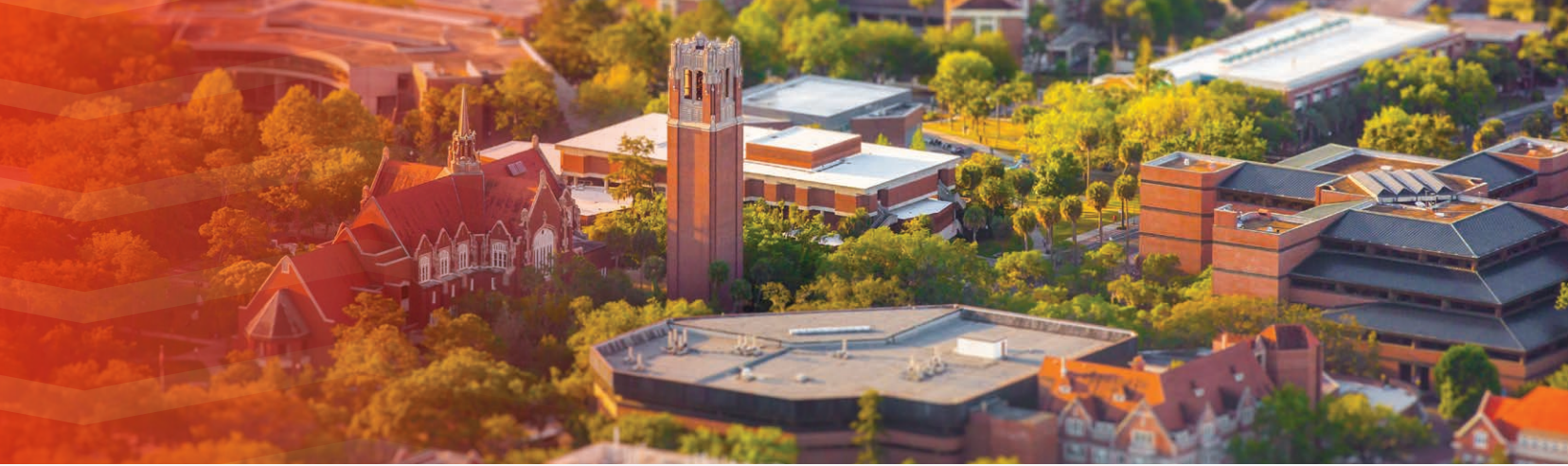
Today, the University is one of the largest in the nation, boasting an enrollment of more than 60,000 students. The campus consists of 2,000 acres and more than 900 buildings, including the first Leadership in Energy and Environmental Design (LEED) Platinum-certified building in the State of Florida. The University is comprised of 16 colleges, offers almost 100 bachelor programs and over 200 masters, doctoral, and professional programs. The University's programs and facilities span more than 180 locations around the State and the globe.

## **FACULTY**

The University faculty, which numbers over 6,600, has 22 funded Eminent Scholar Chair positions and 38 elections to the National Academies of Science, Engineering, and Medicine and 20 elections to the American Academy of Arts and Sciences. UF distinguished computer science professor, Juan Gilbert, Ph.D., has been appointed to the National Science Board (2024) by President Joe Biden. Present and past faculty include Pulitzer Prize winners, a pioneer in aviation engineering, a leading scholar on econometrics, three winners of NASA's top award for research, one of the four charter members of the Solar Hall of Fame, and a winner of the Smithsonian Institution's award for conservation.

From pharmacy and public relations to pain mitigation and materials engineering, the University of Florida is a recognized leader in a wide variety of specialties and areas. University researchers and scientists have made significant developments and discoveries in many fields, including astronomy, microbiology, metallurgy, and medical technology.

The University has installed HiPerGator AI – higher education's most powerful artificial intelligence (AI) supercomputer – for training and research purposes and is



the first institution to adopt an “AI Across the Curriculum” approach to providing every student in every major the opportunity to acquire competence and expertise in AI and Data Science.

## RESEARCH

The University of Florida is a world leader in research, contributing significantly to nearly every field of endeavor. UF has been re-designated as a National Center of Academic Excellence in Cyber Defense Research (CAE-R) through AY2024 putting UF in the elite group of universities that meet the federal government’s criteria for providing educational and research opportunities in cybersecurity. Since 1985, the University of Florida has been a member of the Association of American Universities, which is comprised of 71 leading research universities in the United States and Canada.

Scholars at UF set a new record, increasing research expenditures 15.1% to \$1.25 billion in FY2023. University researchers have pioneered new therapies and better treatments in the fights against aging and disease. They have developed renewable energy sources that offer great promise in reducing our dependence on fossil fuels, as well as engineered healthier foods, developed more energy-efficient and sustainable construction techniques, and established better ways to protect the environment.

Through the years of research, University of Florida scientists, inventors, engineers, and researchers have developed products and practices that have been distributed and applied with an international reach, improving the lives of millions of people in Florida and around the world.

## STUDENTS

The University of Florida’s freshman retention rate of 97 percent speaks to the outstanding quality of the University’s entire academic experience. Fall 2023 figures indicate an enrollment of over 60,000 students, with almost 79 percent of first-time undergraduates coming from Florida. Almost every state in the nation is represented in the University of Florida student body, and the University has a large

international enrollment, approaching 5,000 international students representing more than 140 countries.

University of Florida students also receive many opportunities to participate in extracurricular activities. There are nearly 1,000 student organizations on campus, and students attend numerous campus concerts, art exhibits, theatrical productions, guest lectures, sporting events, as well as other events each year.

The University of Florida is named 1st among US public universities in tech transfer, for moving new discoveries from the lab to the real world. The report was produced by Heartland Forward, a nonprofit think tank. (May 2022). UF ranks 4th in Forbes Top Public Colleges (2024), 7th (tied) among public colleges and universities in the U.S. News & World Report Best Colleges (2025 ed.), is 14th in Washington Monthly National Universities, among public institutions (2024) has a 5-star ranking in Money Magazine Best Colleges for Your Money (2024), and ranks 26th in Princeton Review’s Top 50 Best Value Colleges for Public Schools (2023).

Additionally, UF graduate programs are among some of the top programs in the nation; 51 graduate programs in the top 50 nationally, 17 of which in the top 20 in U.S. News Best Graduate Schools (2025), 12 online graduate programs in the top 10 of U.S News Online Best Graduate Programs (2024). UF is also recognized among the top universities in the world; ranks 21 among U.S. Public Universities from the Shanghai Institute (2024), and 21 among U.S Publics from Times Higher Education World Universities (2025). UF ranks 20th among U.S. Public Universities in the QS World Ranking (2025) UF Innovate – Sid Martin Biotech named top global incubator for record third time, receiving the International Business Innovation Associations highest honor, the Randall M. Whaley Incubator of the Year Award. UF Sid Martin Biotechnology Institute named Incubator of the Year for 2017 among more than 7,500 incubators worldwide. The University’s consistent ranking among the nation’s top universities is a result of the commitment to provide the highest quality education at the best value.

# Welcome

FROM THE SENIOR VICE PRESIDENT  
AND CHIEF FINANCIAL OFFICER

**I AM PLEASED TO PRESENT** the Annual Financial Report for the University of Florida, reflecting our fiscal year 2024 performance. This past year, UF has fulfilled its mission as the state's flagship, land-grant university through service towards our residents and campus community. The University of Florida's financial report for FY24 is a powerful reflection of our relentless pursuit of excellence, innovative breakthroughs in research, and unwavering dedication to shaping the next generation of leaders.

FY24 has been a year of sustained fiscal strength and groundbreaking achievements across Gator Nation. As a university dedicated to empowering individuals through education, research, and service, we have continually enhanced the resources and opportunities available to our students and faculty. This financial report demonstrates our resilience, sound financial stewardship, and strategic agility, even as we face evolving challenges within higher education.

At the same time, we have embarked on a university-wide initiative to enhance our financial awareness and transparency. Recognizing the complexities of our financial landscape and the evolving pressures facing higher education, we are committed to a more comprehensive and disciplined approach to managing our resources. Through this process, we aim to align our financial strategies more closely with our institutional goals, ensuring that every dollar invested is in service of our mission to transform lives through education, research, and service.

## Key Highlights from the year include:

- The University of Florida maintained its strong performance in national rankings, continuing to be recognized among the top public universities in the country. UF was recently ranked as the 7th best public institution by US News & World Report.
- UF received another record-breaking number of applications for the 2023-2024 freshman cycle, with a total of 74,842 applications. The admitted class boasts a middle 50 percent GPA ranging between 4.5 and 4.7, with SAT scores between 1410 and 1490, demonstrating the university's competitiveness and the strong academic caliber of our students.

- Our research portfolio continued to reach new heights with a total portfolio size of \$1.26B in FY24. Our growth will continue as the university has ambitions to continue to expand our impact in academia in part powered by the most advanced, powerful supercomputer on a college campus – HiPerGator.
- UF Health had a monumental year with the establishment of the UF Health Corporation. This new structure will promote a collaborative UF Health strategy, and we strive to conduct groundbreaking medical research and serve the residents of Florida.
- Recently, UF launched a multi-year engagement to replace and upgrade our Enterprise Resource Planning System. UF's conversion to Workday will enhance business processes and promote efficiencies moving forward.
- UF's athletics program once again demonstrated its excellence, securing the 4th best position in the Learfield Director's Cup. Our teams have earned multiple national championship berths, with Men's Outdoor Track and Field winning it all this past year.

As we move forward in the evolving landscape of higher education, the University of Florida remains committed to excellence in all that we do. Our fiscal responsibility and strategic vision—bolstered by this new focus on financial awareness—enable us to confidently face the future, embracing both the challenges and opportunities that lie ahead.

We invite you to explore the following pages for a detailed overview of our financial performance during FY24. UF's commitment to transforming lives through education, research, and service remains stronger than ever, and we look forward to continuing our legacy of success.

Go Gators!

Taylor Jantz  
Senior Vice President and  
Chief Financial Officer





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



Phone: (850) 412-2722  
Fax: (850) 488-6975

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

## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the University of Florida, 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, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the University of Florida and of its aggregate discretely presented component units as of June 30, 2024, 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.

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 discretely presented component units columns as of June 30, 2024. 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.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the ***Auditor's Responsibilities for the Audit of the Financial Statements*** section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical



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

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Schedule of University's Proportionate Share of the Total Other Postemployment Benefits Liability**, **Schedule of University's Proportionate Share of the Net Pension Liability – Florida Retirement System (FRS) Defined Benefit Pension Plan**, **Schedule of University Contributions – Florida Retirement System (FRS) Defined Benefit Pension Plan**, **Schedule of University's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy (HIS) Defined Benefit Pension Plan**, and **Schedule of University Contributions – Health Insurance Subsidy (HIS) Defined Benefit Pension Plan** be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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***

Management is responsible for the other information included in this report. The other information comprises the University Overview and Introduction from the Senior Vice President and Chief Financial Officer but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Report on Partial Comparative Information***

We have previously audited the University of Florida's 2022-23 fiscal year financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated February 8, 2024. In our opinion, the partial comparative information presented as of and for the fiscal year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2025, on our consideration of the University of Florida'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 University's 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 University of Florida's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
February 26, 2025  
Audit Report No. 2025-131

# Management's Discussion & Analysis

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The Management's Discussion and Analysis (MD&A) provides an overview of the financial position and activities of the University of Florida for the fiscal year ended June 30, 2024, and should be read in conjunction with the financial statements and notes thereto.





**THE UNIVERSITY OF FLORIDA** (the University) is a component unit of the State of Florida and has the distinction of land, sea, and space grant status. In addition, the University has the law, medicine, agriculture, and veterinary medicine colleges on one central campus, as well as undergraduate and graduate degrees available via distance and online learning. With a 2,000-acre campus and more than 1,000 buildings, including the first Leadership in Energy and Environmental Design (LEED) Platinum-certified building in the State of Florida, the University has more green building certifications than any other public higher education institution in the country.

The University continues to cement its strong reputation, Forbes has named the University of Florida the No. 4 public university in the nation and among the top institutions in the country for return on investment. It also maintained its top 10 status in the U.S. News & World Report rankings as the No. 7 ranked public university in the U.S. (2025) and named a “5-star college” – the highest rating available – by *Money* magazine, the only university in the state included on the list.

As the University sustains its commitment to excellence, it remains highly accessible to its student population of over 60,000. The current student-faculty ratio is 16:1, and its sixteen colleges offer students over 100 undergraduate majors and more than 200 graduate programs, with an affordable tuition that allows more than half of the University’s graduates to leave with no student loan debt.

As the flagship university of the nation’s third-most-populous state, the University is committed to leading and serving the State of Florida, with over 150 mission-focused units statewide and a presence in all of Florida’s 67 counties. The University’s artificial intelligence (AI) infrastructure

is one of the strongest in the country, home to the fastest supercomputer in higher education and 300 faculty members teaching AI courses or using AI in their research. As a result of the University’s commitment to AI, the University is one of the nation’s first universities to offer its students AI Across the Curriculum with courses in AI available in all 16 colleges.

The financial reporting entity for the financial statements includes the University and its component units. Note 1 to the financial statements provides detailed information on the financial reporting entity and discretely presented component units.

This overview is required by Governmental Accounting Standards Board (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. The MD&A, 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, 2024, and June 30, 2023.

## Financial Highlights

The University continues to maintain and protect its strong financial position, with assets of \$6.6 billion at June 30, 2024. This reflects a \$588.9 million, or 9.9%, increase from the 2022-23 fiscal year. The primary investment objective of the University is the safety of the University’s principal and liquidity, with the optimization of investment income secondary to financial stewardship. During the fiscal year, the University saw total investments increase \$309.2 million, succeeding in both objectives and maximizing the use of available funds in a prudent manner.

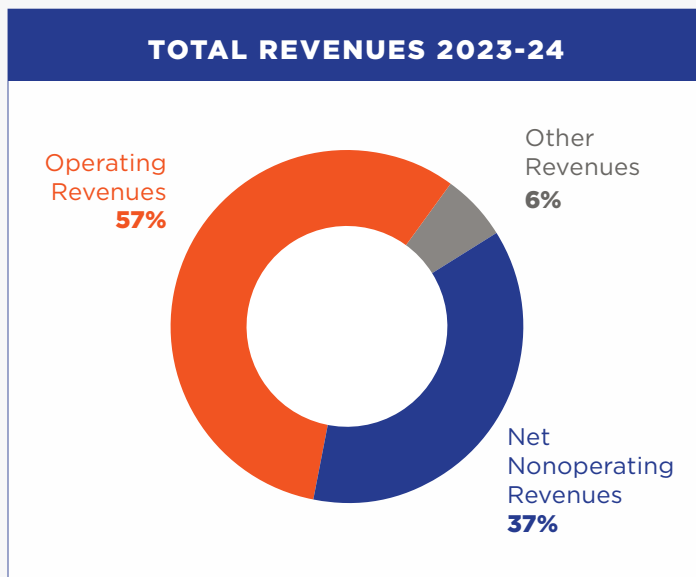
Capital assets increased \$73.0 million, primarily due to capitalization of buildings and equipment, as the University invests in leading-edge facilities that support the University’s strategic plan, including modern research laboratories, classrooms and advanced technology.

While total assets increased, liabilities also increased by \$252.0 million, or 9.3%, totaling \$3.0 billion at June 30, 2024, primarily due to the change in Net Pension, Other Postemployment Benefits, and Capital Improvement Liabilities. The Net Pension Liability is determined by an actuarial valuation for the expected payments needed to fund projected plan benefits.

Net position represents the residual interest in the University’s assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. The University’s net position increased by \$435.5 million, which resulted in a year-end balance of \$3.5 billion.

The University has a strong and diverse revenue base. Operating revenues, which are revenues generated by the University in fulfilling its instruction, research, and public service missions, totaled \$2.7 billion for the 2023-24 fiscal year, with a 6.5% increase over the 2022-23 fiscal year. Major components of operating revenues are Student Tuition and Fees and Grants and Contracts. While Student Tuition and Fees, net of Scholarship Allowances, increased by \$3.0 million, or 0.7%, Grants and Contracts increased by \$152.8 million, or 8.1%, and contributed to the overall increase in operating revenues.

The following chart provides a graphical presentation of the University’s total revenues by category for the 2023-24 fiscal year:



Operating expenses totaled \$4.3 billion for the 2023-24 fiscal year, representing an increase of \$393.3 million or 10.1% compared to the 2022-23 fiscal year. Employee Compensation and Benefits expenses increased due to higher staffing and related fringe benefits, underlining the University’s commitment toward recruiting and retaining exceptional faculty and staff. Other discretionary expenses had increases with inflationary pressures and increased research activities impacting the cost of services and supplies.

State Noncapital Appropriations, Net Investment Income, and Noncapital Grants, Contracts, and Gifts are all considered nonoperating revenues as they are not generated by the University’s primary, ongoing operations. Net nonoperating revenues and expenses in the 2023-24 fiscal year increased by \$220.7 million compared to the prior year, primarily from increases in noncapital State appropriations.

### 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.

The Statement of Net Position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the University by employing the accrual basis of accounting and presents the financial position of the University at a specified time. Net position, the difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources, 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.

The Statement of Revenues, Expenses, and Changes in Net Position represents 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. GASB Statement No. 35 categorizes revenues and expenses as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either gives or receives something of equal or similar value.

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 the 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 Operating Expenses table and in the notes to the financial statements.

Certain revenue sources that the University relies on to provide funding for operations, including State Noncapital Appropriations, 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.

Other Revenues are composed of State Capital Appropriations and Capital Grants, Contracts, and Donations.

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 assists 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 reflect the net cash used by the operating activities of the University. Cash flows from capital and related financing activities include activities of the capital funds and related long-term debt. Cash flows from investing activities reflect the net source and use of cash related to the purchases and sales of investments and income earned on those investments. Cash flows from noncapital financing activities include those activities not covered in the other sections.

The University's basic financial statements include discretely presented component units categorized as follows:

**Direct-Support Organizations** are separate, not-for-profit corporations organized and operated exclusively to assist the University in achieving excellence by providing supplemental resources from private gifts, bequests, and valuable education support services.

**Health Science Center Affiliates** are the several corporations closely affiliated with the University of Florida J. Hillis Miller Health Science Center, including the Faculty Practice Plans.

**Shands Hospital and Others** includes Shands Teaching Hospital and Clinics, Inc., a not-for-profit corporation that is contractually obligated to manage, operate, maintain, and insure the hospital facilities in support of the programs of the Health Science Center at the University of Florida. In addition, this category includes the University of Florida Self-Insurance Program and the University of Florida Healthcare Education Insurance Company.

## Statement of Net Position

The following table summarizes the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30:

Condensed Statement of Net Position (in millions)		
	2023-24	2022-23
<b>Assets:</b>		
Current Assets	\$ 3,204.0	\$ 2,735.1
Capital Assets, Net	2,671.4	2,598.4
Other Noncurrent Assets	677.7	630.8
<b>Total Assets</b>	<b>6,553.1</b>	<b>5,964.3</b>
Deferred Outflows of Resources	438.1	469.9
<b>Total Assets and Deferred Outflows of Resources</b>	<b>6,991.2</b>	<b>6,434.2</b>
<b>Liabilities:</b>		
Current Liabilities	610.9	579.5
Noncurrent Liabilities	2,354.1	2,133.5
<b>Total Liabilities</b>	<b>2,965.0</b>	<b>2,713.0</b>
Deferred Inflows of Resources	522.8	653.3
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>3,487.8</b>	<b>3,366.3</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	2,345.9	2,290.5
Restricted	1,128.3	967.1
Unrestricted	29.2	(189.7)
<b>Total Net Position</b>	<b>\$ 3,503.4</b>	<b>\$ 3,067.9</b>

The increase in assets followed a rise in current assets, due from State, of \$204.0 million, and investments, of \$245.2 million. The increase in current assets, due from State, is primarily the result of funding for deferred construction maintenance. The increase in current assets was driven by an increase in investments mainly UFICO and Florida Prime.

The large increase in noncurrent liabilities is primarily driven by the increase in the Net Pension Liability driven by differences between projected and actual investment earnings as of the July 1, 2023 valuation date. Additionally, the Deferred Inflows of Pension Resources decreased. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employers' proportionate share of the net pension liabilities of the defined benefit pension plans. The change in Net Pension Liability is driven in part by the market performance for the plan assets as of the measurement date for the plan liabilities. GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other*



*Than Pensions*, requires employers participating in benefit plans other than pensions to report the projected benefit liability in accordance with the standard. The benefit liability is largely driven by actuarial valuations and measurements based on claims cost, age-adjusted premiums, benefit terms and legal agreements existing at the measurement date.

The reported deferred outflows of resources and deferred inflows of resources are also required under GASB Statements No. 68 and No. 75.

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

The following table summarizes the University’s activity for the 2023-24 and 2022-23 fiscal years:

Condensed Statement of Revenues, Expenses, and Changes in Net Position (in millions)		
	2023-24	2022-23
Operating Revenues	\$ 2,694.7	\$ 2,529.4
Operating Expenses	(4,278.5)	(3,885.1)
Operating Loss	(1,583.8)	(1,355.7)
Net Nonoperating Revenues	1,731.0	1,510.4
Income Before Other Revenues	147.2	154.7
Other Revenues	288.3	356.0
<b>Increase in Net Position</b>	<b>435.5</b>	<b>510.7</b>
<b>Net Position, Beginning of Year</b>	<b>3,067.9</b>	<b>2,557.2</b>
<b>Net Position, End of Year</b>	<b>\$ 3,503.4</b>	<b>\$ 3,067.9</b>

The University continues to maintain a diverse revenue stream, enabling the University to resist revenue loss and position the University for future growth.

### Operating Revenues

The following table summarizes the operating revenues by source that were used to fund operating activities during the 2023-24 and 2022-23 fiscal years:

Operating Revenues (in millions)		
	2023-24	2022-23
Grants and Contracts	\$ 2,030.1	\$ 1,877.3
Student Tuition and Fees, Net of Scholarship Allowances	456.2	453.1
Sales and Services of Auxiliary Enterprises, Net of Scholarship Allowances	126.6	124.2
Sales and Services of Educational Departments	77.0	69.2
Other	4.8	5.6
<b>Total Operating Revenues</b>	<b>\$ 2,694.7</b>	<b>\$ 2,529.4</b>

Total operating revenues exhibited growth from the prior year with increases in Contracts and Grants from strong funding from Federal and other agencies.



## Operating Expenses

The following table summarizes the operating expenses for each method of classification for the 2023-24 and 2022-23 fiscal years:

Operating Expenses (in millions)		
Natural Classification	2023-24	2022-23
Employee Compensation and Benefits	\$ 2,997.2	\$ 2,697.9
Services and Supplies	810.0	740.6
Scholarships, Fellowships and Waivers*	194.3	182.6
Depreciation	195.0	181.5
Utilities and Communications	82.0	82.5
<b>Total Operating Expenses</b>	<b>\$ 4,278.5</b>	<b>\$ 3,885.1</b>
Functional Classification	2023-24	2022-23
Public Service	\$ 1,122.1	\$ 975.7
Research	975.5	896.2
Instruction	900.0	832.1
Academic Support	285.4	259.5
Institutional Support	223.2	199.2
Depreciation	195.0	181.5
Scholarships, Fellowships and Waivers *	194.3	182.6
Operation and Maintenance of Plant	176.7	172.4
Auxiliary Enterprises	145.3	130.7
Student Services	61.0	55.2
<b>Total Operating Expenses</b>	<b>\$ 4,278.5</b>	<b>\$ 3,885.1</b>

\* Net of Scholarship Allowances of \$296.9 million in the 2023-24 fiscal year and \$288.6 million in the 2022-23 fiscal year

Operating expenses primarily increased due to an increase in Employee Compensation and Benefits and Services and Supplies driven by more staffing, inflation, and increased research activity. Comparing expenses under the functional classification, Public Service remained the University's top expense classification, as UF Health continues to expand.

## Nonoperating Revenues and Expenses

The following table summarizes the University's nonoperating revenues and expenses for the 2023-24 and 2022-23 fiscal years:

Nonoperating Revenues (Expenses) (in millions)		
	2023-24	2022-23
State Noncapital Appropriations	\$ 1,096.6	\$ 942.6
Federal and State Student Financial Aid	247.3	237.9
Noncapital Grants, Contracts, and Gifts	210.2	234.9
Investment Income, Net of Expenses	80.7	4.7
Net Increase (Decrease) in Fair Value of Investments	90.3	86.0
Other Nonoperating Revenues	27.9	23.1
Interest on Capital Asset-Related Debt	(12.8)	(10.8)
Other Nonoperating Expenses	(9.2)	(8.0)
<b>Net Nonoperating Revenues</b>	<b>\$ 1,731.0</b>	<b>\$ 1,510.4</b>

Net Nonoperating Revenues increased when compared to the prior year. The State Noncapital Appropriations increased by \$154.0 million due to additional funding for operations support, preeminence funding, IFAS Workload funding, and performance funding.



## Other Revenues

The following table summarizes the University's other revenues for the 2023-24 and 2022-23 fiscal years:

Other Revenues (in millions)		
	2023-24	2022-23
State Capital Appropriations	\$ 254.5	\$ 342.6
Capital Grants, Contracts, and Donations	33.8	13.4
<b>Total Other Revenues</b>	<b>\$ 288.3</b>	<b>\$ 356.0</b>

Other Revenues decreased \$67.7 million as the University experienced a decrease in State Capital Appropriations funding compared to prior year.

## Statement of Cash Flows

The following table summarizes cash flows for the 2023-24 and 2022-23 fiscal years:

Condensed Statement of Cash Flows (in millions)		
	2023-24	2022-23
Cash Provided (Used) by:		
Operating Activities	\$ (1,268.9)	\$ (1,250.8)
Noncapital Financing Activities	1,587.1	1,464.0
Capital and Related Financing Activities	(156.9)	(261.8)
Investing Activities	(145.9)	67.7
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>15.4</b>	<b>19.1</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>22.8</b>	<b>3.7</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 38.2</b>	<b>\$ 22.8</b>

The University's Statement of Cash Flows is based on the reporting structure outlined by GASB. A significant portion of the University's cash used to fund operating expenses is provided from non-exchange transactions such as State Appropriations, Financial Aid and Noncapital Grants, Contracts, and Gifts. These revenues are considered non-operating under GASB standards and are reflected as such in the University's Statement of Cash Flows.

Major sources of funds for the University came from Grants and Contracts (\$2,037.4 million), State Noncapital Appropriations (\$1,096.6 million), Student Tuition and Fees, Net (\$455.2 million), Federal and State Financial

Aid (\$247.3 million), and Noncapital Grants, Contracts, and Gifts (\$210.3 million). Major uses of funds were for Payments to Employees (\$2,897.6 million), Payments to Suppliers for Goods and Services (\$886.3 million), and the Purchase or Construction of Capital Assets (\$274.3 million).

## Capital Assets, Capital Expenses and Commitments, and Debt Administration

### CAPITAL ASSETS

At June 30, 2024, the University had approximately \$5.9 billion in Capital Assets, less accumulated depreciation of \$3.2 billion, for Net Capital Assets of \$2.7 billion. Depreciation charges for the current fiscal year totaled \$195.0 million. Total Capital Assets increased in the 2023-24 fiscal year as construction continued on major projects, reflecting the University's continued dedication to an infrastructure and learning environment that supports its mission and strategic plan. The following table summarizes the University's Capital Assets, net of accumulated depreciation, at June 30:

Total Capital Assets, Net (in millions)		
	2024	2023
Land	\$ 36.2	\$ 36.2
Buildings	1,798.6	1,729.9
Infrastructure and Other Improvements	63.3	62.1
Furniture and Equipment	294.1	284.6
Library Resources	40.2	40.4
Leasehold Improvements	11.0	11.2
Right-to-Use Lease Assets	8.7	11.3
Subscription-Based Information Technology Arrangements	7.9	10.1
Other Capital Assets	5.1	12.9
Construction in Progress	406.3	399.7
<b>Total Capital Assets (Nondepreciable and Depreciable, Net)</b>	<b>\$ 2,671.4</b>	<b>\$ 2,598.4</b>

*Additional information about the University's capital assets is presented in Note 7 to the financial statements.*

### CAPITAL EXPENSES AND COMMITMENTS

Major capital expenses were incurred during the fiscal year on the University's largest projects, including Inner Road Surface Treatments Improvement (\$24.4 million), Holland Law Energy Service Company (\$19.8 million) and Honors Residential College (\$23.2 million), which are expected to transform the associated learning and research environments and support energy efficiency

for the continued growth and health of the campus community.

The University's construction commitments at June 30, 2024, are as follows:

<b>Major Construction Commitments (in millions)</b>	
Total Commitments	\$ 1,742.3
Completed to Date	406.3
<b>Balance Committed</b>	<b>\$ 1,336.0</b>

*Additional information about the University's construction commitments is presented in Note 13 to the financial statements.*

## DEBT ADMINISTRATION

The University is mindful of its financial stewardship and commitment to effective resource management, including the prudent use of debt to finance capital projects. At June 30, 2024, the University had \$434.8 million in outstanding Capital Asset-Related Debt. Capital Asset-Related Debt primarily consists of bonds issued to fund major construction projects such as student housing, research buildings, student activity centers, and parking garages. There was a \$38.5 million increase in Capital Improvement Debt due to a new bond issuance to finance the renovation of existing biomedical and life sciences laboratories at the University. The following table summarizes the outstanding Capital Asset-Related Debt by type of debt at June 30:

<b>Capital Asset-Related Debt (in millions)</b>		
	<b>2024</b>	<b>2023</b>
Capital Improvement Debt	\$ 394.5	\$ 356.0
Loans and Notes	22.1	22.6
Installment Purchase Agreements	2.0	2.6
Leases	9.1	11.7
Subscription Arrangements	7.1	9.1
<b>Total Capital Asset-Related Debt</b>	<b>\$ 434.8</b>	<b>\$ 402.0</b>

*Additional information about the University's capital asset-related debt is presented in Note 11 to the financial statements.*

## Economic Factors That Will Affect the Future

Credit ratings are an indicator of the University's effectiveness in managing its financial resources.

Stronger credit ratings reflect greater financial strength and flexibility. The University remains in a strong financial position, as demonstrated by its issuer ratings of Aa1, AA+, and AA+ as rated by Moody's, Standard & Poor's (S&P), and Fitch, respectively. In its report issued in July 2024, S&P referenced credit strengths including:

- Solid institutional characteristics as Florida's flagship university and healthy state support for operating and capital appropriations
- Large and high-quality student base and wide range of graduate and professional offerings
- Ample financial resources compared with debt; and
- A history of sound university-wide fundraising characterized by completion of a \$4.6 billion comprehensive campaign in December 2022

S&P revised the University's credit outlook to positive from stable as part of its review, while Moody's affirmed the existing ratings.

The University continues to benefit from strong support from the State in fiscal year 2024-25. State Appropriations for General Revenue and Lottery allocations totaled \$1.28 billion for the coming fiscal year. This includes an additional \$60.0 million in funding for operational support, \$25.0 million in additional preeminence funding, \$35.0 million for the Florida Semiconductor Institute, \$30.5 million toward faculty recruitment and retention efforts, \$28.2 million for the Laster Center, \$12.3 million for UF Health, \$8.9 million for IFAS, and \$4.9 million in additional performance funding, bringing the State investment in performance funds to \$73.7 million for the coming year. The fiscal year 2024-25 budget clearly reflects the sustained commitment of the Legislature and the Governor to support the University as a leading public research university that the State, nation, and world look to for leadership.

## Requests for Information

Questions concerning information provided in the MD&A, financial statements and notes thereto, and other required supplementary information, or requests for additional financial information should be addressed to Matthew Ellis, Assistant Vice President and University Controller, P.O. Box 113200, Gainesville, Florida 32611.



## Statement of Net Position

As of June 30, 2024 (amounts expressed in thousands)

	University of Florida		Component Units		
	2024	2023	Direct-Support Organizations	Health Science Center Affiliates	Shands Hospital and Others
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents (Note 1)	\$ 31,436	\$ 409	\$ 60,212	\$ 76,472	\$ 196,689
Investments (Note 3)	2,313,901	2,068,730	132,841	20,408	639,366
Accounts Receivable, Net (Note 4)	162,457	176,372	168,344	234,388	511,816
Loans and Notes Receivable, Net (Note 4)	1,772	1,702	-	-	-
Due From State (Note 5)	585,251	381,257	-	-	59,548
Due From Component Units/University (Note 6)	94,431	91,836	344,040	27,012	132,519
Inventories	6,257	5,877	185	-	95,320
Other Current Assets	8,556	8,918	32,260	2,473	269,773
<b>Total Current Assets</b>	<b>3,204,061</b>	<b>2,735,101</b>	<b>737,882</b>	<b>360,753</b>	<b>1,905,031</b>
<b>Noncurrent Assets:</b>					
Restricted Cash and Cash Equivalents (Note 1)	6,832	22,467	420	-	-
Restricted Investments (Note 3)	336,990	312,197	2,580,473	9,027	939,670
Other Noncurrent Investments (Note 3)	320,794	281,514	-	-	-
Loans and Notes Receivable, Net (Note 4)	13,035	14,584	840	-	-
Depreciable Capital Assets, Net (Note 7)	2,224,482	2,157,704	317,227	247,376	1,639,621
Nondepreciable Capital Assets (Note 7)	446,922	440,652	110,637	5,907	807,787
Other Noncurrent Assets	-	-	6,084	18,820	219,213
<b>Total Noncurrent Assets</b>	<b>3,349,055</b>	<b>3,229,118</b>	<b>3,015,681</b>	<b>281,130</b>	<b>3,606,291</b>
<b>TOTAL ASSETS</b>	<b>6,553,116</b>	<b>5,964,219</b>	<b>3,753,563</b>	<b>641,883</b>	<b>5,511,322</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Outflows of Pension Resources (Note 9)	292,584	302,742	-	-	128,286
Deferred Outflows of Other Postemployment Benefits Payable (Note 9)	136,251	158,022	-	-	394
Other Deferred Outflows (Note 9)	9,239	9,185	-	-	42,668
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>438,074</b>	<b>469,949</b>	<b>-</b>	<b>-</b>	<b>171,348</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 6,991,190</b>	<b>\$ 6,434,168</b>	<b>\$ 3,753,563</b>	<b>\$ 641,883</b>	<b>\$ 5,682,670</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	\$ 130,554	\$ 125,202	\$ 26,817	\$ 55,130	\$ 363,134
Salaries and Wages Payable	36,014	34,505	-	17,915	139,502
Due To Component Units/University (Note 6)	316,148	301,288	221,584	20,972	83,852
Unearned Revenue (Note 10)	60,309	59,182	73,606	9,863	213,346
Deposits Held in Custody	6,904	6,847	3	252	-
Other Current Liabilities	-	763	5,696	100	747
Long-Term Liabilities - Current Portion: (Note 11)					
Capital Improvement Debt Payable	15,669	9,716	-	-	-
Bonds Payable	-	-	7,695	4,769	25,584
Loans and Notes Payable	1,236	458	31	-	-
Installment Purchase Agreements Payable	801	893	-	-	-
Leases Payable	2,407	3,245	134	13,446	17,457
Subscription Arrangements Payable	2,142	1,970	155	-	14,963
Compensated Absences Payable	16,292	14,672	400	-	-
Other Postemployment Benefits Payable	22,409	20,471	-	-	-
Net Pension Liability (Note 12)	-	260	-	-	-
Liability for Self-Insured Claims	-	-	32,379	-	9,342
<b>Total Current Liabilities</b>	<b>610,885</b>	<b>579,472</b>	<b>368,500</b>	<b>122,447</b>	<b>867,927</b>

## Statement of Net Position

As of June 30, 2024 (amounts expressed in thousands)

	University of Florida		Component Units		
	2024	2023	Direct-Support Organizations	Health Science Center Affiliates	Shands Hospital and Others
<b>Noncurrent Liabilities:</b> (Note 11)					
Capital Improvement Debt Payable	\$ 378,786	\$ 346,286	\$ -	\$ -	\$ -
Bonds Payable	-	-	134,895	86,738	1,661,435
Loans and Notes Payable	20,888	22,124	365	-	-
Installment Purchase Agreements Payable	1,169	1,769	-	-	-
Leases Payable	6,697	8,434	249	118,616	129,415
Subscription Arrangements Payable	4,958	7,101	-	-	51,791
Compensated Absences Payable	139,795	128,891	2,357	-	-
Other Postemployment Benefits Payable	839,006	794,046	-	-	3,068
Net Pension Liability (Note 12)	951,654	814,150	-	-	-
Liability for Self-Insured Claims	-	-	-	-	39,071
Other Noncurrent Liabilities	11,126	10,697	39,793	-	38,677
<b>Total Noncurrent Liabilities</b>	<b>2,354,079</b>	<b>2,133,498</b>	<b>177,659</b>	<b>205,354</b>	<b>1,923,457</b>
<b>TOTAL LIABILITIES</b>	<b>2,964,964</b>	<b>2,712,970</b>	<b>546,159</b>	<b>327,801</b>	<b>2,791,384</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Inflows of Pension Resources (Note 9)	27,147	28,156	-	-	52,340
Deferred Inflows of Other Postemployment Benefits Payable (Note 9)	495,649	625,160	-	-	1,394
Other Deferred Inflows (Note 9)	-	-	25,938	14,866	58,362
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>522,796</b>	<b>653,316</b>	<b>25,938</b>	<b>14,866</b>	<b>112,096</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>3,487,760</b>	<b>3,366,286</b>	<b>572,097</b>	<b>342,667</b>	<b>2,903,480</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	2,345,897	2,290,524	284,340	29,720	790,653
Restricted:					
Nonexpendable:					
Endowment	-	-	1,664,205	-	2,341
Expendable:					
Endowment	-	-	1,003,048	-	7,942
Loans	35,478	36,375	-	-	-
Capital Projects	718,492	526,929	-	-	-
Debt Service	8,410	7,942	-	-	-
Other	365,904	395,891	1,700	-	230,196
Unrestricted	29,249	(189,779)	228,173	269,496	1,748,058
<b>TOTAL NET POSITION</b>	<b>3,503,430</b>	<b>3,067,882</b>	<b>3,181,466</b>	<b>299,216</b>	<b>2,779,190</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<b>\$ 6,991,190</b>	<b>\$ 6,434,168</b>	<b>\$ 3,753,563</b>	<b>\$ 641,883</b>	<b>\$ 5,682,670</b>

The accompanying notes are an integral part of these financial statements.

# Statement of Revenues, Expenses, and Changes In Net Position

for the Fiscal Year Ended June 30, 2024 (amounts expressed in thousands)

	University of Florida		Component Units		
	2023-24	2022-23	Direct-Support Organizations	Health Science Center Affiliates	Shands Hospital and Others
<b>OPERATING REVENUES</b>					
Student Tuition and Fees, Net of Scholarship Allowances (Note 17)	\$ 456,185	\$ 453,137	\$ -	\$ -	\$ -
Federal Grants and Contracts	726,829	657,252	-	-	-
State and Local Grants and Contracts	77,430	68,975	-	-	-
Nongovernmental Grants and Contracts	1,225,800	1,151,067	-	-	-
Sales and Services of Auxiliary Enterprises, Net of Scholarship Allowances (Note 17)	126,625	124,198	-	-	-
Sales and Services of Educational Departments	77,050	69,238	-	-	-
Sales and Services of Component Units	-	-	186,188	-	17,307
Hospital Revenues	-	-	-	1,338,771	4,509,774
Gifts and Donations - Component Units	-	-	254,502	-	-
Royalties and Licensing Fees - Component Units	-	-	45,012	-	-
Other Operating Revenues	4,780	5,572	6,673	249,788	115,899
<b>Total Operating Revenues</b>	<b>2,694,699</b>	<b>2,529,439</b>	<b>492,375</b>	<b>1,588,559</b>	<b>4,642,980</b>
<b>OPERATING EXPENSES</b>					
Employee Compensation and Benefits	2,997,209	2,697,865	80,100	144,887	1,902,331
Services and Supplies	810,017	740,593	484,206	446,224	2,383,494
Utilities and Communications	81,928	82,562	-	-	-
Scholarships, Fellowships, and Waivers, Net	194,316	182,610	-	-	-
Depreciation	195,004	181,525	20,193	28,160	204,405
Self-Insured Claims and Expenses	-	-	-	-	14,282
<b>Total Operating Expenses (Note 18)</b>	<b>4,278,474</b>	<b>3,885,155</b>	<b>584,499</b>	<b>619,271</b>	<b>4,504,512</b>
<b>Operating Income (Loss)</b>	<b>(1,583,775)</b>	<b>(1,355,716)</b>	<b>(92,124)</b>	<b>969,288</b>	<b>138,468</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State Noncapital Appropriations	1,096,576	942,648	37,754	-	7,950
Federal and State Student Financial Aid	247,266	237,893	-	-	-
Noncapital Grants, Contracts, and Gifts	210,272	234,887	-	-	-
Investment Income, Net of Expenses	80,779	4,658	184,521	2,271	114,602
Net Increase (Decrease) in the Fair Value of Investments	90,251	86,011	(369)	(95)	(213)
Other Nonoperating Revenues	27,863	23,071	16,028	1,728	17,664
Interest on Capital Asset-Related Debt	(12,780)	(10,777)	(4,256)	(3,478)	(56,371)
Other Nonoperating Expenses	(9,194)	(8,024)	(48,846)	(950,790)	(29,675)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>1,731,033</b>	<b>1,510,367</b>	<b>184,832</b>	<b>(950,364)</b>	<b>53,957</b>
<b>Income (Loss) Before Other Revenues</b>	<b>147,258</b>	<b>154,651</b>	<b>92,708</b>	<b>18,924</b>	<b>192,425</b>
State Capital Appropriations	254,480	342,643	-	-	-
Capital Grants, Contracts, and Donations	33,810	13,363	-	-	16,989
Additions to Permanent Endowments	-	-	61,118	-	-
<b>Total Other Revenues</b>	<b>288,290</b>	<b>356,006</b>	<b>61,118</b>	<b>-</b>	<b>16,989</b>
<b>Increase (Decrease) in Net Position</b>	<b>435,548</b>	<b>510,657</b>	<b>153,826</b>	<b>18,924</b>	<b>209,414</b>
<b>Net Position, Beginning of Year</b>	<b>3,067,882</b>	<b>2,557,225</b>	<b>3,027,640</b>	<b>280,292</b>	<b>2,428,768</b>
Adjustment to Beginning Net Position (Note 2)	-	-	-	-	141,008
<b>Adjusted Net Position, Beginning of Year, as Restated</b>	<b>3,067,882</b>	<b>2,557,225</b>	<b>3,027,640</b>	<b>280,292</b>	<b>2,569,776</b>
<b>Net Position, End of Year</b>	<b>\$ 3,503,430</b>	<b>\$ 3,067,882</b>	<b>\$ 3,181,466</b>	<b>\$ 299,216</b>	<b>\$ 2,779,190</b>

The accompanying notes are an integral part of these financial statements.



# Statement of Cash Flows

for the Fiscal Year Ended June 30, 2024 (amounts expressed in thousands)

	University of Florida	
	2023-24	2022-23
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and Fees, Net	\$ 455,156	\$ 455,815
Grants and Contracts	2,037,398	1,822,306
Sales and Services of Auxiliary Enterprises	128,362	121,181
Sales and Services of Educational Departments	78,156	70,270
Repayment of Loans and Notes Receivable from Students	6,214	6,786
Other Operating Receipts	8,221	5,391
Payments to Employees	(2,897,626)	(2,763,113)
Payments to Suppliers for Goods and Services	(886,258)	(782,393)
Payments to Students for Scholarships and Fellowships	(194,316)	(182,610)
Loans Issued to Students	(4,235)	(4,409)
<b>Net Cash Used by Operating Activities</b>	<b>(1,268,928)</b>	<b>(1,250,776)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Noncapital Appropriations	1,096,576	942,648
Federal and State Financial Aid	247,266	237,893
Noncapital Grants, Contracts, and Gifts	210,272	234,887
Direct Loan Program Receipts	213,372	216,443
Direct Loan Program Disbursements	(213,353)	(216,458)
Net Change in Funds Held for Others	11,398	32,335
Other Nonoperating Receipts	27,108	22,412
Other Nonoperating Disbursements	(5,450)	(6,172)
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>1,587,189</b>	<b>1,463,988</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from Capital Debt	45,747	19,578
State Capital Appropriations	49,986	56,950
Capital Grants, Contracts, and Donations	34,454	15,129
Proceeds from Sale of Capital Assets and Other Receipts for Capital	1,837	1,869
Purchase or Construction of Capital Assets	(274,284)	(338,065)
Principal Paid on Capital Debt and Leases	(11,009)	(11,797)
Interest Paid on Capital Debt and Leases	(3,697)	(5,416)
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(156,966)</b>	<b>(261,752)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of Investments	4,050,578	3,032,940
Purchase of Investments	(4,276,751)	(2,967,902)
Investment Income	80,270	2,635
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(145,903)</b>	<b>67,673</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>15,392</b>	<b>19,133</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>22,876</b>	<b>3,743</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 38,268</b>	<b>\$ 22,876</b>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating Loss	\$ (1,583,775)	\$ (1,355,716)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and Amortization Expense	195,379	181,852
Change in Assets, Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources:		
Receivables, Net	15,538	(33,043)
Due From Component Units	(2,594)	(11,649)
Inventories	(380)	(650)
Other Assets	1,827	3,065
Accounts Payable	3,867	37,588
Salaries and Wages Payable	1,508	(45,308)
Unearned Revenue	1,627	(6,962)
Deposits Held in Custody	-	(12)
Other Postemployment Benefits Payable	46,898	(278,386)
Compensated Absences Payable	12,524	8,363
Net Pension Liability	137,244	504,903
Deferred Outflows - Pension and OPEB	31,929	(47,155)
Deferred Inflows - Pension and OPEB	(130,520)	(207,666)
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<b>\$ (1,268,928)</b>	<b>\$ (1,250,776)</b>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND CAPITAL AND RELATED FINANCING ACTIVITIES:</b> <i>The following items are recognized on the Statement of Net Position or the Statement of Revenues, Expenses, and Changes in Net Position, but are not cash transactions for the Statement of Cash Flows:</i>		
Unrealized gain (loss) on investment	\$ 90,251	\$ 86,011
Gain on bond refunding	-	2,502
Loss on disposal of capital assets	(3,228)	(1,558)

The accompanying notes are an integral part of these financial statements.

# Notes to Financial Statements

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<b>28</b>	Summary of Significant Accounting Policies
<b>33</b>	Adjustment to Beginning Net Position
<b>33</b>	Investments
<b>36</b>	Receivables
<b>37</b>	Due From State
<b>37</b>	Due From and To Component Units/University
<b>37</b>	Capital Assets
<b>38</b>	Museum and Art Collections
<b>38</b>	Deferred Outflows/Inflows Of Resources
<b>38</b>	Unearned Revenue
<b>38</b>	Long-Term Liabilities
<b>44</b>	Retirement Plans
<b>49</b>	Construction Commitments
<b>50</b>	State Self-Insurance Programs
<b>50</b>	University Self-Insurance Programs
<b>50</b>	Litigation and Contingencies
<b>50</b>	Scholarship Allowance
<b>51</b>	Functional Distribution of Operating Expenses
<b>51</b>	Component Units
<b>51</b>	Segment Information
<b>51</b>	Subsequent Events



Evelyn F. & William L.  
McKnight Brain Institute

## 1. Summary of Significant Accounting Policies

The significant accounting policies followed by the University of Florida (the University) are described below to enhance the usefulness of the financial statements.

### A. 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 Florida 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 the 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 or incomplete. 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 discretely presented in the State's Annual Comprehensive Financial Report.

### B. DISCRETELY PRESENTED COMPONENT UNITS

Based on the application of the criteria for determining component units, certain affiliated organizations are required to be included within the University reporting entity as discretely presented component units because of the significance of their relationship with the University. These organizations are legally separate from the University and are governed by separate boards. The University further categorizes its component units as Direct-Support

Organizations, Health Science Center Affiliates, and Shands Hospital and Others. An annual audit of each 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 is presented in Note 19.

However, financial activities of certain component units are not included in the University's financial statements and are denoted below with an asterisk (\*). The total assets and operating revenues related to these component units are \$40.1 million and \$20.5 million, respectively. These amounts represent less than one percent of the total aggregate component units' assets and operating revenues.

### C. DIRECT-SUPPORT ORGANIZATIONS

The University's direct-support organizations, as provided for in Section 1004.28, Florida Statutes, and Board of Governors Regulation 9.011, are considered component units of the University of Florida and, therefore, the latest audited financial statements of these organizations are discretely presented in the financial statements of the University. These legally separate, not-for-profit corporations are organized and operated exclusively to assist the University in achieving excellence by providing supplemental resources from private gifts and bequests and valuable education support services. Florida Statutes authorize these organizations to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the University. These organizations and their purposes are explained as follows:

- **University of Florida Foundation, Inc.**, solicits, collects, manages, and directs contributions to the various academic departments and programs of the University and assists the University in fund raising, public relations, and maintenance of alumni records. Their financial statements include the activities of the University of Florida Alumni Association, Inc.
- **The University Athletic Association, Inc.**, conducts various inter-collegiate athletic programs for and on behalf of the University.
- **University of Florida Research Foundation, Inc.**, promotes, encourages, and assists research activities of the University through income derived from or related to the development and commercialization of intellectual properties, which include inventions, discoveries, processes, and work products.
- **GatorCare Health Management Corporation** coordinates and facilitates the management of the self-insured health insurance plan of the University and its participating affiliated employers, collecting and paying employer and employee premiums.

■ **Florida Foundation Seed Producers, Inc.**, supplies Florida farmers and producers with crop seed and nursery stock. This organization stocks foundation seed of the best-known varieties acceptable to Florida climate and soils in adequate quantities and at reasonable prices.

■ **University of Florida Development Corporation** develops and maintains Innovation Square where the University-owned Florida Innovation Hub is located.

■ **Gator Boosters, Inc.**, solicits funds for the benefit of the University athletic programs.

■ **Citrus Research and Development Foundation, Inc.**, advances disease and production research and product development activities to ensure the survival and competitiveness of Florida's citrus growers through innovation.

■ **University of Florida Alumni Association, Inc.**, supports activities of the alumni of the University of Florida. Its financial transactions are reflected in the financial statements of the University of Florida Foundation, Inc.

■ **Florida 4-H Club Foundation, Inc.**,\* promotes the educational objectives of the 4-H Youth Development Program, an official part of the Florida Cooperative Extension Service.

■ **University of Florida Leadership and Education Foundation, Inc.**,\* furthers agriculture and natural resources education and related activities, promotes agriculture and natural resources leadership, and makes contributions to and confers benefits upon the University.

■ **University of Florida Investment Corporation\*** promotes the educational purposes of the University of Florida by providing investment research, advice, counsel, and management to and for the University Board of Trustees and affiliated organizations of the University.

■ **UF Historic St. Augustine, Inc.**,\* ensures the long-term preservation and interpretation of State-owned historic properties in St. Augustine.

■ **Cattle Enhancement Board, Inc.**,\* promotes research, education, and extension at, or for the benefit of, the Institute of Food and Agricultural Sciences at the University of Florida on issues related to the Florida cattle industry, including, but not limited to production, disease prevention, forage development, and genetic research and technology.

#### D. HEALTH SCIENCE CENTER AFFILIATES

The corporations listed below, except Faculty Clinic, Inc., are Faculty Practice Plans, as provided for in Board of Governors Regulation 9.017. The Faculty Practice Plans provide educationally oriented clinical practice settings and opportunities through which faculty members provide health, medical, veterinary, and dental care to patients as an integral part of their academic activities and their employment as faculty. Because these faculty practice



activities generate income, the colleges are authorized to regulate fees generated from faculty practice and maintain Faculty Practice Plans for the orderly collection and distribution of fees. These organizations provide significant support for the clinical instruction function of the University of Florida J. Hillis Miller Health Science Center (JHMH) and are component units of the University of Florida.

■ **Florida Clinical Practice Association, Inc.**, bills and collects clinical professional fees to support the educational, research, and service programs of the University of Florida College of Medicine.

■ **University of Florida Jacksonville Physicians, Inc.**, bills and collects professional fees from the clinical practice of the University of Florida physicians in order to fund and promote the educational, clinical and research missions, and support the clinical activities, of the Jacksonville campus of the College of Medicine.

■ **Faculty Associates, Inc.**, bills and collects clinical professional fees to support the educational, research, and service programs of the University of Florida College of Dentistry.

■ **Florida Veterinary Medicine Faculty Association, Inc.**, bills and collects clinical professional fees to support the educational, research, and service programs of the University of Florida College of Veterinary Medicine.

■ **University of Florida College of Pharmacy Faculty Practice Association, Inc.**, performs billing and collection of fees to support the educational, research, and service programs of the University of Florida College of Pharmacy.

■ **Faculty Clinic, Inc.**,\* operates primarily as a facility management company that leases space to Shands Jacksonville and University of Florida Jacksonville Physicians, Inc.

■ **University of Florida College of Nursing Faculty Practice Association, Inc.**,\* performs billing and collection of professional fees to support the educational, research, and service programs of the University of Florida College of Nursing.

■ **Florida Health Professions Association, Inc.**,\* performs billing and collection of clinical professional fees to support the educational, research, and service programs of the University of Florida College of Public Health and Health Professions.

## E. SHANDS HOSPITAL AND OTHERS

■ **Shands Teaching Hospital and Clinics, Inc.**, (Shands) was incorporated October 15, 1979, as a not-for-profit corporation. Shands, a major tertiary care teaching institution, is a leading referral center in the State of Florida and the southeast United States and facilitates medical education programs at the University.

Shands entered into a contractual agreement with the State Board of Education as of July 1, 1980, as subsequently restated and amended, to provide for the use of hospital facilities at the JHMHC through December 31, 2057, with renewal provisions. The contractual agreement also provides for the transfer to Shands of all other assets and liabilities arising from the operation of the hospital facilities prior to July 1, 1980. At termination of the contractual agreement, the net position of Shands reverts to the State Board of Education. Legal title to all buildings and improvements transferred to Shands remains with the State of Florida during the term of the contractual agreement. The contractual agreement provides for a 12-month grace period for any event of default, other than the bankruptcy of Shands. In addition, the contractual agreement limits the right of the State Board of Education to terminate the contractual agreement solely to the circumstance in which Shands declares bankruptcy and, in such event, requires net revenues derived from the operation of the hospital facilities to continue to be applied to the payment of Shands' debts.

Under the terms of the contractual agreement, Shands is obligated to manage, operate, maintain, and insure the hospital facilities in support of the programs of the JHMHC

and further agrees to contract with the State Board of Education for the provision of these programs. By operation of law, the Trustees have become the successor-in-interest to the State Board of Education.

■ **Shands Jacksonville HealthCare, Inc.**, (Shands Jacksonville) is a Florida not-for-profit corporation. Shands Jacksonville was organized primarily to provide healthcare and related services to the community, including the City of Jacksonville and surrounding counties, and to support the teaching and research missions of the University.

■ **University of Florida Self-Insurance Program** (the Program) was created by the Florida Board of Regents, succeeded by the Florida Board of Governors, pursuant to Section 1004.24, Florida Statutes. The Program provides comprehensive general liability and professional liability (malpractice) coverage for the University of Florida and affiliated teaching hospitals that provide education in healthcare or veterinary services.

■ **University of Florida Healthcare Education Insurance Company** (HEIC) was created on September 1, 1994, as a self-insurance mechanism created pursuant to Section 1004.24, Florida Statutes. HEIC writes coverage for the participants in the Self-Insurance Program (the Program) for loss exposure above the Program's retention. HEIC obtains excess loss reinsurance coverage from commercial insurance carriers for certain layers of exposure.

## F. 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 and the Financial Accounting Standards Board (FASB). GASB 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:
  1. Statement of Net Position
  2. Statement of Revenues, Expenses, and Changes in Net Position
  3. Statement of Cash Flows
  4. Notes to the Financial Statements
- Other Required Supplementary Information

## G. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to when revenues, expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The University and its component units' financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The University and its component units follow GASB standards of accounting and financial reporting.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been eliminated from revenues and expenses for reporting purposes.

The University's principal operating activities consist of instruction, research, and public service. Operating revenues and expenses generally include all fiscal transactions directly related to these activities as well as administration, operation, and maintenance of capital assets and depreciation on capital assets. Nonoperating revenues include State noncapital appropriations, Federal and State student financial aid, and investment income. Interest on capital asset-related debt is a nonoperating expense. Other revenues generally include revenues for capital construction projects.

The Statement of Net Position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the University's policy to first apply the restricted resources to such programs, followed by the use of the unrestricted resources.

The Statement of Revenues, Expenses, and Changes in Net Position is presented by major sources and is reported net of tuition scholarships, discounts, and allowances. Tuition scholarships, discounts, and allowances 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 payments on behalf of the student. The University applied the "Direct Method" as prescribed in NACUBO Advisory Report 2000-05 to determine the reported net tuition scholarships, discounts, and allowances.

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*.

## H. CASH AND CASH EQUIVALENTS

The amount reported by the University as cash and cash equivalents consists 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 assets or other restricted assets, are classified as restricted.

## I. 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. Level 3 inputs are significant unobservable inputs. The University reports certain investments at net asset value as allowed per GASB Statement No. 72, *Fair Value Measurement and Application*.

## J. CAPITAL ASSETS

University capital assets consist of land, construction in progress, works of art and historical treasures, buildings, infrastructure and other improvements, furniture and equipment, library resources, leasehold improvements, right-to-use lease assets, subscription-based information technology arrangements (SBITAs), computer software, and other capital assets. These assets are capitalized and recorded at cost at the date of acquisition or at estimated fair value on 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 \$4 million for intangible assets, which includes computer software, \$5,000 for tangible personal property, and \$250 for library resources. The costs of all new buildings and projects adding new square footage are capitalized. Infrastructure and leasehold improvements have a \$250,000 capitalization threshold. For building renovations, the threshold is \$250,000, or the entire amount if the costs are at least 25% of the cost basis of the building. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings – 5 to 50 years, depending on construction
- Infrastructure and Other Improvements – 10 to 50 years
- Furniture and Equipment – 3 to 20 years
- Library Resources – 10 years
- Leasehold Improvements – up to 50 years
- Right-to-Use Lease Assets – 5 to 50 years or the term of the lease, whichever is shorter
- SBITAs and Computer Software – 5 years

#### K. NONCURRENT LIABILITIES

Noncurrent liabilities include principal amounts of capital improvement debt payable, loans and notes payable, installment purchase agreements payable, leases payable, SBITA payable, compensated absences payable, other postemployment benefits payable, net pension liabilities, 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 premiums or discounts and gains and losses on refunding. The University amortizes debt premiums and discounts over the life of the debt using the straight-line method. Gains and losses on refunding are amortized over the life of the old debt or new debt (whichever is shorter) using the straight-line method.

#### L. LEASES

Leases consist of contracts that convey control of the right-to-use an underlying asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The University recognizes an intangible right-to-use lease asset and lease liability when it is the lessee party to a contract. The expected payments are discounted using an estimated incremental borrowing rate. The University applies a materiality threshold of \$5,000 for equipment and \$100,000 for space based on the annualized value of each lease. The University calculates the lease liability as the present value of payments expected to be made during the lease term (less any lease incentives) using an estimated incremental borrowing rate. The lease asset is measured at the amount of the initial measurement of the lease

liability, plus any payments made to the lessor at or before the commencement of the lease term. Lease amounts are amortized over the contract term.

#### M. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

SBITAs consist of contracts that convey the right-to-use information technology software — an intangible asset — for a term exceeding 12 months. The University recognizes a right-to-use asset and a corresponding subscription liability. The University applies a materiality threshold of \$4 million based on the present value of expected payments for each arrangement using an estimated incremental borrowing rate. The intangible asset is measured at the amount of the initial measurement of the SBITA liability.

#### N. PENSIONS

For 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 the 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.





## 2. Adjustment to Beginning Net Position

The beginning net position of Shands Teaching Hospital and Clinics, Inc and Subsidiaries was increased by \$141,008,000 due to the acquisition of UF Health St. Johns (UFHSJ) effective September 1, 2023. In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the consolidated basic financial statements include the financial position and changes in financial position and cash flows of UFHSJ and affiliates as if the acquisition occurred at the beginning of the earliest period presented. Shands recognized, measured and combined the assets, deferred outflows, liabilities, deferred inflows and net position of UFHSJ based upon GASB accounting principles applied at July 1, 2022.

Table 1 summarizes adjustment to the beginning net position of Shands reported in the Shands Hospital and Others column of the Statement of Revenues, Expenses, and Changes in Net Position.

Description	Shands Hospital and Others
Shands Teaching Hospital and Clinics, Inc.	\$ 141,008,000
<b>Total Adjustment to Beginning Net Position</b>	<b>\$ 141,008,000</b>

## 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 Trustees have 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 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. Investments of the University and its component units at June 30, 2024, are reported at fair value and shown in Tables 2 through 7.

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
External Investment Pool:				
State Treasury Special Purpose Investment Account	\$ 349,724,060	\$ -	\$ -	\$ 349,724,060
State Board of Administration Debt Service Accounts	267,373	267,373	-	-
<b>Total Investments by Fair Value Level</b>	<b>349,991,433</b>	<b>\$ 267,373</b>	<b>\$ -</b>	<b>\$ 349,724,060</b>
<b>Investments Measured at the Net Asset Value (NAV)</b>				
Private Equity Funds	1,973,286,749			
<b>Investments at Amortized Cost</b>				
SBA Florida Prime	648,406,843			
<b>Total University Investments</b>	<b>\$ 2,971,685,025</b>			

Investments Measured at the NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Private Equity Funds	\$ 1,973,286,749	\$ -	N/A	N/A

University investments measured at net asset value are comprised of the following category:

■ **Private Equity Funds** – This category includes investments in several limited partnership funds that invest in equity securities and debt of private companies.

**Table 4. Component Unit Investments**

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
External Investment Pools:				
State Treasury Special Purpose Investment Account	\$ 14,256,576	\$ -	\$ -	\$ 14,256,576
Commercial Paper	6,348,529	-	6,348,529	-
U.S. Guaranteed Obligations	8,368,247	7,909,600	458,647	-
Federal Agencies	9,139,904	-	9,139,904	-
Domestic Bonds and Notes	100,414,527	37,420,000	62,994,527	-
Domestic Stock	5,803,154	5,772,399	30,755	-
International Stock	11,000	11,000	-	-
Swap Contracts	4,178,980	-	2,537,989	1,640,991
Bond Mutual Funds	199,089,573	143,913,500	55,176,073	-
Equity Mutual Funds	196,056,192	105,778,988	78,241,319	12,035,885
Other Investments	27,812,783	25,520,768	-	2,292,015
Real Estate Investments Not Measured at NAV	4,455,000	4,455,000	-	-
<b>Total Investments by Fair Value Level</b>	<b>\$ 575,934,465</b>	<b>\$ 330,781,255</b>	<b>\$ 214,927,743</b>	<b>\$ 30,225,467</b>
<b>Investments Measured at the Net Asset Value (NAV)</b>				
International Equity	456,396			
Real Estate Investments (Directly Owned)	2,470,564			
Private Equity Funds	3,625,456,301			
<b>Total Investments Measured at the NAV</b>	<b>3,628,383,261</b>			
<b>Total Investments Measured at Fair Value</b>	<b>4,204,317,726</b>			
<b>Other</b>				
Money Market Funds	75,781,449			
Cash Surrender Value of Life Insurance	512,962			
Certificates of Deposits	93,000			
Other Investments	41,079,691			
<b>Total Other Investments</b>	<b>117,467,102</b>			
<b>Total Component Unit Investments</b>	<b>\$ 4,321,784,828</b>			

**Table 5. Component Unit Investments Measured at the NAV**

Investments Measured at the NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
International Equity	\$ 456,396	\$ -	Illiquid	N/A
Real Estate Investments	2,470,564	-	Illiquid	N/A
Private Equity Funds	3,625,456,301	392,833,734	Monthly	30 Days
<b>Total Investments Measured at the NAV</b>	<b>\$ 3,628,383,261</b>	<b>\$ 392,833,734</b>		

Component unit investments measured at net asset value are comprised of the following categories:

- **International Equity** – This category includes an investment in a foreign-based publicly-traded company focused on providing law enforcement with new tools and technology.
- **Real Estate Investments** – This category includes an investment in the form of real estate with donor restrictions. The real estate is held at fair value less estimated costs to sell.
- **Private Equity Funds** – This category includes investments in several limited partnership funds that invest in equity securities and debt of private companies.

### A. EXTERNAL INVESTMENT POOLS

The University and its discretely presented component units (see Note 1) reported investments at fair value totaling \$349,724,060 and \$14,256,576 respectively, at June 30, 2024, 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 investment pool carried a credit rating of AA-f by Standard & Poor's and had an effective duration of 3.23 years and fair value factor of 0.9958 at June 30, 2024. Participants contribute to the SPIA investment 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 participant's 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 the financial statements of the State's Annual Comprehensive Financial Report.

At June 30, 2024, the University reported investments totaling \$648,406,843 in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. The University's investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, 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 45 days as of June 30, 2024. 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 amortized cost.

Section 218.409(8)(a), Florida Statutes, provides that "the principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the SBA can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

### B. OTHER INVESTMENTS

In addition to external investment pools, the University and its discretely presented component units invested in various debt and equity securities, money market funds, and mutual funds. For the University, the majority of the other investments are private equity funds managed by the University of Florida Investment Corporation (UFICO). For the University's discretely presented component units, other investments are those reported primarily by the University of Florida Foundation, Inc., The University Athletic Association, Inc., Florida Clinical Practice Association, Inc., Shands Teaching Hospital and Clinics, Inc., Shands Jacksonville HealthCare, Inc., and the University of Florida Self-Insurance Program. The following risks apply to the University's and its discretely presented component units' investments other than external investment pools:

- **Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Pursuant to Section 218.415(16), Florida Statutes, the University's investments in securities must provide sufficient liquidity to pay obligations as they come due.

Investments of the University’s component units in debt securities, bonds and notes, and bond mutual funds, and their future maturities at June 30, 2024, are shown in Table 6.

■ **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 and do not require disclosure of credit quality. The private equity funds are unrated. At June 30, 2024, the University’s component units had bonds and notes and bond mutual funds, with quality ratings by nationally recognized rating agencies (e.g., Moody’s Investors Service), as shown in Table 7.

■ **Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the University 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 University and are not registered in the University’s name. The University has no formal policy on custodial credit risk. The component units manage their custodial credit risk based on various investment policies, which may be obtained separately from the component units.

■ **Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the University’s investments in a single issuer.

The University has no formal policy on concentration of credit risk. The component units manage their concentration of credit risk based on various investment policies, which may be obtained separately from the component units.

## 4. Receivables

### A. ACCOUNTS RECEIVABLE

Accounts receivable represent amounts for grant and contract reimbursements due from third parties, student tuition and fees, various sales and services provided to students and third parties, and interest accrued on investments and loans receivable. Accounts receivable, net of an allowance for uncollectible accounts, reported as of June 30, 2024, are summarized in Table 8.

**Table 8. Accounts Receivable**

Description	
Grants and Contracts	\$ 133,854,663
Student Tuition and Fees	21,535,693
Sales and Services	5,704,108
Interest	1,362,757
<b>Total Accounts Receivable, Net</b>	<b>\$ 162,457,221</b>

### B. 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.

**Table 6. Component Units Debt Investment Maturities**

Types of Investments	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
United States Government and Federally-Guaranteed Obligations	\$ 8,368,247	\$ 8,250,493	\$ 117,754	\$ -	\$ -
Federal Agency Obligations	9,139,904	9,139,904	-	-	-
Bonds and Notes	100,414,527	13,416,527	1,030,000	-	85,968,000
Bond Mutual Funds	199,089,573	12,871,683	170,706,974	15,510,916	-
<b>Total</b>	<b>\$ 317,012,251</b>	<b>\$ 43,678,607</b>	<b>\$ 171,854,728</b>	<b>\$ 15,510,916</b>	<b>\$ 85,968,000</b>

**Table 7. Component Units Debt Investments Quality Ratings**

Types of Investments	Fair Value	AAA/Aaa	AA/Aa	A/Ba	Less than A/Ba or Not Rated
Federal Agency Obligations	\$ 9,139,904	\$ 1,703,933	\$ 5,711,436	\$ 1,224,179	\$ 500,356
Bonds and Notes	100,414,527	7,711,701	211,822	2,719,696	89,771,308
Money Market Funds	75,781,449	51,632,744	-	494,705	23,654,000
Bond Mutual Funds	199,089,573	49,007,462	107,942,930	29,500,188	12,638,993
<b>Total</b>	<b>\$ 384,425,453</b>	<b>\$ 110,055,840</b>	<b>\$ 113,866,188</b>	<b>\$ 33,938,768</b>	<b>\$ 126,564,657</b>

## C. ALLOWANCES FOR UNCOLLECTIBLE RECEIVABLES

Allowances for uncollectible accounts and loans and notes receivable are reported based upon management's best estimate as of fiscal year-end, considering type, age, collection history, and other factors considered appropriate. Accounts receivable for student tuition and fees, various sales and services provided to students and third parties, and interest are reported net of an allowance of \$11,534,088 which is 28.7% of total related accounts receivable. Loans and notes receivable are reported net of an allowance of \$1,852,794 which is 11.1% of total related loans and notes receivable. No allowance has been accrued for grants and contracts receivable. University management considers these to be fully collectible.

## 5. Due From State

This amount consists of \$585,251,159 of Public Education

Capital Outlay, Capital Improvement Fee Trust Fund, and general revenue allocations due from the State to the University for construction of University facilities.

## 6. Due From and To Component Units/University

Component units' due from and due to amounts include receivables and payables between the various component unit columns. Some component units are not presented (see Note 1). Accordingly, amounts reported by the University as due from and to component units on the Statement of Net Position may 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, 2024, is presented in Table 9.

Table 9. Capital Assets				
Description	Beginning Balance	Additions	Reductions	Ending Balance
<b>Nondepreciable Capital Assets:</b>				
Land	\$ 36,173,581	\$ -	\$ -	\$ 36,173,581
Construction in Progress	399,679,434	417,583,627	410,928,737	406,334,324
Works of Art and Historical Treasures	4,798,546	247,290	632,164	4,413,672
<b>Total Nondepreciable Capital Assets</b>	<b>440,651,561</b>	<b>417,830,917</b>	<b>411,560,901</b>	<b>446,921,577</b>
<b>Depreciable Capital Assets:</b>				
Buildings	3,671,923,710	404,293,123	224,170,549	3,852,046,284
Infrastructure and Other Improvements	166,652,473	6,017,910	-	172,670,383
Furniture and Equipment	896,874,748	69,185,779	33,585,413	932,475,114
Library Resources	393,020,717	8,890,727	1,633,551	400,277,893
Leasehold Improvements	19,932,621	617,704	-	20,550,325
Right-to-Use Lease Assets	17,800,084	2,671,999	4,338,286	16,133,797
Subscription-Based Information Technology Arrangements	11,324,303	-	-	11,324,303
Computer Software	62,886,853	-	-	62,886,853
Other Capital Assets	2,294,872	-	-	2,294,872
<b>Total Depreciable Capital Assets</b>	<b>5,242,710,381</b>	<b>491,677,242</b>	<b>263,727,799</b>	<b>5,470,659,824</b>
<b>Less Accumulated Depreciation:</b>				
Buildings	1,942,015,001	111,810,179	375,149	2,053,450,031
Infrastructure and Other Improvements	104,543,152	4,872,559	-	109,415,711
Furniture and Equipment	612,282,638	55,316,474	29,236,669	638,362,443
Library Resources	352,564,784	9,149,219	1,633,551	360,080,452
Leasehold Improvements	8,692,586	846,186	-	9,538,772
Right-to-Use Lease Assets	6,541,385	3,497,899	2,587,176	7,452,108
Subscription-Based Information Technology Arrangements	1,246,592	2,184,151	-	3,430,743
Computer Software	55,855,313	7,031,540	-	62,886,853
Other Capital Assets	1,264,827	295,385	-	1,560,212
<b>Total Accumulated Depreciation</b>	<b>3,085,006,278</b>	<b>195,003,592</b>	<b>33,832,545</b>	<b>3,246,177,325</b>
<b>Total Depreciable Capital Assets, Net</b>	<b>2,157,704,103</b>	<b>296,673,650</b>	<b>229,895,254</b>	<b>2,224,482,499</b>
<b>Total Capital Assets, Net</b>	<b>\$ 2,598,355,664</b>	<b>\$ 714,504,567</b>	<b>\$ 641,456,155</b>	<b>\$ 2,671,404,076</b>

## 8. Museum and Art Collections

The Florida Museum of Natural History, which is the official State-sponsored and chartered natural history museum and part of the University, maintains a depository of biological, paleontological, archaeological, and ethnographic materials. The Museum's collections contain over 40 million specimens and objects, more than half of which are catalogued, either individually or in lots. While many of the collections are undoubtedly quite valuable and irreplaceable, the University has not placed a dollar value on these items and, accordingly, the financial statements do not include these assets.

The Samuel P. Harn Museum of Art, which is also part of the University, maintains a collection of over 13,000 works of art. In accordance with professional practice among the nation's art museums, and in compliance with museum accreditation standards, the University has not placed a dollar value on these items.

## 9. Deferred Outflows/Inflows of Resources

Certain changes in the University's proportionate share of the net pension liabilities of the cost-sharing multiple-employer Florida Retirement System and Health Insurance Subsidy defined benefit plans, as well as in the University's proportionate share of the total other postemployment benefits liability of the Division of State Group Insurance, are reported as deferred outflows and inflows of resources. These include changes in actuarial assumptions, differences between actual and expected experience in the measurement of the liabilities, the net difference between projected and actual earnings on pension plan investments as well as changes in the University's proportion of the collective liabilities since the prior measurement date, and changes between the University's contributions and its proportionate share of contributions. In addition, University contributions to the pension and

other postemployment benefits plans subsequent to the measurement date for the collective liabilities are reported as deferred outflows of resources. See Note 11 for a discussion of the University's other postemployment benefits payable and the related deferred outflows and inflows of resources. See Note 12 for a complete discussion of the University's defined benefit pension plans and the related deferred outflows and inflows of resources. Other deferred outflows consist of the resources tied to the asset retirement obligation recorded by the University under GASB Statement No. 83. See Note 11 for a complete discussion of the University's asset retirement obligation and the related deferred outflows.

## 10. Unearned Revenue

Unearned Revenue includes amounts received prior to the end of the fiscal year but related to subsequent accounting periods. Unearned Revenue as of June 30, 2024, is summarized in Table 10.

**Table 10. Unearned Revenue**

Description	
Grants and Contracts	\$ 43,681,438
Auxiliary Enterprises	9,954,395
Student Tuition and Fees	6,673,261
<b>Total Unearned Revenue</b>	<b>\$ 60,309,094</b>

## 11. Long-Term Liabilities

Long-term liabilities of the University at June 30, 2024, include capital improvement debt payable, loans and notes payable, installment purchase agreements payable, leases payable, subscription arrangements payable, compensated absences payable, other postemployment benefits payable, net pension liability, and other noncurrent liabilities. Long-term liability activity for the fiscal year ended June 30, 2024, is presented in Table 11.

**Table 11. Long-Term Liabilities**

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
<b>Capital Asset-Related Debt:</b>					
Capital Improvement Debt Payable	\$ 356,001,545	\$ 50,443,943	\$ 11,990,662	\$ 394,454,826	\$ 15,669,000
Loans and Notes Payable	22,582,856	-	458,576	22,124,280	1,236,422
Installment Purchase Agreements Payable	2,661,688	210,777	902,523	1,969,942	800,672
Leases Payable	11,679,365	1,900,830	4,475,473	9,104,722	2,407,496
Subscription Arrangements Payable	9,070,078	-	1,969,630	7,100,448	2,142,370
<b>Total Capital Asset-Related Debt</b>	<b>401,995,532</b>	<b>52,555,550</b>	<b>19,796,864</b>	<b>434,754,218</b>	<b>22,255,960</b>
<b>Other Long-Term Liabilities:</b>					
Compensated Absences Payable	143,563,319	28,488,491	15,964,842	156,086,968	16,292,215
Other Postemployment Benefits Payable	814,517,026	74,428,917	27,530,520	861,415,423	22,408,985
Net Pension Liability	814,410,156	465,344,659	328,100,636	951,654,179	-
Other Noncurrent Liabilities	10,697,000	531,000	102,000	11,126,000	-
<b>Total Long-Term Liabilities</b>	<b>\$ 2,185,183,033</b>	<b>\$ 621,348,617</b>	<b>\$ 391,494,862</b>	<b>\$ 2,415,036,788</b>	<b>\$ 60,957,160</b>

## A. CAPITAL IMPROVEMENT DEBT PAYABLE

Capital improvement debt is issued to construct student housing, parking, and various other University facilities. The outstanding debt for student housing and the parking facilities is secured by a pledged portion of housing rental revenues and parking fees. The outstanding debt for the Clinical Translational Research Building is secured by a pledged portion of indirect cost revenues received by the College of Medicine. The outstanding debt for the renovation and expansion of the student activity center building is secured by a pledged portion of the student and activity fees. Pledged revenues are equal to the remaining debt service requirements to maturity for the capital improvement debt.

On August 31, 2023, the Florida Board of Governors, on behalf of the University, issued \$10,680,000 of University of Florida Research Revenue Bonds, Series 2023A (Taxable) and \$39,150,000 of University of Florida Research Revenue Bonds, Series 2023B (Tax-Exempt). The Series 2023A will mature on July 1, 2034, and carry coupons of 5%. The Series 2023B will mature on July 1, 2053, and carry coupons ranging from 4% to 5%. The bonds will be repaid from indirect cost revenues received from federal, State, and private research grants. The Series 2023A&B Bonds were issued to finance the renovation of existing biomedical and life sciences laboratories at the University. The renovations comprise approximately 50,725 square feet.



A summary of the University's capital improvement debt payable at June 30, 2024, is presented in Table 12.

**Table 12. Capital Improvement Debt Payable**

Type and Series	Amount of Original Issue	Amount Outstanding			Maturity Date
		Principal	Interest	Interest Rates	
<b>Student Housing Auxiliary Debt:</b>					
2016A Housing	\$ 19,390,000	\$ 9,660,000	\$ 1,260,388	3.000 to 5.000%	2030
2021A Housing	215,550,000	215,550,000	102,570,150	2.250 to 5.000%	2051
2021B Housing	17,240,000	12,375,000	2,390,000	5.000%	2031
2023A Housing	10,555,000	9,760,000	2,608,500	5.000%	2033
<b>Total Student Housing Debt</b>	<b>262,735,000</b>	<b>247,345,000</b>	<b>108,829,038</b>		
<b>Parking Garage Auxiliary Debt:</b>					
2018A Parking	39,070,000	29,055,000	8,829,575	4.000 to 5.000%	2039
<b>Total Parking Garage Debt</b>	<b>39,070,000</b>	<b>29,055,000</b>	<b>8,829,575</b>		
<b>Other University of Florida Revenue Bonds:</b>					
2020A Clinical Translational Research Building	19,025,000	11,711,000	594,101	1.540%	2030
2023A Student Activity	22,290,000	20,520,000	5,463,250	5.000%	2033
2023A Research (Taxable)	10,680,000	10,680,000	3,151,000	5.000%	2034
2023B Research (Non-Taxable)	39,150,000	39,150,000	34,805,732	4.000 to 5.000%	2053
<b>Total Other University of Florida Revenue Bonds</b>	<b>91,145,000</b>	<b>82,061,000</b>	<b>44,014,083</b>		
Plus: Unamortized Premiums	-	33,954,844	-		
Plus: Unamortized Refunding Gains	-	2,038,982	-		
<b>Total Capital Improvement Debt</b>	<b>\$ 392,950,000</b>	<b>\$ 394,454,826</b>	<b>\$ 161,672,696</b>		

Annual requirements to amortize all capital improvement debt outstanding as of June 30, 2024, are presented in Table 13.

Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 15,669,000	\$ 13,267,376	\$ 28,936,376
2026	16,380,000	12,545,839	28,925,839
2027	17,143,000	11,789,497	28,932,497
2028	17,908,000	11,028,036	28,936,036
2029	16,536,000	10,266,396	26,802,396
2030-34	68,315,000	40,924,315	109,239,315
2035-39	56,115,000	28,622,672	84,737,672
2040-44	54,465,000	19,532,573	73,997,573
2045-49	62,465,000	11,527,216	73,992,216
2050-53	33,465,000	2,168,776	35,633,776
<b>Total Principal &amp; Interest</b>	<b>358,461,000</b>	<b>161,672,696</b>	<b>520,133,696</b>
Plus: Unamortized Premiums	33,954,844	-	33,954,844
Plus: Unamortized Refunding Gains	2,038,982	-	2,038,982
<b>Total</b>	<b>\$394,454,826</b>	<b>\$161,672,696</b>	<b>\$556,127,522</b>

**B. LOANS AND NOTES PAYABLE**

On August 30, 2013, the University borrowed \$6,472,538 at an interest rate of 2.33% to finance the cost of energy savings contracts and renovation of the J. Wayne Reitz Union. The principal and interest costs are expected to be met by cost savings of the newer system. The University’s outstanding note is secured with collateral of the energy performance equipment used in the renovation. The note contains a provision that in an event of default, the contract can be terminated, and equipment returned and/or declare all payments payable under the contract to the end of the then current budget year of the University, to be immediately due and payable. The note matures on August 31, 2029, and principal and interest payments are made monthly.

On April 11, 2023, the University borrowed \$19,577,352 at an interest rate of 3.31% to finance the cost of energy savings equipment used in university plants. The principal and interest costs are expected to be met by cost savings of the newer system. The University’s outstanding note is secured with collateral of the energy performance equipment used in the renovation. The note contains a provision that in an event of default, the contract can be terminated, and equipment returned and/or declare all payments payable under the contract to the end of the then current budget year of the University, to be immediately due and payable. The note matures on April 1, 2043, and principal and interest payments are made quarterly.

Annual requirements to amortize the note as of June 30, 2024, are presented in Table 14.

Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 1,236,422	\$ 692,860	\$ 1,929,282
2026	1,273,172	656,109	1,929,281
2027	1,311,045	618,237	1,929,282
2028	1,350,073	579,209	1,929,282
2029	1,390,294	538,988	1,929,282
2030-34	4,922,964	2,192,367	7,115,331
2035-39	5,702,441	1,325,612	7,028,053
2040-43	4,937,869	333,172	5,271,041
<b>Total</b>	<b>\$ 22,124,280</b>	<b>\$ 6,936,554</b>	<b>\$ 29,060,834</b>

**C. INSTALLMENT PURCHASE AGREEMENTS PAYABLE**

The University has entered into several installment purchase agreements for the purchase of buildings and equipment totaling \$13,008,399. The imputed interest rates ranged from 0.75% to 6.45%. The installment purchases contain a provision that, in an event of default, outstanding amounts become immediately due if the University is unable to make payment. Future minimum principal payments remaining under installment purchase agreements as of June 30, 2024, are presented in Table 15.

Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 800,672	\$ 97,161	\$ 897,833
2026	292,571	68,369	360,940
2027	207,732	55,592	263,324
2028	220,829	42,495	263,324
2029	234,736	28,570	263,306
2030	213,402	13,764	227,166
<b>Total Minimum Payments</b>	<b>\$ 1,969,942</b>	<b>\$ 305,951</b>	<b>\$ 2,275,893</b>

**D. LEASES PAYABLE**

The University leases equipment and space from external parties for various terms under long-term lease agreements. The leases expire at various dates through 2036 with renewal options available ranging from 1 to 15 years. In accordance with GASB Statement No. 87, the University records right-to-use assets and lease liabilities based on the present value of expected payments over the lease term of the respective leases. The expected payments are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using the University’s incremental borrowing rate. Variable payments are excluded from the valuations unless



they are fixed in substance. The University does not have any leases featuring payments tied to an index or market rate, or any leases subject to a residual value guarantee. See Note 7 Capital Assets for information on right-to-use assets and the associated accumulated depreciation. Leases payable for the fiscal year ended June 30, 2024, are presented in Table 16.

**Table 16. Leases Payable - Principal & Interest**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 2,407,496	\$ 217,098	\$ 2,624,594
2026	2,241,825	160,363	2,402,188
2027	1,883,377	99,924	1,983,301
2028	770,121	62,856	832,977
2029	469,580	47,051	516,631
2030-2034	1,299,747	65,505	1,365,252
2035-2036	32,576	1,024	33,600
<b>Total</b>	<b>\$ 9,104,722</b>	<b>\$ 653,821</b>	<b>\$ 9,758,543</b>

## E. SUBSCRIPTION ARRANGEMENTS PAYABLE

The University follows GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which establishes a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The statement provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. See Note 7 Capital Assets for information on right-to-use subscription assets and the associated accumulated depreciation. Future minimum payments under subscription arrangements payable for the fiscal year ended June 30, 2024, are presented in Table 17.

**Table 17. Subscription Arrangements Payable - Principal & Interest**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 2,142,370	\$ 296,655	\$ 2,439,025
2026	2,206,433	210,274	2,416,707
2027	570,506	121,898	692,404
2028	644,248	96,624	740,872
2029	724,649	68,084	792,733
2030	812,242	35,982	848,224
<b>Total</b>	<b>\$ 7,100,448</b>	<b>\$ 829,517</b>	<b>\$ 7,929,965</b>

## F. 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 in accordance with its policy regarding leave payment upon separation from employment. 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, 2024, the estimated liability for compensated absences, which includes the University's share of the Florida Retirement System and FICA contributions, totaled \$156,086,968. The current portion of the compensated absences liability, \$16,292,215, is the amount expected to be paid in the coming fiscal year and is based on actual payouts over the last three years, calculated as a percentage of those years' total compensated absences liability.

## G. OTHER POSTEMPLOYMENT BENEFITS PAYABLE

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.

### General Information about the OPEB Plan

■ **Plan Description** - The Division of State Group Insurance's Other Postemployment Benefits Plan (OPEB Plan) is a multiple-employer defined benefit health plan administered by the State of Florida. 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 meets 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 (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 \$861,415,423 was measured as of June 30, 2023, and was determined by an actuarial valuation as of July 1, 2022. At June 30, 2023, the University’s proportionate share, determined by its proportion of total benefit payments made, was 10.29%, which decreased by 0.09% from its proportionate share measured as of June 30, 2022.

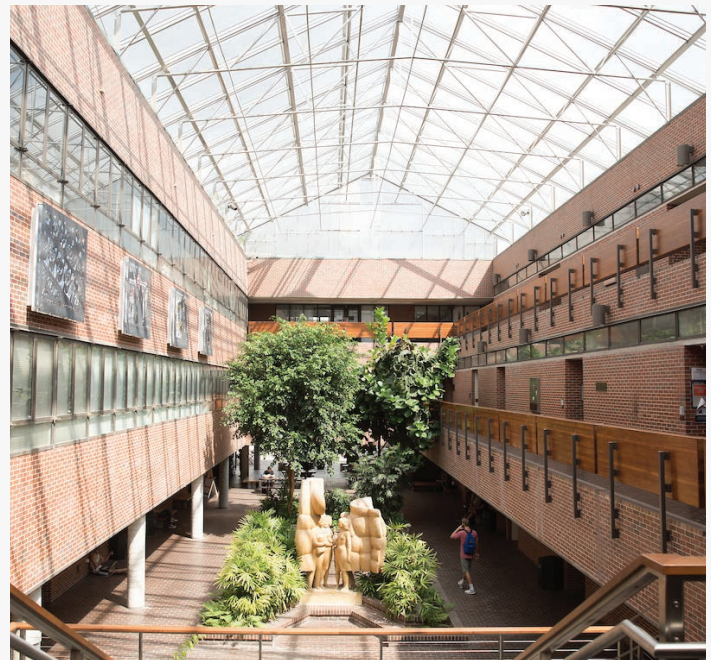
**■ Actuarial Assumptions and Other Inputs** - The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified, as presented in Table 18.

Table 18. Actuarial Assumptions - OPEB	
Inflation	2.40%
Salary Increases	Varies by FRS Class
Discount Rate	4.13%

Healthcare cost trend rates for the Preferred Provider Organizations (PPO) and Health Maintenance Organizations (HMO), respectively, are 8.10% and 6.44% for the 2023-24 fiscal year, increasing to a rate of 8.28% and 6.50% in the 2025-26 fiscal year, and decreasing to 4.04% and 4.04% for 2075-76 and later fiscal years.

Retiree premium trend rates for both the PPO and HMO plans are 7.3% for the 2023-24 fiscal year, increasing to a rate of 7.4% for the 2025-26 fiscal year, and gradually decreasing to 4.0% for the 2075-76 and later fiscal years.

The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index.



Mortality rates were based on the PUB-2010 mortality Tables with fully generational improvement with Scale MP-2018.

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

The following changes have been made since the prior valuation:

- Disability Rates – For those in the Special Risk Class, disability rates were updated to those used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2022.
- DROP Election Percentage and DROP Participation Period – For Law Enforcement Officers, the percentage of members assumed to elect to participate in the Deferred Retirement Option Program (DROP) was updated to align with rates used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2022. Further Law Enforcement Officers’ maximum DROP participation period was extended from 60 months (5 years) to 96 months (8 years).
- Inflation – Inflation was lowered to match the 2.4% used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2022.
- Discount Rate – The discount rate was updated to utilize the mandated discount rate based on a 20-year Standard & Poor’s Municipal Bond Rate Index as of the measurement date, as required under GASB 75. The discount rate increased from 4.09% to 4.13%.

**■ Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate –**

Table 19 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 (3.13%) or 1 percentage point higher (5.13%) than the current rate.

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
<b>University's Proportionate Share of the Total OPEB Liability</b>	<b>\$1,036,316,326</b>	<b>\$ 861,415,423</b>	<b>\$ 728,291,888</b>

**■ Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates –**

Table 20 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 rates.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
<b>University's Proportionate Share of the Total OPEB Liability</b>	<b>\$ 708,710,964</b>	<b>\$ 861,415,423</b>	<b>\$ 1,069,182,888</b>

**■ OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB –**

For the fiscal year ended June 30, 2024, the University recognized OPEB expense of \$37,937,166. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB as presented in Table 21.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$ 74,542,065	\$ 412,024,703
Differences Between Expected and Actual Experience	-	71,068,633
Changes in Proportion and Differences Between University Benefit Payments and Proportionate Share of Benefit Payments	38,804,253	12,555,530
Transactions Subsequent to the Measurement Date	22,904,688	-
<b>Total</b>	<b>\$ 136,251,006</b>	<b>\$ 495,648,866</b>

Of the total amount reported as deferred outflows of resources related to OPEB, \$22,904,688 resulting from transactions 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as presented in Table 22.

Fiscal Year Ending June 30	
2025	\$ (103,565,492)
2026	(82,319,405)
2027	(70,979,851)
2028	(43,716,472)
2029	(43,708,947)
Thereafter	(38,012,381)
<b>Total</b>	<b>\$ (382,302,548)</b>

**H. ASSET RETIREMENT OBLIGATION PAYABLE**

The University follows GASB Statement No. 83, *Certain Asset Retirement Obligations*, to account for significant asset retirement obligations (AROs). These AROs are included as part of Other Noncurrent Liabilities in Table 11, and the total amount of the AROs for the University was \$11,126,000 as of June 30, 2024. The University's AROs consist of radioactive and biohazardous tangible capital assets. The University utilizes governmental agency estimates and current remediation costs to estimate the AROs. The source of the obligations are Federal and State regulations, and there are no legally required funding or assurance provisions associated with the AROs. There are no assets restricted for payments of the AROs. The remaining useful lives of the tangible capital assets range from 25 to 50 years. The University amortizes the associated deferred outflows of resources associated with the AROs by applying the straight-line method over the estimated remaining useful lives of the assets.

## 12. Retirement Plans

### A. DEFINED BENEFIT PENSION PLANS

The University follows GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, for reporting the employer's proportionate share of the net pension liabilities for the FRS and HIS defined benefit plans.

#### **General information about the Florida Retirement System and Health Insurance Subsidy Program**

The Florida Retirement System (FRS) was created in Chapter 121, Florida Statutes. The FRS was created to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DRO) 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 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance. 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 as well as faculty and specified employees in the State university system.

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. An annual comprehensive 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](http://www.dms.myflorida.com)).

The University's pension expense totaled \$252,088,074 for the 2023-24 fiscal year for both the FRS Pension Plan and HIS Program.

### 1. Florida Retirement System Defined Benefit Pension Plan

■ **Plan Description** – The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DRO 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 – 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 vested members enrolled in the Plan on or after July 1, 2011, 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. Employees enrolled in the Plan may include up to four years of 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 DRO, 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 DRO for a period not to exceed 96 months after electing to participate. During the period of DRO participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DRO 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 service credit. 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. Table 23 shows the percentage value for each year of service credit earned.

**Table 23. Percentage Value of Service Credit Earned per Year**

<b>Regular Class members initially enrolled before July 1, 2011</b>	
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 or more years of service	1.68%
<b>Regular Class members initially enrolled on or after July 1, 2011</b>	
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%
<b>Senior Management Service Class</b>	2.00%
<b>Special Risk Class</b>	
Service on and after October 1, 1974	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 3.00% 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 3.00%, determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement, multiplied by 3.00%. 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 2023-24 fiscal year are shown in Table 24. The University's contributions to the Plan totaled \$91,652,297 for the fiscal year ended June 30, 2024.

**Table 24. Florida Retirement System Contribution Rates**

<b>Class</b>	<b>Percent of Gross Salary</b>	
	<b>Employee</b>	<b>Employer (1)</b>
Florida Retirement System, Regular	3.00%	13.57%
Florida Retirement System, Senior Management Service	3.00%	34.52%
Florida Retirement System, Special Risk	3.00%	32.67%
Deferred Retirement Option Program- Applicable to Members from all of the Above Classes	0.00%	21.13%
Florida Retirement System, Reemployed Retiree	(2)	(2)

(1) Employer rates for each membership class include 2.00% for Health Insurance Subsidy. Also, employer rates, other than for DROP participants, include .06% for administrative costs of the Investment Plan.

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

■ **Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2024, the University reported a liability of \$689,801,066 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The University's proportionate share of the net pension liability was based on the University's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the University's proportionate share was 1.73%, which was an decrease of 0.01% compared to the proportionate share measured as of June 30, 2022.

For the year ended June 30, 2024, the University recognized pension expense of \$150,691,355. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to pensions as presented in Table 25.

**Table 25. Deferred Outflows and Inflows Related to Pensions - FRS**

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 64,766,368	\$ -
Change of Assumptions	44,966,956	-
Net Difference Between Projected and Actual Earnings on FRS Plan Investments	28,807,959	-
Changes in Proportion and Difference Between University Contributions and Proportionate Share of Contributions	23,761,385	3,842,232
University FRS Contributions Subsequent to the Measurement Date	91,652,297	-
<b>Total</b>	<b>\$ 253,954,965</b>	<b>\$ 3,842,232</b>

The deferred outflows of resources related to pensions totaling \$91,652,297 resulting from University contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown in Table 26.

Table 26. Recognition of Deferred Outflows and Inflows Related to Pensions - FRS		
Fiscal Year Ending June 30		
2025	\$	25,543,010
2026		(1,770,920)
2027		119,012,161
2028		12,792,044
2029		2,884,141
<b>Total</b>	<b>\$</b>	<b>158,460,436</b>

■ **Actuarial Assumptions** – The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, as presented in Table 27.

Table 27. Actuarial Assumptions - FRS		
Inflation	2.40%	
Salary Increases	3.25%	Average, including inflation
Investment Rate of Return	6.70%	Net of Pension Plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP 2018. The actuarial assumptions used in the July 1, 2023, 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 was 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 was based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of long-term expected rates of arithmetic return for each major asset class are summarized in Table 28.

Table 28. Target Allocation and Expected Rate of Return		
Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	1.00%	2.90%
Fixed Income	19.80%	4.50%
Global Equity	54.00%	8.70%
Real Estate (Property)	10.30%	7.60%
Private Equity	11.10%	11.90%
Strategic Investments	3.80%	6.30%
<b>Total</b>	<b>100.00%</b>	

■ **Discount Rate** – The discount rate used to measure the total pension liability was 6.70%. 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.

■ **Sensitivity of the University’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – Table 29 presents the University’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, 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 (5.70%) or 1 percentage point higher (7.70%) than the current rate.

Table 29. Sensitivity to Changes in Discount Rate - FRS			
	1% Decrease	Current	1% Increase
	5.70%	6.70%	7.70%
<b>University’s Proportionate Share of the Net Pension Liability</b>	<b>\$1,178,320,682</b>	<b>\$ 689,801,066</b>	<b>\$ 281,095,956</b>

■ **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 Annual Comprehensive Financial Report*.

**2. Health Insurance Subsidy Defined Benefit 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 Division of Retirement within the Florida Department of Management Services.

■ **Benefits Provided** – For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement, multiplied by \$7.50. The payments are at least \$45, but not more than \$225 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, 2024, the contribution rate was 2.00% of payroll pursuant to Section 112.363, Florida Statutes. The University contributed 100% 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 \$14,042,679 for the fiscal year ended June 30, 2024.

■ **Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2024, the University reported a liability of \$261,853,113 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, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The University's proportionate share of the net pension liability was based on the University's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the University's proportionate share was 1.65%, which was an increase of 0.09% from its proportionate share of 1.56% measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the University recognized pension expense of \$101,396,719. In addition, the University reported deferred outflows of resources and deferred inflows of resources related to pensions as presented in Table 30.

Description		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$	3,833,350	\$ 614,608
Change of Assumptions		6,884,038	22,690,454
Net Difference Between Projected and Actual Earnings on Plan Investments		135,225	-
Changes in Proportion and Difference Between University Contributions and Proportionate Share of Contributions		13,733,979	-
University Contributions Subsequent to the Measurement Date		14,042,679	-
<b>Total</b>	<b>\$</b>	<b>38,629,271</b>	<b>\$ 23,305,062</b>

The deferred outflows of resources related to pensions totaling \$14,042,679 resulting from University contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown in Table 31.

**Table 31. Recognition of Deferred Outflows and Inflows Related to Pensions - HIS**

2025	\$	895,144
2026		1,641,552
2027		676,708
2028		(1,788,257)
2029		(420,187)
Thereafter		276,570
<b>Total</b>	<b>\$</b>	<b>1,281,530</b>

■ **Actuarial Assumptions** - The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as presented in Table 32.

**Table 32. Actuarial Assumptions - HIS**

Inflation	2.40%
Salary Increases	3.25% average, including inflation
Municipal Bond Rate	3.65%

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

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 3.65%, which was an increase of 0.11% from the prior measurement date. 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.

■ **Sensitivity of the University’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – Table 33 presents the University’s proportionate share of the net pension liability calculated using the discount rate of 3.65%, 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 (2.65%) or 1 percentage point higher (4.65%) than the current rate.

	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
<b>University’s Proportionate Share of the Net Pension Liability</b>	<b>\$ 298,733,534</b>	<b>\$ 261,853,113</b>	<b>\$ 231,281,720</b>

■ **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 Systems Annual Comprehensive Financial Report*.

**B. DEFINED CONTRIBUTION PENSION PLANS**

**1. FRS Investment Plan**

The State Board of Administration (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 Annual Comprehensive 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 as the FRS defined benefit plan; these contributions are based on salary and membership class (Regular Class, Senior Management Service Class, etc.). 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% of payroll and by forfeited benefits of plan members. Allocations to the Investment Plan member investment accounts during the 2023-24 fiscal year are presented in Table 34.

Class	Percent of Gross Compensation
Florida Retirement System, Regular	11.30%
Florida Retirement System, Senior Management Service	12.67%
Florida Retirement System, Special Risk	19.00%

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. Non-vested 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 his or her 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, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes 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 select 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.

There were 4,877 University participants during the 2023-24 fiscal year. The University’s Investment Plan pension expense totaled \$35,776,433 for the fiscal year ended June 30, 2024.



## 2. State University System Optional Retirement Program

Section 121.35, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible university instructors and administrators. The Program 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 Program is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating investment companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by

certain insurance carriers. The employing university contributes 5.14% of the participant's salary to the participant's account, 4.78% to cover the unfunded actuarial liability of the FRS pension plan, and 0.01% to cover administrative costs, for a total of 9.93%. Employees contribute 3.00% of their 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.

There were 11,975 University participants during the 2023-24 fiscal year. The University's contributions to the Program totaled \$65,019,334 and employee contributions totaled \$35,184,964 for the 2023-24 fiscal year.

## 13. Construction Commitments

The University's construction commitments at June 30, 2024, are presented in Table 35.

**Table 35. Construction Commitments**

<b>Project Title</b>	<b>Total Commitment</b>	<b>Completed to Date</b>	<b>Balance Committed</b>
Health & Financial Tech Graduate Center - Jacksonville	\$ 250,000,000	\$ -	\$ 250,000,000
Honors Residential College	224,938,137	172,585,381	52,352,756
Dental Building Addition	198,647,435	212	198,647,223
New Music Building	60,000,000	-	60,000,000
Thermal Utility Infrastructure (Museum Rd)	56,283,710	53,125,298	3,158,412
Bruno E. & Maritza F. Ramos Collaboratory and Renovation of Existing Bldg.	49,729,310	9,032,842	40,696,468
Hamilton Center for Classical and Civic Education	47,000,000	1,469	46,998,531
Florida Semiconductor Institute	45,000,000	-	45,000,000
Whitney Laboratory for Marine Bioscience	41,200,000	9,702,158	31,497,842
Chemical Engineering Renovation & Remodeling	37,842,685	159,315	37,683,370
Hickory Sink Strategic Ecosystem Acquisition	37,000,000	-	37,000,000
Inner Road Surface Treatments (roadway, hardscape, landscape) Improvement	36,198,000	25,631,107	10,566,893
Health Science Center Investment Grade Audit Energy Service Company	34,000,000	1,207,541	32,792,459
Holland Law Energy Service Company	32,333,397	24,112,561	8,220,836
Center for Applied Artificial Intelligence	30,000,000	91,190	29,908,810
Broward Dining Facility Renovation and Addition	25,555,000	15,320,739	10,234,261
Thompson Center for Earth Systems	20,000,000	1,660,117	18,339,883
PK Yonge Gymnasium	18,000,000	7,500	17,992,500
New Welcome Center for Campus Tours	16,300,000	2,460	16,297,540
New Disability Resource Center	12,450,000	349,093	12,100,907
Gator Corner Dining Center Renovation	12,000,000	-	12,000,000
Camp Cherry Lake 4-H Multipurpose Building	11,500,000	-	11,500,000
Basic Science Third Floor Renovation	10,854,147	268,735	10,585,412
Whitney Laboratory Land Acquisition	10,000,000	-	10,000,000
Dental Science Building Envelope Repairs	9,953,960	105	9,953,855
Communicore Third level Remodel/Renovation	9,295,006	1,500	9,293,506
Black Hall - Bio-Tech Lab Renovations	9,120,423	10,741	9,109,682
O'Connell Center Roof Repairs	6,714,800	183,157	6,531,643
Flavet Outdoor Recreation Complex	6,552,004	106,444	6,445,560
IFAS Microbiology & Cell Sciences Teaching Lab Addition	6,250,000	210,400	6,039,600
Harn American Art Wing	5,698,000	418,728	5,279,272
Stetson Medical Science Roof Replace	5,552,948	-	5,552,948
Subtotal	1,375,968,962	314,188,793	1,061,780,169
Projects Under \$5,000,000	366,389,078	92,145,530	274,243,548
<b>Total</b>	<b>\$ 1,742,358,040</b>	<b>\$ 406,334,323</b>	<b>\$ 1,336,023,717</b>

## 14. State Self-Insurance 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 2023-24 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 \$40.2 million for flood and \$38.6 million for named windstorm through February 14, 2024, and increased to \$62.5 million for flood and named windstorm starting February 15, 2024. For perils other than named windstorm and flood, losses in excess of \$2 million per occurrence were commercially insured up to \$184.8 million through February 14, 2024, and increased to \$237.5 million starting February 15, 2024; 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 3 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.

## 15. University Self-Insurance Programs

The University of Florida Self-Insurance Program (the Program) and the University of Florida Healthcare Education Insurance Company (HEIC), which are included in the University's reporting entity as discretely presented component units (see Note 1), provide general and professional liability protection for the Trustees on behalf of the six health colleges of the JHMHC, the College of Veterinary Medicine teaching hospitals, the Student Health Care Center, direct-support organizations, and their employees and agents. Hospital professional liability protection, including general liability, is provided to Shands Teaching Hospital and Clinics, Inc., Shands Jacksonville Medical Center, Inc. (a subsidiary of Shands Jacksonville HealthCare, Inc.-Shands Jacksonville), other entities statutorily authorized to participate in the Program, and their employees and agents. The Program and HEIC are distinct from and entirely independent of the self-insurance programs administered by the State described in Note 14.

The Trustees and other immune entities are protected for losses which are subject to Section 768.28, Florida Statutes, including legislative claims bills, that in combination with the waiver of immunity limits described in Section 768.28, Florida Statutes, do not exceed \$1 million per claim and, for voluntary settlements, \$2 million per claim. For those protected entities not subject to Section 768.28, Florida Statutes, the Program provides \$2 million per claim. The per claim limit of liability protection for the participants does not exceed \$2 million per claim in the event more than one protected entity is involved in the same claim or action.

HEIC provides coverage for claims that are in excess of the protections provided by the Program, at limits of \$4 million per legislative claims bill coverage for participants subject to Section 768.28, Florida Statutes.

## 16. Litigation and Contingencies

The University is involved in certain pending and threatened legal actions. The range of potential loss from all such claims and actions, as estimated by the University's legal counsel and management, should not materially affect the University's financial position.

## 17. Scholarship Allowance

Student Tuition and Fees as well as Sales and Services of Auxiliary Enterprises are reported net of scholarship allowance. Allowances of \$274,944,613 and \$21,953,689 were applied to Student Tuition and Fees and Sales and Services of Auxiliary Enterprises.

## 18. Functional Distribution of Operating Expenses

The functional classification of operating expenses (instruction, research, etc.) is assigned to each individual transaction based on the nature of the activity. The operating expenses on the Statement of Revenues, Expenses, and Changes in Net Position are presented by natural classification. Table 36 presents those same expenses in functional classification as recommended by NACUBO.

Table 36. Functional Expenses	
Functional Classification	
Public Service	\$ 1,122,042,251
Research	975,545,962
Instruction	900,019,847
Academic Support	285,384,100
Institutional Support	223,195,121
Depreciation	195,003,592
Scholarships, Fellowships, and Waivers, Net	194,336,240
Operation and Maintenance of Plant	176,669,423
Auxiliaries Enterprises	145,296,470
Student Services	60,981,164
<b>Total Operating Expenses</b>	<b>\$ 4,278,474,170</b>

## 19. Component Units

The University's financial statements include 17 discretely presented component units as discussed in Note 1. These component units comprise 100% of the transactions and account balances of the aggregate discretely presented component units columns of the financial statements. Summary financial information from the most recently available audited financial statements for these component units is presented on the following pages in Tables 37, 38, and 39.

## 20. 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. Transportation and Parking Services provides the University with safe and adequate parking facilities. Several parking garages have been constructed from the proceeds of revenue-backed debt instruments. The Department of Housing and Residence Education provides safe and affordable living space for students of the University of Florida. Capital improvement

debt has been issued over the years to provide funding for the construction of facilities to house students of the University. A summary of the financial activity for these segments is presented in Table 40.

## 21. Subsequent Events

In June 2024, the UF Board approved the formation of the University of Florida Health Corporation ("Corporation") as an umbrella organization primarily to support the health affairs mission of UF. As part of the oversight and coordination, the Corporation Board of Directors shall also serve as the Board of Directors for Shands Teaching Hospital and Clinics, Inc., and its subsidiaries.

On July 1, 2024, the University has begun a three-year implementation project for Workday enterprise resource planning system with a go-live date of July 1, 2027. This will result in a SBITA liability for the University beginning in the fiscal year 2024-25.



**Table 37. Direct-Support Organizations** (amounts expressed in thousands)

	University of Florida Foundation, Inc. (1)	The University Athletic Association, Inc.	University of Florida Research Foundation, Inc.	GatorCare Health Management Corporation
<b>CONDENSED STATEMENT OF NET POSITION</b>				
Assets				
Due from Component Units/University	\$ 113,723	\$ 6,517	\$ 188,418	\$ -
Other Current Assets	197,604	78,724	9,935	81,263
Capital Assets, Net	104,837	307,839	-	2
Other Noncurrent Assets	<u>2,519,951</u>	<u>61,153</u>	<u>-</u>	<u>1,604</u>
<b>Total Assets</b>	<u>2,936,115</u>	<u>454,233</u>	<u>198,353</u>	<u>82,869</u>
Liabilities				
Due to Component Units/University	48,632	31,570	83,766	45,156
Other Current Liabilities	15,399	58,933	4,106	32,948
Noncurrent Liabilities	<u>37,644</u>	<u>139,882</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>101,675</u>	<u>230,385</u>	<u>87,872</u>	<u>78,104</u>
Deferred Inflows of Resources				
Other Deferred Inflows	<u>20,644</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>122,319</u>	<u>230,385</u>	<u>87,872</u>	<u>78,104</u>
Net Position				
Net Investment in Capital Assets	104,285	164,881	-	2
Restricted-Nonexpendable Endowment	1,663,692	-	-	-
Restricted-Expendable Endowment	1,003,048	-	-	-
Restricted-Expendable Other	-	-	-	-
Unrestricted	<u>42,771</u>	<u>58,967</u>	<u>110,481</u>	<u>4,763</u>
<b>Total Net Position</b>	<u>\$ 2,813,796</u>	<u>\$ 223,848</u>	<u>\$ 110,481</u>	<u>\$ 4,765</u>
<b>CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>				
Operating Revenues	\$ 209,421	\$ 182,462	\$ 43,214	\$ 1,721
Operating Expenses	<u>(307,165)</u>	<u>(179,872)</u>	<u>(47,445)</u>	<u>(1,638)</u>
Operating Income (Loss)	(97,744)	2,590	(4,231)	83
Nonoperating Revenues (Expenses) and Other Revenues, Expenses, Gains, or Losses				
Investment Income (Loss), Net of Expenses	170,366	9,141	(144)	1,931
Net Increase (Decrease) in the Fair Value of Investments	(107)	-	(262)	-
Other Nonoperating Revenues	-	8,402	2,300	-
Other Nonoperating Expenses	-	(4,941)	-	-
Addition to Permanent Endowments	<u>61,116</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	133,631	15,192	(2,337)	2,014
Net Position, Beginning of Year	<u>2,680,165</u>	<u>208,656</u>	<u>112,818</u>	<u>2,751</u>
<b>Net Position, End of Year</b>	<u>\$ 2,813,796</u>	<u>\$ 223,848</u>	<u>\$ 110,481</u>	<u>\$ 4,765</u>

(1) Includes financial transactions for the University of Florida Alumni Association, Inc.

**Table 37. Direct-Support Organizations** (amounts expressed in thousands)

	<b>Florida Foundation Seed Producers, Inc.</b>	<b>University of Florida Development Corporation</b>	<b>Gator Boosters, Inc.</b>	<b>Citrus Research and Development Foundation, Inc.</b>	<b>Total Direct-Support Organizations</b>
\$	-	\$ -	\$ 35,382	\$ -	\$ 344,040
	16,768	5,045	1,921	2,582	393,842
	7,207	7,965	14	-	427,864
	-	4,596	513	-	2,587,817
	23,975	17,606	37,830	2,582	3,753,563
	6,440	-	6,020	-	221,584
	1,952	603	32,093	882	146,916
	-	-	133	-	177,659
	8,392	603	38,246	882	546,159
	148	5,146	-	-	25,938
	8,540	5,749	38,246	882	572,097
	7,207	7,965	-	-	284,340
	-	-	513	-	1,664,205
	-	-	-	-	1,003,048
	-	-	-	1,700	1,700
	8,228	3,892	(929)	-	228,173
<b>\$</b>	<b>15,435</b>	<b>\$ 11,857</b>	<b>\$ (416)</b>	<b>\$ 1,700</b>	<b>\$ 3,181,466</b>
\$	1,917	\$ 2,006	\$ 50,101	\$ 1,533	\$ 492,375
	(1,023)	(2,403)	(4,925)	(40,028)	(584,499)
	894	(397)	45,176	(38,495)	(92,124)
	416	371	2,316	124	184,521
	-	-	-	-	(369)
	30	5,296	-	37,754	53,782
	(688)	-	(47,473)	-	(53,102)
	-	-	2	-	61,118
	652	5,270	21	(617)	153,826
	14,783	6,587	(437)	2,317	3,027,640
<b>\$</b>	<b>15,435</b>	<b>\$ 11,857</b>	<b>\$ (416)</b>	<b>\$ 1,700</b>	<b>\$ 3,181,466</b>

**Table 38. Health Science Center Affiliates** (amounts expressed in thousands)

	Florida Clinical Practice Association, Inc.	University of Florida Jacksonville Physicians, Inc.	Faculty Associates, Inc.	Florida Veterinary Medicine Faculty Association, Inc.	University of Florida College of Pharmacy Faculty Practice Association, Inc.	Total Health Science Center Affiliates
<b>CONDENSED STATEMENT OF NET POSITION</b>						
Assets						
Due from Component Units/University	\$ 3,959	\$ 11,453	\$ -	\$ 11,600	\$ -	\$ 27,012
Other Current Assets	189,145	102,769	35,762	5,388	677	333,741
Capital Assets, Net	163,497	89,514	-	272	-	253,283
Other Noncurrent Assets	25,660	2,187	-	-	-	27,847
<b>Total Assets</b>	<b>382,261</b>	<b>205,923</b>	<b>35,762</b>	<b>17,260</b>	<b>677</b>	<b>641,883</b>
Liabilities						
Due to Component Units/University	18,362	-	-	2,610	-	20,972
Other Current Liabilities	41,165	58,311	579	1,143	277	101,475
Noncurrent Liabilities	146,203	58,971	-	180	-	205,354
<b>Total Liabilities</b>	<b>205,730</b>	<b>117,282</b>	<b>579</b>	<b>3,933</b>	<b>277</b>	<b>327,801</b>
Deferred Inflows of Resources						
Other Deferred Inflows	14,410	456	-	-	-	14,866
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>220,140</b>	<b>117,738</b>	<b>579</b>	<b>3,933</b>	<b>277</b>	<b>342,667</b>
Net Position						
Net Investment in Capital Assets	6,049	23,671	-	-	-	29,720
Unrestricted	156,072	64,514	35,183	13,327	400	269,496
<b>Total Net Position</b>	<b>\$ 162,121</b>	<b>\$ 88,185</b>	<b>\$ 35,183</b>	<b>\$ 13,327</b>	<b>\$ 400</b>	<b>\$ 299,216</b>
<b>CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>						
Operating Revenues	\$ 1,123,090	\$ 406,684	\$ 29,079	\$ 28,236	\$ 1,470	\$ 1,588,559
Operating Expenses	(404,896)	(210,501)	(2,053)	(1,821)	-	(619,271)
Operating Income	718,194	196,183	27,026	26,415	1,470	969,288
Nonoperating Revenues (Expenses)						
Investment Income (Loss), Net of Expenses	1,345	(253)	1,179	-	-	2,271
Net Increase (Decrease) in the Fair Value of Investments	(384)	289	-	-	-	(95)
Other Nonoperating Revenues	1,728	-	-	-	-	1,728
Other Nonoperating Expenses	(718,129)	(189,758)	(22,625)	(22,270)	(1,486)	(954,268)
Change in Net Position	2,754	6,461	5,580	4,145	(16)	18,924
Net Position, Beginning of Year	159,367	81,724	29,603	9,182	416	280,292
<b>Net Position, End of Year</b>	<b>\$ 162,121</b>	<b>\$ 88,185</b>	<b>\$ 35,183</b>	<b>\$ 13,327</b>	<b>\$ 400</b>	<b>\$ 299,216</b>

**Table 39. Shands Hospital and Others** (amounts expressed in thousands)

	<b>Shands Teaching Hospital &amp; Clinics, Inc.</b>	<b>Shands Jacksonville HealthCare, Inc.</b>	<b>University of Florida Self-Insurance Program</b>	<b>University of Florida Healthcare Education Insurance Company</b>	<b>Total Shands Hospital and Others</b>
<b>CONDENSED STATEMENT OF NET POSITION</b>					
Assets					
Due from Component Units/University	\$ 53,773	\$ 12,450	\$ -	\$ 66,296	\$ 132,519
Other Current Assets	1,150,393	339,893	267,756	14,470	1,772,512
Capital Assets, Net	1,869,724	576,170	1,514	-	2,447,408
Other Noncurrent Assets	1,036,950	121,933	-	-	1,158,883
<b>Total Assets</b>	<b>4,110,840</b>	<b>1,050,446</b>	<b>269,270</b>	<b>80,766</b>	<b>5,511,322</b>
Deferred Outflows of Resources					
Deferred Amounts Related to Pensions	118,496	9,790	-	-	128,286
Deferred Amounts Related to OPEB	-	394	-	-	394
Other Deferred Outflows	34,854	7,814	-	-	42,668
<b>Total Assets and Deferred Outflows of Resources</b>	<b>4,264,190</b>	<b>1,068,444</b>	<b>269,270</b>	<b>80,766</b>	<b>5,682,670</b>
Liabilities					
Due to Component Units/University	4,019	13,537	66,296	-	83,852
Other Current Liabilities	561,320	209,561	10,462	2,732	784,075
Noncurrent Liabilities	1,328,270	554,837	26,799	13,551	1,923,457
<b>Total Liabilities</b>	<b>1,893,609</b>	<b>777,935</b>	<b>103,557</b>	<b>16,283</b>	<b>2,791,384</b>
Deferred Inflows of Resources					
Deferred Amounts Related to Pensions	50,707	1,633	-	-	52,340
Deferred Amounts Related to OPEB	-	1,394	-	-	1,394
Other Deferred Inflows	39,695	18,667	-	-	58,362
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,984,011</b>	<b>799,629</b>	<b>103,557</b>	<b>16,283</b>	<b>2,903,480</b>
Net Position					
Net Investment in Capital Assets	529,182	261,471	-	-	790,653
Restricted-Nonexpendable Endowment	2,341	-	-	-	2,341
Restricted-Expendable Endowment	2,916	5,026	-	-	7,942
Other Restricted Net Position	-	-	165,713	64,483	230,196
Unrestricted	1,745,740	2,318	-	-	1,748,058
<b>Total Net Position</b>	<b>\$ 2,280,179</b>	<b>\$ 268,815</b>	<b>\$ 165,713</b>	<b>\$ 64,483</b>	<b>\$ 2,779,190</b>
<b>CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>					
Operating Revenues	\$ 3,507,991	\$ 1,116,515	\$ 9,459	\$ 9,015	\$ 4,642,980
Operating Expenses	(3,409,113)	(1,079,805)	(6,677)	(8,917)	(4,504,512)
Operating Income (Loss)	98,878	36,710	2,782	98	138,468
Nonoperating Revenues (Expenses)					
Investment Income, Net of Expenses	83,915	7,181	17,664	5,842	114,602
Net Decrease in the Fair Value of Investments	(213)	-	-	-	(213)
Other Nonoperating Revenues	25,614	-	-	-	25,614
Other Nonoperating Expenses	(56,630)	(24,705)	(4,711)	-	(86,046)
Capital Grants, Contracts, and Donations	-	16,989	-	-	16,989
Change in Net Position	151,564	36,175	15,735	5,940	209,414
Net Position, Beginning of Year	1,987,607	232,640	149,978	58,543	2,428,768
Adjustments to Beginning Net Position	141,008	-	-	-	141,008
Net Position, Beginning of Year, as Restated	2,128,615	232,640	149,978	58,543	2,569,776
<b>Net Position, End of Year</b>	<b>\$ 2,280,179</b>	<b>\$ 268,815</b>	<b>\$ 165,713</b>	<b>\$ 64,483</b>	<b>\$ 2,779,190</b>

**Table 40. Segment Information**

	<b>Transportation and Parking Services</b>	<b>Department of Housing and Residence Education</b>
<b>CONDENSED STATEMENT OF NET POSITION</b>		
Assets		
Current Assets	\$ 30,477,398	\$ 29,376,506
Capital Assets, Net	47,806,437	268,312,078
Other Noncurrent Assets	109,553	46,725,227
<b>Total Assets</b>	<b>78,393,388</b>	<b>344,413,811</b>
Liabilities		
Current Liabilities	4,669,268	11,231,386
Noncurrent Liabilities	30,440,982	247,345,000
<b>Total Liabilities</b>	<b>35,110,250</b>	<b>258,576,386</b>
Net Position		
Net Investment in Capital Assets	15,930,911	59,773,173
Restricted	-	1,329,309
Unrestricted	27,352,227	24,734,943
<b>Total Net Position</b>	<b>\$ 43,283,138</b>	<b>\$ 85,837,425</b>
<b>CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>		
Operating Revenues (Expenses)		
Operating Revenues	\$ 15,633,313	\$ 64,328,525
Depreciation Expense	(3,071,954)	(7,099,801)
Other Operating Expenses	(7,970,858)	(43,889,141)
<b>Operating Income</b>	<b>4,590,501</b>	<b>13,339,583</b>
Nonoperating Revenues (Expenses)		
Investment Income	104,556	2,194,004
Interest on Capital Asset-Related Debt	(1,213,985)	(6,928,467)
Other Nonoperating Expenses	(832,493)	9,964,433
<b>Net Nonoperating Expenses</b>	<b>(1,941,922)</b>	<b>5,229,970</b>
<b>Change in Net Position</b>	<b>2,648,579</b>	<b>18,569,553</b>
Net Position, Beginning of Year	40,634,559	67,267,872
<b>Net Position, End of Year</b>	<b>\$ 43,283,138</b>	<b>\$ 85,837,425</b>
<b>CONDENSED STATEMENT OF CASH FLOWS</b>		
Net Cash Provided (Used) by:		
Operating Activities	\$ 6,799,295	\$ 19,543,217
Noncapital Financing Activities	(586,919)	(10,622,937)
Capital and Related Financing Activities	(4,128,691)	(33,370,255)
Investing Activities	(2,086,885)	24,449,975
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(3,200)</b>	<b>-</b>
Cash and Cash Equivalents, Beginning of Year	4,225	900
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 1,025</b>	<b>\$ 900</b>



# Other Required Supplementary Information

FOR THE FISCAL YEAR ENDED JUNE 30, 2024



**Schedule of University's Proportionate Share of the Total Other Postemployment Benefits Liability** (amounts expressed in thousands)

	2023 (1)	2022 (1)	2021 (1)	2020 (1)
University's Proportion of the OPEB Liability	10.29%	10.38%	10.37%	10.39%
University's Proportionate Share of the Total OPEB Liability	\$ 861,415	\$ 814,517	\$ 1,092,903	\$ 1,069,008
University's Covered Payroll (2)	\$ 1,424,795	\$ 1,316,348	\$ 1,302,872	\$ 1,237,961
University's Proportionate Share of the Total OPEB Liability as a Percentage of Covered Payroll	60.46%	61.88%	83.88%	86.35%

**Change of assumptions** - In 2023, amounts reported as changes of assumptions resulted from an increase in the discount rate from 4.09 percent to 4.13 percent, as well as updated healthcare costs and premiums and updated health care cost trend rates.

No assets are accumulated in a trust that meets the criteria in paragraph 4, GASB Statement No. 75 to pay related benefits.

The discount rate was updated to utilize the mandated discount rate based on a 20-year S&P Municipal Bond Rate Index as of the measurement date, as required under GASB Statement No. 75.

**Schedule of University's Proportionate Share of the Net Pension Liability - Florida Retirement System (FRS) Defined Benefit Pension Plan** (amounts expressed in thousands)

	2023 (1)	2022 (1)	2021 (1)	2020 (1)
University's Proportion of the FRS Net Pension Liability	1.73%	1.74%	1.64%	1.61%
University's Proportionate Share of the FRS Net Pension Liability	\$ 689,801	\$ 648,682	\$ 123,559	\$ 697,662
University's Covered Payroll (2)	\$ 1,424,795	\$ 1,316,348	\$ 1,302,872	\$ 1,237,961
University's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	48.41%	49.28%	9.48%	56.36%
FRS Plan Fiduciary Net Position as a Percentage of the FRS Total Pension Liability	82.38%	82.89%	96.40%	78.85%

**Schedule of University Contributions - Florida Retirement System (FRS) Defined Benefit Pension Plan** (amounts expressed in thousands)

	2024 (1)	2023 (1)	2022 (1)	2021 (1)
Contractually Required FRS Contribution	\$ 91,652	\$ 83,279	\$ 74,394	\$ 62,313
FRS Contributions in Relation to the Contractually Required FRS Contribution	(91,652)	(83,279)	(74,394)	(62,313)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
University's Covered Payroll (2)	\$ 1,439,306	\$ 1,424,795	\$ 1,316,348	\$ 1,302,872
FRS Contributions as a Percentage of Covered Payroll	6.37%	5.84%	5.65%	4.78%

**Change of assumptions** - As of June 30, 2023, the long-term expected rate of return remained the same 6.70% from June 30, 2022.

**Schedule of University's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy (HIS) Defined Benefit Pension Plan** (amounts expressed in thousands)

	2023 (1)	2022 (1)	2021 (1)	2020 (1)
University's Proportion of the HIS Net Pension Liability	1.65%	1.56%	1.52%	1.50%
University's Proportionate Share of the HIS Net Pension Liability	\$ 261,853	\$ 165,729	\$ 185,948	\$ 183,670
University's Covered Payroll (3)	\$ 562,469	\$ 492,903	\$ 483,686	\$ 471,174
University's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	46.55%	33.62%	38.44%	38.98%
HIS Plan Fiduciary Net Position as a Percentage of the HIS Total Pension Liability	4.12%	4.81%	3.56%	3.00%

**Schedule of University Contributions - Health Insurance Subsidy (HIS) Defined Benefit Pension Plan** (amounts expressed in thousands)

	2024 (1)	2023 (1)	2022 (1)	2021 (1)
Contractually Required HIS Contribution	\$ 14,043	\$ 10,846	\$ 9,468	\$ 8,910
HIS Contributions in Relation to the Contractually Required HIS Contribution	(14,043)	(10,846)	(9,468)	(8,910)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
University's Covered Payroll (3)	\$ 601,975	\$ 562,469	\$ 492,903	\$ 483,686
HIS Contributions as a Percentage of Covered Payroll	2.33%	1.93%	1.92%	1.84%

**Change of assumption** - The municipal rate used to determine total pension liability increased from 3.54% to 3.65%.

**Change of assumption** - In addition, the demographic assumptions for the Special Risk Class were updated to reflect plan changes and the election assumption for vested terminated members was updated from 20 percent to 50 percent to reflect recent experience.

**Notes:**

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

(2) Covered payroll includes active employees who are members of the following plans: defined benefit, Investment Plan, State University Optional Retirement Program, and DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part 111 of Chapter 121, Florida Statutes.

(3) Covered payroll includes active employees who are members of the following plans: defined benefit, Investment Plan, and DROP.

	2019 (1)	2018 (1)	2017 (1)	2016 (1)
	9.79%	9.89%	9.89%	9.92%
\$	1,239,001	\$ 1,043,548	\$ 1,069,104	\$ 1,171,492
\$	1,188,019	\$ 1,151,733	\$ 1,103,905	\$ 1,120,516
	104.29%	90.61%	96.85%	104.55%

	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
	1.62%	1.62%	1.53%	1.56%	1.59%	1.52%
\$	558,624	\$ 487,418	\$ 453,912	\$ 393,640	\$ 204,920	\$ 92,658
\$	1,188,019	\$ 1,151,733	\$ 1,103,905	\$ 1,120,516	\$ 1,066,940	\$ 1,024,891
	47.02%	42.32%	41.12%	35.13%	19.21%	9.04%
	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

	2020 (1)	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)
\$	53,483	\$ 50,296	\$ 46,118	\$ 39,948	\$ 38,018	\$ 38,681
	(53,483)	(50,296)	(46,118)	(39,948)	(38,018)	(38,681)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	1,237,961	\$ 1,188,019	\$ 1,151,733	\$ 1,103,905	\$ 1,120,516	\$ 1,066,940
	4.32%	4.23%	4.00%	3.62%	3.39%	3.63%

	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
	1.49%	1.48%	1.47%	1.47%	1.46%	1.41%
\$	166,255	\$ 156,701	\$ 157,259	\$ 171,405	\$ 148,826	\$ 131,970
\$	452,885	\$ 442,718	\$ 431,630	\$ 435,952	\$ 413,619	\$ 396,472
	36.71%	35.40%	36.43%	39.32%	35.98%	33.29%
	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

	2020 (1)	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)
\$	8,668	\$ 8,251	\$ 8,029	\$ 7,784	\$ 7,538	\$ 5,578
	(8,668)	(8,251)	(8,029)	(7,784)	(7,538)	(5,578)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	471,174	\$ 452,885	\$ 442,718	\$ 431,630	\$ 435,952	\$ 413,619
	1.84%	1.82%	1.81%	1.80%	1.73%	1.35%





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



Phone: (850) 412-2722  
Fax: (850) 488-6975

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 (*Government Auditing Standards*), the financial statements of the University of Florida, 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, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated February 26, 2025, 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.

### Report on 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 or significant deficiencies may exist that were not identified.

### **Report on 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  
February 26, 2025  
Audit Report No. 2025-131

# UNIVERSITY OF FLORIDA BOARD OF TRUSTEES



**MORI HOSSEINI**  
*Chair*



**RAHUL PATEL**  
*Vice Chair*



**DAVID L. BRANDON**



**JOHN E. BRINKMAN**  
*Student Body  
President*



**RICHARD P. COLE**



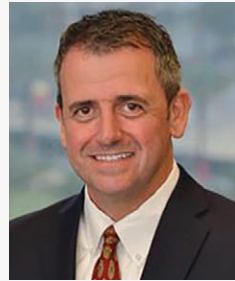
**CHRISTOPHER T. CORR**



**JAMES W. HEAVENER**



**SARAH D. LYNNE**  
*Faculty Senate Chair*



**DANIEL T. O'KEEFE**



**MARSHA D. POWERS**



**FRED S. RIDLEY**



**PATRICK O. ZALUPSKI**



**ANITA G. ZUCKER**

## UNIVERSITY OF FLORIDA CABINET

**Dr. Kent Fuchs**  
Interim President

**Dr. J. Scott Angle**  
Senior Vice President, UF/IFAS

**Melissa Curry**  
Vice President for Human Resources

**Kurt Dudas**  
Vice President for Strategic initiatives

**Elias G. Eldayrie**  
Vice President and Chief Information Officer, IT

**Ryan Fuller**  
Interim Vice President and General Counsel

**Dr. Joseph Glover**  
Interim Provost and Senior Vice President  
for Academic Affairs

**Mark Kaplan**  
Vice President for Government Relations

**Colt Little**  
Interim Vice President for Construction

**Maria Martin**  
Interim Vice President for Advancement

**Dr. Stephen J Motew**  
President and System CEO, UF Health

**Dr. David P. Norton**  
Vice President for Research

**Steve Orlando**  
Interim Vice President for  
Strategic Communications

**Dr. Mary G Parker**  
Vice President for Enrollment Management

**Brandi Renton**  
Interim Vice President for Business Affairs

**Scott Stricklin**  
Director of UF Athletics

**Heather White**  
Vice President, Student Life

## PRINCIPAL FINANCE AND ACCOUNTING OFFICIALS

**Matthew H. Ellis**  
Assistant Vice President & University Controller

**Megan L. Burnsed**  
Senior Associate Controller

**Ruth E. Harris**  
Senior Associate Controller

**Laura B. Ling**  
Senior Associate Controller

**Hunter Williams**  
Senior Associate Controller



Assistant Vice President and University Controller  
P.O. Box 113200, Gainesville, Florida 32611