

State of Florida
Division of Bond Finance

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Copies of the printed Official Statement may be obtained from:

Florida Division of Bond Finance
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Suite 200
Tallahassee, Florida 32308

E-Mail: bond@sbafla.com
Phone: (850) 488-4782
Fax: (850) 413-1315

Refunding Issue - Book-Entry Only

This Official Statement has been prepared by the Division of Bond Finance to provide information about the 2018A Bonds. Selected information is presented on this cover page for the convenience of the reader. *To make an informed decision, a prospective investor should read this Official Statement in its entirety.* Unless otherwise indicated, capitalized terms have the meanings given in Appendix A.

\$41,355,000

STATE OF FLORIDA

Department of Education

Florida College System Capital Improvement Revenue Refunding Bonds, Series 2018A

Dated: Date of Delivery

Due: July 1, as shown on the inside front cover

Bond Ratings	A1 Moody's Investor Service AA- Fitch Ratings AA- Standard & Poor's Ratings Services
Tax Status	In the opinion of Bond Counsel, assuming compliance by the Participating Florida College System institutions and the Department with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the 2018A Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the 2018A Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that began prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018. The 2018A Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended. See "TAX MATTERS" herein for a description of other tax consequences to owners of the 2018A Bonds.
Redemption	The 2018A Bonds are not subject to redemption prior to maturity.
Security	The 2018A Bonds will be secured by and payable from a first lien pledge of certain Capital Improvement Fees collected by the Participating Florida College institutions, and investment earnings thereon (the "Pledged Revenues"). The 2018A Bonds are not secured by the full faith and credit of the State of Florida.
Lien Priority	The lien of the 2018A Bonds on the Pledged Revenues is a first lien on such revenues and will be on a parity with the Outstanding Bonds and any Additional Bonds hereafter issued. The aggregate principal amount of Bonds which will be outstanding subsequent to the issuance of the 2018A Bonds will be \$73,725,000, excluding the Refunded Bonds which are economically but not legally defeased. The Refunded 2006A Bonds are scheduled to be called for redemption on April 16, 2018 and the Refunded 2008A Bonds are scheduled to be called for redemption on July 1, 2018.
Additional Bonds	Additional Bonds payable on a parity with the 2018A Bonds may be issued if the average Pledged Revenues for the two preceding Fiscal Years are at least 130% of the Maximum Annual Debt Service. This description of the requirements for the issuance of the Additional Bonds is only a summary of the complete requirements. See "SECURITY FOR THE 2018A BONDS - Additional Bonds" herein for more complete information.
Purpose	Proceeds will be used to refund a portion of the Outstanding Series 2006A Bonds and Series 2008A Bonds, and to pay costs of issuance.
Interest Payment Dates	January 1 and July 1, commencing January 1, 2019.
Record Dates	December 15 and June 15.
Form/Denomination	The 2018A Bonds will initially be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only through Direct Participants (defined herein) in denominations of \$1,000 and integral multiples thereof. Purchasers of the 2018A Bonds will not receive physical delivery of the 2018A Bonds.
Closing/Settlement	It is anticipated that the 2018A Bonds will be available for delivery through the facilities of DTC in New York, New York on April 12, 2018.
Bond Registrar/ Paying Agent	U.S. Bank Trust National Association, New York, New York.
Bond Counsel	Bryant Miller Olive P.A., Tallahassee, Florida.
Issuer Contact	Division of Bond Finance, (850) 488-4782, bond@sbafla.com
Maturity Structure	The 2018A Bonds will mature on the dates and bear interest at the rates set forth on the inside front cover.

March 15, 2018

MATURITY STRUCTURE

Initial CUSIP®	Due Date	Principal Amount	Interest Rate*	Price or Yield
34161CDL8	July 1, 2019	\$3,230,000	4.00%	1.60%
34161CDM6	July 1, 2020	3,790,000	5.00	1.70
34161CDN4	July 1, 2021	3,985,000	5.00	1.85
34161CDP9	July 1, 2022	4,185,000	5.00	2.04
34161CDQ7	July 1, 2023	4,390,000	5.00	2.20
34161CDR5	July 1, 2024	4,620,000	5.00	2.32
34161CDS3	July 1, 2025	4,850,000	5.00	2.43
34161CDT1	July 1, 2026	5,085,000	5.00	2.57
34161CDU8	July 1, 2027	5,330,000	5.00	2.71
34161CDV6	July 1, 2028	1,890,000	5.00	2.77

* Price and yield information provided by the underwriter.

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OFFICIAL STATEMENT
Relating to
\$41,355,000
STATE OF FLORIDA
Department of Education
Florida College System Capital Improvement Revenue Refunding Bonds, Series 2018A

For definitions of capitalized terms not defined in the text hereof, see Appendix A.

INTRODUCTION

This Official Statement sets forth information relating to the sale and issuance of the \$41,355,000 State of Florida, Department of Education Florida College System Capital Improvement Revenue Refunding Bonds, Series 2018A (the “2018A Bonds”), dated the date of delivery thereof, by the Division of Bond Finance of the State Board of Administration of Florida (the “Division of Bond Finance”).

Proceeds will be used to refund a portion of the Outstanding Series 2006A Bonds and Series 2008A Bonds, and to pay costs of issuance.

The 2018A Bonds will be secured by and payable from the Pledged Revenues. The Pledged Revenues consist of certain Capital Improvement Fees collected by the Participating Florida College System institutions, plus investment earnings thereon. The lien of the 2018A Bonds on the Pledged Revenues is a first lien on such revenues and will be on a parity with the Outstanding Bonds and any Additional Bonds hereafter issued. The aggregate principal amount of Bonds which will be outstanding subsequent to the issuance of the 2018A Bonds is \$73,725,000, excluding the Refunded 2006A Bonds which are scheduled to be called for redemption on April 16, 2018, and excluding the Refunded 2008A Bonds which are scheduled to be called for redemption on July 1, 2018. See “SECURITY FOR THE 2018A BONDS” below for more detailed information.

The 2018A Bonds are not a general obligation or indebtedness of the State of Florida, and the full faith and credit of the State of Florida is not pledged to payment of the 2018A Bonds.

Requests for additional information may be made to:

Division of Bond Finance
Phone: (850) 488-4782
Fax: (850) 413-1315
E-mail: bond@sbafla.com
Mail: P. O. Box 13300
Tallahassee, Florida 32317-3300

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Any statements made in this Official Statement which involve opinions or estimates, whether or not expressly stated, are set forth as such and not as representations of fact. No representation is made that any of the opinions or estimates will be realized. To make an informed decision, a full review should be made of the entire Official Statement. The descriptions of the 2018A Bonds and the documents authorizing and securing the same do not purport to be comprehensive or definitive. All references to and descriptions of such documents are qualified by reference to the actual documents. Copies of such documents may be obtained from the Division of Bond Finance.

End of Introduction

AUTHORITY FOR THE ISSUANCE OF THE 2018A BONDS

General Legal Authority

The 2018A Bonds are being issued by the Division of Bond Finance on behalf of the Department of Education (the “Department”) and the Participating Florida College System institutions, pursuant to Article VII, Section 11(d), of the Florida Constitution, the State Bond Act (Sections 215.57-215.83, Florida Statutes), Sections 1009.22 and 1009.23, Florida Statutes, and other applicable provisions of law. Article VII, Section 11(d), of the Florida Constitution provides that revenue bonds payable solely from funds derived directly from sources other than State tax revenues may be issued by the State of Florida or its agencies, without a vote of the electors, to finance or refinance capital projects. Section 215.59(2), Florida Statutes, authorizes the issuance of revenue bonds by the Division of Bond Finance pursuant to Article VII, Section 11(d), of the Florida Constitution. The Legislature has authorized the Division of Bond Finance to issue refunding bonds on behalf of any State agency in Section 215.79, Florida Statutes.

Division of Bond Finance

The Division of Bond Finance, a public body corporate created pursuant to the State Bond Act, is authorized to issue bonds on behalf of the State or its agencies. The Governing Board of the Division of Bond Finance (the “Governing Board”) is composed of the Governor, as Chairman, and the Cabinet of the State of Florida, consisting of the Attorney General, as Secretary, the Chief Financial Officer, as Treasurer, and the Commissioner of Agriculture. The Director of the Division of Bond Finance may serve as an assistant secretary of the Governing Board.

State Board of Administration of Florida

The State Board of Administration of Florida (the “Board of Administration”) was created under Article IV, Section 4, of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and succeeds to all the power, control and authority of the state board of administration established pursuant to Article IX, Section 16, of the Constitution of the State of Florida of 1885. It will continue as a body at least for the life of Article XII, Section 9(c) of the Florida Constitution. The Board of Administration is composed of the Governor, as Chairman, the Attorney General and the Chief Financial Officer. Under the State Bond Act, the Board of Administration determines the fiscal sufficiency of all bonds proposed to be issued by the State of Florida or its agencies. It also acts as the fiscal agent of the Department and the Participating Florida College System institutions in administering the Sinking Fund and the Rebate Fund established pursuant to the Master Authorizing Resolution as described below.

State Board of Education - Department of Education - Division of Florida Colleges

The State Board of Education is established by Article IX, Section 2 of the Florida Constitution. It oversees the entire Florida education system, including Florida College System institutions, and establishes education goals and objectives. Its seven members are appointed by the Governor to staggered four-year terms, subject to confirmation by the Florida Senate. The Commissioner of Education is appointed by the State Board of Education and serves as the Chief Executive Officer of the Department of Education. The Division of Florida Colleges (formerly, the Division of Community Colleges), a division of the Department of Education, provides policy leadership, coordination and technical assistance to the Florida College System institutions. It prepares the Florida College System legislative budget request and disburses State appropriations to the Florida College System institutions. It also establishes educational standards and policies related to articulation and academic affairs, assists the colleges with academic and financial affairs, and collects and analyzes information for accountability purposes.

Florida College System Institution District Boards of Trustees

Florida College System institution districts are independent, separate corporate entities created for the operation of the respective Florida College System institution. By law they are constituted as political subdivisions of the State. Florida College System institution districts are governed by Boards of Trustees comprised of five to nine members, depending on the number of local school districts within the Florida College System institution district. Trustees are appointed by the Governor and confirmed by the Florida Senate. The Florida College System institution president serves as the district’s executive officer and corporate secretary, as well as the chief administrative officer of the Florida College System institution. Trustees are authorized to enter into lease-purchase agreements and to borrow funds and incur debt, including the issuance of revenue bonds for specified purposes.

Administrative Approval

The District Boards of Trustees of the Participating Florida College System institutions have each adopted resolutions requesting the Division of Bond Finance to proceed with the preparation of proceedings required for the issuance of the 2018A Bonds and irrevocably pledging their respective Florida College System Capital Improvement Fees to the payment of the Bonds.

By a resolution adopted on August 1, 2006, as amended by the Third Supplemental and Amending Community College Capital Improvement Bond Resolution (the “Third Supplemental Resolution”) and the Fourth Supplemental Bond Resolution (the “Fourth Supplemental Resolution”), the Governing Board of the Division of Bond Finance authorized the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series) (the “Master Authorizing Resolution”). The Master Authorizing Resolution is reproduced as Appendix B to this Official Statement. The Third Supplemental Resolution and Fourth Supplemental Resolutions are reproduced as Appendices C and D to this Official Statement. The Governing Board authorized the issuance and sale of not exceeding \$52,000,000 2018A Bonds by the Fifth Supplemental Resolution on March 7, 2018. The Fifth Supplemental Resolution is reproduced as Appendix E to this Official Statement.

The Board of Administration approved the fiscal sufficiency of the 2018A Bonds, as required by the State Bond Act, on March 7, 2018.

Validation

The 2018A Bonds are not required to be, and have not been, validated.

DESCRIPTION OF THE 2018A BONDS

The 2018A Bonds are being issued as fully registered bonds in the denomination of \$1,000 or integral multiples thereof. The 2018A Bonds are payable from the Pledged Revenues as described herein. The 2018A Bonds will be dated the date of delivery thereof and will mature as set forth on the inside front cover. Interest is payable on January 1, 2019, for the period from the date of delivery thereof to January 1, 2019, and semiannually thereafter on July 1 and January 1 of each year until maturity or redemption.

The 2018A Bonds will initially be issued exclusively in “book-entry” form. Ownership of one 2018A Bond for each maturity (as set forth on the inside front cover), each in the aggregate principal amount of such maturity, will be initially registered in the name of “Cede & Co.” as registered owner and nominee for the Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the 2018A Bonds. Individual purchases of the 2018A Bonds will be made in book-entry form only, and the purchasers will not receive physical delivery of the 2018A Bonds or any certificate representing their beneficial ownership interest in the 2018A Bonds. See Appendix I, “PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM OR REGISTERED BONDS” for a description of DTC, certain responsibilities of DTC, the Division of Bond Finance and the Bond Registrar/Paying Agent, and the provisions for registration and registration for transfer of the 2018A Bonds if the book-entry only system of registration is discontinued.

REDEMPTION PROVISIONS

The 2018A Bonds are not subject to redemption prior to maturity.

FLORIDA COLLEGE SYSTEM¹

History

Florida's 28 Colleges were established to serve the citizens of the State of Florida by offering the first two years of a baccalaureate degree, vocational education, and adult continuing education. In order to bring instruction closer to students, more than 2,000 off-campus locations, such as churches, public schools, and community centers, are also utilized in fulfilling the Community Colleges' mission.

Florida's Community College system began in 1933 when Palm Beach Junior College was established as a public two-year college. By 1947, three more public Community Colleges had been established. In 1955, the Legislature established the Community College Council, which in 1957 published a report entitled "The Community Junior College in Florida's Future." This report contained recommendations for a master plan for establishing a system of public Community Colleges in Florida. The system was designed to provide post-high school education within commuting distance for more than 90 percent of Florida's population. With the development and implementation of the master plan, Florida became a national model for the development of a statewide system of Community Colleges.

The 1957 Legislature authorized the creation of the Division of Community Colleges in the State Department of Education and appropriated funds for six new community colleges in order to begin implementation of the master plan. The State continued to build additional Community Colleges through the 1960's and early 1970's. In 1968, the Legislature created independent boards of trustees for Community Colleges. Previously, Community Colleges were under the jurisdiction of district school boards. The master plan was fully implemented in 1972.

In 2002, the Florida Legislature passed Section 1007.33, Florida Statutes, authorizing Community Colleges to develop proposals to offer the four-year baccalaureate degree, subject to approval by the State Board of Education, and with an emphasis on teacher education, nursing and computer technology. St. Petersburg College was the first institution to offer the degree, followed by Chipola College, Miami Dade College, Northwest Florida State College (formerly known as Okaloosa Walton College), and Florida Southwestern State College. College names began to change as those offering baccalaureate degrees began to drop "community." In late 2007, as the number of schools adding baccalaureate degrees continued to increase, there was an unsuccessful attempt to start a separate "State" college system. After much discussion, it was agreed that while the ability to offer the four-year degree has expanded the mission of these institutions, their major focus remains that of a Community College.

The Florida College System, as designated in 2008 and confirmed again in 2009, consists of all 28 institutions. The Division of Community Colleges was also renamed to the Division of Florida Colleges in the 2009 legislation. As a result of that same legislation, Florida's Community Colleges are now called Florida College System institutions, Florida Colleges or Community Colleges.

Funding Policy

State appropriations are provided to each College in a lump sum and distributed monthly; i.e., the institution is given an amount of money to run various programs and then allowed to determine how to use that money for the designated program. The primary source for operating funds is State general revenue, augmented by funds generated by the Florida Lottery. The balance of the operating funds is made up of student tuition and fees and other local funds. Fixed capital projects are funded through a combination of motor vehicle license and gross receipts taxes; certain student fees; bond proceeds pledging such taxes or fees; general revenue; and local funds.

¹ Source: Division of Florida Colleges. Although financial information and operating data pertaining to all of the Participating Florida College System institutions are included in this section, only such information with respect to Material Participants, defined as Participating Florida College System institution whose allocable share of the principal amount of Outstanding Bonds equals 10% or more, is required to be updated and disclosed on an annual basis pursuant to SEC Rule 15c2-12. See Appendix F for additional information.

In accordance with the stated legislative intent that there should be maximum local autonomy in the governance and operation of individual Florida Colleges, each Board of Trustees has the general power to operate its respective institution and is the contracting agent of the Florida College. Each Board of Trustees develops priorities for offering programs and meeting local needs, and has the flexibility to develop a budget within available resources to best meet its institution's priorities. The Boards of Trustees are also provided the flexibility and responsibility to set policy on pay, salary increases, most fringe benefits, and job qualifications.

Each year, the Florida Legislature specifies standard per credit hour student tuition for both resident and out-of-state students. Trustees may set tuition and the out-of-state fee at levels which may vary slightly from the standard, and may also establish financial aid, capital improvement, student activity and service, and technology fees. The Boards of Trustees are also authorized to establish user fees and fines for services.

See "Appendix F" for a more detailed description of the Florida College tuition establishment and funding processes.

Governance

Boards of Trustees - Florida College districts are independent, separate corporate entities created for the operation of the respective Florida Colleges. By law they are constituted as political subdivisions of the State. Florida College districts are governed by Boards of Trustees comprised of five to nine members, depending on the number of local school districts within the Florida College district. Trustees are appointed by the Governor and confirmed by the Florida Senate. The Florida College president serves as the district's executive officer and corporate secretary, as well as the chief administrative officer of the Florida College.

State Board of Education/Division of Florida Colleges - Effective January 7, 2003, the State Board of Education was established pursuant to Article IX, Section 2, of the Florida Constitution. The State Board of Education is responsible for overseeing kindergarten through graduate school education in Florida. Education goals and objectives consistent with the policies prescribed by the Legislature are to be established by the State Board of Education. The State Board of Education consists of seven members appointed by the Governor to staggered four-year terms, subject to confirmation by the Senate. The Commissioner of Education is appointed by the Board and serves as the chief executive officer of Florida's education system.

The Division of Florida Colleges is a division of the State Department of Education. The powers, duties, responsibilities and functions of the Division of Florida Colleges are assigned by the State Board of Education and the Commissioner of Education.

The Division of Florida Colleges provides policy leadership, coordination and technical assistance to the 28 locally governed Florida Colleges. The Division of Florida Colleges is responsible for the preparation of the system-wide legislative budget request (based on data received from each Florida College), calculation of funding for each Florida College and the disbursement of State appropriations to the Florida Colleges. The Division of Florida Colleges is also responsible for establishing educational standards and policies related to articulation and academic affairs. It conducts studies and provides technical assistance to the institutions in the areas of academic and financial affairs and is responsible for the collection and analysis of information necessary to demonstrate accountability.

The Division of Florida Colleges serves as the conduit between the Participating Florida College System institutions and the Division of Bond Finance with respect to the issuance of Capital Improvement Bonds. The Division of Florida Colleges monitors the collection of Pledged Revenues and debt service payments and provides the Division of Bond Finance with financial and Project information for each Participating Florida College System institution necessary for the sale, continuing disclosure reporting and arbitrage compliance monitoring of the Bonds.

2012A Participating Florida College System Institution

Palm Beach State College was established in 1933 as Florida's first public junior college; it operates three campuses and one center on 377 acres. Its 181 owned buildings, including contents, were valued at \$368.6 million in 2017. The average enrollment for college credit and college preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 40,820 on a headcount basis and 18,671 on a full time equivalent ("FTE") basis. For the 2016-17 academic year, Palm Beach State College had a total of 19,109 FTEs for Pledged Revenue fee generating programs.

2010A Participating Florida College System Institutions

Florida Southwestern State College was established in 1962; it operates three campuses and one special purpose center on 412 acres. Its 85 owned buildings, including contents, were valued at \$281.3 million in 2017. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 21,274 on a headcount basis and 10,302 on a FTE basis. For the 2016-17 academic year, Florida Southwestern State College had a total of 10,612 FTEs for Pledged Revenue fee generating programs.

Gulf Coast State College was established in 1957; it operates one campus and two special purpose centers on 264.5 acres. Its 42 owned buildings, including contents, were valued at \$173.3 million in 2017. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 8,733 on a headcount basis and 3,898 on a FTE basis. For the 2016-17 academic year, Gulf Coast State College had a total of 3,538 FTEs for Pledged Revenue fee generating programs.

St. Petersburg College was established in 1927 as a private institution (St. Petersburg Junior College) and became part of the State's public system in 1947. Its name was changed to St. Petersburg College in 2001. It operates four campuses and eight special purpose centers on 404 acres. Its 163 owned buildings, including contents, were valued at \$529.4 million in 2017. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 42,834 on a headcount basis and 20,216 on a FTE basis. For the 2016-17 academic year, St. Petersburg College had a total of 18,870 FTEs for Pledged Revenue fee generating programs.

2008A Participating Florida College System Institutions

Broward College was established in 1960; it operates three campuses, one center and seven special purpose centers on 419 acres. Its 121 owned buildings, including contents, were valued at \$523.6 million in 2017. The average enrollment for college credit and college preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 62,800 on a headcount basis and 29,570 on a FTE basis. For the 2016-17 academic year, Broward College had a total of 28,998 FTEs for Pledged Revenue fee generating programs.

Palm Beach State College (see information under "2012A Participating Florida College System Institution" above).

2006A Participating Florida College System Institutions

St. Petersburg College (see information under "2010A Participating Florida College System Institutions" above).

Santa Fe College, located in Gainesville, was established in 1966; it operates one campus, one center and five special purpose centers on 277 acres. The college's 63 owned buildings, including contents, were valued at \$248.7 million in 2017. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 19,875 on a headcount basis and 10,765 on a FTE basis. For the 2016-17 academic year, Santa Fe College had a total of 10,612 FTEs for Pledged Revenue fee generating programs.

Seminole State College of Florida, located in Sanford, was established in 1966; it operates three campuses and two special purpose centers on 751 acres. The college's 59 owned buildings, including contents, were valued at \$302.7 million in 2017. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 25,402 on a headcount basis and 12,043 on a FTE basis. For the 2016-17 academic year, Seminole State College had a total of 11,167 FTEs for Pledged Revenue fee generating programs.

Tallahassee Community College was established in 1967; it operates one campus and five special purpose centers on 1,824 acres. The college's 86 owned buildings, including contents, were valued at \$349.2 million in 2017. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2012-13 through 2016-17 was 17,915 on a headcount basis, and 9,497 on a FTE basis. For the 2016-17 academic year, Tallahassee Community College had a total of 8,776 FTEs for Pledged Revenue fee generating programs.

THE REFUNDING PROGRAM

The proceeds derived from the sale of the 2018A Bonds, together with other legally available moneys, will be used to refund the State of Florida, Department of Education Community College Capital Improvement Revenue Bonds, Series 2006A, maturing in the years 2018 through 2027, inclusive, in the outstanding principal amount of \$32,435,000 (the "Refunded 2006A Bonds"), and the State of Florida, Department of Education Community College Capital Improvement Revenue Bonds, Series 2008A, maturing in the years 2019 through 2028, inclusive, in the outstanding principal amount of \$17,015,000 (the "Refunded 2008A Bonds") (the Refunded 2006A Bonds and the Refunded 2008A Bonds are collectively referred to as the "Refunded Bonds"). This refunding is being effectuated to achieve debt service savings.

Simultaneously with the delivery of the 2018A Bonds, the Division of Bond Finance will cause to be deposited a portion of the proceeds of the 2018A Bonds in an irrevocable escrow account (the "Escrow Deposit Trust Fund"), under an agreement (the "Escrow Deposit Agreement") to be entered into between the Division of Bond Finance and the Board of Administration (the latter, the "Escrow Agent"). Other than uninvested cash balances, the Escrow Agent will invest the proceeds in the State Treasury investment pool, a fund held and invested by the State Treasurer of Florida. The amount of proceeds initially deposited in escrow is expected to be sufficient to make all payments with respect to the Refunded Bonds. However, should the escrow be insufficient to redeem the Refunded Bonds on the redemption dates, the Department shall be required to provide sufficient funds to make up any shortfall. The Refunded Bonds will be considered as remaining outstanding and economically defeased only, and will continue to have a claim upon the Pledged Revenue, as well as the Escrow Deposit Trust Fund, until they are redeemed.

The Refunded 2006A Bonds will be called for redemption (by separate redemption notice) on April 16, 2018 at a redemption price equal to the principal amount thereof plus interest due thereon through the redemption date. The Refunded 2008A Bonds will be called for redemption (by separate redemption notice) on July 1, 2018 at a redemption price equal to the principal amount thereof plus the required redemption premium equal to one percent of the principal amount plus interest due thereon through the redemption date.

Sources and Uses of Funds

Sources of Funds:

Par Amount of 2018A Bonds.....	\$41,355,000
Original Issue Premium.....	5,661,994
Available Sinking Fund Moneys.....	<u>3,720,357</u>
Total Sources.....	<u>\$50,737,351</u>

Uses of Funds:

Deposit to Escrow	\$50,441,922
Cost of Issuance.....	125,718
Underwriter's Discount.....	<u>169,711</u>
Total Uses.....	<u>\$50,737,351</u>

Note: Totals may not add due to rounding.

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SECURITY FOR THE 2018A BONDS

Pledged Revenues¹

The 2018A Bonds and the interest thereon constitute joint obligations of the Participating Florida College System institutions, and are secured by and payable solely from a first lien pledge of the Capital Improvement Fees collected pursuant to Section 1009.23(11)², Florida Statutes, by the Participating Florida College System institutions, plus investment earnings thereon (collectively, the “Pledged Revenues”), on a parity with the Outstanding Bonds and any Additional Bonds issued subsequent to the issuance of the 2018A Bonds. Upon the issuance of Additional Bonds, all Bonds will share a parity first lien on the Pledged Revenues of all Florida Colleges participating in any series of Bonds then Outstanding.

The Capital Improvement Fees collected pursuant to Section 1009.23(11), Florida Statutes, are fees paid by each student enrolled at individual Participating Florida College System institutions for college credit instruction or for noncollege credit college-preparatory courses. The Capital Improvement Fees which may be imposed by a Florida College System institution may not exceed 20 percent of tuition for resident students or 20 percent of the sum of tuition and out-of-state fees for non-resident students. The Capital Improvement Fee for resident students shall be limited to an increase of \$2 per credit hour over the prior year. There is no statutory limit on the annual rate of Capital Improvement Fee increases for out-of-state students. As shown on the table on page F-8 of Appendix F - “Florida College System and Participating Florida College System Institutions”, none of the eight PFCSI’s are currently charging Capital Improvement Fees for resident students equal to the maximum 20% of tuition. As shown on the table on page F-9 of Appendix F, only one of the eight PFCSI’s is charging the maximum rate for the Capital Improvement Fee for non-resident students of 20% of the sum of tuition and out-of-state fees. The other seven institutions are charging Capital Improvement Fees ranging from 6.35% to 10.74% of the sum of tuition and out-of-state fees.

The amount of Capital Improvement Fees projected to be collected by the Participating Florida College System institutions ranges from approximately \$38.2 million in Fiscal Year 2017-18 to \$38.7 million in Fiscal Year 2021-22. The revenues to be derived from such Capital Improvement Fees are required to be used to pay the principal of and interest on Bonds and to make all required sinking fund and other payments provided for in the Resolution.

The 2018A Bonds are “Revenue Bonds” within the meaning of Article VII, Section 11(d), of the Florida Constitution, and are payable solely from funds derived directly from sources other than State tax revenues. **The 2018A Bonds do not constitute a general obligation or indebtedness of the State of Florida or any of its agencies or political subdivisions and shall not be a debt of the State of Florida or of any agency or political subdivision thereof, including the Participating Florida College System institutions, the Department or the Division of Bond Finance, and the full faith and credit of the State is not pledged to the payment of the principal of, premium, if any, or interest on the 2018A Bonds. The issuance of the 2018A Bonds does not, directly or indirectly or contingently, obligate the State of Florida to use State funds, other than the Pledged Revenues, to levy or to pledge any form of taxation whatsoever or to make any appropriation for payment of the principal of, premium, if any, or interest on the 2018A Bonds.**

The 2018 Florida Legislature has adopted legislation authorizing Florida College System institutions to waive any portion of certain fees, including the capital improvement fee, for a person who is an active duty member of the Armed Forces of the United States using military tuition assistance provided by the Department of Defense. The bill must still be presented to the Governor, who may either veto the legislation, sign it or let it become law without his signature. The decision to waive such fees is at the discretion of each institution. The fiscal impact on capital fee revenues is indeterminate due to uncertainties relating to the eligible population and enrollment behavior, and because the decision to waive the fee is at the discretion of each institution.

2018A Bonds not Secured by Reserve Account

There will not be a Debt Service Reserve subaccount funded for the 2018A Bonds and the 2018A Bonds will not be secured by the Debt Service Reserve Account or any subaccount therein. The Fifth Supplemental Resolution provided that the 2018A Bonds may be issued without funding a reserve subaccount for the 2018A Bonds. As a result, upon issuance of the 2018A Bonds, no moneys will be deposited into the Debt Service Reserve Account or any subaccount therein to secure the 2018A Bonds.

¹ See Appendix F, “FLORIDA COLLEGE SYSTEM AND PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS - Tuition and Fees” for a more detailed description and discussion of the Capital Improvement Fees.

² Capital Improvement Fees collected pursuant to Section 1009.22(6), Florida Statutes, which are paid by students enrolled in workforce education programs, are not currently pledged for the payment of the 2018A Bonds.

The Master Authorizing Resolution provides for the funding of the Reserve Account in an amount equal to the Debt Service Reserve Requirement, which is to be used for payments of debt service becoming due and payable on the Bonds when the amounts in the Sinking Fund are insufficient therefor. The Reserve Account may contain one or more subaccounts, each of which may secure one or more Series of Bonds. The Debt Service Reserve Requirement may be satisfied by the deposit of Bond proceeds or a Reserve Account Credit Facility. The Debt Service Reserve Account is currently funded by debt service reserve fund policies from Financial Guaranty Insurance Company ("FGIC") in the amount of \$4,094,675, and from Assured Guaranty Corp. ("Assured") in the amount of \$2,164,225. The Reserve Account Credit Facilities will terminate upon the redemption of the Refunded Bonds. The amounts on deposit in the Debt Service Reserve Account do not secure the 2010A Bonds or the 2012A Bonds and will not secure the 2018A Bonds. The 2010A Bonds are secured by a separate subaccount in the Debt Service Reserve Account (the "2010A Reserve Subaccount") that secures only the 2010A Bonds and may secure any Additional Bonds that may be issued in the future. The 2010A Reserve Subaccount was funded from proceeds of the 2010A Bonds in the amount of \$2,336,737.50. No Reserve Account was funded for the 2012A Bonds.

In the event funds on deposit in the Sinking Fund are not sufficient to pay the principal and/or interest next coming due on the Bonds other than the 2018A Bonds and the 2012A Bonds, then on or before the Interest Payment Date and the Principal Payment Date such amounts as may be necessary to pay such maturing principal and/or interest on the Bonds will be transferred to the Sinking Fund from the Reserve Account. Any withdrawals from the Reserve Account, including disbursements made under a Reserve Account Credit Facility, will be subsequently restored (or, in the case of a Reserve Account Credit Facility, the provider thereof will be reimbursed) from the first Pledged Revenues available after all required current payments for the Sinking Fund, including any deficiencies for prior payments, have been made in full.

See "MISCELLANEOUS - Bond Ratings" below for a discussion of potential and actual rating agency actions with respect to various insurance companies, including FGIC and Assured.

Flow of Funds

Collection of Pledged Revenues. Each Participating Florida College System institution is required to deposit its Pledged Revenues into a trust fund (the "Revenue Fund") upon collection, to be administered in accordance with the Master Authorizing Resolution and applicable laws.

Application of Pledged Revenues. (A) Pledged Revenues collected by each Participating Florida College System institution are forwarded (pursuant to written notices required by the Master Authorizing Resolution) to the Board of Administration as indicated below for deposit into the applicable Participating Florida College System institution's sub-account in the Florida College System Capital Improvement Sinking Fund. Said funds constitute trust funds for the following purposes:

- (1) the payment of Administrative Expenses;
- (2) the payment of interest on Bonds;
- (3) the payment of principal (including Amortization Installments) on Bonds;
- (4) the maintenance and establishment of the Reserve Account; and
- (5) funding the Rebate Account.

(B) Not later than December 1 of each Fiscal Year, each Participating Florida College System institution must forward to the Board of Administration its pro rata share of:

- (1) the next January 1 Sinking Fund Requirement,
- (2) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and
- (3) the amount, if any, necessary to pay any Rebate Amount;

giving credit for money, if any, in each Participating Florida College System institution's sub-account in the Excess Construction Fund Moneys Account.

(C) If one or more Participating Florida College System institutions fails to forward all of the amount set forth in (B) above by December 1,

- (1) the Board of Administration shall immediately provide written notice to the remaining Participating Florida College System institutions to remit Pledged Revenues as soon as possible

in an amount equal to the unfunded balance of the amount set forth in (B) above, pro rata based on each remaining Participating Florida College System institution's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the Participating Florida College System institution(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in (B) above in the following order of priority:

- (a) from the additional Pledged Revenues so remitted,
 - (b) from moneys in the Excess Construction Fund Moneys Account in excess of the amount already credited to each Participating Florida College System institution, if available, pro rata from each sub-account therein, and
 - (c) from the Reserve Account, if legally available (not available for 2018A Bonds).
- (2) If, when applying (C)(1) above, Pledged Revenues from one or more of the remaining Participating Florida College System institutions become fully exhausted prior to fully funding the amount set forth in (B) above, the Board of Administration shall reapply the formula in (C)(1) above, utilizing the funds of the then remaining Participating Florida College System institutions. This directive shall be repeated as many times as necessary until the amount set forth in (B) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account (not applicable to 2018A Bonds).

(D) Not later than February 15 of each Fiscal Year, each Participating Florida College System institution must forward to the Board of Administration its pro rata share of:

- (1) the next July 1 Sinking Fund Requirement,
- (2) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and
- (3) the amount, if any, necessary to pay any Rebate Amount;

giving credit for money, if any, in each Participating Florida College System institution's sub-account in the Excess Construction Fund Moneys Account.

(E) If each Participating Florida College System institution has forwarded funds in an amount equal to the amount set forth in (D) above by February 15, the Sinking Fund will be deemed to be fully funded for that Fiscal Year. In such case, the Board of Administration shall provide written notice to each Participating Florida College System institution that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless required to make a rebate payment. Each Participating Florida College System Revenues to the Board of Administration, and may then use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(F) If one or more Participating Florida College System institutions fails to forward all of the amount set forth in (D) above by February 15,

- (1) the Board of Administration shall immediately provide written notice to the remaining Participating Florida College System institutions to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in (D) above, pro rata based on each remaining Participating Florida College System institution's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the Participating Florida College System institution(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in (D) above in the following order of priority:
 - (a) from the additional Pledged Revenues so remitted,
 - (b) from moneys in the Excess Construction Fund Moneys Account in excess of the amount already credited to each Participating Florida College System institution, if available, pro rata from each sub-account therein, and
 - (c) from the Reserve Account, if legally available (not available for 2018A Bonds).

- (2) If, when applying (F)(1) above, Pledged Revenues from one or more of the remaining Participating Florida College System institutions become fully exhausted prior to fully funding the amount set forth in (D) above, the Board of Administration shall reapply the formula in (F)(1) above, utilizing the funds of the then remaining Participating Florida College System institutions. This directive shall be repeated as many times as necessary until the amount set forth in (D) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account (not applicable to 2018A Bonds).
- (3) On the date on which the amount set forth in (D) above is fully funded, the Board of Administration shall provide written notice to each Participating Florida College System institution that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless required to make a rebate payment. Each Participating Florida College System institution shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration, and may then use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(G) After each July 1 Sinking Fund Requirement has been satisfied, any money remaining in each sub-account in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be applied to the payment of the next interest payment, for the benefit of the applicable Participating Florida College System institution. In any fiscal Year, if there are no Bonds Outstanding after the July 1 Sinking Fund Requirement has been satisfied, or at any time after all of the Outstanding Bonds have been defeased and provision for payment thereof has been made, any money remaining in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be returned to each Participating Florida College System institution which had Bonds Outstanding immediately prior to such occurrence, pro rata in relation to its par amount of such Bonds.

See "MISCELLANEOUS - Investment of Funds" herein for policies governing the investment of various funds.

Covenants

The Division, on behalf of the Department and the Participating Florida College System institutions, has covenanted in the Master Authorizing Resolution that so long as any Bonds attributable to such Participating Florida College System institutions remain Outstanding:

(A) That the Department and the Participating Florida College System institutions will punctually pay the Pledged Revenues in the manner and at the times provided in the Resolution and that the Department and the Participating Florida College System institutions will duly and punctually perform and carry out all the covenants of the Department and the Participating Florida College System institutions made therein and the duties imposed upon the Department and the Participating Florida College System institutions by the Resolution.

(B) That in preparing, approving and adopting any budget controlling or providing for the expenditures of its funds for each budget period the Department and the Participating Florida College System institutions will allocate, allot and approve, to the extent permitted by law, the amounts sufficient to pay the annual Sinking Fund requirements due under the Resolution.

(C) That the Department and the Participating Florida College System institutions will from time to time recommend and include in their budgets such revisions to the Capital Improvements Fees which, to the extent permitted by law, will produce Pledged Revenues sufficient to pay, when due, the amounts required under the Resolution.

(D) That the Participating Florida College System institutions will continue to collect the Capital Improvement Fees.

Additional Bonds

The Master Authorizing Resolution provides that additional Bonds may be issued on a parity with the 2018A Bonds, but only upon the following terms, restrictions and conditions:

(A) The proceeds from such Additional Bonds shall be used to acquire and construct Projects, or to refund Outstanding Bonds.

(B) (1) The Department and all Participating Florida College System institutions must be current in all deposits into the various funds and accounts and all payments theretofore required to have been deposited or made by it under the provisions of the Resolution.

(2) The Department and the Participating Florida College System institutions must be currently in compliance with the covenants and provisions of the Resolution and any supplemental resolution adopted for the issuance of the initial Series of Bonds issued thereunder or Additional Bonds, or upon the issuance of such Additional Bonds the Department and the Participating Florida College System institutions will be brought into compliance with all such financial requirements, covenants and provisions.

(C) The Board of Trustees of each Florida College System institution wishing to participate in the issuance of Additional Bonds shall request the issuance of such Additional Bonds by a duly adopted resolution in the form required by the Division.

(D) Certificates shall be executed by the Department or other appropriate agency setting forth:

(1) the average annual amount of that portion of the Capital Improvement Fees pledged for the payment of Bonds and Administrative Expenses collected by the Participating Florida College System institutions and the New Participating Florida College System institutions during the two Fiscal Years immediately preceding the issuance of the proposed Additional Bonds, adjusted as hereinafter provided, and;

(2) the Maximum Annual Debt Service on the Bonds then Outstanding and the Additional Bonds then proposed to be issued.

(E) The amount certified pursuant to (D)(1) above, adjusted as hereinafter provided, will be at least equal to one hundred thirty percent of the total Maximum Annual Debt Service on (i) the Bonds then Outstanding, and (ii) the Additional Bonds then proposed to be issued;

(F) The Pledged Revenues and Capital Improvement Fees calculated pursuant to paragraph (D)(1) may be adjusted at the option of the Division if, prior to the issuance of the proposed Additional Bonds, all actions shall have been taken and all approvals shall have been obtained which are necessary to increase a Participating Florida College System institution's or a New Participating Florida College System institution's Capital Improvement Fees, such increase to become effective not later than January 1 of the Fiscal Year following the Fiscal Year in which the Additional Bonds are to be issued, the average annual amount of Pledged Revenues attributable to such Participating Florida College System institution for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Pledged Revenues attributable to such Participating Florida College System institution which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years; similarly, the average annual amount of Capital Improvement Fees to be pledged for the payment of Bonds and Administrative Expenses attributable to such New Participating Florida College System institution for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Capital Improvement Fees attributable to such New Participating Florida College System institution which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years.

The provisions of paragraphs (D) and (E) do not apply to the issuance of refunding Bonds if the Annual Debt Service Requirement of the refunding Bonds in each Fiscal Year is equal to or less than the corresponding Annual Debt Service Requirement of the refunded Bonds.

Notwithstanding the exception for refunding Bonds, the 2018A Bonds meet the requirements set forth above. All of the above terms, conditions and restrictions having been complied with, the 2018A Bonds will be issued on a parity with the Outstanding Bonds.

Future Financing

The Department has no current plans to issue Additional Bonds.

HISTORICAL AND PROJECTED PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTION CAPITAL IMPROVEMENT FEES*

Historical collections of Capital Improvement Fees by the Participating Florida College System institutions are set forth in the table below.

Historical Capital Improvement Fees¹

<u>Fiscal Year</u>	<u>Capital Improvement Fees²</u>	<u>Percentage Increase/Decrease</u>
2012-13	\$31,097,169	9.76% ³
2013-14	34,674,391	11.50
2014-15	36,172,794	4.32
2015-16	40,227,362	11.21
2016-17	39,905,041	(0.80)

¹ Source: Florida Department of Education, Division of Florida Colleges.

² Collected pursuant to Section 1009.23(11), Florida Statutes.

³ Based upon a comparison with the Fiscal Year 2011-12 collections of \$28.3 million.

Projected collections of Capital Improvement Fees by the Participating Florida College System institutions are set forth in the table below. **The projections of revenues from Capital Improvement Fees have been prepared by the Florida Department of Education, Division of Florida Colleges, based upon the most recent available information, which is believed to be accurate. Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections. In addition, the projected amounts are reviewed from time to time; accordingly, such amounts are subject to change.**

Projected Capital Improvement Fees¹

<u>Fiscal Year</u>	<u>Capital Improvement Fees²</u>	<u>Percentage Increase/Decrease</u>
2017-18	\$38,212,949	(4.24)% ³
2018-19	38,339,850	0.33
2019-20	38,371,622	0.08
2020-21	38,482,984	0.29
2021-22	38,655,372	0.45

¹ Source: Florida Department of Education, Division of Florida Colleges.

² Collected pursuant to Section 1009.23(11), Florida Statutes.

³ Based on a comparison with the Fiscal Year 2016-17 historical figure from the corresponding column in the immediately preceding table.

*See Appendix F, "FLORIDA COLLEGE SYSTEM AND PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS - Tuition and Fees" for a more detailed description and discussion of the Capital Improvement Fees.

PROJECTED DEBT SERVICE COVERAGE

Set forth below is the projected debt service coverage for the Bonds secured by the Capital Improvement Fees. **The projections of Capital Improvement Fees have been prepared by the Florida Department of Education, Division of Florida Colleges, based upon the most recent available information, which is believed to be accurate. Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections.**

Schedule of Projected Debt Service Coverage

<u>Fiscal Year</u>	<u>Projected Participating Florida College System Institutions Capital Improvement Fees¹</u>	<u>Projected Debt Service²</u>	<u>Projected Coverage Ratio</u>
2017-18	\$38,212,949	\$9,263,838	4.12x
2018-19	38,339,850	8,717,178	4.40x
2019-20	38,371,622	8,704,888	4.41x
2020-21	38,482,984	8,710,150	4.42x
2021-22	38,655,372	8,711,875	4.44x

¹ Source: Florida Department of Education, Division of Florida Colleges.

² Includes debt service on the 2018A Bonds and excludes debt service on the Refunded Bonds.

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SCHEDULE OF DEBT SERVICE

The table below shows debt service payable with respect to the Outstanding Bonds, as well as the debt service for the 2018A Bonds and the total debt service in each fiscal year. Payments due on July 1 are deemed to accrue in the preceding fiscal year.

Fiscal Year	Outstanding	Debt Service on Series 2018A Bonds			Total
Ending	Parity Bonds¹	Principal	Interest	Total	Debt Service
June 30					
2018	\$9,263,838	-	-	-	\$9,263,838
2019	3,005,138	\$3,230,000	\$2,482,041	\$5,712,041	8,717,178
2020	3,008,638	3,790,000	1,906,250	5,696,250	8,704,888
2021	3,008,400	3,985,000	1,716,750	5,701,750	8,710,150
2022	3,009,375	4,185,000	1,517,500	5,702,500	8,711,875
2023	3,005,125	4,390,000	1,308,250	5,698,250	8,703,375
2024	3,008,025	4,620,000	1,088,750	5,708,750	8,716,775
2025	3,012,675	4,850,000	857,750	5,707,750	8,720,425
2026	3,008,875	5,085,000	615,250	5,700,250	8,709,125
2027	3,011,156	5,330,000	361,000	5,691,000	8,702,156
2028	3,006,650	1,890,000	94,500	1,984,500	4,991,150
2029	3,005,788	-	-	-	3,005,788
2030	3,009,925	-	-	-	3,009,925
2031	675,794	-	-	-	675,794
2032	678,744	-	-	-	678,744
	<u>\$46,718,144</u>	<u>\$41,355,000</u>	<u>\$11,948,041</u>	<u>\$53,303,041</u>	<u>\$100,021,184</u>

¹ Excludes annual debt service on the Refunded 2008A Bonds which will be economically, but not legally defeased, and are scheduled to be called for redemption on July 1, 2018 of approximately \$383,000 in 2018 and \$2.2 million in 2019 through 2032. Includes approximately \$3.7 million in Fiscal Year 2017-18 of accrued debt service on the Refunded Bonds.

PROVISIONS OF STATE LAW

Bonds Legal Investment for Fiduciaries

The State Bond Act provides that all bonds issued by the Division of Bond Finance are legal investments for state, county, municipal or other public funds, and for banks, savings banks, insurance companies, executors, administrators, trustees, and all other fiduciaries and also are securities eligible as collateral deposits for all state, county, municipal, or other public funds.

Negotiability

The 2018A Bonds will have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code - Investment Securities Law of the State.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements which must be met subsequent to the issuance and delivery of the 2018A Bonds in order that interest on the 2018A Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the 2018A Bonds to be included in federal gross income retroactive to the date of issuance of the 2018A Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the 2018A Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The Participating Florida College System institutions,

the Department, the Division of Bond Finance and the Board of Administration have covenanted in the Resolution to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the 2018A Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the 2018A Bonds is excluded from gross income for purposes of federal income taxation. Interest on the 2018A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the 2018A Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that began prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of 2018A Bonds. Prospective purchasers of 2018A Bonds should be aware that the ownership of 2018A Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry 2018A Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on 2018A Bonds; (iii) the inclusion of interest on 2018A Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on 2018A Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on 2018A Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the Participating Florida College System institutions, the Department, and the Division of Bond Finance, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the 2018A Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE 2018A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the 2018A Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the 2018A Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of 2018A Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the 2018A Bonds and proceeds from the sale of 2018A Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of 2018A Bonds. This withholding generally applies if the owner of 2018A Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the 2018A Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the 2018A Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the 2018A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax

consequences resulting from ownership of the 2018A Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the 2018A Bonds.

Prospective purchasers of the 2018A Bonds should consult their own tax advisors as to the tax consequences of owning the 2018A Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Tax Treatment of Bond Premium

All of the 2018A Bonds were offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). Under the Code, the difference between the principal amount of the 2018A Bonds and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such 2018A Bonds of the same maturity and, if applicable, interest rate, was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each of the 2018A Bonds, which ends on the earlier of the maturity or call date for each of the 2018A Bonds which minimizes the yield on such 2018A Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a 2018A Bond, an initial purchaser who acquires such obligation in the initial offering is required to decrease such purchaser's adjusted basis in such 2018A Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such 2018A Bonds. Bondholders of the 2018A Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such 2018A Bonds.

State Taxes

The 2018A Bonds and the income therefrom are not subject to any taxation by the State or any county, municipality, political subdivision, agency, or instrumentality of the State, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

Florida laws governing the imposition of estate taxes do not provide for an exclusion of state or local bonds from the calculation of the value of the gross estate for tax purposes. Florida's estate tax is generally calculated on the basis of the otherwise unused portion of the federal credit allowed for state estate taxes. Under Chapter 198, Florida Statutes, all values for state estate tax purposes are as finally determined for federal estate tax purposes. Since state and local bonds are included in the valuation of the gross estate for federal tax purposes, such obligations would be included in such calculation for Florida estate tax purposes. Prospective owners of the 2018A Bonds should consult their own attorneys and advisors for the treatment of the ownership of the 2018A Bonds for estate tax purposes.

The 2018A Bonds and the income therefrom are subject to the tax imposed by Chapter 220 on interest, income, or profits on debt obligations owned by corporations and other specified entities.

MISCELLANEOUS

Investment of Funds

Funds held pursuant to the Resolution - The Master Authorizing Resolution directs the manner in which funds held in the various funds may be invested. Each Participating Florida College System institution is required to deposit the Capital Improvement Fees it collects into its own local Capital Improvement Fee Revenue Fund which is a trust fund for the purposes provided in the Master Authorizing Resolution. Debt service payments are sent to the Sinking Fund held by the Board of Administration pursuant to the schedule set forth in the Master Authorizing Resolution, and are then forwarded to the Bond Registrar/Paying Agent.

At closing, the 2018A Bond proceeds (net of issuance costs) will be deposited as described under the heading "THE REFUNDING PROGRAM".

Except insofar as they may be needed for payments pursuant to the Resolution, moneys in any funds authorized or required by the Resolution may be invested and reinvested as provided in Section 17.57 or 215.47, Florida Statutes.

All State funds are invested by either the Chief Financial Officer or the Board of Administration. See “*Investment by the Chief Financial Officer*” and “*Investment by the Board of Administration*” below.

Investment by the Chief Financial Officer - Funds held in the State Treasury are invested by internal and external investment managers. As of December 31, 2017, the ratio was approximately 45% internally managed funds, 44% externally managed funds, 5% Certificates of Deposit and 6% in an externally managed Security Lending program. The total portfolio market value on December 31, 2017, was \$24,960,885,555.34.

Under State law, the Treasury is charged with investing funds of each State agency and the judicial branch. As of December 31, 2017, \$15.851 billion of the investments in the Treasury consisted of accounts held by State agencies that are required by law to maintain their investments in the Treasury; additionally, \$7.461 billion as of this date consisted of moneys held by certain boards, associations, or entities created by the State Constitution or by State law that are not required to maintain their investments with the Treasury and are permitted to withdraw these funds from the Treasury.

As provided by State law, the Treasury must be able to timely meet all disbursement needs of the State. Accordingly, the Treasury allocates its investments to provide for estimated disbursements plus a cushion for liquidity in instances of greater-than-expected disbursement demand.

To this end, a portion of Treasury’s investments are managed for short-term liquidity and preservation of principal. The remainder is managed to obtain maximum yield, given the safety parameters of State law and Treasury’s Comprehensive Investment Policy. Investments managed for short-term liquidity and preservation of principal are managed “internally” by Treasury personnel. The majority of investments managed for a maximum return are managed by “external” investment companies hired by the State.

The Externally Managed Investment Program provides long-term value while limiting risk appropriately and provides a backup source of liquidity. External investment strategy focuses on medium-term and long-term fixed income securities, rather than money market instruments, in order to take advantage of higher returns historically achieved by such securities. Portfolio managers are hired to actively manage funds. These funds may be invested in U.S. Treasury government agency obligations, investment grade corporate debt, municipal debt, mortgage backed securities, asset backed securities, and U.S. dollar denominated investment-grade foreign bonds that are registered with the Securities and Exchange Commission. The managers may also use leveraging techniques such as forward purchase commitments, and interest rate futures.

Investment by the Board of Administration - The Board of Administration manages investment of assets on behalf of the members of the Florida Retirement System (the “FRS”) Defined Benefit Plan. It also acts as sinking fund trustee for most State bond issues and oversees the management of FRS Investment Plan investment options, Florida Hurricane Catastrophe Fund moneys, a short-term investment pool for local governments and smaller trust accounts on behalf of third party beneficiaries.

The Board of Administration adopts specific investment policy guidelines for the management of its funds which reflect the long-term risk, yield, and diversification requirements necessary to meet its fiduciary obligations. As of December 31, 2017, the Board of Administration directed the investment/administration of 30 funds in 550 portfolios.

As of December 31, 2017 the total market value of the FRS (Defined Benefit) Trust Fund was \$162,088,754,843.25. The Board of Administration pursues an investment strategy which allocates assets to different investment types. The long-term objective is to meet liability needs as determined by actuarial assumptions. Asset allocation levels are determined by the liquidity and cash flow requirements of the FRS, absolute and relative valuations of the asset class investments, and opportunities within those asset classes. Funds are invested internally and externally under a Defined Benefit Plan Investment Policy Statement.

The Board of Administration uses a variety of derivative products as part of its overall investment strategy. These products are used to manage risk or to execute strategies more efficiently or more cost effectively than could be done in the cash markets. They are not used to speculate in the expectation of earning extremely high returns. Any of the products used must be within investment policy guidelines designed to control the overall risk of the portfolio.

The Board of Administration invests assets in 29 designated funds other than the FRS (Defined Benefit) Trust Fund. As of December 31, 2017, the total market value of these funds equaled \$43,086,239,309.48. Each fund is independently managed by the Board of Administration in accordance with the applicable documents, legal requirements and investment plan. Liquidity and preservation of capital are preeminent investment objectives for most

of these funds, so investments for these are restricted to high quality money market instruments (e.g., cash, short-term treasury securities, certificates of deposit, banker's acceptances, and commercial paper). The term of these investments is generally short, but may vary depending upon the requirements of each trust and its investment plan.

Investment of bond sinking funds is controlled by the resolution authorizing issuance of a particular series of bonds. The Board of Administration's investment policy with respect to sinking funds is that only U.S. Treasury securities, and repurchase agreements backed thereby, be used.

Bond Ratings

Moody's Investor Service, Standard & Poor's Ratings Services, and Fitch Ratings (herein referred to collectively as "Rating Agencies"), have assigned their municipal bond ratings of A1, AA- and AA-, respectively, to the 2018A Bonds. The rating outlook is considered stable by all three Rating Agencies. Such ratings and outlooks reflect only the respective views of such Rating Agencies at the time such ratings were issued, and an explanation of the significance of such ratings and outlooks may be obtained from any of the respective rating agencies.

The State furnished to such Rating Agencies certain information and materials in respect to the State and the 2018A Bonds. Generally, Rating Agencies base their ratings and outlooks on such information and materials and on investigations, studies and assumptions made by the Rating Agencies. There is no assurance that such ratings and outlooks will be maintained for any given period of time or that they may not be lowered, suspended or withdrawn entirely by the Rating Agencies, or any of them, if in their or its judgment, circumstances warrant. Any such downward change in, suspension of or withdrawal of such ratings and outlooks may have an adverse effect on the market price of the 2018A Bonds.

The Rating Agencies have evaluated (and are continuing to evaluate) the effects of the downturn in the market for certain structured finance instruments, including collateralized debt obligations and residential mortgage backed securities, on the claims-paying ability of financial guarantors. The results of these evaluations have included and may include additional ratings affirmations, changes in rating outlook, reviews for downgrade, and downgrades. Assured Guaranty Corp. (Assured) is currently rated A3 by Moody's and AA by S&P; Assured has a stable outlook by Moody's and S&P. Fitch has withdrawn its rating for Assured; Moody's, S&P and Fitch have withdrawn their ratings for FGIC. Potential investors are directed to the Rating Agencies for additional information on their ongoing evaluations of the financial guaranty industry and individual financial guarantors.

Litigation

Currently there is no litigation pending, or to the knowledge of the Participating Florida College System institutions, the Department, or the Division of Bond Finance threatened, which, if successful, would have the effect of restraining or enjoining the issuance or delivery of the 2018A Bonds or the fixing or collection of the revenues pledged thereto. Nor is there currently any litigation pending, or to the knowledge of the Participating Florida College System institutions, the Department, or the Division of Bond Finance threatened which questions or affects the validity of the 2018A Bonds or the proceedings and authority under which the 2018A Bonds are to be issued. Further, there is currently no litigation pending, or to the knowledge of the Participating Florida College System institutions, the Department, or the Division of Bond Finance threatened, which questions or affects the corporate existence of the Department nor the title of the present officers to their respective offices. The Participating Florida College System institutions, the Department, and the Division of Bond Finance from time to time engage in routine litigation the outcome of which would not be expected to have any material adverse affect on the issuance and delivery of the 2018A Bonds.

Legal Opinion and Closing Certificates

The approving legal opinion of Bryant Miller Olive P.A., Tallahassee, Florida, will be provided on the date of delivery of the 2018A Bonds, as well as a certificate, executed by appropriate State officials, to the effect that to the best of their knowledge the Official Statement, as of its date and as of the date of delivery of the 2018A Bonds, does not contain an untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading. A proposed form of the legal opinion of Bond Counsel is attached hereto as Appendix H. Such opinion expresses no opinion relating to the accuracy, completeness or sufficiency of this Official Statement.

Continuing Disclosure

The Department will undertake, for the benefit of the beneficial owners and the Registered Owners of the 2018A Bonds to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain material events. Such financial information and operating data will be transmitted to the Municipal Securities Rulemaking Board (the “MSRB”) using its Electronic Municipal Market Access System (“EMMA”). Any notice of material events will also be transmitted to the MSRB using EMMA. The form of the undertaking is set forth in Appendix G, Form of Continuing Disclosure Agreement. This undertaking is being made in order to assist the underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission.

Neither the Participating Florida College System institutions, the Department nor the Division of Bond Finance has failed to make any disclosures required by Rule 15c2-12.

Underwriting

Janney Montgomery Scott LLC (the “Underwriter”) has agreed to purchase the 2018A Bonds at an aggregate purchase price of \$46,847,283.15 (which represents the par amount of the 2018A Bonds plus an original issue premium of \$5,661,993.90 and minus the Underwriters’ discount of \$169,710.75). The Underwriter may offer and sell the 2018A Bonds to certain dealers (including dealers depositing bonds into investment trusts, including trusts managed by the Underwriter) at prices lower than the initial offering prices. The offering prices or yields on the 2018A Bonds set forth on the inside front cover may be changed after the initial offering by the Underwriter.

Execution of Official Statement

This Official Statement has been prepared by the Division of Bond Finance as agent for the Participating Florida College System institutions pursuant to Section 215.61(4), Florida Statutes, and the proceedings referred to herein. The Division of Bond Finance and the Participating Florida College System institutions have authorized the execution and delivery of the Official Statement.

DIVISION OF BOND FINANCE of the STATE
BOARD OF ADMINISTRATION OF FLORIDA

RICK SCOTT
Governor, as Chairman of the Governing Board

J. BEN WATKINS III
Director

DEPARTMENT OF EDUCATION DIVISION
OF FLORIDA COLLEGES
MADELINE PUMARIEGA
Chancellor

BROWARD COLLEGE
J. DAVID ARMSTRONG, JR.
Secretary of the Board of Trustees and President

FLORIDA SOUTHWESTERN STATE COLLEGE
DR. JEFFEREY S. ALBRITTEN
Secretary of the Board of Trustees and Interim President

GULF COAST STATE COLLEGE
DR. JOHN R. HOLDNAK
Secretary of the Board of Trustees and President

PALM BEACH STATE COLLEGE
AVA L. PARKER
Secretary of the Board of Trustees and President

ST. PETERSBURG COLLEGE
DR. TONJUA WILLIAMS
Secretary of the Board of Trustees and President

SANTA FE COLLEGE
DR. JACKSON N. SASSER
Secretary of the Board of Trustees and President

SEMINOLE STATE COLLEGE
DR. E. ANN MCGEE
Secretary of the Board of Trustees and President

TALLAHASSEE COMMUNITY COLLEGE
DR. JIM MURDAUGH
Secretary of the Board of Trustees and President

DEFINITIONS

“2006A Participating Florida College System institutions” means the following: St. Petersburg College, Santa Fe College, Seminole State College, and Tallahassee Community College.

“2008A Participating Florida College System institutions” means the following: Broward College and Palm Beach State College.

“2010A Participating Florida College System institutions” means the following: Florida SouthWestern State College, Gulf Coast State College and St. Petersburg College.

“2012A Participating Florida College System institution” means Palm Beach State College.

“Additional Bonds” means any obligations issued pursuant to the terms and conditions of the Master Authorizing Resolution and payable from the Pledged Revenues on a parity with the initial Series of Bonds originally issued thereunder. Such Additional Bonds shall be deemed to have been issued pursuant to the Master Authorizing Resolution the same as the Bonds originally authorized and issued pursuant to the Master Authorizing Resolution, and all of the applicable covenants and other provisions of the Master Authorizing Resolution (except as to details of such Additional Bonds inconsistent therewith), shall be for the equal benefit, protection and security of the Registered Owners of the Bonds originally authorized and issued pursuant to the Master Authorizing Resolution, and the Registered Owners of any Additional Bonds evidencing additional obligations subsequently issued within the limitations of and in compliance with the Master Authorizing Resolution. All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with other Bonds with respect to their lien on and source and security for payment from the Pledged Revenues without preference or priority of any Bond over any other.

“Administrative Expenses” means, with respect to the Bonds or the administration of any funds under the Master Authorizing Resolution, to the extent applicable: (i) fees or charges, or both, of the Board of Administration and the Division of Bond Finance; and (ii) such other fees or charges, or both, as may be approved by the Board of Administration or the Division of Bond Finance, including but not limited to those relating to tax law compliance, disclosure of information, paying agents, rating agencies and providers of credit enhancement; all as may be determined from time to time as necessary.

“Amortization Installment” means an amount so designated which is established for scheduled redemption of the Term Bonds of each Series; provided that each such Amortization Installment shall be deemed due upon the date provided pursuant to a subsequent resolution adopted by the Governing Board and the aggregate of such Amortization Installments for each Series shall equal the aggregate principal of the Term Bonds of such Series.

“Annual Debt Service Requirement” means, for any Fiscal Year, the amount of money required for the payment of interest and maturing principal of all Outstanding Bonds and the scheduled redemption of Outstanding Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement from the Pledged Revenues, the required deposit to the Debt Service Reserve Account, as provided in the Master Authorizing Resolution. Amounts payable on July 1 shall be considered as coming due in the prior Fiscal Year.

“Annual Sinking Fund Requirement” means, at any time, the Annual Debt Service Requirement and the amount of Administrative Expenses required to be deposited in the then current Fiscal Year into the Debt Service Account in the Sinking Fund.

“Assistant Secretary” means an Assistant Secretary of the Division of Bond Finance.

“Authorized Denominations” means the smallest principal denomination in which Bonds of any Series may be issued as determined pursuant to a subsequent resolution of the Governing Board adopted prior to the issuance of such Series.

“Authorized Officer” means any officer or employee authorized to perform specific acts or duties.

“Board of Administration” means the State Board of Administration of Florida, as created pursuant to the provisions of Article XII, Section 9, Florida Constitution and Chapter 215, Florida Statutes.

“Board of Trustees” means the District Board of Trustees of a Florida College System institution.

“Bond Counsel” means counsel experienced in matters relating to the validity of, and the exclusion from gross income of interest on, obligations of states and their political subdivisions as selected by the Division of Bond Finance.

“Bond Insurance Policy” means an insurance policy issued for the benefit of the Registered Owners of any Bonds, pursuant to which the issuer of such insurance policy shall be obligated to pay when due the principal of and interest on such Bonds to the extent of any deficiency in the amounts in the funds and accounts held under the Master Authorizing Resolution, in the manner and in accordance with the terms provided in such Bond Insurance Policy.

“Bond Registrar/Paying Agent” means U.S. Bank Trust National Association, New York, New York, or its successors.

“Bonds” means the first series of bonds issued under the Master Authorizing Resolution and any Additional Bonds issued in accordance with Article V of the Master Authorizing Resolution.

“Business Day” means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in New York, New York or the administrative offices of the State are authorized or eligible by law or executive order to be closed for business.

“Capital Improvement Fees” means the capital improvement fees authorized to be established pursuant to Section 1009.23(11), Florida Statutes.

“Code” means the Internal Revenue Code of 1986, the Treasury Regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, references to a section means that section of the Code, including such applicable Treasury Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

“Construction Fund” means the fund created pursuant to Section 3.01(C) of the Master Authorizing Resolution with respect to the Bonds.

“Cost(s) of Issuance” means all costs and expenses of the Division and the Department incurred in connection with the authorization, issuance, sale and delivery of the Bonds including, but not limited to, legal fees, financial advisory fees, municipal bond insurance premiums, fiscal or escrow agent fees, printing fees and travel expenses, rating agency fees and credit enhancement fees, and a charge for the services of the Division.

“Debt Service Account” means the Debt Service Account created in Section 4.02(B)(1) of the Master Authorizing Resolution.

“Debt Service Reserve Requirement” means as of any date of calculation, with respect to all Bonds issued hereunder, the lesser of:

- (i) 125% of the average Annual Debt Service Requirement of the Bonds for the then current and succeeding Fiscal Years;
- (ii) the Maximum Annual Debt Service on the Bonds;
- (iii) 10% of the par amount of the Bonds; or
- (iv) the maximum debt service reserve permitted with respect to tax-exempt obligations under the Code as applicable to the Bonds.

“Defeasance Obligations” means, to the extent permitted by law, direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States and including advance refunded tax-exempt bonds fully secured by non-callable direct obligations of the United States of America, non-callable obligations guaranteed by the United States of America, or “stripped” interest payment obligations of debt obligations of the Resolution Funding Corporation.

“Department” means the Department of Education of the State of Florida, and unless otherwise specified, the Division of Florida Colleges therein.

“Director” means the Director of the Division of Bond Finance and shall include any Assistant Secretary to whom the Director delegates authority.

“Division of Bond Finance” or **“Division”** means the Division of Bond Finance of the State Board of Administration of Florida.

“Excess Construction Fund Moneys Account” means the Excess Construction Fund Moneys Account in the Sinking Fund created in subsection 3.02(C)(1) of the Master Authorizing Resolution.

“Fifth Supplemental Authorizing Resolution” means the resolution amending the Master Authorizing Resolution and authorizing the issuance and sale of the Series 2018A Bonds adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on March 7, 2018.

“Fiscal Year” means the period beginning with and including July 1 of each year and ending with and including the next June 30.

“Florida College System” means the system established by Section 1001.60, Florida Statutes, which is comprised of the public postsecondary educational institutions identified in Section 1000.21(3), Florida Statutes, that grant 2-year and 4-year academic degrees as provided by law.

“Florida College System Capital Improvement Fee Revenue Fund” or **“Revenue Fund”** means the fund created by each PFCSI pursuant to Section 4.02(A) of the Master Authorizing Resolution.

“Florida College System Institution” means a Florida public educational institution provided for in Chapter 1004, Part III, Florida Statutes and listed in Section 1000.21(3), Florida Statutes.

“Fourth Supplemental Authorizing Resolution” means the resolution amending the Master Authorizing Resolution and authorizing the issuance and sale of the Series 2012A Bonds adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on January 18, 2012.

“Governing Board” means the Governor and Cabinet of the State of Florida as the governing board of the Division of Bond Finance.

“Interest Payment Date” means, for each Series of Bonds, the dates of each Fiscal Year on which interest on the Outstanding Bonds of such Series is payable, which shall be January 1 and July 1; provided however, that if either such date falls on a day other than a Business Day, interest shall be payable on the next Business Day.

“January 1 Sinking Fund Requirement” means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next January 1.

“July 1 Sinking Fund Requirement” means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next July 1.

“Master Authorizing Resolution” means the master resolution authorizing the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series) adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on August 1, 2006, as amended and supplemented from time to time.

“Maximum Annual Debt Service” means, at any time, the maximum amount (with respect to the particular Series of Bonds Outstanding, or all Bonds Outstanding, as the case may be), required to be deposited into the Debt Service Account in the Sinking Fund during the then current or any succeeding Fiscal Year for the payment of interest, maturing principal and Amortization Installments of Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement with other than a Reserve Account Credit Facility, the required deposit to the Reserve Account. Term Bonds in the year of maturity shall be included only in the amount of the final scheduled redemption in determining the Maximum Annual Debt Service. In the calculation of Maximum Annual Debt Service, any interest, principal, or Amortization Installment payable on July 1 of any Fiscal Year shall be deemed payable in the prior Fiscal Year.

“New Participating Florida College System institution” or “New PFCSI” means a Florida College System institution which has adopted a resolution requesting the issuance of Additional Bonds on its behalf and which has not pledged its Capital Improvement Fees to any Outstanding Bonds.

“Outstanding” means, as of any date of determination, all Bonds theretofore authenticated and delivered except:

(i) Bonds theretofore canceled by the Bond Registrar/Paying Agent or delivered to the Bond Registrar/Paying Agent for cancellation;

(ii) Bonds which are deemed paid and defeased and no longer Outstanding as provided herein;

(iii) Bonds in lieu of which other Bonds have been issued pursuant to the provisions hereof relating to Bonds destroyed, stolen or lost, unless evidence satisfactory to the Bond Registrar/Paying Agent has been received that any such Bond is held by a bona fide purchaser;

(iv) For purposes of any consent or other action to be taken hereunder by the Registered Owners of a specified percentage of principal amount of Bonds, Bonds held by or for the account of the Division of Bond Finance or the Department and the PFCSIs; and

(v) Bonds with respect to which debt service has been paid pursuant to a Bond Insurance Policy, to the extent that the amount of such payment has been reimbursed to the issuer of such Bond Insurance Policy (or monies have been deposited to defease such payment).

“Participating Florida College System institution” or “PFCSI” means a Florida College System institution which has pledged its Capital Improvement Fees to the payment of Outstanding Bonds.

“Pledged Revenues” means the Capital Improvement Fees collected by the PFCSIs, or such portion thereof as determined by subsequent resolution of the Governing Board, and includes any and all interest earned on such Capital Improvement Fees from the time they are collected by each PFCSI. The term Pledged Revenues also includes funds in the Excess Construction Fund Moneys Account in the Sinking Fund, if any.

“Principal Payment Date” means, for each Series of Bonds, such dates of each Fiscal Year on which the principal or an Amortization Installment of Outstanding Bonds of such Series is payable, which shall be July 1; provided however, that if such date falls on a day other than a Business Day, principal shall be payable on the next Business Day.

“Project” means the new construction and equipment, renovation or remodeling of a Florida College System institution educational facility included in an approved educational plant survey pursuant to Chapter 1013, Florida Statutes and in a PFCSI’s capital improvement plan as provided in Section 216.0158, Florida Statutes.

“Project Cost” means the actual cost of any Project, including costs of site acquisition, permits, design and construction; materials, labor, equipment and apparatus; sitework and landscaping; interest on the Bonds for a reasonable period after the date of delivery thereof, if necessary; an amount sufficient to establish adequate reserves; architectonic and engineering fees; legal fees; reimbursement for prior authorized expenditures; and fees and expenses of the Division of Bond Finance, the Board of Administration, a Florida College System institution or the Department necessary for the renovation or construction and placing in operation of a Project, and the financing thereof. Any such cost which was incurred prior to the delivery and issuance of the applicable Series of Bonds must be the subject of a Declaration of Official Intent executed by the applicable PFCSI pursuant to Treasury Regulations §1.150-2.

“Rating Agency” means a nationally recognized bond rating agency.

“Rebate Account” means the Rebate Account created and established pursuant to subsection 8.06(C) of the Master Authorizing Resolution.

“Rebate Amount” shall have the meaning ascribed to that term in paragraph 8.06(A)(1) of the Master Authorizing Resolution.

“Rebate Year” means, with respect to each series of Bonds, (i) the twelve-month period commencing on the anniversary of the “closing date” with respect to such series of Bonds in each year and ending on the day prior to the anniversary of the “closing date” in the following year, except that the first Rebate Year with respect to such series of Bonds shall commence on the “closing date” for such series of Bonds and the final Rebate Year with respect to the Bonds shall end on the date of final maturity of such series of Bonds or (ii) such other period as regulations promulgated or to be promulgated by the United States Department of Treasury may prescribe. “Closing date” means, with respect to any Series of Bonds, the date of issuance and delivery of such series of Bonds to the original purchaser thereof.

“Record Date” means, with respect to each Series of Bonds, the 15th day of the calendar month next preceding the month of an Interest Payment Date or Principal Payment Date. With respect to redemption of Bonds prior to maturity, the record date shall be the date 45 days prior to the date fixed for redemption.

“Registered Owner” or any similar term, means any person who shall be the registered owner of any Bond as shown on the registration books kept by the Bond Registrar/Paying Agent.

“Reserve Account” means the account within the Sinking Fund described in paragraph 4.02(C)(4) of the Master Authorizing Resolution with respect to the Bonds.

“Reserve Account Credit Facility” means a Reserve Account Insurance Policy, Reserve Account Letter of Credit or other comparable insurance, guarantee, security device or financial product, if any, deposited in the Reserve Account in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Credit Facility shall be rated in one of the two highest full rating categories of a Rating Agency.

“Reserve Account Insurance Policy” means the insurance policy, surety bond or other acceptable evidence of insurance, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Insurance Policy shall be an insurer rated in one of the two highest full rating categories of a Rating Agency.

“Reserve Account Letter of Credit” means the irrevocable, transferable letter of credit, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such letter of credit shall be a banking association, bank or trust company or branch thereof which shall be rated in one of the two highest full rating categories of a Rating Agency.

“Resolution” means, collectively, the Master Authorizing Resolution, the Third Supplemental Authorizing Resolution and the Fourth Supplemental Authorizing Resolution.

“Serial Bonds” means the Bonds of a Series which shall be stated to mature in periodic installments.

“Series” or **“Series of Bonds”** means all of the Bonds authenticated and delivered on original issuance pursuant to the Master Authorizing Resolution or any supplemental resolution authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II of the Master Authorizing Resolution, regardless of variations in maturity, interest rate or other provisions.

“Sinking Fund” means the Florida College System Capital Improvement Sinking Fund created and established pursuant to Section 4.02(B)(1) of the Master Authorizing Resolution.

“State” means the State of Florida.

“Taxable Bonds” means bonds the interest on which is not, in any manner, exempt from federal income taxation or excludable from gross income for federal income tax purposes.

“Term Bond” means the Bond of a Series which shall be subject to mandatory redemption prior to maturity and shall be stated to mature on one date and for the scheduled redemption of which payments are required to be made into the Sinking Fund, as may be determined pursuant to a subsequent resolution of the Governing Board.

“Third Supplemental Resolution” means the resolution amending the Master Authorizing Resolution and authorizing the issuance and sale of the Series 2010A Bonds adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on May 11, 2010.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

**DIVISION OF BOND FINANCE
OF THE
STATE BOARD OF ADMINISTRATION
OF FLORIDA**

**A RESOLUTION
(THE MASTER AUTHORIZING RESOLUTION)
AUTHORIZING THE ISSUANCE OF
STATE OF FLORIDA, DEPARTMENT OF EDUCATION COMMUNITY
COLLEGE CAPITAL IMPROVEMENT REVENUE BONDS (VARIOUS
SERIES)**

August 1, 2006

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**A RESOLUTION (THE “MASTER AUTHORIZING RESOLUTION”) OF
THE DIVISION OF BOND FINANCE AUTHORIZING THE ISSUANCE OF
STATE OF FLORIDA, DEPARTMENT OF EDUCATION COMMUNITY
COLLEGE CAPITAL IMPROVEMENT REVENUE BONDS (VARIOUS
SERIES), TO FINANCE OR REFINANCE THE NEW CONSTRUCTION
AND EQUIPMENT, RENOVATION OR REMODELING OF
EDUCATIONAL FACILITIES; PROVIDING FOR AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE
GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF
ADMINISTRATION OF FLORIDA.**

**ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS**

SECTION 1.01. AUTHORITY FOR THIS RESOLUTION. This Resolution (hereinafter referred to as “Resolution”) is adopted pursuant to the provisions of Article VII, Section 11(d) of the Florida Constitution; Sections 215.57-215.83, Florida Statutes, (the “State Bond Act”); Sections 1009.22 and 1009.23, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. The following terms shall have the following meanings in this Resolution unless the text otherwise requires:

“**Act**” or “**Acts**” means the State Bond Act, being Sections 215.57-215.83, Florida Statutes, and Sections 1009.22 and 1009.23, Florida Statutes.

“**Additional Bonds**” means any obligations hereafter issued pursuant to the terms and conditions of this Resolution and payable from the Pledged Revenues on a parity with the initial Series of Bonds originally issued hereunder. Such Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Bonds originally authorized and issued pursuant to this Resolution, and all of the applicable covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent herewith), shall be for the equal benefit, protection and security of the Registered Owners of the Bonds originally authorized and issued pursuant to this Resolution, and the Registered Owners of any Additional Bonds evidencing additional obligations subsequently issued within the limitations of and in compliance with this Resolution. All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with other Bonds with respect to their lien on and source and security for payment from the Pledged Revenues without preference or priority of any Bond over any other.

“**Administrative Expenses**” means, with respect to the Bonds or the administration of any funds under this Resolution, to the extent applicable: (i) fees or charges, or both, of the Board of Administration and the Division of Bond Finance; and (ii) such other fees or charges, or both, as may be approved by the Board of Administration or the Division of Bond Finance, including but not limited to those relating to tax law compliance, disclosure of information, paying agents, rating agencies and providers of credit enhancement; all as may be determined from time to time as necessary.

“**Amortization Installment**” means an amount so designated which is established for scheduled redemption of the Term Bonds of each Series; provided that each such Amortization Installment shall be deemed due upon the date provided pursuant to a subsequent resolution adopted by this Governing Board and the aggregate of such Amortization Installments for each Series shall equal the aggregate principal of the Term Bonds of such Series.

“**Annual Debt Service Requirement**” means, for any Fiscal Year, the amount of money required for the payment of interest and maturing principal of all Outstanding Bonds and the scheduled redemption of Outstanding Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement from the Pledged Revenues, the required deposit to the Debt Service Reserve Account, as provided in this Resolution. Amounts payable on July 1 shall be considered as coming due in the prior Fiscal Year.

“Annual Sinking Fund Requirement” means, at any time, the Annual Debt Service Requirement and the amount of Administrative Expenses required to be deposited in the then current Fiscal Year into the Debt Service Account in the Sinking Fund.

“Assistant Secretary” means an Assistant Secretary of the Division of Bond Finance.

“Authorized Denominations” means the smallest principal denomination in which Bonds of any Series may be issued as determined pursuant to a subsequent resolution of this Governing Board adopted prior to the issuance of such Series.

“Authorized Officer” means any officer or employee authorized to perform specific acts or duties.

“Board of Administration” means the State Board of Administration of Florida, as created pursuant to the provisions of Article XII, Section 9, Florida Constitution and Chapter 215, Florida Statutes.

“Board of Trustees” means the District Board of Trustees of a Community College.

“Bond Counsel” means counsel experienced in matters relating to the validity of, and the exclusion from gross income of interest on, obligations of states and their political subdivisions as selected by the Division of Bond Finance.

“Bond Insurance Policy” means an insurance policy issued for the benefit of the Registered Owners of any Bonds, pursuant to which the issuer of such insurance policy shall be obligated to pay when due the principal of and interest on such Bonds to the extent of any deficiency in the amounts in the funds and accounts held under this Resolution, in the manner and in accordance with the terms provided in such Bond Insurance Policy.

“Bond Registrar/Paying Agent” means U.S. Bank Trust National Association, New York, New York, or its successors.

“Bonds” means the first series of bonds issued under this Resolution and any Additional Bonds issued in accordance with Article V of this Resolution.

“Business Day” means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in New York, New York or the administrative offices of the State are authorized or eligible by law or executive order to be closed for business.

“Capital Improvement Fees” means the capital improvement fees authorized to be established pursuant to Sections 1009.22(6) and 1009.23(11), Florida Statutes.

“Code” means the Internal Revenue Code of 1986, the Treasury Regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, references to a section means that section of the Code, including such applicable Treasury Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

“Community College” means a Florida public educational institution provided for in Chapter 1004, Part III, Florida Statutes.

“Community College Capital Improvement Fee Revenue Fund” or “Revenue Fund” means the fund created by each PCC pursuant to Section 4.02(A) of this Resolution.

“Construction Fund” means the fund created pursuant to Section 3.01(C) of this Resolution with respect to the Bonds.

“Cost(s) of Issuance” means all costs and expenses of the Division and the Department incurred in connection with the authorization, issuance, sale and delivery of the Bonds including, but not limited to, legal fees, financial advisory fees, municipal bond insurance premiums, fiscal or escrow agent fees, printing fees and travel expenses, rating agency fees and credit enhancement fees, and a charge for the services of the Division.

“Debt Service Account” means the Debt Service Account created in Section 4.02(B)(1) hereof.

“Debt Service Reserve Requirement” means as of any date of calculation, with respect to all Bonds issued hereunder, the lesser of:

(i) 125% of the average Annual Debt Service Requirement of the Bonds for the then current and succeeding Fiscal Years;

(ii) the Maximum Annual Debt Service on the Bonds;

(iii) 10% of the par amount of the Bonds; or

(iv) the maximum debt service reserve permitted with respect to tax-exempt obligations under the Code as applicable to the Bonds.

“Defeasance Obligations” means, to the extent permitted by law, direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States and including advance refunded tax-exempt bonds fully secured by non-callable direct obligations of the United States of America, non-callable obligations guaranteed by the United States of America, or "stripped" interest payment obligations of debt obligations of the Resolution Funding Corporation.

“Department” means the Department of Education of the State of Florida, and unless otherwise specified, the Division of Community Colleges therein.

“Director” means the Director of the Division of Bond Finance and shall include any Assistant Secretary to whom the Director delegates authority.

“Division of Bond Finance” or **“Division”** means the Division of Bond Finance of the State Board of Administration of Florida.

“Excess Construction Fund Moneys Account” means the Excess Construction Fund Moneys Account in the Sinking Fund created in subsection 3.02(C)(1) hereof.

“Fiscal Year” means the period beginning with and including July 1 of each year and ending with and including the next June 30.

“Governing Board” means the Governor and Cabinet of the State of Florida as the governing board of the Division of Bond Finance.

“Interest Payment Date” means, for each Series of Bonds, the dates of each Fiscal Year on which interest on the Outstanding Bonds of such Series is payable, which shall be January 1 and July 1; provided however, that if either such date falls on a day other than a Business Day, interest shall be payable on the next Business Day.

“January 1 Sinking Fund Requirement” means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next January 1.

“July 1 Sinking Fund Requirement” means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next July 1.

“Maximum Annual Debt Service” means, at any time, the maximum amount (with respect to the particular Series of Bonds Outstanding, or all Bonds Outstanding, as the case may be), required to be deposited into the Debt Service Account in the Sinking Fund during the then current or any succeeding Fiscal Year for the payment of interest, maturing principal and Amortization Installments of Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement with other than a Reserve Account Credit Facility, the required deposit to the Reserve Account. Term Bonds in the year of maturity shall be included only in the amount of the final scheduled redemption in determining the Maximum Annual Debt Service. In the calculation of Maximum Annual Debt Service, any interest, principal, or Amortization Installment payable on July 1 of any Fiscal Year shall be deemed payable in the prior Fiscal Year.

“New Participating Community College” or “New PCC” means a Community College which has adopted a resolution requesting the issuance of Additional Bonds on its behalf and which has not pledged its Capital Improvement Fees to any Outstanding Bonds.

“Outstanding” means, as of any date of determination, all Bonds theretofore authenticated and delivered except:

(i) Bonds theretofore canceled by the Bond Registrar/Paying Agent or delivered to the Bond Registrar/Paying Agent for cancellation;

(ii) Bonds which are deemed paid and defeased and no longer Outstanding as provided herein;

(iii) Bonds in lieu of which other Bonds have been issued pursuant to the provisions hereof relating to Bonds destroyed, stolen or lost, unless evidence satisfactory to the Bond Registrar/Paying Agent has been received that any such Bond is held by a bona fide purchaser;

(iv) For purposes of any consent or other action to be taken hereunder by the Registered Owners of a specified percentage of principal amount of Bonds, Bonds held by or for the account of the Division of Bond Finance or the Department and the PCCs; and

(v) Bonds with respect to which debt service has been paid pursuant to a Bond Insurance Policy, to the extent that the amount of such payment has been reimbursed to the issuer of such Bond Insurance Policy (or monies have been deposited to defease such payment).

“Participating Community College” or “PCC” means a Community College which has pledged its Capital Improvement Fees to the payment of Outstanding Bonds.

“Pledged Revenues” means the Capital Improvement Fees collected by the PCCs, or such portion thereof as determined by subsequent resolution of this Governing Board, and includes any and all interest earned on such Capital Improvement Fees from the time they are collected by each PCC. The term Pledged Revenues also includes funds in the Excess Construction Fund Moneys Account in the Sinking Fund, if any.

“Principal Payment Date” means, for each Series of Bonds, such dates of each Fiscal Year on which the principal or an Amortization Installment of Outstanding Bonds of such Series is payable, which shall be July 1; provided however, that if such date falls on a day other than a Business Day, principal shall be payable on the next Business Day.

“Project” means the new construction and equipment, renovation or remodeling of a Community College educational facility included in an approved educational plant survey pursuant to Chapter 1013, Florida Statutes and in a PCC’s capital improvement plan as provided in Section 216.0158, Florida Statutes.

“Project Cost” means the actual cost of any Project, including costs of site acquisition, permits, design and construction; materials, labor, equipment and apparatus; sitework and landscaping; interest on the Bonds for a reasonable period after the date of delivery thereof, if necessary; an amount sufficient to establish adequate reserves; architectonic and engineering fees; legal fees; reimbursement for prior authorized expenditures; and fees and expenses of the Division

of Bond Finance, the Board of Administration, a Community College or the Department necessary for the renovation or construction and placing in operation of a Project, and the financing thereof. Any such cost which was incurred prior to the delivery and issuance of the applicable Series of Bonds must be the subject of a Declaration of Official Intent executed by the applicable PCC pursuant to Treasury Regulations §1.150-2.

“Rating Agency” means a nationally recognized bond rating agency.

“Rebate Account” means the Rebate Account created and established pursuant to subsection 8.06(C) of this Resolution.

“Rebate Amount” shall have the meaning ascribed to that term in paragraph 8.06(A)(1) of this Resolution.

“Rebate Year” means, with respect to each series of Bonds issued hereunder, (i) the twelve-month period commencing on the anniversary of the “closing date” with respect to such series of Bonds in each year and ending on the day prior to the anniversary of the “closing date” in the following year, except that the first Rebate Year with respect to such series of Bonds shall commence on the “closing date” for such series of Bonds and the final Rebate Year with respect to the Bonds shall end on the date of final maturity of such series of Bonds or (ii) such other period as regulations promulgated or to be promulgated by the United States Department of Treasury may prescribe. “Closing date” as used herein means, with respect to the series of Bonds issued hereunder, the date of issuance and delivery of such series of Bonds to the original purchaser thereof.

“Record Date” means, with respect to each Series of Bonds, the 15th day of the calendar month next preceding the month of an Interest Payment Date or Principal Payment Date. With respect to redemption of Bonds prior to maturity, the record date shall be the date 45 days prior to the date fixed for redemption.

“Registered Owner” or any similar term, means any person who shall be the registered owner of any Bond as shown on the registration books kept by the Bond Registrar/Paying Agent.

“Reserve Account” means the account within the Sinking Fund described in paragraph 4.02(C)(4) of this Resolution with respect to the Bonds.

“Reserve Account Credit Facility” means a Reserve Account Insurance Policy, Reserve Account Letter of Credit or other comparable insurance, guarantee, security device or financial product, if any, deposited in the Reserve Account in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Credit Facility shall be rated in one of the two highest full rating categories of a Rating Agency.

“Reserve Account Insurance Policy” means the insurance policy, surety bond or other acceptable evidence of insurance, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Insurance Policy shall be an insurer rated in one of the two highest full rating categories of a Rating Agency.

“Reserve Account Letter of Credit” means the irrevocable, transferable letter of credit, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such letter of credit shall be a banking association, bank or trust company or branch thereof which shall be rated in one of the two highest full rating categories of a Rating Agency.

“Resolution” or “Master Authorizing Resolution” means this resolution adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance, as amended and supplemented from time to time.

“Serial Bonds” means the Bonds of a Series which shall be stated to mature in periodic installments.

“Series” or “Series of Bonds” means all of the Bonds authenticated and delivered on original issuance pursuant to this Resolution or any supplemental resolution authorizing such Bonds as a separate Series of Bonds, or any

Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof, regardless of variations in maturity, interest rate or other provisions.

“Sinking Fund” means the Community College Capital Improvement Sinking Fund created and established pursuant to Section 4.02(B)(1) of this Resolution.

“State” means the State of Florida.

“Taxable Bonds” means bonds the interest on which is not, in any manner, exempt from federal income taxation or excludable from gross income for federal income tax purposes.

“Term Bond” means the Bond of a Series which shall be subject to mandatory redemption prior to maturity and shall be stated to mature on one date and for the scheduled redemption of which payments are required to be made into the Sinking Fund, as may be determined pursuant to a subsequent resolution of this Governing Board.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by the Registered Owners who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the Division, the Department, the PCCs and such Registered Owners. The covenants and agreements to be performed by the Department and the PCCs shall be for the equal benefit, protection, and security of the Registered Owners of any and all of the Bonds, all of which shall be of equal rank and without preference, priority, or distinction as to any of such Bonds over any other thereof, except as expressly provided therein or herein.

ARTICLE II AUTHORIZATION, TERMS, EXECUTION, REGISTRATION, TRANSFER, ISSUANCE AND FORM OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. Subject and pursuant to the provisions of this Resolution, Bonds designated as "State of Florida, Department of Education Community College Capital Improvement Revenue Bonds" (or such other designation as may be provided by the Director of the Division) are hereby authorized to be issued by the Division for the purposes of financing or refinancing the new construction and equipment, renovation or remodeling of educational facilities. Bonds may be issued all at one time or from time to time in one or more Series, and if in Series, may be dated, numbered, and designated as to Series as shall be determined pursuant to subsequent resolution or resolutions of this Governing Board.

SECTION 2.02. DESCRIPTION OF BONDS. The Bonds shall be issued in fully registered form without coupons; shall be dated as determined pursuant to a subsequent resolution of this Governing Board; shall be numbered consecutively from one upward and shall be in the denomination of \$5,000 each or any integral multiples thereof; shall bear interest at not exceeding the maximum rate permitted by law, payable on each Interest Payment Date, payable only upon redemption or maturity thereof; and shall mature on such dates in such years and amounts as shall be determined pursuant to a subsequent resolution adopted by this Governing Board on or prior to the sale of the Bonds.

The Bonds may be sold at one time or in Series from time to time as this Governing Board may determine pursuant to resolution. If issued in Series, each Series shall be dated and have an identifying number or letter. All of such Bonds, when issued, will rank equally as to source and security for payment.

The principal amount of the Bonds shall be paid to the Registered Owner on the maturity date of the Bonds, unless redeemed prior thereto as determined pursuant to a subsequent resolution of this Governing Board, upon presentation and surrender of the Bonds at the corporate trust office of the Bond Registrar/Paying Agent.

Interest shall be paid on the Interest Payment Dates to the Registered Owner whose name appears on the books of the Bond Registrar/Paying Agent (the "Registered Owner") as of 5:00 p.m. (local time, New York, New York) on the Record Date next preceding such Interest Payment Date; provided, however, that if the Record Date falls on a day that is not a Business Day, then to the Registered Owner and at the address shown on the registration books at the close of business on the Business Day next preceding such Record Date. Interest on the Bonds shall be paid by check or draft mailed (or transferred by a mode at least equally as rapid as mailing) on each Interest Payment Date from the Bond Registrar/Paying Agent to the Registered Owner, or in certain cases shall be paid by wire transfer as provided pursuant to subsequent resolution of this Governing Board.

The Bonds of each Series may contain such provisions, specifications and descriptive words not inconsistent with the provisions of this Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, or to comply with applicable laws, rules and regulations of the United States and the State, all as may be determined by the Director prior to the delivery thereof.

SECTION 2.03 FORM OF BONDS. (A) Notwithstanding anything to the contrary in this Resolution or any other resolution relating to the Bonds (for the purposes of this section, collectively, the "Resolution"), the Bonds may be issued in book-entry only form utilizing the services of a Securities Depository (as used herein, "Securities Depository" means The Depository Trust Company, New York, New York, its nominees, successors and assigns, or any other securities depository approved by the Division of Bond Finance which agrees to follow the procedures required to be followed by a securities depository in connection with a Series of Bonds as provided in this section).

So long as a book-entry only system of evidence of transfer of ownership of all Bonds is maintained in accordance herewith, any provision of the Resolution relating to the delivery of physical bond certificates shall be inapplicable, and the Resolution shall be deemed to give full effect to such book-entry system.

If the Bonds are issued in book-entry only form:

(1) The Bonds shall be issued in the name of the Securities Depository as the Registered Owner of the Bonds, and held in the custody of the Securities Depository or its designee.

(2) Transfers of beneficial ownership of the Bonds will be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository ("Participants" include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, as well other organizations that clear through or maintain a custodial relationship with such organizations, either directly or indirectly).

(3) Each Participant shall be credited in the records of the Securities Depository with the amount of such Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by the Securities Depository and, in turn, by Participants acting on behalf of Beneficial Owners.

(4) Unless otherwise provided herein, the Participants, the Division of Bond Finance, the Board of Administration and the Bond Registrar/Paying Agent (as used in this section, the "State and its agents") shall treat the Securities Depository as the sole and exclusive owner of the Bonds registered in its name for the purposes of

(a) payment of the principal of, premium, if any, and interest on the Bonds or portion thereof to be redeemed or purchased. Payments made to the Securities Depository of principal, premium, and interest shall be valid and effective to fully satisfy and discharge the obligations of the State and its agents to the extent of the sums so paid;

(b) giving any notice permitted or required to be given to Registered Owners under the Resolution; and

(c) the giving of any direction or consent or the making of any request by the Registered Owners hereunder. The State and its agents may rely conclusively upon

(i) a certificate of the Securities Depository as to the identity of the Participants with respect to the Bonds; and

(ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Bonds beneficially owned by, the Beneficial Owners.

(5) The State and its agents shall have no responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner or any other person which is not shown on the Bond Register, with respect to

(a) the accuracy of any records maintained by the Securities Depository or any Participant;

(b) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or purchase price of, or interest on, any Bond;

(c) the delivery of any notice by the Securities Depository or any Participant;

(d) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or

(e) any consent given or any other action taken by the Securities Depository or any Participant.

(6) The requirements in the Resolution of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of the Bonds shall, while the Bonds are in book-entry only form, be satisfied by the notation thereof on the books of the Securities Depository in accordance with applicable state law.

(B) The Division of Bond Finance may discontinue the book-entry system with the then-current Securities Depository, subject to the terms of its agreement with such Securities Depository. In this event, the Division of Bond Finance shall either

(1) identify another qualified Securities Depository or

(2) prepare and deliver replacement Bonds in the form of fully registered bonds to each Beneficial Owner.

SECTION 2.04. NO PLEDGE OF FULL FAITH AND CREDIT OF STATE OF FLORIDA. The payment of the principal of and interest on the Bonds is secured only by the Pledged Revenues in the manner set forth herein. The Bonds do not constitute general obligations or indebtedness of the PCCs, the Department, the Division of Bond Finance, the State of Florida or any of its agencies and shall not be a debt of the State or of any agency thereof.

SECTION 2.05. BONDS MAY BE ISSUED AS SERIAL BONDS, TERM BONDS, ETC. The Bonds may be issued as, or as a combination of, Serial Bonds, Term Bonds, or such other type of bonds as shall be determined pursuant to a subsequent resolution of this Governing Board.

SECTION 2.06. PRIOR REDEMPTION OF THE BONDS. The Bonds of each Series may be made redeemable in such manner and upon such terms and conditions as determined pursuant to a subsequent resolution

adopted by this Governing Board prior to the sale of such Series of Bonds. Bonds shall also be subject to redemption in the event a PCC elects to defease its pro rata portion of any Series of Bonds pursuant to subsection 8.07(D) hereof, upon such terms and conditions as determined pursuant to a subsequent resolution adopted by this Governing Board .

Unless waived by any Registered Owner of Bonds to be redeemed, a notice of the redemption prior to maturity of any of the Bonds shall be mailed to each Registered Owner of record as of the Record Date, of Bonds to be redeemed, by first class mail (postage prepaid), or other method at least as fast as first class mail, at least thirty days prior to the date of redemption. In lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices. Such notice of redemption shall specify the CUSIP number and the serial or other distinctive numbers or letters of the Bonds to be redeemed, if less than all, the date fixed for redemption, the redemption price thereof, and, in the case of Bonds to be redeemed in part only, the principal amount thereof to be redeemed. Failure to give any such notice by mailing (or other approved method) to any Registered Owner of Bonds, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof with respect to which no such failure has occurred. Any notice mailed as provided above shall be conclusively presumed to have been given, whether or not the Registered Owner of such Bond receives such notice.

The Bond Registrar/Paying Agent shall not be required to issue, transfer or exchange any Bonds selected for redemption during a period beginning at the opening of business on the Record Date applicable to such redemption and ending on the date fixed for redemption.

Notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall, on the redemption date designated in such notice, be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date. On the date so designated for redemption, notice having been given and moneys for payment of the redemption price being held in separate accounts by an escrow agent, the Board of Administration, or the Bond Registrar/Paying Agent, in trust for the Registered Owners of the Bonds or portions thereof to be redeemed, all as provided in this Resolution, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds and portions of Bonds shall cease to be Outstanding under the provisions of this Resolution and shall not be entitled to any lien, benefit or security under this Resolution, and the Registered Owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof from the moneys held in trust for such purpose and, to the extent provided herein to receive Bonds for any unredeemed portion of the Bonds. Bonds redeemed prior to maturity shall be duly canceled by the Bond Registrar/Paying Agent and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Bond Registrar/Paying Agent as set out below, but no defect in said further notice nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

(A) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the date of issue of the Bonds as originally issued; (ii) the rate of interest borne by each Bond being redeemed; (iii) the maturity date of each Bond being redeemed; (iv) the date of the official notice of redemption; (v) the name and address of the Bond Registrar/Paying Agent; and (vi) any other descriptive information needed to identify accurately the Bonds being redeemed.

(B) Each further notice of redemption shall be sent at least thirty-five days before the redemption date by certified mail, overnight delivery service, electronic mail or telecopy to registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(C) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying the Bonds redeemed with the proceeds of such check or other transfer.

In case part but not all of an Outstanding Bond shall be selected for redemption, the Registered Owner thereof shall present and surrender such Bond to the Bond Registrar/Paying Agent for payment of the principal amount thereof

so called for redemption, and the Bond Registrar/Paying Agent shall execute and deliver to or upon the order of such Registered Owner, without charge therefor, for the unredeemed balance of the principal amount of the Bond so surrendered, a Bond or Bonds fully registered as to principal and interest.

SECTION 2.07. EXECUTION OF BONDS. The Bonds shall be executed by the Governor, as Chairman of the Governing Board, and attested by the Secretary or an Assistant Secretary of the Governing Board, or such other officers as may be designated by subsequent resolution of this Governing Board, and the corporate seal of the Division or a facsimile thereof shall be affixed thereto or reproduced thereon. The facsimile signatures of the Governor, as Chairman of the Governing Board, and the Secretary of the Governing Board, or such other officer, may be imprinted or reproduced on the Bonds, provided that, in accordance with the laws of the State in effect on the date of the adoption of this Resolution, at least one signature, which may be that of the Bond Registrar/Paying Agent, required to be placed on the Bonds shall be manually subscribed. In the event that the laws of Florida relevant to the requirements for facsimile or manual signatures are changed prior to the delivery of the Bonds, then the signatures which are actually imprinted, reproduced, or manually subscribed on the Bonds shall be in compliance with the new laws. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Division before the Bonds so signed and sealed shall have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Division by such person as at the actual time of the execution of such Bonds shall hold the proper office, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

A certification as to validation, if any, in the form hereinafter provided, shall be executed with the facsimile signature or manual signature of any present or future Chairman of the Governing Board.

A certificate as to the approval of the issuance of the Bonds pursuant to the provisions of the State Bond Act, in the form provided herein, shall be executed by the facsimile signature of the Secretary or an Assistant Secretary of the Governing Board.

SECTION 2.08. NEGOTIABILITY. The Bonds shall have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida. The original Registered Owner and each successive Registered Owner of any of the Bonds shall be conclusively deemed by the acceptance thereof to have agreed that the Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida.

SECTION 2.09. REGISTRATION AND TRANSFER. The Bonds shall be issued only as fully registered bonds without coupons. The Bond Registrar/Paying Agent shall be responsible for maintaining the books for the registration of and for the transfer of the Bonds in compliance with its agreement with the State.

Upon surrender to the Bond Registrar/Paying Agent for transfer or exchange of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the Bond Registrar/Paying Agent shall deliver in the name of the transferee or transferees a fully registered Bond or Bonds of authorized denominations of the same maturity for the aggregate principal amount which the Registered Owner is entitled to receive. The Bond Registrar/Paying Agent shall not be required to issue, transfer or exchange any Bonds on a Record Date.

All Bonds presented for transfer, exchange, redemption or payment shall be accompanied (if so required by the Division of Bond Finance or the Bond Registrar/Paying Agent) by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Division of Bond Finance and the Bond Registrar/Paying Agent, duly executed by the Registered Owner or by his duly authorized attorney.

Neither the Division of Bond Finance nor the Bond Registrar/Paying Agent may charge the Registered Owner or his transferee for any expenses incurred in making any exchange or transfer of the Bonds. However, the Division of Bond Finance and the Bond Registrar/Paying Agent may require payment from the Registered Owner of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such governmental charges and expenses shall be paid before any such new Bond shall be delivered.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Department and the PCCs evidencing the same debt as the Bonds surrendered, shall be secured by this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

The Division and the Bond Registrar/Paying Agent may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

Notwithstanding the foregoing provisions of this section, the Division of Bond Finance reserves the right, on or prior to the delivery of the Bonds, to amend or modify the foregoing provisions relating to registration of the Bonds in order to comply with all applicable laws, rules, and regulations of the United States and the State of Florida relating thereto.

SECTION 2.10. AUTHENTICATION. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond shall have been duly executed by the manual signature of the Bond Registrar/Paying Agent, and such executed certificate of the Bond Registrar/Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The Bond Registrar/Paying Agent's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an Authorized Officer or signatory of the Bond Registrar/Paying Agent, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereinafter.

SECTION 2.11. DISPOSITION OF BONDS PAID OR EXCHANGED. Whenever any Bond shall be delivered to the Bond Registrar/Paying Agent for cancellation, upon payment of the principal amount thereof or for replacement or transfer or exchange, such Bond shall either be canceled and retained by the Bond Registrar/Paying Agent for a period of time specified in writing by the Division of Bond Finance or the Board of Administration, or, at the option of the Division of Bond Finance or the Board of Administration, shall be canceled and destroyed by the Bond Registrar/Paying Agent and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Division of Bond Finance or the Board of Administration.

SECTION 2.12. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Division of Bond Finance may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Registered Owner furnishing the Division of Bond Finance proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Division of Bond Finance may prescribe and paying such expense as the Division of Bond Finance may incur. All Bonds so surrendered shall be canceled by the Bond Registrar/Paying Agent. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Division of Bond Finance may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this section shall constitute original, additional, contractual obligations on the part of the Department and the PCCs, whether or not the lost, stolen or destroyed Bond be at any time found by anyone and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien, source and security for payment, pursuant to this Resolution from the Pledged Revenues.

ARTICLE III APPLICATION OF PROCEEDS

SECTION 3.01. APPLICATION OF BOND PROCEEDS. Unless provided otherwise by a subsequent resolution of this Governing Board authorizing such Series of Bonds, upon receipt of the proceeds of the sale of any Series of Bonds, and after reserving and providing for the Costs of Issuance, the Division of Bond Finance shall transfer and apply such proceeds as follows:

(A) Any accrued interest on such Bonds shall be transferred to the Board of Administration and deposited in the Debt Service Account in the Sinking Fund, and used for the payment of interest on such Bonds.

(B) An amount necessary to fund the incremental increase in the Debt Service Reserve Requirement attributable to such Bonds, to be held in reserve, shall be transferred to the Board of Administration and deposited in the Reserve Account within the Sinking Fund. Alternatively, the Division, as provided in paragraph 4.02(C)(4) herein, may elect at any time to provide in lieu of all or a portion of such funds a Reserve Account Credit Facility in an amount equal to the difference between the Reserve Requirement and the sums then on deposit in the Reserve Account.

(C) After making the transfers provided for in subsections (A) and (B) above, the balance of the proceeds of such Bonds shall (i) be deposited into the appropriate accounts in the Construction Fund, which is hereby created in the State Treasury, in the amounts and for the benefit of particular PCCs as specified by the Division of Bond Finance, to pay the costs of those Projects being financed by such Bonds, or as otherwise provided herein, or (ii) be used to refund Outstanding Bonds, as provided by a subsequent resolution of this Governing Board authorizing the sale and issuance of such Bonds.

(D) Any balance of the proceeds of such Bonds after providing for the requirements of subsections (A) through (C) above shall be transferred to the Debt Service Account in the Sinking Fund and used for the purposes set forth therein, credited to each PCC on behalf of which such Series of Bonds was issued, according to each such PCC's pro rata share of such Bonds.

All moneys in the Construction Fund shall constitute a trust fund for such purposes and there is hereby created a lien upon such funds in favor of the Registered Owners of the Bonds, until such funds are applied as provided herein, except to the extent such moneys are required for the payment of any Rebate Amount, and all moneys in the Construction Fund shall be continuously secured in the manner provided by the laws of the State for securing deposits of state funds.

SECTION 3.02. CONSTRUCTION FUND ACCOUNTS. (A) Unless authorized by subsequent resolution of this Governing Board, a separate account for each Project shall be created in the Construction Fund, except that one account may be created for more than one Project of the same PCC if all such Projects are funded by the same Series of Bonds. The moneys in each such account shall be used for the payment of the cost of the construction, equipment, renovation or remodeling of the Project(s) for which it was created.

(B) Except as provided in subsection (C) below, no withdrawals shall be made from the Construction Fund without a written requisition from an Authorized Officer of the appropriate PCC which shall certify that such withdrawal is for a proper Project Cost, and that either (i) the amount of such withdrawal will be expended by the PCC within 30 days, or (ii) the withdrawal is for reimbursement to the PCC for payment of a Project Cost.

(C) Any unexpended balance, or any portion thereof, remaining in each account in the Construction Fund, after an Authorized Officer of the appropriate PCC shall certify to the Board of Administration and the Division that the Project(s) for which such account was established has been completed and all costs thereof paid or payment provided for, shall be applied in accordance with paragraph (1) below, or, at the discretion and direction of the Director, shall be applied in accordance with paragraphs (2), (3) or (4) below, or any combination thereof:

(1) Such funds shall be transferred to the applicable PCC's sub-account in the Excess Construction Fund Moneys Account which is hereby created in the Sinking Fund, and shall be used to pay debt service on the Bonds, to fund the Rebate Account, or to replenish the Reserve Account.

(2) Such funds shall be used to pay the Project Cost of another Project of the applicable PCC.

(3) Such funds shall be used to call for redemption that amount of Bonds attributable to the applicable PCC and Series.

(4) After obtaining an opinion of Bond Counsel that such proposed use will not, under the statutes, rules and regulations then in force and applicable, cause the interest on the Bonds to be included in gross income for federal income tax purposes, such funds may be used for any lawful purpose.

SECTION 3.03. INVESTMENT OF CONSTRUCTION FUND. Any moneys in the Construction Fund not immediately needed for the purposes provided in this Resolution may be temporarily invested and reinvested as provided in Section 17.57, Florida Statutes.

SECTION 3.04 USE OF CONSTRUCTION FUND INVESTMENT EARNINGS. Investment earnings on monies in each account in the Construction Fund shall be held in such account and used for the purposes thereof.

SECTION 3.05. REGISTERED OWNERS NOT AFFECTED BY APPLICATION OF BOND PROCEEDS. The Registered Owners shall not have any responsibility whatsoever for the application or use of any of the proceeds derived from the sale of the Bonds, and the rights and remedies of the Registered Owners and their right to payment from the Pledged Revenues provided in this Resolution shall not be affected or impaired by the application or use of such proceeds. Upon the issuance of each Series of Bonds, all the covenants and agreements contained in this Resolution shall be valid and binding covenants and agreements, which may be enforced by the Registered Owners, without regard to the application of the proceeds of such Series of Bonds.

ARTICLE IV APPLICATION AND ADMINISTRATION OF PLEDGED REVENUES

SECTION 4.01. BONDS SECURED BY PLEDGED REVENUES. (A) The payment of the principal of, premium, if any, and interest on all of the Bonds shall be secured forthwith equally and ratably by a valid and enforceable lien on the Pledged Revenues in an amount sufficient to pay the principal of, premium, if any, and interest on the Bonds, and to make the payments into the Sinking Fund and all other payments provided for in this Resolution and to be received under this Resolution or the resolutions authorizing the Bonds, and such Pledged Revenues are hereby irrevocably pledged to the payment of the principal of, premium, if any, and interest on the Bonds and other payments provided for herein, as the same become due and payable.

(B) The Bonds shall not constitute an obligation, either general or special, of the State of Florida, or of any local government thereof, and neither the State of Florida, nor any local government thereof shall be liable thereon, nor shall the faith, revenues and credit of the State of Florida or of any local government thereon be pledged to the principal, premium, if any, or interest on the Bonds. The Bonds shall be payable solely from the Pledged Revenues as provided herein. No Registered Owner of the Bonds shall ever have the right to compel the exercise of the taxing power of the State of Florida, or of any political subdivision thereof, to pay the principal of such Bonds or the interest or premium thereon, or be entitled to payment of such principal, interest or premium from any other funds except such Pledged Revenues, in the manner provided herein.

SECTION 4.02. APPLICATION OF PLEDGED REVENUES; FLOW OF FUNDS.

(A) Upon collection, its Pledged Revenues shall be deposited by each PCC into a separate fund known as the [name of PCC] Capital Improvement Fee Revenue Fund which is hereby created and required to be maintained by each PCC for as long as such PCC's Bonds are Outstanding. Said fund constitutes a trust fund for the purposes provided in this Resolution, and shall be kept separate and distinct from all other funds of the PCC and the Department and used only for the purposes and in the manner provided in this Resolution. All Pledged Revenues on deposit at any time in each Revenue Fund shall be applied only as set forth in this Resolution.

(B) The Pledged Revenues shall be forwarded to the Board of Administration and applied according to the following schedule:

(1) Not later than August 1 of each Fiscal Year, the Board of Administration shall provide written notice to each PCC of the amount of its pro rata share of (a) the next January 1 Sinking Fund Requirement, (b) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and (c) the amount, if any, necessary to pay any Rebate Amount coming due for payment to the United States of America (taking into account the amount then on deposit in the Rebate Account); giving credit for money, if any, in each PCC's sub-account in the Excess Construction Fund Moneys Account. Pledged Revenues collected by each PCC shall be forwarded to the Board of Administration as indicated below for deposit into the applicable PCC's sub-account in the Debt Service Account in the Community College Capital Improvement Sinking Fund, which are

hereby created, and/or into the Reserve Account and the Rebate Account, as and if applicable. Said funds constitute trust funds for the purposes provided in this Resolution, and shall be kept separate and distinct from all other funds of the PCCs, the Department and the Board of Administration, and used only for the purposes and in the manner provided in this Resolution.

(2) Not later than December 1, each PCC shall forward to the Board of Administration Pledged Revenues in an amount equal to the amount set forth in paragraph (1) above. If one or more PCCs fail to forward all of such amount by December 1,

(a) the Board of Administration shall immediately provide written notice to the remaining PCCs to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in paragraph (1) above, pro rata based on each remaining PCC's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the PCC(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in paragraph (1) above in the following order of priority:

(i) from the additional Pledged Revenues remitted pursuant to sub-paragraph (a) above,

(ii) from moneys in the Excess Construction Fund Moneys Account in excess of the amount credited pursuant to paragraph (1) above, if available, pro rata from each sub-account therein, and

(iii) from the Reserve Account, in accordance with paragraph (C)(4) below.

(b) If, when applying sub-paragraph (a) above, Pledged Revenues from one or more of the remaining PCCs become fully exhausted prior to fully funding the amount set forth in paragraph (1) above, the Board of Administration shall reapply the formula in sub-paragraph (a) above, utilizing the funds of the then remaining PCCs. The directive in this sub-paragraph (b) shall be repeated as many times as necessary until the amount set forth in paragraph (1) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account.

(3) Not later than February 1 of each Fiscal Year, the Board of Administration shall provide written notice to each PCC of the amount of its pro rata share of (a) the next July 1 Sinking Fund Requirement, (b) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and (c) the amount, if any, necessary to pay any Rebate Amount coming due for payment to the United States of America (taking into account the amount then on deposit in the Rebate Account); giving credit for money, if any, in each PCC's sub-account in the Excess Construction Fund Moneys Account.

(4) Not later than February 15, each PCC shall forward to the Board of Administration Pledged Revenues in an amount equal to the amount set forth in paragraph (3) above. If, after such funds are forwarded, each PCC has forwarded funds in an amount equal to the amount set forth in paragraph (3) above, the Sinking Fund will be deemed to be fully funded for that Fiscal Year. In such case, the Board of Administration shall provide written notice to each PCC that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless requested pursuant to the provisions of paragraph (6) below. In such case, each PCC shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration (subject to the provision of paragraph (6) below), and may then, and only then, use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(5) If one or more PCCs fail to forward all of the amount set forth in paragraph (3) above by February 15,

(a) the Board of Administration shall immediately provide written notice to the remaining PCCs to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in paragraph (3) above, pro rata based on each remaining PCC's percentage of the

par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the PCC(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in paragraph (3) above in the following order of priority:

(i) from the additional Pledged Revenues remitted pursuant to sub-paragraph (a) above,

(ii) from moneys in the Excess Construction Fund Moneys Account in excess of the amount credited pursuant to paragraph (3) above, if available, pro rata from each sub-account therein, and

(iii) from the Reserve Account, in accordance with paragraph (C)(4) below.

(b) If, when applying sub-paragraph (a) above, Pledged Revenues from one or more of the remaining PCCs become fully exhausted prior to fully funding the amount set forth in paragraph (3) above, the Board of Administration shall reapply the formula in sub-paragraph (a) above, utilizing the funds of the then remaining PCCs. The directive in this sub-paragraph (b) shall be repeated as many times as necessary until the amount set forth in paragraph (3) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account.

(c), On the date on which the amount set forth in paragraph (3) above is fully funded, the Board of Administration shall provide written notice to each PCC that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless requested pursuant to the provisions of paragraph (6) below. In such case, each PCC shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration (subject to the provision of paragraph (6) below), and may then, and only then, use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(6) If at any time moneys in the Rebate Account are insufficient to make a payment of any Rebate Amount coming due for payment to the United States of America, or if funds are required to replenish a Reserve Account Credit Facility, and sufficient funds are not anticipated to become available from any of the moneys on deposit in any of the funds and accounts created hereunder in time to make such payment or replenishment, the Board of Administration shall provide written notice to the appropriate PCCs that they are required to immediately forward Pledged Revenues or any other legally available funds in an amount equal to their pro rata share of such amount.

(C) Unless otherwise provided herein, all revenues on deposit at any time in the Sinking Fund shall be applied only in the following manner and order of priority:

(1) For the payment of the Administrative Expenses.

(2) For the payment of the next installment of interest to become due.

(3) For the payment of the next installment of principal to become due (including Amortization Installments).

(4) For the maintenance and establishment of the Reserve Account, which is hereby created in the Sinking Fund, in an amount which, together with other moneys available for such purposes, equals the Debt Service Reserve Requirement.

The moneys in the Reserve Account shall be used for the payments provided for in paragraphs (2) and (3) above and, if legally available, in paragraph (5) below, when the other moneys in the Sinking Fund are insufficient therefor. Any unused portion of the Reserve Account may be used by the Division to reduce the final installments of the Annual Debt Service Requirement becoming due.

Notwithstanding the foregoing provisions, in lieu of the required deposits into the Reserve Account, the Division may at any time cause to be deposited into the Reserve Account, one or more Reserve Account Credit Facilities for the benefit of the Registered Owners, in an amount which, together with sums on deposit (including other Reserve Account Credit Facilities), equals the Debt Service Reserve Requirement. In no event shall the use of such Reserve Account Credit Facilities be permitted if such use would cause, at the time of acquisition of such Reserve Account Credit Facility, an impairment in any existing rating on the Bonds or any Series of Bonds. The Reserve Account Credit Facilities shall be payable or available to be drawn upon, as the case may be, on or before any Interest Payment Date or Principal Payment Date on which a deficiency exists which cannot be cured by funds in any other account held for such Bonds pursuant to this Resolution and available for such purpose. If more than one Reserve Account Credit Facility is deposited into the Reserve Account, each Reserve Account Credit Facility shall be drawn upon in a proportion equal to its relative share of the amounts in the Reserve Account. If a disbursement is made under the Reserve Account Credit Facility, the Division shall be obligated, from the first Pledged Revenues available, to either reinstate such Reserve Account Credit Facility immediately following such disbursement to the amount required to be maintained in the Reserve Account or to deposit into the Reserve Account from the Pledged Revenues, as herein provided, funds in the amount of the disbursement made under such Reserve Account Credit Facility plus any amounts required to reimburse the Reserve Account Credit Facility provider for previous disbursements made pursuant to such Reserve Account Credit Facility, or a combination of such alternatives as shall equal the amount required to be maintained. To the extent that the Division reinstates a Reserve Account Credit Facility or reimburses a Reserve Account Credit Facility provider, such reinstatement or reimbursement shall be in proportion to the amounts drawn from the various Reserve Account Credit Facilities.

Any moneys in the Reserve Account in excess of the amount required to be maintained therein shall be used for the purposes and in the priority established by this section; and

(5) For deposit to the Rebate Account created by Section 8.06(C) of this Resolution, an amount sufficient to pay the Rebate Amount.

(D) After each July 1 Sinking Fund Requirement has been satisfied, any money remaining in each sub-account in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be applied to the payment of the next interest payment, for the benefit of the applicable PCC. In any fiscal Year, if there are no Bonds Outstanding after the July 1 Sinking Fund Requirement has been satisfied, or at any time after all of the Outstanding Bonds have been defeased and provision for payment thereof has been made, any money remaining in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be returned to each PCC which had Bonds Outstanding immediately prior to such occurrence, pro rata in relation to its par amount of such Bonds.

(E) In any Fiscal Year, if there are no Bonds Outstanding after the July 1 Sinking Fund Requirement has been satisfied, or at any time after all of the Outstanding Bonds have been defeased and provision for payment thereof has been made, any money remaining in any PCC's sub-account in the Excess Construction Fund Moneys Account in the Sinking Fund, including interest earnings thereon, shall be returned to the appropriate PCC.

Notwithstanding anything in this Resolution to the contrary, upon the request of an Authorized Officer of a PCC and the approval of the Director, all or a portion of the moneys in such PCC's sub-account in the Excess Construction Fund Moneys Account not required to be otherwise applied pursuant to this Resolution may be used to call Bonds attributable to such PCC.

(F) Except insofar as such funds may be needed for any payment required to be made by the terms of this Resolution or the Bonds, and except as otherwise provided herein, moneys in any of the funds authorized or required by this Resolution may be invested and reinvested at any time as provided by Section 17.57 or 215.47, Florida Statutes, where applicable. When so invested or reinvested, the proceeds derived from the investment or reinvestment of such obligations shall be held for and credited to the fund for which said obligations were purchased except as otherwise provided in this Resolution; provided, however, that any such obligations purchased as investments for moneys in the Sinking Fund shall mature not later than the dates upon which such moneys will be needed for the payment of maturing principal and interest to be paid from said Sinking Fund.

SECTION 4.03. TRUST FUND. The Sinking Fund and all moneys on deposit therein shall constitute a trust fund for the purposes provided in Section 4.02 hereof, and the Registered Owners shall have a lien on such moneys until used or applied as provided in Section 4.02. Such fund shall be continuously secured in the same manner as deposits of State funds are required to be secured by the laws of the State.

SECTION 4.04. FISCAL AGENT. Upon sale and delivery of any Series of Bonds by the Division, the Board of Administration shall act as the fiscal agent for the Division.

**ARTICLE V
ADDITIONAL BONDS; REFUNDING BONDS
AND ISSUANCE OF OTHER OBLIGATIONS**

SECTION 5.01. ISSUANCE OF ADDITIONAL BONDS. The Division is authorized to issue Additional Bonds, but only upon the following terms, restrictions and conditions:

(A) The proceeds from such Additional Bonds shall be used to acquire and construct Projects, or to refund Outstanding Bonds.

(B) (1) The Department and all PCCs must be current in all deposits into the various funds and accounts and all payments theretofore required to have been deposited or made by it under the provisions of this Resolution.

(2) The Department and the PCCs must be currently in compliance with the covenants and provisions of this Resolution and any supplemental resolution hereafter adopted for the issuance of the initial Series of Bonds issued hereunder or Additional Bonds, or upon the issuance of such Additional Bonds the Department and the PCCs will be brought into compliance with all such financial requirements, covenants and provisions.

(C) The Board of Trustees of each Community College wishing to participate in the issuance of Additional Bonds shall request the issuance of such Additional Bonds by a duly adopted resolution in the form required by the Division.

(D) Certificates shall be executed by the Department or other appropriate agency setting forth:

(1) the average annual amount of that portion of the Capital Improvement Fees pledged for the payment of Bonds and Administrative Expenses collected by the PCCs and the New PCCs during the two Fiscal Years immediately preceding the issuance of the proposed Additional Bonds, adjusted as hereinafter provided, and;

(2) the Maximum Annual Debt Service on the Bonds then Outstanding and the Additional Bonds then proposed to be issued.

(E) The amount certified pursuant to (D)(1) above, adjusted as hereinafter provided, will be at least equal to one hundred thirty percent of the total Maximum Annual Debt Service on (i) the Bonds then Outstanding, and (ii) the Additional Bonds then proposed to be issued;

(F) The Pledged Revenues and Capital Improvement Fees calculated pursuant to paragraph (D)(1) may be adjusted at the option of the Division if, prior to the issuance of the proposed Additional Bonds, all actions shall have been taken and all approvals shall have been obtained which are necessary to increase a PCC's or a New PCC's Capital Improvement Fees, such increase to become effective not later than January 1 of the Fiscal Year following the Fiscal Year in which the Additional Bonds are to be issued, the average annual amount of Pledged Revenues attributable to such PCC for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Pledged Revenues attributable to such PCC which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years; similarly, the average annual amount of Capital Improvement Fees to be pledged for the payment of Bonds and Administrative Expenses attributable to such New PCC for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be

adjusted to show the Capital Improvement Fees attributable to such New PCC which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years.

SECTION 5.02. REFUNDING BONDS. The Bonds originally issued pursuant to this Resolution then Outstanding, together with all Additional Bonds issued and then Outstanding, may be refunded as a whole or in part. If the Annual Debt Service Requirement of the refunding Bonds in each Fiscal Year is equal to or less than the corresponding Annual Debt Service Requirement of the refunded Bonds, then the provisions of subsections 5.01 (D) and (E) of this Resolution shall not apply to the issuance of the refunding Bonds.

SECTION 5.03. ISSUANCE OF OTHER OBLIGATIONS OR CREATION OF ENCUMBRANCES. The Division of Bond Finance, the Department and the PCCs covenant that they will not issue any other obligations, except Additional Bonds provided for in Section 5.01 hereof (including refunding Bonds provided for in Section 5.02 hereof), payable from the Pledged Revenues, nor voluntarily create or cause to be created any other debt, lien, pledge, assignment, encumbrance or other charge, having priority to or being on a parity with the lien of the Bonds upon the Pledged Revenues securing the Bonds provided for in this Resolution. Any such other obligations hereafter issued shall contain an express statement that such obligations are junior and subordinate to the Bonds, as to lien on and source and security for payment from such Pledged Revenues.

SECTION 5.04. NO ACCELERATION. The Bonds shall not be accelerated on account of any default on any payments required under the Resolution.

ARTICLE VI COVENANTS

SECTION 6.01. PLEDGED REVENUES COVENANTS. The Division, on behalf of the Department and the PCCs, covenants that so long as any Bonds attributable to such PCCs remain Outstanding:

(A) That the Department and the PCCs will punctually pay the Pledged Revenues in the manner and at the times provided in this Resolution and that the Department and the PCCs will duly and punctually perform and carry out all the covenants of the Department and the PCCs made herein and the duties imposed upon the Department and the PCCs by this Resolution.

(B) That in preparing, approving and adopting any budget controlling or providing for the expenditures of its funds for each budget period the Department and the PCCs will allocate, allot and approve, to the extent permitted by law, the amounts sufficient to pay the annual Sinking Fund requirements due under Section 4.02 of this Resolution and any other amounts required to be paid pursuant to this Resolution.

(C) That the Department and the PCCs will from time to time recommend and include in their budgets such revisions to the Capital Improvements Fees which, to the extent permitted by law, will produce Pledged Revenues sufficient to pay, when due, the amounts required under this Resolution.

(D) That the Department and the PCCs will continue to collect the Capital Improvement Fees.

SECTION 6.02. NON-IMPAIRMENT. The State does hereby covenant with the Registered Owner(s) of the Bonds that it will not take any action that will materially and adversely affect the rights of such Registered Owner(s) so long as the Bonds are Outstanding.

ARTICLE VII REMEDIES

SECTION 7.01. ENFORCEABILITY BY REGISTERED OWNERS. (A) The Division of Bond Finance, on behalf of the Department and the PCCs, hereby covenants that the Department and the PCCs irrevocably agree that this Resolution, including the pledge of moneys in the trust fund derived from the Capital Improvement Fees, shall be deemed to have been made for the benefit of the Registered Owners from time to time of the Bonds, and that such pledge and all the provisions of this Resolution shall be enforceable in any court of competent jurisdiction by any Registered

Owner of the Bonds, against either the Department and the PCCs or the Board of Administration or any other agency of the State of Florida, or instrumentality thereof having any duties concerning the collection, administration and disposition of the Capital Improvement Fees. The Division of Bond Finance, on behalf of the Department and the PCCs, does hereby consent to the bringing of any proceedings in any court of competent jurisdiction by any Registered Owner of Bonds for the enforcement of all provisions of this Resolution and does hereby waive, to the extent permitted by law, any privilege or immunity from suit which the Department and the PCCs may now or hereafter have as an agency of the State of Florida.

(B) Any Registered Owners of the Bonds, or any trustee acting for the Registered Owners of the Bonds, may by civil action in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, and by any applicable Statutes, to be performed by the Division of Bond Finance, the Department and the PCCs, or the Board of Administration, or by any officer thereof, including the payment of the Pledged Revenues payable under this Resolution. Nothing herein, however, shall be construed to grant to any Registered Owner of the Bonds any lien on any facility of the Department and the PCCs, the Division of Bond Finance, or the Board of Administration.

(C) For purposes of exercising remedies pursuant to this section, the issuer of a Bond Insurance Policy for any Series of the Bonds shall be deemed the sole Owner of Bonds it has insured, provided that the issuer of such Bond Insurance Policy has not failed to comply with its payment obligations under the Bond Insurance Policy and the ratings on the insured Series of Bonds, based on the Bond Insurance Policy, are no lower than the "A" category by each Rating Agency which has rated such Bonds, including any rating modifiers.

ARTICLE VIII MISCELLANEOUS

SECTION 8.01. RESOLUTION NOT ASSIGNABLE. This Resolution shall not be assignable by the Division of Bond Finance on behalf of the Department and the PCCs, except for the benefit of the Registered Owners.

SECTION 8.02. AMENDMENT OR MODIFICATION OF RESOLUTION. (A) Except as otherwise provided in this section, no material modification or amendment of this Resolution, or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of (i) the Registered Owners of more than fifty percent in principal amount of the Bonds then Outstanding or (ii) in case less than all of the several series of Bonds then Outstanding are affected by the modification or amendment, the Registered Owners of more than fifty percent in principal amount of the Bonds of each series so affected and Outstanding at the time such consent is given; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon or affecting the unconditional promise to pay the principal of and interest on the Bonds, as the same mature or become due, or reduce the percentage of Registered Owners of Bonds required above for such modification or amendments, without the consent of the Registered Owners of all the Bonds then Outstanding.

(B) This Resolution may be amended, changed, modified and altered without the consent of the Registered Owners of the Bonds, (i) to cure any ambiguity or correct or supplement any provision contained herein which may be defective or inconsistent with any other provisions contained herein, (ii) to provide other changes including such changes as may be necessary in order to adjust the terms hereof so as to facilitate the issuance of various types of Bonds which will not materially adversely affect the interests of the Registered Owners, (iii) to provide for the issuance of Bonds in coupon form if, in the opinion of Bond Counsel, such issuance will not affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, (iv) to obtain credit enhancements or a higher rating in one of the three highest full rating categories of a Rating Agency, (v) to add to the covenants and agreements of the Division of Bond Finance, or the Department and the PCCs in the Resolution, other covenants and agreements to be observed by the Division of Bond Finance or the Department and the PCCs which are not contrary to or inconsistent with the Resolution as theretofore in effect, (vi) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the Division of Bond Finance, or the Department and the PCCs which are not contrary to or inconsistent with the Resolution as theretofore in effect, (vii) to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for

sale under the securities laws of any of the states of the United States of America, (viii) to enable the Division of Bond Finance and the Department and the PCCs to comply with their covenants, agreements and obligations under Section 8.06 of this Resolution, (ix) to add those Capital Improvement Fees authorized by Section 1009.22(6), Florida Statutes to the revenues pledged for the payment of all Bonds, if not previously so pledged, and (x) to make any amendment, change, modification or alteration that does not materially adversely affect the interests of the Registered Owners.

(C) For purposes of this section, except where the consent of all Registered Owners of a Series of Bonds is required, to the extent any Series of Bonds is insured by a Bond Insurance Policy and such Series of Bonds is then rated in as high a rating category as the rating category in which such Series of Bonds was rated at the time of initial delivery thereof by a Rating Agency, then the consent of the issuer of the Bond Insurance Policy shall constitute the consent of the Registered Owners of such Series. Where the consent of all Registered Owners of a Series of Bonds is required, to the extent such Series of Bonds is secured by a Bond Insurance Policy and such Series of Bonds is then rated in a category at least as high as that in effect at the time of the initial delivery thereof, the consent of the issuer of the Bond Insurance Policy shall be required in addition to the consent of the Registered Owners.

SECTION 8.03. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants or provisions shall be null and void and shall be deemed separable from the remaining covenants or provisions of this Resolution or of the Bonds.

SECTION 8.04. BONDS NOT STATE OBLIGATION. Notwithstanding any of the other provisions of this Resolution authorizing the issuance of the Bonds, the Bonds are not an obligation, directly or indirectly, of the State of Florida and no Registered Owner of the Bonds shall have the right to compel or require any appropriation by the Legislature of Florida for payment of the Pledged Revenues due under this Resolution, or for the payment of the principal of, premium, if any, or interest on the Bonds, or the making of any other payments provided for in this Resolution from State tax revenues.

The Bonds shall be “revenue bonds”, within the meaning of Section 11(d) of Article VII of the Florida Constitution, and shall be payable solely from funds derived directly from sources other than State tax revenues.

SECTION 8.05. NONPRESENTMENT OF BONDS: FUNDS HELD FOR BONDS AFTER MATURITY OF BONDS. In the event any Bond shall not be presented to the Bond Registrar/Paying Agent for payment within seven years after the principal becomes due, either at maturity, or otherwise, the funds for payment of said principal on deposit with the Bond Registrar/Paying Agent shall be remitted to the Board of Administration for return to the Department and the PCCs for use by the Department and the PCCs in financing eligible Projects or for other lawful purposes. In the event the Bond Registrar/Paying Agent shall not have been able to pay the interest, either all or a portion thereof, on any Bond within seven years after such interest becomes due, either at maturity, or otherwise, the funds on deposit with the Bond Registrar/Paying Agent for the payment of said interest shall be remitted to the Board of Administration for return to the Department and the PCCs for use by the Department and the PCCs in financing eligible Projects or for other lawful purposes.

SECTION 8.06. FEDERAL INCOME TAX COVENANTS. (A) In addition to any other requirement contained in this Resolution, the Division of Bond Finance, the Department and the PCCs, and the Board of Administration hereby covenant and agree, for the benefit of the Registered Owners from time to time of the Bonds, that each will comply with the requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended, and temporary, proposed or permanent implementing regulations promulgated thereunder (the “Code”) as shall be set forth in the non-arbitrage certificate dated and delivered on the date of original issuance and delivery of the Bonds. Specifically, without intending to limit in any way the generality of the foregoing, the Division of Bond Finance and the Department and the PCCs covenant and agree:

(1) to pay or cause to be paid by the Board of Administration to the United States of America from the Pledged Revenues or any other legally available funds, at the times required pursuant to Section 148(f) of the Code, the excess of the amount earned on all nonpurpose investments (as defined in Section 148(f)(6) of

the Code) over the amount which would have been earned if such nonpurpose investments were invested at a rate equal to the yield on the Bonds, plus any income attributable to such excess (the "Rebate Amount");

(2) to maintain and retain or cause to be maintained and retained all records pertaining to calculations of the Rebate Amount as shall be necessary to comply with the Code;

(3) to refrain from using proceeds from the Bonds in a manner that might cause the Bonds or any portion of them, to be classified as private activity bonds under Section 141(a) of the Code; and

(4) to refrain from taking any action that would cause the Bonds, or any of them to become arbitrage bonds under Section 148 of the Code.

The Board of Administration, the Division of Bond Finance and the Department and the PCCs understand that the foregoing covenants impose continuing obligations that will exist throughout the term of the issue to comply with the requirements of the Code.

(B) The Department and the PCCs covenant and agree to provide records pertaining to calculations of the Rebate Amount for each Series of Bonds issued hereunder to the Division of Bond Finance upon request for the purpose of making or having made all determinations and calculations of the Rebate Amount.

(C) The Division of Bond Finance covenants and agrees that it will make or have made all determinations and calculations of the Rebate Amount for each series of Bonds issued hereunder for each Rebate Year within sixty (60) days after the end of such Rebate Year and within sixty (60) days after the final maturity of each such series of Bonds. On or before the expiration of each such sixty (60) day period, the Division of Bond Finance shall direct the Board of Administration to deposit into the Rebate Account for each Series of Bonds which is hereby created and established in the Sinking Fund, from investment earnings or moneys deposited in the other funds and accounts created hereunder, or from any other legally available funds of the PCCs an amount equal to the Rebate Amount for such Rebate Year. The Board of Administration shall use such moneys deposited in the Rebate Account only for the payment of the Rebate Amount to the United States as required by subsection (A) of this section, and as directed by the Division of Bond Finance which payments shall be made in installments, commencing not more than sixty (60) days after the end of the fifth Rebate Year and with subsequent payments to be made not later than five (5) years after the preceding payment was due except that the final payment shall be made within sixty (60) days after the final maturity of the last obligation of the series of Bonds issued hereunder. In complying with the foregoing, the Division of Bond Finance may rely upon any instructions or opinions from a nationally recognized bond/tax counsel.

Notwithstanding anything in this Resolution to the contrary, to the extent moneys on deposit in the Rebate Account are insufficient for the purpose of paying the Rebate Amount and other funds of the PCCs are not available to pay the Rebate Amount, then the PCCs shall pay the Rebate Amount first from Pledged Revenues and, to the extent the Pledged Revenues are insufficient to pay the Rebate Amount, then from moneys on deposit and legally available in any of the funds and accounts created hereunder.

If any amounts shall remain in the Rebate Account after payment in full of all Bonds issued hereunder and after payment in full to the United States in accordance with the terms hereof, such amounts shall be paid over to the PCCs, pro rata based on their contribution thereto, and may be used for other purposes authorized by law.

The Rebate Account shall be held separate and apart from all other funds and accounts and shall be subject to a lien in favor of the Registered Owners, but only to secure payment of the Rebate Amount, and the moneys in the Rebate Account shall be available for use only as herein provided.

The Division of Bond Finance, the Department and the PCCs, and the Board of Administration shall not be required to continue to comply with the requirements of this section in the event that the Division of Bond Finance receives an opinion of nationally recognized bond/tax counsel that (i) such compliance is no longer required in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, or (ii) compliance with some other requirement will comply with the provisions of the Code in respect of arbitrage rebate.

Notwithstanding any of the above, the Department's and the PCC's responsibilities and duties pursuant to paragraphs (A)(1) or (2) or subsection (B) of this section may be assumed in whole or in part by the Division of Bond Finance or another entity as provided by law, administrative rule, or resolution of this Governing Board.

SECTION 8.07. DEFEASANCE. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Bonds, in whole or in part, in any one or more of the following ways:

(A) By paying the principal of and interest on Bonds when the same shall become due and payable; or

(B) By depositing with the Board of Administration certain moneys which are irrevocably pledged to the payment of all or a portion of the Bonds and which, together with other moneys lawfully available therefor, shall be sufficient at the time of such deposit to pay when due the principal, redemption premium, if any, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof; or

(C) By depositing with the Board of Administration moneys which are irrevocably pledged to the payment of the Bonds and which, together with other moneys lawfully available therefor when invested in Defeasance Obligations, will provide moneys (principal and interest thereof at maturity) which shall be sufficient to pay the principal, redemption premium, if any, and interest due and to become due on said Bonds on or prior to a date fixed for redemption or the maturity date thereof. Upon such payment or deposit in the amount and manner provided in this section, Bonds shall be deemed to be paid and shall no longer be deemed to be Outstanding for the purposes of this Resolution and all liability of the Department and the PCCs or Division of Bond Finance with respect to said Bonds shall cease, terminate and be completely discharged and extinguished, and the Registered Owners thereof shall be entitled for payment solely out of the moneys or securities so deposited.

(D) Any PCC may defease its pro rata portion of any Series of Bonds and its obligations under this Resolution by paying or providing for the payment thereof in accordance with this section, unless such PCC has failed at any time to fully fund its pro rata portion of the Annual Debt Service Requirement and has not reimbursed the entity whose funds were used to make up such deficiency and, if the Bonds proposed to be defeased are insured, only upon the consent of the insurer of such Bonds.

(E) Notwithstanding the foregoing, all references to the discharge and satisfaction of Bonds shall include the discharge and satisfaction of any maturity or maturities of any Bonds, any portion of a maturity of any Bonds or any combination thereof.

(F) If any portion of the moneys deposited for the payment of the principal of and redemption premium, if any, and interest on any portion of Bonds is not required for such purpose, the Board may use the amount of such excess for any lawful purpose free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under this Resolution.

(G) Nothing herein shall be deemed to require the Board of Administration or Division of Bond Finance to call any of the Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Board of Administration or Division of Bond Finance in determining whether to exercise any such option for early redemption.

(H) Notwithstanding the foregoing, the covenants, liens and pledges entered into, created or imposed pursuant to this Resolution shall not be discharged and satisfied with respect to any of the Bonds with respect to which debt service has been paid pursuant to a Bond Insurance Policy, to the extent that the amount so paid has not been reimbursed to the issuer of such Bond Insurance Policy (or monies have not been deposited as set forth above to provide for payment of such amounts). The bond insurer shall be subrogated to the rights of the Registered Owners of Bonds with respect to which it has made payments pursuant to a Bond Insurance Policy.

SECTION 8.08. NO PERSONAL LIABILITY OR ACCOUNTABILITY. No covenant or agreement contained in the Bonds or in this Resolution shall be deemed to be the covenant or agreement of any officer, agent, or employee of the State, in his or her or individual capacity and neither the officers, agents or employees of the State nor

any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 8.09. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions and parts of resolutions heretofore adopted pertaining to the subject matter of this Resolution, to the extent that they are inconsistent with this Resolution, be and the same are hereby repealed, revoked, and rescinded.

SECTION 8.10. CONTINUING DISCLOSURE. (A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission, the Department and the PCCs hereby agree to provide or cause to be provided such information as may be required, from time to time, under such rule.

(B) The Director of the Division of Bond Finance, in conjunction with the appropriate officer of the Department and the PCCs, is authorized and directed to execute and deliver any documents or agreements which are necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission.

SECTION 8.11. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED on August 1, 2006.

**THIRD SUPPLEMENTAL AND AMENDING COMMUNITY COLLEGE
CAPITAL IMPROVEMENT BOND RESOLUTION**

**A RESOLUTION OF THE DIVISION OF BOND FINANCE OF THE
STATE BOARD OF ADMINISTRATION OF FLORIDA AUTHORIZING
THE SALE OF NOT EXCEEDING \$31,600,000 STATE OF FLORIDA,
DEPARTMENT OF EDUCATION, COMMUNITY COLLEGE CAPITAL
IMPROVEMENT REVENUE BONDS, SERIES 2010; AMENDING THE
MASTER RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, on August 1, 2006, the Governing Board of the Division of Bond Finance (the “Governing Board”) adopted a resolution authorizing the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series) (the “Master Authorizing Resolution”) and

WHEREAS, the District Board of Trustees of Edison State College adopted a resolution on January 26, 2010, requesting the Division of Bond Finance to issue Capital Improvement Revenue Bonds in an amount not exceeding \$15,900,000 to finance educational facilities; and

WHEREAS, the District Board of Trustees of Gulf Coast Community College adopted a resolution on January 14, 2010, requesting the Division of Bond Finance to issue Capital Improvement Revenue Bonds in an amount not exceeding \$6,300,000 to finance educational facilities; and

WHEREAS, the District Board of Trustees of St. Petersburg College adopted a resolution on February 23, 2010, requesting the Division of Bond Finance to issue Capital Improvement Revenue Bonds in an amount not exceeding \$9,400,000 to finance educational facilities; and

WHEREAS, the Division of Bond Finance therefore desires to issue State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2010 (the “2010 Bonds”) and provide for various terms of the sale thereof by resolution;

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE
OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE
BOARD OF ADMINISTRATION OF FLORIDA:**

Section 1. Any capitalized terms not defined in this Third Community College Capital Improvement Bond Supplemental Resolution (the “Third Supplemental Resolution”) shall have the same meaning as in the Master Authorizing Resolution.

Section 2. The not exceeding \$31,600,000 State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2010, or such other designation as may be determined by the Director of the Division of Bond Finance (hereinafter referred to as the “Director”), authorized by the Master Authorizing Resolution, are hereby authorized to be sold at competitive sale on the date and at the time to be set out in the Notice of Bond Sale to be published as provided in this Third Supplemental Resolution.

Section 3. The Director is hereby authorized to determine the most advantageous date and time of sale and to publish the Notice of Bond Sale of the 2010 Bonds, or an abbreviated version thereof, in *The Bond Buyer*, New York, New York, such publication to be not less than 10 days prior to the date of sale; and to publish such Notice of Bond Sale in such other newspapers on such date as may be deemed appropriate by the Director; provided, that if no bids are received at the time and place called for in the Notice of Bond Sale, or if all bids received are rejected, such 2010 Bonds may again be offered for sale upon reasonable notice, the timing and manner of which shall be determined by the Director. Bids for the purchase of the 2010 Bonds will be received at the office of the Division of Bond Finance or at another location designated in the Notice of Bond Sale, until the time and date of sale specified or provided for in the Notice of Bond Sale. Any prior publication of a Notice of Bond Sale, or short form thereof, is hereby ratified.

Section 4. The Director is hereby authorized to publish and distribute the Notice of Bond Sale and a proposal for the sale of the 2010 Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director and shall contain such information as is consistent with the terms of the Master Authorizing Resolution which the Director determines is in the best financial interest of the State. Any prior distribution of a Notice of Bond Sale and form of proposal is hereby ratified.

Section 5. The Director is hereby authorized to prepare and distribute preliminary and final official statements in connection with the competitive offering of the 2010 Bonds. The Director is further authorized and directed to amend, supplement or complete the information contained in the preliminary official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman and Secretary of the Governing Board and the Director are hereby authorized to execute the final official statement in connection with the competitive offering of the 2010 Bonds, and the execution thereof by any of the authorized individuals shall be conclusive evidence that the Governing Board has approved the form and content of the final official statement and that the final official statement is complete as of its date.

Section 6. The Director is hereby authorized to have up to 1,500 copies of the preliminary official statement and 3,500 copies (plus such additional copies as may be requested by the successful bidder at the expense of the successful bidder) of the final official statement relating to the competitive offering of the 2010 Bonds printed and distributed; to contract with national rating services and providers of municipal bond insurance and Reserve Account Credit Facilities; to retain bond counsel; to make a determination that the preliminary official Statement is “deemed final” for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the 2010 Bonds. Any prior printing and distribution of a preliminary official Statement is hereby ratified.

Section 7. The Secretary or any Assistant Secretary of the Governing Board is hereby authorized and empowered to award said 2010 Bonds when offered, on his or her determination of the best Proposal, as defined in the Notice of Bond Sale, submitted in accordance with the terms of the Notice of Bond Sale provided for herein, and such award shall be final. The Director or any Assistant Secretary of the Division shall report such sale to this Board after award of the 2010 Bonds. The Secretary or any Assistant Secretary of the Division is authorized to deliver such 2010 Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the 2010 Bonds as provided by the Master Authorizing Resolution and other proceedings authorizing the issuance of the 2010 Bonds.

Section 8. Notwithstanding any provisions of this Resolution regarding the competitive sale and receipt of bids for the 2010 Bonds, the negotiated sale of the 2010 Bonds is hereby authorized in the alternative, pursuant to the provisions of the resolution of the Governing Board adopted on November 20, 2008 (the “Negotiated Sale Resolution”), which resolution authorized the negotiated sale of various Public Education Capital Outlay and University System Improvement Revenue Bonds, selected underwriters, approved a form of purchase contract, and set forth various other details of the negotiated sale of such bonds. The factors supporting the possible need for a negotiated sale included in the Negotiated Sale Analysis attached as Exhibit 2 to the Negotiated Sale Resolution are hereby specifically found to be applicable to the 2010 Bonds, and the form of purchase contract attached to the Negotiated Sale Resolution as Exhibit 3 is hereby authorized for use in connection with a negotiated sale of the 2010 Bonds. The Negotiated Sale Resolution is also hereby confirmed and ratified in every respect, the findings with respect to a negotiated sale contained therein are hereby adopted, and the 2010 Bonds are deemed to be “Bonds” for purposes of the Negotiated Sale Resolution.

Section 9. The 2010 Bonds are also authorized to be issued, in whole or in part, as Build America Bonds as authorized by Section 1531 of the American Recovery and Reinvestment Act of 2009. The Director of the Division is hereby authorized to elect to issue all or a portion of the 2010 Bonds as Build America Bonds. If the 2010 Bonds are sold as taxable Build America Bonds, (a) the 2010 Bonds may bear interest at a rate not exceeding the lesser of 10% or the maximum rate permitted by law; and (b) the 2010 Bonds shall be subject to redemption, if at all, at a redemption price not exceeding the greater of (i) 105% of the principal amount thereof, or (ii) the redemption price using a make-whole call provision, or (iii) the redemption price using such other call provision as shall be customary and appropriate for Build America Bonds.

Section 10. The Chairman and the Secretary or any Assistant Secretary of the Governing Board are hereby authorized to execute the Bonds in the manner provided by the Master Authorizing Resolution and to deliver such Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the Bonds as provided by the Master Authorizing Resolution and other proceedings authorizing the issuance of the Bonds.

Section 11. U.S. Bank Trust National Association, or its successor, is hereby designated as Bond Registrar/Paying Agent for the 2010 Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement by and between the State Board of Administration of Florida and U.S. Bank Trust National Association, or its successor.

Section 12. The Interest Payment Dates and the Principal Payment Dates for the 2010 Bonds shall be as set forth in the Notice of Bond Sale. Interest on the 2010 Bonds shall be paid by check or draft mailed on the Interest Payment Date (or, in certain cases, may be paid by wire transfer at the election of a Registered Owner, other than a securities depository, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the paying agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 pm New York time on the Record Date shown on the registration books maintained by the Bond Registrar/Paying Agent for the 2010 Bonds.

Section 13. The 2010 Bonds shall be dated, shall mature in such years and amounts and shall bear interest commencing on such date as set forth in the Notice of Bond Sale. The 2010 Bonds shall be issued in denominations of \$1,000 or any integral multiple thereof unless otherwise provided in the Notice of Bond Sale. The 2010 Bonds shall be payable at the corporate trust office of U.S. Bank Trust National Association, New York, New York, or its successors.

Section 14. The 2010 Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the 2010 Bonds identified in such election may be designated as Term Bonds. Additionally, in lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices.

Section 15. The incremental Debt Service Reserve Requirement attributable to the 2010 Bonds shall be funded with proceeds of the 2010 Bonds, a Reserve Account Credit Facility, or some combination thereof, as determined by the Director. The incremental Debt Service Reserve Requirement attributable to the 2010 Bonds shall be deposited, as determined by the Director, in the Reserve Account established with respect to the Outstanding Bonds or in a separate subaccount in the Debt Service Reserve Account established for the 2010 Bonds (the "2010 Subaccount"). Amounts on deposit in the 2010 Subaccount may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the 2010 Subaccount, and shall be applied in the manner provided in the Master Authorizing Resolution.

Section 16. Any portion of the 2010 Bonds may be issued as a separate series, provided that the bonds of each series shall be numbered consecutively from one upward. The 2010 Bonds referred to herein may be sold separately or combined with any other Community College Capital Improvement Revenue Bond issues authorized by the Governing Board to be sold.

Section 17. The Director is hereby authorized to offer for sale a lesser principal amount of 2010 Bonds than that set forth in this Third Supplemental Resolution and to adjust the maturity schedule and redemption provisions for the 2010 Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required. Any portion of the 2010 Bonds not offered shall remain authorized to be offered at a later date.

Section 18. The Director is authorized to provide in the Notice of Bond Sale of the 2010 Bonds that the purchase price for the 2010 Bonds may include a discount of not to exceed 3% excluding original issue discount, if any, of the aggregate principal amount of such 2010 Bonds offered for sale.

Section 19. The Chairman, Secretary and any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated by this Board as agents of the Division in connection with the issuance and delivery of the 2010 Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the 2010 Bonds.

Section 20. Notwithstanding anything contained in the Master Authorizing Resolution to the contrary, it is the intent of the Governing Board that interest on any 2010 Bonds which are issued as tax-exempt bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to the 2010 Bonds, whether such requirements are now in effect, pending or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the 2010 Bonds to comply with such requirements of federal tax law.

Section 21. All prior or concurrent resolutions or parts of resolutions inconsistent with this Third Supplemental Resolution are hereby amended by this Third Supplemental Resolution, but only to the extent of any such inconsistency.

Section 22. Any references in the Master Authorizing Resolution or this Third Supplemental Resolution to offices, bodies, or agencies which have been or are superceded, replaced or abolished by law shall be deemed to refer to the successors of such offices, bodies, and agencies. Any action required or authorized to be taken by an official whose office, body, or agency has been or is so superceded, replaced, or abolished shall be taken by the successor to such official.

SECTION 23. The Master Authorizing Resolution is amended as follows. Language to be added to the Master Authorizing Resolution is indicated by underlining, and language to be deleted from the Master Authorizing Resolution is indicated by strike-throughs.

(A) Section 1.02 of the Master Authorizing Resolution is hereby amended as follows:

SECTION 1.02. DEFINITIONS. The following terms shall have the following meanings in this Resolution unless the text otherwise requires:

...

“Department” means the Department of Education of the State of Florida, and unless otherwise specified, the Division of Florida Community Colleges therein.

(B) The first paragraph of Section 2.02 of the Master Authorizing Resolution is hereby amended as follows:

The Bonds shall be issued in fully registered form without coupons; shall be dated as determined pursuant to a subsequent resolution of this Governing Board; shall be numbered consecutively from one upward and shall be in the denomination of \$1,000 ~~5,000~~ each or any integral multiples thereof; shall bear interest at not exceeding the maximum rate permitted by law, payable on each Interest Payment Date, payable only upon redemption or maturity thereof; and shall mature on such dates in such years and amounts as shall be determined pursuant to a subsequent resolution adopted by this Governing Board on or prior to the sale of the Bonds.

Section 24. Except as amended above, the Master Authorizing Resolution is in all respects ratified and confirmed.

Section 25. This Third Supplemental Resolution shall take effect immediately.

ADOPTED on May 11, 2010.

FOURTH SUPPLEMENTAL BOND RESOLUTION

A RESOLUTION OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA AUTHORIZING THE SALE OF STATE OF FLORIDA, DEPARTMENT OF EDUCATION, FLORIDA COLLEGE SYSTEM CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2012; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on August 1, 2006, the Governing Board of the Division of Bond Finance (the “Governing Board”) adopted a resolution authorizing the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series), which resolution was amended on May 11, 2010 (as amended, the “Master Authorizing Resolution”) and

WHEREAS, the District Board of Trustees of Palm Beach State College adopted a resolution on October 11, 2011, requesting the Division of Bond Finance to issue Capital Improvement Revenue Bonds in an amount not exceeding \$10,000,000 to finance educational facilities; and

WHEREAS, the Division of Bond Finance therefore desires to issue State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012 (the “2012 Bonds”) and provide for various terms of the sale thereof by resolution.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:

Section 1. Any capitalized terms not defined in this Fourth Supplemental Bond Resolution (the “Fourth Supplemental Resolution”) shall have the same meaning as in the Master Authorizing Resolution.

Section 2. The not exceeding \$10,000,000 State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012, or such other designation as may be determined by the Director of the Division of Bond Finance (hereinafter referred to as the “Director”), authorized by the Master Authorizing Resolution, are hereby authorized to be sold at competitive sale on the date and at the time to be set out in the Notice of Bond Sale to be published as provided in this Fourth Supplemental Resolution.

Section 3. The Director is hereby authorized to determine the most advantageous date and time of sale and to publish the Notice of Bond Sale of the 2012 Bonds, or an abbreviated version thereof, in *The Bond Buyer*, New York, New York, or another financial journal, such publication to be not less than 10 days prior to the date of sale; and to publish such Notice of Bond Sale in such other newspapers on such date as may be deemed appropriate by the Director; provided, that if no bids are received at the time and place called for in the Notice of Bond Sale, or if all bids received are rejected, such 2012 Bonds may again be offered for sale upon reasonable notice, the timing and manner of which shall be determined by the Director. Bids for the purchase of the 2012 Bonds will be received at the office of the Division of Bond Finance or at another location designated in the Notice of Bond Sale, until the time and date of sale specified or provided for in the Notice of Bond Sale. Any prior publication of a Notice of Bond Sale, or short form thereof, is hereby ratified.

Section 4. The Director is hereby authorized to publish and distribute the Notice of Bond Sale and a bid form for the sale of the 2012 Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director and shall contain such information as is consistent with the terms of the Master Authorizing Resolution which the Director determines is in the best financial interest of the State. Any prior distribution of a Notice of Bond Sale and bid form is hereby ratified.

Section 5. The Director is hereby authorized to prepare and distribute preliminary and final official statements in connection with the competitive offering of the 2012 Bonds. The Director is further authorized and directed to amend, supplement or complete the information contained in the preliminary official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is

necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman and Secretary of the Governing Board and the Director are hereby authorized to execute the final official statement in connection with the competitive offering of the 2012 Bonds, and the execution thereof by any of the authorized individuals shall be conclusive evidence that the Governing Board has approved the form and content of the final official statement and that the final official statement is complete as of its date.

Section 6. The Director is hereby authorized to have up to 1,500 copies of the preliminary official statement and 3,500 copies (plus such additional copies as may be requested by the successful bidder at the expense of the successful bidder) of the final official statement relating to the competitive offering of the 2012 Bonds printed and distributed; to contract with national rating services and providers of municipal bond insurance and Reserve Account Credit Facilities; to retain bond counsel; to make a determination that the preliminary official Statement is “deemed final” for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the 2012 Bonds. Any prior printing and distribution of a preliminary official Statement is hereby ratified.

Section 7. The Secretary or any Assistant Secretary of the Governing Board is hereby authorized and empowered to award said 2012 Bonds when offered, on his or her determination of the best bid, as defined in the Notice of Bond Sale, submitted in accordance with the terms of the Notice of Bond Sale provided for herein, and such award shall be final. The Director or any Assistant Secretary of the Division shall report such sale to this Board after award of the 2012 Bonds. The Secretary or any Assistant Secretary of the Division is authorized to deliver such 2012 Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the 2012 Bonds as provided by the Master Authorizing Resolution and other proceedings authorizing the issuance of the 2012 Bonds.

Section 8. The Chairman and the Secretary or any Assistant Secretary of the Governing Board are hereby authorized to execute the Bonds in the manner provided by the Master Authorizing Resolution and to deliver such Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the Bonds as provided by the Master Authorizing Resolution and other proceedings authorizing the issuance of the Bonds.

Section 9. U.S. Bank Trust National Association, or its successor, is hereby designated as Bond Registrar/Paying Agent for the 2012 Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement by and between the State Board of Administration of Florida and U.S. Bank Trust National Association, or its successor.

Section 10. The Interest Payment Dates and the Principal Payment Dates for the 2012 Bonds shall be as set forth in the Notice of Bond Sale. Interest on the 2012 Bonds shall be paid by check or draft mailed on the Interest Payment Date (or, in certain cases, may be paid by wire transfer at the election of a Registered Owner, other than a securities depository, in the manner and under the terms provided for in the State’s agreement with the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the paying agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 pm New York time on the Record Date shown on the registration books maintained by the Bond Registrar/Paying Agent for the 2012 Bonds.

Section 11. The 2012 Bonds shall be dated, shall mature in such years and amounts and shall bear interest commencing on such date as set forth in the Notice of Bond Sale. The 2012 Bonds shall be issued in denominations of \$1,000 or any integral multiple thereof unless otherwise provided in the Notice of Bond Sale. The 2012 Bonds shall be payable at the corporate trust office of U.S. Bank Trust National Association, New York, New York, or its successors.

Section 12. The 2012 Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the 2012 Bonds identified in such election may be designated as Term Bonds. Additionally, in lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices.

Section 13. The incremental Debt Service Reserve Requirement, if any, attributable to the 2012 Bonds shall be funded with proceeds of the 2012 Bonds, a Reserve Account Credit Facility, or some combination thereof, as determined by the Director. The incremental Debt Service Reserve Requirement, if any, attributable to the 2012 Bonds shall be deposited, as determined by the Director, in the Reserve Account established with respect to the Outstanding Bonds or in a separate subaccount in the Reserve Account established for the 2012 Bonds (the "2012 Subaccount"). Amounts on deposit in the 2012 Subaccount may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the 2012 Subaccount, and shall be applied in the manner provided in the Master Authorizing Resolution.

Notwithstanding the provisions of the Master Authorizing Resolution, the incremental Debt Service Reserve Requirement to be deposited into the Reserve Account for the 2012 Bonds authorized by this Fourth Supplemental Resolution shall be funded in an amount determined by the Director, which amount shall not exceed the Debt Service Reserve Requirement for the 2012 Bonds. Such amount may be zero. The amount of the Debt Service Reserve Requirement funded from the proceeds of the 2012 Bonds shall not exceed the amount permitted under the Code.

Section 14. Any portion of the 2012 Bonds may be issued as a separate series, provided that the bonds of each series shall be numbered consecutively from one upward. The 2012 Bonds referred to herein may be sold separately or combined with any other Florida College System Capital Improvement Revenue Bond issues authorized by the Governing Board to be sold.

Section 15. The Director is hereby authorized to offer for sale a lesser principal amount of 2012 Bonds than that set forth in this Fourth Supplemental Resolution and to adjust the maturity schedule and redemption provisions for the 2012 Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required. Any portion of the 2012 Bonds not offered shall remain authorized to be offered at a later date.

Section 16. The Director is authorized to provide in the Notice of Bond Sale of the 2012 Bonds that the purchase price for the 2012 Bonds may include a discount of not to exceed 3% excluding original issue discount, if any, of the aggregate principal amount of such 2012 Bonds offered for sale.

Section 17. The Chairman, Secretary and any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated by this Board as agents of the Division in connection with the issuance and delivery of the 2012 Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the 2012 Bonds.

Section 18. Notwithstanding anything contained in the Master Authorizing Resolution to the contrary, it is the intent of the Governing Board that interest on any 2012 Bonds which are issued as tax-exempt bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to the 2012 Bonds, whether such requirements are now in effect, pending or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the 2012 Bonds to comply with such requirements of federal tax law.

Section 19. All prior or concurrent resolutions or parts of resolutions inconsistent with this Fourth Supplemental Resolution are hereby amended by this Fourth Supplemental Resolution, but only to the extent of any such inconsistency.

Section 20. Any references in the Master Authorizing Resolution or this Fourth Supplemental Resolution to offices, bodies, or agencies which have been or are superceded, replaced or abolished by law shall be deemed to refer to the successors of such offices, bodies, and agencies. Any action required or authorized to be taken by an official whose office, body, or agency has been or is so superceded, replaced, or abolished shall be taken by the successor to such official.

Section 21. The Master Authorizing Resolution shall be amended as follows. All references to "State of Florida, Department of Education Community College Capital Improvement Revenue Bonds" shall be amended to read "State of Florida, Department of Education Florida College System Capital Improvement Revenue Bonds". All references to a "Community College" shall be amended to refer to a "Florida College System institution". All references to a "Participating Community College" or "PCC" shall be amended to refer to a "Participating Florida

College System institution” or a “PFCSI”. The “Community College Capital Improvement Fee Revenue Fund” shall be renamed the “Florida College System Capital Improvement Fee Revenue Fund”. The “Community College Capital Improvement Sinking Fund” shall be renamed the “Florida College System Capital Improvement Sinking Fund”.

Section 22. Except as amended above, the Master Authorizing Resolution is in all respects ratified and confirmed.

Section 23. This Fourth Supplemental Resolution shall take effect immediately.

ADOPTED on January 18, 2012.

A RESOLUTION (THE FIFTH SUPPLEMENTAL RESOLUTION) AUTHORIZING THE ISSUANCE AND SALE OF STATE OF FLORIDA, DEPARTMENT OF EDUCATION, FLORIDA COLLEGE SYSTEM CAPITAL IMPROVEMENT REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED), REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING BONDS OF THE DEPARTMENT; CANCELING THE AUTHORITY FOR CERTAIN UNISSUED PREVIOUSLY AUTHORIZED BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:

**ARTICLE I
DEFINITIONS, AUTHORITY; RESOLUTION TO CONSTITUTE CONTRACT**

SECTION 1.01. DEFINITIONS. All of the definitions contained in Article I of the Master Authorizing Resolution (as defined herein), in addition to the definitions contained herein and except to the extent inconsistent with or amended by definitions contained herein, shall apply fully to this Fifth Supplemental Resolution, as well as the Outstanding Bonds and the Refunding Bonds (as defined herein).

"2006A Bonds" means the State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2006A.

"2008A Bonds" means the State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2008A.

"2010A Bonds" means the State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2010A.

"2012A Bonds" means the State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012A.

"Bonds" means the Outstanding Bonds, the Refunding Bonds, and any Additional Bonds issued in accordance with Article V of the Master Authorizing Resolution.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement to be entered into by the Division of Bond Finance and the Board of Administration which shall govern and provide for the payment and retirement of the Refunded Bonds.

"Fifth Supplemental Resolution" or "Resolution" means this supplemental resolution authorizing the issuance and competitive sale of the Refunding Bonds.

"Master Authorizing Resolution" means the resolution adopted on August 1, 2006 by the Governor and Cabinet as the Governing Board of the Division of Bond Finance authorizing the issuance of the Bonds, as amended and supplemented from time to time.

"Outstanding Bonds" means the Outstanding 2006A Bonds, 2008A Bonds, 2010A Bonds, and 2010A Bonds.

"Refunded Bonds" means all or a portion of the Series 2006A Bonds and the Series 2008A Bonds to be refunded by the Refunding Bonds.

"Refunding Bonds" means the State of Florida, Department of Education, Florida College System Capital Improvement Revenue Refunding Bonds, Series (to be determined) authorized by this Fifth Supplemental Resolution.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

SECTION 1.02. AUTHORITY FOR THIS RESOLUTION. This Fifth Supplemental Resolution is adopted pursuant to the provisions of Article VII, Section 11(d) of the Florida Constitution; Sections 215.57-215.83, Florida Statutes (the "State Bond Act"); Sections 1009.22 and 1009.23, Florida Statutes, other applicable provisions of law; and the Master Authorizing Resolution, and it constitutes a resolution authorizing bonds pursuant to the State Bond Act.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Refunding Bonds authorized to be issued hereunder by the Registered Owners of the Refunding Bonds, the Master Authorizing Resolution, as amended and supplemented through the date of this Fifth Supplemental Resolution, shall be and shall constitute a contract among the Division, the Department, the PFCISs and such Registered Owners. The covenants and agreements to be performed by the Department and the PFCISs shall be for the equal benefit, protection, and security of the Registered Owners of any and all of the Outstanding Bonds and the Refunding Bonds, all of which shall be of equal rank and without preference, priority, or distinction as to any of such Bonds over any other thereof, except as expressly provided therein and herein.

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION,
REGISTRATION, TRANSFER, ISSUANCE, FORM OF BONDS, AND
AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT

SECTION 2.01. AUTHORIZATION OF ISSUANCE AND SALE OF REFUNDING BONDS. (A) Subject and pursuant to the provisions of this Fifth Supplemental Resolution and the Master Authorizing Resolution, fully registered revenue bonds designated as "State of Florida, Department of Education, Florida College System Capital Improvement Revenue Refunding Bonds, Series (to be determined)" (or such other designation as may be determined by the Director), are hereby authorized to be issued and to be sold by the Division on behalf of the Department by competitive sale in an aggregate principal amount not exceeding \$52,000,000 on a date and at the time to be determined by the Director. The Refunding Bonds shall be sold to refund the Refunded Bonds. The Refunding Bonds may be combined with, designated the same as, and sold with any other series of Florida College System Capital Improvement Revenue Bonds. The maturities or portions of maturities to be refunded shall be as determined by the Director to be in the best financial interest of the State. The redemption of the Refunded Bonds on or after their first call date is hereby authorized.

(B) The Director is hereby authorized to determine the most advantageous date and time of sale and to provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders; provided, that if no bids are received, or if all bids received are rejected, such Refunding Bonds may again be offered for sale upon reasonable notice, the timing and manner of which shall be determined by the Director. Bids for the purchase of the Refunding Bonds will be received at the office of the Division or at another location designated in the Notice of Bond Sale, until the time and date of sale determined by the Director.

(C) The Director is hereby authorized to publish and distribute a Notice of Bond Sale and a proposal for the sale of the Refunding Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director and shall contain such information as required by applicable law. Any prior publication or distribution of a Notice of Bond Sale and proposal for sale is hereby ratified.

(D) The Director is hereby authorized to prepare and distribute preliminary and final official statements in connection with the competitive offering of the Refunding Bonds. The Director is further authorized and directed to amend, supplement or complete the information contained in the preliminary official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman and Secretary of the Governing Board and the Director (together the "Authorized Individuals") are hereby authorized to execute the final official statement in connection with the public offering of the Refunding Bonds, and the execution thereof by any of the Authorized Individuals shall be conclusive evidence that the Governing Board

has approved the form and content of the final official statement and that the final official statement is complete as of its date.

(E) The Director is hereby authorized to have up to 1,500 copies of the preliminary official statement and 3,500 copies (plus such additional copies as may be requested by the successful bidder at the expense of the successful bidder) of the final official statement relating to the competitive offering of the Refunding Bonds printed and distributed; to contract with national rating services and providers of municipal bond insurance and Reserve Account Credit Facilities; to retain bond counsel; to make a determination that the preliminary official statement is "deemed final" for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Refunding Bonds. Any prior printing and distribution of a preliminary official statement is hereby ratified.

(F) The Secretary or any Assistant Secretary of the Governing Board is hereby authorized and empowered to award said Refunding Bonds when offered, on his or her determination of the best bid, as defined in the Notice of Bond Sale, submitted in accordance with the terms of the Notice of Bond Sale provided for herein, and such award shall be final. The Director or any Assistant Secretary of the Governing Board shall report such sale to the Governing Board after award of the Refunding Bonds. The Secretary or any Assistant Secretary of the Governing Board is authorized to deliver such Refunding Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the Refunding Bonds as provided by this Fifth Supplemental Resolution and other proceedings authorizing the issuance of the Refunding Bonds.

(G) U.S. Bank Trust National Association, or its successor, is hereby designated as Bond Registrar/Paying Agent for the Refunding Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement by and between the State Board of Administration and U.S. Bank Trust National Association, or its successor.

(H) The Interest Payment Dates and the Principal Payment Dates for the Refunding Bonds shall be as set forth in the Notice of Bond Sale. Interest on the Refunding Bonds shall be paid by check or draft mailed on the Interest Payment Date (or, in certain cases, may be paid by wire transfer at the election of a Registered Owner, other than a securities depository, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the paying agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 p.m. New York time on the Record Date shown on the registration books maintained by the Bond Registrar/Paying Agent for the Refunding Bonds.

(I) The Refunding Bonds shall be dated, shall mature in such years and amounts and shall bear interest commencing on such date as set forth or provided for in the Notice of Bond Sale, a copy of which, as published, shall be retained in the files of the Division with this Fifth Supplemental Resolution. The Refunding Bonds shall be issued in denominations of \$1,000 or any integral multiple thereof unless otherwise provided in the Notice of Bond Sale. The Refunding Bonds shall be payable at the corporate trust office of U.S. Bank Trust National Association, New York, New York, or its successor.

(J) The Refunding Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the Refunding Bonds identified in such election may be designated as Term Bonds. Additionally, in lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices.

(K) The incremental increase in the Reserve Requirement, if any, attributable to the Refunding Bonds shall be funded with proceeds of the Refunding Bonds, amounts previously on deposit in a reserve account on behalf of the Refunded Bonds, a Reserve Account Credit Facility, or some combination thereof, as determined by the Director. The incremental increase, if any, in the Reserve Requirement attributable to the Refunding Bonds shall be deposited in the Reserve Account which was created pursuant to Section 4.02(B) of the Master Authorizing Resolution.

Notwithstanding the provisions of the Master Authorizing Resolution, the Reserve Account for the Refunding Bonds authorized by this Resolution shall be funded in an amount determined by the Director, which shall not exceed the Debt Service Reserve Requirement for the Refunding Bonds. Such amount may be zero. The amount of the Reserve Requirement funded from the proceeds of the Refunding Bonds shall not exceed the amount permitted under the Code.

The Reserve Requirement for the Refunding Bonds, if any, shall be deposited, as determined by the Director, in either a subaccount in the Reserve Account established for any of the Outstanding Bonds or in a subaccount in such Reserve Account which is hereby established for the Refunding Bonds. Amounts on deposit in any subaccount in the Reserve Account may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the respective subaccount, and shall be applied in the manner provided in the Resolution.

(L) Any portion of the Refunding Bonds may be issued as a separate series, provided that the Refunding Bonds of each series shall be numbered consecutively from one upward.

(M) The Director is hereby authorized to offer for sale a lesser principal amount of Refunding Bonds than that set forth in this Fifth Supplemental Resolution and to adjust the maturity schedule and redemption provisions for the Refunding Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required. Any portion of the Refunding Bonds not offered shall remain authorized to be offered at a later date.

(N) The Director is authorized to provide in the Notice of Bond Sale of the Refunding Bonds that the purchase price for the Refunding Bonds may include a discount of not to exceed 3%, excluding original issue discount, if any, of the aggregate principal amount of such Refunding Bonds offered for sale.

(O) The Chairman, Secretary and any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated by the Governing Board as agents of the Division in connection with the issuance and delivery of the Refunding Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the Refunding Bonds, including but not limited to, contracting with a consultant to verify escrow calculations of the Refunding Bonds, retaining bond counsel to render a special tax opinion relating to the use of the proceeds from the sale of the Refunding Bonds, and providing for redemption of the Refunded Bonds. Notwithstanding anything contained in the Resolution to the contrary, it is the intent of the Division that interest on the Refunding Bonds, if issued as tax-exempt Refunding Bonds, be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to such tax-exempt Refunding Bonds, whether such requirements are now in effect, pending or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the Refunding Bonds to comply with such requirements of federal tax law.

SECTION 2.02. AUTHORIZATION TO EXECUTE AND DELIVER AN ESCROW DEPOSIT AGREEMENT; DESIGNATION OF ESCROW AGENTS. The Chairman and Secretary or an Assistant Secretary of the Governing Board and such other officers and employees of the Division as may be designated by the Governing Board as agents of the Division are hereby each authorized to execute and deliver an Escrow Deposit Agreement on behalf of the Division in such form as may be determined by the Director for the purpose of providing for the deposit of a portion of the proceeds of the Refunding Bonds and such other funds as determined to be necessary into an escrow deposit trust fund for the refunding of the Refunded Bonds. The escrow deposit trust fund shall be held and administered by an escrow agent acceptable to the Director as evidenced by the Director's execution of the Escrow Deposit Agreement.

SECTION 2.03. APPLICABILITY OF ARTICLE II OF THE MASTER AUTHORIZING RESOLUTION. Except as otherwise provided in this Fifth Supplemental Resolution, the terms, description, execution, negotiability, redemption, authentication, disposition, replacement, registration, transfer, issuance and form of the Refunding Bonds shall be governed by the provisions of Article II of the Master Authorizing Resolution, adjusted to the extent necessary to apply to the Refunding Bonds.

ARTICLE III APPLICATION OF PROCEEDS

SECTION 3.01. APPLICATION OF REFUNDING BOND PROCEEDS. Upon receipt of the proceeds of the sale of the Refunding Bonds the Division shall transfer and apply such proceeds as follows:

(A) The amount necessary to pay all costs and expenses of the Division in connection with the preparation, issuance, and sale of the Refunding Bonds, including a reasonable charge for the services of the Division for its fiscal services and for arbitrage rebate compliance program set-up, shall be transferred to the Division and deposited in the Bond Fee Trust Fund.

(B) Any accrued interest on the Refunding Bonds shall be transferred to the Board of Administration and deposited in the Sinking Fund, and used for the payment of interest on the Refunding Bonds.

(C) An amount necessary to fund the incremental increase in the Debt Service Reserve Requirement, if any, attributable to the Refunding Bonds, to be held in reserve, shall be transferred to the Board of Administration and deposited in the Reserve Account within the Sinking Fund. Alternatively, the Division, as provided in Section 3.01 of the Master Authorizing Resolution, may elect at any time to provide in lieu of all or a portion of such funds a Reserve Account Credit Facility in an amount equal to the difference between the Debt Service Reserve Requirement and the sums then on deposit in the Reserve Account.

(D) An amount together with the interest earnings thereon, and other amounts deposited therein which is anticipated to be sufficient to pay when due (1) the principal amount of the Refunded Bonds, (2) the amount of interest and redemption premium payable on the Refunded Bonds, and (3) the amount of fees and expenses estimated to be incurred in connection with the payment and retirement of the Refunded Bonds shall be either transferred and deposited in escrow pursuant to the terms of the Escrow Deposit Agreement or, at the discretion of the Director, deposited with the Bond Registrar/Paying Agent.

(E) Any balance of the proceeds of the Refunding Bonds after providing for the requirements of subsections (A) through (D) above shall be transferred to the Sinking Fund and used for the purposes set forth therein.

ARTICLE IV SECURITY FOR THE REFUNDING BONDS

SECTION 4.01. REFUNDING BONDS ON A PARITY WITH THE OUTSTANDING BONDS. The Refunding Bonds shall be issued subject to the provisions of Sections 5.01 and 5.02 of the Master Authorizing Resolution governing the issuance of Additional Bonds thereunder. The Refunding Bonds shall be payable on a parity, and rank equally as to lien on and source and security for payments from the Pledged Revenues and in all other respects, with the other Outstanding Bonds.

SECTION 4.02. REFUNDING BONDS SECURED BY MASTER AUTHORIZING RESOLUTION. The Refunding Bonds shall be deemed to have been issued pursuant to the Master Authorizing Resolution, as amended and supplemented, and as further supplemented by this Fifth Supplemental Resolution, as fully and to the same extent as the Outstanding Bonds, and all of the covenants and agreements contained in the Master Authorizing Resolution, as amended and supplemented, shall be deemed to have been made for the benefit of the Registered Owners of the Refunding Bonds as fully and to the same extent as the Registered Owners of the Outstanding Bonds.

All of the covenants, agreements, and provisions of the Master Authorizing Resolution, as amended and supplemented, except to the extent inconsistent herewith, shall be deemed to be part of this Fifth Supplemental Resolution to the same extent as if incorporated verbatim in this Fifth Supplemental Resolution, and shall be fully

enforceable in the manner provided in the Master Authorizing Resolution, as amended and supplemented, by any of the Registered Owners of the Refunding Bonds.

ARTICLE V MISCELLANEOUS

SECTION 5.01. RESOLUTION NOT ASSIGNABLE. This Fifth Supplemental Resolution shall not be assignable by the Division on behalf of the Department and the PFCSIs, except for the benefit of the Registered Owners.

SECTION 5.02. MODIFICATION OR AMENDMENT. Modification or amendment hereof shall be governed by Section 8.02 of the Master Authorizing Resolution.

SECTION 5.03. CONTINUING DISCLOSURE. (A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission, the Department agrees to provide or cause to be provided such information as may be required, from time to time, under such rule or any successor rule applicable to the Department.

(B) The Director, in conjunction with the appropriate officer of the Department, is authorized and directed to execute and deliver any documents or agreement which are necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission or any successor rule applicable to the Department.

SECTION 5.04. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants or provisions of this Fifth Supplemental Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants or provisions shall be null and void and shall be deemed separable from the remaining covenants or provisions of this Fifth Supplemental Resolution or of the Refunding Bonds and shall in no way affect the validity or enforceability of any other covenants, agreements or provisions of this Fifth Supplemental Resolution or of the Refunding Bonds issued hereunder.

SECTION 5.05. FISCAL AGENT. Upon the sale and delivery of the Refunding Bonds by the Division, the Board of Administration shall act as the fiscal agent for the Division with respect to the Refunding Bonds.

SECTION 5.06. REPEAL OF INCONSISTENT RESOLUTIONS AND CANCELLATION OF PRIOR ISSUANCE AUTHORITY. All prior or concurrent resolutions or parts of resolutions inconsistent with this resolution are hereby amended by this resolution, but only to the extent of any such inconsistency.

The authority for the issuance and delivery of the unissued portion of any previously authorized State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds or State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds is hereby canceled.

SECTION 5.07. SUCCESSOR AGENCIES AND OFFICIALS. Any references in this Fifth Supplemental Resolution to offices, bodies, or agencies which have been or are superseded, replaced or abolished by law shall be deemed to refer to the successors of such offices, bodies, and agencies. Any action required or authorized to be taken by an official whose office, body, or agency has been or is so superseded, replaced, or abolished shall be taken by the successor to such official.

SECTION 5.08. CONFIRMATION OF MASTER AUTHORIZING RESOLUTION. As supplemented by this Fifth Supplemental Resolution, the Master Authorizing Resolution is in all respects ratified and confirmed, and this Fifth Supplemental Resolution shall be read, taken, and construed as a part of the Master Authorizing Resolution.

SECTION 5.09. EFFECTIVE DATE. This Fifth Supplemental Resolution shall take effect immediately upon its adoption.

ADOPTED on March 7, 2018.

FLORIDA COLLEGE SYSTEM AND PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS¹ SYSTEM OVERVIEW

Background

Florida's Community College system began with a single institution in 1933, with three more colleges added between then and 1947. In 1955, the Legislature established the Community College Council. In 1957, this Council published a report containing recommendations for a community college master plan to provide post-high school education within commuting distance of more than 90 percent of the State's population. As a result, legislation was enacted to create the Division of Community Colleges in the Florida Department of Education and funds were appropriated to begin implementation of the master plan. The State continued to build Community Colleges until the master plan was fully implemented in 1972.

In 2002, the Florida Legislature passed Section 1007.33, Florida Statutes, authorizing Community Colleges to develop proposals to offer the four-year baccalaureate degree, subject to approval by the State Board of Education, and with an emphasis on teacher education, nursing and computer technology. St. Petersburg College was the first institution to offer the degree, followed by Chipola College, Miami Dade College, Northwest Florida State College, and Edison State College. College names began to change as those offering baccalaureate degrees began to drop "community." In late 2007, as the number of schools adding baccalaureate degrees continued to increase, there was an unsuccessful attempt to start a separate "State" college system. After much discussion, it was agreed that while the ability to offer the four-year degree has expanded the mission of these institutions, their major focus remains that of a Community College. The Florida College System, as designated in 2008 and confirmed again in 2009, consists of all 28 institutions. The Division of Community Colleges was also renamed to the Division of Florida Colleges in the 2009 legislation. As a result of that same legislation, Florida's Community Colleges are now called Florida College System institutions, Florida Colleges or Community Colleges.

Governance

Effective January 7, 2003, the State Board of Education was established pursuant to Article IX, Section 2 of the Florida Constitution. The State Board of Education is responsible for overseeing kindergarten through graduate school education in Florida, and for establishing education goals and objectives consistent with legislative policy. It consists of seven members appointed by the Governor to staggered four-year terms, subject to confirmation by the Senate. The Commissioner of Education is appointed by the Board and serves as the chief executive officer of Florida's education system.

Florida College System districts are independent, separate corporate entities created to operate the respective Florida College System institutions. By law they are constituted as political subdivisions of the State. Florida College System districts are governed by Boards of Trustees comprised of five to nine members, depending on the number of local school districts within the Florida College System district. Trustees are appointed by the Governor and confirmed by the Florida Senate. The Florida College System institution president serves as the district's executive officer and corporate secretary, as well as the chief administrative and executive officer of the institution.

Each Board of Trustees has the general power to operate its respective institution and is the contracting agent of the Florida College System institution. Each Board of Trustees develops priorities for offering programs and meeting local needs, and has the flexibility to develop budgets to best meet its institution's priorities, and to set policy on pay, salary increases, most fringe benefits, and job qualifications.

The Division of Florida Colleges provides policy leadership, coordination and technical assistance to the Florida College System institutions. The Division of Florida Colleges also establishes educational standards and policies related to articulation and academic affairs. It conducts studies and provides technical assistance to the colleges in the areas of academic and financial affairs and is responsible for the collection and analysis of information necessary to demonstrate accountability.

¹ Although financial information and operating data pertaining to all of the Participating Florida College System institutions are included in this appendix, only such information with respect to Material Participants, defined as Participating Florida College System institutions whose allocable share of the principal amount of Outstanding Bonds equals 10% or more, is required to be updated and disclosed on an annual basis pursuant to SEC Rule 15c2-12.

Florida College System Funding

The primary source for Florida College System operating funds is State general revenue, augmented by funds generated by the Florida Lottery. The balance of operating funds is made up of student tuition, fees and other local funds. All appropriations made by the Legislature to support Florida College System operations are appropriated from the Florida College System Program Fund established pursuant to section 1011.81, Florida Statutes. The annual apportionment for each college is distributed in equal monthly payments.

Prior to each annual legislative session, the Department of Education develops a recommended legislative budget request for approval by the State Board of Education, taking into account current and future needs, including the goals outlined in the Florida College System portion of the State Board of Education's Strategic Plan. Once approved by the State Board of Education, the budget request is forwarded to the Governor and the Legislature for consideration. After taking the Governor's budget recommendations into account, the Legislature appropriates State general revenues to each Florida College System institution from the Florida College System Program Fund pursuant to section 1011.84, Florida Statutes, based on factors such as the base, or current year, budget; incremental changes to the base budget, allocated through a funding model; additional students not originally factored into enrollment figures; new and improved program enhancements; and the amount of tuition and student fees anticipated to be collected in the new budget year. In addition, dependent upon the availability of funds the Legislature appropriates additional funds for performance-based incentives to each Florida College System institution. This amount historically represented less than 5% of each college's operating budget. The relative size of each incentive is based on a college's completion rates, retention rates, job placement, continuing education and wages of employed graduates.

After the State Legislature passes the annual Appropriations Act, the Florida College System institution Boards of Trustees each approve an operating budget for the next fiscal year. Pursuant to section 6A-14.0716, Florida Administrative Code, the Division of Florida Colleges reviews the college operating budgets after an examination for completeness, correctness, conformity with law and State Board of Education rules, and preparation according to accepted accounting standards. The operating budgets are also checked for compliance with section 1011.84(3)(e), Florida Statutes, which requires that the State Board of Education be notified if any college's unencumbered general fund balance falls below 5% of estimated funds available for the fiscal year. The monthly general revenue appropriations disbursements are provided to each Florida College System institution in a lump sum; i.e., the institution is given an amount of money to run various programs and then allowed to determine how to use that money for its programs.

At the end of the fiscal year, the Florida College System institutions submit an Annual Financial Report and Cost Analysis to the Division of Florida Colleges. The annual financial reports are incorporated into the Comprehensive Annual Financial Report of the State of Florida as a component unit of the State. The annual financial reports include a Statement of Revenues, Expenditures and Changes in Net Assets and a Statement of Net Assets with required accompanying schedules including a schedule of capital improvement fee expenditures. The Annual Cost Analysis is a significant accountability tool that facilitates an analysis of program expenditures consistently and accurately over time.

Each year, the Florida College System institutions must develop a Five Year Capital Improvement Plan. This five year plan must be based on the colleges' latest five year Educational Plant Survey of their needs according to strict guidelines established by Section 1013.31, Florida Statutes. The Survey identifies the need for construction of new educational facilities as well as major additions, remodeling, renovations, or repairs necessary to extend the useful life of buildings. Each Florida College System district has local control over how funds are requested.

The State has several programs which provide fixed capital outlay funds to the Florida College System. The Florida College System institutions receive funds for new construction, remodeling, and for maintenance, repair and renovation, from Public Education and Capital Outlay Funds, which are derived from gross receipts taxes and proceeds of bonds pledging such taxes; and Capital Outlay and Debt Service funds, derived from motor vehicle license taxes and proceeds of bonds pledging such taxes.

The Legislative Auditor General conducts financial and operational audits for the Florida College System institutions. The Division of Florida Colleges works closely with the Auditor General to resolve findings and improve financial reporting. The Division reviews audits to ensure corrective action on audit findings.

Historical Summary of Revenue Sources. The following table sets forth the available System revenues by source for the periods indicated.

Florida College System Historical Summary of Revenue Sources
(dollars in millions)

Fund Source	Fiscal Years Ended June 30				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Revenue	\$893.1	\$871.0	\$895.4	\$877.5	\$930.4
Lottery Revenue	130.4	180.8	204.9	255.0	244.9
Federal Stabilization Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total State & Federal Funds	\$1,023.5	\$1,051.8	\$1,100.3	\$1,132.4	\$1,175.3
Student Tuition and Fees	893.2	873.3	852.0	845.2	838.9
Other Revenue	<u>44.6</u>	<u>31.3</u>	<u>38.1</u>	<u>30.4</u>	<u>42.9</u>
Total Operating Budget ¹	\$1,961.3	\$1,956.4	\$1,990.4	\$2,008.0	\$2,057.1
% State Funded	52.2%	53.8%	55.3%	56.4%	57.1%
Capital Outlay Funding	\$26.7	\$74.5	\$83.2	\$121.7	\$98.6

Source: Division of Florida Colleges.

¹ Total operating budget does not include categorical appropriations and designated projects.

Degrees and Certificates Granted

The following table sets forth the numbers of degrees and certificates granted through the Florida College System for the periods indicated.

Florida College System
Historical Summary of Degrees and Certificates Awarded
Fee Generating Programs

<u>Degrees</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Associate of Arts	62,614	57,690	55,132	55,888	57,779
Associate of Science	14,953	15,464	15,163	14,973	14,652
Postsecondary Vocational Certificate	12,997	17,137	18,163	22,521	26,147
Educator Preparation Institute	1,081	907	696	716	666
Bachelor's	<u>3,979</u>	<u>5,009</u>	<u>5,889</u>	<u>6,776</u>	<u>7,491</u>
Total	<u>95,624</u>	<u>96,207</u>	<u>95,043</u>	<u>100,874</u>	<u>106,735</u>

Source: Division of Florida Colleges.

PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS

Eight of the State's 28 Florida Colleges - Broward College, Florida SouthWestern State College, Gulf Coast State College, Palm Beach State College, Santa Fe College, Seminole State College of Florida, St. Petersburg College and Tallahassee Community College - have financed projects from the proceeds of Outstanding Bonds. The Florida SouthWestern State College District is comprised of Charlotte, Collier, Glades, Hendry and Lee Counties in southwest Florida. The Gulf Coast State College District is comprised of Bay, Franklin and Gulf Counties in the north Florida panhandle. The St. Petersburg, Broward, Palm Beach State, and Seminole State College Districts are each comprised of a single county (Pinellas County, in the Tampa Bay area, Broward and Palm Beach counties, in southeast Florida, and Seminole County, in central Florida, respectively). The Santa Fe College District is comprised of Alachua and Bradford Counties in the north- central part of the State, and the Tallahassee Community College District covers Leon, Gadsden and Wakulla Counties in the north Florida panhandle.

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Student Enrollment

The following tables show total headcount and full time equivalent (“FTE”) enrollment at each of the Participating Florida College System institutions for the periods indicated, without regard to the programs of study. One FTE is equivalent to 30 credit hours. Due to the fact that students enrolled at Florida College System institutions are predominantly part-time, FTE enrollment provides a common base for comparative purposes.

Historical Student Enrollment in All Programs Participating Florida College System Institutions ("PFCSI") and Florida College System Headcount and FTE¹ Enrollment for Academic Years 2007-08 through 2016-17

	<u>Broward</u>		<u>FL SouthWestern</u>		<u>Gulf Coast</u>		<u>Palm Beach</u>		<u>St. Petersburg</u>		<u>Santa Fe</u>		<u>Seminole</u>		<u>Tallahassee</u>		<u>PFCSI Total</u>		<u>System Total</u>	
<u>Year</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>
2007-08	52,914	23,018	18,095	8,095	24,035	4,832	42,839	16,624	50,552	16,086	22,988	11,873	25,177	10,669	33,050	11,456	269,650	102,653	804,262	305,535
2008-09	55,394	24,805	20,806	9,123	23,074	4,875	46,090	18,454	51,631	16,967	22,527	11,961	27,576	12,042	36,586	11,938	283,684	110,165	836,020	329,052
2009-10	60,093	27,774	23,997	11,074	21,783	5,074	49,318	20,070	52,537	18,707	23,961	12,161	29,622	13,998	36,212	12,527	297,523	121,385	875,361	359,900
2010-11 ²	60,176	30,470	24,248	12,215	11,296	4,908	43,974	20,830	44,928	22,330	23,023	12,682	31,437	15,428	22,835	11,975	261,917	130,838	751,764	375,292
2011-12	63,074	31,152	23,837	11,843	10,752	4,845	43,889	20,986	45,735	22,430	22,741	12,550	30,890	15,170	22,851	12,219	263,769	131,194	740,332	372,050
2012-13	62,238	30,054	21,676	10,513	9,834	4,505	43,206	20,085	44,395	21,280	21,759	11,935	31,098	14,891	20,891	10,947	255,097	124,208	712,036	350,109
2013-14	63,071	30,496	21,068	10,149	9,330	4,257	43,378	20,057	43,739	20,692	21,220	11,557	29,621	13,867	19,297	10,208	250,724	121,284	696,749	340,556
2014-15	64,238	30,126	21,064	9,950	8,902	3,990	42,873	19,881	44,289	20,784	21,189	11,191	28,668	13,113	18,571	9,771	249,794	118,806	690,888	334,178
2015-16	64,146	30,053	21,121	10,353	8,558	3,854	42,649	19,962	42,305	20,094	20,825	10,980	28,037	12,530	18,043	9,349	245,684	117,175	679,454	327,992
2016-17	63,371	29,471	21,586	10,641	8,300	3,676	44,084	20,537	40,818	18,999	21,284	11,395	27,838	12,636	17,481	9,127	244,762	116,480	672,091	320,900

Source: Division of Florida Colleges.

¹ One FTE is equal to 30 credit hours.

² Beginning 2010-11, includes upper-division and excludes continuing workforce education. The elimination of the continuing workforce education students from these statistics results in a significant decrease in headcount beginning in 2010-11. The system-wide continuing workforce education headcount enrollment for 2009-10 was 172,424 but those students accounted for only 10,070 FTEs. These students are not enrolled in Capital Improvement Fee generating programs.

Students who are not considered residents of Florida must pay an out-of-state fee in addition to tuition. As a general rule a student must have maintained legal residence in the State for at least 12 months immediately preceding his or her qualification as a resident student. Approximately 95% of the students enrolled at each of the Participating Florida College System institutions have historically resided within the State.

The Capital Improvement Fees which are pledged to payment of the Bonds are derived from fees attributable to certain credit course offerings at the Participating Florida College System institutions including advanced and professional, postsecondary vocational, college preparatory courses, and the Educator Preparation Institute program. The following table sets forth historical enrollment and FTEs in such fee-generating programs for the periods indicated.

**Historical Student Enrollment in Pledged Capital Improvement Fee-Generating Programs
Participating Florida College System Institutions ("PFCSI") and Florida College System
Headcount and FTE¹ Enrollment for Academic Years 2007-08 through 2016-17**

<u>Year</u>	<u>Broward</u>		<u>FL Southwestern (formerly Edison)</u>		<u>Gulf Coast</u>		<u>Palm Beach</u>		<u>St. Petersburg</u>		<u>Santa Fe</u>		<u>Seminole</u>		<u>Tallahassee</u>		<u>PFCSI Total</u>		<u>System Total</u>	
	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>	<u>Headcount</u>	<u>FTE</u>
2007-08 ²	47,695	22,244	17,188	8,032	10,006	4,056	32,590	13,930	35,075	15,612	19,896	11,341	18,269	8,346	19,384	10,137	200,103	93,698	556,719	263,278
2008-09	50,584	24,057	19,174	9,066	10,415	4,237	35,976	15,854	36,872	16,523	19,828	11,281	20,516	9,739	19,734	10,492	213,099	101,249	590,555	286,022
2009-10	55,612	27,128	22,651	10,994	10,837	4,508	39,503	17,861	39,531	18,301	20,422	11,469	24,036	12,065	20,308	11,130	232,900	113,456	644,616	319,699
2010-11 ³	59,630	29,599	24,220	11,644	10,601	4,581	41,302	18,875	44,717	19,892	21,257	11,930	26,253	13,755	20,810	11,399	248,790	121,675	679,381	340,219
2011-12	62,415	30,666	23,799	11,820	10,270	4,617	41,388	19,657	45,558	22,308	21,298	12,008	26,895	13,754	21,627	11,816	253,250	126,646	685,332	349,374
2012-13	61,729	29,630	21,659	10,503	9,550	4,314	40,838	18,700	44,163	21,127	20,436	11,410	27,176	13,590	19,838	10,545	245,389	119,819	664,073	330,193
2013-14	62,498	30,032	21,041	10,129	9,041	4,090	40,849	18,594	43,415	20,530	19,940	10,955	25,865	12,479	18,449	9,819	241,098	116,629	650,272	320,575
2014-15	63,542	29,608	21,032	9,931	8,688	3,849	40,389	18,396	43,937	20,604	19,841	10,583	25,174	11,768	17,612	9,413	240,224	114,151	643,391	313,778
2015-16	63,513	29,583	21,093	10,333	8,307	3,701	40,306	18,558	42,080	19,950	19,360	10,266	24,465	11,209	17,007	8,932	236,131	112,532	630,691	307,940
2016-17	62,719	28,998	21,545	10,612	8,077	3,538	41,707	19,109	40,574	18,870	19,797	10,612	24,332	11,167	16,667	8,776	235,418	111,682	624,908	301,630

Source: Division of Florida Colleges.

¹ One FTE is equal to 30 credit hours.

² 2007-2008 includes Educator Preparation Institute students for the first time.

³ Beginning 2010-11, includes upper-division and excludes continuing workforce education.

Historical pledged capital improvement fee-generating program enrollments are shown by residency for the periods indicated in the following table. Approximately 95% or more of FTE enrollment in fee-generating programs were Florida residents at each of the Participating Florida College System institutions.

**Historical Resident vs. Out-of-State
FTE¹ Student Enrollment in Pledged Capital Improvement Fee-Generating Programs
Participating Florida College System Institutions
Academic Years 2012-13 through 2016-17**

	<u>Broward</u>		<u>FLSW</u>		<u>Gulf Coast</u>		<u>Palm Beach</u>		<u>St. Petersburg</u>		<u>Santa Fe</u>		<u>Seminole</u>		<u>Tallahassee</u>	
<u>Year</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>	<u>Resident</u>	<u>Out-of-State</u>
2012-13	28,815	815	10,271	232	4,164	150	18,043	657	20,571	556	10,878	532	13,260	330	10,154	391
2013-14	29,250	782	9,900	229	3,953	137	17,908	686	20,008	522	10,441	514	12,168	311	9,466	353
2014-15	28,828	780	9,736	196	3,718	131	17,802	594	20,111	493	10,054	529	11,493	275	9,049	364
2015-16	28,675	908	10,117	216	3,574	127	17,936	622	19,443	507	9,682	584	10,946	263	8,585	347
2016-17	27,985	1,013	10,345	267	3,410	128	18,473	636	18,402	468	9,960	652	10,908	259	8,392	384

Source: Division of Florida Colleges.

¹ One FTE is equal to 30 credit hours.

Tuition and Fees

The standard tuition and the standard out-of-state fee are established annually by the Legislature. Each Board of Trustees then establishes its own tuition and out-of-state fee, which may vary no more than 10 percent below and 15 percent above the standard, and may also establish financial aid, capital improvement, student activity and service and technology fees. The Board of Trustees is also authorized to establish user fees and fines for services.

By statute, the Capital Improvement Fees which are pledged to the Bonds are limited to 20% of tuition for resident students and 20% of the sum of tuition and out-of-state fees for out-of-state students. The annual fee increase for resident students may not exceed \$2.00 per credit hour. There is no statutory limit on the annual rate of fee increases for out-of-state students.

The following table lists the tuition, Capital Improvement Fees and other fees charged to resident students on a per credit hour basis at each of the eight Participating Florida College System institutions and the System averages for the periods indicated.

**Resident Student Tuition, Capital Improvement Fees ("CIF"), and Other Required Fees
Academic Years 2013-14 through 2017-18**

Year	<u>Broward</u>			<u>Florida SouthWestern¹</u>			<u>Gulf Coast</u>			<u>Palm Beach</u>			<u>St. Petersburg</u>			<u>Santa Fe</u>			<u>Seminole</u>			<u>Tallahassee</u>			<u>System Average¹</u>		
	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>	<u>Tuition</u>	<u>CIF</u>	<u>Other Fees²</u>
2013-14	\$75.40	\$11.50	\$15.00	\$81.21	\$9.88	\$16.27	\$72.29	\$7.29	\$14.59	\$76.92	\$8.62	\$12.71	\$80.94	\$11.10	\$15.71	\$76.65	\$9.66	\$15.16	\$79.78	\$7.88	\$14.82	\$76.80	\$9.00	\$13.03	\$79.59	\$9.50	\$15.03
2014-15	75.40	11.50	15.00	81.21	11.88	16.27	72.92	7.29	14.59	76.92	8.62	12.71	80.94	13.10	15.71	77.98	8.66	15.13	79.78	7.88	14.82	76.80	11.00	13.03	80.00	10.22	15.00
2015-16	80.00	13.50	16.00	81.21	13.88	16.27	72.92	7.29	14.59	76.92	10.62	13.46	80.94	15.10	15.71	77.98	8.66	15.13	79.78	7.88	14.82	76.80	11.00	13.03	80.52	11.11	15.11
2016-17	82.00	13.50	16.40	81.21	13.88	16.27	72.92	7.29	14.59	76.92	10.62	13.46	80.94	15.10	15.71	77.98	8.66	15.13	79.78	9.48	14.82	76.80	11.00	13.03	80.67	11.17	15.15
2017-18	82.00	13.50	16.40	81.21	13.88	16.27	72.92	7.29	14.59	76.92	10.62	13.46	80.94	15.10	15.71	77.98	8.66	15.13	79.78	9.48	14.82	76.80	11.00	13.03	80.63	11.08	15.14

Source: Division of Florida Colleges.

¹ These numbers represent the weighted mean for the System. Total tuition and capital improvement fee collections for the System were divided by the total number of students in the System to obtain the weighted mean.

² Other required fees include Student Financial Aid Fee, Student Activity Fee, and Technology Fee.

The following table sets forth tuition plus out of state fees, Capital Improvement Fees and other fees charged to out-of-state students at each of the Participating Florida College System institutions for the periods indicated.

**Out-of-State Student Tuition, Capital Improvement Fees (“CIF”) and Other Required Fees
Academic Years 2013-14 through 2017-18**

	Broward			Florida SouthWestern²			Gulf Coast			Palm Beach			St. Petersburg			Santa Fe			Seminole			Tallahassee		
<u>Year</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>	<u>Tuition & Out of State Fee</u>	<u>CIF</u>	<u>Other Fees¹</u>
2013-14	\$301.80	\$17.60	\$37.60	\$325.00	\$ 65.00	\$40.63	\$294.34	\$24.69	\$36.73	\$303.18	\$21.35	\$33.47	\$323.91	\$18.96	\$40.03	\$306.77	\$32.67	\$38.16	\$316.47	\$25.00	\$38.50	\$307.20	\$32.72	\$36.07
2014-15	301.80	17.60	37.60	325.00	67.00	40.63	294.34	24.69	36.73	303.18	21.35	33.47	323.91	20.96	40.03	306.77 ³	32.67	38.16	316.47	25.00	38.50	307.20	32.72 ³	36.07
2015-16	306.40	19.60	38.60	325.00	65.00	40.63	294.34	24.69	36.73	303.57	23.35	36.08	323.91	22.96	40.03	309.10	31.67	37.13	316.47	25.00	38.50	307.20	33.00	36.07
2016-17	308.40	19.60	39.00	325.00	65.00	40.63	294.34	24.69	36.73	303.57	23.35	36.08	323.91	22.96	40.03	309.10	31.67	37.13	316.47	25.00	38.50	307.20	33.00	36.07
2017-18	308.40	19.60	39.00	325.00	65.00	40.63	294.34	24.69	36.73	303.57	23.35	36.08	323.91	22.96	40.03	309.10	31.67	37.13	316.47	26.60	38.50	307.20	33.00	36.07

Source: Division of Florida Colleges.

¹ Other required fees include Student Financial Aid Fee, Student Activity Fee, and Technology Fee.

A maximum of 15% of each college’s Capital Improvement Fees may be allocated for child care centers conducted by the college. Such use of Capital Improvement Fees is subordinate to the Bonds. None of the Participating Florida College System institutions are allocating Capital Improvement Fees for this purpose.

Degrees and Certificates Granted

Degrees and certificates granted by the Participating Florida College System institutions have accounted for more than 34% of the total annual degrees and certificates awarded in the Florida College System in Capital Improvement Fee-generating programs over the period shown.

Historical Summary of Total Degrees and Certificates Awarded Florida College System Total and Participating Florida College System Institutions Capital Improvement Fee Generating Programs

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Florida College System	95,624	96,207	95,043	100,874	106,735
Participating Florida College System Institutions:					
Broward	7,137	7,594	9,203	10,994	12,882
Florida SouthWestern (fka Edison)	2,978	2,913	2,744	2,488	2,480
Gulf Coast	1,151	957	1,141	1,071	1,235
Palm Beach	4,905	5,499	5,038	5,251	5,889
St. Petersburg	5,672	5,891	5,738	5,946	7,493
Santa Fe	3,267	3,034	3,040	4,549	3,464
Seminole	4,081	5,561	5,397	5,837	6,379
Tallahassee	<u>3,420</u>	<u>2,866</u>	<u>2,712</u>	<u>2,758</u>	<u>2,738</u>
Total	32,611	34,315	35,013	38,894	42,560
Percentage of Total System	34.1%	35.7%	36.8%	38.6%	39.9%

Source: Division of Florida Colleges.

Operating Budget

Florida College System institutions receive State funds to subsidize the institution's operating budget. The sources used to fund the Fiscal Year 2016-17 and estimated Fiscal Year 2017-18 operating budgets for each of the Participating Florida College System institutions are shown in the following tables.

Participating Florida College System Institutions Fiscal Year 2016-17 Operating Budget Revenues By Source

	<u>Florida</u>							
	<u>Broward</u>	<u>SouthWestern</u>	<u>Gulf Coast</u>	<u>Palm Beach</u>	<u>St. Petersburg</u>	<u>Santa Fe</u>	<u>Seminole</u>	<u>Tallahassee</u>
General Revenue	\$66,172,264	\$23,073,242	\$16,638,335	\$45,901,895	\$51,978,900	\$30,754,618	\$33,691,973	\$24,781,554
Lottery Revenue	<u>20,751,950</u>	<u>7,545,727</u>	<u>5,223,265</u>	<u>13,733,434</u>	<u>16,693,508</u>	<u>8,655,701</u>	<u>9,404,895</u>	<u>7,653,868</u>
Total State Resources	\$86,924,214	\$30,618,969	\$21,861,600	\$59,635,329	\$68,672,408	\$39,410,319	\$43,096,868	\$32,435,422
Tuition and Fees	82,829,172	27,005,906	7,793,778	53,751,757	53,067,967	30,796,801	30,022,849	23,994,794
Other Revenues	<u>4,594,959</u>	<u>952,473</u>	<u>552,026</u>	<u>2,107,685</u>	<u>2,791,342</u>	<u>1,328,685</u>	<u>707,887</u>	<u>413,234</u>
Total	\$174,348,345	\$58,577,348	\$30,207,404	\$115,494,771	\$124,531,717	\$71,535,805	\$73,827,604	\$56,843,450
Unallocated Year End Fund Balance	\$53,486,513	\$6,659,526	\$4,693,117	\$25,311,096	\$11,421,254	\$15,314,429	\$4,624,391	\$9,851,150

Source: Division of Florida Colleges.

Participating Florida College System Institutions Fiscal Year 2017-18 Operating Budget Revenues By Source

	<u>Florida</u>							
	<u>Broward</u>	<u>SouthWestern</u>	<u>Gulf Coast</u>	<u>Palm Beach</u>	<u>St. Petersburg</u>	<u>Santa Fe</u>	<u>Seminole</u>	<u>Tallahassee</u>
General Revenue	\$67,214,532	\$23,540,029	\$16,728,281	\$46,228,686	\$53,548,581	\$34,138,348	\$34,314,353	\$24,665,669
Lottery Revenue	<u>17,621,992</u>	<u>6,450,360</u>	<u>4,434,389</u>	<u>11,596,479</u>	<u>14,231,049</u>	<u>7,293,049</u>	<u>7,809,760</u>	<u>6,512,031</u>
Total State Resources	\$84,836,524	\$29,990,389	\$21,162,670	\$57,825,165	\$67,779,630	\$41,431,498	\$42,124,113	\$31,177,700
Tuition and Fees	77,761,051	24,996,857	7,725,367	50,348,605	48,930,949	29,739,654	29,482,346	23,492,135
Other Revenues	<u>3,319,943</u>	<u>843,854</u>	<u>525,302</u>	<u>4,307,000</u>	<u>3,191,400</u>	<u>2,109,412</u>	<u>751,250</u>	<u>890,629</u>
Total	\$165,917,518	\$55,831,100	\$29,413,339	\$112,480,770	\$119,901,979	\$73,280,564	\$72,357,709	\$55,560,464
Estimated Unallocated Year End Fund Balance	\$12,000,000	\$3,375,142	\$1,702,666	\$10,000,000	\$8,210,001	\$13,723,166	\$4,636,186	\$4,996,164

Source: Division of Florida Colleges.

Selected Historical Financial Information

The following tables set forth selected historical financial information for the Participating Florida College System institutions, including component units, for the periods indicated as provided in their annual audited financial statements aside from Fiscal Year 2017, which is preliminary and unaudited. This selected historical financial information has been derived from, and should be read in conjunction with, the financial statements and accompanying notes thereto with respect to each such Participating Florida College System institution. Audit reports for the Participating Florida College System institutions are available from the Florida Auditor General's website, when available. Such financial information has been subject to audit procedures by the State Auditor General's Office for inclusion in the applicable State of Florida audited general purpose financial statements prior to completion of the individual Florida College System institution audits.

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DRAFT Statement of Net Position for the Fiscal Year Ended June 30, 2017

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	ST PETERSBURG COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Cash and Cash Equivalents	\$ 20,276,182	\$ 6,877,552	\$ 5,250,836	\$ 19,239,291	\$ 14,309,071	\$ 25,735,489	\$ 12,882,698	\$ 15,416,657	119,987,776
Restricted Cash and Cash Equivalents	-	7,772,268	2,081,556	(44,964)	11,224,130	75,508,465	13,679,200	922,559	111,143,214
Investments	-	5,473,632	-	-	37,622,600	1,141,699	-	3,157,900	47,395,831
Restricted Investments	-	3,415,180	1,677	11,830,839	744,755	19,273,997	-	799,271	36,065,719
Accounts Receivable, Net	4,490,611	4,069,504	1,444,403	4,086,099	2,092,641	2,190,912	7,601,404	4,919,052	30,894,626
Notes Receivable, Net	406,069	105,215	50,327	-	-	-	-	5,264	566,875
Due from Other Governmental Agencies	17,597,084	3,222,084	5,483,983	3,578,121	15,983,730	9,712,879	27,464,494	2,417,722	85,460,097
Due from Component Unit/College	824,959	-	15,876	13,324	141,050	30,026	397,251	258	1,422,744
Inventories	15,926	-	1,018,746	18,219	73,006	52,113	-	53,760	1,231,770
Prepaid Expenses	13,928	1,418,362	332,984	1,969,474	1,357,109	76,488	1,120,023	46,827	6,335,195
Deposits	753,431	-	-	-	636	-	18,172	1,000	773,239
Other Assets	-	-	20,611	-	-	-	-	-	20,611
Total Current Assets	44,378,190	32,353,797	15,700,999	40,690,403	83,548,728	133,722,068	63,163,242	27,740,270	441,297,697
Restricted Cash and Cash Equivalents	72,658,193	3,285,970	14,018,399	39,233,874	6,146,096	29,823,601	14,168,404	9,990,233	189,324,770
Investments	51,900,757	7,818,222	31,057,542	19,670,004	29,440,789	8,627,056	905,341	-	149,419,711
Restricted Investments	26,464,873	42,073,297	464,182	-	5,706,662	33,995,597	17,735,426	10,841,158	137,281,195
Prepaid Expenses	-	-	-	-	-	-	81,737	-	81,737
Loans and Notes Receivable, Net	-	-	-	-	1,107,970	-	-	-	1,107,970
Depreciable Capital Assets, Net	203,070,357	172,076,033	83,816,063	231,441,005	236,889,604	78,835,798	136,027,506	122,881,792	1,265,038,158
Nondepreciable Capital Assets	20,589,746	4,441,873	4,798,985	9,767,813	39,450,264	15,867,450	50,398,043	15,813,212	161,127,386
Other Assets	-	3,906,442	53,598	-	54,250	3,536,924	1,350,024	851,198	9,752,436
Total Noncurrent Assets	374,683,926	233,601,837	134,208,769	300,112,696	318,795,635	170,686,426	220,666,481	160,377,593	1,913,133,363
Total Assets	419,062,116	265,955,634	149,909,768	340,803,099	402,344,363	304,408,494	283,829,723	188,117,863	2,354,431,060
Deferred Outflow Related to Service Concession	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Pension FRS	31,282,656	12,627,183	7,451,148	19,054,471	22,761,345	12,312,245	12,480,692	11,985,372	129,955,112
Deferred Outflows of Resources - Pension HIS	6,324,382	3,202,949	676,794	5,016,414	6,596,275	2,607,853	3,027,492	2,690,425	30,142,584
Accumulated Decrease in Fair Value of Securities	-	263,026	-	-	-	-	-	-	263,026
Total Deferred Outflow of Resources	37,607,038	16,093,158	8,127,942	24,070,885	29,357,620	14,920,098	15,508,184	14,675,797	160,360,722
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	456,669,154	282,048,792	158,037,710	364,873,984	431,701,983	319,328,592	299,337,907	202,793,660	2,514,791,782
Accounts Payable	\$ 4,886,982	\$ 3,056,228	\$ 960,881	\$ 870,903	\$ 2,318,046	\$ 1,498,839	\$ 3,172,291	\$ 1,197,447	17,961,617
Accrued Interest Payable	-	34,866	-	-	-	-	10,086	-	44,952
Salary and Payroll Taxes Payable	3,001,832	2,491,556	850,340	2,477,465	1,523,854	4,386,439	1,176,438	821,392	16,729,316
Retainage Payable	835,004	122,552	96,580	242,636	777,051	382,336	866,928	-	3,323,087
Due to Other Governmental Agencies	5,504	-	-	-	-	57,254	597	-	63,355
Due to Component Unit/College	-	267,408	-	-	-	-	397,251	-	664,659
Unearned Revenue	3,705,330	374,815	-	68,693	808,451	1,666,429	12,516,559	495,621	19,635,898

Estimated Insurance Claims Payable	3,208,431	-	-	-	1,291,700	237,221	-	-	4,737,352
Deposits Held for Others	4,296,395	234,552	-	1,147,366	4,615,626	72,738,077	193,473	773,753	83,999,242
Bonds Payable	1,486,000	1,427,597	275,000	1,302,000	1,750,000	715,000	326,000	725,000	8,006,597
Notes and Loans Payable	2,142,857	1,605,795	270,195	992,732	187,770	-	-	683,783	5,883,132
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	1,174,281	-	-	307,639	1,481,920
Special Termination Benefits Payable	-	63,789	-	311,546	-	-	-	465,435	840,770
Compensated Absences Payable	1,368,032	59,055	3,910	995,363	941,869	681,332	169,497	785,082	5,004,140
FRS Net Pension Liability	-	-	-	-	-	-	-	-	-
HIS Net Pension Liability	902,335	-	187,559	638,089	1,216,203	364,056	403,306	382,772	4,094,320
Other Long-Term Liabilities	-	-	-	893,078	-	-	-	-	893,078
Total Current Liabilities	25,838,702	9,738,213	2,644,465	9,939,871	16,604,851	82,726,983	19,232,426	6,637,924	173,363,435
Bonds Payable	\$ \$	34,861,036	\$ 4,325,000	\$ 13,936,000	\$ 19,695,000	\$ 8,245,000	\$ 3,487,000	\$ 10,465,000	106,736,036
Notes and Loans Payable	8,571,429	2,594,205	1,219,121	-	138,538	-	300,000	5,530,088	18,353,381
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	2,962,994	-	-	6,814,443	9,777,437
Special Termination Benefits Payable	-	98,517	-	621,226	-	-	-	438,270	1,158,013
Compensated Absences Payable	12,046,261	4,322,911	2,696,943	8,269,680	10,831,497	8,202,418	6,295,731	4,108,748	56,774,189
FRS Net Pension Liability	47,606,674	18,292,919	9,578,551	34,570,469	43,667,146	22,751,843	23,187,495	23,622,599	223,277,696
HIS Net Pension Liability	28,887,382	12,694,351	6,318,193	21,494,979	26,819,093	12,263,793	13,585,980	12,894,251	134,958,022
Other Postemployment Benefits Payable	5,571,850	255,861	508,911	778,344	6,948,530	510,522	988,720	3,247,406	18,810,144
Other Long-Term Liabilities	-	2,041,213	-	-	-	19,226,249	-	-	21,267,462
Total Noncurrent Liabilities	114,405,596	75,161,013	24,646,719	79,670,698	111,062,798	71,199,825	47,844,926	67,120,805	591,112,380
Total Liabilities	140,244,298	84,899,226	27,291,184	89,610,569	127,667,649	153,926,808	67,077,352	73,758,729	764,475,815
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflow Related to Service Concession	-	-	-	-	-	1,948,803	-	-	1,948,803
Deferred Inflows of Resources - Pension FRS	12,794,810	4,169,802	2,676,295	1,066,628	406,571	1,446,691	1,243,624	2,068,820	25,873,241
Deferred Inflows of Resources - Pension HIS	1,114,940	28,913	172,421	50,411	63,854	268,421	672,359	1,867,380	4,238,699
Deferred Inflows - Irrevocable Split-Interest									
Accumulated Increase in Fair Value of Securities	-	-	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	13,909,750	4,198,715	2,848,716	1,117,039	470,425	3,663,915	1,915,983	3,936,200	32,060,743
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	154,154,048	89,097,941	30,139,900	90,727,608	128,138,074	157,590,723	68,993,335	77,694,929	796,536,558
Invested in Capital Assets, Net of Related Debt	199,737,817	140,229,274	81,512,333	225,290,197	250,431,284	85,743,248	182,620,684	114,169,051	1,279,733,888
Restricted for Endowment-Nonexpendable	1,035,083	19,789,378	15,089,475	18,737,233	26,935,186	27,347,244	8,571,398	6,377,518	123,882,515
Restricted for Endowment-Expendable	40,733,292	22,270,396	-	-	36,155,238	-	-	-	99,158,926
Grants and Loans	6,357,211	1,011,072	1,156,394	1,880,662	5,854,323	2,230,567	991,637	120,736	19,602,602
Scholarships	20,985,547	743,907	16,209,085	12,464,046	217,934	2,208,222	11,929,590	9,093,719	73,852,050
Capital Projects	30,623,928	6,885,619	16,839,545	41,007,556	22,924,516	38,362,970	41,023,658	10,722,474	208,390,266
Restricted for Debt Service	13,017	2,869,181	-	34,035	322,188	-	9,514	854,866	4,102,801
Other	-	-	-	-	-	5,235,082	-	-	5,235,082
Unrestricted	\$ 3,029,211	\$ (847,976)	\$ (2,909,022)	\$ (25,267,353)	\$ (39,276,760)	\$ 610,536	\$ (14,801,909)	\$ (16,239,633)	(95,702,906)
Total Net Position	302,515,106	192,950,851	127,897,810	274,146,376	303,563,909	161,737,869	230,344,572	125,098,731	1,718,255,224
Total Liabilities, Deferred Inflows, and Net Position	456,669,154	282,048,792	158,037,710	364,873,984	431,701,983	319,328,592	299,337,907	202,793,660	2,514,791,782

DRAFT Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2017

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	ST PETERSBURG COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Student Tuition and Fees	49,742,222	17,043,259	5,384,390	39,290,930	41,522,795	28,507,450	24,274,484	16,161,021	221,926,551
Federal Grants and Contracts	10,463,887	979,080	2,420,342	4,959,372	286,188	3,532,928	2,477,066	8,934,894	34,053,757
State and Local Grants and Contracts	3,309,591	2,325,674	-	1,267,559	1,396,198	747,856	630,992	6,225,061	15,902,931
Nongovernmental Grants and Contracts	10,928,889	5,471,164	-	7,225,763	368,616	789,798	1,570,046	830,379	27,184,655
Sales and Services of Educational Departments	865,624	650,008	33,012	1,490,193	1,740,495	1,181,194	36,203	-	5,996,729
Auxiliary Enterprises	2,177,619	4,716,046	2,040,448	1,693,585	3,051,011	2,196,210	2,348,124	4,805,933	23,028,976
Other Operating Revenues	6,870,748	775,342	1,018,670	2,012,555	5,288,743	1,251,240	2,109,880	7,086,921	26,414,099
Total Operating Revenues	84,358,580	31,960,573	10,896,862	57,939,957	53,654,046	38,206,676	33,446,795	44,044,209	354,507,698
Personnel Services	161,308,405	60,575,247	27,577,436	108,102,881	132,958,308	64,403,778	70,414,362	57,662,074	683,002,491
Scholarships and Waivers	56,457,236	10,595,189	5,081,451	30,010,010	33,348,762	16,370,077	17,955,999	13,819,955	183,638,679
Utilities and Communications	4,731,760	2,891,246	1,900,657	2,942,558	5,773,212	2,266,221	2,802,965	2,161,258	25,469,877
Contractual Services	33,622,021	8,469,541	2,851,801	10,259,760	13,040,298	6,781,218	5,627,976	11,172,879	91,825,494
Other Services and Expenses	22,192,726	13,747,688	3,639,503	8,819,699	10,124,650	4,950,524	7,247,294	11,462,677	82,184,761
Materials and Supplies	13,699,666	5,719,723	8,409,963	10,819,502	11,879,707	9,248,886	7,368,590	5,086,640	72,232,677
Depreciation	9,746,669	6,381,555	4,210,101	13,158,200	10,848,145	6,043,660	6,350,722	5,264,431	62,003,483
Total Operating Expenses	301,758,483	108,380,189	53,670,912	184,112,610	217,973,082	110,064,364	117,767,908	106,629,914	1,200,357,462
Total Operating Loss	(217,399,903)	(76,419,616)	(42,774,050)	(126,172,653)	(164,319,036)	(71,857,688)	(84,321,113)	(62,585,705)	(845,849,764)
State Noncapital Appropriations	92,564,398	36,081,291	23,492,629	63,133,846	73,295,190	42,880,993	45,724,675	34,462,498	411,635,520
Federal and State Student Financial Aid	9,560,781	23,517,537	8,917,863	43,430,084	50,940,505	22,492,360	27,774,213	23,576,534	210,209,877
Gifts and Grants	90,276,264	4,850,796	1,057,538	6,204,337	14,893,069	2,106,695	2,069,213	284,897	121,742,809
Investment Income	7,757,111	4,737,982	3,482,585	2,399,370	835,316	3,681,212	553,704	1,395,818	24,843,098
Net Gain (Loss) on Investments	(137,825)	(127,285)	-	(989,144)	8,244,934	(1,114,336)	1,090,021	-	6,966,365
Other Nonoperating Revenues	67,261	1,638,275	-	76,755	619,096	-	37,425	-	2,438,812
Loss on Disposal of Capital Assets	(1,484,837)	-	-	-	90,650	52,036	-	-	(1,342,151)
Interest on Capital Asset-Related Debt	(878,151)	(1,456,354)	(219,097)	(625,723)	(1,196,353)	(451,125)	(207,312)	(735,949)	(5,770,064)
Other Nonoperating Expenses	-	(3,470,427)	-	-	-	-	-	-	(3,470,427)
Net Nonoperating Revenues (Expenses)	197,725,002	65,771,815	36,731,518	113,629,525	147,722,407	69,647,835	77,041,939	58,983,798	767,253,839
Loss Before Other Revenues, Expenditures, Gains or Losses	(19,674,901)	(10,647,801)	(6,042,532)	(12,543,128)	(16,596,629)	(2,209,853)	(7,279,174)	(3,601,907)	(78,595,925)
State Capital Appropriations	8,455,258	2,135,669	535,037	11,528,655	13,793,817	4,023,592	19,238,049	2,646,366	62,356,443
Capital Grants, Contracts, Gifts, and Fees	18,138,718	4,121,294	1,064,808	6,395,419	13,037,824	3,320,111	3,458,783	3,274,078	52,811,035
Additions to Endowments	15,937	56,448	-	-	274,628	1,569,552	-	-	1,916,565
Other Expenses	-	(1,300,000)	63,998	-	-	-	-	-	(1,236,002)
Total Other Revenues	26,609,913	5,013,411	1,663,843	17,924,074	27,106,269	8,913,255	22,696,832	5,920,444	115,848,041
Total Increase (Decrease) in Net Assets	6,935,012	(5,634,390)	(4,378,689)	5,380,946	10,509,640	6,703,402	15,417,658	2,318,537	37,252,116
Net Assets, Beginning of Year	295,580,095	198,585,242	132,276,500	268,765,432	293,054,266	155,034,462	214,926,913	122,780,194	1,681,003,104
Ending Net Assets	302,515,107	192,950,852	127,897,811	274,146,378	303,563,906	161,737,864	230,344,571	125,098,731	1,718,255,220

Statement of Net Position for the Fiscal Year Ended June 30, 2016

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	ST PETERSBURG COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Cash and Cash Equivalents	\$ 19,692,889	\$ 6,987,516	\$ 9,344,311	\$ 30,499,770	\$ 14,126,603	\$ 37,611,043	\$ 17,702,881	\$ 22,990,720	158,955,733
Restricted Cash and Cash Equivalents	1,756,449	4,248,326	2,144,281	787,927	15,083,983	69,084,013	2,316,207	2,102,402	97,523,588
Investments	30,393	7,258,914	-	10,525,036	29,220,141	1,661,453	-	3,197,319	51,893,256
Restricted Investments	-	4,653,856	1,677	-	-	1,014,534	-	-	5,670,067
Accounts Receivable, Net	4,845,258	4,280,700	1,085,777	4,302,764	2,300,501	5,271,210	9,444,109	1,849,163	33,379,482
Notes Receivable, Net	635,442	87,370	52,129	-	-	-	1,494	14,863	791,298
Due from Other Governmental Agencies	10,153,234	3,996,294	365,625	4,590,369	8,982,291	9,826,598	13,791,066	1,574,719	53,280,196
Due from Component Unit/College	2,408,044	-	5,178,467	15,872	148,740	6,666	52,608	150	7,810,547
Inventories	15,926	-	1,175,176	39,304	114,090	72,676	-	23,679	1,440,851
Prepaid Expenses	1,738,268	1,388,849	388,043	1,534,098	164,619	68,256	141,762	18,031	5,441,926
Deposits	472,820	-	-	-	-	-	18,665	-	491,485
Other Assets	-	377,115	51,182	-	636	-	1,000	-	429,933
Total Current Assets	41,748,723	33,278,940	19,786,668	52,295,140	70,141,604	124,616,449	43,469,792	31,771,046	417,108,362
Restricted Cash and Cash Equivalents	-	11,469,208	13,634,663	27,192,023	5,681,811	15,969,409	17,078,947	7,536,668	98,562,729
Investments	120,403,736	12,498,218	29,248,266	19,424,757	33,536,290	7,242,135	858,870	-	223,212,272
Restricted Investments	25,802,711	45,597,116	465,859	46,228	4,711,686	44,693,833	14,816,570	9,407,778	145,541,781
Prepaid Expenses	-	-	-	-	-	-	-	-	-
Loans and Notes Receivable, Net	-	-	-	-	1,096,718	-	-	-	1,096,718
Depreciable Capital Assets, Net	199,517,650	141,728,444	85,369,784	212,354,686	246,148,997	83,182,471	140,415,993	116,744,312	1,225,462,337
Nondepreciable Capital Assets	19,018,204	24,503,498	5,002,948	23,446,298	28,270,124	13,956,495	38,391,430	15,007,438	167,596,435
Other Assets	-	1,991,203	-	-	54,250	3,807,344	2,033,404	849,860	8,736,061
Total Noncurrent Assets	364,742,301	237,787,687	133,721,520	282,463,992	319,499,876	168,851,687	213,595,214	149,546,056	1,870,208,333
Total Assets	406,491,024	271,066,627	153,508,188	334,759,132	389,641,480	293,468,136	257,065,006	181,317,102	2,287,316,695
Deferred Outflow Related to Service Concession	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Pension FRS	22,699,702	7,396,472	4,742,220	8,683,788	11,074,774	10,050,067	5,488,966	9,247,634	79,383,623
Deferred Outflows of Resources - Pension HIS	5,450,091	1,953,377	196,096	2,782,437	3,543,919	1,491,317	1,567,663	1,551,028	18,535,928
Accumulated Decrease in Fair Value of Securities	-	-	-	-	-	-	-	-	-
Total Deferred Outflow of Resources	28,149,793	9,349,849	4,938,316	11,466,225	14,618,693	11,541,384	7,056,629	10,798,662	97,919,551
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	434,640,817	280,416,476	158,446,504	346,225,357	404,260,173	305,009,520	264,121,635	192,115,764	2,385,236,246
Accounts Payable	\$ 3,932,009	\$ 4,431,279	\$ 570,017	\$ 354,662	\$ 2,273,300	\$ 1,155,732	\$ 1,084,079	\$ 2,394,593	16,195,671
Accrued Interest Payable	-	30,973	-	78,096	2,348	-	-	-	111,417
Salary and Payroll Taxes Payable	1,704,010	1,383,780	1,085,352	2,382,143	1,384,294	4,289,047	1,124,680	354,541	13,707,847
Retainage Payable	1,713,720	1,348,388	96,580	757,606	404,090	64,128	-	27,477	4,411,989
Due to Other Governmental Agencies	15,213	-	-	-	1,830	18,441	4,588	400,250	440,322
Due to Component Unit/College	-	263,069	-	-	-	928	52,608	-	316,605
Unearned Revenue	2,046,275	317,363	1,360	63,558	1,396,160	5,373,437	6,018,689	178,682	15,395,524
Estimated Insurance Claims Payable	4,613,225	-	-	-	1,300,807	-	-	-	5,914,032

Deposits Held for Others	3,943,652	130,295	-	1,059,581	5,803,709	65,261,683	250,779	1,029,291	77,478,990
Bonds Payable	1,415,000	1,454,073	329,000	1,249,000	1,660,000	706,000	342,000	770,000	7,925,073
Notes and Loans Payable	2,142,857	-	267,471	1,296,498	187,770	-	-	613,506	4,508,102
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	1,221,674	-	-	387,299	1,608,973
Special Termination Benefits Payable	-	111,713	-	288,539	-	-	-	375,614	775,866
Compensated Absences Payable	1,551,076	165,361	137,456	774,310	1,187,080	709,435	157,009	722,351	5,404,078
FRS Net Pension Liability	-	-	-	-	-	-	-	-	-
HIS Net Pension Liability	1,005,229	-	-	698,807	1,232,924	760,466	440,950	447,831	4,586,207
Other Long-Term Liabilities	266,667	-	-	203,830	-	-	50,000	-	520,497
Total Current Liabilities	24,348,933	9,636,294	2,487,236	9,206,630	18,055,986	78,339,297	9,525,382	7,701,435	159,301,193
Bonds Payable	\$ 13,208,000	\$ 36,288,632	\$ 4,600,000	\$ 15,238,000	\$ 21,445,000	\$ 8,960,000	\$ 3,899,000	\$ 11,190,000	114,828,632
Notes and Loans Payable	10,714,286	1,100,000	1,489,317	992,732	326,308	-	-	6,211,052	20,833,695
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	3,294,932	-	-	333,988	3,628,920
Special Termination Benefits Payable	-	148,671	-	865,616	-	-	-	541,614	1,555,901
Compensated Absences Payable	13,180,425	4,275,795	2,402,337	8,783,292	10,683,716	7,919,539	5,860,310	3,998,894	57,104,308
FRS Net Pension Liability	27,348,216	9,697,180	5,542,216	18,493,440	23,449,527	12,546,757	12,172,830	13,061,604	122,311,770
HIS Net Pension Liability	26,383,057	10,914,261	5,785,214	18,340,767	22,527,391	10,411,838	11,573,084	11,753,698	117,689,310
Other Postemployment Benefits Payable	4,927,205	238,139	396,322	684,914	5,267,540	511,271	888,517	3,001,912	15,915,820
Other Long-Term Liabilities	2,138,889	3,571,085	-	-	-	21,581,855	400,000	-	27,691,829
Total Noncurrent Liabilities	97,900,078	66,233,763	20,215,406	63,398,761	86,994,414	61,931,260	34,793,741	50,092,762	481,560,185
Total Liabilities	122,249,011	75,870,057	22,702,642	72,605,391	105,050,400	140,270,557	44,319,123	57,794,197	640,861,378
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflow Related to Service Concession	-	-	-	-	-	-	-	-	-
Deferred Inflows of Resources - Pension FRS	16,811,711	5,961,177	3,487,590	4,854,532	6,155,506	8,204,666	4,108,738	9,001,465	58,585,385
Deferred Inflows of Resources - Pension HIS	-	-	100,644	-	-	170,207	766,862	1,674,076	2,711,789
Accumulated Increase in Fair Value of Securities	-	-	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	16,811,711	5,961,177	3,588,234	4,854,532	6,155,506	8,374,873	4,875,600	10,675,541	61,297,174
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	139,060,722	81,831,234	26,290,876	77,459,923	111,205,906	148,645,430	49,194,723	68,469,738	702,158,552
Invested in Capital Assets, Net of Related Debt	191,055,711	132,276,026	84,886,045	217,024,753	246,283,438	87,472,966	174,122,385	113,761,905	1,246,883,229
Restricted for Endowment-Nonexpendable	40,213,482	19,842,013	14,178,628	18,270,602	26,660,356	26,248,759	6,876,221	5,217,354	157,507,415
Restricted for Endowment-Expendable	-	-	-	-	-	-	-	-	-
Grants and Loans	6,421,699	1,412,835	1,132,833	1,888,700	35,485,793	2,273,118	968,190	693,611	50,276,779
Scholarships	24,458,088	1,243,327	14,168,313	13,222,757	147,531	1,593,676	11,645,281	7,545,131	74,024,104
Capital Projects	27,308,360	16,386,104	17,573,426	29,269,653	15,969,076	24,592,692	28,671,870	8,029,466	167,800,647
Restricted for Debt Service	27,813	1,806,081	1,677	43,743	326,729	681	22,183	851,310	3,080,217
Other	1,126,304	25,854,814	-	-	2,368,888	2,210,048	-	-	31,560,054
Unrestricted	\$ 4,968,638	\$ (235,958)	\$ 214,706	\$ (10,954,774)	\$ (34,187,544)	\$ 11,972,150	\$ (7,379,218)	\$ (12,452,751)	(48,054,751)
Total Net Position	295,580,095	198,585,242	132,155,628	268,765,434	293,054,267	156,364,090	214,926,912	123,646,026	1,683,077,694
Total Liabilities, Deferred Inflows, and Net Position	434,640,817	280,416,476	158,446,504	346,225,357	404,260,173	305,009,520	264,121,635	192,115,764	2,385,236,246

Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2016

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	ST PETERSBURG COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Student Tuition and Fees	\$ 45,322,500	\$ 15,186,524	\$ 5,211,872	\$ 40,763,041	\$ 42,296,978	\$ 26,707,250	\$ 23,568,303	\$ 17,146,097	216,202,565
Federal Grants and Contracts	12,268,859	1,119,308	2,363,822	5,212,403	412,391	3,520,389	2,960,531	9,855,986	37,713,689
State and Local Grants and Contracts	2,727,546	-	576,564	972,514	1,562,940	730,027	877,879	6,153,575	13,601,045
Nongovernmental Grants and Contracts	10,425,913	-	1,266,151	8,292,517	870,565	595,373	1,496,180	932,445	23,879,144
Sales and Services of Educational Departments	-	562,340	746,430	606,901	2,974,251	1,208,665	54,736	-	6,153,323
Auxiliary Enterprises	7,100,574	4,424,551	1,649,034	1,669,320	3,432,144	1,690,907	2,178,631	4,454,396	26,599,557
Other Operating Revenues	9,374,268	2,765,150	25,754	2,946,171	4,123,770	969,139	3,150,218	3,346,236	26,700,706
Total Operating Revenues	87,219,660	24,057,873	11,839,627	60,462,867	55,673,039	35,421,750	34,286,478	41,888,735	350,850,029
Personnel Services	146,287,698	57,056,891	26,767,032	98,900,663	130,073,059	58,921,061	64,244,898	52,182,818	634,434,120
Scholarships and Waivers	54,705,529	7,700,239	4,595,266	29,808,683	37,019,129	17,000,943	18,860,244	14,842,683	184,532,716
Utilities and Communications	4,577,037	2,764,524	1,943,087	3,014,403	6,154,317	2,294,439	2,669,798	2,078,718	25,496,323
Contractual Services	22,096,888	8,036,553	3,049,687	11,083,951	14,681,367	6,652,092	4,006,667	18,294,066	87,901,271
Other Services and Expenses	25,479,195	8,746,298	2,600,815	10,226,391	10,806,076	5,119,688	8,383,246	6,908,868	78,270,577
Materials and Supplies	20,522,348	4,680,145	5,488,107	9,046,621	16,179,870	7,075,727	8,183,214	5,629,882	76,805,914
Depreciation	10,194,304	6,253,106	4,231,072	11,216,558	11,118,941	5,623,757	6,496,982	4,123,455	59,258,175
Total Operating Expenses	283,862,999	95,237,756	48,675,066	173,297,270	226,032,759	102,687,707	112,845,049	104,060,490	1,146,699,096
Total Operating Loss	(196,643,339)	(71,179,883)	(36,835,439)	(112,834,403)	(170,359,720)	(67,265,957)	(78,558,571)	(62,171,755)	(795,849,067)
State Noncapital Appropriations	89,825,973	36,264,664	22,240,049	58,239,334	71,683,251	37,845,493	44,123,288	33,952,679	394,174,731
Federal and State Student Financial Aid	100,927,942	23,944,185	9,396,594	47,572,740	57,348,703	22,725,759	28,664,856	25,509,267	316,090,046
Gifts and Grants	2,293,378	12,408,309	617,392	1,440,703	17,354,211	2,006,356	961,384	241,925	37,323,658
Investment Income	(2,672,496)	(486,434)	167,033	1,634,757	(2,521,148)	850,725	453,093	(537,163)	(3,111,633)
Net Gain (Loss) on Investments	343,330	12,575	-	-	-	15,587	(364,379)	-	7,113
Other Nonoperating Revenues	1,166,681	708,530	-	-	14,026	(2,250)	4,107,765	16,304	6,011,056
Loss on Disposal of Capital Assets	39,753	(1,739)	-	46,956	359,900	-	(8,214)	-	436,656
Interest on Capital Asset-Related Debt	(952,740)	(1,511,099)	(239,384)	(685,683)	(1,265,323)	(481,212)	(220,148)	(772,114)	(6,127,703)
Other Nonoperating Expenses	-	(1,748,221)	(1,130,600)	-	-	-	-	9,919	(2,868,902)
Net Nonoperating Revenues (Expenses)	190,971,821	69,590,770	31,051,084	108,248,807	142,973,620	62,960,458	77,717,645	58,420,817	741,935,022
Loss Before Other Revenues, Expenditures, Gains or Losses	(5,671,518)	(1,589,113)	(5,784,355)	(4,585,596)	(27,386,100)	(4,305,499)	(840,926)	(3,750,938)	(53,914,045)
State Capital Appropriations	1,857,495	997,226	243,642	1,640,345	2,313,271	1,177,249	12,590,429	1,112,639	21,932,296
Capital Grants, Contracts, Gifts, and Fees	12,088,293	4,436,978	1,124,537	6,191,554	8,564,381	4,705,540	3,159,248	3,320,919	43,591,450
Additions to Endowments	17,635	-	-	-	239,130	2,330,192	-	-	2,586,957
Other Revenues	-	71,920	140,663	-	-	-	-	-	212,583
Total Other Revenues	13,963,423	5,506,124	1,508,842	7,831,899	11,116,782	8,212,981	15,749,677	4,433,558	68,323,286
Total Increase (Decrease) in Net Assets	8,291,905	3,917,011	(4,275,513)	3,246,303	(16,269,318)	3,907,482	14,908,751	682,620	14,409,241
Net Assets, Beginning of Year	287,288,190	194,668,231	136,431,141	265,519,131	309,323,584	152,456,610	200,018,162	122,963,406	1,668,668,455
Ending Net Assets	295,580,095	198,585,242	132,155,628	268,765,434	293,054,266	156,364,092	214,926,913	123,646,026	1,683,077,696

Statement of Net Position for the Fiscal Year Ended June 30, 2015

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	ST PETERSBURG COLLEGE	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Cash and Cash Equivalents	6,770,006	7,286,004	23,786,258	27,787,533	36,141,821	15,122,056	19,517,479	22,992,622	159,403,779
Restricted Cash and Cash Equivalents	4,019,098	2,786,009	-	102,739	70,202,885	2,277,496	14,119,410	4,009,771	97,517,408
Investments	50,112	7,223,214	-	11,991,092	998,985	-	32,212,747	3,447,480	55,923,630
Restricted Investments	-	4,581,810	-	-	3,424,196	-	-	-	8,006,006
Accounts Receivable, Net	4,165,845	3,621,318	1,499,563	3,151,366	4,113,659	3,945,464	2,009,489	2,376,405	24,883,109
Notes Receivable, Net	747,838	170,474	62,229	-	4,436	13,665	-	12,862	1,011,504
Due from Other Governmental Agencies	13,041,563	10,176,902	5,323,793	8,912,022	10,465,499	3,350,192	10,785,021	6,788,438	68,843,430
Due from Component Unit/College	824,959	-	109,115	26,947	79,156	202,902	97,568	-	1,340,647
Inventories	23,854	-	1,369,928	19,592	96,634	-	162,014	10,486	1,682,508
Prepaid Expenses	40,060	1,337,169	339,729	1,504,838	62,341	163,503	156,080	11,863	3,615,583
Deposits	472,820	-	-	-	5,000	19,856	-	-	497,676
Other Assets	-	5,071,900	50,838	44,667	-	4,389	1,182	-	5,172,976
Total Current Assets	30,156,155	42,254,800	32,541,453	53,540,796	125,594,612	25,099,523	79,060,990	39,649,927	427,898,256
Restricted Cash and Cash Equivalents	1,260,300	15,466,316	32,022,898	30,431,151	13,658,457	17,480,405	6,841,223	7,536,667	124,697,417
Investments	124,189,968	8,305,630	-	19,554,167	7,807,456	932,385	6,596,706	69,843	167,456,155
Restricted Investments	25,802,711	43,277,363	465,859	54,254	42,550,065	14,591,886	34,535,620	9,929,989	171,207,747
Loans and Notes Receivable, Net	-	-	-	-	-	-	1,075,187	-	1,075,187
Depreciable Capital Assets, Net	188,364,330	144,533,676	88,759,831	219,748,702	84,685,733	144,226,933	251,579,774	112,060,612	1,233,959,591
Nondepreciable Capital Assets	33,971,699	6,396,981	4,037,152	12,355,309	13,668,524	34,238,095	26,918,353	15,272,227	146,858,340
Other Assets	-	4,172,238	-	-	4,709,257	1,947,706	54,250	838,360	11,721,811
Total Noncurrent Assets	373,589,008	222,152,204	125,285,740	282,143,583	167,079,492	213,417,410	327,601,113	145,707,698	1,856,976,248
Total Assets	403,745,163	264,407,004	157,827,193	335,684,379	292,674,104	238,516,933	406,662,103	185,357,625	2,284,874,504
Deferred Outflow Related to Service Concession	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Pension FRS	10,270,423	3,199,254	2,064,499	7,140,418	4,992,868	4,782,498	9,086,340	3,755,158	45,291,458
Deferred Outflows of Resources - Pension HIS	2,335,065	885,223	450,101	1,528,882	795,569	877,123	1,874,960	892,219	9,639,142
Accumulated Decrease in Fair Value of Securities	-	1,228,135	-	-	-	-	-	-	1,228,135
Total Deferred Outflow of Resources	12,605,488	5,312,612	2,514,600	8,669,300	5,788,437	5,659,621	10,961,300	4,647,377	56,158,735
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	403,745,163	269,719,616	157,827,193	335,684,379	292,674,104	238,516,933	406,662,103	185,357,625	2,341,033,239
Accounts Payable	3,567,639	2,905,242	439,359	635,891	1,716,089	1,184,375	2,399,035	2,002,312	14,849,942
Accrued Interest Payable	-	27,937	-	-	-	-	-	-	27,937
Salary and Payroll Taxes Payable	1,407,838	1,520,394	578,216	2,699,879	4,433,549	1,562,489	1,106,641	424,429	13,733,435
Retainage Payable	1,314,581	17,995	25,429	66,524	136,496	125,044	497,705	46,461	2,230,235
Due to Other Governmental Agencies	782,652	3,589	-	-	470	2,622	-	-	789,333
Due to Component Unit/College	-	319,598	-	-	3,033	202,902	-	-	525,533
Deferred Revenue	2,116,703	406,605	-	8,251	5,221,785	39,148	961,494	143,413	8,897,399

Estimated Insurance Claims Payable	6,238,843	-	-	-	-	-	1,502,227	-	7,741,070
Deposits Held for Others	2,983,106	158,380	-	1,355,732	67,559,546	375,416	6,779,949	841,634	80,053,763
Bonds Payable	1,336,000	1,404,936	239,000	1,195,000	725,000	394,000	1,585,000	876,000	7,754,936
Notes and Loans Payable	2,142,857	1,100,000	264,723	1,285,536	-	-	187,770	449,664	5,430,550
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	170,913	1,184,464	364,793	1,720,170
Special Termination Benefits Payable	-	57,712	-	-	-	-	-	381,542	439,254
Compensated Absences Payable	1,727,237	160,650	56,533	591,922	877,709	150,287	1,152,485	767,839	5,484,662
FRS Net Pension Liability	-	-	-	-	-	-	-	-	-
HIS Net Pension Liability	1,026,581	-	182,130	-	418,766	433,590	890,595	404,805	3,356,467
Other Long-Term Liabilities	66,667	-	-	506,450	-	100,000	-	-	673,117
Total Current Liabilities	24,710,704	8,083,038	1,785,390	8,345,185	81,092,443	4,740,786	18,247,365	6,702,892	153,707,803
Bonds Payable	14,623,000	37,689,172	5,125,000	16,487,000	9,666,000	4,241,000	23,105,000	11,960,000	122,896,172
Notes and Loans Payable	12,857,143	-	1,756,787	2,289,231	-		514,078	5,454,309	22,871,548
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	-	1,433,225	721,287	2,154,512
Special Termination Benefits Payable	-	107,300	-	1,084,540	-	-	-	577,227	1,769,067
Compensated Absences Payable	14,024,629	3,796,570	2,433,732	9,311,430	7,754,443	5,530,542	10,372,362	5,254,968	58,478,676
FRS Net Pension Liability	12,341,886	4,263,638	2,655,540	8,590,523	6,155,532	6,174,870	10,822,992	6,622,032	57,627,013
HIS Net Pension Liability	22,194,324	9,483,528	5,243,189	17,291,913	10,029,414	11,401,124	20,588,923	11,653,625	107,886,040
Other Postemployment Benefits Payable	4,353,151	214,460	307,755	572,703	519,573	784,313	4,491,568	2,768,993	14,012,516
Other Long-Term Liabilities	1,805,557	4,037,376	-	-	20,199,644	500,000	-	-	26,542,577
Total Noncurrent Liabilities	82,199,690	59,592,044	17,522,003	55,627,340	54,324,606	28,631,849	71,328,148	45,012,441	414,238,121
Total Liabilities	106,910,394	67,675,082	19,307,393	63,972,525	135,417,049	33,372,635	89,575,513	51,715,333	567,945,924
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflow Related to Service Concession	800,000	-	-	-	-	-	-	-	800,000
Deferred Inflows of Resources - Pension FRS	21,352,067	7,376,303	4,594,215	14,862,025	10,649,373	10,682,827	18,724,306	11,456,440	99,697,556
Deferred Inflows of Resources - Pension HIS	-	-	-	-	(60,492)	102,931	-	1,133,331	1,175,770
Accumulated Increase in Fair Value of Securities	-	-	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	22,152,067	7,376,303	4,594,215	14,862,025	10,588,881	10,785,758	18,724,306	12,589,771	101,673,326
Invested in Capital Assets, Net of Related Debt	206,377,029	115,707,599	87,135,290	210,847,244	87,763,257	173,067,010	250,488,589	108,010,785	1,239,396,803
Restricted for Endowment-Nonexpendable	37,724,565	19,549,048	14,643,791	18,198,492	24,562,076	6,258,985	27,430,633	4,919,475	153,287,065
Restricted for Endowment-Expendable	-	27,871,457	-	-	-	-	-	-	27,871,457
Grants and Loans	6,425,856	1,700,102	1,030,097	1,641,592	2,515,945	1,200,089	29,707,017	2,730,567	46,951,265
Scholarships	28,539,417	1,181,195	14,630,358	12,904,189	1,287,201	11,155,622	9,992,007	8,435,568	88,125,557
Capital Projects	20,446,352	26,390,139	17,363,001	37,731,926	23,194,184	19,107,673	18,915,456	14,856,683	178,005,414
Restricted for Debt Service	48,911	1,810,588	7,076	56,430	4,056,293	27,253	337,198	846,904	7,190,653
Other	751,377	-	1,723,531	-	-	-	-	-	2,474,908
Unrestricted	(13,025,317)	458,103	(92,959)	(15,860,744)	9,077,655	(10,798,471)	(27,547,317)	(14,100,084)	(71,889,134)
Total Net Position	287,288,190	194,668,231	136,440,185	265,519,129	152,456,611	200,018,161	309,323,583	125,699,898	1,671,413,988
Total Liabilities, Deferred Inflows, and Net Position	416,350,651	269,719,616	160,341,793	344,353,679	298,462,541	244,176,554	417,623,402	190,005,002	2,341,033,238

Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2015

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	ST PETERSBURG COLLEGE	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Student Tuition and Fees	40,258,878	18,551,715	4,749,343	41,524,086	25,864,032	23,789,638	42,194,636	16,869,593	213,801,921
Federal Grants and Contracts	8,869,445	1,379,952	2,198,562	4,691,339	2,762,874	2,618,793	517,317	16,429,992	39,468,274
State and Local Grants and Contracts	2,267,737	-	729,696	1,116,358	647,764	1,216,271	1,746,981	7,087,851	14,812,658
Nongovernmental Grants and Contracts	8,514,150	6,778,498	1,241,179	6,383,015	835,469	1,460,527	1,000,593	1,097,119	27,310,550
Sales and Services of Educational Departments	-	586,341	831,557	580,903	1,424,813	47,082	3,070,554	-	6,541,250
Auxiliary Enterprises	6,866,555	4,085,159	1,474,567	1,262,130	1,100,652	2,359,114	3,434,449	5,116,009	25,698,635
Other Operating Revenues	8,345,567	(107,541)	271,283	3,961,540	1,116,896	2,992,483	3,721,212	2,078,862	22,380,302
Total Operating Revenues	75,122,332	31,274,124	11,496,187	59,519,371	33,752,500	34,483,908	55,685,742	48,679,426	350,013,590
Personnel Services	147,771,307	55,649,263	25,495,557	96,362,918	59,095,669	62,648,071	125,970,610	56,922,707	629,916,102
Scholarships and Waivers	60,031,524	17,405,983	5,189,336	30,344,433	19,070,316	22,294,860	38,065,889	17,895,580	210,297,921
Utilities and Communications	5,608,693	2,790,480	1,985,038	3,169,808	2,398,453	2,718,414	6,536,432	2,283,069	27,490,387
Contractual Services	19,428,322	9,022,444	3,518,014	11,774,699	6,494,968	3,443,642	12,658,008	15,498,499	81,838,596
Other Services and Expenses	22,857,151	6,399,502	2,635,191	9,096,320	4,913,965	8,349,205	10,869,084	5,859,154	70,979,572
Materials and Supplies	26,053,758	4,249,388	6,156,347	8,293,498	7,848,294	8,607,295	15,891,213	7,805,572	84,905,365
Depreciation	10,089,713	6,155,539	4,379,583	11,330,507	6,236,277	6,462,775	10,651,353	5,240,888	60,546,635
Total Operating Expenses	291,840,468	101,672,599	49,359,066	170,372,183	106,057,942	114,524,262	220,642,589	111,505,469	1,165,974,578
Total Operating Loss	(216,718,136)	(70,398,475)	(37,862,879)	(110,852,812)	(72,305,442)	(80,040,354)	(164,956,847)	(62,826,043)	(815,960,988)
State Noncapital Appropriations	86,831,353	35,609,665	21,630,792	57,051,399	36,078,418	39,001,370	69,507,154	31,676,762	377,386,913
Federal and State Student Financial Aid	103,558,199	27,039,769	11,390,525	47,260,644	25,652,848	33,602,208	61,228,292	29,216,207	338,948,692
Gifts and Grants	2,314,625	5,829,944	1,010,237	1,403,182	1,920,419	537,299	15,414,786	182,037	28,612,529
Investment Income	2,865,009	2,507,428	1,351,091	1,945,158	2,807,092	420,863	3,699,048	173,912	15,769,601
Net Gain (Loss) on Investments	-	(91,756)	-	-	-	(58,089)	-	-	(149,845)
Other Nonoperating Revenues	457,378	160,475	-	-	-	21,241	29,603	19,074	687,771
Loss on Disposal of Capital Assets	104,711	(422,725)	8,449,514	110,085	14,788	-	34,001	-	8,290,374
Interest on Capital Asset-Related Debt	(763,650)	(1,820,503)	(249,128)	(688,537)	(515,225)	(239,976)	(1,250,670)	(1,029,152)	(6,556,841)
Other Nonoperating Expenses	(3,717,078)	(492,706)	(1,304,174)	-	(1,154)	-	-	(844,556)	(6,359,668)
Net Nonoperating Revenues (Expenses)	191,650,547	68,319,591	42,278,857	107,081,931	65,957,186	73,284,916	148,662,214	59,394,284	756,629,526
Loss Before Other Revenues, Expenditures, Gains or Losses	(25,067,589)	(2,078,884)	4,415,978	(3,770,881)	(6,348,256)	(6,755,438)	(16,294,633)	(3,431,759)	(59,331,462)
State Capital Appropriations	5,040,495	7,536,811	5,183,140	7,404,045	9,095,598	6,705,205	4,433,484	939,843	46,338,621
Capital Grants, Contracts, Gifts, and Fees	9,974,499	3,677,679	1,200,230	5,081,853	4,411,364	3,343,237	7,764,186	4,812,488	40,265,536
Additions to Endowments	24,519	605,317	-	-	598,730	-	330,180	-	1,558,746
Other Revenues	-	549,382	-	-	-	-	-	-	549,382
Total Other Revenues	15,039,513	12,369,189	6,383,370	12,485,898	14,105,692	10,048,442	12,527,850	5,752,331	88,712,285
Total Increase (Decrease) in Net Assets	(10,028,076)	10,290,305	10,799,348	8,715,017	7,757,436	3,293,004	(3,766,783)	2,320,572	29,380,823
Net Assets, Beginning of Year	297,316,266	184,377,926	125,640,837	256,804,114	144,699,175	196,725,157	313,090,367	123,379,326	1,642,033,168
Ending Net Assets	287,288,190	194,668,231	136,440,185	265,519,131	152,456,611	200,018,161	309,323,584	125,699,898	1,671,413,991

Statement of Net Position for the Fiscal Year Ended June 30, 2014

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	ST PETERSBURG COLLEGE	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Cash and Cash Equivalents	29,458,935	6,229,151	7,021,482	22,180,534	35,535,406	16,298,154	16,953,669	15,866,173	149,543,504
Restricted Cash and Cash Equivalents	2,024,997	2,796,022	1,196,307	79,240	76,492,812	1,443,194	16,366,184	4,493,686	104,892,442
Investments	-	6,177,257	-	-	1,125,952	-	-	562,664	7,865,873
Restricted Investments	-	4,546,531	-	-	3,666,888	-	-	-	8,213,419
Accounts Receivable, Net	4,961,639	5,057,739	1,164,998	2,768,969	3,819,461	3,379,995	2,382,182	1,854,656	25,389,639
Notes Receivable, Net	403,672	181,884	58,887	-	7,639	44,916	-	47,200	744,198
Due from Other Governmental Agencies	12,656,865	6,331,870	578,440	3,626,519	2,208,518	3,691,392	9,021,023	7,682,994	45,797,621
Due from Component Unit/College	341,189	-	94,877	23,797	131,966	83,342	128,563	-	803,734
Inventories	4,389,465	-	1,225,378	53,698	68,083	-	166,229	49,412	5,952,265
Prepaid Expenses	85,560	1,144,303	352,288	1,476,029	90,488	126,613	108,750	3,166	3,387,197
Deposits	606,820	-	-	1,443,612	-	21,870	636	-	2,072,938
Other Assets	-	-	23,524	-	-	-	-	-	23,524
Total Current Assets	54,929,142	32,464,757	11,716,181	31,652,398	123,147,213	25,089,476	45,127,236	30,559,951	354,686,354
Restricted Cash and Cash Equivalents	19,711,637	13,341,444	9,270,391	31,756,427	15,100,586	12,690,140	12,847,348	9,720,203	124,438,176
Investments	30,968,568	5,408,869	-	1,329,231	7,203,210	-	8,102,112	-	53,011,990
Restricted Investments	19,422,658	1,991,457	476,861	74,997	12,124,726	33,594	11,756,591	112,217	45,993,101
Loans and Notes Receivable, Net	-	-	-	-	-	-	-	-	-
Depreciable Capital Assets, Net	170,764,735	148,621,549	92,269,768	224,152,349	82,010,528	150,348,589	245,796,218	109,447,771	1,223,411,507
Nondepreciable Capital Assets	32,665,199	5,859,684	3,899,258	10,709,737	5,274,999	32,704,556	30,474,513	11,256,557	132,844,503
Other Assets	-	-	-	-	4,709,257	-	-	-	4,709,257
Total Noncurrent Assets	273,532,797	175,223,003	105,916,278	268,022,741	126,423,306	195,776,879	308,976,782	130,536,748	1,584,408,534
Total Assets	328,461,939	207,687,760	117,632,459	299,675,139	249,570,519	220,866,355	354,104,018	161,096,699	1,939,094,888
Deferred Outflow Related to Service Concession	-	-	-	-	-	-	-	-	-
Accumulated Decrease in Fair Value of Securities	-	1,516,563	-	-	-	-	-	-	1,516,563
Total Deferred Outflow of Resources	-	1,516,563	-	-	-	-	-	-	1,516,563
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	328,461,939	209,204,323	117,632,459	299,675,139	249,570,519	220,866,355	354,104,018	161,096,699	1,940,611,451
Accounts Payable	3,181,963	2,778,629	540,787	365,699	974,870	862,249	2,309,076	65,687	11,078,960
Accrued Interest Payable	-	28,286	98,241	-	-	-	-	-	126,527
Salary and Payroll Taxes Payable	2,812,568	1,232,955	168,752	2,336,012	4,209,974	2,676,422	955,544	480,845	14,873,072
Retainage Payable	1,108,159	138,991	-	67,946	93,186	27,364	260,061	36,140	1,731,847
Due to Other Governmental Agencies	645,638	2,365	-	-	7,974	3,253	-	-	659,230
Due to Component Unit/College	-	406,524	-	-	6,172	3,482	-	-	416,178
Deferred Revenue	3,333,937	563,254	-	42,617	4,795,642	18,095	1,328,105	87,280	10,168,930
Estimated Insurance Claims Payable	7,978,718	-	-	-	-	-	1,205,318	-	9,184,036
Deposits Held for Others	2,905,324	158,605	-	1,129,461	76,727,469	283,967	7,652,408	1,415,564	90,272,798
Bonds Payable	1,295,000	1,343,990	375,000	992,000	860,000	440,000	1,515,000	780,000	7,600,990
Notes and Loans Payable	-	-	262,040	1,274,769	-	-	187,770	-	1,724,579
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	166,013	1,039,208	315,234	1,520,455
Special Termination Benefits Payable	-	129,560	-	-	-	3,004,983	-	263,150	3,397,693
Compensated Absences Payable	978,043	33,445	75,464	659,275	877,305	162,092	1,113,495	638,091	4,537,210
Other Long-Term Liabilities	-	-	-	-	-	-	-	-	-

Total Current Liabilities	24,239,350	6,816,604	1,520,284	6,867,779	88,552,592	7,647,920	17,565,985	4,081,991	157,292,505
Bonds Payable	16,095,000	38,848,118	5,375,000	17,759,000	10,395,000	4,645,000	24,690,000	12,850,000	130,657,118
Notes and Loans Payable	-	-	2,021,574	3,574,767	-	-	701,848	-	6,298,189
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	170,913	1,784,517	1,086,080	3,041,510
Special Termination Benefits Payable	-	149,935	-	1,222,373	-	-	-	630,109	2,002,417
Compensated Absences Payable	14,582,879	3,925,939	2,292,459	9,338,331	7,799,685	4,871,664	10,021,455	4,427,988	57,260,400
Other Postemployment Benefits Payable	3,762,126	179,240	230,380	470,878	489,667	636,701	3,779,000	2,523,313	12,071,305
Other Long-Term Liabilities	-	1,538,254	-	-	16,824,480	-	-	-	18,362,734
Total Noncurrent Liabilities	34,440,005	44,641,486	9,919,413	32,365,349	35,508,832	10,324,278	40,976,820	21,517,490	229,693,673
Total Liabilities	58,679,355	51,458,090	11,439,697	39,233,128	124,061,424	17,972,198	58,542,805	25,599,481	386,986,178
DEFERRED INFLOWS OF RESOURCES									
Deferred Inflow Related to Service Concession	-	-	-	-	-	-	-	-	-
Accumulated Increase in Fair Value of Securities	-	-	-	234,000	-	-	-	-	234,000
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	234,000	-	-	-	-	234,000
Invested in Capital Assets, Net of Related Debt	186,422,254	118,240,144	90,419,026	211,027,550	76,030,528	177,631,219	246,352,388	106,198,014	1,212,321,123
Restricted for Endowment-Nonexpendable	1,030,917	818,849	-	-	-	-	-	-	1,849,766
Restricted for Endowment-Expendable	-	-	-	-	-	-	-	-	-
Grants and Loans	6,946,938	1,807,029	1,038,714	1,605,375	2,517,529	1,286,042	7,362,138	4,383,852	26,947,617
Scholarships	783,568	2,151,453	42,028	1,123,272	-	644,495	185,801	610,487	5,541,104
Capital Projects	43,706,419	19,686,419	5,304,099	33,502,891	16,522,828	14,883,590	28,906,641	16,317,241	178,830,128
Restricted for Debt Service	19,319	1,814,739	9,980	1,494,274	9,503	33,594	345,425	844,182	4,571,016
Other	-	-	-	-	-	-	-	-	-
Unrestricted	30,873,169	13,227,600	9,378,915	11,454,649	30,428,707	8,415,217	12,408,820	7,143,442	123,330,519
Total Net Position	269,782,584	157,746,233	106,192,762	260,208,011	125,509,095	202,894,157	295,561,213	135,497,218	1,553,391,273
Total Liabilities and Net Position	328,461,939	209,204,323	117,632,459	299,675,139	249,570,519	220,866,355	354,104,018	161,096,699	1,940,611,451

Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2014

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	ST PETERSBURG COLLEGE	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Student Tuition and Fees	38,999,258	16,716,433	4,903,655	39,543,700	24,040,700	23,962,421	41,190,682	17,269,666	206,626,515
Federal Grants and Contracts	5,544,516	1,270,355	2,796,786	4,535,570	2,896,462	3,043,305	756,608	17,403,590	38,247,192
State and Local Grants and Contracts	2,342,381	-	487,393	1,759,319	529,955	339,641	1,836,111	5,448,850	12,743,650
Nongovernmental Grants and Contracts	9,434,093	610,347	449,755	6,063,466	183,748	932,976	681,140	1,110,927	19,466,452
Sales and Services of Educational Departments	-	571,709	755,364	644,297	1,102,836	48,637	3,216,469	-	6,339,312
Auxiliary Enterprises	13,898,358	3,283,963	1,483,065	1,210,183	1,015,837	1,715,419	3,336,071	5,293,250	31,236,146
Other Operating Revenues	2,554,279	320,478	593,274	2,218,021	552,058	98,366	104,566	406,068	6,847,110
Total Operating Revenues	72,772,885	22,773,285	11,469,292	55,974,556	30,321,596	30,140,765	51,121,647	46,932,351	321,506,377
Personnel Services	147,510,813	53,746,659	25,104,341	94,336,605	59,321,997	67,931,326	124,302,356	59,591,996	631,846,093
Scholarships and Waivers	47,165,427	7,373,627	4,653,786	26,849,580	18,079,635	21,215,180	32,660,896	19,181,338	177,179,469
Utilities and Communications	4,793,577	2,840,661	1,839,470	3,209,522	2,478,520	2,609,861	6,327,450	2,091,795	26,190,856
Contractual Services	21,747,912	7,638,425	5,374,387	12,262,516	6,376,315	2,805,687	12,029,801	15,652,240	83,887,283
Other Services and Expenses	12,235,596	6,407,633	1,637,520	7,366,677	4,693,599	8,642,010	8,658,650	5,996,083	55,637,768
Materials and Supplies	40,581,425	5,105,660	6,787,519	8,357,522	8,400,894	5,811,169	13,797,055	8,224,679	97,065,923
Depreciation	9,212,923	7,114,409	4,262,423	10,988,439	6,920,446	6,566,464	10,196,810	6,013,303	61,275,217
Total Operating Expenses	283,247,673	90,227,074	49,659,446	163,370,861	106,271,406	115,581,697	207,973,018	116,751,434	1,133,082,609
Total Operating Loss	(210,474,788)	(67,453,789)	(38,190,154)	(107,396,305)	(75,949,810)	(85,440,932)	(156,851,371)	(69,819,083)	(811,576,232)
State Noncapital Appropriations	82,335,347	34,345,365	21,773,593	53,807,426	35,452,128	37,336,172	67,506,879	29,771,375	362,328,285
Federal and State Student Financial Aid	105,938,687	26,962,122	11,976,532	48,142,933	-	36,224,280	58,909,426	31,020,720	319,174,700
Gifts and Grants	-	4,242,804	-	1,175,099	29,730,231	319,650	13,691,864	2,874,107	52,033,755
Investment Income	1,356,480	650,363	71,835	484,379	851,669	44,313	434,208	8,434	3,901,681
Net Gain (Loss) on Investments	1,492,151	(121,942)	-	402,248	-	-	311,709	-	2,084,166
Other Nonoperating Revenues	118,471	9,693	-	1,246,000	(36,873)	9,549	-	-	1,346,840
Loss on Disposal of Capital Assets	-	11,333	-	66,876	11,839	-	-	-	90,048
Interest on Capital Asset-Related Debt	(833,591)	(1,322,917)	(160,155)	(785,433)	(554,925)	(271,186)	(1,308,596)	(700,432)	(5,937,235)
Other Nonoperating Expenses	-	(135,073)	-	-	-	-	(3,468)	(872,057)	(1,010,598)
Net Nonoperating Revenues (Expenses)	190,407,545	64,641,748	33,661,805	104,539,528	65,454,069	73,662,778	139,542,022	62,102,147	734,011,642
Loss Before Other Revenues, Expenditures, Gains or Losses	(20,067,243)	(2,812,041)	(4,528,349)	(2,856,777)	(10,495,741)	(11,778,154)	(17,309,349)	(7,716,936)	(77,564,590)
State Capital Appropriations	3,237,168	4,864,478	1,234,112	2,786,682	1,780,942	8,946,165	4,637,615	1,771,869	29,259,031
Capital Grants, Contracts, Gifts, and Fees	10,224,127	66,186	1,271,514	5,000,270	5,181,273	3,554,114	6,922,587	3,461,029	35,681,100
Additions to Endowments	18,927	-	-	-	-	-	-	-	18,927
Other Reveues	-	575,225	-	-	-	-	22,031	-	597,256
Total Other Revenues	13,480,222	5,505,889	2,505,626	7,786,952	6,962,215	12,500,279	11,582,233	5,232,898	65,556,314
Total Increase (Decrease) in Net Assets	(6,587,021)	2,693,848	(2,022,723)	4,930,175	(3,533,526)	722,125	(5,727,116)	(2,484,038)	(12,008,276)
Net Assets, Beginning of Year	276,369,605	155,052,385	108,215,485	255,277,834	129,042,623	202,172,035	301,288,329	137,981,256	1,565,399,552
Ending Net Assets	269,782,584	157,746,233	106,192,762	260,208,009	125,509,097	202,894,160	295,561,213	135,497,218	1,553,391,276

Statement of Net Position for the Fiscal Year Ended June 30, 2013

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	ST PETERSBURG COLLEGE	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Cash and Cash Equivalents	29,510,060	7,429,886	15,701,091	20,939,719	35,262,487	11,104,572	17,352,019	16,617,656	153,917,490
Restricted Cash and Cash Equivalents	2,570,693	3,380,113	-	716,210	69,930,854	1,626,414	16,949,099	16,201,297	111,374,680
Investments	-	6,134,985	-	-	1,994,993	-	-	-	8,129,978
Restricted Investments	-	4,515,418	-	-	3,179,334	-	-	-	7,694,752
Accounts Receivable, Net	6,573,513	4,276,721	551,228	2,983,407	5,167,417	4,654,542	1,832,758	1,815,749	27,855,335
Notes Receivable, Net	524,595	171,619	38,112	-	28,841	208,934	-	89,136	1,061,237
Due from Other Governmental Agencies	30,960,548	4,935,525	8,086,908	9,565,463	1,932,712	1,291,864	7,549,651	7,282,386	71,605,057
Due from Component Unit/College	576,102	66,670	95,309	54,652	61,351	256,784	513,954	-	1,624,822
Inventories	3,860,173	-	1,172,836	30,139	66,532	-	77,188	70,396	5,277,264
Prepaid Expenses	116,249	590,000	311,910	919,887	64,013	854,199	1,184,529	2,666	4,043,453
Deposits	606,820	-	2,234	-	-	-	636	-	609,690
Other Assets	-	-	-	-	-	-	-	-	-
Total Current Assets	75,298,753	31,500,937	25,959,628	35,209,477	117,688,534	19,997,309	45,459,834	42,079,286	393,193,758
Restricted Cash and Cash Equivalents	20,942,831	9,317,858	-	22,659,082	14,419,700	8,031,090	14,580,201	-	89,950,762
Investments	31,335,061	5,578,135	-	1,135,885	6,381,847	-	7,983,501	-	52,414,429
Restricted Investments	16,532,236	1,924,106	492,145	86,115	17,318,077	47,638	11,894,140	112,271	48,406,728
Depreciable Capital Assets, Net	161,193,991	150,394,110	57,080,168	227,633,527	87,092,225	156,385,050	252,754,648	114,458,033	1,206,991,752
Nondepreciable Capital Assets	35,315,407	5,969,963	38,696,153	10,403,287	5,826,055	32,614,704	26,556,564	10,085,844	165,467,977
Other Assets	-	-	-	-	-	-	-	-	-
Total Noncurrent Assets	265,319,526	173,184,172	96,268,466	261,917,896	131,037,904	197,078,482	313,769,054	124,656,148	1,563,231,648
Total Assets	340,618,279	204,685,109	122,228,094	297,127,373	248,726,438	217,075,791	359,228,888	166,735,434	1,956,425,406
Deferred Outflows of Resources									
	-	-	-	-	-	-	-	-	-
Accumulated Decrease in Fair Value of Securities	-	2,300,988	-	-	-	-	-	-	2,300,988
Total Deferred Outflows of Resources	-	2,300,988	-	-	-	-	-	-	2,300,988
Total Assets and Deferred Outflows of Resources	340,618,279	206,986,097	122,228,094	297,127,373	248,726,438	217,075,791	359,228,888	166,735,434	1,958,726,394
Accounts Payable	3,354,226	2,292,851	643,881	574,283	1,150,826	988,831	1,928,836	2,427,904	13,361,638
Accrued Interest Payable	-	81,567	-	-	-	-	-	-	81,567
Salary and Payroll Taxes Payable	2,252,337	951,110	49	1,992,907	4,312,040	1,300,335	989,782	527,024	12,325,584
Retainage Payable	1,289,779	143,938	1,987,835	612,458	118,759	-	208,468	16,288	4,377,525
Due to Other Governmental Agencies	543,897	-	-	-	12,234	3,140	-	-	559,271
Due to Component Unit/College	-	107,968	-	-	-	-	-	-	107,968
Unearned Revenue	10,912,171	222,264	26,449	-	5,643,710	14,216	415,248	270,211	17,504,269
Estimated Insurance Claims Payable	7,759,850	-	-	-	-	-	1,628,101	-	9,387,951
Deposits Held for Others	3,076,484	10,127	360,316	1,031,208	70,188,023	284,822	7,880,723	1,623,159	84,454,862
Bonds Payable	1,240,000	1,333,378	360,000	1,065,000	865,000	485,000	1,585,000	745,000	7,678,378

Notes and Loans Payable	-	-	258,299	1,264,194	-	-	187,770	-	1,710,263
Capital Leases Payable	76,269	-	-	-	-	161,253	907,617	282,102	1,427,241
Special Termination Benefits Payable	-	150,323	-	-	-	-	-	80,587	230,910
Compensated Absences Payable	814,285	38,997	56,833	731,485	760,020	129,056	1,036,674	647,538	4,214,888
Other Long-Term Liabilities	-	-	-	-	-	-	-	-	-
Total Current Liabilities	31,319,298	5,332,523	3,693,662	7,271,535	83,050,612	3,366,653	16,768,219	6,619,813	157,422,315
Bonds Payable	17,390,000	40,476,681	5,750,000	18,985,000	11,255,000	5,085,000	26,205,000	13,630,000	138,776,681
Notes and Loans Payable	-	-	2,284,724	4,849,536	-	-	889,618	-	8,023,878
Capital Leases Payable	-	-	-	-	-	336,926	1,722,353	1,275,743	3,335,022
Special Termination Benefits Payable	-	113,457	-	954,614	-	-	-	556,617	1,624,688
Compensated Absences Payable	12,185,595	3,277,094	2,125,195	9,432,255	7,646,714	5,647,127	9,330,064	4,380,433	54,024,477
Other Postemployment Benefits Payable	8,459,557	135,379	173,811	356,598	434,652	468,050	3,025,305	2,291,572	15,344,924
Other Long-Term Liabilities	-	-	-	-	17,296,834	-	-	-	17,296,834
Total Noncurrent Liabilities	38,035,152	44,002,611	10,333,730	34,578,003	36,633,200	11,537,103	41,172,340	22,134,365	238,426,504
Total Liabilities	69,354,450	49,335,134	14,027,392	41,849,538	119,683,812	14,903,756	57,940,559	28,754,178	395,848,819
Deferred Inflows of Resources									
Accumulated Increase in Fair Value of Securities	-	-	-	-	-	-	-	-	-
	-	2,300,988	-	-	-	-	-	-	2,300,988
Total Deferred Outflows of Resources	-	2,300,988	-	-	-	-	-	-	2,300,988
Net Invested in Capital Assets	178,185,448	116,899,144	95,286,320	211,873,085	80,798,280	182,931,575	247,813,855	112,631,157	1,226,418,864
Restricted for Endowment-Nonexpendable	1,030,235	751,249	-	-	-	-	-	-	1,781,484
Grants and Loans	6,273,826	1,470,292	1,073,524	1,993,526	2,531,626	2,147,794	7,682,797	4,101,577	27,274,962
Scholarships	1,337,339	1,442,626	113,555	1,624,447	12,408	637,704	112,488	551,546	5,832,113
Capital Projects	51,514,117	15,953,340	2,685,681	30,335,884	15,228,830	5,116,722	30,458,265	14,212,868	165,505,707
Restricted for Debt Service	105,051	2,378,617	489,764	76,017	21,244	47,638	343,537	108,671	3,570,539
Other	-	-	-	-	-	-	-	-	-
Net Assets Unrestricted	32,817,813	16,454,707	8,551,858	9,374,876	30,450,238	11,290,602	14,877,387	6,375,437	130,192,918
Total Net Position	271,263,829	155,349,975	108,200,702	255,277,835	129,042,626	202,172,035	301,288,329	137,981,256	1,560,576,587
Total Liabilities, Deferred Inflows and Net Position	340,618,279	206,986,097	122,228,094	297,127,373	248,726,438	217,075,791	359,228,888	166,735,434	1,958,726,394

Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2013

	BROWARD COLLEGE	FLORIDA SOUTHWESTERN STATE COLLEGE	GULF COAST STATE COLLEGE	PALM BEACH STATE COLLEGE	SANTA FE COLLEGE	SEMINOLE STATE COLLEGE OF FLORIDA	ST PETERSBURG COLLEGE	TALLAHASSEE COMMUNITY COLLEGE	TOTAL PARTICIPATING COLLEGES
Student Tuition and Fees, Net of	40,502,117	19,388,356	4,832,971	38,581,227	25,450,506	26,788,466	42,944,736	18,933,196	217,421,575
Federal Grants and Contracts	3,979,811	1,280,843	2,563,284	4,260,889	3,414,846	2,526,436	1,196,428	19,154,502	38,377,039
State and Local Grants and Contracts	2,490,930	-	1,135,981	1,272,110	2,165,095	463,755	304,485	2,907,432	10,739,788
Nongovernmental Grants and Contracts	9,118,176	938,699	1,498,374	4,994,908	100,861	838,706	611,648	754,741	18,856,113
Sales and Services of Educational	-	-	802,517	584,638	985,006	65,905	3,024,076	-	5,462,142
Auxiliary Enterprises, Net of Scholarship	14,533,876	2,587,609	1,584,534	1,203,129	928,742	1,428,873	4,352,253	4,734,560	31,353,576
Other Operating Revenues	1,656,242	1,078,754	341,092	2,115,975	524,227	248,893	302,587	794,617	7,062,387
Total Operating Revenues	72,281,152	25,274,261	12,758,753	53,012,876	33,569,283	32,361,034	52,736,213	47,279,048	329,272,620
Personnel Services	135,507,550	50,810,273	23,882,018	90,758,110	57,379,277	65,571,421	120,430,819	60,326,005	604,665,473
Scholarships and Waivers	45,420,665	12,301,836	4,998,383	27,639,362	19,911,830	24,640,676	34,840,673	19,775,630	189,529,055
Utilities and Communications	4,426,992	2,629,490	2,069,890	3,304,553	2,495,171	2,555,508	6,306,969	2,403,998	26,192,571
Contractual Services	15,698,348	1,047,039	4,306,694	11,068,510	5,817,751	2,612,151	7,202,590	16,316,505	64,069,588
Other Services and Expenses	10,497,237	13,075,145	1,243,042	6,334,834	5,108,692	8,199,899	8,831,106	4,359,919	57,649,874
Materials and Supplies	36,817,692	3,992,171	10,973,506	10,180,985	7,723,192	4,856,342	11,942,424	7,672,148	94,158,460
Depreciation	8,553,421	7,069,923	3,685,085	10,855,591	8,069,684	6,735,127	9,965,511	4,222,804	59,157,146
Total Operating Expenses	256,921,905	90,925,877	51,158,618	160,141,945	106,505,597	115,171,124	199,520,092	115,077,009	1,095,422,167
Total Operating Loss	(184,640,753)	(65,651,616)	(38,399,865)	(107,129,069)	(72,936,314)	(82,810,090)	(146,783,879)	(67,797,961)	(766,149,547)
State Noncapital Appropriations	72,141,999	28,649,797	20,609,721	50,996,885	34,262,983	37,211,411	65,941,440	26,595,645	336,409,881
Federal and State Student Financial Aid	99,791,872	28,205,170	12,378,430	48,944,065	-	40,131,545	59,772,512	31,768,284	320,991,878
Gifts and Grants	-	2,753,561	-	77,971	29,883,104	6,000	10,503,103	3,476,025	46,699,764
Investment Income	1,546,369	346,984	91,713	598,488	53,847	92,645	871,072	6,801	3,607,919
Net Gain (Loss) on Investments	(838,200)	(93,289)	-	(701,326)	-	-	(648,674)	-	(2,281,489)
Other Nonoperating Revenues	722,652	589,553	1,073,778	-	13,208	28,644	-	-	2,427,835
Loss on Disposal of Capital Assets	82,070	2,202	5,339,764	-	2,493	-	(1,240,732)	-	4,185,797
Interest on Capital Asset-Related Debt	(889,572)	(1,337,742)	(278,182)	(799,511)	(588,264)	(354,513)	(1,343,233)	(812,684)	(6,403,701)
Other Nonoperating Expenses	-	(10,040)	-	632,590	-	-	(7,896)	-	614,654
Net Nonoperating Revenues (Expenses)	172,557,190	59,106,196	39,215,224	99,749,162	63,627,371	77,115,732	133,847,592	61,034,071	706,252,538
	(12,083,563)	(6,545,420)	815,359	(7,379,907)	(9,308,943)	(5,694,358)	(12,936,287)	(6,763,890)	(59,897,009)
State Capital Appropriations	920,450	2,808,820	611,314	3,132,723	449,600	8,219,407	1,093,185	5,141,363	22,376,862
Capital Grants, Contracts, Gifts, and Fees	8,485,521	-	1,343,606	5,016,490	4,535,630	3,425,082	5,724,670	3,004,393	31,535,392
Additions to Endowments	21,696	-	-	-	-	-	-	-	21,696
Total Other Revenues	9,427,667	2,808,820	1,954,920	8,149,213	4,985,230	11,644,489	6,817,855	8,145,756	53,933,950
Total Increase (Decrease) in Net Position	(2,655,896)	(3,736,600)	2,770,279	769,306	(4,323,713)	5,950,131	(6,118,432)	1,381,866	(5,963,059)
Net Assets, Beginning of Year	273,919,725	159,086,575	105,430,423	254,508,528	133,366,336	196,221,908	307,406,761	136,599,390	1,566,539,646
Ending Net Position	271,263,829	155,349,975	108,200,702	255,277,834	129,042,623	202,172,039	301,288,329	137,981,256	1,560,576,587

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by the Division of Florida Colleges of the Florida Department of Education (the “Division of Florida Colleges”) and the Division of Bond Finance of the State Board of Administration of Florida (the “Division of Bond Finance”) in connection with the issuance of \$41,355,000 State of Florida, Department of Education, Florida College System Capital Improvement Revenue Refunding Bonds, Series 2018A (the “Bonds”). This Disclosure Agreement is being executed and delivered pursuant to Section 8.10 of the resolution adopted by the Governor and Cabinet, as the Governing Board of the Division of Bond Finance, on August 1, 2006, as amended on May 11, 2010 and January 18, 2012, authorizing the issuance of Florida College System Capital Improvement Revenue Bonds (the Master Authorizing Resolution”). The Division of Florida Colleges and the Division of Bond Finance covenant and agree as follows:

SECTION 1. PURPOSE OF THE DISCLOSURE AGREEMENT. This Disclosure Agreement is being executed and delivered by the Division of Florida Colleges and the Division of Bond Finance for the benefit of the Registered Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission (the “SEC”). It shall inure solely to the benefit of the Board, the Division, the Registered Owners, the Beneficial Owners and the Participating Underwriters.

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Master Authorizing Resolution, which apply to any capitalized term used in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

“Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Material Participant” means, at any time, a Participating Florida College System institution whose allocable pro rata share of the principal amount of the Outstanding Bonds equals 10% or more.

“Participating Underwriter” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

SECTION 3. CONTINUING DISCLOSURE. (A) Information To Be Provided. The Board of Trustees of each Participating Florida College System institution has covenanted that they will comply with all requirements of federal securities law, state law, or the Division of Bond Finance, relating to continuing secondary market disclosure of information regarding the Bonds and the Florida College System institution. On their behalf, the Division of Florida Colleges hereby assumes all responsibilities for any continuing disclosure as described below. In order to comply with the Rule, the Division of Florida Colleges hereby agrees to provide or cause to be provided the information set forth below, or such other information as may be required, from time to time, to be provided by the Rule or the Division. The Division will be responsible for the filing of the information required by the Rule.

(1) Financial Information and Operating Data. Beginning with the State’s Fiscal Year ending on June 30, 2017 and thereafter, annual financial information and operating data of the Material Participants shall be provided within nine months after the end of the State’s Fiscal Year. Such information shall include:

- (a) Historical Capital Improvement Fees;
- (b) Historical Debt Service Coverage;
- (c) Florida College System Historical Summary of Revenue Sources;
- (d) Historical Material Participant Student Enrollment in Capital Improvement Fee-Generating Programs;
- (e) Historical Material Participant Resident vs. Out-of-State FTE Student Enrollment in Fee-Generating Programs;
- (f) Resident Material Participant Student Tuition and Capital Improvement Fees;
- (g) Out-of-State Material Participant Student Tuition and Capital Improvement Fees;
- (h) Material Participant Current Year Operating Budget Revenues by Source.

(2) Audited Financial Statements. If not submitted as part of the annual financial information, a copy of the Material Participants' audited financial statements, prepared in accordance with generally accepted accounting principles, will be provided when and if available.

(3) Material Events Notices. Notice of the following events relating to the Bonds will be provided in a timely manner not in excess of ten business days after the occurrence of the event:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt-service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (g) modifications to rights of security holders, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the securities, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (m) the consummation of merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(4) Failure to Provide Annual Financial Information; Remedies.

(a) Notice of the failure of the to provide the information required by paragraphs (A) (1) or (A)(2) of this Section will be provided in a timely manner.

(b) The Division of Florida Colleges acknowledges that its undertaking pursuant to the Rule set forth in this Section is for the benefit of the Beneficial Owners and Registered Owners of the Bonds and shall be enforceable only by such Beneficial Owners and Registered Owners; provided that the right to enforce the provisions of such undertaking shall be conditioned upon the same enforcement restrictions as are applicable to the information undertakings in the Resolution and shall be limited to a right to obtain specific enforcement of the Board's obligations hereunder.

(B) Method of Providing Information.

(1) (a) Annual financial information and operating data described in paragraph 3(A)(1) and the audited financial statements described in paragraph 3(A)(2) shall be transmitted to the Municipal Securities Rulemaking Board (hereafter "MSRB") using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Material event notices described in paragraph 3(A)(3) and notices described in paragraph 3(A)(4) shall also be transmitted to the MSRB using EMMA or by such other method as may be subsequently determined by the MSRB.

(2) (a) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated agent.

(b) All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(C) If this Disclosure Agreement is amended to change the operating data or financial information to be disclosed, the annual financial information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(D) The Division of Florida Colleges' obligations hereunder shall continue until such time as the Bonds are no longer Outstanding.

(E) This Disclosure Agreement may be amended or modified so long as:

(1) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body;

(2) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted;

(3) this Disclosure Agreement, as amended, would have complied with the requirements of Rule 15c2-12 of the SEC at the time of the primary offering, after taking into account any amendments or interpretations of the rule, as well as any change in circumstances; and

(4) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the issuer or obligated person (such as the trustee or bond counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

SECTION 4. ADDITIONAL INFORMATION. If, when submitting any information required by this Disclosure Agreement, the Division of Florida Colleges and the Division of Bond Finance choose to include additional information not specifically required by this Disclosure Agreement, the Division of Florida Colleges and the Division of Bond Finance shall have no obligation to update such information or include it in any such future submission.

Dated this ____ day of _____, 2018.

Division of Florida Colleges of the
Florida Department of Education

Division of Bond Finance of the
State Board of Administration of Florida

By _____
Vice Chancellor for Financial Policy

By _____
Assistant Secretary

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[FORM OF BOND COUNSEL OPINION]

April 12, 2018

Department of Education
Tallahassee, Florida

Division of Bond Finance of the
State Board of Administration of Florida
Tallahassee, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Department of Education (the "Department"), the Division of Bond Finance of the State Board of Administration of Florida (the "Division of Bond Finance"), the State Board of Administration of the State of Florida, applicable provisions of the Constitution and laws of the State of Florida, and other proofs submitted to us relative to the issuance and sale of:

\$41,355,000
STATE OF FLORIDA
DEPARTMENT OF EDUCATION
FLORIDA COLLEGE SYSTEM CAPITAL
IMPROVEMENT REVENUE REFUNDING BONDS
SERIES 2018A
Dated April 12, 2018
(the "Bonds")

The Bonds are being issued by the Division of Bond Finance in the name of and on behalf of the Department and the Participating Florida College System institutions (as defined in the Resolutions) for the purpose of refunding certain of the outstanding State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2006A and State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2008A, under the authority of and in full compliance with the Constitution and statutes of the State of Florida, including particularly Sections 215.57-215.83, Florida Statutes, Section 1009.23, Florida Statutes, and other applicable provisions of law. The principal of, premium, if any, and interest on the Bonds will be secured by and payable solely from a pledge of the Pledged Revenues (as defined in the hereinafter defined Resolutions) on a parity with the State of Florida, Department of Education, Community College Capital Improvement Revenue Bonds, Series 2010A and State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012A, which, together with the Bonds, will be outstanding subsequent to issuance of the Bonds.

The Bonds do not constitute a general obligation of the State of Florida or any political subdivision thereof within the meaning of any constitutional, statutory or other limitation of indebtedness and the owners thereof shall never have the right to compel the exercise of any ad valorem taxing power or taxation in any form for the payment of the principal of or interest on the Bonds.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. That such proceedings and proofs show lawful authority for issuance and sale of the Bonds pursuant to the Constitution and statutes of the State of Florida and pursuant to resolutions authorizing the issuance and sale of the Bonds duly adopted by the Governing Board of the Division of Bond Finance on August 1, 2006, as supplemented and amended and as particularly supplemented by a resolution adopted on March 7, 2018 (collectively, the "Resolutions").
2. The Bonds (i) have been duly authorized, executed and delivered by the Division of Bond Finance and (ii) are valid and binding special obligations of the Participating Florida College System institutions enforceable in accordance with their terms, payable solely from the sources provided therefor in the Resolutions.

3. The Bonds and the income thereon are not subject to any State of Florida tax except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

4. The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Bonds to be included in federal gross income retroactive to the date of issuance of the Bonds, regardless of the date on which such non-compliance occurs or is ascertained. The Division of Bond Finance, the Department and the Participating Florida College System institutions have covenanted in the Resolutions to comply with such requirements in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

Subject to compliance by the Division of Bond Finance, the Department and the Participating Florida College System institutions with the aforementioned covenants, (a) interest on the Bonds is excluded from gross income for purposes of federal income taxation, and (b) interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Bonds will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that began prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018. We express no opinion regarding other federal tax consequences caused by the ownership of or the receipt of interest on or the disposition of the Bonds.

It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida and of the constitutional powers of the United States of America and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not independently verified the accuracy or truthfulness thereof and the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

Our opinions expressed herein are predicated upon present law, facts and circumstances as of the date of issuance and delivery of the Bonds, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after such date.

As Bond Counsel, we have not been engaged nor have we, in such capacity, undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and we express no opinion herein relating thereto.

Respectfully submitted,

BRYANT MILLER OLIVE P.A.

PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM OR REGISTERED BONDS**The Depository Trust Company and Book-Entry Only System**

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DIVISION OF BOND FINANCE BELIEVES TO BE RELIABLE; HOWEVER, THE DIVISION OF BOND FINANCE TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the 2018A Bonds. The 2018A Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2018A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities and Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants") and together with Direct Participants, the "Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of the 2018A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2018A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2018A Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2018A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2018A Bonds, except in the event that use of the book-entry system is discontinued.

To facilitate subsequent transfers, all 2018A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2018A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the 2018A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2018A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2018A Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2018A Bonds, such as redemptions, tenders, defaults, and proposed amendments to

the 2018A Bond documents. For example, Beneficial Owners of 2018A Bonds may wish to ascertain that the nominee holding the 2018A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the 2018A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2018A Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Division of Bond Finance as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2018A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the 2018A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Bond Registrar/Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, (nor its nominee), the Bond Registrar/Paying Agent, the Division of Bond Finance, or the Department, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Registrar/Paying Agent; disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services with respect to the 2018A Bonds at any time by giving reasonable notice to the Division of Bond Finance or Bond Registrar/Paying Agent and discharging its responsibilities with respect thereto under applicable law. The Division of Bond Finance may decide to discontinue use of the system of book-entry transfers for the 2018A Bonds through DTC (or a successor securities depository). Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the 2018A Bonds will be printed and delivered as provided in the documents authorizing the issuance and sale of the 2018A Bonds.

For every transfer and exchange of beneficial interests in the 2018A Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

So long as Cede & Co., as nominee of DTC, is the registered owner of the 2018A Bonds, references herein to the Registered Owners or Holders of the 2018A Bonds shall mean Cede & Co. and not mean the Beneficial Owners of the 2018A Bonds unless the context requires otherwise.

The Division of Bond Finance, the Department and the Bond Registrar/Paying Agent will not have any responsibility or obligation with respect to:

- (i) the accuracy of the records of DTC, its nominee or any DTC Participant or any successor securities depository, participants thereof or nominee thereof with respect to any beneficial ownership interest in the 2018A Bonds;
- (ii) the delivery to any DTC Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any notice with respect to any 2018A Bond, including, without limitation, any notice of redemption;
- (iii) the payment to any DTC Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any amount with respect to the principal of, premium, if any, or interest on the 2018A Bonds, or the purchase price of, any 2018A Bond;

- (iv) any consent given by DTC or any successor securities depository as registered owner; or
- (v) the selection by DTC or any DTC Participant or by any successor depository or its participants of the beneficial ownership interests in the 2018A Bonds for partial redemption.

So long as the 2018A Bonds are held in book-entry only form, the Division of Bond Finance, the Department and the Bond Registrar/Paying Agent may treat DTC and any successor Securities Depository as, and deem DTC and any successor Securities Depository to be, the absolute owner of the 2018A Bonds for all purposes whatsoever, including, without limitation:

- (i) the payment of the principal of, premium, if any, and interest on the 2018A Bonds;
- (ii) giving notices of redemption and other matters with respect to the 2018A Bonds;
- (iii) registering transfers with respect to the 2018A Bonds; and
- (iv) the selection of the beneficial ownership interests in the 2018A Bonds for partial redemption.

Payment, Registration, Transfer and Exchange

The following provisions shall only be applicable if the book-entry-only system of registration is discontinued; for provisions which are applicable while the book-entry only system of registration is in effect, see "Book-Entry Only System" above.

The Division of Bond Finance, the Department and the Bond Registrar/Paying Agent may treat the Registered Owner of any 2018A Bond as the absolute owner for all purposes, whether or not such 2018A Bond is overdue, and will not be bound by any notice to the contrary.

Principal of and premium, if any, on the 2018A Bonds will be payable upon presentation and surrender of the 2018A Bonds when due at the corporate trust office of U.S. Bank Trust National Association, New York, New York, as Bond Registrar/Paying Agent.

Each 2018A Bond will be transferable or exchangeable only upon the registration books by the Registered Owner or an attorney duly authorized in writing, upon surrender of such 2018A Bond to the Bond Registrar/Paying Agent together with a written instrument of transfer (if so required) satisfactory in form to the Division of Bond Finance and the Bond Registrar/Paying Agent, duly executed by the Registered Owner or a duly authorized attorney. Upon surrender to the Bond Registrar/Paying Agent for transfer or exchange of any 2018A Bond, duly endorsed for transfer or accompanied by an assignment in accordance with the Resolution, the Bond Registrar/Paying Agent will deliver in the name of the transferee(s) a fully registered 2018A Bond of authorized denomination of the same maturity for the aggregate principal amount which the Registered Owner is entitled to receive.

Neither the Division of Bond Finance nor the Bond Registrar/Paying Agent may charge the Registered Owner or transferee for any expenses incurred in making any exchange or transfer of the 2018A Bonds. However, the Division of Bond Finance and the Bond Registrar/Paying Agent may require payment from the Registered Owner of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such governmental charges and expenses must be paid before any such new 2018A Bond is delivered.

The Bond Registrar/Paying Agent will not be required to issue, transfer or exchange any 2018A Bonds on the Record Date.

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