

## New Regulation BOG-9.008 University Auxiliary Facilities With Outstanding Revenue Bonds

(1) Certain outstanding state university system bond issues for auxiliary facilities have covenants that state: "The Board of Governors shall annually, at least ninety (90) days preceding the beginning of each fiscal year, or at any other time as requested by the Board of Administration, prepare a detailed budget providing reasonable estimates of the estimated current revenues and expenses of the university during the succeeding fiscal year and setting forth the amount to be deposited in the (facility name) Maintenance and Equipment Reserve Fund. The budget shall be adopted by the Board of Governors and shall not be changed during the fiscal year except by the same procedure by which it was adopted."

(2) In order to satisfy bond covenant requirements specified in (1), it is necessary for each university to develop and submit, in advance of the annual submission of institutional budgets in August, operating budget detail approved by the University Board of Trustees for auxiliary facilities with such bond covenants and to report the anticipated amount to be deposited in the (facility) Maintenance and Equipment Reserve Fund(s). The reserve fund amount for each auxiliary bond issue shall be determined by each university's Board of Trustees in accordance with institutional policy and/or bond covenant requirements.

(3) Universities shall prepare an Income and Expenditure Statement, in a format provided by the Board of Governors, for each auxiliary bond issue (or series issue as amended) containing these bond covenants. The required annual submission date shall be as published on the BOG Information Resources Management Data Request Calendar website, but shall be no later than ninety (90) days prior to the beginning of the fiscal year reporting period. The financial information provided will be presented to the Board of Governors for approval as soon as meeting scheduling permits.

Specific Authority: Article IX, Section 7(d), Florida Constitution; Specific Revenue Bond Covenant Language; State Bond Act; Article VII, Section 11(d) Florida Constitution.