

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
January 25, 2007**

SUBJECT: Approval of University Debt Management Policies

PROPOSED BOARD ACTION

Approve the adopted Debt Management Policies of Florida Atlantic University, University of South Florida, Florida International University, and the University of Central Florida.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Florida Board of Governors Debt Management Guidelines dated April 27, 2006; Section 1010.62, Florida Statutes; and Article IX, Section 7(d), Florida Constitution

BACKGROUND INFORMATION

The state universities of Florida and their direct support organizations have funded significant investments in infrastructure, such as buildings, equipment, land, and technology, to meet the needs of a growing student population and to upgrade and maintain existing capital assets. A significant amount of the funding for this investment in infrastructure has been provided through the issuance of debt by the State for the benefit of the state universities and by the state universities' direct support organizations.

The Board of Governors at its April 27, 2006, meeting, approved debt management guidelines for the 11 institutions of the State University System of Florida and their direct support organizations to use in managing debt and assuming new debt to meet growth needs of the future. The Debt Management Guidelines were needed for the State University System to continue to ensure consistency and prudent fiscal management in the financing of capital outlay projects by the institutions and their foundations and other direct support organizations.

The Florida Board of Governors Debt Management Guidelines require that each state university adopt a debt management policy which is consistent with these guidelines and which shall be approved by the Board of Governors.

The Florida Atlantic University Board of Trustees, at its November 8, 2006, meeting; the University of South Florida Board of Trustees, at its December 7, 2006, meeting; Florida International University Board of Trustees, at its December 5, 2006, meeting; and the University of Central Florida Board of Trustees, at its November 30, 2006, meeting, adopted debt management policies consistent with the Debt Management Guidelines of the Board of Governors.

Supporting Documentation Included: N/A

Facilitators/Presenters:

Mr. Chris Kinsley, Director of Finance
and Facilities