

Division of Colleges & Universities

Major Gift Information

July 23, 2003

Challenge Grant Program

Major Gift Backlog (as of May, 2003)	\$104,849,408
Courtelis Facilities	<u>\$35,257,992</u>
Total	\$140,107,400

03-04 Appropriation \$41,631,532

Backlog Remaining \$98,475,868

Major Gift Backlog by year

1999-00*	\$12,443,708
2000-01	\$35,291,032
2001-02	\$40,931,307
2002-03**	\$16,183,361
2003-04	???
2004-05	???

*This is the remaining balance, as some gifts have been matched.

**Requests received during May and June not included.



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA

DIVISION OF BOND FINANCE
OF THE STATE BOARD OF ADMINISTRATION

1801 HERMITAGE BOULEVARD, SUITE 200
TALLAHASSEE, FLORIDA 32308

TELEPHONE: (850) 488-4782
TELECOPIER: (850) 413-1315

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COMMISSIONER OF AGRICULTURE

March 10, 2003

Mr. J. Jeffrey Robison
President
Florida State University Foundation, Inc.
225 University Center, Building C, Suite 3100
Tallahassee, Florida 32306-2660

Dear Mr. Robison:

The attached schedule sets out the estimated debt service for a bond offering of \$152 million for estimated net proceeds of \$150 million. Annual debt service is estimated to be approximately \$12 million annually over the 20 year term of the bonds. Hopefully, this will be useful as an illustration of debt and annual debt service for discussion purposes.

I am sorry for the delay in getting this off to you and apologize for any inconvenience. Should you have any questions or wish to discuss this matter further, please contact me.

Very truly yours,

J. Ben Watkins III

JBW:cb

Enclosure

BOND DEBT SERVICE

DOE Requests
Estimated Debt Service

Dated Date 07/01/2003
Delivery Date 07/01/2003

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2003					
01/01/2004			3,289,840.00	3,289,840.00	
07/01/2004	5,345,000.00	1.720%	3,289,840.00	8,634,840.00	11,924,680.00
01/01/2005			3,243,873.00	3,243,873.00	
07/01/2005	5,435,000.00	1.990%	3,243,873.00	8,678,873.00	11,922,746.00
01/01/2006			3,189,794.75	3,189,794.75	
07/01/2006	5,545,000.00	2.380%	3,189,794.75	8,734,794.75	11,924,589.50
01/01/2007			3,123,809.25	3,123,809.25	
07/01/2007	5,680,000.00	2.800%	3,123,809.25	8,803,809.25	11,927,618.50
01/01/2008			3,044,289.25	3,044,289.25	
07/01/2008	5,835,000.00	3.220%	3,044,289.25	8,879,289.25	11,923,578.50
01/01/2009			2,950,345.75	2,950,345.75	
07/01/2009	6,025,000.00	3.590%	2,950,345.75	8,975,345.75	11,925,691.50
01/01/2010			2,842,197.00	2,842,197.00	
07/01/2010	6,240,000.00	3.870%	2,842,197.00	9,082,197.00	11,924,394.00
01/01/2011			2,721,453.00	2,721,453.00	
07/01/2011	6,480,000.00	4.110%	2,721,453.00	9,201,453.00	11,922,906.00
01/01/2012			2,588,289.00	2,588,289.00	
07/01/2012	6,750,000.00	4.280%	2,588,289.00	9,338,289.00	11,926,578.00
01/01/2013			2,443,839.00	2,443,839.00	
07/01/2013	7,035,000.00	4.410%	2,443,839.00	9,478,839.00	11,922,678.00
01/01/2014			2,288,717.25	2,288,717.25	
07/01/2014	7,350,000.00	4.540%	2,288,717.25	9,638,717.25	11,927,434.50
01/01/2015			2,121,872.25	2,121,872.25	
07/01/2015	7,680,000.00	4.660%	2,121,872.25	9,801,872.25	11,923,744.50
01/01/2016			1,942,928.25	1,942,928.25	
07/01/2016	8,040,000.00	4.760%	1,942,928.25	9,982,928.25	11,925,856.50
01/01/2017			1,751,576.25	1,751,576.25	
07/01/2017	8,420,000.00	4.850%	1,751,576.25	10,171,576.25	11,923,152.50
01/01/2018			1,547,391.25	1,547,391.25	
07/01/2018	8,830,000.00	4.940%	1,547,391.25	10,377,391.25	11,924,782.50
01/01/2019			1,329,290.25	1,329,290.25	
07/01/2019	9,265,000.00	5.020%	1,329,290.25	10,594,290.25	11,923,580.50
01/01/2020			1,096,738.75	1,096,738.75	
07/01/2020	9,730,000.00	5.100%	1,096,738.75	10,826,738.75	11,923,477.50
01/01/2021			848,623.75	848,623.75	
07/01/2021	10,230,000.00	5.180%	848,623.75	11,078,623.75	11,927,247.50
01/01/2022			583,666.75	583,666.75	
07/01/2022	10,760,000.00	5.260%	583,666.75	11,343,666.75	11,927,333.50
01/01/2023			300,678.75	300,678.75	
07/01/2023	11,325,000.00	5.310%	300,678.75	11,625,678.75	11,926,357.50
	152,000,000.00		86,498,427.00	238,498,427.00	238,498,427.00

February 2003

**Proposals Regarding the State Matching Grant Programs
Supported by 10 SUS Universities and the Community College System**

Ten university presidents, Board of Trustees and Foundation Boards of Directors and the Community College System, endorse the following:

1. We must work together to solve the Major Gifts Trust Fund (FL. ST. 240.2605) backlog (approximately \$125 million plus \$25 million for community colleges), the cornerstone of the SUS universities' and colleges' development programs. We recommend honoring the commitment with \$150 million 20-year bond issue. Carrying costs of approximately \$12 million annually will be appropriated off the top of the lottery money.
2. In order to manage future requests for matching dollars, we propose the following changes to the Major Gifts Trust Fund:
 - \$3 million cap of state dollars used to match any single gift in a given year;
 - Total match for any single gift limited to \$15 million (\$3 million per year for 5 years); and
 - Matched endowment gifts must be university priorities only; as set by each university's Board of Trustees.
3. The Alec P. Courtelis Facilities Enhancement Challenge Grant Program (FL. ST. 240.2601) shall remain unchanged.

James Apthorp

From: Watkins_Ben [Watkins_Ben@fsba.state.fl.us]
Sent: Monday, April 14, 2003 10:29 PM
To: 'James Apthorp'
Subject: RE: Higher education matching gifts program

Sorry I have not been able to take a more active role in helping you with this initiative. The Debt Affordability Study update was completed and delivered to Governor and Cabinet and legislative leadership last Tuesday. I will forward a copy of the Update to you. The bottom line is that we are above the 6% Target currently at 6.12%. With the projected debt issuance under existing bonding programs the benchmark debt ratio peaks at 6.72% in 2007. These projections do not include any new bonding programs for class size reduction or high speed rail. Who knows where those come out! Accordingly, there is effectively no available debt capacity within the 7% cap if class size and/or high speed rail cost as much as everyone says they will. However, the Target/Cap are soft limits not hard limits. They can be overridden by the legislature. Also, if our revenue picture improves so will our bonding capacity within the promulgated guidelines. I hope this is not all bad news. Call me so we can discuss.

Ben

-----Original Message-----

From: James Apthorp [mailto:japthorp@mailier.fsu.edu]
Sent: Friday, April 11, 2003 2:47 PM
To: 'Ben Watkins'
Subject: FW: Higher education matching gifts program

-----Original Message-----

From: James Apthorp [mailto:japthorp@mailier.fsu.edu]
Sent: Friday, April 11, 2003 2:14 PM
To: Ben Watkins
Subject: Higher education matching gifts program

Ben,

We continue to work on our matching gifts program. At the moment we have good support among likely appropriations conferees. A couple of them have made this their number one priority.

We have suggested they get bill drafting to draft enabling language consistent with your suggestions. This is not as good as having your direct input but I fully understand that you are on hold with this project. We have spoken to Jim Horne in the last three days and he has confirmed his support for our effort. One of our legislative supporters has spoken to the Governor in the last two days and the Governor says he will support this approach. Both houses have some money in their bills but do not have the bonding concept. It will be an easy switch during the conference. We continue to hear some rumblings about the cap. Where do we stand on the statutory target of 6% and the cap of 7%? Is there a study we could point to or can you send a letter to verify where we stand statutorily? Your suggestions have been very helpful. We are close to having a deal here. Regards, Jim Apthorp, Chairman FSU Foundation