

14.002 Reserves for New Construction

(1) To enhance the requirements in Section 1001.706(12)(c), Florida Statutes, for any new construction of an free-standing/stand-alone Education & General (E&G) Facility, funded in whole or in part with State appropriations, the university must institute a plan to reserve funds in an escrow account, specific to the project, into which shall be deposited each year an amount of funds equal to two percent (2.0%) of the total value of the building.

(2) For the purpose of establishing annual reserve contribution, the building value should be based on total construction cost or insurable value upon construction completion, whichever is greater. Annual earnings on a reserve escrow may not be used to offset the required annual contribution.

(3) The required 2.0% annual contribution is inclusive of the 1% required pursuant to Section 1001.706(12)(c), Florida Statutes.

(4) The established reserve must be dedicated to the project/facility. Reserve funds, as well as accrued earnings thereon, are not to be expended on other projects/facilities.

(5) The university is responsible for keeping a detailed account of each reserve, to include, at a minimum, the project/facility to which it is dedicated, the dollar amount and source of annual deposits, accrued balance, and the dollar amount and use of any expenditures. The university shall report this information to the board of trustees on an annual basis.

(6) This regulation is effective July 1, 2022, and applicable to any new construction project of an free-standing/stand-alone E&G Facility where construction is initiated on or after July 1, 2022, excluding Minor Facilities.

Authority: Section 7(d), Art. IX, Fla. Const., History – Adopted 3-30-22, Amended xx-xx-23.