

ITEM: _____

STATE BOARD OF EDUCATION

October 21, 2003

SUBJECT: A Resolution of the State Board of Education Approving the Financing of Renovation and Expansion of the Existing Student Health Center on the University of Central Florida Main Campus

PROPOSED BOARD ACTION

Approve the financing plan and adopt a resolution authorizing the issuance of fixed rate, tax-exempt revenue bonds by the Division of Bond Finance of the State Board of Administration of Florida (“the Division”) on behalf of the University of Central Florida. The funds will be used to finance the renovation and expansion of the existing Student Health Center in an amount not to exceed \$8,000,000. Authorize the Chair, the Vice Chair, the Chief Education Financial Officer, and other authorized staff to execute the necessary contractual documents related to the financing of the project. Authorize the issuance of bonds to refund all or a portion of any bonds secured by revenues of the Student Health Center of the University of Central Florida, if it is deemed by the Division to be in the best financial interest of the State. Approval is contingent upon affirmative action of the fee proposal modification by the university president, with input from the local fee committee, and the University Board of Trustees.

AUTHORITY FOR STATE BOARD OF EDUCATION ACTION

Section 11, Chapter 2003-397, Laws of Florida, Section 1010.60(2), Florida Statutes.

BACKGROUND INFORMATION

The University of Central Florida proposes to issue fixed rate, tax-exempt revenue bonds to finance the costs of construction of an additional Student Health Services building with 33,397 net square feet. The project also includes the renovation of the existing Student Health Services building consisting of 4,953 net square feet. The total project cost is estimated to be \$7,381,760 for expansion, and \$617,804 for renovation. The University plans to use gross revenues derived from the assessment of a student health fee charged on a per credit hour basis to each student enrolled at the university to satisfy debt service obligations. The bonds may also be secured by fees charged by the Student Health Center for services provided. These fees include charges related to pharmacy, laboratory, X-Ray and certain office procedures.

The University of Central Florida Student Health Center implemented an increase in student health fees in Fall 2000 from \$47.30 to \$53.00 per semester, per student. Also, in Fall 2001, the University implemented another increase and changed to a per credit hour basis of \$6.00 per credit hour, per student, with a minimum of \$36 and a maximum of \$90. The two

