



REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

FOR THE FISCAL YEARS ENDED JUNE 30, 2022, 2021, 2020 AND 2019



SUPPLEMENTAL SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS

	2022 ⁽¹⁾⁽²⁾	2021 ⁽¹⁾⁽²⁾	2020 ⁽¹⁾⁽²⁾	2019 ⁽¹⁾⁽²⁾
Total pension liability				
Interest	\$ 1,681,729	\$ 1,570,496	\$ 1,553,696	\$ 1,640,829
Differences between expected and actual experience	13,690,592	1,011,157	21,583	(1,683,207)
Changes of assumptions	-	67,364	(127,338)	(65,696)
Benefit payments, including refunds of member contributions	(39,860,133)	(1,193,721)	(1,222,173)	(1,051,181)
Net change in total pension liability	(24,487,812)	1,455,296	225,768	(1,159,255)
Total pension liability - beginning	24,487,812	23,032,516	22,806,748	23,966,003
Total pension liability - ending (a)	\$ -	\$ 24,487,812	\$ 23,032,516	\$ 22,806,748
Plan fiduciary net position				
Contributions - employer	\$ -	\$ 1,750,000	\$ 1,350,000	\$ 1,300,000
Net investment income	926,130	7,854,297	2,025,607	2,367,391
Benefit payments, including refunds of member contributions	(39,860,133)	(1,193,721)	(1,222,173)	(1,051,181)
Administrative expense	(21,994)	(47,769)	(137,057)	(130,971)
Net change in plan fiduciary net position	(38,955,997)	8,362,807	2,016,377	2,485,239
Plan fiduciary net position - beginning	38,955,997	30,593,190	28,576,813	26,091,574
Plan fiduciary net position - ending (b)	\$ -	\$ 38,955,997	\$ 30,593,190	\$ 28,576,813
Net pension liability (asset) - ending (a) - (b)	\$ -	\$ (14,468,185)	\$ (7,560,674)	\$ (5,770,065)
Plan fiduciary net position as a percentage of the total pension liability	0.0%	159.1%	132.8%	125.3%
Covered-employee payroll⁽³⁾	\$ -	\$ -	\$ -	\$ -
Net pension asset as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) The discount rate for calculating the total pension liability is equal to the long-term expected rate of return of 7%.

(3) As of June 30, 2018, there were no employees covered by the Plan. Currently, all personnel are University employees who participate in the University's retirement plans.

SUPPLEMENTAL SCHEDULE OF PENSION CONTRIBUTIONS

	<u>2022⁽¹⁾</u>	<u>2021⁽¹⁾</u>	<u>2020⁽¹⁾</u>	<u>2019⁽¹⁾</u>
Actuarially determined contribution	\$ -	\$ -	\$ 807,509	\$ 795,418
Contributions in relation to the actuarially determined contribution	-	1,750,000	1,350,000	1,300,000
Contribution excess	<u>\$ -</u>	<u>\$ (1,750,000)</u>	<u>\$ (542,491)</u>	<u>\$ (504,582)</u>
Covered-employee payroll⁽²⁾	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) As of June 30, 2018, there were no employees covered by the Plan. Currently, all personnel are University employees who participate in the University's retirement plans.

SUPPLEMENTAL SCHEDULE OF PENSION TRUST FUND INVESTMENT RETURNS

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Annual money-weighted rate of return, net of investment expenses	2.4%	25.3%	6.6%



SUPPLEMENTARY INFORMATION (UNAUDITED)

FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021



SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(for the fiscal year ended June 30, 2022)

	Unrestricted	Restricted		Net Investment in Capital Assets	Total
		Expendable	Nonexpendable		
Operating revenues					
Contributions, net	\$ 3,216	\$ 190,071,137	\$ -	\$ 205,000	\$ 190,279,353
Support from the University of Florida	23,352,143	-	-	-	23,352,143
Investment return, net	8,849,488	(51,463,104)	(94,201)	-	(42,707,817)
Alumni program support	1,701,385	(531,258)	-	-	1,170,127
License plate revenues	1,452,641	968,427	-	-	2,421,068
Other revenues, gains and losses	3,065,621	3,936,515	-	-	7,002,136
Total operating revenues, net	<u>38,424,494</u>	<u>142,981,717</u>	<u>(94,200)</u>	<u>205,000</u>	<u>181,517,010</u>
Operating expenses					
Program services					
General college support	1,964,647	67,446,616	-	29,160	69,440,423
Student financial aid	-	29,425,363	-	-	29,425,363
Faculty and staff support	-	28,797,374	-	-	28,797,374
Research	-	21,476,300	-	-	21,476,300
Facilities	-	12,013,138	-	48,335	12,061,473
Other	-	10,452,008	-	7,986	10,459,994
Total program services	<u>1,964,647</u>	<u>169,610,799</u>	<u>-</u>	<u>85,481</u>	<u>171,660,927</u>
Supporting services					
Communications and marketing	5,165,507	-	-	-	5,165,507
Alumni relations	5,255,469	-	-	-	5,255,469
Development	24,632,711	-	-	-	24,632,711
Operations	21,072,996	-	-	2,398,125	23,471,121
Talent management	2,386,396	-	-	-	2,386,396
Total supporting services	<u>58,513,079</u>	<u>-</u>	<u>-</u>	<u>2,398,125</u>	<u>60,911,204</u>
Total operating expenses	<u>60,477,726</u>	<u>169,610,799</u>	<u>-</u>	<u>2,483,606</u>	<u>232,572,131</u>
Operating income (loss)	<u>(22,053,232)</u>	<u>(26,629,082)</u>	<u>(94,201)</u>	<u>(2,278,606)</u>	<u>(51,055,121)</u>
Nonoperating revenues					
Change in value of split-interest agreements	-	31,918	-	-	31,918
Total nonoperating revenues	<u>-</u>	<u>31,918</u>	<u>-</u>	<u>-</u>	<u>31,918</u>
Income (loss) before changes in nonexpendable	<u>(22,053,232)</u>	<u>(26,597,164)</u>	<u>(94,201)</u>	<u>(2,278,606)</u>	<u>(51,023,203)</u>
Changes in nonexpendable					
Endowment contributions	-	-	50,705,292	-	50,705,292
Alumni endowment life memberships	-	-	409,315	-	409,315
Other revenues, gains and losses	-	-	1,192,252	-	1,192,252
Split-interest agreement terminations	-	-	1,402,515	-	1,402,515
Total changes in nonexpendable	<u>-</u>	<u>-</u>	<u>53,709,374</u>	<u>-</u>	<u>53,709,374</u>
Transfers					
Net transfers in (out)	(6,813,126)	3,190,536	3,622,590	-	-
Internal fees in (out)	32,637,917	(32,637,917)	-	-	-
Capital asset adjustments in (out)	(4,512,387)	(346,275)	-	4,858,662	-
Total transfers	<u>21,312,404</u>	<u>(29,793,656)</u>	<u>3,622,590</u>	<u>4,858,662</u>	<u>-</u>
Change in net position	<u>(740,828)</u>	<u>(56,390,820)</u>	<u>57,237,763</u>	<u>2,580,056</u>	<u>2,686,171</u>
Net position - beginning of year	<u>41,557,296</u>	<u>1,015,441,431</u>	<u>1,478,235,956</u>	<u>103,747,606</u>	<u>2,638,982,289</u>
Net position - end of year	<u>\$ 40,816,468</u>	<u>\$ 959,050,611</u>	<u>\$ 1,535,473,719</u>	<u>\$ 106,327,662</u>	<u>\$2,641,668,460</u>

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(for the fiscal year ended June 30, 2021)

	Unrestricted	Restricted		Net Investment in Capital Assets	Total
		Expendable	Nonexpendable		
Operating revenues					
Contributions, net	\$ 4,997	\$ 162,806,838	\$ -	\$ 40,921,400	\$ 203,733,235
Support from the University of Florida	23,720,530	-	-	-	23,720,530
Investment return, net	1,677	570,960,133	(40,704)	-	570,921,106
Alumni program support	1,424,431	(475,985)	-	-	948,446
License plate revenues	1,495,793	997,195	-	-	2,492,988
Other revenues, gains and losses	1,719,697	3,249,618	-	-	4,969,315
Total operating revenues, net	<u>28,367,125</u>	<u>737,537,799</u>	<u>(40,704)</u>	<u>40,921,400</u>	<u>806,785,620</u>
Operating expenses					
Program services					
General college support	2,143,283	64,155,292	-	29,158	66,327,733
Student financial aid	-	28,191,593	-	-	28,191,593
Faculty and staff support	-	25,603,705	-	-	25,603,705
Research	-	20,161,430	-	-	20,161,430
Facilities	-	69,177,214	-	48,335	69,225,549
Other	-	13,901,659	-	7,986	13,909,645
Total program services	<u>2,143,283</u>	<u>221,190,893</u>	<u>-</u>	<u>85,479</u>	<u>223,419,655</u>
Supporting services					
Communications and marketing	3,306,065	-	-	-	3,306,065
Alumni relations	4,185,939	-	-	-	4,185,939
Development	21,900,116	-	-	-	21,900,116
Operations	9,328,281	-	-	1,370,819	10,699,100
Talent management	3,425,233	-	-	-	3,425,233
Total supporting services	<u>42,145,634</u>	<u>-</u>	<u>-</u>	<u>1,370,819</u>	<u>43,516,453</u>
Total operating expenses	<u>44,288,917</u>	<u>221,190,893</u>	<u>-</u>	<u>1,456,298</u>	<u>266,936,108</u>
Operating income (loss)	<u>(15,921,792)</u>	<u>516,346,906</u>	<u>(40,704)</u>	<u>39,465,102</u>	<u>539,849,512</u>
Nonoperating revenues					
Change in value of split-interest agreements	-	813,843	-	-	813,843
Total nonoperating revenues	<u>-</u>	<u>813,843</u>	<u>-</u>	<u>-</u>	<u>813,843</u>
Income (loss) before changes in nonexpendable	<u>(15,921,792)</u>	<u>517,160,749</u>	<u>(40,704)</u>	<u>39,465,102</u>	<u>540,663,355</u>
Changes in nonexpendable					
Endowment contributions	-	-	50,581,164	-	50,581,164
Alumni endowment life memberships	-	-	430,515	-	430,515
Other revenues, gains and losses	-	-	64,557	-	64,557
Split-interest agreement terminations	-	-	812,989	-	812,989
Total changes in nonexpendable	<u>-</u>	<u>-</u>	<u>51,889,225</u>	<u>-</u>	<u>51,889,225</u>
Transfers					
Net transfers in (out)	(1,345,762)	(509,527)	1,855,289	-	-
Internal fees in (out)	29,303,040	(29,303,040)	-	-	-
Capital asset adjustments in (out)	3,054,866	(5,348,735)	(111,356)	2,405,225	-
Total transfers	<u>31,012,144</u>	<u>(35,161,302)</u>	<u>1,743,933</u>	<u>2,405,225</u>	<u>-</u>
Change in net position	<u>15,090,352</u>	<u>481,999,447</u>	<u>53,592,454</u>	<u>41,870,327</u>	<u>592,552,580</u>
Net position - beginning of year	<u>26,466,944</u>	<u>533,441,984</u>	<u>1,424,643,502</u>	<u>61,877,279</u>	<u>2,046,429,709</u>
Net position - end of year	<u>\$ 41,557,296</u>	<u>\$1,015,441,431</u>	<u>\$ 1,478,235,956</u>	<u>\$ 103,747,606</u>	<u>\$ 2,638,982,289</u>



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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Executive Board
University of Florida Foundation, Inc.
Gainesville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and fiduciary activities of the University of Florida Foundation, Inc. (the Foundation), a discretely presented component unit of the University of Florida, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated October 13, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct

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and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, LLP

October 13, 2022



AUDIT COMMITTEE
(AS OF JUNE 30, 2022)

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Patrick Gramling
Steve Hagenbuckle
Lara Long
Jocelyn Moore
Steve Nouss
Ann O'Brien

PRINCIPAL FINANCE AND ACCOUNTING OFFICIALS
(AS OF JUNE 30, 2022)

David Christie
Associate Vice President & Chief Operating Officer

Mike Johnson
Controller

J.A. Lopez
Associate Controller

Iwona Esser
Accountant, General Accounting

Arriel Raghoo
Assistant Controller

Randy Settle
Assistant Controller

James House
Accountant, Financial Reporting

Ken Verner
Accountant, Asset Management



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