PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 15, 2012
This document is "deemed final" by the Issuer as of its date for purposes of, and except for certain omissions permitted by, SEC Rule 15c2-12(b)(1).

New Issue - Book-Entry Only

This Official Statement has been prepared by the Division of Bond Finance to provide information about the 2012A Bonds. Selected information is presented on this cover page for the convenience of the reader. ***To make an informed decision, a prospective investor should read this Official Statement in its entirety.*** Unless otherwise indicated, capitalized terms have the meanings given in Appendix A.

$9,960,000*
STATE OF FLORIDA
Department of Education
Florida College System Capital Improvement Revenue Bonds, Series 2012A

Dated: Date of Delivery **Due:** July 1, as shown on the inside front cover

Bond Ratings	___ Standard & Poor's Ratings Services ___ Fitch Ratings ___ Moody's Investors Service
Tax Status	In Bond Counsel's opinion, interest on the 2012A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax; however, interest on the 2012A Bonds is taken into account in determining federal taxes imposed on corporations subject to the alternative minimum tax. The 2012A Bonds and the income therefrom are not subject to any Florida taxes, except estate taxes imposed by Chapter 198, Florida Statutes, and corporate net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. See Appendix F - "Form of Bond Counsel's Opinion" for assumptions and limitations made by Bond Counsel.
Redemption	The 2012A Bonds maturing on and after July 1, 2022 are subject to optional redemption. Certain of the 2012A Bonds may be subject to mandatory redemption, contingent upon the exercise of the Term Bonds option.
Security	The 2012A Bonds will be secured by and payable from a first lien pledge of certain Capital Improvement Fees collected by the Participating Florida College institutions, and investment earnings thereon (the "Pledged Revenues"). **The 2012A Bonds are not secured by the full faith and credit of the State of Florida.**
Lien Priority	The lien of the 2012A Bonds on the Pledged Revenues is a first lien on such revenues and will be on a parity with the Outstanding Bonds and any Additional Bonds hereafter issued. The aggregate principal amount of Outstanding Bonds subsequent to the issuance of the 2012A Bonds will be $111,710,000*.
Additional Bonds	Additional Bonds payable on a parity with the 2012A Bonds may be issued if the average Pledged Revenues for the two preceding Fiscal Years are at least 130% of the Maximum Annual Debt Service. This description of the requirements for the issuance of the Additional Bonds is only a summary of the complete requirements. See "SECURITY FOR THE 2012A BONDS - Additional Bonds" herein for more complete information.
Purpose	Proceeds will be used to finance a portion of the cost of new construction and equipment of educational facilities at Palm Beach State College (the "2012A Project"), and to pay costs of issuance.
Interest Payment Dates	January 1 and July 1, commencing July 1, 2012.
Record Dates	December 15 and June 15.
Form/Denomination	The 2012A Bonds will initially be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only through Direct Participants (defined herein) in denominations of $1,000 and integral multiples thereof. Purchasers of the 2012A Bonds will not receive physical delivery of the 2012A Bonds.
Closing/Settlement	It is anticipated that the 2012A Bonds will be available for delivery through the facilities of DTC in New York, New York approximately three weeks from the date bids are received.
Bond Registrar/ Paying Agent	U.S. Bank Trust National Association, New York, New York.
Bond Counsel	Bryant Miller Olive P.A., Tallahassee, Florida.
Issuer Contact	Division of Bond Finance, (850) 488-4782, bond@sbafla.com
Maturity Structure	The 2012A Bonds will mature on the dates and bear interest at the rates set forth on the inside front cover.

* Preliminary, subject to change.

MATURITY STRUCTURE

Initial CUSIP©	Due Date	Principal Amount*	Interest Rate	Price or Yield	First Optional Redemption Date and Price
	July 1, 2013	$370,000			-
	July 1, 2014	380,000			-
	July 1, 2015	395,000			-
	July 1, 2016	405,000			-
	July 1, 2017	415,000			-
	July 1, 2018	430,000			-
	July 1, 2019	440,000			-
	July 1, 2020	455,000			-
	July 1, 2021	470,000			-
	July 1, 2022**	485,000			July 1, 2021 @ 100%
	July 1, 2023**	495,000			July 1, 2021 @ 100
	July 1, 2024**	510,000			July 1, 2021 @ 100
	July 1, 2025**	525,000			July 1, 2021 @ 100
	July 1, 2026**	540,000			July 1, 2021 @ 100
	July 1, 2027**	555,000			July 1, 2021 @ 100
	July 1, 2028**	575,000			July 1, 2021 @ 100
	July 1, 2029**	595,000			July 1, 2021 @ 100
	July 1, 2030**	620,000			July 1, 2021 @ 100
	July 1, 2031**	640,000			July 1, 2021 @ 100
	July 1, 2032**	660,000			July 1, 2021 @ 100

BIDS FOR THE 2012A BONDS WILL BE RECEIVED
AS PROVIDED IN THE NOTICE OF BOND SALE

* Preliminary, subject to change.
** Subject to Term Bonds option, pursuant to which the successful bidder may designate Term Bonds, in which case the amounts will be subject to retirement by mandatory redemption. See “REDEMPTION PROVISIONS - Mandatory Redemption.”

The State of Florida has not authorized any dealer, broker, salesman or other person to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied on. Certain information herein has been obtained from sources other than records of the State of Florida which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the State of Florida since the date hereof. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the 2012A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

STATE OFFICIALS

GOVERNING BOARD OF THE DIVISION OF BOND FINANCE

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Chairman

ATTORNEY GENERAL
PAM BONDI
Secretary

CHIEF FINANCIAL OFFICER
JEFF ATWATER
Treasurer

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Edison State College

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Secretary of the Board of Trustees and President
Gulf Coast State College

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St. Petersburg College

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Secretary of the Board of Trustees and President
Santa Fe College

DR. E. ANN McGEE
Secretary of the Board of Trustees and President
Seminole State College

DR. JIM MURDAUGH
Secretary of the Board of Trustees and President
Tallahassee Community College

RANDALL W. HANNA
Chancellor
Division of Florida Colleges, Florida Department of Education

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Vice Chancellor for Financial Policy
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J. BEN WATKINS III
Director
Division of Bond Finance

ASHBEL C. WILLIAMS
Executive Director and CIO
State Board of Administration

BOND COUNSEL
Bryant Miller Olive P.A.
Tallahassee, Florida

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OFFICIAL STATEMENT
Relating to
$9,960,000*
STATE OF FLORIDA
Department of Education
Florida College System Capital Improvement Revenue Bonds, Series 2012A

For definitions of capitalized terms not defined in the text hereof, see Appendix A.

INTRODUCTION

This Official Statement sets forth information relating to the sale and issuance of the $9,960,000* State of Florida, Department of Education Florida College System Capital Improvement Revenue Bonds, Series 2012A (the "2012A Bonds"), dated the date of delivery thereof, by the Division of Bond Finance of the State Board of Administration of Florida (the "Division of Bond Finance").

Proceeds will be used to finance a portion of the cost of the new construction and equipment of educational facilities at Palm Beach State College (the "2012A Project"), and to pay costs of issuance.

The 2012A Bonds will be secured by and payable from the Pledged Revenues. The Pledged Revenues consist of certain Capital Improvement Fees collected by the Participating Florida College System institutions, plus investment earnings thereon. The lien of the 2012A Bonds on the Pledged Revenues is a first lien on such revenues and will be on a parity with the Outstanding Bonds and any Additional Bonds hereafter issued. The aggregate principal amount of Outstanding Bonds subsequent to the issuance of the 2012A Bonds will be $111,710,000*. See "SECURITY FOR THE 2012A BONDS" below for more detailed information.

The 2012A Bonds are not a general obligation or indebtedness of the State of Florida, and the full faith and credit of the State of Florida is not pledged to payment of the 2012A Bonds.

Requests for additional information may be made to:

Division of Bond Finance
Phone: (850) 488-4782
Fax: (850) 413-1315
E-mail: bond@sbafla.com
Mail: P. O. Box 13300
Tallahassee, Florida 32317-3300

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Any statements made in this Official Statement which involve opinions or estimates, whether or not expressly stated, are set forth as such and not as representations of fact. No representation is made that any of the opinions or estimates will be realized. To make an informed decision, a full review should be made of the entire Official Statement. The descriptions of the 2012A Bonds and the documents authorizing and securing the same do not purport to be comprehensive or definitive. All references to and descriptions of such documents are qualified by reference to the actual documents. Copies of such documents may be obtained from the Division of Bond Finance.

End of Introduction

* Preliminary, subject to change.

AUTHORITY FOR THE ISSUANCE OF THE 2012A BONDS

General Legal Authority

The 2012A Bonds are being issued by the Division of Bond Finance on behalf of the Department of Education (the "Department") and the Participating Florida College System institutions, pursuant to Article VII, Section 11(d), of the Florida Constitution, the State Bond Act (Sections 215.57-215.83, Florida Statutes), Section 1009.23, Florida Statutes, and other applicable provisions of law. Article VII, Section 11(d), of the Florida Constitution provides that revenue bonds payable solely from funds derived directly from sources other than State tax revenues may be issued by the State of Florida or its agencies, without a vote of the electors, to finance or refinance capital projects. Section 215.59(2), Florida Statutes, authorizes the issuance of revenue bonds by the Division of Bond Finance pursuant to Article VII, Section 11(d), of the Florida Constitution. The Legislature has authorized the Division of Bond Finance to issue refunding bonds on behalf of any State agency in Section 215.79, Florida Statutes.

Division of Bond Finance

The Division of Bond Finance, a public body corporate created pursuant to the State Bond Act, is authorized to issue bonds on behalf of the State or its agencies. The Governing Board of the Division of Bond Finance (the "Governing Board") is composed of the Governor, as Chairman, and the Cabinet of the State of Florida, consisting of the Attorney General, as Secretary, the Chief Financial Officer, as Treasurer, and the Commissioner of Agriculture. The Director of the Division of Bond Finance may serve as an assistant secretary of the Governing Board.

State Board of Administration of Florida

The State Board of Administration of Florida (the "Board of Administration") was created under Article IV, Section 4, of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and succeeds to all the power, control and authority of the state board of administration established pursuant to Article IX, Section 16, of the Constitution of the State of Florida of 1885. It will continue as a body at least for the life of Article XII, Section 9(c) of the Florida Constitution. The Board of Administration is composed of the Governor, as Chairman, the Attorney General and the Chief Financial Officer. Under the State Bond Act, the Board of Administration determines the fiscal sufficiency of all bonds proposed to be issued by the State of Florida or its agencies. It also acts as the fiscal agent of the Department and the Participating Florida College System institutions in administering the Sinking Fund and the Rebate Fund established pursuant to the Master Authorizing Resolution as described below.

State Board of Education - Department of Education - Division of Florida Colleges

The State Board of Education is established by Article IX, Section 2 of the Florida Constitution. It oversees the entire Florida education system, including Florida College System institutions, and establishes education goals and objectives. Its seven members are appointed by the Governor to staggered four-year terms, subject to confirmation by the Florida Senate. The Commissioner of Education is appointed by the State Board of Education and serves as the Chief Executive Officer of the Department of Education. The Division of Florida Colleges (formerly, the Division of Community Colleges), a division of the Department of Education, provides policy leadership, coordination and technical assistance to the Florida College System institutions. It prepares the Florida College System legislative budget request and disburses State appropriations to the Florida College System institutions. It also establishes educational standards and policies related to articulation and academic affairs, assists the colleges with academic and financial affairs, and collects and analyzes information for accountability purposes.

Florida College System Institution District Boards of Trustees

Florida College System institution districts are independent, separate corporate entities created for the operation of the respective Florida College System institution. By law they are constituted as political subdivisions of the State. Florida College System institution districts are governed by Boards of Trustees comprised of five to nine members, depending on the number of local school districts within the Florida College System institution district. Trustees are appointed by the Governor and confirmed by the Florida Senate. The Florida College System institution president serves as the district's executive officer and corporate secretary, as well as the chief administrative officer of the Florida College System institution. Trustees are authorized to enter into lease-purchase agreements and to borrow funds and incur debt, including the issuance of revenue bonds for specified purposes.

Administrative Approval

The District Board of Trustees of the 2012A Participating Florida College System institution has adopted a resolution requesting the Division of Bond Finance to proceed with the preparation of proceedings required for the issuance of the 2012A Bonds and irrevocably pledging its Florida College System Capital Improvement Fees to the payment of the Bonds.

By a resolution adopted on August 1, 2006, as amended, the Governing Board of the Division of Bond Finance authorized the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series) (the "Master Authorizing Resolution"). The Master Authorizing Resolution is reproduced as Appendix B to this Official Statement. The Governing Board authorized the sale of not exceeding $10,000,000 2012A Bonds by the Fourth Supplemental Resolution on January 18, 2012, which also amended the Master Authorizing Resolution. The Fourth Supplemental Resolution is reproduced as Appendix C to this Official Statement.

The Board of Administration approved the fiscal sufficiency of the 2012A Bonds, as required by the State Bond Act, on January 18, 2012.

Validation

The validity of the 2006A Bonds was determined by Final Judgment of the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida rendered on September 7, 2006. The judgment became final when the time for filing an appeal expired with no appeal having been taken.

Pursuant to Section 1009.23(11), Florida Statutes, only the initial Series of Bonds is required to be validated. The 2012A Bonds will not be validated.

DESCRIPTION OF THE 2012A BONDS

The 2012A Bonds are being issued as fully registered bonds in the denomination of $1,000 or integral multiples thereof. The 2012A Bonds are payable from the Pledged Revenues as described herein. The 2012A Bonds will be dated the date of delivery thereof and will mature as set forth on the inside front cover. Interest is payable on July 1, 2012, for the period from the date of delivery thereof to July 1, 2012, and semiannually thereafter on January 1 and July 1 of each year until maturity or redemption.

The 2012A Bonds will initially be issued exclusively in "book-entry" form. Ownership of one 2012A Bond for each maturity (as set forth on the inside front cover), each in the aggregate principal amount of such maturity, will be initially registered in the name of "Cede & Co." as registered owner and nominee for the Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the 2012A Bonds. Individual purchases of the 2012A Bonds will be made in book-entry form only, and the purchasers will not receive physical delivery of the 2012A Bonds or any certificate representing their beneficial ownership interest in the 2012A Bonds. See Appendix G, "PROVISIONS FOR BOOK-ENTRY

ONLY SYSTEM OR REGISTERED BONDS" for a description of DTC, certain responsibilities of DTC, the Division of Bond Finance and the Bond Registrar/Paying Agent, and the provisions for registration and registration for transfer of the 2012A Bonds if the book-entry only system of registration is discontinued.

REDEMPTION PROVISIONS

Optional Redemption

The 2012A Bonds maturing in the years 2013 through 2021, both inclusive, are not redeemable prior to their stated dates of maturity. The 2012A Bonds maturing in 2022 and thereafter (including any Term Bonds) are redeemable prior to their stated dates of maturity, at the option of the Division of Bond Finance, (i) in part, by maturities and/or Amortization Installments to be selected by the Division of Bond Finance, and by lot within a maturity and/or Amortization installment if less than an entire maturity and/or Amortization Installment is to be redeemed, or (ii) as a whole, on July 1, 2021, or on any date thereafter, at the principal amount of the 2012A Bonds so redeemed, together with interest accrued to the date of redemption.

Mandatory Redemption

The 2012A Bonds scheduled to mature in and after 2022 are subject to a special option which permits the successful bidder to specify that all the principal amount of the 2012A Bonds in any two or more consecutive years will, in lieu of maturing in each of such years, be considered to comprise a single maturity of 2012A Bonds (a "Term Bond") scheduled to mature in the latest of such years and be subject to mandatory redemption from Amortization Installments in the principal amounts set forth on the inside front cover. The successful bidder may exercise the above option one or more times. The final Official Statement will reflect which 2012A Bonds, if any, will be Term Bonds, subject to mandatory redemption by completion of the following paragraph and amortization table for each Term Bond:

> The 2012A Bonds maturing on July 1, 20__ (the "20__ Term Bonds"), are subject to mandatory redemption in part, by lot, on July 1, 20__, and on each July 1 thereafter to and including July 1, 20__, at the principal amount of the 20__ Term Bonds to be redeemed, without premium, plus accrued interest, from Amortization Installments in the years and amounts as follows:

Year	Principal Amount	Year	Principal Amount
	$		$

Notice of Redemption

Notices of redemption of 2012A Bonds or portions thereof will be mailed by first class mail at least 30 days prior to the date of redemption to Registered Owners of record as of 45 days prior to the date of redemption. Such notices of redemption will specify the serial numbers and the principal amount of the 2012A Bonds to be redeemed, if less than all, the date fixed for redemption, and the redemption price. In lieu of mailing, the Bond Registrar/Paying Agent may elect to provide such notice of redemption by electronic means to any Registered Owner who has consented to such method of receiving notice.

Failure to give any required notice of redemption as to any particular 2012A Bonds will not affect the validity of the call for redemption of any 2012A Bonds in respect of which no such failure has occurred. Any notice mailed as provided in the Resolution will be conclusively presumed to have been given, whether or not the Registered Owner receives the notice.

Interest on the 2012A Bonds called for redemption will cease to accrue upon the redemption date.

FLORIDA COLLEGE SYSTEM[1]

History

Florida’s 28 Colleges were established to serve the citizens of the State of Florida by offering the first two years of a baccalaureate degree, vocational education, and adult continuing education. In order to bring instruction closer to students, more than 2,000 off-campus locations, such as churches, public schools, and community centers, are also utilized in fulfilling the Community Colleges’ mission.

Florida’s Community College system began in 1933 when Palm Beach Junior College was established as a public two-year college. By 1947, three more public Community Colleges had been established. In 1955, the Legislature established the Community College Council, which in 1957 published a report entitled “The Community Junior College in Florida’s Future.” This report contained recommendations for a master plan for establishing a system of public Community Colleges in Florida. The system was designed to provide post-high school education within commuting distance for more than 90 percent of Florida’s population. With the development and implementation of the master plan, Florida became a national model for the development of a statewide system of Community Colleges.

The 1957 Legislature authorized the creation of the Division of Community Colleges in the State Department of Education and appropriated funds for six new community colleges in order to begin implementation of the master plan. The State continued to build additional Community Colleges through the 1960's and early 1970's. In 1968, the Legislature created independent boards of trustees for Community Colleges. Previously, Community Colleges were under the jurisdiction of district school boards. The master plan was fully implemented in 1972.

In 2002, the Florida Legislature passed Section 1007.33, Florida Statutes, authorizing Community Colleges to develop proposals to offer the four-year baccalaureate degree, subject to approval by the State Board of Education, and with an emphasis on teacher education, nursing and computer technology. St. Petersburg College was the first institution to offer the degree, followed by Chipola College, Miami Dade College, Northwest Florida State College (formerly known as Okaloosa Walton College), and Edison State College. College names began to change as those offering baccalaureate degrees began to drop “community.” In late 2007, as the number of schools adding baccalaureate degrees continued to increase, there was an unsuccessful attempt to start a separate “State” college system. After much discussion, it was agreed that while the ability to offer the four-year degree has expanded the mission of these institutions, their major focus remains that of a Community College.

The Florida College System, as designated in 2008 and confirmed again in 2009, consists of all 28 institutions. The Division of Community Colleges was also renamed to the Division of Florida Colleges in the 2009 legislation. As a result of that same legislation, Florida’s Community Colleges are now called Florida College System institutions, Florida Colleges or Community Colleges.

Funding Policy

State appropriations are provided to each College in a lump sum and distributed monthly; i.e., the institution is given an amount of money to run various programs and then allowed to determine how to use that money for the designated program. The primary source for operating funds is State general revenue, augmented by funds generated by the Florida Lottery. The balance of the operating funds is made up of

[1] Source: Division of Florida Colleges. Although financial information and operating data pertaining to all of the Participating Florida College System institutions are included in this section, only such information with respect to Material Participants, defined as Participating Florida College System institution whose allocable share of the principal amount of Outstanding Bonds equals 10% or more, is required to be updated and disclosed on an annual basis pursuant to SEC Rule 15c2-12. See Appendix D for additional information.

student tuition and fees and other local funds. Fixed capital projects are funded through a combination of motor vehicle license and gross receipts taxes; certain student fees; bond proceeds pledging such taxes or fees; general revenue; and local funds.

In accordance with the stated legislative intent that there should be maximum local autonomy in the governance and operation of individual Florida Colleges, each Board of Trustees has the general power to operate its respective institution and is the contracting agent of the Florida College. Each Board of Trustees develops priorities for offering programs and meeting local needs, and has the flexibility to develop a budget within available resources to best meet its institution's priorities. The Boards of Trustees are also provided the flexibility and responsibility to set policy on pay, salary increases, most fringe benefits, and job qualifications.

Each year, the Florida Legislature specifies standard per credit hour student tuition for both resident and out-of-state students. Trustees may set tuition and the out-of-state fee at levels which may vary slightly from the standard, and may also establish financial aid, capital improvement, student activity and service, and technology fees. The Boards of Trustees are also authorized to establish user fees and fines for services.

See Appendix D for a more detailed description of the Florida College tuition establishment and funding processes.

Governance

Boards of Trustees - Florida College districts are independent, separate corporate entities created for the operation of the respective Florida Colleges. By law they are constituted as political subdivisions of the State. Florida College districts are governed by Boards of Trustees comprised of five to nine members, depending on the number of local school districts within the Florida College district. Trustees are appointed by the Governor and confirmed by the Florida Senate. The Florida College president serves as the district's executive officer and corporate secretary, as well as the chief administrative officer of the Florida College.

State Board of Education/Division of Florida Colleges - Effective January 7, 2003, the State Board of Education was established pursuant to Article IX, Section 2, of the Florida Constitution. The State Board of Education is responsible for overseeing kindergarten through graduate school education in Florida. Education goals and objectives consistent with the policies prescribed by the Legislature are to be established by the State Board of Education. The State Board of Education consists of seven members appointed by the Governor to staggered four-year terms, subject to confirmation by the Senate. The Commissioner of Education is appointed by the Board and serves as the chief executive officer of Florida's education system.

The Division of Florida Colleges is a division of the State Department of Education. The powers, duties, responsibilities and functions of the Division of Florida Colleges are assigned by the State Board of Education and the Commissioner of Education.

The Division of Florida Colleges provides policy leadership, coordination and technical assistance to the 28 locally governed Florida Colleges. The Division of Florida Colleges is responsible for the preparation of the system-wide legislative budget request (based on data received from each Florida College), calculation of funding for each Florida College and the disbursement of State appropriations to the Florida Colleges. The Division of Florida Colleges is also responsible for establishing educational standards and policies related to articulation and academic affairs. It conducts studies and provides technical assistance to the institutions in the areas of academic and financial affairs and is responsible for the collection and analysis of information necessary to demonstrate accountability.

The Division of Florida Colleges serves as the conduit between the Participating Florida College System institutions and the Division of Bond Finance with respect to the issuance of Capital Improvement Bonds. The Division of Florida Colleges monitors the collection of Pledged Revenues and debt service payments and provides the Division of Bond Finance with financial and Project information for each Participating Florida College System institution necessary for the sale, continuing disclosure reporting and arbitrage compliance monitoring of the Bonds.

2012A Participating Florida College System Institution

Palm Beach State College was established in 1933 as Florida's first public junior college; it operates three campuses and one center on 302 acres. Its 97 owned buildings, including contents, were valued at $275.2 million in 2011. The average enrollment for college credit and college preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 36,100 on a headcount basis and 15,888 on a full time equivalent ("FTE") basis. For the 2010-11 academic year, Palm Beach State College had a total of 18,875 FTEs.

2010A Participating Florida College System Institutions

Edison State College was established in 1962; it operates three campuses and one special purpose center on 413 acres. Its 52 owned buildings, including contents, were valued at $189 million in 2011. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 19,663 on a headcount basis and 9,362 on a FTE basis. For the 2010-11 academic year, Edison State College had a total of 11,644 FTEs.

Gulf Coast State College was established in 1957; it operates one campus and two special purpose centers on 300 acres. Its 35 owned buildings, including contents, were valued at $137.8 million in 2011. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 10,351 on a headcount basis and 4,258 on a FTE basis. For the 2010-11 academic year, Gulf Coast State College had a total of 4,581 FTEs.

St. Petersburg College was established in 1927 as a private institution (St. Petersburg Junior College) and became part of the State's public system in 1947. Its name was changed to St. Petersburg College in 2001. It operates four campuses and eight special purpose centers on 410 acres. Its 128 owned buildings, including contents, were valued at $452.8 million in 2011. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 38,101 on a headcount basis and 17,044 on a FTE basis. For the 2010-11 academic year, St. Petersburg College had a total of 19,892 FTEs.

2008A Participating Florida College System Institutions

Broward College was established in 1960; it operates three campuses and six special purpose centers on 405 acres. Its 93 owned buildings, including contents, were valued at $422.5 million in 2011. The average enrollment for college credit and college preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 51,991 on a headcount basis and 24,824 on a FTE basis. For the 2010-11 academic year, Broward College had a total of 29,599 FTEs.

Palm Beach State College (see information under "2012A Participating Florida College System Institution" above).

2006A Participating Florida College System Institutions

St. Petersburg College (see information under "2010A Participating Florida College System Institutions" above).

Santa Fe College, located in Gainesville, was established in 1966; it operates one campus, one center and four special purpose centers on 277 acres. The college's 58 owned buildings, including contents, were valued at $214.8 million in 2011. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 20,121 on a headcount basis and 11,359 on a FTE basis. For the 2010-11 academic year, Santa Fe College had a total of 11,930 FTEs.

Seminole State College, located in Sanford, was established in 1966; it operates three campuses and two special purpose centers on 714 acres. The college's 42 owned buildings, including contents, were valued at $263.6 million in 2011. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 21,243 on a headcount basis and 10,304 on a FTE basis. For the 2010-11 academic year, Seminole State College had a total of 13,755 FTEs.

Tallahassee Community College was established in 1967; it operates one campus and four special purpose centers on 1,489 acres. The college's 65 owned buildings, including contents, were valued at $310.4 million in 2011. The average enrollment for college credit and college-preparatory instruction programs, the programs which generate Pledged Revenues, for the five-year period from 2006-07 through 2010-11 was 19,819 on a headcount basis, and 10,605 on a FTE basis. For the 2010-11 academic year, Tallahassee Community College had a total of 11,399 FTEs.

PURPOSE OF THE ISSUE

After providing for costs of issuance with respect to the 2012A Bonds, the remaining proceeds will be used to finance a portion of the costs of the 2012A Project, which consists of the new construction and equipment of educational facilities at the Palm Beach State College as described below. This project has been included in an approved educational plant survey pursuant to Chapter 1013, Florida Statutes, and in Palm Beach State College's capital improvement plan as provided in Section 216.0158, Florida Statutes. Palm Beach State College has adopted and filed with the Division of Bond Finance a resolution requesting issuance of bonds to finance the 2012A Project.

The 2012A Project consists of one phase of a Public Safety Training Center. This phase of the overall project will contain approximately 60,000 square feet of lab, physical education and auditorium space. Palm Beach State College plans to also use approximately $8.3 million in PECO and $1.5 million of local funds for the construction of this phase.

The construction of the 2012A Project commenced in November 2011 and is expected to be completed in March 2013.

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PROJECT FINANCING

Estimated Sources and Uses of Funds

The table below presents estimated sources and uses of funds based on certain assumptions as to interest rates, costs of issuance and the purchase price of the 2012A Bonds, which costs will be determined upon the actual pricing of such Bonds.

Sources of Funds:	
Par Amount of 2012A Bonds	$9,960,000
Public Education Capital Outlay Funds	8,352,945
Cash Contribution	1,500,000
Estimated Construction Fund Investment Earnings[1]	26,217
Premium Bid[2]	89,988
Total Sources	$19,929,150
Uses of Funds:	
2012A Project Costs	$19,852,945
Cost of Issuance	76,205
Total Uses	$19,929,150

[1] Interest is estimated at 1% over the construction period.
[2] Includes estimated Underwriter's discount.

Construction Fund

The Master Authorizing Resolution provides for the deposit of the net proceeds of the 2012A Bonds into separate accounts in the 2012A Project Construction Fund (the "Construction Fund"), a trust fund created in the State Treasury in the amounts and for the benefit of the 2012A Participating Florida College System institution as specified by the Division of Bond Finance, to pay the costs of the Projects being financed by the 2012A Bonds. The Registered Owners of the 2012A Bonds will have a lien on the proceeds of such Bonds deposited in the 2012A Project Construction Fund until such moneys are applied as provided in the Master Authorizing Resolution. See "MISCELLANEOUS - Investment of Funds" below for policies governing the investment of the Construction Fund.

Withdrawals from the Construction Fund will be made by written requisition from an Authorized Officer of Palm Beach State College certifying that such withdrawal is for a proper Project Cost, and that either (i) the amount of such withdrawal will be expended by Palm Beach State College within 30 days, or (ii) the withdrawal is for reimbursement to the Palm Beach State College for payment of a Project Cost. Funds remaining in the 2012A Project Construction Fund after completion of the Project will be deposited into the Excess Construction Fund Moneys Account in the Sinking Fund, to be used: (i) to pay debt service on Bonds or to fund the Rebate accounts; (ii) to pay the Project Cost of another Project of Palm Beach State College; (iii) to call for redemption that amount of 2012A Bonds attributable to Palm Beach State College; and/or, (iv) after obtaining an opinion of Bond Counsel that such proposed use will not, under the statutes, rules and regulations then in force and applicable, cause the interest on the Bonds to be included in gross income for federal income tax purposes, to pay for any lawful purpose.

SECURITY FOR THE 2012A BONDS

Pledged Revenues[1]

The 2012A Bonds and the interest thereon constitute joint obligations of the Participating Florida College System institutions, and are secured by and payable solely from a first lien pledge of the Capital Improvement Fees collected pursuant to Section 1009.23(11)[2], Florida Statutes, by the Participating Florida College System institutions, plus investment earnings thereon (collectively, the "Pledged Revenues"), on a parity with the Outstanding Bonds and any Additional Bonds issued subsequent to the issuance of the 2012A Bonds. The 2012A Bonds constitute the fourth series of Bonds to be issued pursuant to the Master Authorizing Resolution. Upon the issuance of Additional Bonds, all Bonds will share a parity first lien on the Pledged Revenues of all Florida Colleges participating in any series of Bonds then Outstanding.

The Capital Improvement Fees collected pursuant to Section 1009.23(11), Florida Statutes, are fees paid by each student enrolled at individual Participating Florida College System institutions for college credit instruction or for noncollege credit college-preparatory courses. The Capital Improvement Fees which may be imposed by a Florida College System institution may not exceed 10 percent of tuition for resident students or 10 percent of the sum of tuition and out-of-state fees for non-resident students. The Capital Improvement Fee for resident students shall be limited to an increase of $2 per credit hour over the prior year. There is no statutory limit on the annual rate of Capital Improvement Fee increases for out-of-state students. As shown on the table on page D-8 of Appendix D - "Florida College System and Participating Florida College System Institutions", four of the eight PFCSI's are currently charging Capital Improvement Fees for resident students equal to the maximum 10% of tuition, which means they could only raise such fees if tuition rates increase or if legislative action is taken. The other four institutions are currently charging Capital Improvement Fees for resident students in excess of 9% of tuition, with two of those as high as 9.95% and 9.91%. As shown on the table on page D-9 of Appendix D, three of the eight PFCSI's are charging the maximum rate for the Capital Improvement Fee for non-resident students of 10% of the sum of tuition and out-of-state fees. The other five institutions are charging Capital Improvement Fees ranging from 4.51% to 8.39% of the sum of tuition and out-of-state fees.

The amount of Capital Improvement Fees projected to be collected by the Participating Florida College System institutions ranges from approximately $29 million in Fiscal Year 2011-12 to $33 million in Fiscal Year 2015-16. The revenues to be derived from such Capital Improvement Fees are required to be used to pay the principal of and interest on Bonds and to make all required sinking fund and other payments provided for in the Resolution.

The 2012A Bonds are "Revenue Bonds" within the meaning of Article VII, Section 11(d), of the Florida Constitution, and are payable solely from funds derived directly from sources other than State tax revenues. **The 2012A Bonds do not constitute a general obligation or indebtedness of the State of Florida or any of its agencies or political subdivisions and shall not be a debt of the State of Florida or of any agency or political subdivision thereof, including the Participating Florida College System institutions, the Department or the Division of Bond Finance, and the full faith and credit of the State is not pledged to the payment of the principal of, premium, if any, or interest on the 2012A Bonds. The issuance of the 2012A Bonds does not, directly or indirectly or contingently, obligate the State of Florida to use State funds, other than the Pledged Revenues, to levy or to pledge any form of taxation whatsoever or to make any appropriation for payment of the principal of, premium, if any, or interest on the 2012A Bonds.**

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1 See Appendix D, "FLORIDA COLLEGE SYSTEM AND PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS - Tuition and Fees" for a more detailed description and discussion of the Capital Improvement Fees.

2 Capital Improvement Fees collected pursuant to Section 1009.22(6), Florida Statutes, which are paid by students enrolled in workforce education programs, are not currently pledged for the payment of the 2012A Bonds.

Reserve Account*

There will not be a Debt Service Reserve subaccount funded for the 2012A Bonds. However, the Master Authorizing Resolution provides for the funding of the Reserve Account in an amount equal to the Debt Service Reserve Requirement, which is to be used for payments of debt service becoming due and payable on the Bonds when the amounts in the Sinking Fund are insufficient therefor. The Reserve Account may contain one or more subaccounts, each of which may secure one or more Series of Bonds. The Debt Service Reserve Requirement may be satisfied by the deposit of Bond proceeds or a Reserve Account Credit Facility. The Debt Service Reserve Account is currently funded by debt service reserve fund policies from Financial Guaranty Insurance Company ("FGIC") in the amount of $4,094,675, and from Assured Guaranty Corp. ("Assured") in the amount of $2,164,225. The amounts on deposit in the Debt Service Reserve Account do not secure the 2010A Bonds and will not secure the 2012A Bonds. The 2010A Bonds are secured by a separate subaccount in the Debt Service Reserve Account (the "2010A Reserve Subaccount") that secures only the 2010A Bonds and may secure any Additional Bonds that may be issued in the future. The 2010A Reserve Subaccount was funded from proceeds of the 2010A Bonds in the amount of $2,336,737.50.

The Fourth Supplemental Bond Resolution provided that the 2012A Bonds may be issued without funding a reserve subaccount for the 2012A Bonds. As a result, upon issuance of the 2012A Bonds, no moneys will be deposited into the Debt Service Reserve Account or any subaccount therein to secure the 2012A Bonds. The 2012A Bonds will not be secured by the Debt Service Reserve Account or any subaccount therein.

In the event funds on deposit in the Sinking Fund are not sufficient to pay the principal and/or interest next coming due on the Bonds other than the 2012A Bonds, then on or before the Interest Payment Date and the Principal Payment Date such amounts as may be necessary to pay such maturing principal and/or interest on the Bonds will be transferred to the Sinking Fund from the Reserve Account. Any withdrawals from the Reserve Account, including disbursements made under a Reserve Account Credit Facility, will be subsequently restored (or, in the case of a Reserve Account Credit Facility, the provider thereof will be reimbursed) from the first Pledged Revenues available after all required current payments for the Sinking Fund, including any deficiencies for prior payments, have been made in full.

See "MISCELLANEOUS - Bond Ratings" below for a discussion of potential and actual rating agency actions with respect to various insurance companies, including FGIC and Assured.

Flow of Funds

Collection of Pledged Revenues. Each Participating Florida College System institution is required to deposit its Pledged Revenues into a trust fund (the "Revenue Fund") upon collection, to be administered in accordance with the Master Authorizing Resolution and applicable laws.

Application of Pledged Revenues. (A) Pledged Revenues collected by each Participating Florida College System institution are forwarded (pursuant to written notices required by the Master Authorizing Resolution) to the Board of Administration as indicated below for deposit into the applicable Participating Florida College System institution's sub-account in the Florida College System Capital Improvement Sinking Fund. Said funds constitute trust funds for the following purposes:

(1) the payment of Administrative Expenses;
(2) the payment of interest on Bonds;
(3) the payment of principal (including Amortization Installments) on Bonds;
(4) the maintenance and establishment of the Reserve Account; and
(5) funding the Rebate Account.

*No reserve account is available for the 2012A Bonds.

(B) Not later than December 1 of each Fiscal Year, each Participating Florida College System institution must forward to the Board of Administration its pro rata share of:

(1) the next January 1 Sinking Fund Requirement,
(2) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and
(3) the amount, if any, necessary to pay any Rebate Amount;

giving credit for money, if any, in each Participating Florida College System institution's sub-account in the Excess Construction Fund Moneys Account.

(C) If one or more Participating Florida College System institutions fails to forward all of the amount set forth in (B) above by December 1,

(1) the Board of Administration shall immediately provide written notice to the remaining Participating Florida College System institutions to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in (B) above, pro rata based on each remaining Participating Florida College System institution's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the Participating Florida College System institution(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in (B) above in the following order of priority:

(a) from the additional Pledged Revenues so remitted,
(b) from moneys in the Excess Construction Fund Moneys Account in excess of the amount already credited to each Participating Florida College System institution, if available, pro rata from each sub-account therein, and
(c) from the Reserve Account, if legally available (not available for 2012A Bonds).

(2) If, when applying (C)(1) above, Pledged Revenues from one or more of the remaining Participating Florida College System institutions become fully exhausted prior to fully funding the amount set forth in (B) above, the Board of Administration shall reapply the formula in (C)(1) above, utilizing the funds of the then remaining Participating Florida College System institutions. This directive shall be repeated as many times as necessary until the amount set forth in (B) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account (not applicable to 2012A Bonds).

(D) Not later than February 15 of each Fiscal Year, each Participating Florida College System institution must forward to the Board of Administration its pro rata share of:

(1) the next July 1 Sinking Fund Requirement,
(2) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and
(3) the amount, if any, necessary to pay any Rebate Amount;

giving credit for money, if any, in each Participating Florida College System institution's sub-account in the Excess Construction Fund Moneys Account.

(E) If each Participating Florida College System institution has forwarded funds in an amount equal to the amount set forth in (D) above by February 15, the Sinking Fund will be deemed to be fully funded for that Fiscal Year. In such case, the Board of Administration shall provide written notice to each Participating Florida College System institution that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless required to make a rebate payment. Each Participating Florida College System institution shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration, and may then use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(F) If one or more Participating Florida College System institutions fails to forward all of the amount set forth in (D) above by February 15,

(1) the Board of Administration shall immediately provide written notice to the remaining Participating Florida College System institutions to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in (D) above, pro rata based on each remaining Participating Florida College System institution's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the Participating Florida College System institution(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in (D) above in the following order of priority:

(a) from the additional Pledged Revenues so remitted,
(b) from moneys in the Excess Construction Fund Moneys Account in excess of the amount already credited to each Participating Florida College System institution, if available, pro rata from each sub-account therein, and
(c) from the Reserve Account, if legally available (not available for 2012A Bonds).

(2) If, when applying (F)(1) above, Pledged Revenues from one or more of the remaining Participating Florida College System institutions become fully exhausted prior to fully funding the amount set forth in (D) above, the Board of Administration shall reapply the formula in (F)(1) above, utilizing the funds of the then remaining Participating Florida College System institutions. This directive shall be repeated as many times as necessary until the amount set forth in (D) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account (not applicable to 2012A Bonds).

(3) On the date on which the amount set forth in (D) above is fully funded, the Board of Administration shall provide written notice to each Participating Florida College System institution that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless required to make a rebate payment. Each Participating Florida College System institution shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration, and may then use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(G) After each July 1 Sinking Fund Requirement has been satisfied, any money remaining in each sub-account in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be applied to the payment of the next interest payment, for the benefit of the applicable Participating Florida College System institution. In any fiscal Year, if there are no Bonds Outstanding after the July 1 Sinking Fund Requirement has been satisfied, or at any time after all of the Outstanding Bonds have been defeased and provision for payment thereof has been made, any money remaining in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be returned to each Participating Florida College System institution which had Bonds Outstanding immediately prior to such occurrence, pro rata in relation to its par amount of such Bonds.

See "MISCELLANEOUS - Investment of Funds" herein for policies governing the investment of various funds.

Covenants

The Division, on behalf of the Department and the Participating Florida College System institutions, has covenanted in the Master Authorizing Resolution that so long as any Bonds attributable to such Participating Florida College System institutions remain Outstanding:

(A) That the Department and the Participating Florida College System institutions will punctually pay the Pledged Revenues in the manner and at the times provided in the Resolution and that the Department and the Participating Florida College System institutions will duly and punctually perform and carry out all the covenants of the Department and the Participating Florida College System institutions made therein and the duties imposed upon the Department and the Participating Florida College System institutions by the Resolution.

(B) That in preparing, approving and adopting any budget controlling or providing for the expenditures of its funds for each budget period the Department and the Participating Florida College System institutions will allocate, allot and approve, to the extent permitted by law, the amounts sufficient to pay the annual Sinking Fund requirements due under the Resolution.

(C) That the Department and the Participating Florida College System institutions will from time to time recommend and include in their budgets such revisions to the Capital Improvements Fees which, to the extent permitted by law, will produce Pledged Revenues sufficient to pay, when due, the amounts required under the Resolution.

(D) That the Participating Florida College System institutions will continue to collect the Capital Improvement Fees.

Additional Bonds

The Master Authorizing Resolution provides that additional Bonds may be issued on a parity with the 2012A Bonds, but only upon the following terms, restrictions and conditions:

(A) The proceeds from such Additional Bonds shall be used to acquire and construct Projects, or to refund Outstanding Bonds.

(B) (1) The Department and all Participating Florida College System institutions must be current in all deposits into the various funds and accounts and all payments theretofore required to have been deposited or made by it under the provisions of the Resolution.

(2) The Department and the Participating Florida College System institutions must be currently in compliance with the covenants and provisions of the Resolution and any supplemental resolution adopted for the issuance of the initial Series of Bonds issued thereunder or Additional Bonds, or upon the issuance of such Additional Bonds the Department and the Participating Florida College System institutions will be brought into compliance with all such financial requirements, covenants and provisions.

(C) The Board of Trustees of each Florida College System institution wishing to participate in the issuance of Additional Bonds shall request the issuance of such Additional Bonds by a duly adopted resolution in the form required by the Division.

(D) Certificates shall be executed by the Department or other appropriate agency setting forth:

(1) the average annual amount of that portion of the Capital Improvement Fees pledged for the payment of Bonds and Administrative Expenses collected by the Participating Florida College System institutions and the New Participating Florida College System institutions during the two

Fiscal Years immediately preceding the issuance of the proposed Additional Bonds, adjusted as hereinafter provided, and;

(2) the Maximum Annual Debt Service on the Bonds then Outstanding and the Additional Bonds then proposed to be issued.

(E) The amount certified pursuant to (D)(1) above, adjusted as hereinafter provided, will be at least equal to one hundred thirty percent of the total Maximum Annual Debt Service on (i) the Bonds then Outstanding, and (ii) the Additional Bonds then proposed to be issued;

(F) The Pledged Revenues and Capital Improvement Fees calculated pursuant to paragraph (D)(1) may be adjusted at the option of the Division if, prior to the issuance of the proposed Additional Bonds, all actions shall have been taken and all approvals shall have been obtained which are necessary to increase a Participating Florida College System institution's or a New Participating Florida College System institution's Capital Improvement Fees, such increase to become effective not later than January 1 of the Fiscal Year following the Fiscal Year in which the Additional Bonds are to be issued, the average annual amount of Pledged Revenues attributable to such Participating Florida College System institution for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Pledged Revenues attributable to such Participating Florida College System institution which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years; similarly, the average annual amount of Capital Improvement Fees to be pledged for the payment of Bonds and Administrative Expenses attributable to such New Participating Florida College System institution for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Capital Improvement Fees attributable to such New Participating Florida College System institution which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years.

The provisions of paragraphs (D) and (E) do not apply to the issuance of refunding Bonds if the Annual Debt Service Requirement of the refunding Bonds in each Fiscal Year is equal to or less than the corresponding Annual Debt Service Requirement of the refunded Bonds.

Future Financing

Based upon outstanding requests from Participating Florida College System institutions, the Department tentatively plans to issue $24.9 million of Additional Bonds during the next year. The actual timing and amounts of these issues will be determined by the Department.

The additional financing is expected to provide funds to construct projects at two existing Participating Florida College System institutions, Broward College and Edison State College. Broward College plans to construct a new Southwest Center in the Miramar area, consisting of classroom and specialized labs with an emphasis of computer-related and business courses, general education, developmental and adult education, as well as limited administration and faculty office, library, student services and support services space for an approximate total of 60,000 gross square feet. The estimated projected cost is $19.5 million, with $17 million expected to come from bond proceeds and the remainder to come from local funds. Edison State College plans to construct a 16,000 gross square feet addition to the Taeni Student Services Hall on their Lee Campus as well as remodel/renovate approximately 13,400 square feet of existing space for offices in that facility; and a 6,000 gross square feet classroom and lab addition to Building K on Charlotte Campus. The project cost is estimated at $7.9 million, expected to come solely from bond proceeds.

It is anticipated that issuance of the $24.9 million in Additional Bonds during the next year will generate additional annual debt service of approximately $2 million. **The projections are based on the best information available when the estimates are made, which is believed to be accurate**. **Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections.**

HISTORICAL AND PROJECTED PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTION CAPITAL IMPROVEMENT FEES*

Historical collections of Capital Improvement Fees by the Participating Florida College System institutions are set forth in the table below.

Historical Capital Improvement Fees[1]

Fiscal Year	Capital Improvement Fees[2]	Percentage Increase
2006-07	$13,832,846 [3,4]	74.9%
2007-08	15,477,398 [4]	11.9%
2008-09	18,528,851	19.7%
2009-10	22,421,798	21.0%
2010-11	25,775,528	15.0%

[1] Source: Florida Department of Education, Division of Florida Colleges.
[2] Collected pursuant to Section 1009.23(11), Florida Statutes.
[3] Based upon a comparison with the Fiscal Year 2005-06 collections of $7,909,715.
[4] Reflects rate increases authorized by 2005 and 2006 State Legislature.

Projected collections of Capital Improvement Fees by the Participating Florida College System institutions are set forth in the table below. **The projections of revenues from Capital Improvement Fees have been prepared by the Florida Department of Education, Division of Florida Colleges, based upon the most recent available information, which is believed to be accurate. Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections. In addition, the projected amounts are reviewed from time to time; accordingly, such amounts are subject to change.**

Projected Capital Improvement Fees [1]

Fiscal Year	Capital Improvement Fees[2]	Percentage Increase
2011-12	$29,005,429 [3]	12.5%
2012-13	29,967,295 [4]	3.3%
2013-14	30,961,057 [4]	3.3%
2014-15	31,987,775 [4]	3.3%
2015-16	33,048,540 [4]	3.3%

[1] Source: Florida Department of Education, Division of Florida Colleges.
[2] Collected pursuant to Section 1009.23(11), Florida Statutes.
[3] Based on a comparison with the Fiscal Year 2010-11 historical figure from the corresponding column in the immediately preceding table.
[4] This increase assumes that Capital Improvement Fee revenue growth will remain constant starting in 2012-13 based on the most recently available one-year weighted average FTE growth of the Participating Florida College System institutions.

* See Appendix D, "FLORIDA COLLEGE SYSTEM AND PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS - Tuition and Fees" for a more detailed description and discussion of the Capital Improvement Fees.

PROJECTED DEBT SERVICE COVERAGE

Set forth below is the projected debt service coverage for the Bonds secured by the Capital Improvement Fees. **The projections of Capital Improvement Fees have been prepared by the Florida Department of Education, Division of Florida Colleges, based upon the most recent available information, which is believed to be accurate. Projections are statements of opinion and are subject to future events which may cause the actual results to differ materially from those set forth herein. Undue reliance should not be placed on these projections.**

Schedule of Projected Debt Service Coverage

Fiscal Year	Projected Participating Florida College System Institutions Capital Improvement Fees[1]	Projected Debt Service[2]	Projected Coverage Ratio
2011-12	$29,005,429	$8,675,320	3.34x
2012-13	29,967,295	9,266,835	3.23x
2013-14	30,961,057	9,274,735	3.34x
2014-15	31,987,775	9,271,048	3.45x
2015-16	33,048,540	9,265,088	3.57x

[1] Source: Florida Department of Education, Division of Florida Colleges.

[2] Includes estimated debt service on the 2012A Bonds.

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SCHEDULE OF ESTIMATED DEBT SERVICE

The table below shows debt service payable with respect to the Outstanding Bonds, as well as the estimated debt service for the 2012A Bonds and the estimated total debt service in each fiscal year. Payments due on July 1 are deemed to accrue in the preceding fiscal year.

Fiscal Year Ending June 30	Outstanding Bonds	Estimated Debt Service on Series 2012A Bonds			Estimated Total Debt Service[2]
		Principal[1]	Interest[2]	Total[2]	
2012	$8,581,710	-	$93,610	$93,610	$8,675,320
2013	8,578,935	$370,000	317,900	687,900	9,266,835
2014	8,587,935	380,000	306,800	686,800	9,274,735
2015	8,580,648	395,000	295,400	690,400	9,271,048
2016	8,576,538	405,000	283,550	688,550	9,265,088
2017	8,571,838	415,000	271,400	686,400	9,258,238
2018	8,584,238	430,000	258,950	688,950	9,273,188
2019	8,580,788	440,000	246,050	686,050	9,266,838
2020	8,576,638	455,000	232,850	687,850	9,264,488
2021	8,577,725	470,000	219,200	689,200	9,266,925
2022	8,584,763	485,000	205,100	690,100	9,274,863
2023	8,571,663	495,000	192,975	687,975	9,259,638
2024	8,580,488	510,000	178,125	688,125	9,268,613
2025	8,584,663	525,000	162,825	687,825	9,272,488
2026	8,581,463	540,000	147,075	687,075	9,268,538
2027	8,574,813	555,000	130,875	685,875	9,260,688
2028	4,494,156	575,000	111,450	686,450	5,180,606
2029	2,328,731	595,000	91,325	686,325	3,015,056
2030	2,332,781	620,000	70,500	690,500	3,023,281
2031	-	640,000	48,800	688,800	688,800
2032	-	660,000	26,400	686,400	686,400
	$146,430,509	$9,960,000	$3,891,160	$13,851,160	$160,281,668

[1] Preliminary, subject to change as provided in the Notice of Bond Sale.
[2] Preliminary, subject to change.
Note: Numbers may not add due to rounding.

PROVISIONS OF STATE LAW

Bonds Legal Investment for Fiduciaries

The State Bond Act provides that all bonds issued by the Division of Bond Finance are legal investments for state, county, municipal or other public funds, and for banks, savings banks, insurance companies, executors, administrators, trustees, and all other fiduciaries and also are securities eligible as collateral deposits for all state, county, municipal, or other public funds.

Negotiability

The 2012A Bonds will have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code - Investment Securities Law of the State.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met subsequent to the issuance and delivery of the 2012A Bonds in order that interest on the 2012A Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the 2012A Bonds to be included in federal gross income retroactive to the date of issuance of the 2012A Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the 2012A Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The Participating Florida College System institutions , the Department, the Division of Bond Finance and the Board of Administration have covenanted in the Master Authorizing Resolution to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the 2012A Bonds.

In the opinion of Bond Counsel, assuming compliance with the aforementioned covenants, under existing laws, regulations, judicial decisions and rulings, interest on the 2012A Bonds is excluded from gross income of the holders thereof for purposes of federal income taxation. Interest on the 2012A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations; however, interest on the 2012A Bonds will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. The 2012A Bonds and the income thereon are not subject to any tax under the laws of the State of Florida except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of 2012A Bonds. Prospective purchasers of 2012A Bonds should be aware that the ownership of 2012A Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry 2012A Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by 15% of certain items, including interest on the 2012A Bonds, (iii) the inclusion of interest on the 2012A Bonds in earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of interest on 2012A Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) the inclusion of interest on the 2012A Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for purposes of determining whether such benefits are included in gross income for federal income tax purposes.

Interest paid on tax-exempt bonds such as the 2012A Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the 2012A Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of 2012A Bonds, under certain circumstances, to "backup withholding" at (i) the fourth lowest rate of tax applicable under Section 1(c) of the Code (i.e., a rate applicable to unmarried individuals) for taxable years beginning on or before December 31, 2012; and (ii) the rate of 31% for taxable years beginning after December 31, 2012, with respect to payments on the 2012A Bonds and proceeds from the sale of 2012A Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of 2012A Bonds. This withholding generally applies if the owner of 2012A Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the 2012A Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Tax Treatment of Bond Premium

Certain of the 2012A Bonds may be offered at prices in excess of the principal amount thereof. Under the Code, the excess of the cost basis of a bond over the principal amount of the bond (other than for a bondholder who holds a bond as inventory, stock in trade, or for sale to customers in the ordinary course of business) is generally characterized as “bond premium.” For federal income tax purposes, bond premium is amortized over the term of the bonds or to the first optional redemption date in the case of callable bonds. A bondholder will therefore be required to decrease his basis in the 2012A Bonds by the amount of amortizable bond premium attributable to each taxable year such bondholder holds such 2012A Bond. The amount of the amortizable bond premium attributable to each taxable year is determined on an actuarial basis at a constant interest rate compounded on each interest payment date. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes.

Bondholders of such 2012A Bonds should consult their own tax advisors with respect to the precise determination of federal income tax treatment of bond premium upon sale, redemption, or other disposition of such 2012A Bonds.

Tax Treatment of Original Issue Discount

Certain of the 2012A Bonds may be offered and sold to the public at prices below their maturity amount. Under the Code, the difference between the maturity amounts of such 2012A Bonds and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of 2012A Bonds of the same maturity was sold is “original issue discount.” Original issue discount will accrue over the terms of such 2012A Bonds at a constant interest rate compounded periodically. A purchaser who acquires such 2012A Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such 2012A Bonds, and will increase his adjusted basis in such 2012A Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such 2012A Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of such 2012A Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of such 2012A Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of 2012A Bonds and with respect to the state and local tax consequences of owning and disposing of such 2012A Bonds.

Purchase, ownership or sale or disposition of the 2012A Bonds and the receipt of the interest thereon may have adverse federal tax consequences for certain individual and corporate bondholders. Prospective 2012A Bondholders should consult their tax specialists for information in that regard.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the 2012A Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the 2012A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the 2012A

Bonds and their market value. No assurance can be given that legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse affect upon, the 2012A Bonds.

State Taxes

The 2012A Bonds and the income thereon are not subject to taxation by the State or any county, municipality, political subdivision, agency, or instrumentality of the State, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

Florida laws governing the imposition of estate taxes do not provide for an exclusion of state or local bonds from the calculation of the value of the gross estate for tax purposes. Florida's estate tax is generally calculated on the basis of the otherwise unused portion of the federal credit allowed for state estate taxes. Under Chapter 198, Florida Statutes, all values for state estate tax purposes are as finally determined for federal estate tax purposes. Since state and local bonds are included in the valuation of the gross estate for federal tax purposes, such obligations would be included in such calculation for Florida estate tax purposes. Prospective owners of the 2012A Bonds should consult their own attorneys and advisors for the treatment of the ownership of the 2012A Bonds for estate tax purposes.

The 2012A Bonds are subject to the tax imposed by Chapter 220 on interest, income, or profits on debt obligations owned by corporations and other specified entities.

MISCELLANEOUS

Investment of Funds

Funds held pursuant to the Resolution **-** The Master Authorizing Resolution directs the manner in which funds held in the various funds may be invested. Each Participating Florida College System institution is required to deposit the Capital Improvement Fees it collects into its own local Capital Improvement Fee Revenue Fund which is a trust fund for the purposes provided in the Master Authorizing Resolution. Debt service payments are sent to the Sinking Fund held by the Board of Administration pursuant to the schedule set forth in the Master Authorizing Resolution, and are then forwarded to the Bond Registrar/Paying Agent.

Bond proceeds to be applied as accrued interest and to satisfy the Debt Service Reserve Requirement (if any) are transferred to the Sinking Fund held by the Board of Administration. Bond proceeds to be used for the costs of the Project are transferred to the appropriate Construction Fund in the State Treasury.

Except insofar as they may be needed for payments pursuant to the Resolution, moneys in any funds authorized or required by the Resolution may be invested and reinvested as provided in Section 17.57 or 215.47, Florida Statutes.

All State funds are invested by either the Chief Financial Officer or the Board of Administration. See "*Investment by the Chief Financial Officer*" and "*Investment by the Board of Administration*" below.

Investment by the Chief Financial Officer **-** Funds held in the State Treasury are invested by internal and external investment managers. As of December 31, 2011, the ratio was approximately 52% internally managed funds, 36% externally managed funds, and 12% Certificates of Deposit and Security Lending. The total portfolio market value was $19,802,538,327.72 on December 31, 2011.

Under State law, the Treasury is charged with investing funds of each State agency and the judicial branch. As of December 31, 2011, $10.229 billion of the investments in the Treasury consisted of accounts held by State agencies that are required by law to maintain their investments in the Treasury. An additional $7.413 billion as of this date consisted of moneys held by certain boards, associations, or entities created by the State

Constitution or by State law that are not required to maintain their investments with the Treasury and are permitted to withdraw these funds from the Treasury.

As provided by State law, the Treasury must be able to timely meet all disbursement needs of the State. Accordingly, the Treasury allocates its investments to provide for estimated disbursements plus a cushion for liquidity in instances of greater-than-expected disbursement demand.

To this end, a portion of Treasury's investments are managed for short-term liquidity and preservation of principal. The remainder is managed to obtain maximum yield, given the safety parameters of State law and Treasury's investment policies. Investments managed for short-term liquidity and preservation of principal are managed "internally" by Treasury personnel. The majority of investments managed for a maximum return are managed by "external" investment managers not employed by the State, although a portion (approximately $2.4 billion) of such investments is managed internally by Treasury personnel.

The Externally Managed Investment Program provides long-term value while limiting risk appropriately and provides a backup source of liquidity. External investment strategy focuses on medium-term and long-term fixed income securities, rather than money market instruments, in order to take advantage of higher returns historically achieved by such securities. Portfolio managers are hired to actively manage funds. These funds may be invested in U.S. Treasury government agency obligations, investment grade corporate debt, municipal debt, mortgage backed securities, asset backed securities, negotiable certificates of deposit, and U.S. dollar denominated investment-grade foreign bonds that are registered with the Securities and Exchange Commission. The managers may also use leveraging techniques such as forward purchase commitments, covered options, and interest rate futures.

Investment by the Board of Administration - The Board of Administration manages investment of assets on behalf of the members of the Florida Retirement System (the "FRS") Defined Benefit Plan. It also acts as sinking fund trustee for most State bond issues and oversees the management of a short-term investment pool for local governments and smaller trust accounts on behalf of third party beneficiaries.

The Board of Administration adopts specific investment policy guidelines for the management of its funds which reflect the long-term risk, yield, and diversification requirements necessary to meet its fiduciary obligations. As of December 31, 2011, the Board of Administration directed the investment/administration of 38 funds in over 480 portfolios.

As of December 31, 2011, the total market value of the FRS (Defined Benefit) Trust Fund was $118,235,090,454. The Board of Administration pursues an investment strategy which allocates assets to different investment types. The long-term objective is to meet liability needs as determined by actuarial assumptions. Asset allocation levels are determined by the liquidity and cash flow requirements of the FRS, absolute and relative valuations of the asset class investments, and opportunities within those asset classes. Funds are invested internally and externally under a Defined Benefit Plan Investment Policy Statement.

The Board of Administration uses a variety of derivative products as part of its overall investment strategy. These products are used to manage risk or to execute strategies more efficiently or more cost effectively than could be done in the cash markets. They are not used to speculate in the expectation of earning extremely high returns. Any of the products used must be within investment policy guidelines designed to control the overall risk of the portfolio.

The Board of Administration invests assets in 37 designated funds other than the FRS (Defined Benefit) Trust Fund. As of December 31, 2011, the total market value of these funds equaled $30,943,743,416. Each fund is independently managed by the Board of Administration in accordance with the applicable documents, legal requirements and investment plan. Liquidity and preservation of capital are preeminent investment objectives for most of these funds, so investments for these are restricted to high quality money market instruments (e.g., cash, short-term treasury securities, certificates of deposit, banker's acceptances, and commercial paper). The term of these investments is generally short, but may vary depending upon the requirements of each trust and its investment plan.

Investment of bond sinking funds is controlled by the resolution authorizing issuance of a particular series of bonds. The Board of Administration's investment policy with respect to sinking funds is that only U.S. Treasury securities, and repurchase agreements backed thereby, be used.

Bond Ratings

Standard & Poor's Ratings Services, Moody's Investors Service and Fitch Ratings (herein referred to collectively as "Rating Agencies"), have assigned their municipal bond ratings of ___, ___ and ___, respectively, to the 2012A Bonds. Such ratings reflect only the respective views of such Rating Agencies at the time such ratings were issued, and an explanation of the significance of such ratings may be obtained from any of the respective rating agencies.

The State furnished to such Rating Agencies certain information and materials in respect to the State and the 2012A Bonds. Generally, Rating Agencies base their ratings on such information and materials and on investigations, studies and assumptions made by the Rating Agencies. There is no assurance that such ratings will be maintained for any given period of time or that they may not be lowered, suspended or withdrawn entirely by the Rating Agencies, or any of them, if in their or its judgment, circumstances warrant. Any such downward change in, suspension of or withdrawal of such ratings may have an adverse effect on the market price of the 2012A Bonds.

The Rating Agencies have evaluated (and are continuing to evaluate) the effects of the downturn in the market for certain structured finance instruments, including collateralized debt obligations and residential mortgage backed securities, on the claims-paying ability of financial guarantors. The results of these evaluations have included and may include additional ratings affirmations, changes in rating outlook, reviews for downgrade, and downgrades. Assured Guaranty Corp. (Assured) is currently rated Aa3 by Moody's and AA- by S&P; Assured has a negative outlook by Moody's and a stable outlook by S&P. Fitch has withdrawn its rating for Assured; Moody's, S&P and Fitch have withdrawn their ratings for FGIC. Potential investors are directed to the Rating Agencies for additional information on their ongoing evaluations of the financial guaranty industry and individual financial guarantors.

Litigation

Currently there is no litigation pending, or to the knowledge of the Participating Florida College System institutions, the Department, or the Division of Bond Finance threatened, which, if successful, would have the effect of restraining or enjoining the issuance or delivery of the 2012A Bonds or the fixing or collection of the revenues pledged thereto. Nor is there currently any litigation pending, or to the knowledge of the Participating Florida College System institutions, the Department, or the Division of Bond Finance threatened which questions or affects the validity of the 2012A Bonds or the proceedings and authority under which the 2012A Bonds are to be issued. Further, there is currently no litigation pending, or to the knowledge of the Participating Florida College System institutions, the Department, or the Division of Bond Finance threatened, which questions or affects the corporate existence of the Department nor the title of the present officers to their respective offices. The Participating Florida College System institutions, the Department, and the Division of Bond Finance from time to time engage in routine litigation the outcome of which would not be expected to have any material adverse affect on the issuance and delivery of the 2012A Bonds.

Legal Opinion and Closing Certificates

The approving legal opinion of Bryant Miller Olive P.A., Tallahassee, Florida, will be provided on the date of delivery of the 2012A Bonds, as well as a certificate, executed by appropriate State officials, to the effect that to the best of their knowledge the Official Statement, as of its date and as of the date of delivery of the 2012A Bonds, does not contain an untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading. A proposed form of the legal opinion of Bond Counsel is attached hereto as Appendix F.

Continuing Disclosure

The Department will undertake, for the benefit of the beneficial owners and the Registered Owners of the 2012A Bonds to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain material events. Such financial information and operating data will be transmitted to the Municipal Securities Rulemaking Board (the "MSRB") using its Electronic Municipal Market Access System ("EMMA"). Any notice of material events will also be transmitted to the MSRB using EMMA. The form of the undertaking is set forth in Appendix E, Form of Continuing Disclosure Agreement. This undertaking is being made in order to assist the underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission.

Neither the Participating Florida College System institutions, the Department nor the Division of Bond Finance has failed to make any disclosures required by Rule 15c2-12.

Underwriting

__________________ (the "Underwriters") have agreed to purchase the 2012A Bonds at an aggregate purchase price of $___________ (which represents the par amount of the 2012A Bonds plus an original issue premium of $____________ and minus the Underwriters' discount of $____________). Underwriters may offer and sell the 2012A Bonds to certain dealers (including dealers depositing bonds into investment trusts, including trusts managed by the Underwriters) at prices lower than the initial offering prices. The offering prices or yields on the 2012A Bonds set forth on the inside front cover may be changed after the initial offering by the Underwriters.

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Execution of Official Statement

This Official Statement has been prepared by the Division of Bond Finance as agent for the Participating Florida College System institutions pursuant to Section 215.61(4), Florida Statutes, and the proceedings referred to herein. The Division of Bond Finance and the Participating Florida College System institutions have authorized the execution and delivery of the Official Statement.

DIVISION OF BOND FINANCE of the STATE BOARD OF ADMINISTRATION OF FLORIDA

RICK SCOTT
Governor, as Chairman of the Governing Board

J. BEN WATKINS III
Director

DEPARTMENT OF EDUCATION
DIVISION OF FLORIDA COLLEGES
DR. JOHN HOLDNAK
Vice Chancellor for Financial Policy

BROWARD COLLEGE
J. DAVID ARMSTRONG, JR.
Secretary of the Board of Trustees and President

EDISON STATE COLLEGE
J. DUDLEY GOODLETTE
Secretary of the Board of Trustees and Interim President

GULF COAST STATE COLLEGE
DR. A. JAMES KERLEY
Secretary of the Board of Trustees and President

PALM BEACH STATE COLLEGE
DR. DENNIS P. GALLON
Secretary of the Board of Trustees and President

ST. PETERSBURG COLLEGE
DR. WILLIAM B. LAW, JR.
Secretary of the Board of Trustees and President

SANTA FE COLLEGE
DR. JACKSON N. SASSER
Secretary of the Board of Trustees and President

SEMINOLE STATE COLLEGE
DR. E. ANN McGEE
Secretary of the Board of Trustees and President

TALLAHASSEE COMMUNITY COLLEGE
DR. JIM MURDAUGH
Secretary of the Board of Trustees and President

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APPENDIX A

DEFINITIONS

"2006A Participating Florida College System institutions" means the following: St. Petersburg College, Santa Fe College, Seminole State College, and Tallahassee Community College.

"2008A Participating Florida College System institutions" means the following: Broward College and Palm Beach State College.

"2010A Participating Florida College System institutions" means the following: Edison State College, Gulf Coast Community College and St. Petersburg College.

"2012A Participating Florida College System institution" means Palm Beach State College.

"Additional Bonds" means any obligations issued pursuant to the terms and conditions of the Master Authorizing Resolution and payable from the Pledged Revenues on a parity with the initial Series of Bonds originally issued thereunder. Such Additional Bonds shall be deemed to have been issued pursuant to the Master Authorizing Resolution the same as the Bonds originally authorized and issued pursuant to the Master Authorizing Resolution, and all of the applicable covenants and other provisions of the Master Authorizing Resolution (except as to details of such Additional Bonds inconsistent therewith), shall be for the equal benefit, protection and security of the Registered Owners of the Bonds originally authorized and issued pursuant to the Master Authorizing Resolution, and the Registered Owners of any Additional Bonds evidencing additional obligations subsequently issued within the limitations of and in compliance with the Master Authorizing Resolution. All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with other Bonds with respect to their lien on and source and security for payment from the Pledged Revenues without preference or priority of any Bond over any other.

"Administrative Expenses" means, with respect to the Bonds or the administration of any funds under the Master Authorizing Resolution, to the extent applicable: (i) fees or charges, or both, of the Board of Administration and the Division of Bond Finance; and (ii) such other fees or charges, or both, as may be approved by the Board of Administration or the Division of Bond Finance, including but not limited to those relating to tax law compliance, disclosure of information, paying agents, rating agencies and providers of credit enhancement; all as may be determined from time to time as necessary.

"Amortization Installment" means an amount so designated which is established for scheduled redemption of the Term Bonds of each Series; provided that each such Amortization Installment shall be deemed due upon the date provided pursuant to a subsequent resolution adopted by the Governing Board and the aggregate of such Amortization Installments for each Series shall equal the aggregate principal of the Term Bonds of such Series.

"Annual Debt Service Requirement" means, for any Fiscal Year, the amount of money required for the payment of interest and maturing principal of all Outstanding Bonds and the scheduled redemption of Outstanding Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement from the Pledged Revenues, the required deposit to the Debt Service Reserve Account, as provided in the Master Authorizing Resolution. Amounts payable on July 1 shall be considered as coming due in the prior Fiscal Year.

"Annual Sinking Fund Requirement" means, at any time, the Annual Debt Service Requirement and the amount of Administrative Expenses required to be deposited in the then current Fiscal Year into the Debt Service Account in the Sinking Fund.

"Assistant Secretary" means an Assistant Secretary of the Division of Bond Finance.

"**Authorized Denominations"** means the smallest principal denomination in which Bonds of any Series may be issued as determined pursuant to a subsequent resolution of the Governing Board adopted prior to the issuance of such Series.

"Authorized Officer" means any officer or employee authorized to perform specific acts or duties.

“Board of Administration” means the State Board of Administration of Florida, as created pursuant to the provisions of Article XII, Section 9, Florida Constitution and Chapter 215, Florida Statutes.

“Board of Trustees” means the District Board of Trustees of a Florida College System institution.

“Bond Counsel” means counsel experienced in matters relating to the validity of, and the exclusion from gross income of interest on, obligations of states and their political subdivisions as selected by the Division of Bond Finance.

“Bond Insurance Policy” means an insurance policy issued for the benefit of the Registered Owners of any Bonds, pursuant to which the issuer of such insurance policy shall be obligated to pay when due the principal of and interest on such Bonds to the extent of any deficiency in the amounts in the funds and accounts held under the Master Authorizing Resolution, in the manner and in accordance with the terms provided in such Bond Insurance Policy.

“Bond Registrar/Paying Agent” means U.S. Bank Trust National Association, New York, New York, or its successors.

“Bonds” means the first series of bonds issued under the Master Authorizing Resolution and any Additional Bonds issued in accordance with Article V of the Master Authorizing Resolution.

“Business Day” means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in New York, New York or the administrative offices of the State are authorized or eligible by law or executive order to be closed for business.

“Capital Improvement Fees” means the capital improvement fees authorized to be established pursuant to Section 1009.23(11), Florida Statutes.

“Code” means the Internal Revenue Code of 1986, the Treasury Regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, references to a section means that section of the Code, including such applicable Treasury Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

“Construction Fund” means the fund created pursuant to Section 3.01(C) of the Master Authorizing Resolution with respect to the Bonds.

“Cost(s) of Issuance” means all costs and expenses of the Division and the Department incurred in connection with the authorization, issuance, sale and delivery of the Bonds including, but not limited to, legal fees, financial advisory fees, municipal bond insurance premiums, fiscal or escrow agent fees, printing fees and travel expenses, rating agency fees and credit enhancement fees, and a charge for the services of the Division.

“Debt Service Account” means the Debt Service Account created in Section 4.02(B)(1) of the Master Authorizing Resolution.

“Debt Service Reserve Requirement” means as of any date of calculation, with respect to all Bonds issued hereunder, the lesser of:

(i) 125% of the average Annual Debt Service Requirement of the Bonds for the then current and succeeding Fiscal Years;

(ii) the Maximum Annual Debt Service on the Bonds;

(iii) 10% of the par amount of the Bonds; or

(iv) the maximum debt service reserve permitted with respect to tax-exempt obligations under the Code as applicable to the Bonds.

"Defeasance Obligations" means, to the extent permitted by law, direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States and including advance refunded tax-exempt bonds fully secured by non-callable direct obligations of the United States of America, non-callable obligations guaranteed by the United States of America, or "stripped" interest payment obligations of debt obligations of the Resolution Funding Corporation.

"Department" means the Department of Education of the State of Florida, and unless otherwise specified, the Division of Florida Colleges therein.

"Director" means the Director of the Division of Bond Finance and shall include any Assistant Secretary to whom the Director delegates authority.

"Division of Bond Finance" or **"Division"** means the Division of Bond Finance of the State Board of Administration of Florida.

"Excess Construction Fund Moneys Account" means the Excess Construction Fund Moneys Account in the Sinking Fund created in subsection 3.02(C)(1) of the Master Authorizing Resolution.

"Fiscal Year" means the period beginning with and including July 1 of each year and ending with and including the next June 30.

"Florida College System" means the system established by Section 1001.60, Florida Statutes, which is comprised of the public postsecondary educational institutions identified in Section 1000.21(3), Florida Statutes, that grant 2-year and 4-year academic degrees as provided by law.

"Florida College System Capital Improvement Fee Revenue Fund" or "Revenue Fund" means the fund created by each PFCSI pursuant to Section 4.02(A) of the Master Authorizing Resolution.

"Florida College System institution" means a Florida public educational institution provided for in Chapter 1004, Part III, Florida Statutes and listed in Section 1000.21(3), Florida Statutes.

"Fourth Supplemental Authorizing Resolution" means the resolution amending the Master Authorizing Resolution and authorizing the issuance and sale of the Series 2012A Bonds adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on January 18, 2012.

"Governing Board" means the Governor and Cabinet of the State of Florida as the governing board of the Division of Bond Finance.

"Interest Payment Date" means, for each Series of Bonds, the dates of each Fiscal Year on which interest on the Outstanding Bonds of such Series is payable, which shall be January 1 and July 1; provided however, that if either such date falls on a day other than a Business Day, interest shall be payable on the next Business Day.

"January 1 Sinking Fund Requirement" means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next January 1.

"July 1 Sinking Fund Requirement" means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next July 1.

"Master Authorizing Resolution" means the master resolution authorizing the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series) adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on August 1, 2006, as amended and supplemented from time to time.

"Maximum Annual Debt Service" means, at any time, the maximum amount (with respect to the particular Series of Bonds Outstanding, or all Bonds Outstanding, as the case may be), required to be deposited into the Debt Service Account in the Sinking Fund during the then current or any succeeding Fiscal Year for the payment of interest, maturing principal and Amortization Installments of Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement with other than a Reserve Account Credit Facility, the required deposit to the Reserve Account. Term Bonds in the year of maturity shall be included only in the amount of the final scheduled redemption in determining the Maximum Annual Debt Service. In the calculation of Maximum Annual Debt Service, any interest, principal, or Amortization Installment payable on July 1 of any Fiscal Year shall be deemed payable in the prior Fiscal Year.

"New Participating Florida College System institution" or "New PFCSI" means a Florida College System institution which has adopted a resolution requesting the issuance of Additional Bonds on its behalf and which has not pledged its Capital Improvement Fees to any Outstanding Bonds.

"Outstanding" means, as of any date of determination, all Bonds theretofore authenticated and delivered except:

(i) Bonds theretofore canceled by the Bond Registrar/Paying Agent or delivered to the Bond Registrar/Paying Agent for cancellation;

(ii) Bonds which are deemed paid and defeased and no longer Outstanding as provided herein;

(iii) Bonds in lieu of which other Bonds have been issued pursuant to the provisions hereof relating to Bonds destroyed, stolen or lost, unless evidence satisfactory to the Bond Registrar/Paying Agent has been received that any such Bond is held by a bona fide purchaser;

(iv) For purposes of any consent or other action to be taken hereunder by the Registered Owners of a specified percentage of principal amount of Bonds, Bonds held by or for the account of the Division of Bond Finance or the Department and the PFCSIs; and

(v) Bonds with respect to which debt service has been paid pursuant to a Bond Insurance Policy, to the extent that the amount of such payment has been reimbursed to the issuer of such Bond Insurance Policy (or monies have been deposited to defease such payment).

"Participating Florida College System institution" or "PFCSI" means a Florida College System institution which has pledged its Capital Improvement Fees to the payment of Outstanding Bonds.

"Pledged Revenues" means the Capital Improvement Fees collected by the PFCSIs, or such portion thereof as determined by subsequent resolution of the Governing Board, and includes any and all interest earned on such Capital Improvement Fees from the time they are collected by each PFCSI. The term Pledged Revenues also includes funds in the Excess Construction Fund Moneys Account in the Sinking Fund, if any.

"Principal Payment Date" means, for each Series of Bonds, such dates of each Fiscal Year on which the principal or an Amortization Installment of Outstanding Bonds of such Series is payable, which shall be July 1; provided however, that if such date falls on a day other than a Business Day, principal shall be payable on the next Business Day.

"Project" means the new construction and equipment, renovation or remodeling of a Florida College System institution educational facility included in an approved educational plant survey pursuant to Chapter 1013, Florida Statutes and in a PFCSI's capital improvement plan as provided in Section 216.0158, Florida Statutes.

"Project Cost" means the actual cost of any Project, including costs of site acquisition, permits, design and construction; materials, labor, equipment and apparatus; sitework and landscaping; interest on the Bonds for a reasonable period after the date of delivery thereof, if necessary; an amount sufficient to establish adequate reserves; architectonic and engineering fees; legal fees; reimbursement for prior authorized expenditures; and fees and expenses of the Division of Bond Finance, the Board of Administration, a Florida College System institution or the Department necessary for the renovation or construction and placing in operation of a Project, and the financing thereof. Any such cost which was incurred prior to the delivery and issuance of the applicable Series of Bonds must be the subject of a Declaration of Official Intent executed by the applicable PFCSI pursuant to Treasury Regulations §1.150-2.

"Rating Agency" means a nationally recognized bond rating agency.

"Rebate Account" means the Rebate Account created and established pursuant to subsection 8.06(C) of the Master Authorizing Resolution.

"Rebate Amount" shall have the meaning ascribed to that term in paragraph 8.06(A)(1) of the Master Authorizing Resolution.

"Rebate Year" means, with respect to each series of Bonds, (i) the twelve-month period commencing on the anniversary of the "closing date" with respect to such series of Bonds in each year and ending on the day prior to the anniversary of the "closing date" in the following year, except that the first Rebate Year with respect to such series of Bonds shall commence on the "closing date" for such series of Bonds and the final Rebate Year with respect to the Bonds shall end on the date of final maturity of such series of Bonds or (ii) such other period as regulations promulgated or to be promulgated by the United States Department of Treasury may prescribe. "Closing date" means, with respect to any Series of Bonds, the date of issuance and delivery of such series of Bonds to the original purchaser thereof.

"Record Date" means, with respect to each Series of Bonds, the 15th day of the calendar month next preceding the month of an Interest Payment Date or Principal Payment Date. With respect to redemption of Bonds prior to maturity, the record date shall be the date 45 days prior to the date fixed for redemption.

"Registered Owner" or any similar term, means any person who shall be the registered owner of any Bond as shown on the registration books kept by the Bond Registrar/Paying Agent.

"Reserve Account" means the account within the Sinking Fund described in paragraph 4.02(C)(4) of the Master Authorizing Resolution with respect to the Bonds.

"Reserve Account Credit Facility" means a Reserve Account Insurance Policy, Reserve Account Letter of Credit or other comparable insurance, guarantee, security device or financial product, if any, deposited in the Reserve Account in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Credit Facility shall be rated in one of the two highest full rating categories of a Rating Agency.

"Reserve Account Insurance Policy" means the insurance policy, surety bond or other acceptable evidence of insurance, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Insurance Policy shall be an insurer rated in one of the two highest full rating categories of a Rating Agency.

"Reserve Account Letter of Credit" means the irrevocable, transferable letter of credit, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such letter of credit shall be a banking association, bank or trust company or branch thereof which shall be rated in one of the two highest full rating categories of a Rating Agency.

"Resolution" means, collectively, the Master Authorizing Resolution, the Third Supplemental Authorizing Resolution and the Fourth Supplemental Authorizing Resolution.

"Serial Bonds" means the Bonds of a Series which shall be stated to mature in periodic installments.

"Series" or **"Series of Bonds"** means all of the Bonds authenticated and delivered on original issuance pursuant to the Master Authorizing Resolution or any supplemental resolution authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II of the Master Authorizing Resolution, regardless of variations in maturity, interest rate or other provisions.

"Sinking Fund" means the Florida College System Capital Improvement Sinking Fund created and established pursuant to Section 4.02(B)(1) of the Master Authorizing Resolution.

"State" means the State of Florida.

"Taxable Bonds" means bonds the interest on which is not, in any manner, exempt from federal income taxation or excludable from gross income for federal income tax purposes.

"Term Bond" means the Bond of a Series which shall be subject to mandatory redemption prior to maturity and shall be stated to mature on one date and for the scheduled redemption of which payments are required to be made into the Sinking Fund, as may be determined pursuant to a subsequent resolution of the Governing Board.

"Third Supplemental Resolution" means the resolution amending the Master Authorizing Resolution and authorizing the issuance and sale of the Series 2010A Bonds adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance on May 11, 2010.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

APPENDIX B

DIVISION OF BOND FINANCE
OF THE
STATE BOARD OF ADMINISTRATION
OF FLORIDA

A RESOLUTION
(THE MASTER AUTHORIZING RESOLUTION)
AUTHORIZING THE ISSUANCE OF
STATE OF FLORIDA, DEPARTMENT OF EDUCATION
COMMUNITY COLLEGE CAPITAL IMPROVEMENT REVENUE BONDS
(VARIOUS SERIES)

August 1, 2006

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A RESOLUTION (THE "MASTER AUTHORIZING RESOLUTION") OF THE DIVISION OF BOND FINANCE AUTHORIZING THE ISSUANCE OF STATE OF FLORIDA, DEPARTMENT OF EDUCATION COMMUNITY COLLEGE CAPITAL IMPROVEMENT REVENUE BONDS (VARIOUS SERIES), TO FINANCE OR REFINANCE THE NEW CONSTRUCTION AND EQUIPMENT, RENOVATION OR REMODELING OF EDUCATIONAL FACILITIES; PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA.

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

SECTION 1.01. AUTHORITY FOR THIS RESOLUTION. This Resolution (hereinafter referred to as "Resolution") is adopted pursuant to the provisions of Article VII, Section 11(d) of the Florida Constitution; Sections 215.57-215.83, Florida Statutes, (the "State Bond Act"); Sections 1009.22 and 1009.23, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. The following terms shall have the following meanings in this Resolution unless the text otherwise requires:

"Act" or **"Acts"** means the State Bond Act, being Sections 215.57-215.83, Florida Statutes, and Sections 1009.22 and 1009.23, Florida Statutes.

"Additional Bonds" means any obligations hereafter issued pursuant to the terms and conditions of this Resolution and payable from the Pledged Revenues on a parity with the initial Series of Bonds originally issued hereunder. Such Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Bonds originally authorized and issued pursuant to this Resolution, and all of the applicable covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent herewith), shall be for the equal benefit, protection and security of the Registered Owners of the Bonds originally authorized and issued pursuant to this Resolution, and the Registered Owners of any Additional Bonds evidencing additional obligations subsequently issued within the limitations of and in compliance with this Resolution. All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with other Bonds with respect to their lien on and source and security for payment from the Pledged Revenues without preference or priority of any Bond over any other.

"Administrative Expenses" means, with respect to the Bonds or the administration of any funds under this Resolution, to the extent applicable: (i) fees or charges, or both, of the Board of Administration and the Division of Bond Finance; and (ii) such other fees or charges, or both, as may be approved by the Board of Administration or the Division of Bond Finance, including but not limited to those relating to tax law compliance, disclosure of information, paying agents, rating agencies and providers of credit enhancement; all as may be determined from time to time as necessary.

"Amortization Installment" means an amount so designated which is established for scheduled redemption of the Term Bonds of each Series; provided that each such Amortization Installment shall be deemed due upon the date provided pursuant to a subsequent resolution adopted by this Governing Board and the aggregate of such Amortization Installments for each Series shall equal the aggregate principal of the Term Bonds of such Series.

"Annual Debt Service Requirement" means, for any Fiscal Year, the amount of money required for the payment of interest and maturing principal of all Outstanding Bonds and the scheduled redemption of Outstanding Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement from the Pledged Revenues, the required deposit to the Debt Service Reserve Account, as provided in this Resolution. Amounts payable on July 1 shall be considered as coming due in the prior Fiscal Year.

"Annual Sinking Fund Requirement" means, at any time, the Annual Debt Service Requirement and the amount of Administrative Expenses required to be deposited in the then current Fiscal Year into the Debt Service Account in the Sinking Fund.

"Assistant Secretary" means an Assistant Secretary of the Division of Bond Finance.

"Authorized Denominations" means the smallest principal denomination in which Bonds of any Series may be issued as determined pursuant to a subsequent resolution of this Governing Board adopted prior to the issuance of such Series.

"Authorized Officer" means any officer or employee authorized to perform specific acts or duties.

"Board of Administration" means the State Board of Administration of Florida, as created pursuant to the provisions of Article XII, Section 9, Florida Constitution and Chapter 215, Florida Statutes.

"Board of Trustees" means the District Board of Trustees of a Community College.

"Bond Counsel" means counsel experienced in matters relating to the validity of, and the exclusion from gross income of interest on, obligations of states and their political subdivisions as selected by the Division of Bond Finance.

"Bond Insurance Policy" means an insurance policy issued for the benefit of the Registered Owners of any Bonds, pursuant to which the issuer of such insurance policy shall be obligated to pay when due the principal of and interest on such Bonds to the extent of any deficiency in the amounts in the funds and accounts held under this Resolution, in the manner and in accordance with the terms provided in such Bond Insurance Policy.

"Bond Registrar/Paying Agent" means U.S. Bank Trust National Association, New York, New York, or its successors.

"Bonds" means the first series of bonds issued under this Resolution and any Additional Bonds issued in accordance with Article V of this Resolution.

"Business Day" means any day other than (a) a Saturday or Sunday, or (b) a day on which banking institutions in New York, New York or the administrative offices of the State are authorized or eligible by law or executive order to be closed for business.

"Capital Improvement Fees" means the capital improvement fees authorized to be established pursuant to Sections 1009.22(6) and 1009.23(11), Florida Statutes.

"Code" means the Internal Revenue Code of 1986, the Treasury Regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, references to a section means that section of the Code, including such applicable Treasury Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

"Community College" means a Florida public educational institution provided for in Chapter 1004, Part III, Florida Statutes.

"Community College Capital Improvement Fee Revenue Fund" or "Revenue Fund" means the fund created by each PCC pursuant to Section 4.02(A) of this Resolution.

"Construction Fund" means the fund created pursuant to Section 3.01(C) of this Resolution with respect to the Bonds.

"Cost(s) of Issuance" means all costs and expenses of the Division and the Department incurred in connection with the authorization, issuance, sale and delivery of the Bonds including, but not limited to, legal fees, financial advisory fees, municipal bond insurance premiums, fiscal or escrow agent fees, printing fees and travel expenses, rating agency fees and credit enhancement fees, and a charge for the services of the Division.

"Debt Service Account" means the Debt Service Account created in Section 4.02(B)(1) hereof.

"Debt Service Reserve Requirement" means as of any date of calculation, with respect to all Bonds issued hereunder, the lesser of:

(i) 125% of the average Annual Debt Service Requirement of the Bonds for the then current and succeeding Fiscal Years;

(ii) the Maximum Annual Debt Service on the Bonds;

(iii) 10% of the par amount of the Bonds; or

(iv) the maximum debt service reserve permitted with respect to tax-exempt obligations under the Code as applicable to the Bonds.

"Defeasance Obligations" means, to the extent permitted by law, direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States and including advance refunded tax-exempt bonds fully secured by non-callable direct obligations of the United States of America, non-callable obligations guaranteed by the United States of America, or "stripped" interest payment obligations of debt obligations of the Resolution Funding Corporation.

"Department" means the Department of Education of the State of Florida, and unless otherwise specified, the Division of Community Colleges therein.

"Director" means the Director of the Division of Bond Finance and shall include any Assistant Secretary to whom the Director delegates authority.

"Division of Bond Finance" or **"Division"** means the Division of Bond Finance of the State Board of Administration of Florida.

"Excess Construction Fund Moneys Account" means the Excess Construction Fund Moneys Account in the Sinking Fund created in subsection 3.02(C)(1) hereof.

"Fiscal Year" means the period beginning with and including July 1 of each year and ending with and including the next June 30.

"Governing Board" means the Governor and Cabinet of the State of Florida as the governing board of the Division of Bond Finance.

"Interest Payment Date" means, for each Series of Bonds, the dates of each Fiscal Year on which interest on the Outstanding Bonds of such Series is payable, which shall be January 1 and July 1; provided however, that if either such date falls on a day other than a Business Day, interest shall be payable on the next Business Day.

"January 1 Sinking Fund Requirement" means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next January 1.

"July 1 Sinking Fund Requirement" means, for each Fiscal Year, the amount necessary to satisfy that portion of the Annual Sinking Fund Requirement payable on the next July 1.

"Maximum Annual Debt Service" means, at any time, the maximum amount (with respect to the particular Series of Bonds Outstanding, or all Bonds Outstanding, as the case may be), required to be deposited into the Debt Service Account in the Sinking Fund during the then current or any succeeding Fiscal Year for the payment of interest, maturing principal and Amortization Installments of Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement with other than a Reserve Account Credit Facility, the required deposit to the Reserve Account. Term Bonds in the year of maturity shall be included only in the amount of the final scheduled redemption in determining the Maximum Annual Debt Service. In the calculation of Maximum Annual Debt Service, any interest, principal, or Amortization Installment payable on July 1 of any Fiscal Year shall be deemed payable in the prior Fiscal Year.

"New Participating Community College" or "New PCC" means a Community College which has adopted a resolution requesting the issuance of Additional Bonds on its behalf and which has not pledged its Capital Improvement Fees to any Outstanding Bonds.

"Outstanding" means, as of any date of determination, all Bonds theretofore authenticated and delivered except:

(i) Bonds theretofore canceled by the Bond Registrar/Paying Agent or delivered to the Bond Registrar/Paying Agent for cancellation;

(ii) Bonds which are deemed paid and defeased and no longer Outstanding as provided herein;

(iii) Bonds in lieu of which other Bonds have been issued pursuant to the provisions hereof relating to Bonds destroyed, stolen or lost, unless evidence satisfactory to the Bond Registrar/Paying Agent has been received that any such Bond is held by a bona fide purchaser;

(iv) For purposes of any consent or other action to be taken hereunder by the Registered Owners of a specified percentage of principal amount of Bonds, Bonds held by or for the account of the Division of Bond Finance or the Department and the PCCs; and

(v) Bonds with respect to which debt service has been paid pursuant to a Bond Insurance Policy, to the extent that the amount of such payment has been reimbursed to the issuer of such Bond Insurance Policy (or monies have been deposited to defease such payment).

"Participating Community College" or "PCC" means a Community College which has pledged its Capital Improvement Fees to the payment of Outstanding Bonds.

"Pledged Revenues" means the Capital Improvement Fees collected by the PCCs, or such portion thereof as determined by subsequent resolution of this Governing Board, and includes any and all interest earned on such Capital Improvement Fees from the time they are collected by each PCC. The term Pledged Revenues also includes funds in the Excess Construction Fund Moneys Account in the Sinking Fund, if any.

"Principal Payment Date" means, for each Series of Bonds, such dates of each Fiscal Year on which the principal or an Amortization Installment of Outstanding Bonds of such Series is payable, which shall be July 1; provided however, that if such date falls on a day other than a Business Day, principal shall be payable on the next Business Day.

"Project" means the new construction and equipment, renovation or remodeling of a Community College educational facility included in an approved educational plant survey pursuant to Chapter 1013, Florida Statutes and in a PCC's capital improvement plan as provided in Section 216.0158, Florida Statutes.

"Project Cost" means the actual cost of any Project, including costs of site acquisition, permits, design and construction; materials, labor, equipment and apparatus; sitework and landscaping; interest on the Bonds for a reasonable period after the date of delivery thereof, if necessary; an amount sufficient to establish adequate reserves; architectonic and engineering fees; legal fees; reimbursement for prior authorized expenditures; and fees and expenses of the Division of Bond Finance, the Board of Administration, a Community College or the Department necessary for the renovation or construction and placing in operation of a Project, and the financing thereof. Any such cost which was incurred prior to the delivery and issuance of the applicable Series of Bonds must be the subject of a Declaration of Official Intent executed by the applicable PCC pursuant to Treasury Regulations §1.150-2.

"Rating Agency" means a nationally recognized bond rating agency.

"Rebate Account" means the Rebate Account created and established pursuant to subsection 8.06(C) of this Resolution.

"Rebate Amount" shall have the meaning ascribed to that term in paragraph 8.06(A)(1) of this Resolution.

"Rebate Year" means, with respect to each series of Bonds issued hereunder, (i) the twelve-month period commencing on the anniversary of the "closing date" with respect to such series of Bonds in each year and ending on the day prior to the anniversary of the "closing date" in the following year, except that the first Rebate Year with respect to such series of Bonds shall commence on the "closing date" for such series of Bonds and the final Rebate Year with respect to the Bonds shall end on the date of final maturity of such series of Bonds or (ii) such other period as regulations promulgated or to be promulgated by the United States Department of Treasury may prescribe. "Closing date" as used herein means, with respect to the series of Bonds issued hereunder, the date of issuance and delivery of such series of Bonds to the original purchaser thereof.

"Record Date" means, with respect to each Series of Bonds, the 15th day of the calendar month next preceding the month of an Interest Payment Date or Principal Payment Date. With respect to redemption of Bonds prior to maturity, the record date shall be the date 45 days prior to the date fixed for redemption.

"Registered Owner" or any similar term, means any person who shall be the registered owner of any Bond as shown on the registration books kept by the Bond Registrar/Paying Agent.

"Reserve Account" means the account within the Sinking Fund described in paragraph 4.02(C)(4) of this Resolution with respect to the Bonds.

"Reserve Account Credit Facility" means a Reserve Account Insurance Policy, Reserve Account Letter of Credit or other comparable insurance, guarantee, security device or financial product, if any, deposited in the Reserve Account in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Credit Facility shall be rated in one of the two highest full rating categories of a Rating Agency.

"Reserve Account Insurance Policy" means the insurance policy, surety bond or other acceptable evidence of insurance, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such Reserve Account Insurance Policy shall be an insurer rated in one of the two highest full rating categories of a Rating Agency.

"Reserve Account Letter of Credit" means the irrevocable, transferable letter of credit, if any, deposited in the Reserve Account, if any, in lieu of or in partial substitution for cash or securities on deposit or required to be on deposit therein. The issuer providing such letter of credit shall be a banking association, bank or trust company or branch thereof which shall be rated in one of the two highest full rating categories of a Rating Agency.

"Resolution" or "Master Authorizing Resolution" means this resolution adopted by the Governor and Cabinet as the Governing Board of the Division of Bond Finance, as amended and supplemented from time to time.

"Serial Bonds" means the Bonds of a Series which shall be stated to mature in periodic installments.

"Series" or "Series of Bonds" means all of the Bonds authenticated and delivered on original issuance pursuant to this Resolution or any supplemental resolution authorizing such Bonds as a separate Series of Bonds, or any

Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof, regardless of variations in maturity, interest rate or other provisions.

"Sinking Fund" means the Community College Capital Improvement Sinking Fund created and established pursuant to Section 4.02(B)(1) of this Resolution.

"State" means the State of Florida.

"Taxable Bonds" means bonds the interest on which is not, in any manner, exempt from federal income taxation or excludable from gross income for federal income tax purposes.

"Term Bond" means the Bond of a Series which shall be subject to mandatory redemption prior to maturity and shall be stated to mature on one date and for the scheduled redemption of which payments are required to be made into the Sinking Fund, as may be determined pursuant to a subsequent resolution of this Governing Board.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by the Registered Owners who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the Division, the Department, the PCCs and such Registered Owners. The covenants and agreements to be performed by the Department and the PCCs shall be for the equal benefit, protection, and security of the Registered Owners of any and all of the Bonds, all of which shall be of equal rank and without preference, priority, or distinction as to any of such Bonds over any other thereof, except as expressly provided therein or herein.

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION, REGISTRATION, TRANSFER, ISSUANCE AND FORM OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. Subject and pursuant to the provisions of this Resolution, Bonds designated as "State of Florida, Department of Education Community College Capital Improvement Revenue Bonds" (or such other designation as may be provided by the Director of the Division) are hereby authorized to be issued by the Division for the purposes of financing or refinancing the new construction and equipment, renovation or remodeling of educational facilities. Bonds may be issued all at one time or from time to time in one or more Series, and if in Series, may be dated, numbered, and designated as to Series as shall be determined pursuant to subsequent resolution or resolutions of this Governing Board.

SECTION 2.02. DESCRIPTION OF BONDS. The Bonds shall be issued in fully registered form without coupons; shall be dated as determined pursuant to a subsequent resolution of this Governing Board; shall be numbered consecutively from one upward and shall be in the denomination of $5,000 each or any integral multiples thereof; shall bear interest at not exceeding the maximum rate permitted by law, payable on each Interest Payment Date, payable only upon redemption or maturity thereof; and shall mature on such dates in such years and amounts as shall be determined pursuant to a subsequent resolution adopted by this Governing Board on or prior to the sale of the Bonds.

The Bonds may be sold at one time or in Series from time to time as this Governing Board may determine pursuant to resolution. If issued in Series, each Series shall be dated and have an identifying number or letter. All of such Bonds, when issued, will rank equally as to source and security for payment.

The principal amount of the Bonds shall be paid to the Registered Owner on the maturity date of the Bonds, unless redeemed prior thereto as determined pursuant to a subsequent resolution of this Governing Board, upon presentation and surrender of the Bonds at the corporate trust office of the Bond Registrar/Paying Agent.

Interest shall be paid on the Interest Payment Dates to the Registered Owner whose name appears on the books of the Bond Registrar/Paying Agent (the "Registered Owner") as of 5:00 p.m. (local time, New York, New York) on the Record Date next preceding such Interest Payment Date; provided, however, that if the Record Date falls on a day that is not a Business Day, then to the Registered Owner and at the address shown on the registration books at the close of business on the Business Day next preceding such Record Date. Interest on the Bonds shall be paid by check or draft mailed (or transferred by a mode at least equally as rapid as mailing) on each Interest Payment Date from the Bond Registrar/Paying Agent to the Registered Owner, or in certain cases shall be paid by wire transfer as provided pursuant to subsequent resolution of this Governing Board.

The Bonds of each Series may contain such provisions, specifications and descriptive words not inconsistent with the provisions of this Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, or to comply with applicable laws, rules and regulations of the United States and the State, all as may be determined by the Director prior to the delivery thereof.

SECTION 2.03 FORM OF BONDS. (A) Notwithstanding anything to the contrary in this Resolution or any other resolution relating to the Bonds (for the purposes of this section, collectively, the "Resolution"), the Bonds may be issued in book-entry only form utilizing the services of a Securities Depository (as used herein, "Securities Depository" means The Depository Trust Company, New York, New York, its nominees, successors and assigns, or any other securities depository approved by the Division of Bond Finance which agrees to follow the procedures required to be followed by a securities depository in connection with a Series of Bonds as provided in this section).

So long as a book-entry only system of evidence of transfer of ownership of all Bonds is maintained in accordance herewith, any provision of the Resolution relating to the delivery of physical bond certificates shall be inapplicable, and the Resolution shall be deemed to give full effect to such book-entry system.

If the Bonds are issued in book-entry only form:

(1) The Bonds shall be issued in the name of the Securities Depository as the Registered Owner of the Bonds, and held in the custody of the Securities Depository or its designee.

(2) Transfers of beneficial ownership of the Bonds will be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository ("Participants" include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, as well other organizations that clear through or maintain a custodial relationship with such organizations, either directly or indirectly).

(3) Each Participant shall be credited in the records of the Securities Depository with the amount of such Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by the Securities Depository and, in turn, by Participants acting on behalf of Beneficial Owners.

(4) Unless otherwise provided herein, the Participants, the Division of Bond Finance, the Board of Administration and the Bond Registrar/Paying Agent (as used in this section, the "State and its agents") shall treat the Securities Depository as the sole and exclusive owner of the Bonds registered in its name for the purposes of

(a) payment of the principal of, premium, if any, and interest on the Bonds or portion thereof to be redeemed or purchased. Payments made to the Securities Depository of principal, premium, and interest shall be valid and effective to fully satisfy and discharge the obligations of the State and its agents to the extent of the sums so paid;

(b) giving any notice permitted or required to be given to Registered Owners under the Resolution; and

(c) the giving of any direction or consent or the making of any request by the Registered Owners hereunder. The State and its agents may rely conclusively upon

(i) a certificate of the Securities Depository as to the identity of the Participants with respect to the Bonds; and

(ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Bonds beneficially owned by, the Beneficial Owners.

(5) The State and its agents shall have no responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner or any other person which is not shown on the Bond Register, with respect to

(a) the accuracy of any records maintained by the Securities Depository or any Participant;

(b) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or purchase price of, or interest on, any Bond;

(c) the delivery of any notice by the Securities Depository or any Participant;

(d) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or

(e) any consent given or any other action taken by the Securities Depository or any Participant.

(6) The requirements in the Resolution of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of the Bonds shall, while the Bonds are in book-entry only form, be satisfied by the notation thereof on the books of the Securities Depository in accordance with applicable state law.

(B) The Division of Bond Finance may discontinue the book-entry system with the then-current Securities Depository, subject to the terms of its agreement with such Securities Depository. In this event, the Division of Bond Finance shall either

(1) identify another qualified Securities Depository or

(2) prepare and deliver replacement Bonds in the form of fully registered bonds to each Beneficial Owner.

SECTION 2.04. NO PLEDGE OF FULL FAITH AND CREDIT OF STATE OF FLORIDA. The payment of the principal of and interest on the Bonds is secured only by the Pledged Revenues in the manner set forth herein. The Bonds do not constitute general obligations or indebtedness of the PCCs, the Department, the Division of Bond Finance, the State of Florida or any of its agencies and shall not be a debt of the State or of any agency thereof.

SECTION 2.05. BONDS MAY BE ISSUED AS SERIAL BONDS, TERM BONDS, ETC. The Bonds may be issued as, or as a combination of, Serial Bonds, Term Bonds, or such other type of bonds as shall be determined pursuant to a subsequent resolution of this Governing Board.

SECTION 2.06. PRIOR REDEMPTION OF THE BONDS. The Bonds of each Series may be made redeemable in such manner and upon such terms and conditions as determined pursuant to a subsequent resolution adopted by this Governing Board prior to the sale of such Series of Bonds. Bonds shall also be subject to redemption in the event a PCC elects to defease its pro rata portion of any Series of Bonds pursuant to subsection 8.07(D) hereof, upon such terms and conditions as determined pursuant to a subsequent resolution adopted by this Governing Board .

Unless waived by any Registered Owner of Bonds to be redeemed, a notice of the redemption prior to maturity of any of the Bonds shall be mailed to each Registered Owner of record as of the Record Date, of Bonds to be redeemed, by first class mail (postage prepaid), or other method at least as fast as first class mail, at least thirty days prior to the date of redemption. In lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices. Such notice of redemption shall specify the CUSIP number and the serial or other distinctive numbers or letters of the Bonds to be redeemed, if less than all, the date fixed for redemption, the redemption price thereof, and, in the case of Bonds to be redeemed in part only, the principal amount thereof to be redeemed. Failure to give any such notice by mailing (or other approved method) to any Registered Owner of Bonds, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof with respect to which no such failure has occurred. Any notice mailed as provided above shall be conclusively presumed to have been given, whether or not the Registered Owner of such Bond receives such notice.

The Bond Registrar/Paying Agent shall not be required to issue, transfer or exchange any Bonds selected for redemption during a period beginning at the opening of business on the Record Date applicable to such redemption and ending on the date fixed for redemption.

Notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall, on the redemption date designated in such notice, be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date. On the date so designated for redemption, notice having been given and moneys for payment of the redemption price being held in separate accounts by an escrow agent, the Board of Administration, or the Bond Registrar/Paying Agent, in trust for the Registered Owners of the Bonds or portions thereof to be redeemed, all as provided in this Resolution, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds and portions of Bonds shall cease to be Outstanding under the provisions of this Resolution and shall not be entitled to any lien, benefit or security under this Resolution, and the Registered Owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof from the moneys held in trust for such purpose and, to the extent provided herein to receive Bonds for any unredeemed portion of the Bonds. Bonds redeemed prior to maturity shall be duly canceled by the Bond Registrar/Paying Agent and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Bond Registrar/Paying Agent as set out below, but no defect in said further notice nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

(A) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the date of issue of the Bonds as originally issued; (ii) the rate of interest borne by each Bond being redeemed; (iii) the maturity date of each Bond being redeemed; (iv) the date of the official notice of redemption;(v) the name and address of the Bond Registrar/Paying Agent; and (vi) any other descriptive information needed to identify accurately the Bonds being redeemed.

(B) Each further notice of redemption shall be sent at least thirty-five days before the redemption date by certified mail, overnight delivery service, electronic mail or telecopy to registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(C) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying the Bonds redeemed with the proceeds of such check or other transfer.

In case part but not all of an Outstanding Bond shall be selected for redemption, the Registered Owner thereof shall present and surrender such Bond to the Bond Registrar/Paying Agent for payment of the principal amount thereof so called for redemption, and the Bond Registrar/Paying Agent shall execute and deliver to or upon the order of such Registered Owner, without charge therefor, for the unredeemed balance of the principal amount of the Bond so surrendered, a Bond or Bonds fully registered as to principal and interest.

SECTION 2.07. EXECUTION OF BONDS. The Bonds shall be executed by the Governor, as Chairman of the Governing Board, and attested by the Secretary or an Assistant Secretary of the Governing Board, or such other officers as may be designated by subsequent resolution of this Governing Board, and the corporate seal of the Division or a facsimile thereof shall be affixed thereto or reproduced thereon. The facsimile signatures of the Governor, as Chairman of the Governing Board, and the Secretary of the Governing Board, or such other officer, may be imprinted or reproduced on the Bonds, provided that, in accordance with the laws of the State in effect on the date of the adoption of this Resolution, at least one signature, which may be that of the Bond Registrar/Paying Agent, required to be placed on the Bonds shall be manually subscribed. In the event that the laws of Florida relevant to the requirements for facsimile or manual signatures are changed prior to the delivery of the Bonds, then the signatures which are actually imprinted, reproduced, or manually subscribed on the Bonds shall be in compliance with the new laws. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Division before the Bonds so signed and sealed shall have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Division by such person as at the actual time of the execution of such Bonds shall hold the proper office, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

A certification as to validation, if any, in the form hereinafter provided, shall be executed with the facsimile signature or manual signature of any present or future Chairman of the Governing Board.

A certificate as to the approval of the issuance of the Bonds pursuant to the provisions of the State Bond Act, in the form provided herein, shall be executed by the facsimile signature of the Secretary or an Assistant Secretary of the Governing Board.

SECTION 2.08. NEGOTIABILITY. The Bonds shall have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida. The original Registered Owner and each successive Registered Owner of any of the Bonds shall be conclusively deemed by the acceptance thereof to have agreed that the Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida.

SECTION 2.09. REGISTRATION AND TRANSFER. The Bonds shall be issued only as fully registered bonds without coupons. The Bond Registrar/Paying Agent shall be responsible for maintaining the books for the registration of and for the transfer of the Bonds in compliance with its agreement with the State.

Upon surrender to the Bond Registrar/Paying Agent for transfer or exchange of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the Bond Registrar/Paying Agent shall deliver in the name of the transferee or transferees a fully registered Bond or Bonds of authorized denominations of the same maturity for the aggregate principal amount which the Registered Owner is entitled to receive. The Bond Registrar/Paying Agent shall not be required to issue, transfer or exchange any Bonds on a Record Date.

All Bonds presented for transfer, exchange, redemption or payment shall be accompanied (if so required by the Division of Bond Finance or the Bond Registrar/Paying Agent) by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Division of Bond Finance and the Bond Registrar/Paying Agent, duly executed by the Registered Owner or by his duly authorized attorney.

Neither the Division of Bond Finance nor the Bond Registrar/Paying Agent may charge the Registered Owner or his transferee for any expenses incurred in making any exchange or transfer of the Bonds. However, the Division of Bond Finance and the Bond Registrar/Paying Agent may require payment from the Registered Owner of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such governmental charges and expenses shall be paid before any such new Bond shall be delivered.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Department and the PCCs evidencing the same debt as the Bonds surrendered, shall be secured by this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

The Division and the Bond Registrar/Paying Agent may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

Notwithstanding the foregoing provisions of this section, the Division of Bond Finance reserves the right, on or prior to the delivery of the Bonds, to amend or modify the foregoing provisions relating to registration of the Bonds in order to comply with all applicable laws, rules, and regulations of the United States and the State of Florida relating thereto.

SECTION 2.10. AUTHENTICATION. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond shall have been duly executed by the manual signature of the Bond Registrar/Paying Agent, and such executed certificate of the Bond Registrar/Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The Bond Registrar/Paying Agent's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an Authorized Officer or signatory of the Bond Registrar/Paying Agent, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereinafter.

SECTION 2.11. DISPOSITION OF BONDS PAID OR EXCHANGED. Whenever any Bond shall be delivered to the Bond Registrar/Paying Agent for cancellation, upon payment of the principal amount thereof or for replacement or transfer or exchange, such Bond shall either be canceled and retained by the Bond Registrar/Paying Agent for a period of time specified in writing by the Division of Bond Finance or the Board of Administration, or, at the option of the Division of Bond Finance or the Board of Administration, shall be canceled and destroyed by the Bond Registrar/Paying Agent and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Division of Bond Finance or the Board of Administration.

SECTION 2.12. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Division of Bond Finance may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Registered Owner furnishing the Division of Bond Finance proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Division of Bond Finance may prescribe and paying such expense as the Division of Bond Finance may incur. All Bonds so surrendered shall be canceled by the Bond Registrar/Paying Agent. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Division of Bond Finance may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this section shall constitute original, additional, contractual obligations on the part of the Department and the PCCs, whether or not the lost, stolen or destroyed Bond be at any time found by anyone and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien, source and security for payment, pursuant to this Resolution from the Pledged Revenues.

ARTICLE III
APPLICATION OF PROCEEDS

SECTION 3.01. APPLICATION OF BOND PROCEEDS. Unless provided otherwise by a subsequent resolution of this Governing Board authorizing such Series of Bonds, upon receipt of the proceeds of the sale of any Series of Bonds, and after reserving and providing for the Costs of Issuance, the Division of Bond Finance shall transfer and apply such proceeds as follows:

(A) Any accrued interest on such Bonds shall be transferred to the Board of Administration and deposited in the Debt Service Account in the Sinking Fund, and used for the payment of interest on such Bonds.

(B) An amount necessary to fund the incremental increase in the Debt Service Reserve Requirement attributable to such Bonds, to be held in reserve, shall be transferred to the Board of Administration and deposited in the Reserve Account within the Sinking Fund. Alternatively, the Division, as provided in paragraph 4.02(C)(4) herein, may elect at any time to provide in lieu of all or a portion of such funds a Reserve Account Credit Facility in an amount equal to the difference between the Reserve Requirement and the sums then on deposit in the Reserve Account.

(C) After making the transfers provided for in subsections (A) and (B) above, the balance of the proceeds of such Bonds shall (i) be deposited into the appropriate accounts in the Construction Fund, which is hereby created in the State Treasury, in the amounts and for the benefit of particular PCCs as specified by the Division of Bond Finance, to pay the costs of those Projects being financed by such Bonds, or as otherwise provided herein, or (ii) be used to refund Outstanding Bonds, as provided by a subsequent resolution of this Governing Board authorizing the sale and issuance of such Bonds.

(D) Any balance of the proceeds of such Bonds after providing for the requirements of subsections (A) through (C) above shall be transferred to the Debt Service Account in the Sinking Fund and used for the purposes set forth therein, credited to each PCC on behalf of which such Series of Bonds was issued, according to each such PCC's pro rata share of such Bonds.

All moneys in the Construction Fund shall constitute a trust fund for such purposes and there is hereby created a lien upon such funds in favor of the Registered Owners of the Bonds, until such funds are applied as provided herein, except to the extent such moneys are required for the payment of any Rebate Amount, and all moneys in the Construction Fund shall be continuously secured in the manner provided by the laws of the State for securing deposits of state funds.

SECTION 3.02. CONSTRUCTION FUND ACCOUNTS. (A) Unless authorized by subsequent resolution of this Governing Board, a separate account for each Project shall be created in the Construction Fund, except that one account may be created for more than one Project of the same PCC if all such Projects are funded by the same Series of Bonds. The moneys in each such account shall be used for the payment of the cost of the construction, equipment, renovation or remodeling of the Project(s) for which it was created.

(B) Except as provided in subsection (C) below, no withdrawals shall be made from the Construction Fund without a written requisition from an Authorized Officer of the appropriate PCC which shall certify that such withdrawal is for a proper Project Cost, and that either (i) the amount of such withdrawal will be expended by the PCC within 30 days, or (ii) the withdrawal is for reimbursement to the PCC for payment of a Project Cost.

(C) Any unexpended balance, or any portion thereof, remaining in each account in the Construction Fund, after an Authorized Officer of the appropriate PCC shall certify to the Board of Administration and the Division that the Project(s) for which such account was established has been completed and all costs thereof paid or payment provided for, shall be applied in accordance with paragraph (1) below, or, at the discretion and direction of the Director, shall be applied in accordance with paragraphs (2), (3) or (4) below, or any combination thereof:

(1) Such funds shall be transferred to the applicable PCC's sub-account in the Excess Construction Fund Moneys Account which is hereby created in the Sinking Fund, and shall be used to pay debt service on the Bonds, to fund the Rebate Account, or to replenish the Reserve Account.

(2) Such funds shall be used to pay the Project Cost of another Project of the applicable PCC.

(3) Such funds shall be used to call for redemption that amount of Bonds attributable to the applicable PCC and Series.

(4) After obtaining an opinion of Bond Counsel that such proposed use will not, under the statutes, rules and regulations then in force and applicable, cause the interest on the Bonds to be included in gross income for federal income tax purposes, such funds may be used for any lawful purpose.

SECTION 3.03. INVESTMENT OF CONSTRUCTION FUND. Any moneys in the Construction Fund not immediately needed for the purposes provided in this Resolution may be temporarily invested and reinvested as provided in Section 17.57, Florida Statutes.

SECTION 3.04 USE OF CONSTRUCTION FUND INVESTMENT EARNINGS. Investment earnings on monies in each account in the Construction Fund shall be held in such account and used for the purposes thereof.

SECTION 3.05. REGISTERED OWNERS NOT AFFECTED BY APPLICATION OF BOND PROCEEDS. The Registered Owners shall not have any responsibility whatsoever for the application or use of any of the proceeds derived from the sale of the Bonds, and the rights and remedies of the Registered Owners and their right to payment from the Pledged Revenues provided in this Resolution shall not be affected or impaired by the application or use of such proceeds. Upon the issuance of each Series of Bonds, all the covenants and agreements contained in this Resolution shall be valid and binding covenants and agreements, which may be enforced by the Registered Owners, without regard to the application of the proceeds of such Series of Bonds.

ARTICLE IV
APPLICATION AND ADMINISTRATION OF PLEDGED REVENUES

SECTION 4.01. BONDS SECURED BY PLEDGED REVENUES. (A) The payment of the principal of, premium, if any, and interest on all of the Bonds shall be secured forthwith equally and ratably by a valid and enforceable lien on the Pledged Revenues in an amount sufficient to pay the principal of, premium, if any, and interest on the Bonds, and to make the payments into the Sinking Fund and all other payments provided for in this Resolution and to be received under this Resolution or the resolutions authorizing the Bonds, and such Pledged Revenues are hereby irrevocably pledged to the payment of the principal of, premium, if any, and interest on the Bonds and other payments provided for herein, as the same become due and payable.

(B) The Bonds shall not constitute an obligation, either general or special, of the State of Florida, or of any local government thereof, and neither the State of Florida, nor any local government thereof shall be liable thereon, nor shall the faith, revenues and credit of the State of Florida or of any local government thereon be pledged to the principal, premium, if any, or interest on the Bonds. The Bonds shall be payable solely from the Pledged Revenues as provided herein. No Registered Owner of the Bonds shall ever have the right to compel the exercise of the taxing power of the State of Florida, or of any political subdivision thereof, to pay the principal of such Bonds or the interest or premium thereon, or be entitled to payment of such principal, interest or premium from any other funds except such Pledged Revenues, in the manner provided herein.

SECTION 4.02. APPLICATION OF PLEDGED REVENUES; FLOW OF FUNDS.

(A) Upon collection, its Pledged Revenues shall be deposited by each PCC into a separate fund known as the [name of PCC] Capital Improvement Fee Revenue Fund which is hereby created and required to be maintained by each PCC for as long as such PCC's Bonds are Outstanding. Said fund constitutes a trust fund for the purposes provided in this Resolution, and shall be kept separate and distinct from all other funds of the PCC and the Department and used only for the purposes and in the manner provided in this Resolution. All Pledged Revenues on deposit at any time in each Revenue Fund shall be applied only as set forth in this Resolution.

(B) The Pledged Revenues shall be forwarded to the Board of Administration and applied according to the following schedule:

(1) Not later than August 1 of each Fiscal Year, the Board of Administration shall provide written notice to each PCC of the amount of its pro rata share of (a) the next January 1 Sinking Fund Requirement, (b) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and (c) the amount, if any, necessary to pay any Rebate Amount coming due for payment to the United States of America (taking into account the amount then on deposit in the Rebate Account); giving credit for money, if any, in each PCC's sub-account in the Excess Construction Fund Moneys Account. Pledged Revenues collected by each PCC shall be forwarded to the Board of Administration as indicated below for deposit into the applicable PCC's sub-account in the Debt Service Account in the Community College Capital Improvement Sinking Fund, which are

hereby created, and/or into the Reserve Account and the Rebate Account, as and if applicable. Said funds constitute trust funds for the purposes provided in this Resolution, and shall be kept separate and distinct from all other funds of the PCCs, the Department and the Board of Administration, and used only for the purposes and in the manner provided in this Resolution.

(2) Not later than December 1, each PCC shall forward to the Board of Administration Pledged Revenues in an amount equal to the amount set forth in paragraph (1) above. If one or more PCCs fail to forward all of such amount by December 1,

(a) the Board of Administration shall immediately provide written notice to the remaining PCCs to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in paragraph (1) above, pro rata based on each remaining PCC's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the PCC(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in paragraph (1) above in the following order of priority:

(i) from the additional Pledged Revenues remitted pursuant to sub-paragraph (a) above,

(ii) from moneys in the Excess Construction Fund Moneys Account in excess of the amount credited pursuant to paragraph (1) above, if available, pro rata from each sub-account therein, and

(iii) from the Reserve Account, in accordance with paragraph (C)(4) below.

(b) If, when applying sub-paragraph (a) above, Pledged Revenues from one or more of the remaining PCCs become fully exhausted prior to fully funding the amount set forth in paragraph (1) above, the Board of Administration shall reapply the formula in sub-paragraph (a) above, utilizing the funds of the then remaining PCCs. The directive in this sub-paragraph (b) shall be repeated as many times as necessary until the amount set forth in paragraph (1) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account.

(3) Not later than February 1 of each Fiscal Year, the Board of Administration shall provide written notice to each PCC of the amount of its pro rata share of (a) the next July 1 Sinking Fund Requirement, (b) the amount required to reimburse the Reserve Account for a prior draw thereon, if any, and (c) the amount, if any, necessary to pay any Rebate Amount coming due for payment to the United States of America (taking into account the amount then on deposit in the Rebate Account); giving credit for money, if any, in each PCC's sub-account in the Excess Construction Fund Moneys Account.

(4) Not later than February 15, each PCC shall forward to the Board of Administration Pledged Revenues in an amount equal to the amount set forth in paragraph (3) above. If, after such funds are forwarded, each PCC has forwarded funds in an amount equal to the amount set forth in paragraph (3) above, the Sinking Fund will be deemed to be fully funded for that Fiscal Year. In such case, the Board of Administration shall provide written notice to each PCC that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless requested pursuant to the provisions of paragraph (6) below. In such case, each PCC shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration (subject to the provision of paragraph (6) below), and may then, and only then, use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(5) If one or more PCCs fail to forward all of the amount set forth in paragraph (3) above by February 15,

(a) the Board of Administration shall immediately provide written notice to the remaining PCCs to remit Pledged Revenues as soon as possible in an amount equal to the unfunded balance of the amount set forth in paragraph (3) above, pro rata based on each remaining PCC's percentage of the par amount of Bonds then Outstanding, not taking into account the par amount of Outstanding Bonds of the PCC(s) from which funds are unavailable, and shall fund the unfunded balance of the amount set forth in paragraph (3) above in the following order of priority:

(i) from the additional Pledged Revenues remitted pursuant to sub-paragraph (a) above,

(ii) from moneys in the Excess Construction Fund Moneys Account in excess of the amount credited pursuant to paragraph (3) above, if available, pro rata from each sub-account therein, and

(iii) from the Reserve Account, in accordance with paragraph (C)(4) below.

(b) If, when applying sub-paragraph (a) above, Pledged Revenues from one or more of the remaining PCCs become fully exhausted prior to fully funding the amount set forth in paragraph (3) above, the Board of Administration shall reapply the formula in sub-paragraph (a) above, utilizing the funds of the then remaining PCCs. The directive in this sub-paragraph (b) shall be repeated as many times as necessary until the amount set forth in paragraph (3) above has been fully funded, such funds are exhausted or the date on which the Board of Administration must make a draw on the Reserve Account.

(c), On the date on which the amount set forth in paragraph (3) above is fully funded, the Board of Administration shall provide written notice to each PCC that no additional Pledged Revenues need be forwarded for the remainder of such Fiscal Year, unless requested pursuant to the provisions of paragraph (6) below. In such case, each PCC shall, for the remainder of such Fiscal Year, not be required to forward any additional Pledged Revenues to the Board of Administration (subject to the provision of paragraph (6) below), and may then, and only then, use any remaining or additional Pledged Revenues it has collected or may collect during such Fiscal Year for any lawful purpose.

(6) If at any time moneys in the Rebate Account are insufficient to make a payment of any Rebate Amount coming due for payment to the United States of America, or if funds are required to replenish a Reserve Account Credit Facility, and sufficient funds are not anticipated to become available from any of the moneys on deposit in any of the funds and accounts created hereunder in time to make such payment or replenishment, the Board of Administration shall provide written notice to the appropriate PCCs that they are required to immediately forward Pledged Revenues or any other legally available funds in an amount equal to their pro rata share of such amount.

(C) Unless otherwise provided herein, all revenues on deposit at any time in the Sinking Fund shall be applied only in the following manner and order of priority:

(1) For the payment of the Administrative Expenses.

(2) For the payment of the next installment of interest to become due.

(3) For the payment of the next installment of principal to become due (including Amortization Installments).

(4) For the maintenance and establishment of the Reserve Account, which is hereby created in the Sinking Fund, in an amount which, together with other moneys available for such purposes, equals the Debt Service Reserve Requirement.

The moneys in the Reserve Account shall be used for the payments provided for in paragraphs (2) and (3) above and, if legally available, in paragraph (5) below, when the other moneys in the Sinking Fund are insufficient therefor. Any unused portion of the Reserve Account may be used by the Division to reduce the final installments of the Annual Debt Service Requirement becoming due.

Notwithstanding the foregoing provisions, in lieu of the required deposits into the Reserve Account, the Division may at any time cause to be deposited into the Reserve Account, one or more Reserve Account Credit Facilities for the benefit of the Registered Owners, in an amount which, together with sums on deposit (including other Reserve Account Credit Facilities), equals the Debt Service Reserve Requirement. In no event shall the use of such Reserve Account Credit Facilities be permitted if such use would cause, at the time of acquisition of such Reserve Account Credit Facility, an impairment in any existing rating on the Bonds or any Series of Bonds. The Reserve Account Credit Facilities shall be payable or available to be drawn upon, as the case may be, on or before any Interest Payment Date or Principal Payment Date on which a deficiency exists which cannot be cured by funds in any other account held for such Bonds pursuant to this Resolution and available for such purpose. If more than one Reserve Account Credit Facility is deposited into the Reserve Account, each Reserve Account Credit Facility shall be drawn upon in a proportion equal to its relative share of the amounts in the Reserve Account. If a disbursement is made under the Reserve Account Credit Facility, the Division shall be obligated, from the first Pledged Revenues available, to either reinstate such Reserve Account Credit Facility immediately following such disbursement to the amount required to be maintained in the Reserve Account or to deposit into the Reserve Account from the Pledged Revenues, as herein provided, funds in the amount of the disbursement made under such Reserve Account Credit Facility plus any amounts required to reimburse the Reserve Account Credit Facility provider for previous disbursements made pursuant to such Reserve Account Credit Facility, or a combination of such alternatives as shall equal the amount required to be maintained. To the extent that the Division reinstates a Reserve Account Credit Facility or reimburses a Reserve Account Credit Facility provider, such reinstatement or reimbursement shall be in proportion to the amounts drawn from the various Reserve Account Credit Facilities.

Any moneys in the Reserve Account in excess of the amount required to be maintained therein shall be used for the purposes and in the priority established by this section; and

(5) For deposit to the Rebate Account created by Section 8.06(C) of this Resolution, an amount sufficient to pay the Rebate Amount.

(D) After each July 1 Sinking Fund Requirement has been satisfied, any money remaining in each sub-account in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be applied to the payment of the next interest payment, for the benefit of the applicable PCC. In any fiscal Year, if there are no Bonds Outstanding after the July 1 Sinking Fund Requirement has been satisfied, or at any time after all of the Outstanding Bonds have been defeased and provision for payment thereof has been made, any money remaining in the Debt Service Account in the Sinking Fund, including interest earnings thereon, shall be returned to each PCC which had Bonds Outstanding immediately prior to such occurrence, pro rata in relation to its par amount of such Bonds.

(E) In any Fiscal Year, if there are no Bonds Outstanding after the July 1 Sinking Fund Requirement has been satisfied, or at any time after all of the Outstanding Bonds have been defeased and provision for payment thereof has been made, any money remaining in any PCC's sub-account in the Excess Construction Fund Moneys Account in the Sinking Fund, including interest earnings thereon, shall be returned to the appropriate PCC.

Notwithstanding anything in this Resolution to the contrary, upon the request of an Authorized Officer of a PCC and the approval of the Director, all or a portion of the moneys in such PCC's sub-account in the Excess Construction Fund Moneys Account not required to be otherwise applied pursuant to this Resolution may be used to call Bonds attributable to such PCC.

(F) Except insofar as such funds may be needed for any payment required to be made by the terms of this Resolution or the Bonds, and except as otherwise provided herein, moneys in any of the funds authorized or required by this Resolution may be invested and reinvested at any time as provided by Section 17.57 or 215.47, Florida Statutes, where applicable. When so invested or reinvested, the proceeds derived from the investment or reinvestment of such obligations shall be held for and credited to the fund for which said obligations were purchased except as otherwise provided in this Resolution; provided, however, that any such obligations purchased as investments for moneys in the Sinking Fund shall mature not later than the dates upon which such moneys will be needed for the payment of maturing principal and interest to be paid from said Sinking Fund.

SECTION 4.03. TRUST FUND. The Sinking Fund and all moneys on deposit therein shall constitute a trust fund for the purposes provided in Section 4.02 hereof, and the Registered Owners shall have a lien on such moneys until used or applied as provided in Section 4.02. Such fund shall be continuously secured in the same manner as deposits of State funds are required to be secured by the laws of the State.

SECTION 4.04. FISCAL AGENT. Upon sale and delivery of any Series of Bonds by the Division, the Board of Administration shall act as the fiscal agent for the Division.

ARTICLE V
ADDITIONAL BONDS; REFUNDING BONDS AND ISSUANCE OF OTHER OBLIGATIONS

SECTION 5.01. ISSUANCE OF ADDITIONAL BONDS. The Division is authorized to issue Additional Bonds, but only upon the following terms, restrictions and conditions:

(A) The proceeds from such Additional Bonds shall be used to acquire and construct Projects, or to refund Outstanding Bonds.

(B) (1) The Department and all PCCs must be current in all deposits into the various funds and accounts and all payments theretofore required to have been deposited or made by it under the provisions of this Resolution.

(2) The Department and the PCCs must be currently in compliance with the covenants and provisions of this Resolution and any supplemental resolution hereafter adopted for the issuance of the initial Series of Bonds issued hereunder or Additional Bonds, or upon the issuance of such Additional Bonds the Department and the PCCs will be brought into compliance with all such financial requirements, covenants and provisions.

(C) The Board of Trustees of each Community College wishing to participate in the issuance of Additional Bonds shall request the issuance of such Additional Bonds by a duly adopted resolution in the form required by the Division.

(D) Certificates shall be executed by the Department or other appropriate agency setting forth:

(1) the average annual amount of that portion of the Capital Improvement Fees pledged for the payment of Bonds and Administrative Expenses collected by the PCCs and the New PCCs during the two Fiscal Years immediately preceding the issuance of the proposed Additional Bonds, adjusted as hereinafter provided, and;

(2) the Maximum Annual Debt Service on the Bonds then Outstanding and the Additional Bonds then proposed to be issued.

(E) The amount certified pursuant to (D)(1) above, adjusted as hereinafter provided, will be at least equal to one hundred thirty percent of the total Maximum Annual Debt Service on (i) the Bonds then Outstanding, and (ii) the Additional Bonds then proposed to be issued;

(F) The Pledged Revenues and Capital Improvement Fees calculated pursuant to paragraph (D)(1) may be adjusted at the option of the Division if, prior to the issuance of the proposed Additional Bonds, all actions shall have been taken and all approvals shall have been obtained which are necessary to increase a PCC's or a New PCC's Capital Improvement Fees, such increase to become effective not later than January 1 of the Fiscal Year following the Fiscal Year in which the Additional Bonds are to be issued, the average annual amount of Pledged Revenues attributable to such PCC for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Pledged Revenues attributable to such PCC which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years; similarly, the average annual amount of Capital Improvement Fees to be pledged for the payment of Bonds and Administrative Expenses attributable to such New PCC for the two immediately preceding Fiscal Years prior to the issuance of said Additional Bonds, as certified by the Department or other appropriate agency, shall be adjusted to show the Capital Improvement Fees attributable to such New PCC which would have been derived as if such increased Capital Improvement Fees had been in effect during all of such two preceding Fiscal Years.

SECTION 5.02. REFUNDING BONDS. The Bonds originally issued pursuant to this Resolution then Outstanding, together with all Additional Bonds issued and then Outstanding, may be refunded as a whole or in part. If the Annual Debt Service Requirement of the refunding Bonds in each Fiscal Year is equal to or less than the corresponding Annual Debt Service Requirement of the refunded Bonds, then the provisions of subsections 5.01 (D) and (E) of this Resolution shall not apply to the issuance of the refunding Bonds.

SECTION 5.03. ISSUANCE OF OTHER OBLIGATIONS OR CREATION OF ENCUMBRANCES. The Division of Bond Finance, the Department and the PCCs covenant that they will not issue any other obligations, except Additional Bonds provided for in Section 5.01 hereof (including refunding Bonds provided for in Section 5.02 hereof), payable from the Pledged Revenues, nor voluntarily create or cause to be created any other debt, lien, pledge, assignment, encumbrance or other charge, having priority to or being on a parity with the lien of the Bonds upon the Pledged Revenues securing the Bonds provided for in this Resolution. Any such other obligations hereafter issued shall contain an express statement that such obligations are junior and subordinate to the Bonds, as to lien on and source and security for payment from such Pledged Revenues.

SECTION 5.04. NO ACCELERATION. The Bonds shall not be accelerated on account of any default on any payments required under the Resolution.

ARTICLE VI
COVENANTS

SECTION 6.01. PLEDGED REVENUES COVENANTS. The Division, on behalf of the Department and the PCCs, covenants that so long as any Bonds attributable to such PCCs remain Outstanding:

(A) That the Department and the PCCs will punctually pay the Pledged Revenues in the manner and at the times provided in this Resolution and that the Department and the PCCs will duly and punctually perform and carry out all the covenants of the Department and the PCCs made herein and the duties imposed upon the Department and the PCCs by this Resolution.

(B) That in preparing, approving and adopting any budget controlling or providing for the expenditures of its funds for each budget period the Department and the PCCs will allocate, allot and approve, to the extent permitted by law, the amounts sufficient to pay the annual Sinking Fund requirements due under Section 4.02 of this Resolution and any other amounts required to be paid pursuant to this Resolution.

(C) That the Department and the PCCs will from time to time recommend and include in their budgets such revisions to the Capital Improvements Fees which, to the extent permitted by law, will produce Pledged Revenues sufficient to pay, when due, the amounts required under this Resolution.

(D) That the Department and the PCCs will continue to collect the Capital Improvement Fees.

SECTION 6.02. NON-IMPAIRMENT. The State does hereby covenant with the Registered Owner(s) of the Bonds that it will not take any action that will materially and adversely affect the rights of such Registered Owner(s) so long as the Bonds are Outstanding.

ARTICLE VII
REMEDIES

SECTION 7.01. ENFORCEABILITY BY REGISTERED OWNERS. (A) The Division of Bond Finance, on behalf of the Department and the PCCs, hereby covenants that the Department and the PCCs irrevocably agree that this Resolution, including the pledge of moneys in the trust fund derived from the Capital Improvement Fees, shall be deemed to have been made for the benefit of the Registered Owners from time to time of the Bonds, and that such pledge and all the provisions of this Resolution shall be enforceable in any court of competent jurisdiction by any Registered

Owner of the Bonds, against either the Department and the PCCs or the Board of Administration or any other agency of the State of Florida, or instrumentality thereof having any duties concerning the collection, administration and disposition of the Capital Improvement Fees. The Division of Bond Finance, on behalf of the Department and the PCCs, does hereby consent to the bringing of any proceedings in any court of competent jurisdiction by any Registered Owner of Bonds for the enforcement of all provisions of this Resolution and does hereby waive, to the extent permitted by law, any privilege or immunity from suit which the Department and the PCCs may now or hereafter have as an agency of the State of Florida.

(B) Any Registered Owners of the Bonds, or any trustee acting for the Registered Owners of the Bonds, may by civil action in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, and by any applicable Statutes, to be performed by the Division of Bond Finance, the Department and the PCCs, or the Board of Administration, or by any officer thereof, including the payment of the Pledged Revenues payable under this Resolution. Nothing herein, however, shall be construed to grant to any Registered Owner of the Bonds any lien on any facility of the Department and the PCCs, the Division of Bond Finance, or the Board of Administration.

(C) For purposes of exercising remedies pursuant to this section, the issuer of a Bond Insurance Policy for any Series of the Bonds shall be deemed the sole Owner of Bonds it has insured, provided that the issuer of such Bond Insurance Policy has not failed to comply with its payment obligations under the Bond Insurance Policy and the ratings on the insured Series of Bonds, based on the Bond Insurance Policy, are no lower than the "A" category by each Rating Agency which has rated such Bonds, including any rating modifiers.

ARTICLE VIII
MISCELLANEOUS

SECTION 8.01. RESOLUTION NOT ASSIGNABLE. This Resolution shall not be assignable by the Division of Bond Finance on behalf of the Department and the PCCs, except for the benefit of the Registered Owners.

SECTION 8.02. AMENDMENT OR MODIFICATION OF RESOLUTION. (A) Except as otherwise provided in this section, no material modification or amendment of this Resolution, or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of (i) the Registered Owners of more than fifty percent in principal amount of the Bonds then Outstanding or (ii) in case less than all of the several series of Bonds then Outstanding are affected by the modification or amendment, the Registered Owners of more than fifty percent in principal amount of the Bonds of each series so affected and Outstanding at the time such consent is given; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon or affecting the unconditional promise to pay the principal of and interest on the Bonds, as the same mature or become due, or reduce the percentage of Registered Owners of Bonds required above for such modification or amendments, without the consent of the Registered Owners of all the Bonds then Outstanding.

(B) This Resolution may be amended, changed, modified and altered without the consent of the Registered Owners of the Bonds, (i) to cure any ambiguity or correct or supplement any provision contained herein which may be defective or inconsistent with any other provisions contained herein, (ii) to provide other changes including such changes as may be necessary in order to adjust the terms hereof so as to facilitate the issuance of various types of Bonds which will not materially adversely affect the interests of the Registered Owners, (iii) to provide for the issuance of Bonds in coupon form if, in the opinion of Bond Counsel, such issuance will not affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, (iv) to obtain credit enhancements or a higher rating in one of the three highest full rating categories of a Rating Agency, (v) to add to the covenants and agreements of the Division of Bond Finance, or the Department and the PCCs in the Resolution, other covenants and agreements to be observed by the Division of Bond Finance or the Department and the PCCs which are not contrary to or inconsistent with the Resolution as theretofore in effect, (vi) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the Division of Bond Finance, or the Department and the PCCs which are not contrary to or inconsistent with the Resolution as theretofore in effect, (vii) to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America, (viii) to enable the Division of Bond Finance and the Department and the PCCs to comply with their covenants, agreements and obligations under Section 8.06 of this Resolution, (ix) to add those Capital Improvement Fees authorized by Section 1009.22(6), Florida Statutes to the revenues pledged for the payment of all Bonds, if not previously so pledged, and (x) to make any amendment, change, modification or alteration that does not materially adversely affect the interests of the Registered Owners.

(C) For purposes of this section, except where the consent of all Registered Owners of a Series of Bonds is required, to the extent any Series of Bonds is insured by a Bond Insurance Policy and such Series of Bonds is then rated in as high a rating category as the rating category in which such Series of Bonds was rated at the time of initial delivery thereof by a Rating Agency, then the consent of the issuer of the Bond Insurance Policy shall constitute the consent of the Registered Owners of such Series. Where the consent of all Registered Owners of a Series of Bonds is required, to the extent such Series of Bonds is secured by a Bond Insurance Policy and such Series of Bonds is then rated in a category at least as high as that in effect at the time of the initial delivery thereof, the consent of the issuer of the Bond Insurance Policy shall be required in addition to the consent of the Registered Owners.

SECTION 8.03. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants or provisions shall be null and void and shall be deemed separable from the remaining covenants or provisions of this Resolution or of the Bonds.

SECTION 8.04. BONDS NOT STATE OBLIGATION. Notwithstanding any of the other provisions of this Resolution authorizing the issuance of the Bonds, the Bonds are not an obligation, directly or indirectly, of the State of Florida and no Registered Owner of the Bonds shall have the right to compel or require any appropriation by the Legislature of Florida for payment of the Pledged Revenues due under this Resolution, or for the payment of the principal of, premium, if any, or interest on the Bonds, or the making of any other payments provided for in this Resolution from State tax revenues.

The Bonds shall be “revenue bonds”, within the meaning of Section 11(d) of Article VII of the Florida Constitution, and shall be payable solely from funds derived directly from sources other than State tax revenues.

SECTION 8.05. NONPRESENTMENT OF BONDS: FUNDS HELD FOR BONDS AFTER MATURITY OF BONDS. In the event any Bond shall not be presented to the Bond Registrar/Paying Agent for payment within seven years after the principal becomes due, either at maturity, or otherwise, the funds for payment of said principal on deposit with the Bond Registrar/Paying Agent shall be remitted to the Board of Administration for return to the Department and the PCCs for use by the Department and the PCCs in financing eligible Projects or for other lawful purposes. In the event the Bond Registrar/Paying Agent shall not have been able to pay the interest, either all or a portion thereof, on any Bond within seven years after such interest becomes due, either at maturity, or otherwise, the funds on deposit with the Bond Registrar/Paying Agent for the payment of said interest shall be remitted to the Board of Administration for return to the Department and the PCCs for use by the Department and the PCCs in financing eligible Projects or for other lawful purposes.

SECTION 8.06. FEDERAL INCOME TAX COVENANTS. (A) In addition to any other requirement contained in this Resolution, the Division of Bond Finance, the Department and the PCCs, and the Board of Administration hereby covenant and agree, for the benefit of the Registered Owners from time to time of the Bonds, that each will comply with the requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended, and temporary, proposed or permanent implementing regulations promulgated thereunder (the “Code”) as shall be set forth in the non-arbitrage certificate dated and delivered on the date of original issuance and delivery of the Bonds. Specifically, without intending to limit in any way the generality of the foregoing, the Division of Bond Finance and the Department and the PCCs covenant and agree:

(1) to pay or cause to be paid by the Board of Administration to the United States of America from the Pledged Revenues or any other legally available funds, at the times required pursuant to Section 148(f) of the Code, the excess of the amount earned on all nonpurpose investments (as defined in Section 148(f)(6) of

the Code) over the amount which would have been earned if such nonpurpose investments were invested at a rate equal to the yield on the Bonds, plus any income attributable to such excess (the "Rebate Amount");

(2) to maintain and retain or cause to be maintained and retained all records pertaining to calculations of the Rebate Amount as shall be necessary to comply with the Code;

(3) to refrain from using proceeds from the Bonds in a manner that might cause the Bonds or any portion of them, to be classified as private activity bonds under Section 141(a) of the Code; and

(4) to refrain from taking any action that would cause the Bonds, or any of them to become arbitrage bonds under Section 148 of the Code.

The Board of Administration, the Division of Bond Finance and the Department and the PCCs understand that the foregoing covenants impose continuing obligations that will exist throughout the term of the issue to comply with the requirements of the Code.

(B) The Department and the PCCs covenant and agree to provide records pertaining to calculations of the Rebate Amount for each Series of Bonds issued hereunder to the Division of Bond Finance upon request for the purpose of making or having made all determinations and calculations of the Rebate Amount.

(C) The Division of Bond Finance covenants and agrees that it will make or have made all determinations and calculations of the Rebate Amount for each series of Bonds issued hereunder for each Rebate Year within sixty (60) days after the end of such Rebate Year and within sixty (60) days after the final maturity of each such series of Bonds. On or before the expiration of each such sixty (60) day period, the Division of Bond Finance shall direct the Board of Administration to deposit into the Rebate Account for each Series of Bonds which is hereby created and established in the Sinking Fund, from investment earnings or moneys deposited in the other funds and accounts created hereunder, or from any other legally available funds of the PCCs an amount equal to the Rebate Amount for such Rebate Year. The Board of Administration shall use such moneys deposited in the Rebate Account only for the payment of the Rebate Amount to the United States as required by subsection (A) of this section, and as directed by the Division of Bond Finance which payments shall be made in installments, commencing not more than sixty (60) days after the end of the fifth Rebate Year and with subsequent payments to be made not later than five (5) years after the preceding payment was due except that the final payment shall be made within sixty (60) days after the final maturity of the last obligation of the series of Bonds issued hereunder. In complying with the foregoing, the Division of Bond Finance may rely upon any instructions or opinions from a nationally recognized bond/tax counsel.

Notwithstanding anything in this Resolution to the contrary, to the extent moneys on deposit in the Rebate Account are insufficient for the purpose of paying the Rebate Amount and other funds of the PCCs are not available to pay the Rebate Amount, then the PCCs shall pay the Rebate Amount first from Pledged Revenues and, to the extent the Pledged Revenues are insufficient to pay the Rebate Amount, then from moneys on deposit and legally available in any of the funds and accounts created hereunder.

If any amounts shall remain in the Rebate Account after payment in full of all Bonds issued hereunder and after payment in full to the United States in accordance with the terms hereof, such amounts shall be paid over to the PCCs, pro rata based on their contribution thereto, and may be used for other purposes authorized by law.

The Rebate Account shall be held separate and apart from all other funds and accounts and shall be subject to a lien in favor of the Registered Owners, but only to secure payment of the Rebate Amount, and the moneys in the Rebate Account shall be available for use only as herein provided.

The Division of Bond Finance, the Department and the PCCs, and the Board of Administration shall not be required to continue to comply with the requirements of this section in the event that the Division of Bond Finance receives an opinion of nationally recognized bond/tax counsel that (i) such compliance is no longer required in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, or (ii) compliance with some other requirement will comply with the provisions of the Code in respect of arbitrage rebate.

Notwithstanding any of the above, the Department's and the PCC's responsibilities and duties pursuant to paragraphs (A)(1) or (2) or subsection (B) of this section may be assumed in whole or in part by the Division of Bond Finance or another entity as provided by law, administrative rule, or resolution of this Governing Board.

SECTION 8.07. DEFEASANCE. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Bonds, in whole or in part, in any one or more of the following ways:

(A) By paying the principal of and interest on Bonds when the same shall become due and payable; or

(B) By depositing with the Board of Administration certain moneys which are irrevocably pledged to the payment of all or a portion of the Bonds and which, together with other moneys lawfully available therefor, shall be sufficient at the time of such deposit to pay when due the principal, redemption premium, if any, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof; or

(C) By depositing with the Board of Administration moneys which are irrevocably pledged to the payment of the Bonds and which, together with other moneys lawfully available therefor when invested in Defeasance Obligations, will provide moneys (principal and interest thereof at maturity) which shall be sufficient to pay the principal, redemption premium, if any, and interest due and to become due on said Bonds on or prior to a date fixed for redemption or the maturity date thereof. Upon such payment or deposit in the amount and manner provided in this section, Bonds shall be deemed to be paid and shall no longer be deemed to be Outstanding for the purposes of this Resolution and all liability of the Department and the PCCs or Division of Bond Finance with respect to said Bonds shall cease, terminate and be completely discharged and extinguished, and the Registered Owners thereof shall be entitled for payment solely out of the moneys or securities so deposited.

(D) Any PCC may defease its pro rata portion of any Series of Bonds and its obligations under this Resolution by paying or providing for the payment thereof in accordance with this section, unless such PCC has failed at any time to fully fund its pro rata portion of the Annual Debt Service Requirement and has not reimbursed the entity whose funds were used to make up such deficiency and, if the Bonds proposed to be defeased are insured, only upon the consent of the insurer of such Bonds.

(E) Notwithstanding the foregoing, all references to the discharge and satisfaction of Bonds shall include the discharge and satisfaction of any maturity or maturities of any Bonds, any portion of a maturity of any Bonds or any combination thereof.

(F) If any portion of the moneys deposited for the payment of the principal of and redemption premium, if any, and interest on any portion of Bonds is not required for such purpose, the Board may use the amount of such excess for any lawful purpose free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under this Resolution.

(G) Nothing herein shall be deemed to require the Board of Administration or Division of Bond Finance to call any of the Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Board of Administration or Division of Bond Finance in determining whether to exercise any such option for early redemption.

(H) Notwithstanding the foregoing, the covenants, liens and pledges entered into, created or imposed pursuant to this Resolution shall not be discharged and satisfied with respect to any of the Bonds with respect to which debt service has been paid pursuant to a Bond Insurance Policy, to the extent that the amount so paid has not been reimbursed to the issuer of such Bond Insurance Policy (or monies have not been deposited as set forth above to provide for payment of such amounts). The bond insurer shall be subrogated to the rights of the Registered Owners of Bonds with respect to which it has made payments pursuant to a Bond Insurance Policy.

SECTION 8.08. NO PERSONAL LIABILITY OR ACCOUNTABILITY. No covenant or agreement contained in the Bonds or in this Resolution shall be deemed to be the covenant or agreement of any officer, agent, or employee of the State, in his or her or individual capacity and neither the officers, agents or employees of the State nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 8.09. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions and parts of resolutions heretofore adopted pertaining to the subject matter of this Resolution, to the extent that they are inconsistent with this Resolution, be and the same are hereby repealed, revoked, and rescinded.

SECTION 8.10. CONTINUING DISCLOSURE. (A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission, the Department and the PCCs hereby agree to provide or cause to be provided such information as may be required, from time to time, under such rule.

(B) The Director of the Division of Bond Finance, in conjunction with the appropriate officer of the Department and the PCCs, is authorized and directed to execute and deliver any documents or agreements which are necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission.

SECTION 8.11. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED on August 1, 2006.

FOURTH SUPPLEMENTAL BOND RESOLUTION

A RESOLUTION OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA AUTHORIZING THE SALE OF STATE OF FLORIDA, DEPARTMENT OF EDUCATION, FLORIDA COLLEGE SYSTEM CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2012; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on August 1, 2006, the Governing Board of the Division of Bond Finance (the "Governing Board") adopted a resolution authorizing the issuance of State of Florida, Department of Education Community College Capital Improvement Revenue Bonds (Various Series), which resolution was amended on May 11, 2010 (as amended, the "Master Authorizing Resolution") and

WHEREAS, the District Board of Trustees of Palm Beach State College adopted a resolution on October 11, 2011, requesting the Division of Bond Finance to issue Capital Improvement Revenue Bonds in an amount not exceeding $10,000,000 to finance educational facilities; and

WHEREAS, the Division of Bond Finance therefore desires to issue State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012 (the "2012 Bonds") and provide for various terms of the sale thereof by resolution.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:

Section 1. Any capitalized terms not defined in this Fourth Supplemental Bond Resolution (the "Fourth Supplemental Resolution") shall have the same meaning as in the Master Authorizing Resolution.

Section 2. The not exceeding $10,000,000 State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012, or such other designation as may be determined by the Director of the Division of Bond Finance (hereinafter referred to as the "Director"), authorized by the Master Authorizing Resolution, are hereby authorized to be sold at competitive sale on the date and at the time to be set out in the Notice of Bond Sale to be published as provided in this Fourth Supplemental Resolution.

Section 3. The Director is hereby authorized to determine the most advantageous date and time of sale and to publish the Notice of Bond Sale of the 2012 Bonds, or an abbreviated version thereof, in *The Bond Buyer*, New York, New York, or another financial journal, such publication to be not less than 10 days prior to the date of sale; and to publish such Notice of Bond Sale in such other newspapers on such date as may be deemed appropriate by the Director; provided, that if no bids are received at the time and place called for in the Notice of Bond Sale, or if all bids received are rejected, such 2012 Bonds may again be offered for sale upon reasonable notice, the timing and manner of which shall be determined by the Director. Bids for the purchase of the 2012 Bonds will be received at the office of the Division of Bond Finance or at another location designated in the Notice of Bond Sale, until the time and date of sale specified or provided for in the Notice of Bond Sale. Any prior publication of a Notice of Bond Sale, or short form thereof, is hereby ratified.

Section 4. The Director is hereby authorized to publish and distribute the Notice of Bond Sale and a bid form for the sale of the 2012 Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director and shall contain such information as is consistent with the terms of the Master Authorizing Resolution which the Director determines is in the best financial interest of the State. Any prior distribution of a Notice of Bond Sale and bid form is hereby ratified.

Section 5. The Director is hereby authorized to prepare and distribute preliminary and final official statements in connection with the competitive offering of the 2012 Bonds. The Director is further authorized and directed to amend, supplement or complete the information contained in the preliminary official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman and Secretary of the Governing Board and the Director are hereby authorized to execute the final official statement in connection with the competitive offering of the 2012 Bonds, and the execution thereof by any of the authorized individuals shall be conclusive evidence that the Governing Board has approved the form and content of the final official statement and that the final official statement is complete as of its date.

Section 6. The Director is hereby authorized to have up to 1,500 copies of the preliminary official statement and 3,500 copies (plus such additional copies as may be requested by the successful bidder at the expense of the successful bidder) of the final official statement relating to the competitive offering of the 2012 Bonds printed and distributed; to contract with national rating services and providers of municipal bond insurance and Reserve Account Credit Facilities; to retain bond counsel; to make a determination that the preliminary official Statement is "deemed final" for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the 2012 Bonds. Any prior printing and distribution of a preliminary official Statement is hereby ratified.

Section 7. The Secretary or any Assistant Secretary of the Governing Board is hereby authorized and empowered to award said 2012 Bonds when offered, on his or her determination of the best bid, as defined in the Notice of Bond Sale, submitted in accordance with the terms of the Notice of Bond Sale provided for herein, and such award shall be final. The Director or any Assistant Secretary of the Division shall report such sale to this Board after award of the 2012 Bonds. The Secretary or any Assistant Secretary of the Division is authorized to deliver such 2012 Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the 2012 Bonds as provided by the Master Authorizing Resolution and other proceedings authorizing the issuance of the 2012 Bonds.

Section 8. The Chairman and the Secretary or any Assistant Secretary of the Governing Board are hereby authorized to execute the Bonds in the manner provided by the Master Authorizing Resolution and to deliver such Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the Bonds as provided by the Master Authorizing Resolution and other proceedings authorizing the issuance of the Bonds.

Section 9. U.S. Bank Trust National Association, or its successor, is hereby designated as Bond Registrar/Paying Agent for the 2012 Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement by and between the State Board of Administration of Florida and U.S. Bank Trust National Association, or its successor.

Section 10. The Interest Payment Dates and the Principal Payment Dates for the 2012 Bonds shall be as set forth in the Notice of Bond Sale. Interest on the 2012 Bonds shall be paid by check or draft mailed on the Interest Payment Date (or, in certain cases, may be paid by wire transfer at the election of a Registered Owner, other than a securities depository, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the paying agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 pm New York time on the Record Date shown on the registration books maintained by the Bond Registrar/Paying Agent for the 2012 Bonds.

Section 11. The 2012 Bonds shall be dated, shall mature in such years and amounts and shall bear interest commencing on such date as set forth in the Notice of Bond Sale. The 2012 Bonds shall be issued in denominations of $1,000 or any integral multiple thereof unless otherwise provided in the Notice of Bond Sale. The 2012 Bonds shall be payable at the corporate trust office of U.S. Bank Trust National Association, New York, New York, or its successors.

Section 12. The 2012 Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the 2012 Bonds identified in such election may be designated as Term Bonds. Additionally, in lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices.

Section 13. The incremental Debt Service Reserve Requirement, if any, attributable to the 2012 Bonds shall be funded with proceeds of the 2012 Bonds, a Reserve Account Credit Facility, or some combination thereof, as determined by the Director. The incremental Debt Service Reserve Requirement, if any, attributable to the 2012 Bonds shall be deposited, as determined by the Director, in the Reserve Account established with respect to the Outstanding Bonds or in a separate subaccount in the Reserve Account established for the 2012 Bonds (the "2012 Subaccount"). Amounts on deposit in the 2012 Subaccount may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the 2012 Subaccount, and shall be applied in the manner provided in the Master Authorizing Resolution.

Notwithstanding the provisions of the Master Authorizing Resolution, the incremental Debt Service Reserve Requirement to be deposited into the Reserve Account for the 2012 Bonds authorized by this Fourth Supplemental Resolution shall be funded in an amount determined by the Director, which amount shall not exceed the Debt Service Reserve Requirement for the 2012 Bonds. Such amount may be zero. The amount of the Debt Service Reserve Requirement funded from the proceeds of the 2012 Bonds shall not exceed the amount permitted under the Code.

Section 14. Any portion of the 2012 Bonds may be issued as a separate series, provided that the bonds of each series shall be numbered consecutively from one upward. The 2012 Bonds referred to herein may be sold separately or combined with any other Florida College System Capital Improvement Revenue Bond issues authorized by the Governing Board to be sold.

Section 15. The Director is hereby authorized to offer for sale a lesser principal amount of 2012 Bonds than that set forth in this Fourth Supplemental Resolution and to adjust the maturity schedule and redemption provisions for the 2012 Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required. Any portion of the 2012 Bonds not offered shall remain authorized to be offered at a later date.

Section 16. The Director is authorized to provide in the Notice of Bond Sale of the 2012 Bonds that the purchase price for the 2012 Bonds may include a discount of not to exceed 3% excluding original issue discount, if any, of the aggregate principal amount of such 2012 Bonds offered for sale.

Section 17. The Chairman, Secretary and any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated by this Board as agents of the Division in connection with the issuance and delivery of the 2012 Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the 2012 Bonds.

Section 18. Notwithstanding anything contained in the Master Authorizing Resolution to the contrary, it is the intent of the Governing Board that interest on any 2012 Bonds which are issued as tax-exempt bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to the 2012 Bonds, whether such requirements are now in effect, pending or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the 2012 Bonds to comply with such requirements of federal tax law.

Section 19. All prior or concurrent resolutions or parts of resolutions inconsistent with this Fourth Supplemental Resolution are hereby amended by this Fourth Supplemental Resolution, but only to the extent of any such inconsistency.

Section 20. Any references in the Master Authorizing Resolution or this Fourth Supplemental Resolution to offices, bodies, or agencies which have been or are superceded, replaced or abolished by law shall be deemed to refer to the successors of such offices, bodies, and agencies. Any action required or authorized to be taken by an official whose office, body, or agency has been or is so superceded, replaced, or abolished shall be taken by the successor to such official.

Section 21. The Master Authorizing Resolution shall be amended as follows. All references to "State of Florida, Department of Education Community College Capital Improvement Revenue Bonds" shall be amended to read "State of Florida, Department of Education Florida College System Capital Improvement Revenue Bonds". All references to a "Community College" shall be amended to refer to a "Florida College System institution". All references to a “Participating Community College” or “PCC” shall be amended to refer to a “Participating Florida College System institution” or a “PFCSI”. The “Community College Capital Improvement Fee Revenue Fund” shall be renamed the “Florida College System Capital Improvement Fee Revenue Fund”. The “Community College Capital Improvement Sinking Fund” shall be renamed the “Florida College System Capital Improvement Sinking Fund”.

Section 22. Except as amended above, the Master Authorizing Resolution is in all respects ratified and confirmed.

Section 23. This Fourth Supplemental Resolution shall take effect immediately.

ADOPTED on January 18, 2012.

FLORIDA COLLEGE SYSTEM AND PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS[1]

SYSTEM OVERVIEW

Background

Florida's Community College system began with a single institution in 1933, with three more colleges added between then and 1947. In 1955, the Legislature established the Community College Council. In 1957, this Council published a report containing recommendations for a community college master plan to provide post-high school education within commuting distance of more than 90 percent of the State's population. As a result, legislation was enacted to create the Division of Community Colleges in the Florida Department of Education and funds were appropriated to begin implementation of the master plan. The State continued to build Community Colleges until the master plan was fully implemented in 1972.

In 2002, the Florida Legislature passed Section 1007.33, Florida Statutes, authorizing Community Colleges to develop proposals to offer the four-year baccalaureate degree, subject to approval by the State Board of Education, and with an emphasis on teacher education, nursing and computer technology. St. Petersburg College was the first institution to offer the degree, followed by Chipola College, Miami Dade College, Northwest Florida State College, and Edison State College. College names began to change as those offering baccalaureate degrees began to drop "community." In late 2007, as the number of schools adding baccalaureate degrees continued to increase, there was an unsuccessful attempt to start a separate "State" college system. After much discussion, it was agreed that while the ability to offer the four-year degree has expanded the mission of these institutions, their major focus remains that of a Community College. The Florida College System, as designated in 2008 and confirmed again in 2009, consists of all 28 institutions. The Division of Community Colleges was also renamed to the Division of Florida Colleges in the 2009 legislation. As a result of that same legislation, Florida's Community Colleges are now called Florida College System institutions, Florida Colleges or Community Colleges.

Governance

Effective January 7, 2003, the State Board of Education was established pursuant to Article IX, Section 2 of the Florida Constitution. The State Board of Education is responsible for overseeing kindergarten through graduate school education in Florida, and for establishing education goals and objectives consistent with legislative policy. It consists of seven members appointed by the Governor to staggered four-year terms, subject to confirmation by the Senate. The Commissioner of Education is appointed by the Board and serves as the chief executive officer of Florida's education system.

Florida College System districts are independent, separate corporate entities created to operate the respective Florida College System institutions. By law they are constituted as political subdivisions of the State. Florida College System districts are governed by Boards of Trustees comprised of five to nine members, depending on the number of local school districts within the Florida College System district. Trustees are appointed by the Governor and confirmed by the Florida Senate. The Florida College System institution president serves as the district's executive officer and corporate secretary, as well as the chief administrative and executive officer of the institution.

Each Board of Trustees has the general power to operate its respective institution and is the contracting agent of the Florida College System institution. Each Board of Trustees develops priorities for offering programs and meeting local needs, and has the flexibility to develop budgets to best meet its institution's priorities, and to set policy on pay, salary increases, most fringe benefits, and job qualifications.

The Division of Florida Colleges provides policy leadership, coordination and technical assistance to the Florida College System institutions. It is responsible for preparing the System-wide legislative budget request, calculating funding for each institution and the disbursement of state appropriations to the Florida College System institutions. The Division of Florida Colleges also establishes educational standards and policies related to articulation and academic affairs. It conducts studies and provides technical assistance to the colleges in the areas of academic and financial affairs and is responsible for the collection and analysis of information necessary to demonstrate accountability.

[1] Although financial information and operating data pertaining to all of the Participating Florida College System institutions are included in this appendix, only such information with respect to Material Participants, defined as Participating Florida College System institutions whose allocable share of the principal amount of Outstanding Bonds equals 10% or more, is required to be updated and disclosed on an annual basis pursuant to SEC Rule 15c2-12.

Florida College System Funding

The primary source for Florida College System operating funds is State general revenue, augmented by funds generated by the Florida Lottery. The balance of operating funds is made up of student tuition, fees and other local funds. All appropriations made by the Legislature to support Florida College System operations are appropriated from the Florida College System Program Fund established pursuant to section 1011.81, Florida Statutes. The annual apportionment for each college is distributed in equal monthly payments.

Prior to each annual legislative session, the Florida College System institution presidents and the Division of Florida Colleges develop a recommended System-wide legislative budget request for approval by the State Board of Education, taking into account current and future needs, including the goals outlined in the Florida College System portion of the State Board of Education's Strategic Plan. Once approved by the State Board of Education, the budget request is forwarded to the Governor and the Legislature for consideration. After taking the Governor's budget recommendations into account, the Legislature appropriates State general revenues to each Florida College System institution from the Florida College System Program Fund pursuant to section 1011.84, Florida Statutes, based on factors such as the base, or current year, budget; incremental changes to the base budget, allocated through a funding model; additional students not originally factored into enrollment figures; increased operating costs of new facilities; new and improved program enhancements; and the amount of tuition and student fees anticipated to be collected in the new budget year. In addition, dependent upon the availability of funds the Legislature appropriates additional funds for performance-based incentives to each Florida College System institution. This amount historically represented less than 5% of each college's operating budget. The relative size of each incentive is based on a college's pro rata share of degrees/diplomas awarded or programs completed, students in special categories, and students transferring to a university or placed in a job.

After the State Legislature passes the annual Appropriations Act, the Florida College System institution Boards of Trustees each approve an operating budget for the next fiscal year. Pursuant to section 6A-14.0716, Florida Administrative Code, the Division of Florida Colleges reviews and approves the college operating budgets after an examination for completeness, correctness, conformity with law, administrative rules, State Board of Education guidelines and preparation according to accepted accounting standards. The operating budgets are also checked for compliance with section 1011.84(3)(e), Florida Statutes, which requires that the State Board of Education be notified if any college's unencumbered general fund balance falls below 5% of estimated funds available for the fiscal year. The monthly general revenue appropriations disbursements are provided to each Florida College System institution in a lump sum; i.e., the institution is given an amount of money to run various programs and then allowed to determine how to use that money for its programs.

At the end of the fiscal year, the Florida College System institutions submit an Annual Financial Report and Cost Analysis to the Division of Florida Colleges. The annual financial reports are incorporated into the Comprehensive Annual Financial Report of the State of Florida as a component unit of the State. The annual financial reports include a Statement of Revenues, Expenditures and Changes in Net Assets and a Statement of Net Assets with required accompanying schedules including a schedule of capital improvement fee expenditures. The Annual Cost Analysis is a significant accountability tool that facilitates an analysis of program expenditures consistently and accurately over time.

Each year, the Florida College System institutions must develop a Five Year Capital Improvement Plan. This five year plan must be based on the colleges' latest five year Educational Plant Survey of their needs according to strict guidelines established by Section 1013.31, Florida Statutes. The Survey identifies the need for construction of new educational facilities as well as major additions, renovations, or repairs necessary to extend the useful life of buildings. Each Florida College System district has local control over how funds are used to meet facility needs.

The State has several programs which provide fixed capital outlay funds to the Florida College System. The Florida College System institutions receive funds for both new construction and for maintenance, repair and renovation, from Public Education and Capital Outlay Funds, which are derived from gross receipts taxes and proceeds of bonds pledging such taxes; Capital Outlay and Debt Service funds, derived from motor vehicle license taxes and proceeds of bonds pledging such taxes; and Florida College Facilities Enhancement Challenge Grant Program funds, pursuant to which the State matches local funds dollar for dollar.

The Legislative Auditor General conducts financial and operational audits for the Florida College System institutions. The Division of Florida Colleges works closely with the Auditor General to resolve findings and improve financial reporting. The Division reviews audits to ensure corrective action on audit findings.

Historical Summary of Revenue Sources. The following table sets forth the available System revenues by source for the periods indicated.

Florida College System
Historical Summary of Revenue Sources
(dollars in millions)

	Fiscal Years Ended June 30					
Fund Source	**2007**	**2008**	**2009**	**2010**	**2011**	**2012[2]**
General Revenue	$972.1	$997.0	$902.5	$827.7	$889.6	$876.0
Lottery Revenue	115.4	110.8	124.5	116.7	126.7	130.1
Federal Stabilization Funds	-	-	-	82.6	83.0	-
Total State & Federal Funds	$1,087.5	$1,107.8	$1,027.0	$1,027.0	$1,099.3	$1,006.1
Student Tuition and Fees	495.6	545.2	632.3	738.3	836.6	923.6
Other Revenue	56.6	54.4	44.4	46.4	41.4	34.8
Total Operating Budget[1]	$1,639.7	$1,707.4	$1,703.7	$1,811.7	$1,977.3	$1,964.5
% State Funded	66.3%	64.9%	60.3%	56.7%	55.6%	51.2%
Capital Outlay Funding	$391.5	$506.2	$397.5	$100.2	$216.7	$26.7
Facility Enhancement Grants	35.0	48.5	8.8	-	-	-
Program Challenge Grant Matching Program	39.1	48.7	-	-	-	-

Source: Division of Florida Colleges.
[1] Total operating budget does not include categorical appropriations and designated projects.
[2] For 2011-12, tuition and fees is estimated based on estimated enrollment and actual tuition rates. Other Revenue is estimated and as reported in the Operating Budget by each institution.

Degrees and Certificates Granted

The following table sets forth the numbers of degrees and certificates granted through the Florida College System for the periods indicated.

Florida College System
Historical Summary of Degrees and Certificates Awarded
Fee Generating Programs

Degrees	**2006-07**	**2007-08[1]**	**2008-09**	**2009-10**	**2010-11[2]**
Associate of Arts	33,836	37,219	40,384	48,763	52,317
Associate of Science	11,403	12,135	12,055	12,936	13,880
Postsecondary Vocational Certificate	9,115	10,006	10,537	11,784	12,158
Educator Preparation Institute	-	1,325	1,741	1,556	1,366
Bachelor’s	-	-	-	-	2,729
Total	54,354	60,685	64,717	75,039	82,450

Source: Division of Florida Colleges
[1] 2007-08 includes Education Preparation Institute program for the first time.
[2] 2010-11 includes Baccalaureate for the first time.

PARTICIPATING FLORIDA COLLEGE SYSTEM INSTITUTIONS

Palm Beach State College is financing a portion of a project from the proceeds of the 2012A Bonds. Palm Beach State College and seven other of the State's 28 Florida Colleges - Broward College, Edison State College, Gulf Coast State College, Santa Fe College, Seminole State College, St. Petersburg College and Tallahassee Community College - have financed projects from the proceeds of the 2006A, 2008A and 2010A Bonds. The Edison State College District is comprised of Charlotte, Collier, Glades, Hendry and Lee Counties in southwest Florida. The Gulf Coast State College District is comprised of Bay, Franklin and Gulf Counties in the north Florida panhandle. The St. Petersburg College District and the Broward, Palm Beach State and Seminole State College Districts are each comprised of a single county (Pinellas County, in the Tampa Bay area, Broward and Palm Beach counties, in southeast Florida, and Seminole County, in central Florida, respectively). The Santa Fe College District is comprised of Alachua and Bradford Counties in the north-central part of the State, and the Tallahassee Community College District covers Leon, Gadsden and Wakulla Counties in the north Florida panhandle.

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Student Enrollment

The following tables show total headcount and full time equivalent (“FTE”) enrollment at each of the Participating Florida College System institutions for the periods indicated, without regard to the programs of study. One FTE is equivalent to 30 credit hours. Due to the fact that students enrolled at Florida College System institutions are predominantly part-time, FTE enrollment provides a common base for comparative purposes.

Historical Student Enrollment in All Programs
Participating Florida College System Institutions ("PFCSI") and Florida College System
Headcount and FTE[1] Enrollment for Academic Years 2001-02 through 2010-11

	Broward		Edison		Gulf Coast		Palm Beach		St. Petersburg		Santa Fe		Seminole		Tallahassee		PFCSI Total		System Total	
Year	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**
2001-02	51,544	20,743	18,084	6,200	22,939	4,568	43,274	14,181	50,049	13,277	21,821	10,634	25,798	10,068	23,034	8,619	256,543	88,290	754,868	267,486
2002-03	53,141	22,104	15,615	6,594	21,325	4,739	44,434	14,983	53,752	14,706	22,586	11,331	26,827	10,991	24,404	8,925	262,084	94,373	769,946	285,128
2003-04	53,707	22,682	16,963	7,242	21,377	4,731	45,273	15,633	52,638	15,621	23,168	11,542	27,406	11,426	24,571	9,618	265,103	98,495	781,401	297,795
2004-05	53,995	22,959	16,349	7,121	21,657	4,872	45,776	15,875	49,882	15,650	22,272	11,561	25,700	11,243	24,788	10,257	260,419	99,538	767,510	294,818
2005-06	51,790	22,220	16,369	7,091	21,933	4,723	44,394	15,406	46,192	15,304	22,596	11,515	25,154	10,646	26,968	11,013	255,396	97,918	749,690	287,714
2006-07	52,062	22,089	16,491	7,266	23,222	4,720	42,614	15,931	49,105	15,402	22,684	11,669	24,975	9,885	29,048	11,345	260,201	98,307	763,020	286,755
2007-08	52,914	23,018	18,095	8,095	24,035	4,832	42,839	16,624	50,552	16,086	22,988	11,873	25,177	10,669	33,050	11,456	269,650	102,653	804,262	305,535
2008-09	55,394	24,805	20,806	9,123	23,074	4,875	46,090	18,454	51,631	16,967	22,527	11,961	27,576	12,042	36,586	11,938	283,684	110,165	836,020	329,052
2009-10	60,093	27,774	23,997	11,074	21,783	5,074	49,318	20,070	52,537	18,707	23,961	12,161	29,622	13,998	36,212	12,527	297,523	121,385	875,361	359,900
2010-11[2]	60,176	30,470	24,248	12,215	11,296	4,908	43,974	20,830	44,928	22,330	23,023	12,682	31,437	15,428	22,835	11,975	261,917	130,838	751,764	375,292

Source: Division of Florida Colleges.

[1] One FTE is equal to 30 credit hours.

[2] Beginning 2010-11, includes upper-division and excludes continuing workforce education. The elimination of the continuing workforce education students from these statistics results in a significant decrease in headcount beginning in 2010-11. The system-wide continuing workforce education headcount enrollment for 2009-10 was 172,424 but those students accounted for only 10,070 FTEs. These students are not enrolled in Capital Improvement Fee generating programs.

Students who are not considered residents of Florida must pay an out-of-state fee in addition to tuition. As a general rule a student must have maintained legal residence in the State for at least 12 months immediately preceding his or her qualification as a resident student. Approximately 95% of the students enrolled at each of the Participating Florida College System institutions have historically resided within the State.

The Capital Improvement Fees which are pledged to payment of the Bonds are derived from fees attributable to certain credit course offerings at the Participating Florida College System institutions including advanced and professional, postsecondary vocational, college preparatory courses, and the Educator Preparation Institute program. The following table sets forth historical enrollment and FTEs in such fee-generating programs for the periods indicated.

Historical Student Enrollment in Pledged Capital Improvement Fee-Generating Programs
Participating Florida College System Institutions ("PFCSI") and Florida College System
Headcount and FTE[1] Enrollment for Academic Years 2001-02 through 2010-11

	Broward		Edison		Gulf Coast		Palm Beach		St. Petersburg		Santa Fe		Seminole		Tallahassee		PFCSI Total		System Total	
Year	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
2001-02	45,464	19,989	13,915	6,108	10,167	3,882	29,799	11,991	31,530	12,842	17,842	9,941	15,126	6,577	16,645	8,104	180,488	79,434	500,818	222,824
2002-03	47,271	21,353	14,477	6,542	10,274	4,062	31,335	12,607	33,773	14,218	18,318	10,330	16,389	7,452	16,993	8,345	188,830	84,909	523,581	238,670
2003-04	48,556	21,964	15,650	7,184	10,523	4,081	32,470	13,107	34,662	15,160	18,557	10,529	17,759	8,236	17,532	9,013	195,709	89,274	541,628	250,773
2004-05	48,995	22,207	15,345	7,082	10,406	4,104	32,544	13,290	34,472	15,251	18,298	10,483	16,823	7,940	18,318	9,388	195,201	89,745	536,126	249,259
2005-06	46,930	21,430	15,013	7,022	10,207	4,009	31,649	13,111	34,126	14,941	18,648	10,532	16,815	7,545	18,747	9,830	192,135	88,420	527,809	244,199
2006-07	46,434	21,092	15,083	7,075	9,898	3,908	31,131	12,921	34,311	14,894	19,203	10,775	17,141	7,615	18,859	9,865	192,060	88,145	529,640	245,230
2007-08[2]	47,695	22,244	17,188	8,032	10,006	4,056	32,590	13,930	35,075	15,612	19,896	11,341	18,269	8,346	19,384	10,137	200,103	93,698	556,719	263,278
2008-09	50,584	24,057	19,174	9,066	10,415	4,237	35,976	15,854	36,872	16,523	19,828	11,281	20,516	9,739	19,734	10,492	213,099	101,249	590,555	286,022
2009-10	55,612	27,128	22,651	10,994	10,837	4,508	39,503	17,861	39,531	18,301	20,422	11,469	24,036	12,065	20,308	11,130	232,900	113,456	644,616	319,699
2010-11[3]	59,630	29,599	24,220	11,644	10,601	4,581	41,302	18,875	44,717	19,892	21,257	11,930	26,253	13,755	20,810	11,399	248,790	121,675	679,381	340,219

Source: Division of Florida Colleges.
[1] One FTE is equal to 30 credit hours.
[2] 2007-2008 includes Educator Preparation Institute students for the first time.
[3] Beginning 2010-11, includes upper-division and excludes continuing workforce education.

Historical pledged capital improvement fee-generating program enrollments are shown by residency for the periods indicated in the following table. The 2010-11 academic year FTE enrollment by program shows that approximately 95% or more of FTE enrollment in fee-generating programs were Florida residents at each of the Participating Florida College System institutions.

Historical Resident vs. Out-of-State
FTE[1] Student Enrollment in Pledged Capital Improvement Fee-Generating Programs
Participating Florida College System Institutions
Academic Years 2006-07 through 2010-11

	Broward		Edison		Gulf Coast		Palm Beach		St. Petersburg		Santa Fe		Seminole		Tallahassee	
Year	**Resident**	**Out-of State**	**Resident**	**Out-of State**	**Resident**	**Out-of State**	**Resident**	**Out-of-State**	**Resident**	**Out-of-State**	**Resident**	**Out-of-State**	**Resident**	**Out-of-State**	**Resident**	**Out-of-State**
2006-07	20,158	934	6,747	328	3,783	125	11,982	939	14,362	532	10,259	516	7,294	321	9,387	478
2007-08	21,273	971	7,696	336	3,936	120	12,992	938	14,932	680	10,824	517	8,022	324	9,642	495
2008-09	23,079	978	8,838	228	4,097	140	15,096	758	15,863	660	10,791	490	9,420	319	10,005	487
2009-10	26,220	908	10,750	244	4,381	127	17,138	723	17,588	713	10,943	526	11,713	352	10,621	509
2010-11	28,663	936	11,398	246	4,440	141	18,154	721	19,160	732	11,387	543	13,394	361	10,875	524

Source: Division of Florida Colleges.
[1] One FTE is equal to 30 credit hours.

Tuition and Fees

Beginning in Fiscal Year 2008-09, the standard tuition and the standard out-of-state fee are established annually based on the prior year's tuition and fee, plus an increase tied to the rate of inflation (if the inflation rate is negative, the standard tuition and out-of-state fee remain at the prior year's levels), unless otherwise provided by the Legislature. Each Board of Trustees then establishes its own tuition and out-of-state fee, which may vary no more than 10 percent below and 15 percent above the standard, and may also establish financial aid, capital improvement, student activity and service and technology fees. The Board of Trustees is also authorized to establish user fees and fines for services.

By statute, the Capital Improvement Fees which are pledged to the Bonds are limited to 10% of tuition for resident students and 10% of the sum of tuition and out-of-state fees for out-of-state students. The annual fee increase for resident students may not exceed $2.00 per credit hour. There is no statutory limit on the annual rate of fee increases for out-of-state students.

The following table lists the tuition, Capital Improvement Fees and other fees charged to resident students on a per credit hour basis at each of the eight Participating Florida College System institutions and the System averages for the periods indicated.

Resident Student Tuition, Capital Improvement Fees ("CIF"), and Other Required Fees
Academic Years 2006-07 through 2011-12

	Broward			Edison			Gulf Coast		
Year	Tuition	CIF	Other Fees[4]	Tuition	CIF	Other Fees[4]	Tuition	CIF	Other Fees[4]
2006-07[2]	$ 53.80	$ 5.00	$ 8.00	$ 56.25	$ 5.00	$ 8.44	$ 52.00	$ 4.00	$ 9.60
2007-08[3]	56.49	5.65	8.46	59.05	5.91	8.86	54.51	4.00	9.98
2008-09	59.87	5.99	8.98	62.59	6.26	9.39	57.89	5.61	10.48
2009-10	64.65	6.45	12.85	67.60	6.76	13.52	62.52	6.25	12.51
2010-11	69.80	6.95	13.85	73.00	7.30	14.60	67.52	6.75	13.51
2011-12	75.40	7.50	15.00	78.84	7.88	15.76	72.92	7.29	14.59

	Palm Beach			St. Petersburg			Santa Fe		
Year	Tuition	CIF	Other Fees[4]	Tuition	CIF	Other Fees[4]	Tuition	CIF	Other Fees[4]
2006-07[2]	$ 53.80	$ 5.00	$ 7.70	$ 56.25	$ 5.00	$ 8.44	$ 53.80	$ 5.00	$ 8.05
2007-08[3]	56.49	5.64	8.46	59.05	5.25	8.86	56.49	5.65	8.46
2008-09	60.85	6.05	8.10	62.59	5.56	9.39	59.87	5.98	8.95
2009-10	65.97	6.40	10.13	67.60	6.00	13.52	64.66	6.47	12.47
2010-11	71.33	6.98	10.79	73.00	6.48	14.60	69.43	6.94	12.95
2011-12	76.92	7.62	11.46	75.19	6.89	14.82	76.65	7.66	14.05

	Seminole			Tallahassee			System Average[1]		
Year	Tuition	CIF	Other Fees[4]	Tuition	CIF	Other Fees[4]	Tuition	CIF	Other Fees[4]
2006-07[2]	$ 54.41	$ 5.00	$ 9.96	$ 50.80	$ 5.00	$ 6.70	$ 54.92	$ 4.78	$ 8.10
2007-08[3]	56.98	5.70	10.35	53.80	5.00	6.70	57.60	5.38	8.44
2008-09	62.31	6.23	9.35	57.55	5.00	6.95	61.44	5.86	8.79
2009-10	67.60	6.76	13.52	60.30	5.00	8.70	66.52	6.38	12.19
2010-11	73.00	7.30	14.60	69.50	5.00	11.35	71.78	6.92	13.46
2011-12	78.84	7.88	15.76	76.80	7.00	13.03	77.39	7.57	14.59

Source: Division of Florida Colleges.

[1] These numbers represent the weighted mean for the System. Total tuition and capital improvement fee collections for the System were divided by the total number of students in the System to obtain the weighted mean.

[2] Reflects implementation of 2005 legislation increasing the maximum Capital Improvement Fee from $1 per credit hour to 10% of tuition for resident students.

[3] Fiscal Year 2007-08 tuition rates represent Spring 2008 rates after tuition increase.

[4] Other required fees include Student Financial Aid Fee, Student Activity Fee, and Technology Fee.

The following table sets forth tuition plus out of state fees, Capital Improvement Fees and other fees charged to out-of-state students at each of the Participating Florida College System institutions for the periods indicated.

Out-of-State Student Tuition, Capital Improvement Fees ("CIF"), and Other Required Fees
Academic Years 2006-07 through 2011-12

	Broward			Edison			Gulf Coast			Palm Beach		
Year	Tuition & Out of State Fee	CIF	Other Fees[3]	Tuition & Out of State Fee	CIF	Other Fees[3]	Tuition & Out of State Fee	CIF	Other Fees[3]	Tuition & Out of State Fee	CIF	Other Fees[3]
2006-07[1]	$ 215.25	$ 7.70	$ 16.10	$ 225.07	$ 22.51	$ 16.88	$ 209.88	$ 6.00	$ 21.09	$ 215.20	$ 6.03	$ 15.77
2007-08[2]	226.04	7.70	16.95	236.31	23.63	17.73	220.10	6.00	21.86	226.04	8.03	16.94
2008-09	239.59	9.70	17.97	250.49	25.05	18.78	233.66	8.42	22.87	240.55	12.40	17.05
2009-10	258.75	11.70	32.25	270.53	27.05	33.82	252.35	21.17	31.49	259.95	14.19	25.22
2010-11	279.40	12.60	34.85	292.16	29.22	36.52	272.54	22.86	34.01	281.01	15.33	26.66
2011-12	301.80	13.60	37.60	315.53	31.55	39.44	294.34	24.69	36.73	303.18	17.35	28.47

	St. Petersburg			Santa Fe			Seminole			Tallahassee		
Year	Tuition & Out of State Fee	CIF	Other Fees[3]	Tuition & Out of State Fee	CIF	Other Fees[3]	Tuition & Out of State Fee	CIF	Other Fees[3]	Tuition & Out of State Fee	CIF	Other Fees[3]
2006-07[1]	$ 225.07	$ 10.00	$ 16.88	$ 214.94	$ 21.49	$ 16.12	$ 219.54	$ 11.00	$ 21.82	$ 203.20	$ 7.30	$ 13.00
2007-08[2]	236.31	10.50	17.73	225.68	22.56	16.91	230.10	13.00	22.61	215.20	7.30	13.00
2008-09	250.49	11.12	18.78	239.21	23.92	17.92	249.63	15.00	18.71	230.20	7.30	13.25
2009-10	270.53	12.00	33.82	258.77	25.86	31.87	270.53	19.00	33.82	241.20	5.00	15.00
2010-11	292.16	12.96	36.52	277.83	27.78	33.79	292.16	23.00	36.52	278.00	5.00	20.35
2011-12	300.93	13.96	37.40	306.77	30.67	35.97	315.53	25.00	39.44	307.20	30.72	36.07

Source: Division of Florida Colleges.

1 Reflects implementation of 2005 legislation increasing the maximum Capital Improvement Fee rate from $3 per credit hour to 10% of the sum of tuition and out of state fees for non-resident students.

2 Fiscal Year 2007-08 tuition and out of state fees represent Spring 2008 rates after tuition increase.

3 Other required fees include Student Financial Aid Fee, Student Activity Fee, and Technology Fee.

A maximum of 15% of each college's Capital Improvement Fees may be allocated for child care centers conducted by the college. Such use of Capital Improvement Fees is subordinate to the Bonds. None of the Participating Florida College System institutions are allocating Capital Improvement Fees for this purpose.

Degrees and Certificates Granted

Degrees and certificates granted by the Participating Florida College System institutions have accounted for more than 33% of the total annual degrees and certificates awarded in the Florida College System in Capital Improvement Fee-generating programs over the period shown.

Historical Summary of Total Degrees and Certificates Awarded
Florida College System Total and Participating Florida College System Institutions
Capital Improvement Fee Generating Programs

	2006-07	**2007-08**	**2008-09**	**2009-10**	**2010-11**
Florida College System	54,354	60,685	64,717	75,039	82,450
Participating Florida College System Institutions:					
Broward	3,124	5,486	4,528	5,504	5,490
Edison	1,412	1,603	1,883	2,305	2,640
Gulf Coast	800	895	910	947	957
Palm Beach	2,766	3,141	3,378	4,102	4,511
St. Petersburg	3,203	3,364	3,489	3,883	5,095
Santa Fe	3,355	2,971	3,061	3,309	2,906
Seminole	1,886	1,876	2,344	2,806	3,069
Tallahassee	2,267	2,312	2,444	2,957	2,727
Total	18,813	21,648	22,037	25,813	27,395
Percentage of Total System	34.6%	35.7%	34.1%	34.4%	33.2%

Source: Division of Florida Colleges.

Operating Budget

Florida College System institutions receive State funds to subsidize the institution's operating budget. The sources used to fund the Fiscal Year 2010-11 and estimated Fiscal Year 2011-12 operating budgets for each of the Participating Florida College System institutions are shown in the following tables.

Participating Florida College System Institutions

Fiscal Year 2010-11 Operating Budget Revenues By Source

	Broward	Edison	Gulf Coast	Palm Beach	St Petersburg	Santa Fe	Seminole	Tallahassee
General Revenue	$62,146,109	$21,929,243	$15,583,128	$44,839,015	$55,752,393	$30,011,553	$31,162,378	$25,599,442
Lottery Revenue	8,977,892	3,117,833	2,231,736	6,461,218	7,279,093	4,317,934	4,487,352	3,717,458
Federal Stabilization Funds	5,826,730	2,033,126	1,447,007	4,190,443	5,180,294	2,799,662	2,909,500	2,410,317
Total State & Federal Resources	$76,950,731	$27,080,202	$19,261,871	$55,490,676	$68,211,780	$37,129,149	$38,559,230	$31,727,217
Tuition and Fees	70,843,721	27,437,193	9,685,254	47,706,180	57,136,368	29,054,310	33,478,026	28,760,757
Other Revenues	3,445,804	672,082	744,641	2,590,555	3,113,797	4,256,157	799,610	219,236
Total[1]	$151,240,256	$55,189,477	$29,691,766	$105,787,411	$128,461,944	$70,439,616	$72,836,867	$60,707,210
Estimated Unallocated Year End Fund Balance	$10,606,574	$5,107,846	$2,577,012	$11,716,947	$20,193,639	$9,559,161	$4,507,760	$6,940,130

Source: Division of Florida Colleges.
[1] Total operating budget does not include categorical appropriations and designated projects.

Participating Florida College System Institutions

Fiscal Year 2011-12 Operating Budget Revenues By Source

	Broward	Edison	Gulf Coast	Palm Beach	St Petersburg	Santa Fe	Seminole	Tallahassee
General Revenue	$60,936,938	$21,841,892	$15,290,427	$43,847,564	$54,405,023	$29,580,208	$31,057,246	$24,392,111
Lottery Revenue	9,023,684	3,234,398	2,264,242	6,493,050	8,056,423	4,380,306	4,599,030	3,621,417
Federal Stabilization Funds	-	-	-	-	-	-	-	-
Total State & Federal Resources	$69,960,622	$25,076,290	$17,554,669	$50,340,614	$62,461,446	$33,960,514	$35,656,276	$28,013,528
Tuition and Fees[2]	80,953,200	30,305,021	10,626,200	52,432,544	58,241,173	32,547,617	37,523,694	32,742,957
Other Revenues[2]	3,417,597	579,216	587,025	2,600,000	3,186,441	2,882,847	717,000	154,000
Total[1]	$154,331,419	$55,960,527	$28,767,894	$105,373,158	$123,889,060	$69,390,978	$73,896,970	$60,910,485
Estimated Unallocated Year End Fund Balance[3]	$12,500,000	$5,383,096	$2,537,530	$9,900,000	$10,635,234	$8,074,267	$4,606,985	$4,381,082

Source: Division of Florida Colleges.

[1] Total operating budget does not include categorical appropriations and designated projects.
[2] Student Tuition and Fees is estimated based on estimated enrollment and actual tuition rates. Other Revenue is estimated and as reported in the 2011-12 Operating Budget by each institution.
[3] Estimated Unallocated Year End Fund Balance is as reported in the 2011-12 Operating Budget by each institution.

Selected Historical Financial Information

The following tables set forth selected historical financial information for the Participating Florida College System institutions for the periods indicated as provided in their annual audited financial statements. This selected historical financial information has been derived from, and should be read in conjunction with, the financial statements and accompanying notes thereto with respect to each such Participating Florida College System institution. With respect to the financial information provided for Fiscal Year ended June 30, 2011, only the financial information for Palm Beach State College and Santa Fe College is audited. Audited financial information for the other Florida Colleges is not yet available, and the financial information provided herein is from their draft financial statements. Audit reports for the Participating Florida College System institutions are available from the Florida Auditor General's website at www.myflorida.com/audgen under "Released Reports – Colleges." Such financial information has been subject to audit procedures by the State Auditor General's Office for inclusion in the applicable State of Florida audited general purpose financial statements prior to completion of the individual Florida College System institution audits.

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STATEMENT OF NET ASSETS
By Participant
As of June 30, 2007

ASSETS	**Broward**	**Edison**	**Gulf Coast**	**Palm Beach**	**St. Petersburg**	**Santa Fe**	**Seminole**	**Tallahassee**	**Participant Total**
Current Assets:									
Cash and Cash Equivalents	$ 38,504,505	$ 9,051,091	$ 4,209,736	$ 15,211,955	$ 17,245,431	$ 11,461,817	$ 3,901,128	$ 6,319,118	$ 105,904,781
Restricted Cash and Cash Equivalents	-	3,111,276	345,234	-	9,874,915	3,333,142	1,078,018	25,375,151	43,117,736
Investments	-	-	-	-	-	2,356,213	-	-	2,356,213
Accounts Receivable, Net	2,132,263	1,260,448	417,430	735,487	1,056,238	919,380	1,948,493	1,987,861	10,457,600
Notes Receivable, Net	237,616	85,328	3,526	-	20,498	17,211	60,296	63,205	487,680
Due from Other Governmental Agencies	31,971,677	5,109,149	8,813,844	26,568,619	20,673,140	7,487,696	27,660,748	9,037,598	137,322,471
Due from Component Unit	288,903	-	-	1,200	1,114,339	-	317,661	37,160	1,759,263
Inventories	1,817,680	-	535,882	71,174	113,427	39,894	-	101,687	2,679,744
Prepaid Expenses	199,126	622,147	290,956	886,297	719,127	126,573	29,559	1,000	2,874,785
Deposits - Other	355,820	-	-	890	-	-	6,938	-	363,648
Other Assets	-	-	64,778	-	636	-	-	-	65,414
Risk Management Consortium:									
Restricted Cash and Cash Equivalents	-	-	-	-	-	31,553,516	-	-	31,553,516
Restricted Investments	-	-	-	-	-	13,931,269	-	-	13,931,269
Total Current Assets	75,507,590	19,239,439	14,681,387	43,475,622	50,817,751	71,226,711	35,002,841	42,922,780	352,874,121
Noncurrent Assets:									
Restricted Cash and Cash Equivalents	11,936,187	5,648,223	9,203,503	12,635,676	26,180,107	18,499,541	19,898,026	61,082	104,062,345
Investments	-	-	-	220,224	4,065,917	4,437,586	-	-	8,723,727
Endowment Investments	-	-	-	-	-	-	-	-	-
Other Investments	-	-	-	-	-	-	-	-	-
Other Restricted Investments	-	634,516	-	138,754	9,179,127	-	89,247	-	10,041,644
Due from Other Governmental Agencies	-	-	11,825,517	-	-	-	-	-	11,825,517
Due from Component Unit	-	-	-	-	-	-	-	-	-
Investment in Joint Venture	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-
Depreciable Capital Assets, Net	141,601,791	79,415,103	41,668,466	125,057,883	163,782,875	66,167,813	76,614,518	85,696,516	780,004,965
Nondepreciable Capital Assets	4,217,468	3,066,518	4,236,177	38,674,785	35,585,419	4,810,372	45,597,738	10,437,440	146,625,917
Notes Receivable, Net	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	-	-	-	-	-	-	-	-	-
Risk Management Consortium:									
Restricted Investments	-	-	-	-	-	6,454,425	-	-	6,454,425
Total Noncurrent Assets	157,755,446	88,764,360	66,933,663	176,727,322	238,793,445	100,369,737	142,199,529	96,195,038	1,067,738,540
TOTAL ASSETS	$ 233,263,036	$ 108,003,799	$ 81,615,050	$ 220,202,944	$ 289,611,196	$ 171,596,448	$ 177,202,370	$ 139,117,818	$ 1,420,612,661
LIABILITIES									
Current Liabilities:									
Accounts Payable	$ 980,952	$ 1,130,830	$ 245,960	$ 398,590	$ 3,340,793	$ 1,602,120	$ 3,784,028	$ 699,974	$ 12,183,247
Salary and Payroll Taxes Payable	452,234	445,938	-	1,186,746	2,012,800	4,952,989	1,271,098	65,077	10,386,882
Construction Contracts Payable	-	-	-	-	-	-	-	-	-
Retainage Payable	325,583	10,494	41,060	2,333,190	1,665,428	195,751	876,697	23,525	5,471,728
Due to Other Governmental Agencies	-	-	259	-	-	1,678	19,096	-	21,033
Due to Component Units	-	-	-	-	-	-	-	-	-
Deferred Revenue	1,519,230	3,118	-	-	567,384	1,588,076	20,836,097	28,432	24,542,337

Estimated Claims Payable	6,315,527	-	-	-	652,571	-	-	-	6,968,098
Estimated Insurance Claims Payable	-	-	-	-	-	-	-	-	-
Deposits Held for Others	1,118,140	5,226	80,622	424,544	4,799,401	392,458	280,055	896,701	7,997,147
Other Payables	-	-	-	-	-	-	-	-	-
Interest Payable	-	-	-	-	-	-	-	-	-
Long-Term Liabilities - Current Portion:									
Bonds Payable	350,000	85,000	85,000	205,000	950,000	670,000	355,000	105,000	2,805,000
Loan Payable	-	-	-	-	-	-	507,217	-	507,217
Installment Purchases Payable	180,153	-	-	-	-	177,460	-	-	357,613
Capital Leases Payable	1,200,580	-	-	-	-	8,657	264,262	139,777	1,613,276
Compensated Absences Payable	527,252	104,980	72,074	686,175	810,548	948,442	166,820	873,348	4,189,639
Special Termination Benefits Payable	-	113,163	-	-	-	-	-	122,004	235,167
Deposits Held for Others	-	-	-	-	-	-	-	61,581	61,581
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	45,484,785	-	-	45,484,785
Total Current Liabilities	12,969,651	1,898,749	524,975	5,234,245	14,798,925	56,022,416	28,360,370	3,015,419	122,824,750
Noncurrent Liabilities:									
Bonds Payable	4,835,000	1,245,000	980,000	4,305,000	23,320,000	15,960,000	7,790,000	14,230,000	72,665,000
Loan Payable	-	-	-	-	-	-	3,388,483	-	3,388,483
Installment Purchases Payable	-	-	-	-	-	181,443	-	-	181,443
Capital Leases Payable	4,513,631	-	-	-	-	36,044	344,158	351,407	5,245,240
Compensated Absences Payable	8,022,544	3,594,978	2,594,118	7,778,949	7,294,932	7,315,416	4,190,295	5,131,696	45,922,928
Special Termination Benefits	-	127,568	-	220,224	-	-	-	372,975	720,767
Deposits Held for Others	-	-	-	-	-	-	-	361,839	361,839
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	6,454,425	-	-	6,454,425
Total Noncurrent Liabilities	17,371,175	4,967,546	3,574,118	12,304,173	30,614,932	29,947,328	15,712,936	20,447,917	134,940,125
TOTAL LIABILITIES	30,340,826	6,866,295	4,099,093	17,538,418	45,413,857	85,969,744	44,073,306	23,463,336	257,764,875
NET ASSETS									
Invested in Capital Assets, Net of Related Debt	134,782,741	81,151,621	44,839,642	159,222,669	195,245,916	68,644,581	114,440,470	94,307,771	892,635,411
Restricted:									
Nonexpendable:									
Endowment	1,093,568	637,180	-						1,730,748
Expendable:									
Grants and Other/Loans	5,171,969	1,555,574	501,689	2,331,688	5,339,604	1,539,693	1,590,181	9,677,232	27,707,630
Research	-	-	-	-	-	-	-	-	-
Endowment	-	-	-	-	1,650,986	-	-	-	1,650,986
Loans	-	-	-	-	919,997	459,047	-	-	1,379,044
Scholarships	517,499	1,026,951	-	666,311	401,879	-	505,869	212,404	3,330,913
Capital Projects	37,492,993	10,589,033	28,775,702	35,919,225	11,972,572	11,099,118	16,746,269	8,459,764	161,054,676
Debt Service	86,071	42,676	49,721	119,830	693,712	55,483	89,247	61,082	1,197,822
Unrestricted	23,777,369	6,134,469	3,349,203	4,404,803	27,972,673	3,828,782	(242,972)	2,936,229	72,160,556
Total Net Assets	202,922,210	101,137,504	77,515,956	202,664,526	244,197,339	85,626,704	133,129,064	115,654,482	1,162,847,785
TOTAL LIABILITIES AND NET ASSETS	$ 233,263,036	$ 108,003,799	$ 81,615,050	$ 220,202,944	$ 289,611,196	$ 171,596,448	$ 177,202,370	$ 139,117,818	$ 1,420,612,661

Source: Each College's audited financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
By Participant
For the Fiscal Year Ended June 30, 2007

REVENUES	Broward	Edison	Gulf Coast	Palm Beach	St. Petersburg	Santa Fe	Seminole	Tallahassee	Participant Total
Operating Revenues:									
Student Tuition and Fees, Net of Scholarship Allowances	$38,829,498	$13,212,286	$ 5,811,274	$25,933,065	$28,603,410	$18,710,721	$14,874,670	$14,422,659	$160,397,583
Federal Grants and Contracts	7,561,403	1,822,734	2,589,742	3,536,204	8,589,514	3,255,336	2,478,105	9,893,949	39,726,987
State and Local Grants and Contracts	3,151,532	689,415	174,325	1,534,366	616,009	2,901,031	1,725,398	19,673,398	30,465,474
Nongovernmental Grants and Contracts	11,502,779	419,653	15,087	4,296,364	96,229	49,319	950,759	550,766	17,880,956
Sales and Services of Educational Departments	111,677	-	119,648	742,038	3,352,408	729,986	141,413	-	5,197,170
Auxiliary Enterprises	10,577,129	480,523	2,095,127	1,034,091	1,971,372	697,489	797,613	3,372,486	21,025,830
Other Operating Revenues	2,546,971	1,157,432	423,217	2,196,149	202,763	291,456	312,946	78,781	7,209,715
Total Operating Revenues	$74,280,989	$17,782,043	$11,228,419	$39,272,277	$43,431,705	$26,635,338	$21,280,904	$47,992,039	$281,903,714
EXPENSES									
Operating Expenses:									
Personnel Services	108,129,462	31,708,523	23,284,435	73,216,204	98,425,479	52,434,236	47,812,146	60,485,783	495,496,268
Scholarships and Waivers	18,031,521	4,688,559	2,934,656	9,475,195	16,721,445	10,129,479	5,836,501	9,220,232	77,037,588
Utilities and Communications	5,039,921	2,230,783	1,386,484	3,317,990	5,968,755	2,223,317	2,415,403	3,101,125	25,683,778
Contractual Services	11,674,687	5,200,745	4,123,320	8,023,877	13,574,713	3,148,554	2,970,759	28,176,454	76,893,109
Other Services and Expenses	10,580,087	5,097,930	1,086,477	6,486,188	8,402,655	3,655,865	5,760,312	3,588,986	44,658,500
Material and Supplies	25,943,431	1,398,012	6,041,650	7,143,751	17,441,419	8,325,034	6,648,377	8,956,799	81,898,473
Depreciation	8,585,601	3,782,871	2,515,984	6,586,918	7,565,176	4,822,879	3,737,958	3,236,606	40,833,993
Total Operating Expenses	187,984,710	54,107,423	41,373,007	114,250,123	168,099,642	84,739,364	75,181,456	116,765,985	842,501,710
Operating Income (Loss)	(113,703,721)	(36,325,380)	(30,144,587)	(74,977,846)	(124,667,937)	(58,104,026)	(53,900,552)	(68,773,946)	(560,597,995)
NONOPERATING REVENUES									
State appropriations	80,580,798	25,349,980	20,653,230	50,148,782	70,165,557	39,852,596	37,387,028	44,904,165	369,042,136
Investment Income	2,421,136	1,045,982	478,709	1,776,197	3,602,601	2,237,949	1,039,150	2,143,064	14,744,788
Gifts and Grants	29,772,695	8,777,689	5,922,905	19,605,464	45,639,035	15,014,326	10,004,648	15,573,004	150,309,766
Insurance Recoveries	-	-	-	-					
Gain (Loss) on Disposal of Capital Assets	-	-	-	(211,392)	-	91	-	-	(211,301)
Other Nonoperating Revenues	78,526	20,056	-	-	-	929	13,554	-	113,065
Other Nonoperating Expenses	-	-	-	-	-	-	-	(710,740)	(710,740)
Interest on Capital Asset-Related Debt	(520,603)	(72,632)	(57,263)	(229,844)	(185,425)	(552,756)	(522,792)	(362,712)	(2,504,027)
Net Nonoperating Revenues	112,332,552	35,121,075	26,997,581	71,089,207	119,221,768	56,553,135	47,921,588	61,546,781	530,783,687
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(1,371,169)	(1,204,305)	(3,147,006)	(3,888,639)	(5,446,169)	(1,550,891)	(5,978,964)	(7,227,165)	(29,814,308)
Capital Appropriations	19,784,682	7,715,897	18,253,227	23,476,522	25,173,123	5,454,302	20,169,855	6,120,582	126,148,190
Capital Grants, Gifts, and Fees	16,460,603	10,000	620,437	3,474,158	12,615,499	1,872,326	3,289,293	1,478,973	39,821,289
Other Revenues	-	-	-	-	-	-	-	-	-
Additions to Endowments	54,050	-	-	-	65,268	-	-	-	119,318
Total Others Revenues	36,299,335	7,725,897	18,873,664	26,950,680	37,853,890	7,326,628	23,459,148	7,599,555	166,088,797
Increase (Decrease) in Net Assets	34,928,166	6,521,592	15,726,658	23,062,041	32,407,721	5,775,737	17,480,184	372,390	136,274,489
Net Assets, Beginning of Year	167,994,044	94,615,912	61,789,298	179,602,485	211,789,618	79,850,967	115,648,880	115,282,092	1,026,573,296
Adjustment to Beginning Net Assets	-	-	-	-	-	-	-	-	-
Net Assets, Beginning of Year, as Restated	$167,994,044	$94,615,912	$61,789,298	$179,602,485	$211,789,618	$79,850,967	$115,648,880	$115,282,092	$1,026,573,296
Net Assets, End of Year	$202,922,210	$101,137,504	$77,515,956	$202,664,526	$244,197,339	$85,626,704	$133,129,064	$115,654,482	$1,162,847,785

Source: Each College's audited financial statements.

STATEMENT OF NET ASSETS
By Participant
As of June 30, 2008

ASSETS	Broward	Edison	Gulf Coast	Palm Beach	St. Petersburg	Santa Fe	Seminole	Tallahassee	Participant Total
Current Assets:									
Cash and Cash Equivalents	$ 43,927,070	$6,301,699	$4,944,595	$14,185,895	$11,055,326	$16,878,894	$5,309,697	$ 9,116,716	$ 111,719,892
Restricted Cash and Cash Equivalents	1,692,732	5,799,235	1,646,091	354,807	19,424,142	4,118,883	881,646	14,168,706	48,086,242
Investments	1,760,812	-	-	-	-	1,790,420	-	-	3,551,232
Other Short Term Investments	-	-	-	1,185,335	-	-	-	-	1,185,335
Restricted Other Short Term Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable, Net	2,780,627	1,215,235	383,298	1,449,163	1,378,864	927,290	2,185,626	3,153,918	13,474,021
Notes Receivable, Net	162,659	127,518	4,128	-	18,206	6,928	59,616	84,286	463,341
Due from Other Governmental Agencies	51,487,715	14,672,285	33,819,846	17,641,190	34,981,247	12,846,663	33,607,824	29,535,442	228,592,212
Due from Component Unit	591,785	-	-	1,200	1,080,069	2,737,081	120,796	93,967	4,624,898
Inventories	2,003,778	-	458,861	5,920	135,498	35,552	-	101,687	2,741,296
Other Deposits	-	-	-	-	-	-	-	-	-
Prepaid Expenses	152,157	598,888	303,564	811,518	1,065,032	63,480	562,604	2,216	3,559,459
Deposits - Other	355,820	-	-	890	-	-	6,938	-	363,648
Other Assets	-	-	21,174	-	2,349	-	-	-	23,523
Risk Management Consortium:									-
Restricted Cash and Cash Equivalents	-	-	-	-	-	35,611,711	-	-	35,611,711
Restricted Investments	-	-	-	-	-	22,352,749	-	-	22,352,749
Total Current Assets	$104,915,155	$28,714,860	$41,581,557	$35,635,918	$69,140,733	$97,369,651	$42,734,747	$56,256,938	$476,349,559
Noncurrent Assets:									
Restricted Cash and Cash Equivalents	$11,728,284	$8,886,911	$1,369,851	$11,829,764	$32,068,535	$26,298,115	$12,384,255	-	$104,565,715
Investments	-	214,752		249,172	-	6,339,329	-	-	6,803,253
Restricted Investments	-	642,840	11,363	134,690	1,082,925	132,779	112,883	$ 58,635	2,176,115
Endowment Investments	-	-	-	-	-	-	-	-	-
Other Investments	-	-	-	-	-	-	-	-	-
Other Restricted Investments	-	-	-	-	-	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-	-	-	-	-	-
Due from Component Unit	-	-	-	-	-	-	-	-	-
Investment in Joint Venture	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-
Depreciable Capital Assets, Net	135,622,700	77,749,635	38,976,488	174,794,176	177,149,766	63,531,650	101,420,512	86,457,020	855,701,947
Nondepreciable Capital Assets	6,668,058	7,890,385	12,035,119	5,633,780	48,291,699	7,983,731	26,354,395	26,508,866	141,366,033
Notes Receivable, Net	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	-	-	-	-	-	-	-	11,589	11,589
Risk Management Consortium:			-						-
Restricted Investments	-	-	-	-	-	405,500	-	-	405,500
Total Noncurrent Assets	$154,019,042	$95,384,523	$52,392,821	$192,641,582	$258,592,925	$104,691,104	$140,272,045	$113,036,110	$1,111,030,152
TOTAL ASSETS	$258,934,197	$124,099,383	$93,974,378	$228,277,500	$327,733,658	$202,060,755	$183,006,792	$169,293,048	$1,587,379,711
LIABILITIES									
Current Liabilities:									
Temporary Cash Overdraft	-	-	-	-	-	-	-	-	-
Accounts Payable	$ 2,013,036	$793,067	$1,044,958	$481,824	$6,060,305	$2,168,986	$1,542,533	$1,850,600	$15,955,309
Salary and Payroll Taxes Payable	1,395,203	355,031	-	1,340,535	2,270,436	5,193,115	847,381	477,625	11,879,326
Construction Contracts Payable	-	-	-	-	-	-	-	-	-
Insurance Contributions Payable	-	-	-	-	-	-	-	-	-

Retainage Payable	261,682	400,486	534,240	293,920	3,637,632	265,080	110,029	902,687	6,405,756
Due to Other Governmental Agencies	479,165	-	302	-	-	90,330	19,026	-	588,823
Due to Component Units	-	-	-	-	-	-	-	-	-
Deferred Revenue	676,247	1,868,462	-	-	659,679	1,969,677	7,121,149	2,627,153	14,922,367
Estimated Claims Payable	6,065,201	-	-	-	704,012	-	-	-	6,769,213
Estimated Insurance Claims Payable	-	-	-	-	-	-	-	-	-
Deposits Held for Others/in Custody	1,592,317	-	354,638	453,609	6,579,836	352,247	261,672	937,710	10,532,029
Other Payables	-	-	-	-	-	-	-	-	-
Interest Payable	-	-	-	-	-	-	-	-	-
Long-Term Liabilities - Current Portion:									
Bonds Payable	365,000	140,000	90,000	230,000	990,000	695,000	390,000	535,000	3,435,000
Loan Payable	-	-	-	-	-	-	195,353	-	195,353
Note Payable	-	-	-	-	-	-	-	-	-
Installment Purchases Payable	-	-	-	-	-	181,443	-	-	181,443
Capital Leases Payable	978,388	-	-	-	-	9,231	193,336	438,238	1,619,193
Compensated Absences Payable	552,961	229,655	98,294	414,786	867,962	860,901	171,468	929,943	4,125,970
Special Termination Benefits Payable	-	109,155	-	-	-	-	-	179,873	289,028
Deposits Held for Others	-	-	-	-	-	-	-	66,024	66,024
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	57,964,460	-	-	57,964,460
Total Current Liabilities	$14,379,200	$ 3,895,856	$ 2,122,432	$ 3,214,674	$ 21,769,862	$ 69,750,470	$10,851,947	$8,944,853	$134,929,294
Noncurrent Liabilities:									
Bonds Payable	$ 4,470,000	$ 2,580,000	$ 890,000	$ 4,075,000	$22,330,000	$ 15,265,000	$7,400,000	$ 13,695,000	$ 70,705,000
Loan Payable	-	-	-	-	-	-	3,193,129	-	3,193,129
Note Payable	-	-	-	-	-	-	-	-	-
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	3,448,714	-	-	-	-	26,812	150,822	2,856,989	6,483,337
Compensated Absences Payable	8,398,461	3,792,645	2,344,411	8,848,405	7,811,658	7,442,694	4,480,427	5,439,529	48,558,230
Postemployment Health Care Benefits Payable	1,200,270	17,543	35,339	68,817	243,000	81,054	19,616	80,783	1,746,422
Special Termination Benefits	-	190,445	-	-	-	-	-	310,581	501,026
Deposits Held for Others	-	-	-	-	-	-	-	386,193	386,193
Estimated Arbitrage Rebate Payable	-	-	-	-	111,706	-	-	-	111,706
Other Noncurrent Liabilities	-	-	-	249,172	-	-	-	-	249,172
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	405,500	-	-	405,500
Total Noncurrent Liabilities	$ 17,517,445	$ 6,580,633	$ 3,269,750	$ 13,241,394	$30,496,364	$ 23,221,060	$ 15,243,994	$ 22,769,075	$ 132,339,715
TOTAL LIABILITIES	$31,896,645	$10,476,489	$ 5,392,182	$16,456,068	$52,266,226	$ 92,971,530	$ 26,095,941	$ 31,713,928	$ 267,269,009
NET ASSETS									
Invested in Capital Assets, Net of Related Debt	$133,071,501	$ 82,920,020	$50,031,607	$ 176,122,956	$ 212,947,096	$ 69,557,894	$120,793,550	$ 96,442,167	$ 941,886,791
Restricted:									
Nonexpendable:									
Endowment	1,055,550	644,027	-	-	-	-	-	-	1,699,577
Expendable:									
Grants and Other/Loans	3,280,012	1,609,367	699,493	2,606,006	6,268,976	1,926,513	1,438,892	11,283,477	29,112,736
Research	-	-	-	-	-	-	-	-	-
Endowment	-	-	-	-	1,730,942	-	-	-	1,730,942
Loans	-	-	-	-	953,334	483,632	-	-	1,436,966
Scholarships	521,008	1,196,458	-	517,628	207,018	-	288,126	151,377	2,881,615

Capital Projects	57,397,539	21,013,169	34,159,186	28,399,956	20,601,542	27,432,422	32,123,434	26,764,496	247,891,744
Debt Service	207,651	40,708	47,810	114,621	94,404	52,449	85,560	769,711	1,412,914
Other	-	-	-	-	-	-	-	-	-
Unrestricted	31,504,291	6,199,145	3,644,100	4,060,265	32,664,120	9,636,315	2,181,289	2,167,892	92,057,417
Total Net Assets	$227,037,552	$ 113,622,894	$88,582,196	$211,821,432	$ 275,467,432	$109,089,225	$156,910,851	$137,579,120	$ 1,320,110,702
TOTAL LIABILITIES AND NET ASSETS	$258,934,197	$ 124,099,383	$93,974,378	$228,277,500	$ 327,733,658	$202,060,755	$183,006,792	$169,293,048	$ 1,587,379,711

Source: Each College's audited financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
By Participant
For the Fiscal Year Ended June 30, 2008

REVENUES	**Broward**	**Edison**	**Gulf Coast**	**Palm Beach**	**St. Petersburg**	**Santa Fe**	**Seminole**	**Tallahassee**	**Participant Total**
Operating Revenues:									
Student Tuition and Fees, Net of Scholarship Allowances	$38,059,777	$ 14,534,720	$ 6,094,636	$28,462,724	$30,494,249	$19,811,977	$16,190,339	$ 14,409,596	$168,058,018
Federal Grants and Contracts	8,182,800	2,052,298	2,207,698	4,129,378	4,230,424	2,885,113	2,380,037	9,294,858	35,362,606
State and Local Grants and Contracts	2,957,009	-	65,919	1,444,109	550,404	2,627,429	1,163,405	26,808,765	35,617,040
Nongovernmental Grants and Contracts	8,545,822	731,126	690,641	5,704,330	161,287	96,702	1,576,726	1,903,125	19,409,759
Sales and Services of Educational Departments	158,004	-	157,629	759,087	4,543,726	692,486	114,027	-	6,424,959
Auxiliary Enterprises	13,891,203	1,653,778	2,212,210	941,238	1,899,496	867,438	958,137	2,806,437	25,229,937
Other Operating Revenues	1,259,223	541,585	317,571	1,664,647	291,880	214,213	229,329	494,849	5,013,297
Total Operating Revenues	$73,053,838	$19,513,507	$11,746,304	$43,105,513	$42,171,466	$27,195,358	$ 22,612,000	$ 55,717,630	$ 295,115,616
EXPENSES									
Operating Expenses:									
Personnel Services	$114,676,262	$34,169,519	$23,787,245	$77,859,829	$104,415,074	$52,935,931	$ 50,549,715	$62,773,009	$521,166,584
Scholarships and Waivers	21,181,235	5,802,692	3,571,929	11,249,713	18,811,914	11,369,157	7,622,387	11,214,483	90,823,510
Utilities and Communications	4,972,190	2,079,037	1,482,287	3,357,043	6,192,267	2,318,282	2,519,592	3,098,035	26,018,733
Contractual Services	12,664,350	5,029,183	4,927,918	7,752,436	9,914,057	3,086,635	2,920,242	30,114,548	76,409,369
Other Services and Expenses	9,171,003	4,594,343	1,200,230	5,823,218	8,214,747	3,338,157	4,961,632	5,566,689	42,870,019
Material and Supplies	24,701,343	2,261,002	6,278,414	10,628,311	20,120,897	4,857,632	9,110,091	9,030,175	86,987,865
Depreciation	8,210,386	3,495,721	2,152,217	7,882,035	7,445,898	5,046,664	4,715,407	4,218,117	43,166,445
Total Operating Expenses	$ 195,576,769	$ 57,431,497	$43,400,240	$124,552,585	$ 175,114,854	$ 82,952,458	$82,399,066	$126,015,056	$887,442,525
Operating Income (Loss)	$(122,522,931)	$ (37,917,990)	$ (31,653,936)	$ (81,447,072)	$ (132,943,388)	$(55,757,100)	$(59,787,066)	$(70,297,426)	$(592,326,909)
NONOPERATING REVENUES (EXPENSES)									
State Appropriations	$ 81,500,508	$27,737,567	$ 20,872,166	$ 51,232,030	$76,442,592	$39,518,262	$ 39,102,380	$ 46,253,514	$ 382,659,019
Gifts and Grants	36,000,556	8,653,687	6,788,305	22,092,606	46,180,314	16,771,109	12,206,573	17,228,280	165,921,430
Investment Income	1,891,116	879,179	309,879	1,097,753	2,576,544	2,081,376	836,294	1,297,323	10,969,464
Gifts and Scholarships - Student Aid	-	-	-	-	-	-	-	-	-
Insurance Recoveries	-	-	-	-	-	-	-	-	-
Net Unrealized/Realized Gain (Loss) on Investments	-	-	-	-	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	(248,728)	-	32,253	-	-	(216,475)
Other Nonoperating Revenues	105,868	3,021,098	-	-	-	-	8,925	-	3,135,891
Other Nonoperating Expenses	-	(73,723)	-	-	(5,000,000)	(35,297)	(206,746)	(586,586)	(5,902,352)
Interest on Capital Asset-Related Debt	(438,657)	-	(53,250)	(214,981)	(1,689,802)	(756,071)	(543,297)	(349,641)	(4,045,699)
Net Nonoperating Revenues	$ 119,059,391	$ 40,217,808	$27,917,100	$73,958,680	$118,509,648	$ 57,611,632	$51,404,129	$63,842,890	$ 552,521,278
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	$ (3,463,540)	$2,299,818	$ (3,736,836)	$(7,488,392)	$ (14,433,740)	$ 1,854,532	$ (8,382,937)	$ (6,454,536)	$ (39,805,631)
Capital Appropriations	$ 22,915,504	$ 10,109,017	$ 13,254,574	$ 14,152,197	$38,326,597	$15,657,475	$ 29,641,760	$26,884,953	$ 170,942,077
Federal Grants and Contracts - Capital	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts - Capital	-	-	898,560	-	-	-	-	-	898,560
Nongovernmental Grants and Contracts - Capital	-	-	-	-	-	-	-	-	-

Capital Grants, Contracts, Gifts and Fees	4,634,897	76,555	649,942	2,493,101	7,218,667	5,950,514	2,522,964	1,494,221	25,040,861
Additions to Permanent Endowments	28,481	-	-	-	158,569	-	-	-	187,050
Special Item	-	-	-	-	-	-	-	-	-
Total Others Revenues	$27,578,882	$10,185,572	$ 14,803,076	$ 16,645,298	$45,703,833	$21,607,989	$ 32,164,724	$ 28,379,174	$ 197,068,548
Increase (Decrease) in Net Assets	$24,115,342	$ 12,485,390	$11,066,240	$ 9,156,906	$ 31,270,093	$23,462,521	$ 23,781,787	$ 21,924,638	$157,262,917
Net Assets, Beginning of Year	$ 202,922,210	$ 101,137,504	$ 77,515,956	$ 202,664,526	$ 244,197,339	$ 85,626,704	$133,129,064	$115,654,482	$1,162,847,785
Adjustment to Beginning Net Assets	-	-	-	-	-	-	-	-	-
Net Assets, Beginning of Year, as Restated	$ 202,922,210	$ 101,137,504	$ 77,515,956	$ 202,664,526	$ 244,197,339	$ 85,626,704	$133,129,064	$115,654,482	$1,162,847,785
Net Assets, End of Year	$227,037,552	$113,622,894	$ 88,582,196	$211,821,432	$275,467,432	$109,089,225	$ 156,910,851	$137,579,120	$ 1,320,110,702

Source: Each College's audited financial statements.

STATEMENT OF NET ASSETS
By Participant
As of June 30, 2009

ASSETS	**Broward**	**Edison**	**Gulf Coast**	**Palm Beach**	**St. Petersburg**	**Santa Fe**	**Seminole**	**Tallahassee**	**Participant Total**
Current Assets:									
Cash and Cash Equivalents	$36,378,751	$6,494,018	$4,654,976	$14,843,791	$12,786,687	$16,610,008	$6,491,239	$7,865,039	$106,124,509
Restricted Cash and Cash Equivalents	3,424,070	4,579,915	3,607,148	344,011	14,956,351	4,795,017	880,536	11,777,192	44,364,240
Investments	15,085,308	4,896,884	-	-	-	1,139,454	-	-	21,121,646
Other Short Term Investments	-	-	-	526,108	-	-	-	-	526,108
Restricted Other Short Term Investments	-	5,335,232	-	-	-	-	-	-	5,335,232
Accounts Receivable, Net	2,633,914	2,377,614	341,838	1,871,537	1,484,475	3,063,669	2,481,055	4,064,098	18,318,200
Notes Receivable, Net	177,018	178,351	4,666	-	37,289	1,521	50,812	77,870	527,527
Due from Other Governmental Agencies	52,750,423	22,679,943	30,435,988	18,533,018	32,903,550	8,910,430	18,718,796	29,788,652	214,720,800
Due from Component Unit	652,496	-	-	7,292	4,772,501	6,666	219,754	-	5,658,709
Inventories	2,865,069	-	588,691	8,062	74,236	38,444	-	91,705	3,666,207
Other Deposits	-	-	-	-	-	-	-	-	-
Prepaid Expenses	41,732	624,777	340,250	1,040,813	35,770	8,430	670,455	2,666	2,764,893
Deposits - Other	377,820	-	-	890	-	-	-	-	378,710
Other Assets	-	-	10,875	-	828	-	-	-	11,703
Risk Management Consortium:									
Restricted Cash and Cash Equivalents	-	-	-	-	-	50,806,420	-	-	50,806,420
Restricted Investments	-	-	-	-	-	16,024,740	-	-	16,024,740
Total Current Assets	$114,386,601	$47,166,734	$39,984,432	$37,175,522	$67,051,687	$101,404,799	$29,512,647	$53,667,222	$490,349,644
Noncurrent Assets:									
Restricted Cash and Cash Equivalents	$ 9,841,294	$7,185,652	$ 1,181,918	$18,107,115	$10,396,674	$22,274,914	$12,723,106	-	$81,710,673
Investments	2,039,487	95,268		278,920	9,177,553	6,911,720	-	-	18,502,948
Restricted Investments	9,452,932	511,559	5,043	115,089	6,803,473	224,585	138,162	$195,159	17,446,002
Endowment Investments	-	-	-	-	-	-	-	-	-
Other Investments	-	-	-	-	-	-	-	-	-
Other Restricted Investments	-	-	-	-	-	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-	-	-	-	-	-
Due from Component Unit	-	-	-	-	-	-	-	-	-
Investment in Joint Venture	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-
Depreciable Capital Assets, Net	133,328,223	76,893,201	50,377,406	177,287,948	230,553,264	60,941,413	100,994,107	97,988,691	928,364,253
Nondepreciable Capital Assets	26,085,943	17,282,589	17,257,521	13,942,836	24,115,291	25,061,197	63,777,331	13,510,042	201,032,750
Notes Receivable, Net	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	-	-	-	-	-	-	-	-	-
Risk Management Consortium:									
Restricted Investments	-	-	-	-	-	-	-	-	-
Total Noncurrent Assets	$180,747,879	$101,968,269	$68,821,888	$209,731,908	$281,046,255	$115,413,829	$177,632,706	$111,693,892	$1,247,056,626
TOTAL ASSETS	$295,134,480	$149,135,003	$108,806,320	$246,907,430	$348,097,942	$216,818,628	$207,145,353	$165,361,114	$1,737,406,270

LIABILITIES

Current Liabilities:									
Temporary Cash Overdraft	-	-	-	-	-	-	-	-	-
Accounts Payable	$2,659,519	$2,225,141	$1,871,201	$395,061	$3,195,036	$1,813,999	$4,282,104	$2,146,931	$18,588,992
Salary and Payroll Taxes Payable	2,224,589	401,477	-	1,492,717	2,060,832	4,145,343	934,328	529,318	11,788,604
Construction Contracts Payable	-	-	-	-	-	-	-	-	-
Insurance Contributions Payable	-	-	-	-	-	-	-	-	-
Retainage Payable	1,134,242	392,991	778,185	323,257	2,237,054	1,398,273	1,946,227	248,766	8,458,995
Due to Other Governmental Agencies	529,014	-	388	-	-	-	1,649	-	531,051
Due to Component Units	-	-	-	-	-	-	-	-	-
Deferred Revenue	585,459	807,220	-	-	720,245	3,778,398	6,182,916	4,666	12,078,904
Estimated Claims Payable	-	-	-	-	1,146,327	-	-	-	1,146,327
Estimated Insurance Claims Payable	6,862,823	-	-	-	-	-	-	-	6,862,823
Deposits Held for Others/in Custody	1,310,588	2,343	82,580	1,721,822	6,856,948	400,771	285,873	2,980,206	13,641,131
Other Payables	-	-	-	-	-	-	-	-	-
Interest Payable	-	-	-	-	-	-	-	-	-
Long-Term Liabilities - Current Portion:									
Bonds Payable	1,055,000	145,000	90,000	555,000	1,025,000	720,000	410,000	555,000	4,555,000
Loan Payable	-	-	-	-	-	-	203,711	-	203,711
Note Payable	-	-	-	-	-	-	-	-	-
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	1,011,157	-	-	-	-	9,847	278,020	444,681	1,743,705
Compensated Absences Payable	548,521	119,738	58,143	229,119	881,147	889,958	169,109	785,824	3,681,559
Special Termination Benefits Payable	-	152,311	-	-	-	-	-	220,569	372,880
Deposits Held for Others	-	-	-	-	-	-	-	55,515	55,515
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	66,831,160	-	-	66,831,160
Total Current Liabilities	$ 17,920,912	$4,246,221	$ 2,880,497	$4,716,976	$18,122,589	$ 79,987,749	$14,693,937	$ 7,971,476	$ 150,540,357
Noncurrent Liabilities:									
Bonds Payable	$22,065,000	$ 2,435,000	$800,000	$ 12,260,000	$ 21,305,000	$14,545,000	$ 6,990,000	$ 13,140,000	$ 93,540,000
Loan Payable	-	-	-	-	-	-	2,989,418	-	2,989,418
Note Payable	-	-	-	-	-	-	-	-	-
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	2,347,495	-	-	-	-	16,965	418,397	2,412,308	5,195,165
Compensated Absences Payable	8,208,502	4,250,032	2,416,045	8,904,063	7,930,323	7,397,970	4,694,789	5,234,184	49,035,908
Postemployment Health Care Benefits Payable	2,174,117	40,326	62,422	136,607	476,050	148,689	38,022	161,709	3,237,942
Special Termination Benefits	-	110,719	-	-	-	-	-	239,291	350,010
Deposits Held for Others	-	-	-	-	-	-	-	368,267	368,267
Estimated Arbitrage Rebate Payable	-	-	-	-	235,611	177,764	-	140,512	553,887
Other Noncurrent Liabilities	-	-	-	278,920	-	-	-	-	278,920
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-					
					-	-	-	-	-
Total Noncurrent Liabilities	$ 34,795,114	$ 6,836,077	$ 3,278,467	$21,579,590	$ 29,946,984	$ 22,286,388	$ 15,130,626	$ 21,696,271	$155,549,517
TOTAL LIABILITIES	$ 52,716,026	$ 11,082,298	$ 6,158,964	$26,296,566	$ 48,069,573	$ 102,274,137	$ 29,824,563	$ 29,667,747	$306,089,874

NET ASSETS									
Invested in Capital Assets, Net of Related Debt	$ 139,048,670	$ 91,595,790	$ 66,744,927	$178,415,784	$ 234,180,821	$ 84,435,797	$ 153,481,892	$ 94,806,232	$ 1,042,709,913
Restricted:									
Nonexpendable:									
Endowment	1,032,156	644,027	-	-	-	-	-	-	1,676,183
Expendable:									
Grants and Other/Loans	4,152,822	1,512,317	597,057	1,743,665	7,864,754	1,558,969	1,564,159	10,311,695	29,305,438
Research	-	-	-	-	-	-	-	-	-
Endowment	-	-	-	-	1,468,517	-	-	-	1,468,517
Loans	-	-	-	-	978,475	512,591	-	-	1,491,066
Scholarships	747,803	1,154,315	-	693,035	122,243	-	258,963	263,072	3,239,431
Capital Projects	60,968,929	33,964,315	31,647,753	35,361,323	19,287,758	16,742,552	18,900,647	27,588,430	244,461,707
Debt Service	1,473,475	81,299	44,642	105,129	94,672	46,821	78,353	776,151	2,700,542
Other	-	-	-	-	-	-	-	-	-
Unrestricted	34,994,599	9,100,643	3,612,977	4,291,928	36,031,129	11,247,761	3,036,776	1,947,787	104,263,600
Total Net Assets	$242,418,454	$138,052,706	$102,647,356	$220,610,864	$300,028,369	$114,544,491	$177,320,790	$135,693,367	$1,431,316,397
TOTAL LIABILITIES AND NET ASSETS	$295,134,480	$149,135,004	$108,806,320	$246,907,430	$348,097,942	$216,818,628	$207,145,353	$165,361,114	$1,737,406,271

Source: Each College's audited financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
By Participant
For the Fiscal Year Ended June 30, 2009

REVENUES	**Broward**	**Edison**	**Gulf Coast**	**Palm Beach**	**St. Petersburg**	**Santa Fe**	**Seminole**	**Tallahassee**	**Participant Total**
Operating Revenues:									
Student Tuition and Fees. Net of Scholarship Allowances	$40,250,273	$19,615,390	$ 6,095,474	$31,284,425	$35,978,692	$20,553,574	$20,156,879	$15,267,967	$189,202,674
Federal Grants and Contracts	7,318,236	1,158,502	2,956,443	3,956,874	3,072,250	2,682,667	2,347,039	11,071,515	34,563,526
State and Local Grants and Contracts	2,649,283	-	71,522	932,192	365,204	2,569,919	983,230	12,066,270	19,637,620
Nongovernmental Grants and Contracts	9,028,880	1,899,210	855,666	5,509,146	330,003	125,697	1,479,476	1,701,835	20,929,913
Sales and Services of Educational Departments	49,221	-	168,889	690,019	4,869,799	704,247	106,739	-	6,588,914
Auxiliary Enterprises	13,995,030	1,283,597	2,204,465	1,103,683	2,063,371	737,883	1,129,455	2,642,613	25,160,097
Other Operating Revenues	1,469,793	927,672	297,390	1,865,378	20,633	296,259	190,880	-	5,068,005
Total Operating Revenues	$74,760,716	$ 24,884,371	$12,649,849	$45,341,717	$46,699,952	$27,670,246	$26,393,698	$42,750,200	$301,150,749
EXPENSES									
Operating Expenses:									
Personnel Services	$119,398,036	$37,049,689	$23,928,296	$82,000,083	$104,518,437	$53,385,855	$53,846,125	$63,230,525	$537,357,046
Scholarships and Waivers	24,545,288	8,194,940	4,385,580	14,828,596	20,602,879	12,894,089	11,516,849	12,934,247	109,902,468
Utilities and Communications	4,955,331	2,186,766	1,637,608	3,729,352	6,561,625	2,387,493	2,494,483	3,372,430	27,325,088
Contractual Services	10,798,149	6,214,054	4,409,477	7,813,313	8,217,050	3,632,893	3,246,931	19,624,427	63,956,294
Other Services and Expenses	8,021,402	3,850,028	1,139,452	5,394,002	8,035,560	3,202,238	4,606,176	3,715,637	37,964,495
Material and Supplies	28,732,811	4,445,580	7,232,171	8,017,204	12,219,060	5,001,155	4,481,138	9,458,345	79,587,464
Depreciation	7,970,396	3,719,284	2,797,776	8,140,248	8,616,017	5,250,427	5,051,632	4,614,228	46,160,008
Total Operating Expenses	$204,421,413	$ 65,660,341	$45,530,360	$129,922,798	$168,770,628	$85,754,150	$85,243,334	$116,949,839	$902,252,863
Operating Income (Loss)	$ (129,660,697)	$(40,775,970)	$(32,880,511)	$(84,581,081)	$(122,070,676)	$(58,083,904)	$(58,849,636)	$(74,199,639)	$(601,102,114)
NONOPERATING REVENUES (EXPENSES)									
State Appropriations	$73,968,056	$24,129,603	$18,665,683	$46,130,791	$68,743,060	$35,763,396	$35,670,319	$42,599,807	$345,670,715
Gifts and Grants	47,815,745	12,948,386	8,609,502	30,438,201	46,993,776	19,611,740	17,639,634	21,338,321	205,395,305
Investment Income	1,186,948	402,615	7,516	(228,902)	808,560	419,483	244,048	227,410	3,067,678
Gifts and Scholarships - Student Aid	-	-	-	-	-	-	-	-	-
Insurance Recoveries	-	-	-	-	-	-	-	-	-
Net Unrealized/Realized Gain (Loss) on Investments	(656,286)	-	-	-	-	-	-	-	(656,286)
Gain (Loss) on Disposal of Capital Assets	-	-	(567,670)	(461,337)	-	1,995		-	(1,027,012)
Other Nonoperating Revenues	128,674	2,552,970	-	-	-	4,830	64,416	-	2,750,890
Other Nonoperating Expenses	-	(94,746)	-	-	(2,400,000)	-	(18,800)	-	(2,513,546)
Interest on Capital Asset-Related Debt	(1,062,858)	-	(49,000)	(526,009)	(1,046,025)	(725,414)	(539,244)	(714,080)	(4,662,630)
Net Nonoperating Revenues	$121,380,279	$39,938,828	$26,666,031	$75,352,744	$113,099,371	$55,076,030	$53,060,373	$63,451,458	$548,025,114
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	$(8,280,418)	$(837,142)	$(6,214,480)	$(9,228,337)	$(8,971,305)	$(3,007,874)	$(5,789,263)	$(10,748,181)	$(53,077,000)
Capital Appropriations	$18,185,222	$ 23,218,456	$15,123,612	$14,553,841	$26,022,294	$6,216,070	$16,305,721	$7,300,841	$126,926,057
Federal Grants and Contracts - Capital	-	-	-	-	-	-	-	-	-
State and Local Grants and Contracts - Capital	-	-	2,601,440	-	-	-	-	-	2,601,440
Nongovernmental Grants and Contracts - Capital	-	-	-	-	-	-	-	-	-
Capital Grants, Contracts, Gifts and Fees	5,464,492	2,048,497	2,554,588	3,463,928	7,468,826	2,247,070	9,893,481	1,561,487	34,702,369
Additions to Permanent Endowments	11,606	-	-	-	41,122	-	-	-	52,728
Special Item	-	-	-	-	-	-	-	-	-
Total Others Revenues	$23,661,320	$25,266,953	$20,279,640	$18,017,769	$33,532,242	$8,463,140	$26,199,202	$8,862,328	$164,282,594

Increase (Decrease) in Net Assets	$15,380,902	$24,429,811	$14,065,160	$8,789,432	$24,560,937	$5,455,266	$20,409,939	$(1,885,853)	$111,205,594
Net Assets, Beginning of Year	$227,038,552	$113,622,894	$88,582,196	$211,821,432	$275,467,432	$109,089,225	$156,910,851	$137,579,120	$1,320,111,702
Adjustment to Beginning Net Assets	-	-	-	-	-	-	-	-	-
Net Assets, Beginning of Year, as Restated	$227,038,552	$113,622,894	$88,582,196	$211,821,432	$275,467,432	$109,089,225	$156,910,851	$137,579,120	$1,320,111,702
Net Assets, End of Year	$242,419,454	$138,052,705	$102,647,356	$220,610,864	$300,028,369	$114,544,491	$177,320,790	$135,693,267	$1,431,317,296

Source: Each College's audited financial statements.

STATEMENT OF NET ASSETS
By Participant
As of June 30, 2010

ASSETS	Broward	Edison	Gulf Coast	Palm Beach	St. Petersburg	Santa Fe	Seminole	Tallahassee	Participant Total
Current Assets:									
Cash and Cash Equivalents	$ 56,431,636	$ 2,180,605	$ 6,139,085	$ 14,269,634	$ 14,683,019	$ 22,609,938	$ 10,834,378	$ 11,348,354	$ 138,496,649
Restricted Cash and Cash Equivalents	3,333,621	17,701,475	269,827	583,150	22,111,096	4,629,672	1,914,444	14,034,853	64,578,138
Cash Collateral Securities Lending	-	-	-	-	-	-	-	-	-
Investments	-	6,643,363	-	-	-	1,377,409	-	-	8,020,772
Restricted Investments	-	8,693,999	-	-	-	-	-	-	8,693,999
Contributions Receivable, Net	-	-	-	-	-	-	-	-	-
Accounts Receivable, Net	3,365,385	3,130,099	699,872	1,975,998	1,357,824	4,721,782	3,186,282	1,744,076	20,181,318
Notes Receivable, Net	163,509	179,034	8,727	-	27,635	11,719	44,497	56,537	491,658
Due from Other Governmental Agencies	47,609,309	7,583,073	20,720,917	9,523,893	27,980,805	6,441,111	7,798,619	20,050,448	147,708,175
Due from Component Unit	527,707	-	-	41,361	1,209,125	1,190,816	60,160	-	3,029,169
Due from College	-	-	-	-	-	-	-	-	-
Inventories	2,388,690	-	699,273	8,625	119,917	60,543	-	103,482	3,380,530
Prepaid Expenses	56,156	621,072	318,931	993,214	42,246	37,287	736,210	2,666	2,807,782
Deposits - Other	377,819	-	-	890	-	-	-	-	378,709
Other Assets	-	-	146,311	-	793	-	-	-	147,104
Prepaid Tuition	-	-	-	-	-	-	-	-	-
Risk Management Consortium:									
Restricted Cash and Cash Equivalents	-	-	-	-	-	57,103,846	-	-	57,103,846
Restricted Investments	-	-	-	-	-	4,212,888	-	-	4,212,888
Total Current Assets	$ 114,253,832	$ 46,732,720	$ 29,002,943	$ 27,396,765	$ 67,532,460	$ 102,397,011	$ 24,574,590	$ 47,340,416	$ 459,230,737
Noncurrent Assets:									
Restricted Cash and Cash Equivalents	$ 16,846,184	$ 8,267,165	$ 11,320,981	$ 19,000,286	$ 19,237,474	$ 15,339,585	$ 6,167,969	$ -	$ 96,179,644
Investments	9,424,763	5,131,102	-	951,984	22,385,683	6,930,582	-	-	44,824,114
Restricted Investments	3,465,257	1,743,098	465,859	108,193	1,401,912	219,238	132,453	257,743	7,793,753
Endowment Investments	-	-	-	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-	-	-	-
Land and Property Held for Investment	-	-	-	-	-	-	-	-	-
Investment in Joint Venture	-	-	-	-	-	-	-	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	-	-	-	-	-	-	-	-	-
Prepaid Scholarships	-	-	-	-	-	-	-	-	-
Contributions Receivable	-	-	-	-	-	-	-	-	-
Restricted Other Investments	-	-	-	-	-	-	-	-	-
Other Investments	-	-	-	-	-	-	-	-	-
Notes Receivable, Net	-	-	-	-	-	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-
Depreciable Capital Assets, Net	154,967,250	85,451,720	65,386,447	188,291,660	227,061,950	66,894,350	147,821,624	96,783,198	1,032,658,199
Nondepreciable Capital Assets	7,815,308	24,436,829	4,275,409	16,026,269	28,351,406	28,419,955	23,946,384	19,264,069	152,535,629
Risk Management Consortium:									
Restricted Investments	-	-	-	-	-	12,051,585	-	-	12,051,585
Total Noncurrent Assets	$ 192,518,762	$ 125,029,914	$ 81,448,696	$ 224,378,392	$ 298,438,425	$ 129,855,295	$ 178,068,430	$ 116,305,010	$ 1,346,042,924
TOTAL ASSETS	$ 306,772,594	$ 171,762,634	$ 110,451,639	$ 251,775,157	$ 365,970,885	$ 232,252,306	$ 202,643,020	$ 163,645,426	$ 1,805,273,661

LIABILITIES									
Current Liabilities:									
Temporary Cash Overdraft	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Payable	2,725,042	1,380,165	473,825	470,032	2,112,734	1,325,460	972,929	347,737	9,807,924
Salary and Payroll Taxes Payable	1,912,899	534,803	917	1,382,824	2,530,748	4,170,996	1,138,813	632,628	12,304,628
Construction Contracts Payable	-	-	-	-	-	-	-	-	-
Retainage Payable	671,083	1,177,357	159,830	544,463	632,573	543,284	267,861	545,681	4,542,132
Due to Other Governmental Agencies	537,249	-	30,017	-	-	1,631	3,929	-	572,826
Due to Component Unit	-	-	-	-	-	-	-	-	-
Due to College	-	-	-	-	-	-	-	-	-
Deferred Revenue	655,658	3,396	-	-	1,588,895	5,017,445	67,382	598,361	7,931,137
Estimated Insurance Claims Payable	10,019,389	-	-	-	1,010,807	-	-	-	11,030,196
Accrued Loss on Interest Rate Collar	-	-	-	-	-	-	-	-	-
Deposits Held for Others	1,836,682	7,959	2,261	1,121,049	7,107,913	1,134,806	382,380	1,967,077	13,560,127
Line of Credit Payable	-	-	-	-	-	-	-	-	-
Liability for Cash Collateral Securities Lending	-	-	-	-	-	-	-	-	-
Advance Deposit	-	-	-	-	-	-	-	-	-
Long-Term Liabilities - Current Portion:			-	-	-	-	-	-	-
Bonds Payable	1,100,000	155,000	310,000	585,000	1,390,000	765,000	440,000	640,000	5,385,000
Notes Payable	-	-	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	212,426	-	212,426
Capital Leases Payable	1,140,035	-	-	-	-	10,509	133,144	297,702	1,581,390
Special Termination Benefits Payable	-	64,709	-	-	-	-	-	148,329	213,038
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Deposits Held for Others	-	-	-	-	-	-	-	53,508	53,508
Compensated Absences Payable	599,907	158,741	37,477	463,643	904,704	716,532	122,617	700,352	3,703,973
Other Long-Term Liabilities	-	-	-	-	-	-	-	-	-
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	61,316,734	-	-	61,316,734
Total Current Liabilities	$ 21,197,944	$ 3,482,130	$ 1,014,327	$ 4,567,011	$ 17,278,374	$ 75,002,397	$ 3,741,481	$ 5,931,375	$ 132,215,039
Noncurrent Liabilities:									
Bonds Payable	$ 20,965,000	$ 18,180,000	$ 6,790,000	$ 11,675,000	$ 29,155,000	$ 13,780,000	$ 6,550,000	$ 15,205,000	$ 122,300,000
Notes Payable	-	-	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	2,776,992	-	2,776,992
Capital Leases Payable	1,207,460	-	-	-	-	6,456	285,253	2,062,314	3,561,483
Special Termination Benefits Payable	-	160,259	-	-	-	-	-	445,878	606,137
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Deposits Held for Others	-	-	-	-	-	-	-	354,950	354,950
Compensated Absences Payable	8,977,477	4,559,025	2,496,328	8,969,680	8,142,336	7,552,109	4,912,448	5,129,386	50,738,789
Estimated Arbitrage Rebate Payable	-	-	-	-	236,094	177,764	-	140,512	554,370
Other Postemployment Benefits Payable	3,653,884	34,685	39,349	142,453	1,098,050	177,320	54,351	835,842	6,035,934
Other Noncurrent Liabilities	-	-	-	417,004	-	-	-	-	417,004
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	12,051,585	-	-	12,051,585
Total Noncurrent Liabilities	$ 34,803,821	$ 22,933,969	$ 9,325,677	$ 21,204,137	$ 38,631,480	$ 33,745,234	$ 14,579,044	$ 24,173,882	$ 199,397,244
TOTAL LIABILITIES	$ 56,001,765	$ 26,416,099	$ 10,340,004	$ 25,771,148	$ 55,909,854	$ 108,747,631	$ 18,320,525	$ 30,105,257	$ 331,612,283

NET ASSETS									
Invested in Capital Assets, Net of Related Debt	$ 141,236,555	$ 91,553,549	$ 68,861,856	$ 192,057,930	$ 234,268,356	$ 86,469,372	$ 161,370,193	$ 101,517,377	$ 1,077,335,188
Restricted:									
Other	-	-	-	-	-	-	-	-	-
Nonexpendable:									
Endowment	1,014,801	567,813	-	-	-	-	-	-	1,582,614
Expendable:									
Endowment	-	-	-	-	1,698,348	-	-	-	1,698,348
Allied Health and Medical	-	-	-	-	-	-	-	-	-
Grants and Loans	4,712,426	1,755,508	810,897	1,583,669	10,117,237	2,301,596	2,210,420	10,051,797	33,543,550
Scholarships	770,501	917,157	-	865,934	205,505	67,377	409,684	-	3,236,158
Capital Projects	57,043,078	38,421,767	24,567,678	26,492,952	23,474,046	16,608,723	12,058,032	19,001,081	217,667,357
Debt Service	2,500,107	78,102	508,299	99,187	91,678	41,475	72,644	838,433	4,229,925
Other	-	37,415	-	-	-	-	-	-	37,415
Unrestricted	43,493,361	12,015,224	5,362,905	4,904,337	40,205,861	18,016,132	8,201,522	2,131,481	134,330,823
Total Net Assets	$ 250,770,829	$ 145,346,535	$ 100,111,635	$ 226,004,009	$ 310,061,031	$ 123,504,675	$ 184,322,495	$ 133,540,169	$ 1,473,661,378
TOTAL LIABILITIES AND NET ASSETS	$ 306,772,594	$ 171,762,634	$ 110,451,639	$ 251,775,157	$ 365,970,885	$ 232,252,306	$ 202,643,020	$ 163,645,426	$ 1,805,273,661

Source: Each College's audited financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
By Participant
For the Fiscal Year Ended June 30, 2010

REVENUES	Broward	Edison	Gulf Coast	Palm Beach	St. Petersburg	Santa Fe	Seminole	Tallahassee	Participant Total
Operating Revenues:									
Student Tuition and Fees, Net of Scholarship Allowances	$ 40,445,677	$ 19,671,149	$ 6,826,794	$ 33,056,091	$ 41,170,289	$ 21,716,334	$ 22,279,054	$ 13,308,499	$ 198,473,887
Federal Grants and Contracts	7,787,245	1,514,076	4,679,368	4,388,103	2,400,918	2,941,165	2,418,829	11,883,767	38,013,471
State and Local Grants and Contracts	2,067,859	-	-	711,563	490,426	2,262,901	841,746	9,291,860	15,666,355
Nongovernmental Grants and Contracts	8,300,991	1,396,319	772,128	5,339,941	213,325	145,397	1,173,567	1,559,835	18,901,503
Sales and Services of Educational Departments	53,532	-	174,421	628,770	4,367,159	698,357	78,178	-	6,000,417
Auxiliary Enterprises	15,518,695	1,800,215	2,080,364	984,778	1,781,034	728,836	1,403,808	4,018,996	28,316,726
Other Operating Revenues	1,485,070	342,820	320,541	1,920,132	260,997	336,970	491,216	-	5,157,746
Total Operating Revenues	$ 75,659,069	$ 24,724,579	$ 14,853,616	$ 47,029,378	$ 50,684,148	$ 28,829,960	$ 28,686,398	$ 40,062,957	$ 310,530,105
EXPENSES									
Operating Expenses:									
Personnel Services	$ 127,646,002	$ 42,586,818	$ 23,438,159	$ 87,060,090	$ 108,343,375	$ 52,571,814	$ 57,262,798	$ 64,669,630	$ 563,578,686
Scholarships and Waivers	38,293,857	13,223,196	6,471,127	25,975,956	32,296,451	18,419,969	21,847,246	19,926,551	176,454,353
Utilities and Communications	4,372,270	2,210,680	1,910,530	3,852,081	6,550,560	2,578,653	2,577,779	3,257,281	27,309,834
Contractual Services	11,189,348	6,348,403	4,535,292	7,551,224	8,629,233	3,864,924	2,789,905	18,738,885	63,647,214
Other Services and Expenses	8,563,279	4,721,992	1,169,281	6,179,328	8,381,384	3,837,187	4,943,486	2,760,580	40,556,517
Material and Supplies	33,107,765	4,643,185	5,945,316	7,805,670	10,953,805	5,927,529	9,221,527	7,479,800	85,084,597
Depreciation	8,542,300	4,056,514	3,539,583	8,515,276	8,896,389	6,170,642	6,647,279	4,860,656	51,228,639
Total Operating Expenses	$ 231,714,821	$ 77,790,788	$ 47,009,288	$ 146,939,625	$ 184,051,197	$ 93,370,718	$ 105,290,020	$ 121,693,383	$ 1,007,859,840
Operating Income (Loss)	$ (156,055,752)	$ (53,066,209)	$ (32,155,672)	$ (99,910,247)	$ (133,367,049)	$ (64,540,758)	$ (76,603,622)	$ (81,630,426)	$ (697,329,735)
NONOPERATING REVENUES (EXPENSES)									
State Appropriations	$ 67,524,151	$ 22,601,751	$ 17,192,345	$ 47,715,293	$ 60,406,570	$ 32,816,110	$ 32,927,908	$ 39,850,979	$ 321,035,107
Gifts and Grants	83,758,638	28,517,643	13,841,426	46,816,088	70,628,082	30,405,830	38,499,637	34,560,553	347,027,897
Investment Income	500,130	218,904	104,908	1,662,253	2,965,317	2,203,719	113,339	193,695	7,962,265
Net Gain on Investments	1,195,874	-	-	-	-	-	-	-	1,195,874
Other Nonoperating Revenues	109,645	3,145,462	-	-	-	2,686	74,641	-	3,332,434
Loss on Disposal of Capital Assets	-	-	-	(57,300)	-	-	-	-	(57,300)
Interest on Capital Asset-Related Debt	(1,108,045)	(122,189)	(44,500)	(563,777)	(980,203)	(693,402)	(499,138)	(738,383)	(4,749,637)
Other Nonoperating Expenses	-	-	-	-	-	(22,643)	(30,320)	-	(52,963)
Net Nonoperating Revenues	$ 151,980,393	$ 54,361,571	$ 31,094,179	$ 95,572,557	$ 133,019,766	$ 64,712,300	$ 71,086,067	$ 73,866,844	$ 675,693,677
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	$ (4,075,359)	$ 1,295,362	$ (1,061,493)	$ (4,337,690)	$ (347,283)	$ 171,542	$ (5,517,555)	$ (7,763,582)	$ (21,636,058)
Capital Appropriations	$ 9,058,805	$ 5,998,468	$ 1,624,108	$ 5,522,177	$ 6,839,572	$ 3,420,052	$ 9,750,816	$ 4,041,291	$ 46,255,289
Capital Grants, Contracts, Gifts, and Fees	5,540,400	-	2,001,664	4,208,658	3,513,099	5,368,590	2,768,444	1,569,093	24,969,948
Additions to Permanent Endowments	2,646	-	-	-	27,274	-	-	-	29,920
Other Expenses	-	-	(5,100,000)	-	-	-	-	-	(5,100,000)
Total Others Revenues (Expenses)	$ 14,601,851	$ 5,998,468	$ (1,474,228)	$ 9,730,835	$ 10,379,945	$ 8,788,642	$ 12,519,260	$ 5,610,384	$ 66,155,157
Increase (Decrease) in Net Assets	$ 10,526,492	$ 7,293,830	$ (2,535,721)	$ 5,393,145	$ 10,032,662	$ 8,960,184	$ 7,001,705	$ (2,153,198)	$ 44,519,099
Net Assets, Beginning of Year	$ 242,418,454	$ 138,052,705	$ 102,647,356	$ 220,610,864	$ 300,028,369	$ 114,544,491	$ 177,320,790	$ 135,693,367	$ 1,431,316,396
Adjustment to Beginning Net Assets	(2,174,117)	-	-	-	-	-	-	-	(2,174,117)
Net Assets, Beginning of Year, as Restated	$ 240,244,337	$ 138,052,705	$ 102,647,356	$ 220,610,864	$ 300,028,369	$ 114,544,491	$ 177,320,790	$ 135,693,367	$ 1,429,142,279
Net Assets, End of Year	$ 250,770,829	$ 145,346,535	$ 100,111,635	$ 226,004,009	$ 310,061,031	$ 123,504,675	$ 184,322,495	$ 133,540,169	$ 1,473,661,378

Source: Each College's audited financial statements.

STATEMENT OF NET ASSETS

By Participant

As of June 30, 2011

ASSETS	Broward	Edison	Gulf Coast	Palm Beach	St. Petersburg	Santa Fe	Seminole	Tallahassee	Participant Total
Current Assets:									
Cash and Cash Equivalents	$ 37,437,172	$ 4,562,374	$ 6,809,295	$ 16,511,344	$ 28,943,662	$ 29,189,699	$ 11,335,301	$ 17,042,663	$ 151,831,509
Restricted Cash and Cash Equivalents	3,000,634	7,747,184	7,879,811	398,621	15,795,563	3,784,507	2,157,860	19,599,738	60,363,918
Cash Collateral Securities Lending	-	-	-	-	-	-	-	-	-
Investments	10,677,423	5,100,045	-	-	-	2,154,108	-	-	17,931,576
Restricted Investments	12,990,664	1,339,914	-	-	-	-	-	-	14,330,578
Contributions Receivable, Net	-	-	-	-	-	-	-	-	-
Accounts Receivable, Net	3,939,043	4,946,388	576,753	2,384,992	2,102,728	4,924,987	4,390,004	2,623,309	25,888,203
Notes Receivable, Net	287,094	124,597	13,279	-	14,309	807	53,093	49,847	543,026
Due from Other Governmental Agencies	52,968,545	10,524,032	30,613,536	20,786,431	17,879,128	4,638,240	2,395,890	3,836,355	143,642,156
Due from Component Unit	233,758	13,867	51,985	35,713	612,439	6,666	220	-	954,648
Due from College	-	-	-	-	-	-	-	-	-
Inventories	2,895,956	-	621,293	16,638	134,478	73,182	-	71,762	3,813,309
Prepaid Expenses	172,834	167,532	752,309	1,152,965	1,022,695	42,783	652,467	2,666	3,966,251
Deposits - Other	881,819	-	-	-	-	-	-	-	881,819
Other Assets	-	16,468	-	-	636	-	-	-	17,104
Prepaid Tuition	-	-	-	-	-	-	-	-	-
Risk Management Consortium:									
Restricted Cash and Cash Equivalents	-	-	-	-	-	66,321,253	-	-	66,321,253
Restricted Investments	-	-	-	-	-	3,229,271	-	-	3,229,271
Total Current Assets	$ 125,484,942	$ 34,542,400	$ 47,318,260	$ 41,286,704	$ 66,505,637	$ 114,365,503	$ 20,984,834	$ 43,226,340	$ 493,714,620
Noncurrent Assets:									
Restricted Cash and Cash Equivalents	$ 26,461,905	$ 3,708,518	$ -	$ 23,439,401	$ 17,735,974	$ 11,389,225	$ 9,091,186	$ 164,699	$ 91,990,908
Investments	12,148,756	11,892,364	-	1,103,049	18,596,380	6,275,940	-	-	50,016,489
Restricted Investments	824,840	4,458,694	-	104,897	1,223,208	35,391	77,024	-	6,724,054
Endowment Investments	-	648,324	-	-	-	-	-	-	648,324
Notes Receivable	-	-	-	-	-	-	-	-	-
Land and Property Held for Investment	-	-	-	-	-	-	-	-	-
Investment in Joint Venture	-	-	-	-	-	-	-	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	10,350	319,038	-	-	-	-	-	-	329,388
Prepaid Scholarships	-	-	-	-	-	-	-	-	-
Contributions Receivable	-	-	-	-	-	-	-	-	-
Restricted Other Investments	-	-	-	-	-	-	-	-	-
Other Investments	-	-	-	-	-	-	-	-	-
Notes Receivable, Net	-	-	-	-	-	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-
Depreciable Capital Assets, Net	148,322,063	88,959,237	62,576,681	198,989,494	235,226,171	79,325,800	142,596,124	95,691,702	1,051,687,272
Nondepreciable Capital Assets	13,110,978	46,463,563	8,611,510	10,593,575	35,699,197	23,281,522	43,624,132	32,327,504	213,711,980
Risk Management Consortium:									
Restricted Investments	-	-	-	-	-	13,357,789	-	-	13,357,789
Total Noncurrent Assets	$ 200,878,892	$ 156,449,738	$ 71,188,191	$ 234,230,416	$ 308,480,930	$ 133,665,667	$ 195,388,465	$ 128,183,905	$ 1,428,466,204
TOTAL ASSETS	$ 326,363,834	$ 190,992,138	$ 118,506,451	$ 275,517,120	$ 374,986,567	$ 248,031,170	$ 216,373,299	$ 171,410,245	$ 1,922,180,824

LIABILITIES									
Current Liabilities:									
Temporary Cash Overdraft	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Payable	1,263,686	6,300,144	291,596	553,088	2,377,689	1,512,243	1,263,312	3,562,100	17,123,858
Salary and Payroll Taxes Payable	2,155,845	690,829	5,136	1,543,162	1,194,603	4,336,758	1,166,360	671,327	11,764,019
Construction Contracts Payable	-	-	-	-	-	-	-	-	-
Retainage Payable	863,952	1,282,399	486,720	242,899	835,898	934,597	491,894	1,509,601	6,647,960
Due to Other Governmental Agencies	673,584	-	212	-	-	1,034	3,057	-	677,886
Due to Component Unit	-	-	-	-	-	-	-	-	-
Due to College	-	-	-	-	-	-	-	-	-
Deferred Revenue	1,077,721	-	9,624		299,376	5,156,221	25,506	440,817	7,009,265
Estimated Insurance Claims Payable	10,275,702	-	-	-	1,265,260	-	-	-	11,540,962
Accrued Loss on Interest Rate Collar	-	-	-	-	-	-	-	-	-
Deposits Held for Others	2,292,990	16,523	2,261	869,387	-	1,078,199	338,344	1,629,198	6,226,902
Line of Credit Payable	-	-	-	-	-	-	-	-	-
Liability for Cash Collateral Securities Lending	-	-	-	-	-	-	-	-	-
Advance Deposit	-	-	-	-	-	-	-	-	-
Long-Term Liabilities - Current Portion:									
Bonds Payable	1,145,000	160,000	335,000	605,000	1,465,000	795,000	455,000	685,000	5,645,000
Notes Payable	-	-	-	-	521,103	-	221,515	-	742,618
Loans Payable	-	-	-	-	-	-	-	-	-
Capital Leases Payable	831,372	-	-	-	148,642	6,456	139,369	243,447	1,369,286
Special Termination Benefits Payable	-	91,459			-	-	-	244,266	335,725
Installment Purchases Payable	-	-			-	-	-	-	-
Deposits Held for Others	-	-			7,052,455	-	-	73,635	7,126,090
Compensated Absences Payable	630,806	99,133	57,498	480,486	947,076	804,571	164,508	669,220	3,853,297
Estimated Arbitrage Rebate Payable	-	-	-	-	-	-	11,391	39,395	50,786
Other Long-Term Liabilities	-	-	-	-	-	-	-	-	-
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	69,550,524	-	-	69,550,524
Total Current Liabilities	$ 21,210,658	$ 8,640,487	$ 1,188,047	$ 4,294,022	$ 16,107,101	$ 84,175,603	$ 4,280,254	$ 9,768,006	$ 149,664,179
Noncurrent Liabilities:									
Bonds Payable	$ 19,820,000	$ 19,657,702	$ 6,455,000	$ 11,070,000	$ 29,325,000	$ 12,985,000	$ 6,070,000	$ 15,090,000	$ 120,472,702
Notes Payable	-	-	-	-	1,598,491	-	-	-	1,598,491
Loans Payable	-	-	-	-	-	-	2,555,478	-	2,555,478
Capital Leases Payable	376,087	-	-	-	297,283	-	145,884	1,818,867	2,638,121
Special Termination Benefits Payable	-	104,328	-	-	-	-	-	342,761	447,089
Installment Purchases Payable	-	-	-	-	-	-	-	-	-
Deposits Held for Others	-	-	-	-	-	-	-	374,889	374,889
Compensated Absences Payable	9,439,878	4,459,748	2,587,574	9,010,839	8,523,680	7,449,947	5,215,089	5,154,401	51,841,155
Estimated Arbitrage Rebate Payable	-	-	-	-	-	-	-	-	-
Other Postemployment Benefits Payable	5,006,817	30,834	20,631	126,902	1,664,861	186,870	93,716	1,479,967	8,610,598
Other Noncurrent Liabilities	-	-	-	607,169	57,410	-	-	-	664,579
Risk Management Consortium:									
Deposits Held for Others	-	-	-	-	-	13,357,789	-	-	13,357,789
Total Noncurrent Liabilities	$ 34,642,782	$ 24,252,612	$ 9,063,205	$ 20,814,910	$ 41,466,724	$ 33,979,606	$ 14,080,167	$ 24,260,885	$ 202,560,890
TOTAL LIABILITIES	$ 55,853,440	$ 32,893,099	$ 10,251,252	$ 25,108,932	$ 57,573,825	$ 118,155,209	$ 18,360,421	$ 34,028,891	$ 352,225,069

NET ASSETS									
Invested in Capital Assets, Net of Related Debt	$ 142,196,647	$ 116,233,546	$ 70,483,191	$ 197,908,070	$ 247,867,166	$ 88,820,866	$ 176,633,010	$ 114,362,016	$ 1,154,504,512
Restricted:									
Other	-	-	-	-	-	-	-	-	-
Nonexpendable:									
Endowment	1,031,388	672,751	-	-	-	-	-	-	1,704,139
Expendable:									
Endowment	-	-	-	-	-	-	-	-	-
Allied Health and Medical	-	-	-	-	-	-	-	-	-
Grants and Loans	5,043,954	1,594,368	837,603	2,154,535	8,443,426	2,191,705	2,750,395	9,053,180	32,069,165
Scholarships	824,660	1,052,696	23,287	1,257,760	144,961	86,431	377,830	146,080	3,913,705
Capital Projects	84,304,040	22,906,002	30,650,383	42,506,322	14,226,610	14,127,432	6,330,660	6,170,376	221,221,826
Debt Service	1,286,959	74,362	40,013	92,645	299,419	35,392	65,632	584,290	2,478,713
Other	-	-	-	-	-	-		-	-
Unrestricted	35,822,746	15,565,313	6,220,722	6,488,856	46,431,161	24,614,135	11,855,350	7,065,412	154,063,695
Total Net Assets	$ 270,510,394	$ 158,099,039	$ 108,255,199	$ 250,408,188	$ 317,412,742	$ 129,875,961	$ 198,012,878	$ 137,381,354	$ 1,569,955,756
TOTAL LIABILITIES AND NET ASSETS	$ 326,363,834	$ 190,992,138	$ 118,506,451	$ 275,517,120	$ 374,986,567	$ 248,031,170	$ 216,373,299	$ 171,410,245	$ 1,922,180,824

Source: Palm Beach and Santa Fe audited financial statements; Broward, Edison, Gulf Coast, St. Petersburg, Seminole, Tallahassee draft financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
By Participant
For the Fiscal Year Ended June 30, 2011

REVENUES	Broward	Edison	Gulf Coast	Palm Beach	St. Petersburg	Santa Fe	Seminole	Tallahassee	Participant Total
Operating Revenues:									
Student Tuition and Fees, Net of Scholarship Allowances	$ 36,807,122	$ 18,115,916	$ 6,910,170	$ 34,216,934	$ 41,632,335	$ 23,262,189	$ 22,454,258	$ 18,885,605	$ 202,284,528
Federal Grants and Contracts	5,264,238	2,033,126	3,664,584	6,013,916	3,493,228	3,494,024	3,015,796	14,327,001	41,305,913
State and Local Grants and Contracts	1,909,130	-	-	799,867	446,605	2,418,722	1,021,464	8,673,450	15,269,238
Nongovernmental Grants and Contracts	8,522,523	2,856,484	778,467	5,565,054	444,008	162,097	653,463	768,134	19,750,229
Sales and Services of Educational Departments	338	-	358,156	606,172	4,128,723	1,045,737	109,219	-	6,248,345
Auxiliary Enterprises	15,626,955	1,853,591	1,970,066	1,179,785	2,799,191	952,017	1,524,452	4,124,154	30,030,211
Other Operating Revenues	1,251,691	481,121	470,982	1,847,644	251,878	545,849	250,350	317,882	5,417,397
Total Operating Revenues	$ 69,381,997	$ 25,340,237	$ 14,152,425	$ 50,229,372	$ 53,195,968	$ 31,880,635	$ 29,029,002	$ 47,096,226	$ 320,305,861
EXPENSES									
Operating Expenses:									
Personnel Services	$ 134,795,372	$ 49,569,633	$ 24,146,764	$ 92,650,025	$ 118,462,804	$ 55,852,390	$ 63,300,848	$ 66,101,191	$ 604,879,027
Scholarships and Waivers	84,515,537	10,983,951	7,290,045	34,228,956	37,842,900	24,048,465	26,307,684	23,457,612	248,675,151
Utilities and Communications	4,474,467	2,224,527	1,944,810	3,761,147	6,392,824	2,552,087	2,673,823	3,072,986	27,096,672
Contractual Services	12,983,186	6,547,002	4,098,022	8,840,564	8,051,472	4,630,127	3,190,466	22,742,513	71,083,351
Other Services and Expenses	9,923,636	6,007,521	2,456,061	6,112,739	9,090,738	4,078,000	5,613,677	3,605,583	46,887,955
Material and Supplies	34,394,979	5,673,067	6,896,735	8,579,777	15,830,214	5,918,849	7,216,933	10,375,692	94,886,246
Depreciation	8,244,484	5,116,705	3,676,466	9,704,431	8,328,429	7,619,661	6,333,495	4,119,530	53,143,201
Total Operating Expenses	$ 289,331,661	$ 86,122,406	$ 50,508,904	$ 163,877,639	$ 203,999,381	$ 104,699,579	$ 114,636,926	$ 133,475,107	$ 1,146,651,603
Operating Income (Loss)	$ (219,949,664)	$ (60,782,169)	$ (36,356,479)	$ (113,648,267)	$ (150,803,414)	$ (72,818,944)	$ (85,607,924)	$ (86,378,881)	$ (826,345,742)
NONOPERATING REVENUES (EXPENSES)									
State Appropriations	$ 72,607,865	$ 27,223,679	$ 18,158,850	$ 51,302,254	$ 63,044,285	$ 34,438,633	$ 35,897,408	$ 42,598,427	$ 345,271,400
Gifts and Grants	147,721,824	32,446,953	14,021,148	60,118,837	81,557,094	36,712,251	47,765,913	39,276,054	459,620,074
Investment Income	1,330,439	791,090	-	799,107	1,737,336	1,219,195	182,504	158,924	6,218,595
Net Gain on Investments	(44,912)	-	-	-	-	-	-	-	(44,912)
Other Nonoperating Revenues	45,312	28,475	245,378	-	542,026	6,010	54,646	-	921,847
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-
Interest on Capital Asset-Related Debt	(1,036,667)	(750,983)	(296,121)	(540,883)	(1,357,834)	(661,252)	(455,524)	(553,545)	(5,652,808)
Other Nonoperating Expenses	-	-	-	-	-	(11,082)	-	-	(11,082)
Net Nonoperating Revenues	$ 220,623,861	$ 59,739,214	$ 32,129,254	$ 111,679,315	$ 145,522,907	$ 71,703,755	$ 83,444,948	$ 81,479,860	$ 806,323,114
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	$ 674,197	$ (1,042,955)	$ (4,227,225)	$ (1,968,952)	$ (5,280,507)	$ (1,115,189)	$ (2,162,976)	$ (4,899,021)	$ (20,022,628)
Capital Appropriations	$ 12,706,425	$ 12,535,134	$ 10,488,847	$ 22,044,428	$ 8,406,386	$ 2,934,220	$ 12,623,577	$ 7,034,071	$ 88,773,088
Capital Grants, Contracts, Gifts, and Fees	6,342,357	1,260,323	1,881,942	4,328,703	4,209,670	4,552,255	3,229,782	1,706,135	27,511,166
Additions to Permanent Endowments	16,586	-	-	-	16,163	-	-	-	32,749
Other Expenses	-	-	-	-	-	-	-	-	-
Total Others Revenues (Expenses)	$ 19,065,368	$ 13,795,457	$ 12,370,789	$ 26,373,131	$ 12,632,219	$ 7,486,475	$ 15,853,359	$ 8,740,206	$ 116,317,004
Increase (Decrease) in Net Assets	$ 19,739,565	$ 12,752,502	$ 8,143,564	$ 24,404,179	$ 7,351,712	$ 6,371,286	$ 13,690,383	$ 3,841,185	$ 96,294,376
Net Assets, Beginning of Year	$ 250,770,829	$ 145,346,537	$ 100,111,635	$ 226,004,009	$ 310,061,031	$ 123,504,675	$ 184,322,495	$ 133,540,169	$ 1,473,661,379
Adjustment to Beginning Net Assets	-	-	-	-	-	-	-	-	-
Net Assets, Beginning of Year, as Restated	$ 250,770,829	$ 145,346,537	$ 100,111,635	$ 226,004,009	$ 310,061,031	$ 123,504,675	$ 184,322,495	$ 133,540,169	$ 1,473,661,379
Net Assets, End of Year	$ 270,510,394	$ 158,099,039	$ 108,255,199	$ 250,408,188	$ 317,412,742	$ 129,875,961	$ 198,012,878	$ 137,381,354	$ 1,569,955,755

Source: Palm Beach and Santa Fe audited financial statements; Broward, Edison, Gulf Coast, St. Petersburg, Seminole, Tallahassee draft financial statements.

Direct Support Organizations

Florida College System institutions receive assistance from "direct support organizations" which have been created as not-for-profit 501(c)(3) corporations to secure and manage supplemental financial resources, such as private gifts and bequests, for the purpose of providing educational support services to the colleges. The direct support organizations are authorized to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the Colleges within the Florida College System.

The primary direct support organization located at each Florida College System institution is a foundation. The following table shows the total assets, net assets and total revenue of the foundations at each Participating Florida College System institution at the most recent audit date.

Participating Florida College System Institutions' Foundations
Total Assets, Net Assets and Total Operating Revenue

College	As of Date	Total Assets	Net Assets	Total Revenue
Broward	31-Dec-10	$70,519,776	$70,118,247	$10,629,700
Edison	31-Mar-11	48,214,411	42,326,706	5,046,726
Gulf Coast	30-Jun-11	25,973,105	25,887,795	4,679,615
Palm Beach	31-Dec-10	25,089,113	24,516,284	7,856,867
St. Petersburg	31-Mar-11	46,764,082	46,763,282	5,489,104
Santa Fe	31-Dec-10	38,553,990	36,419,427	4,136,215
Seminole	30-Jun-11	12,951,300	12,385,182	2,766,763
Tallahassee	31-Mar-11	14,639,403	14,541,329	2,767,533
Total PFCSI's Foundations		$282,705,180	$272,958,252	$43,372,523

Source: Division of Florida Colleges.

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the Division of Florida Colleges of the Florida Department of Education (the "Division of Florida Colleges") and the Division of Bond Finance of the State Board of Administration of Florida (the "Division of Bond Finance") in connection with the issuance of $__________ State of Florida, Department of Education, Florida College System Capital Improvement Revenue Bonds, Series 2012A (the "Bonds"). This Disclosure Agreement is being executed and delivered pursuant to Section 8.10 of the resolution adopted by the Governor and Cabinet, as the Governing Board of the Division of Bond Finance, on August 1, 2006, as amended on May 11, 2010 and January 18, 2012, authorizing the issuance of Florida College System Capital Improvement Revenue Bonds (the Master Authorizing Resolution"). The Division of Florida Colleges and the Division of Bond Finance covenant and agree as follows:

SECTION 1. PURPOSE OF THE DISCLOSURE AGREEMENT. This Disclosure Agreement is being executed and delivered by the Division of Florida Colleges and the Division of Bond Finance for the benefit of the Registered Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC"). It shall inure solely to the benefit of the Board, the Division, the Registered Owners, the Beneficial Owners and the Participating Underwriters.

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Master Authorizing Resolution, which apply to any capitalized term used in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

"Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Material Participant" means, at any time, a Participating Florida College System institution whose allocable pro rata share of the principal amount of the Outstanding Bonds equals 10% or more.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

SECTION 3. CONTINUING DISCLOSURE. (A) Information To Be Provided. The Board of Trustees of each Participating Florida College System institution has covenanted that they will comply with all requirements of federal securities law, state law, or the Division of Bond Finance, relating to continuing secondary market disclosure of information regarding the Bonds and the Florida College System institution. On their behalf, the Division of Florida Colleges hereby assumes all responsibilities for any continuing disclosure as described below. In order to comply with the Rule, the Division of Florida Colleges hereby agrees to provide or cause to be provided the information set forth below, or such other information as may be required, from time to time, to be provided by the Rule or the Division. The Division will be responsible for the filing of the information required by the Rule.

(1) Financial Information and Operating Data. Beginning with the State's Fiscal Year ending on June 30, 2012 and thereafter, annual financial information and operating data of the Material Participants shall be provided within nine months after the end of the State's Fiscal Year. Such information shall include:

(a) Historical Capital Improvement Fees;
(b) Historical Debt Service Coverage;
(c) Florida College System Historical Summary of Revenue Sources;
(d) Historical Material Participant Student Enrollment in Capital Improvement Fee-Generating Programs;
(e) Historical Material Participant Resident vs. Out-of-State FTE Student Enrollment in Fee-Generating Programs;
(f) Resident Material Participant Student Tuition and Capital Improvement Fees;
(g) Out-of-State Material Participant Student Tuition and Capital Improvement Fees;
(h) Material Participant Current Year Operating Budget Revenues by Source.

(2) Audited Financial Statements. If not submitted as part of the annual financial information, a copy of the Material Participants' audited financial statements, prepared in accordance with generally accepted accounting principles, will be provided when and if available.

(3) Material Events Notices. Notice of the following events relating to the Bonds will be provided in a timely manner not in excess of ten business days after the occurrence of the event:

(a) principal and interest payment delinquencies;
(b) non-payment related defaults, if material;
(c) unscheduled draws on debt-service reserves reflecting financial difficulties;
(d) unscheduled draws on credit enhancements reflecting financial difficulties;
(e) substitution of credit or liquidity providers, or their failure to perform;
(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
(g) modifications to rights of security holders, if material;
(h) bond calls, if material, and tender offers;
(i) defeasances;
(j) release, substitution or sale of property securing repayment of the securities, if material;
(k) rating changes;
(l) bankruptcy, insolvency, receivership or similar event of the obligated person;
(m) the consummation of merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(4) Failure to Provide Annual Financial Information; Remedies.

(a) Notice of the failure of the to provide the information required by paragraphs (A) (1) or (A)(2) of this Section will be provided in a timely manner.

(b) The Division of Florida Colleges acknowledges that its undertaking pursuant to the Rule set forth in this Section is for the benefit of the Beneficial Owners and Registered Owners of the Bonds and shall be enforceable only by such Beneficial Owners and Registered Owners; provided that the right to enforce the provisions of such undertaking shall be conditioned upon the same enforcement restrictions as are applicable to the information undertakings in the Resolution and shall be limited to a right to obtain specific enforcement of the Board's obligations hereunder.

(B) Method of Providing Information.

(1) (a) Annual financial information and operating data described in paragraph 3(A)(1) and the audited financial statements described in paragraph 3(A)(2) shall be transmitted to the Municipal Securities Rulemaking Board (hereafter "MSRB") using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Material event notices described in paragraph 3(A)(3) and notices described in paragraph 3(A)(4) shall also be transmitted to the MSRB using EMMA or by such other method as may be subsequently determined by the MSRB.

(2) (a) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated agent.

(b) All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(C) If this Disclosure Agreement is amended to change the operating data or financial information to be disclosed, the annual financial information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(D) The Division of Florida Colleges' obligations hereunder shall continue until such time as the Bonds are no longer Outstanding.

(E) This Disclosure Agreement may be amended or modified so long as:

(1) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body;

(2) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted;

(3) this Disclosure Agreement, as amended, would have complied with the requirements of Rule 15c2-12 of the SEC at the time of the primary offering, after taking into account any amendments or interpretations of the rule, as well as any change in circumstances; and

(4) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the issuer or obligated person (such as the trustee or bond counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

SECTION 4. ADDITIONAL INFORMATION. If, when submitting any information required by this Disclosure Agreement, the Division of Florida Colleges and the Division of Bond Finance choose to include additional information not specifically required by this Disclosure Agreement, the Division of Florida Colleges and the Division of Bond Finance shall have no obligation to update such information or include it in any such future submission.

Dated this ___ day of ___________, 2012.

Division of Florida Colleges of the
Florida Department of Education

By______________________________
Vice Chancellor for Financial Policy

Division of Bond Finance of the
State Board of Administration of Florida

By________________________________
Assistant Secretary

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APPENDIX F

FORM OF BOND COUNSEL OPINION

[TO BE DATED DATE OF CLOSING]

Department of Education
Tallahassee, Florida

Division of Bond Finance of the
State Board of Administration of Florida
Tallahassee, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Department of Education (the "Department"), Palm Beach State College (the "2012A Participating Florida College System Institution" or the "2012A Participating Institution"), the Division of Bond Finance of the State Board of Administration of Florida (the "Division of Bond Finance"), the State Board of Administration of the State of Florida, applicable provisions of the Constitution and laws of the State of Florida, and other proofs submitted to us relative to the issuance and sale of:

$___________
STATE OF FLORIDA
DEPARTMENT OF EDUCATION
FLORIDA COLLEGE SYSTEM CAPITAL
IMPROVEMENT REVENUE BONDS
SERIES 2012A
Dated __________
(the "Bonds")

The Bonds are being issued by the Division of Bond Finance in the name of and on behalf of the Department and the 2012A Participating Florida College System Institution for the purpose of financing a portion of the costs of the new construction and equipment of educational facilities on the campus of the 2012A Participating Institution, and paying certain costs associated with the issuance of the Bonds, under the authority of and in full compliance with the Constitution and statutes of the State of Florida, including particularly Sections 215.57-215.83, Florida Statutes, Section 1009.23, Florida Statutes, and other applicable provisions of law. The principal of, premium, if any, and interest on the Bonds will be secured by and payable from the Pledged Revenues (as defined in the hereinafter defined Resolutions) on a parity with the State of Florida, Department of Education Community College Capital Improvement Revenue Bonds, Series 2006A, Series 2008A and 2010A, which, together with the Bonds, will be outstanding in the aggregate principal amount of $111,750,000 subsequent to issuance of the Bonds.

The Bonds do not constitute a general obligation of the State of Florida or any political subdivision thereof within the meaning of any constitutional, statutory or other limitation of indebtedness and the owners thereof shall never have the right to compel the exercise of any ad valorem taxing power or taxation in any form for the payment of the principal of or interest on the Bonds.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. That such proceedings and proofs show lawful authority for issuance and sale of said Bonds pursuant to the Constitution and statutes of the State of Florida and pursuant to a resolution authorizing the issuance of the Bonds duly adopted by the Governing Board of the Division of Bond Finance on August 1, 2006, as supplemented by a resolution adopted on January 18, 2012 (collectively, the "Resolutions") and a resolution of the District Board of Trustees of the 2012A Participating Institution.

2. The Bonds (i) have been duly authorized, executed and delivered by the Division of Bond Finance and (ii) are valid and binding special obligations of the 2012A Participating Institution enforceable in accordance with their terms, payable solely from the sources provided therefor in the Resolutions.

3. The Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

4. The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Bonds to be included in federal gross income retroactive to the date of issuance of the Bonds, regardless of the date on which such non-compliance occurs or is ascertained. The Division of Bond Finance, the Department and the 2012A Participating Institution have covenanted in the Resolutions to comply with such requirements in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

Subject to compliance by the Division of Bond Finance, the Department and the 2012A Participating Institution with the aforementioned covenants, (a) interest on the Bonds is excluded from gross income for purposes of federal income taxation, and (b) interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. We express no opinion regarding other federal tax consequences caused by the ownership of or the receipt of interest on or the disposition of the Bonds.

It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida and of the constitutional powers of the United States of America and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not independently verified the accuracy or truthfulness thereof and the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

Our opinions expressed herein are predicated upon present law, facts and circumstances as of the date of issuance and delivery of the Bonds, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after such date.

As Bond Counsel, we have not been engaged nor have we, in such capacity, undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Bonds and we express no opinion herein relating thereto.

Very truly yours,

BRYANT MILLER OLIVE P.A.

APPENDIX G

PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM OR REGISTERED BONDS

The Depository Trust Company and Book-Entry Only System

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DIVISION OF BOND FINANCE BELIEVES TO BE RELIABLE; HOWEVER, THE DIVISION OF BOND FINANCE TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the 2012A Bonds. The 2012A Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2012A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities and Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and together with Direct Participants, the "Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com** and **www.dtc.org**.

Purchases of the 2012A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2012A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2012A Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2012A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2012A Bonds, except in the event that use of the book-entry system is discontinued.

To facilitate subsequent transfers, all 2012A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2012A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the 2012A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2012A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2012A Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2012A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2012A Bond documents. For example, Beneficial Owners of 2012A Bonds may wish to ascertain that the nominee holding the 2012A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the 2012A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2012A Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Division of Bond Finance as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2012A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the 2012A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Bond Registrar/Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, (nor its nominee), the Bond Registrar/Paying Agent, the Division of Bond Finance, or the Department, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Registrar/Paying Agent; disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services with respect to the 2012A Bonds at any time by giving reasonable notice to the Division of Bond Finance or Bond Registrar/Paying Agent and discharging its responsibilities with respect thereto under applicable law. The Division of Bond Finance may decide to discontinue use of the system of book-entry transfers for the 2012A Bonds through DTC (or a successor securities depository). Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the 2012A Bonds will be printed and delivered as provided in the documents authorizing the issuance and sale of the 2012A Bonds.

For every transfer and exchange of beneficial interests in the 2012A Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

So long as Cede & Co., as nominee of DTC, is the registered owner of the 2012A Bonds, references herein to the Registered Owners or Holders of the 2012A Bonds shall mean Cede & Co. and not mean the Beneficial Owners of the 2012A Bonds unless the context requires otherwise.

The Division of Bond Finance, the Department and the Bond Registrar/Paying Agent will not have any responsibility or obligation with respect to:

(i) the accuracy of the records of DTC, its nominee or any DTC Participant or any successor securities depository, participants thereof or nominee thereof with respect to any beneficial ownership interest in the 2012A Bonds;

(ii) the delivery to any DTC Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any notice with respect to any 2012A Bond, including, without limitation, any notice of redemption;

(iii) the payment to any DTC Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any amount with respect to the principal of, premium, if any, or interest on the 2012A Bonds, or the purchase price of, any 2012A Bond;

(iv) any consent given by DTC or any successor securities depository as registered owner; or

(v) the selection by DTC or any DTC Participant or by any successor depository or its participants of the beneficial ownership interests in the 2012A Bonds for partial redemption.

So long as the 2012A Bonds are held in book-entry only form, the Division of Bond Finance, the Department and the Bond Registrar/Paying Agent may treat DTC and any successor Securities Depository as, and deem DTC and any successor Securities Depository to be, the absolute owner of the 2012A Bonds for all purposes whatsoever, including, without limitation:

(i) the payment of the principal of, premium, if any, and interest on the 2012A Bonds;

(ii) giving notices of redemption and other matters with respect to the 2012A Bonds;

(iii) registering transfers with respect to the 2012A Bonds; and

(iv) the selection of the beneficial ownership interests in the 2012A Bonds for partial redemption.

Payment, Registration, Transfer and Exchange

The following provisions shall only be applicable if the book-entry-only system of registration is discontinued; for provisions which are applicable while the book-entry only system of registration is in effect, see "Book-Entry Only System" above.

The Division of Bond Finance, the Department and the Bond Registrar/Paying Agent may treat the Registered Owner of any 2012A Bond as the absolute owner for all purposes, whether or not such 2012A Bond is overdue, and will not be bound by any notice to the contrary.

Principal of and premium, if any, on the 2012A Bonds will be payable upon presentation and surrender of the 2012A Bonds when due at the corporate trust office of U.S. Bank Trust National Association, New York, New York, as Bond Registrar/Paying Agent.

Each 2012A Bond will be transferable or exchangeable only upon the registration books by the Registered Owner or an attorney duly authorized in writing, upon surrender of such 2012A Bond to the Bond Registrar/Paying Agent together with a written instrument of transfer (if so required) satisfactory in form to the Division of Bond Finance of Bond Finance and the Bond Registrar/Paying Agent, duly executed by the Registered Owner or a duly authorized attorney. Upon surrender to the Bond Registrar/Paying Agent for transfer or exchange of any 2012A Bond, duly endorsed for transfer or accompanied by an assignment in accordance with the Resolution, the Bond Registrar/Paying Agent will deliver in the name of the transferee(s) a fully registered 2012A Bond of authorized denomination of the same maturity for the aggregate principal amount which the Registered Owner is entitled to receive.

Neither the Division of Bond Finance nor the Bond Registrar/Paying Agent may charge the Registered Owner or transferee for any expenses incurred in making any exchange or transfer of the 2012A Bonds. However, the Division of Bond Finance and the Bond Registrar/Paying Agent may require payment from the Registered Owner of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such governmental charges and expenses must be paid before any such new 2012A Bond is delivered.

The Bond Registrar/Paying Agent will not be required to issue, transfer or exchange any 2012A Bonds on the Record Date.

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