



ST. JOHNS RIVER STATE COLLEGE

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EQUAL OPPORTUNITY/EQUAL ACCESS COLLEGE

MEMORANDUM

TO: All Trustees

FROM: Joe H. Pickens, J.D.

DATE: September 11, 2024

RE: September Board Meeting

The St. Johns River State College District Board of Trustees Meeting will be held on **Wednesday, September 18, beginning at 2:00 p.m.** at the **St. Augustine Campus**. We will meet in the **Criminal Justice Multipurpose Room J-149** as there will be a demonstration of the Law Enforcement Immersive Training Simulator.

If needed, an Executive Session on Collective Bargaining will be held immediately following the meeting.

Please review the enclosed material and if you have any questions, do not hesitate to call me. If you are unable to attend, please call me before noon on that date.

Thank you.

JHP/sms

Enclosure



ST. JOHNS RIVER STATE COLLEGE DISTRICT BOARD OF TRUSTEES

Meeting, Wednesday, September 18, 2024,
2:00 p.m., **St. Augustine Campus**,
Criminal Justice Multipurpose Room J-149

MISSION STATEMENT

St. Johns River State College, an open-access, public institution of higher education in Northeast Florida, promotes excellence in teaching and learning to enrich the lives of its students and strengthen its community. The College offers certificates, associate and baccalaureate degrees, and provides high-quality education, training, and cultural opportunities to encourage scholarly achievement. St. Johns River State College delivers high-quality instruction through face-to-face and distance education modalities and creates a supportive learning environment that includes services and resources to enable all students to reach their educational goals.

**Note: At the discretion of the Chair or any other Board member, items may be taken out of order for action and/or discussion.*

- I. Call to Order
- II. Demonstration of Law Enforcement Immersive Training Simulator – Dean Tim Adams
- III. Public Comment
- IV. Old Business
- V. Consent Agenda – Chairperson Rich Komando Action
The items on the consent agenda are routine business and are not expected to require discussion before action. Items will be enacted by one motion. Any Trustee can request a topic to be removed from the consent agenda and discussed further for separate action.
 - A. Minutes
 - 1. Approval of Minutes of August 21 and 29, 2024, Board Meetings
 - B. Chief Operating Officer – Dr. Melanie Brown
 - 1. Approval of Personnel Matters
 - C. Vice President for Finance/CFO – VP Randy Peterson
 - 1. Facilities Usage Report – August 2024
 - 2. Approval of Monthly Financial Report – August 2024
 - D. Vice President for Academic and Student Affairs – Dr. Ed Jordan
 - 1. Approval of the 2024-2025 Nursing (ASN) Handbook Update
- VI. New Business
 - A. Chief Operating Officer – Dr. Melanie Brown – Action/Information Agenda Items

1. Public Hearing for Amendment to SJR State Board Rule 5.32 (R1) Participation in the Florida College System Risk Management Consortium for Employee Insurance Benefits Note: The new name for Board Rule 5.32 will be Employee Insurance Benefits.	Public Hearing
2. Action to Approve Amendment to SJR State Board Rule 5.32 (R1) Participation in the Florida College System Risk Management Consortium for Employee Insurance Benefits. Note: The new name for Board Rule 5.32 will be Employee Insurance Benefits.	Action
3. Action to Approve Annual Review of the Board's Rules and Policies	Action
4. Florida Department of Education 2024 Baccalaureate Program Review Letter of Findings	Information
B. Vice President for Finance/CFO – VP Randy Peterson – Action Agenda Items	
1. Action to Approve Fund Balance Carry-Forward Spending Plan	Action
2. Presentation of and Action to Accept Annual Financial Report – Fiscal Year 2023-2024	Action
C. Vice President for Academic and Student Affairs – Dr. Ed Jordan – Action Agenda Item	
1. Action to Approve the Florida College System College Affordability Report for 2024	Action
VII. Student Housing Project	
A. Loan Documents for Third-Party for the Student Housing Construction Loan	
1. Action to Approve Landlord's Acknowledgment and Consent to Leasehold Mortgage	Action
2. Action to Approve Memorandum of Ground Lease	Action
VIII. President's Report	
IX. Trustees' Comments	
X. Adjournment	

ST. JOHNS RIVER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

August 21, 2024

MEMBERS PRESENT:

Mr. Rich Komando, Chairperson
Mr. Wendell Davis
Mr. Jim Reid
Mr. Jud Sapp

MEMBERS ABSENT:

Ms. Jan Conrad, Vice-Chairperson (excused)

OTHERS PRESENT:

Joe H. Pickens, J.D., Executive Secretary
Jeremiah Blocker, Board Attorney

Chairperson Komando called the meeting to order at
2:00 pm.

Meeting Call to Order

There was no Public Comment.

Public Comment

There was no Old Business.

Old Business

Chairperson Komando requested approval of the
Consent Agenda Items IV.A-D:

Consent Agenda
Items

A.1 - Minutes of June 19 and July 18, 2024, Board
Meetings

B.1 - Chief Operating Officer – Dr. Melanie Brown:
Personnel Matters

C.1-3 - Vice President for Finance/CFO – VP Randy
Peterson: Facilities Usage Report for June and July
2024; Write-offs of Tangible Personal Property; and
Budget Amendments – Final FY 23-24 (Operating Fund
1, Restricted Fund 2, Auxiliary Fund 3, and Capital
Outlay / Plant Fund 7).

D.1-7 - Vice President for Academic and Student
Affairs – Dr. Ed Jordan: 2024-2025 Articulation
Agreement Among Eligible Home Education Students
and their Parents/Guardians and St. Johns River State
College; 2024-2025 Articulation Agreement Between
the District Board of Trustees of St. Johns River State
College and public school districts (District School
Boards of Clay, Putnam, and St. Johns Counties and
Florida School for the Deaf and the Blind); 2024-2025
Memorandum of Understanding for Interpreter Services

Between the District Board of Trustees of St. Johns River State College and the Florida School for the Deaf and the Blind; 2024-2025 Articulation Agreement Between the District Board of Trustees of St. Johns River State College and St. Johns Classical Academy Charter School; 2024-2025 Articulation Agreement Between the District Board of Trustees of St. Johns River State College and private schools (Beacon of Hope Christian Academy, Calvary Christian Academy, Center Academy, Christian Home Academy, Citizens High School, Crescent City Christian Academy, Faith Christian Academy, Lighthouse Christian School, Matanzas Christian Academy, Putnam Banner Academy, Springs Academy, St. John's Academy, St. Johns Christian School, St. Joseph Academy, Seven Bridges School, The Broach School, Victory Prep School, and Washington Classical Christian School); Revision to 2024-2025 College Catalog/Student Handbook (Update to the Diagnostic Medical Sonography Technology Program of Study page); and New Continuing Workforce Education Courses (Traffic Crash Reconstruction - CWL 0329 and Advanced Tactical Driving - CWL #####).

Mr. Davis moved approval of Consent Agenda Items IV.A-D. Mr. Reid seconded the motion. Motion carried (Davis, Komando, Reid, Sapp - Yes).

Approved Consent
Agenda Items IV.A-D

Dr. Melanie Brown reviewed for information only Amendment to SJR State Board Rule 5.32 (R1) Participation in the Florida College System Risk Management Consortium for Employee Insurance Benefits. Note: The new name for Board Rule 5.32 will be Employee Insurance Benefits.

Chief Operating
Officer Item V.A.1.a

Dr. Melanie Brown reviewed and requested approval of FLDOE New Baccalaureate Proposals: BAS Digital Art and Media, BAS Performance Design and Production, BS Biological Sciences, BS ESE, and BS Social and Human Services. President Pickens noted that he will present a welcome and the Florida College System Council of Presidents report at the State Board of Education (SBOE) meeting that is being hosted by SJR State at the St. Augustine Campus on September 25. He invited Board members to attend. The new BS ESE Degree will be on the agenda for approval. The four (4) other new degrees will be on the agenda for the November SBOE meeting, which is being held in Orlando.

Mr. Reid moved, seconded by Mr. Davis, to approve Chief Operating Officer Items V.A.1.b-f as submitted (a detailed listing is contained in the material submitted by the Office of Chief Operating Officer). Motion carried (Davis, Komando, Reid, Sapp - Yes).

Approved Chief
Operating Officer
Items V.A.1.b-f.

Dr. Brown referred Trustees to the memo distributed regarding the Annual Review of the Board' Rules and Policies. At the September 18 Board meeting, Trustees will be asked to affirm by vote the Annual Review of the Board' Rules and Policies has taken place.

Chuck Romer introduced the SJR State Human Resources Department staff. He then gave an update on SJR State Human Resources efforts regarding goal 4-1 to recruit, retain and develop excellent faculty and staff.

Chief Operating
Officer Item V.A.2.b

Mr. Romer then gave an update/status report on transitioning to the state group health insurance. He noted that the individual premiums will be increasing as the State requires employees to make a \$50 contribution. The Board has already approved an increase to employees to cover this cost and it will be bargained with the faculty. Mr. Romer stated that HR has an aggressive outreach plan with bi-weekly updates to employees. President Pickens informed the Board that the additional cost to SJR State will be between \$1.7-\$2.2M for the non-recurring premium to state system since the \$80M legislative appropriation for the Florida College System to make the transition was vetoed.

Chief Operating
Officer Item V.A.2.b

Terry Thomas overviewed the tentative schedule for the Florida School of the Arts project. Remodeling will begin in April 2025, and it will be a one-year construction project.

Ms. Thomas noted that the College has already received the year one PECO funding of \$10M for the T Building and new workforce renovation project. This project will move forward soon.

Ms. Thomas reviewed and requested approval to Award the Bid for the Sewer Piping Repair/ Replacement Project, Palatka Campus to D.E. Scorpio Corporation in the amount of \$793,007.00 (correction to memo in packet), the second lowest bid received. She noted that Scorpio was the only company that included a tentative schedule that was required. President

Approved Chief
Operating Officer Item
V.A.3.a

Pickens informed the Board that the College had communicated with Abba Construction, the lowest bidder, and they understand the circumstance. Steps have already been taken to prevent this from happening again.

Mr. Reid moved, seconded by Mr. Davis, to approve Chief Operating Officer Item V.A.3.a as submitted (a detailed listing is contained in the material submitted by the Office of Chief Operating Officer). Motion carried (Davis, Komando, Reid, Sapp - Yes).

Ms. Thomas reviewed and requested approval to Award Modified Plans, Specifications, and Bid for the Site Improvements Project, Palatka Campus. She noted the Value Engineering Options list that was accepted (hard copy provided at the meeting).

Mr. Davis moved, seconded by Mr. Reid, to approve Chief Operating Officer Item V.A.3.b, as submitted (a detailed listing is contained in the material submitted by the Office of Chief Operating Officer). Motion carried (Davis, Komando, Reid, Sapp - Yes).

Approved Chief
Operating Officer Item
V.A.3.b

Dr. Ed Jordan gave an update for information only on The Viking Experience: Core To Career - QEP Planning Year. He noted the former QEP co-directors have been promoted. He introduced the new QEP co-directors Maggie Loya, Coordinator of Student Onboarding, Engagement and Success and Dr. Misty Sutton, Instructor for Anatomy/Physiology, who provided an update with additional information.

Vice President for
Academic and
Student Affairs Item
V.B.1

Dr. Jordan noted that Faculty Convocation is tomorrow. The President will give a "State of the College" update. There will also be a guest speaker and breakout sessions.

Dr. Ros Humerick reviewed for information only the SACSCOC Reaffirmation Letter. She also noted that the SJR State 2024 Fact Book / Facts at a Glance documents were provided.

VP/Chief Institutional
Research Officer
Items V.C.1-2

President Joe Pickens called for the Designation of the Board's Designee on the Student Housing DSO Board. He recommended that Wendell Davis be reappointed. Chairperson Komando designated Mr. Davis to serve as the Board's Designee on the Student Housing DSO Board.

Designation of
Board's Designee on
the Student Housing
DSO Board

President Pickens gave an update on the Student Housing Project. The DSO Board met today. They approved the amendments #1 to the Ground Lease and Sublease.

President's Report
Item VII.A.

President Pickens reviewed and requested approval of Amendment #1 to the Ground Lease Agreement between the District Board of Trustees of St. Johns River State College on behalf of St. Johns River State College and St. Johns River State College Student Housing Corporation. He noted the list of items being amended, including a 40-year lease term in order to have a 30-year amortization schedule.

Mr. Davis moved, seconded by Mr. Sapp, to approve President's Report Item VII.A.1, as submitted (a detailed listing is contained in the material submitted by the Office of the President). Trustee Reid noted that he needs additional time to review the item. Following discussion, it was decided to schedule a special Board meeting for consideration of agenda items VII.A. 1 and 2. The special meeting was scheduled for next Thursday, August 29, at 3:00 pm to be held at the St. Augustine Campus.

Tabled President's
Report Items VII.A.1-2

Mr. Davis and Mr. Sapp withdrew the motion and second to approve and agenda items VII.A. 1 and 2 were tabled until the August 29 special meeting.

President Pickens then showed the timelapse video of the construction progress to date.

President's Report
Item VII.A.3

Chairman Komando opened the floor for nominations for Chairperson of the Board for 2024-2025.

Appointment of Board
Officers for 2024-2025
(Chair and Vice-Chair)

Mr. Davis nominated Mr. Komando to serve as Chairperson and Mr. Sapp seconded the nomination. There were no other nominations. Motion carried (Davis, Komando, Reid, Sapp – Yes).

Mr. Davis nominated Mr. Reid to serve as Vice-Chairperson and Mr. Sapp seconded the nomination. There were no other nominations. Motion carried (Davis, Komando, Reid, Sapp – Yes).

President Pickens noted that a ring ceremony will be scheduled once the rings arrive to celebrate the softball national championship.

President's Report
continued

President Pickens gave an update on the volleyball team, whose season starts this Friday.

President Pickens noted that Tom Leek (Florida Senate District 7) and Judson Sapp (Florida House District 20) won in the primary election yesterday.

Trustee comments were made. Mr. Davis expressed appreciation for the work done by all on the student housing project.

Trustee Comments

Chairperson Komando adjourned the meeting at 3:40 p.m.

Adjournment

ST. JOHNS RIVER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

August 29, 2024

MEMBERS PRESENT:

Mr. Rich Komando, Chairperson
Mr. Jim Reid, Vice-Chairperson
Mr. Jud Sapp

MEMBERS ABSENT:

Ms. Jan Conrad (excused)
Mr. Wendell Davis (excused)

OTHERS PRESENT:

Joe H. Pickens, J.D., Executive Secretary
Jeremiah Blocker, Board Attorney

Chairperson Komando called the meeting to order at
3:00 pm.

Meeting Call to Order

There was no Public Comment.

Public Comment

President Pickens reviewed and requested approval of
Amendment #1 to the Ground Lease Agreement
between the District Board of Trustees of St. Johns
River State College on behalf of St. Johns River State
College and St. Johns River State College Student
Housing Corporation.

Mr. Reid moved, seconded by Mr. Sapp, to approve
President's Report Item III.A.1, as submitted (a detailed
listing is contained in the material submitted by the
Office of the President). Motion carried (Komando,
Reid, Sapp - Yes).

Approved President's
Report Item III.A.1

President Pickens reviewed and requested approval of
Amendment #1 to Ground Sublease Agreement
between St. Johns River State College Student
Housing Corporation and VikingArt, Inc. or Assigns.

Mr. Reid moved, seconded by Mr. Sapp, to approve
President's Report Item III.A.2, as submitted (a detailed
listing is contained in the material submitted by the
Office of the President). Motion carried (Komando,
Reid, Sapp - Yes).

Approved President's
Report Item III.A.2

President Pickens, in regards to the Ad Valorem
Exemption Application, referred Trustees to the letter
from the Putnam County Property Appraiser.

There were no Trustee comments.

Trustee Comments

Chairperson Komando adjourned the meeting at 3:03 p.m.

Adjournment



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EQUAL OPPORTUNITY/EQUAL ACCESS COLLEGE

TO: Joe Pickens, J.D.
College President

FROM: Melanie Rosen Brown, Ph.D. *MRBrown*
Chief Operating Officer

DATE: September 10, 2024

RE: CONSENT Agenda Item
September 18, 2024, District Board of Trustees Meeting

The following **Consent** item is submitted for the Board of Trustees' consideration at the September 18, 2024, meeting:

CONSENT AGENDA ITEM:

1. Approval of Personnel Matters

DISTRICT BOARD OF TRUSTEES

PERSONNEL MATTERS

BOARD MEETING: September 18, 2024

	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Myrna	Allen	FT - Administrator	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Royce	Bass	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
Holly	Coulliette	FT - Administrator	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Jack	Hall	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
Anastacia	Hohrath	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
Mary	Kester	FT - Administrator	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Dustin	Latta	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
Renee	Ruffalo	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
William	Veczko	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
Christina	Will	FT - Administrator	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Jean	Wondell	FT - Administrator	Part-Time Instructional	Master's	08/26 - 12/13/2024
	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Rebecca	Alexander	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Patrick	Arnwine	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Alexandra	Asbille	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Daniel	Askew	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Joanna	Bacon	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Kristina	Bames	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Cortnie	Beatty	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Norval	Bell	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Eric	Berg	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Dawn	Bergeron	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Stephanie	Bernard	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Eric	Biggs	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Julie	Blanco-Davila	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Elizabeth	Braswell	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Herman	Bryant Jr	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Chandler	Caroccio	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Timothy	Castell	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Chad	Collins	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Stacey	Daniels	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Deborah	Eckhardt	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Jay	Engelbrecht	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Nefitiri	Fellows	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Thomas	Flanagan	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Bruce	Fox	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Susan	Frandsen	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Russell	Franks	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Cristy	Furr	FT - Faculty	Overload	Master's	08/26 - 12/13/2024

	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Jocelyn	Gaffney	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Cheryl	Giacomelli	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Jennifer	Gibson	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Matthew	Giddings	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Ben	Gil	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Jessica	Greer	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Melody	Hargraves	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Michael	Harris	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Anna	Harvey	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Ransom	Hicks	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Brian	Holbert	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Tyler	Hudson	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Tiffany	Jordan	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Maisoun	Kawwaff	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Kevin	Kelly	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Sarah	Kelly	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Breanna	Korsman Thomas	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Earl	Larson	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Jill	Leggett	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Patrick	Lewis	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Shari	Little	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Charlene	Livaudais	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Philip	Lyons Jr	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Andrew	Macfarlane	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Linda	Mackie	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
James	Maggio	FT - Faculty	Dismissal from Continuing Contract/Termination	N/A	9/18/2024
Ryan	Mahannah	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Lisa	Mahoney	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Charles	Marsh III	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Christy	Mauel	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Jessica	Mayhew-Borrero	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Matthew	McAllister	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Deborah	McCarley	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
James	McCaughern-Carucci	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Kendall	McCurley	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Linda	McGrath Cruz	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Dawn	McLane	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Cindy	McLeod	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Kristen	McLeod	FT - Faculty	Overload	Bachelor's	08/26 - 12/13/2024
John	Metcalf	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Karen	Meyer	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Douglas	Mikutel	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
David	Miller	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Andrea	Montez	FT - Faculty	Overload	Master's	08/26 - 12/13/2024

	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Claybourne	Moore	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Karen	Moore	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Jeannine	Morgan	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Justin	Murphy	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Jill	Nawrocki	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Brian	Niece	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Nahed	Okasha	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Daniel	Ray	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
David	Red	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Traci	Reed	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Antionette	Richardson	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Cory	Roberts	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Joseph	Savage	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Lisa	Schaefer	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Gregory	Shealy Jr	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Curt	Shepherd	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Jerry	Skelton	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Victoria	Slaughter	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Christina	Smith	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Joyce	Smith	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Kandie	Smith	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Dana	Smith Jr	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Angela	Sockwell	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Rebecca	Sullivan	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Misty	Sutton	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Donna	Terry	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Edwin	Turner	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Roger	Vaccaro	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Kim	Van Vliet	FT - Faculty	Overload	Doctorate	08/26 - 12/13/2024
Patrick	Villalonga	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Paul	Voutsinas Jr	FT - Faculty	Overload	Bachelor's	08/26 - 12/13/2024
Tracy	Wallace	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Jason	Whitmarsh	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Werner	Williams	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Mark	Wilson	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
James	Wray	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
Jarvis	Wright	FT - Faculty	Overload	Master's	08/26 - 12/13/2024
	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Sarah	Alexander	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Christine	Alfano	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Holly	Azucar	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Morgan	Barnett	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Jennifer	Bass	Adjunct Salary	Part-Time Instructional	Bachelor's	08/26 - 12/13/2024
Carless	Boatwright	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024

NAME		JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Corey	Booth	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
William	Bradley	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Richard	Brady	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Mallory	Branco	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Andrew	Brandler	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Cynthia	Brown	Adjunct Salary	Part-Time Instructional	Bachelor's	08/26 - 12/13/2024
Mary	Buskohl-Coulton	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Shalisha	Bynoe	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Virgil	Carter	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Kathryn	Catron	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Alyssa	Chen	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Benjamin	Clark	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Trevor	Clark	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Rebecka	Cloud	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Sarah	Courey	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Michael	Crear	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Drew	Daehne	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Melissa	Dangerfield	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Justin	Daniels	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Angela	Davis	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Matthew	Davis	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Travis	Delaney	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Bethany	Derousie	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Mary	DiGregorio	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Jennifer	Doumaux	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Alina	Dragne	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Angela	Fae	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
David	Fernandez	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Dana	Ford	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Randall	Fuchs	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Christina	Gibbs	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Karen	Glover	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Gary	Goble	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Brittany	Goodwin	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
James	Gordon	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Erin	Guillory	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Mary	Hall	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Stephanie	Hall	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Tina	Hall	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Hollie	Harrell	Adjunct Salary	Part-Time Instructional	Associate	08/26 - 12/13/2024
Bria	Havener	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Libby	Heineken	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Geoffrey	Hendricks	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Jennifer	Heneghan	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024

	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Katya	Hingson	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Todd	Hohrath	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
James	Holeman	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Gaylene	Hollis	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Andrea	Hutchinson	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Joseph	Iuso	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Kenneth	Jones	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Parrish	Jones	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Arif	Kidwai	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Laura	Kirk	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Margarette	Knutsen	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Walter	Lara	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Dennis	Locke	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Lincoln	Lowe	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Charles	Lutz III	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Paul	Maass	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Kristy	Mattice	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Robert	Mattson	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Lisa	McDonald	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Lori	McGuffin	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Maegan	McRee	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Heather	Milam	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Caleb	Milligan	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Kelly	Morris	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Cynthia	Morrison	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Jose	Munoz	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Maria	Oehler	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Christopher	Otero	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Richard	Patterson	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Michael	Pawlukiewicz	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Thomas	Platt	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Morgan	Reed	Adjunct Salary	Part-Time Instructional	Bachelor's	08/26 - 12/13/2024
Stuart	Riggs	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Dalton	Ringey	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Abigail	Rosado-Metz	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
David	Rowan	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Marsha	Sanford	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Lloyd	Savage	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Jill	Semento	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Laura	Sheffler	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
William	Sims	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Renato	Sindicic	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Deena	Sjoberg	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Ruth	Swartz	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024

	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
David	Tarbert	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Lee	Tasey	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Carla	Tierney	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Troy	Todd	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Jennifer	Vermes	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Lori	Wagner	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Lynn	Walsh	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
William	Weeks	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Sally	Weerts	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Danielle	Weinstein Heric	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Felicia	Wider Lewis	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Rebah	Woods	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Patricia	Wooten	Adjunct Salary	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Kris	Wykoff	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Kathy	Zimardo	Adjunct Salary	Part-Time Instructional	Master's	08/26 - 12/13/2024
Anthony	Bennett	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Lisa	Brasiel	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Taylor	Dwyer	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Garrett	Fairbanks	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Joseph	Fitzpatrick	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Jeffrey	Gruentzel	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Michael	Hackney	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Kevin	Harris	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Lowery	Johnson	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Jessica	Lewis	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Sheri	Medlar	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Kevin	Meeks	Adjunct Hourly	Part-Time Instructional	\$48/hr	08/26 - 12/13/2024
Cameron	O'Rourke	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Karen	Robeson	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Kaleigh	Tibbs	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
Matthew	Wolfe	Adjunct Hourly	Part-Time Instructional	\$46/hr	08/26 - 12/13/2024
	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Karen	Balcanoff	FT - Professional Support	Part-Time Instructional	Doctorate	08/26 - 12/13/2024
Russell	Berger	FT - Professional Support	Part-Time Instructional	Masters	08/26 - 12/13/2024
Rebecca	Davis	FT - Professional Support	Part-Time Instructional	Masters	08/26 - 12/13/2024
Heather	Jones	FT - Professional Support	Part-Time Instructional	Masters	08/26 - 12/13/2024
Cindy	Reed	FT - Professional Support	Part-Time Instructional	Masters	08/26 - 12/13/2024
	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Kayla	Cook	FT-Para-professional	Part-Time Instructional	Masters	08/26 - 12/13/2024
Carolina	Gleaton	FT-Para-professional	Hire	PP - Grade 119	9/3/2024
Michelle	Mancil	FT-Para-professional	Part-Time Instructional	Bachelors	08/26 - 12/13/2024
	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES

	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Rachael	Carroll	PT-Para-professional	Rehire	\$16.65/hr	08/26 - 12/13/2024
Jason	Forbis	PT-Para-professional	Rehire	\$16.65/hr	08/26 - 12/13/2024
Evan	Godfrey	PT-Para-professional	Rehire	\$16.65/hr	08/26 - 12/13/2024
Alex	Pedraza	PT-Para-professional	Hire	\$16.65/hr	08/27 - 12/13/2024
Christian	Rios	PT-Para-professional	Rehire	\$16.65/hr	08/26 - 12/13/2024
Joseph	Stewart	PT-Para-professional	Rehire	\$16.65/hr	08/26 - 12/13/2024
Caleb	Strite	PT-Para-professional	Rehire	\$16.65/hr	08/26 - 12/13/2024
	NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Travonda	Browning	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
Sydney	Carroll	PT - Career Service	Rehire	\$16.16/hr	08/26 - 12/13/2024
Autumn	Chinsio	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
Caitlynn	Honeycutt	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
Mary	McMinn	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
Deborah	Pugh	PT - Career Service	Rehire	\$16.16/hr	08/26 - 12/13/2024
Kylie	Stanley	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
Trulie	Towne	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
Dereama	Trevorah	PT - Career Service	Rehire	\$15.69/hr	08/26 - 12/13/2024
MISCELLANEOUS					
1. Request approval for the below to volunteer for Thrasher Home beginning 9/01/2024:					
	Wade Cantrell				
	Clara Solomon				
	Maureen Steiner				
	Athony Bergman				
	Christy Wanes King				
	Carlin Jackson				
	Kathryn Morris				



ST. JOHNS RIVER

S T A T E C O L L E G E

Memorandum

TO: Joe Pickens, J.D.
President

FROM: Randy Peterson
Vice President/CFO

DATE: September 9, 2024

RE: Consent Agenda Items: September 18, 2024, District Board of Trustees Meeting

The following Consent items are submitted for the Board of Trustees' consideration at the September 18, 2024, meeting:

CONSENT AGENDA ITEMS:

1. Facilities Usage Report – August 2024
2. Approval of Monthly Financial Report – August 2024




ST. JOHNS RIVER

S T A T E C O L L E G E

MEMORANDUM

To: Mr. Randy Peterson
VP for Finance

From: Amy Tincher 
Senior Accountant

Date: September 9, 2024

Subject: Report on Facilities Use for August 2024

For the month of August 2024:

Putnam Republican Club	Palatka
Daytona State College – DCF exams	Palatka
CC's Motorcycle Training	Palatka
Putnam Supervisor of Elections	Palatka
Oath Law	Orange Park
Council of Financial Educators	St. Augustine
Zeta Mu Zeta Sorority	Palatka
Peniel Baptist Academy	Palatka

ST. JOHNS RIVER STATE COLLEGE
BALANCE SHEET
As of August 31, 2024

		FUND TYPE						
		GENERAL CURRENT	RESTRICTED CURRENT	AUXILIARY	SCHOLARSHIP	AGENCY	UNEXPENDED PLANT	
TOTAL								
Assets								
1	Cash	\$ 22,583,077	\$ (1,108,287)	\$ 450,308	\$ 7,312,394	\$ 1,180,883	\$ 1,687,563	\$ 13,060,216
2	Cash Equivalents	532	532	-	-	-	-	-
3	Certificates of Deposit	20,000,000	20,000,000	-	-	-	-	-
4	Accounts Receivable	3,532,870	2,850,583	133,203	285,906	61,643	-	201,535
5	Inventories	215,983	-	-	215,983	-	-	-
6	Due From Component Unit	-	-	-	-	-	-	-
7	Prepaid Assets	-	-	-	-	-	-	-
8	Other Assets	2,600	2,600	-	-	-	-	-
9	Due from State	15,541,516	-	-	-	-	-	15,541,516
Total Assets		61,876,578	21,745,428	583,511	7,814,283	1,242,526	1,687,563	28,803,266
Deferred Outflow of Resources		7,255,114	7,255,114	-	-	-	-	-
Liabilities								
12	Net Pension Liability	23,894,223	23,894,223	-	-	-	-	-
13	Compensated Absences Payable	2,681,975	2,681,975	-	-	-	-	-
14	Other Post Employment Benefit Payable	1,653,783	1,653,783	-	-	-	-	-
15	Deferred Revenue	1,172	-	-	620	-	-	552
16	Payables	1,815,208	45,189	11	63,675	18,770	1,687,563	-
17	Due to Other Funds	1,671	1,671	-	-	-	-	-
Total Liabilities		30,048,033	28,276,841	11	64,295	18,770	1,687,563	552
Deferred Inflow of Resources		3,567,390	3,567,390	-	-	-	-	-
Fund Balance		35,516,269	(2,843,688)	583,500	7,749,988	1,223,756	-	28,802,714
Amount Expected to be Financed in Future Years		24,542,257	24,542,257	-	-	-	-	-
Adjusted Fund Balance		60,058,527	21,698,569	583,500	7,749,988	1,223,756	-	28,802,714

ST. JOHNS RIVER STATE COLLEGE
SUMMARY OF INCOME AND EXPENDITURES
UNRESTRICTED CURRENT FUND
For the Month Ended August 31, 2024


CURRENT YEAR 2024-2025				FY % 16.7%	PRIOR YEAR 2023-2024
	Current Budget	Year to Date Activity	Unobligated Balance	Act %	Year to Date Activity
Revenue:					
1 Tuition and Fees	\$ 10,019,491	\$ 4,526,887	\$ 5,492,604	45.2%	\$ 4,020,047
2 State Support	40,189,092	6,075,487	34,113,605	15.1%	5,406,292
3 Local Support	1,900,000	297,530	1,602,470	15.7%	-
4 Other Sources	1,491,000	305,137	1,185,863	20.5%	256,326
5 Total Revenue	53,599,583	11,205,040	42,394,543	20.9%	9,682,665
Expenditures:					
6 Salaries	26,564,229	3,768,191	22,796,038	14.2%	3,450,135
7 Benefits	8,944,390	1,383,148	7,561,242	15.5%	1,213,131
8 Total Salaries & Benefits	35,508,619	5,151,339	30,357,281	14.5%	4,663,266
9 Materials and Supplies	2,538,248	414,676	2,123,572	16.3%	577,274
10 Contracted Non Instructional	1,738,412	228,173	1,510,239	13.1%	281,336
11 Utilities	1,363,000	195,456	1,167,544	14.3%	212,235
12 Repairs and Maintenance	1,414,776	433,565	981,210	30.6%	332,207
13 Professional Fees	271,431	38,144	233,287	14.1%	16,613
14 Insurance	1,129,000	593,509	535,491	52.6%	608,338
15 Technology Services	187,723	73,811	113,912	39.3%	46,101
16 Travel	429,730	23,615	406,115	5.5%	27,908
17 Advertising	129,121	18,372	110,748	14.2%	15,233
18 Other Services	807,812	168,497	639,315	20.9%	150,878
19 Other Current Charges	1,117,000	305,045	811,955	27.3%	206,084
20 Total Current Expenses	11,126,252	2,492,864	8,633,388	22.4%	2,474,207
21 Capital Outlay	2,210,244	97,474	2,112,770	4.4%	175,198
22 Transfers	1,000,000	1,000,000	-	100.0%	-
23 Total Expenditures	49,845,116	8,741,677	41,103,439	17.5%	7,312,671
24 Net Revenues and Expenditures	\$ 3,754,467	\$ 2,463,364			\$ 2,369,994
25 Budgeted Ending Adjusted Fund Balance *	\$ 22,989,672				

* excludes Amount to be Financed in Future Years of \$24,542,257

ST. JOHNS RIVER STATE COLLEGE
SUMMARY OF INCOME AND EXPENDITURES
RESTRICTED CURRENT FUND
For the Month Ended August 31, 2024

<u>CURRENT YEAR 2024-2025</u>					FY % 16.7%	<u>PRIOR YEAR 2023-2024</u>
	Current Budget	Year to Date Activity	Unobligated Balance	Act %		Year to Date Activity
Revenue:						
1 Federal Support	\$ 252,881	\$ 24,581	\$ 228,300	9.7%	\$	10,790
2 Student Fees	398,050	327,163	70,887	82.2%		285,261
3 State Support	104,907	21,773	83,134	20.8%		25,560
4 Other Sources	-	-	-	0.0%		-
5 Total Revenue	755,838	373,516	382,322	49.4%		321,611
Expenditures:						
6 Salaries	409,743	72,124	337,618	17.6%		71,540
7 Benefits	170,417	28,550	141,867	16.8%		26,218
8 Total Salaries & Benefits	580,160	100,675	479,485	17.4%		97,757
9 Materials and Supplies	229,638	21,144	208,494	9.2%		39,988
10 Contracted Non Instructional	39,820	-	39,820	0.0%		-
11 Repairs and Maintenance	2,691	2,691	-	0.0%		2,319
12 Professional Fees	28,905	8,155	20,750	28.2%		-
13 Technology Services	-	-	-	0.0%		-
14 Travel	119,985	3,527	116,458	2.9%		2,781
15 Advertising	500	500	-	0.0%		-
16 Other Services	116,015	20,801	95,214	17.9%		33,561
17 Other Current Charges	1,067	-	1,067	0.0%		10,377
18 Total Current Expenses	538,621	56,818	481,803	10.5%		89,026
19 Capital Outlay	3,727	2,218	1,509	59.5%		-
20 Total Expenditures	1,122,508	159,710	962,798	14.2%		186,783
21 Net Revenues and Expenditures	\$ (366,670)	\$ 213,806			\$	134,828

TO: Joe Pickens, J.D.
College President

FROM: Edward P. Jordan, Ph.D. 
Vice President for Academic and Student Affairs

DATE: August 30, 2024

RE: Agenda Item: September 18, 2024, District Board of Trustees Meeting

The following items are submitted for the Board of Trustees' consideration at the September 18, 2024, meeting:


Action

1. Approval of the Florida College System College Affordability Report for 2024

Consent

2. Approval of the 2024-2025 Nursing (ASN) Handbook Update

TO: Joe Pickens, J.D.
College President

FROM: Edward P. Jordan, Ph.D. 
Vice President for Academic and Student Affairs

DATE: August 30, 2024

RE: 2024-2025 Nursing (ASN) Handbook Update

ASN TO PN Transfer Option Plan

The current 2024-2025 Nursing (ASN) Handbook states that students who are academically unsuccessful in the ASN program can petition to be re-admitted to the ASN program the following semester. However, this current plan does not provide the opportunity for the students to address any ongoing circumstances that may be impacting their ability to be successful. For example, working too many hours, childcare issues, transportation issues, etc.

Students who choose to return to the ASN program and are subsequently unsuccessful for a second time do not have the opportunity to continue in our ASN program. Also, if they go on to complete a practical nursing program, here or elsewhere, they would not be eligible to apply to our LPN-to-RN Bridge program as they would have already used their two ASN re-admit attempts.

This update to the handbook would provide a *transfer option* to students who are unsuccessful in their first year of the ASN program, specifically in Adult Health 1 and Adult Health 2. The option would provide an opportunity to transfer into an existing PN cohort after sitting out one semester and joining the second semester of the PN program for the medical-surgical and maternal child content. Additionally, this would provide the required number of clinical hours.

This pathway will allow ASN students to continue their nursing education at a different level while providing them the opportunity to achieve a nursing completion and licensure after two semesters of coursework.

For students to be considered for this option, they must meet specific guidelines. Students must have a 2.5 GPA in all nursing prerequisite courses, have earned a C or higher in their NUR Foundations courses (in theory and lab), and meet with the Dean of Nursing or designated faculty. In addition, students would be required to meet with a financial aid office representative to discuss how this transfer may impact their future financial aid eligibility.

After completing this option and obtaining their LPN license, the students would then be able to apply for our LPN-to-RN Bridge program and return to SJR State to continue their ASN journey.

NURSING
Palatka Office
386-312-4176

NURSING
Orange Park Office
904-276-6863

FINANCIAL AID
386-312-4040



ST. JOHNS RIVER STATE COLLEGE
NURSING
STUDENT HANDBOOK
2024-2025



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instructor/ clinical instructor to discuss the Clinical Warning.

A student who receives a second Clinical Warning for any reason will receive an unsatisfactory for the clinical portion of a course and will be academically withdrawn from the program.

A student who fails to meet the clinical expectations listed above and who is deemed ineligible to return to the clinical setting based on recommendations from the Dean of Nursing or the clinical facility, will receive an unsatisfactory clinical grade and will be academically withdrawn from the program.

CELL PHONE USE IN CLINICAL

Cell phone use in the clinical setting may be used only after approval of the clinical instructor. Cell phone use in the clinical setting is restricted to clinical purposes and/or emergency situations only, and must be on vibrate at all times. Personal texting, taking pictures and recording are prohibited in the clinical setting. Students may not use their cell phone in the presence of patients. Texting or communicating with the clinical instructor should occur in a discrete location, avoiding staff dense locations. The clinical instructor has the right to revoke cell phone privileges at any time.

PROGRAM WITHDRAWAL

Students who are academically withdrawn or who choose to withdraw from the nursing program for any reason may no longer attend classes and/or clinical experiences in the nursing course in which he or she is withdrawn.

The following is the procedure for program withdrawal:

1. Students voluntarily withdrawing from the nursing program or from a nursing course are expected to notify the Dean of Nursing and their nursing instructor(s). Failure to do so may impede the student's readmission to the nursing program. All course withdrawals are to be executed in accordance with SJR State Policy.
2. The student may have an exit interview with a faculty member and the Dean of Nursing if requested.
3. The student will be assisted, if he/she so desires, to explore educational and career options for career growth.

Students who are considered academically "withdrawn" or who choose to withdraw after admission to the nursing program are as follows:

1. One who has officially withdrawn from a nursing course or one who has interrupted the nursing sequence for any reason.
2. One who fails to complete the course requirements as outlined in the course syllabus
3. One whose final grade is less than "C"

Students may be academically withdrawn from the program without prior warning in some specific circumstances which demonstrate:

1. Unsafe behaviors

2. Attending *any learning* activity in the Nursing Program while under the influence of alcohol, illegal drugs or non-prescribed use of prescription drugs which affect alertness, judgment or mood
3. Conviction of a felony
4. Falsifying or altering a patient's medical record
5. Knowingly administering medications or treatments without a physician's order
6. Violating the confidentiality of information or knowledge concerning a patient/or their family
7. Stealing or cheating
8. Inappropriate or unprofessional behavior

Students withdrawn from the program based on any of the above criteria may not be eligible for readmission.

ASN to PRACTICAL NURSING OPTION

A student may be considered for transfer into the practical nursing program if they are unsuccessful in the Adult Health 1 or Adult Health 2 nursing courses within their first year of the program, whether due to voluntary withdrawal or failure to receive a passing grade.

A student must meet the following criteria for transfer to the practical nursing program:

1. Students who withdraw or are unsuccessful in Adult Health 1 or Adult Health 2 courses beyond Foundations and Foundations Lab, may apply for transfer by submitting a Transfer to PN Request.
2. Must have earned a C or higher in the Foundations and Foundations Lab courses.
3. Have an overall grade point average of at least 2.5 in the nursing prerequisite courses.
4. A counseling appointment is recommended with the Dean of Nursing or designated faculty to receive instructions for transfer.
5. A counseling appointment with the financial aid office to determine eligibility for aid and possible impact of extending college studies.
6. Transfer will be based on seat availability, GPA and HESI scores achieved within the NUR courses.
7. If the transfer option is accepted by the student, the student must submit a summary of their meeting with financial aid demonstrating understanding of the conversation.
8. To maintain the retention of nursing content, the transfer option is available for a limited time only within the current academic year. If the transfer option is offered, the student must enroll within that academic year. The transfer option would not be available after the current academic year and will not be offered at a later time.

READMISSION

A student may only be considered for readmission to the nursing program one time, regardless of entry point. This is true if a student voluntarily withdraws from a course, or if the student does not receive a passing grade in a course.

Associate Degree Nursing

A student must meet the following criteria for readmission:

1. Have an overall grade point average of at least 2.5 in the ASN curriculum to include

Prerequisites.

2. A counseling appointment is recommended with the Dean of Nursing or designated faculty to receive instructions for readmission.
3. Students who have chosen to withdraw, or who do not receive a passing grade in NUR 1020 Foundations of Nursing or NUR 1020L Foundations of Nursing Lab must reapply as a new student. Foundations and Foundations Lab are co-requisites and must be repeated even if the student passes one course with a grade of “C” or better.
4. Students who withdraw or fail out of courses beyond Foundations and Foundations Lab, may apply for readmission by submitting a Readmission Request.
5. Readmission will be based on seat availability, GPA and HESI scores achieved within the NUR courses.

LPN Bridge

A student must meet the following criteria:

1. Students who withdraw or who do not receive a passing grade in NUR 1005 LPN Transitions are not allowed to progress in the program and must reapply to the LPN to RN Bridge.
2. Students who withdraw or who do not receive a passing grade in NUR 1140 Clinical Pharmacology but pass NUR 1005 LPN Transitions must choose one of the following options:
 - a. A student may apply for readmission to NUR 1140 Pharmacology in the LPN to RN online program. This course is offered once a year in the LPN to RN online program.
 - b. A student can apply for readmission to NUR 1140 Pharmacology in the Associate Degree Nursing (in-seat) program course. Students seeking this option are required to follow the schedule as developed for the course. Transfers between the ASN and LPN RN bridge programs does not alter the readmission criteria. A student is allotted one readmission regardless of entry point into the ASN nursing program.
3. Readmission is based on seat availability, GPA and HESI scores achieved within the NUR courses.

For all students seeking readmission


A student may only be considered for readmission to the nursing program one time, regardless of entry point. This may be after one unsuccessful course, or two courses in the same semester.

Students must complete the required program general education courses prior to seeking readmission.

A student with a lapse of more than one (1) year is required to complete the background/drug screen again.

A student with a lapse of two or more years will be required to start the program from the beginning and repeat all NUR courses. If eligible for readmission, students must submit a Readmission Request form to the Nursing office. Students may also need to complete an update application to the college.

TO: Joe Pickens, J.D.
College President

FROM: Melanie Rosen Brown, Ph.D. 
Chief Operating Officer

DATE: September 10, 2024

RE: ACTION and INFORMATIONAL Agenda Items
September 18, 2024, District Board of Trustees Meeting

The following **Action/Informational** items are submitted for the Board of Trustees' consideration at the September 18, 2024, meeting:

ACTION/INFORMATIONAL AGENDA ITEMS:

1. Chief Operating Officer, Dr. Melanie Brown:

- a. Public Hearing for Amendment to SJR State Board Rule 5.32 (R1) Participation in the Florida College System Risk Management Consortium for Employee Insurance Benefits. Note: The new name for Board Rule 5.32 will be Employee Insurance Benefits.
- b. Action to Approve Amendment to SJR State Board Rule 5.32 (R1) Participation in the Florida College System Risk Management Consortium for Employee Insurance Benefits. Note: The new name for Board Rule 5.32 will be Employee Insurance Benefits.
- c. Action to Approve Annual Review of the Board's Rules and Policies
- d. Information Only: Florida Department of Education 2024 Baccalaureate Program Review Letter of Findings

**SJR 5.32 (R2) ~~Participation in the Florida College System Risk Management Consortium for~~
Employee Insurance Benefits**

(New Rule Promulgated 6/01/05; Amended 06/17/20; ~~Amended X/X/2024~~)

Approved 1/18/06

Specific Authorities: ~~FS 1004.725, FS 1001.64(1a), FS 110.123~~

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As ~~permitted~~required under FS ~~1004.725~~110.123, St. Johns River State College ~~may will~~ participate in the Florida ~~Community Colleges' Risk Management Consortium~~State Group Insurance Program to provide Health Insurance, Life Insurance, Dental Insurance, Vision Insurance, and other supplemental insurance benefits offered through the Division of State Group Insurance and Disability Insurance for its eligible employees. The President and appropriate personnel are directed to publish the benefits, terms and conditions, and other appropriate information necessary for employees to understand their insurance benefits, their insurance options, the out-of-pocket expenses that can be expected, ~~and other such information in the College's Operating Guidelines and Procedures.~~ The Board of Trustees approves the employee insurance program as part of the annual budget process.

SJR 5.32 (R2) Employee Insurance Benefits

(New Rule Promulgated 6/01/05; Amended 06/17/20; Amended X/X/2024)

Approved 1/18/06

Specific Authorities:, FS 110.123

As required under FS 110.123, St. Johns River State College will participate in the Florida State Group Insurance Program to provide Health Insurance, Life Insurance, Dental Insurance, Vision Insurance, and other supplemental insurance benefits offered through the Division of State Group Insurance for its eligible employees. The President and appropriate personnel are directed to publish the benefits, terms and conditions, and other appropriate information necessary for employees to understand their insurance benefits, their insurance options, the out-of-pocket expenses that can be expected. The Board of Trustees approves the employee insurance program as part of the annual budget process.

MEMORANDUM

TO: SJR State District Board of Trustees

FROM: Melanie Rosen Brown, Ph.D.
Chief Operating Officer

DATE: September 10, 2024

SUBJECT: Annual Review of Board Policies

Trustees are asked to consider the following items in advance of the September 18, 2024, Board of Trustees meeting:

- Throughout the year revisions or additions to SJR State Board Rules are both reviewed by and approved by the Board of Trustees at the time of the revision/addition.
- SJR Rule 1.16 calls for an **Annual Review** of the Board's Rules and Policies.

SJR 1.16 (R1) Annual Review of Board Policies

(Substantive Changes 6/1/05)

Approved 1/18/06

Specific Authorities: FS 1001.64 (44), Chapter 120, FS

An annual review of the Board's rules and policies will be made as soon as possible after the beginning of the fiscal year. Any additions, deletions, and changes will be incorporated by a majority vote of the Board and in a duly constituted meeting [FS 1001.64 (44)]. In making changes, deletions, additions, or modifications to Board policies, the Board will comply with the appropriate sections of Chapter 120, FS and especially with FS 120.81 (1) (d) through (k).

- To demonstrate compliance with SJR 1.16, at the September Board of Trustees meeting, Trustees will be asked to affirm by vote the Annual Review of the Board's Rules and Policies has taken place. SJR State's Board Rules and Policies can be found online as a PDF here:
<https://mysjrstate.sjrstate.edu/SiteCollectionDocuments/SJRSTATEDBOTRules.pdf>



State Board of Education

Ben Gibson, *Chair*
Ryan Petty, *Vice Chair*
Members
Esther Byrd
Grazie Pozo Christie
Kelly Garcia
MaryLynn Magar

Manny Diaz, Jr.
Commissioner of Education

September 9, 2024

Mr. Joe H. Pickens
President
St. Johns River State College
5001 St. Johns Avenue
Palatka, Florida 32177

RE: 2024 Baccalaureate Program Review

Dear President Pickens:

The Florida Department of Education, Division of Florida Colleges (division), appreciates the assistance provided by St. Johns River State College during the 2024 Baccalaureate Accountability Review, conducted in accordance with sections 1007.33 and 1003.491(5), Florida Statutes. The division has completed its review of the program-level reports submitted for this year's review and indicated no programs of concern at St. Johns River State College. No further action is required. Additionally, we commend the work completed to ensure all of your baccalaureate programs demonstrated market demand. A summary of the findings for each program is detailed below.

Early Childhood Education, P-K through Grade 3 – 1101312101

We commend you on maintaining an increased level in both the retention rate and completion rates for the reporting year (2022-2023), while maintaining steady enrollment. The completion rate was reported at 100 percent, which is commendable.

Nursing – 1105138012

The program continues to maintain enrollment and maintain a steady retention rate, but both did experience declines this reporting year. These trends, coupled with a consistently high percentage of graduates employed or continuing their education, are noteworthy.

Organizational Management – 1105202991

The program has experienced a healthy increase in enrollment while keeping consistent retention and completion rates. It should be noted that retention and completion are now above statewide averages after previous years failed to do so, which is commendable.

KATHRYN S. HEBDA
FLORIDA COLLEGE SYSTEM CHANCELLOR

www.fldoe.org

Mr. Joe H. Pickens
September 9, 2024
Page Two

Criminal Justice – 1104399991

This program is a recently approved program and has no reportable data.

Information Systems Technology – 1101110991

This program is a recently approved program and has no reportable data.

We congratulate you and your team for the outstanding work exemplified throughout your college's baccalaureate programs. If the institution has any questions regarding this letter, please contact Dr. Mike Sfiropoulos, Associate Vice Chancellor of Academic and Student Affairs, at Mike.Sfiropoulos@fldoe.org. Thank you again for your cooperation and prompt attention.

Sincerely,

A handwritten signature in blue ink, reading "Kathryn S. Hebda".

Kathryn S. Hebda
Chancellor

KH/ch

cc: Dr. Melanie Brown, Chief Operating Officer, St. Johns River State College




ST. JOHNS RIVER

S T A T E C O L L E G E

Memorandum

TO: Joe H. Pickens, J.D. President

FROM: Randy Peterson
Vice President/CFO 

DATE: September 9, 2024

RE: Action Agenda Items: September 18, 2024, District Board of Trustees Meeting

The following Action items are submitted for the Board of Trustees' approval at the September 18, 2024, meeting:

ACTION AGENDA ITEMS:

1. FINANCIAL ITEMS:

- a. Action to Approve Fund Balance Carry-Forward Spending Plan
- b. Presentation of and Action to Accept Annual Financial Report- Fiscal Year 2023-2024




ST. JOHNS RIVER

STATE COLLEGE

Memorandum

TO: Joe H. Pickens, J.D.
President

FROM: Randy Peterson
Vice President/CFO 

DATE: September 9, 2024

SUBJECT: Carryforward Spending Plan

Pursuant to Florida Statute 1013.841, each Florida College System institution with a final FTE less than 15,000 for the prior year that retains a state operating fund carry forward balance in excess of the five percent minimum shall submit a spending plan for its excess carry forward balance. The spending plan shall be submitted to the Florida College System institution's board of trustees for approval by September 30 each year.

As of June 30, 2024, the College had a \$15,647,695 operating fund balance in excess of the five percent minimum. A recap of the Board designated reserves is as follows:

OPERATING FUND-BOARD DESIGNATED RESERVES (In thousands)					
Designated Fund Category:	Carryforward from 22-23	Used in 23-24	Added in 23-24	Change in Designations	Balance for Spending Plan
Catastrophic Deductible Contingency (60 days expenditure reserves)	\$ 3,669	-	-	\$ 338	\$ 4,007
Year end Close	\$ -	\$ -	\$ 2,075	(2,075)	\$ -
Health Care Cost Increases	\$ -	-	-	1,145	\$ 1,145
Utilities Contingencies	\$ 150	(5)	-	-	\$ 145
Marketing/Student Success Campaign	\$ 61	(4)	-	-	\$ 57
Nonrecurring Comp Adjustments:FT-Non Bargaining	\$ 600	(566)	-	(34)	\$ 0
Nonrecurring Comp Adjustments:PT	\$ 40	(38)	-	(2)	\$ (0)
Palatka Campus Infrastructure	\$ 500	(500)	-	629	\$ 629
EMT Contingency	\$ 100	(13)	-	13	\$ 100
Deferred Maintenance/Capital Needs	\$ 500	(500)	-	-	\$ -
Flo Arts Deferred Maintenance & Renovation	\$ 3,253	-	-	5,747	\$ 9,000
Workforce Programs	\$ 570	(5)	-	-	\$ 565
Total Board Designations	\$ 9,443	\$ (1,631)	\$ 2,075	\$ 5,761	\$ 15,648

The attached proposed SJR State spending plan report for the Department of Education, Division of Florida Colleges is attached for Board approval.

St. Johns River State College
2024-25 Florida College System Carryforward Spending Plan
Pursuant to 1013.841, Florida Statutes
July 1, 2024

Line Item #	Carryforward Spending Plan Category	Specific Expenditure/Project Title	Carryforward Amount Budgeted for Expenditure During FY 2024-25	Project Timeline			Comments/Explanations
				Total # Years of Expenditure per Project	Current Expenditure Year #	Estimated Completion Date (Fiscal Year)	
1.	Amount needed to keep reserves at GFOA 60 days expenditure level	Per the AFR, SJR State has an excess fund balance of \$15,647,695. Based on operational expenditures for FY 23-24 and per Government Finance Officers Association, a 60 day level equates to \$7,191,156. Of this, the statutory fund balance of 5% \$3,184,167 is covered, which leaves \$4,006,989 needed to get to the 60 day level.	4,006,989				
2.	(e) Operating expenditures	Health care cost increases	1,144,706	1	1	2024-25	Contingencies for college health care cost increases.
3.	(e) Operating expenditures	Utilities contingencies	145,000	1	1	2024-25	This is a carryforward from the prior year's spending plan. Contingencies for college utilities expenses given the rapid increase in electricity costs.
4.	(e) Operating expenditures	New Marketing Plan	57,000	1	1	2024-25	This is a carryforward from the prior year's spending plan. Due to staffing changes and reorganizations, spending was deferred until 24-25
5.	(b) Completion of renovation, repair or maintenance project	Palatka Campus Infrastructure	629,000	2	2	2024-25	Water, sewer and electrical infrastructure needs to repair outdated infrastructure. This amount represents estimated cost overruns from project started in 23-24.
6.	(e) Operating expenditures	Other miscellaneous contingency	100,000	1	1	2024-25	This amount is routinely set aside in the operating fund to cover unexpected and unbudgeted operating expenses.
7.	(b) Completion of renovation, repair or maintenance project	Renovation of the Florida School of the Arts Building	9,000,000	2	1	2025-26	Renovate and repair an almost 50 year old building to accommodate updated Fine Arts program needs.
8.	Workforce Program Startup Costs	Workforce programs	565,000	2	2	2024-25	This is a carryforward from the prior year's spending plan and was planned for 23-24. However, due to staffing changes and reorganizations, it was deferred until 24-25.

Total as of July 1, 2024: *

\$ 15,647,695

Amount Requiring Spending Plan

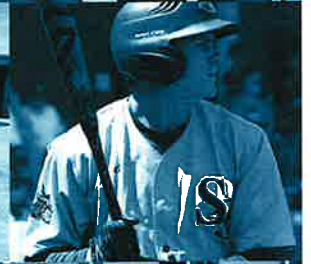
\$ 15,647,695



ST. JOHNS
RIVER
STATE COLLEGE

ANNUAL FINANCIAL REPORT

Fiscal Year Ending June 30, 2024



ST. JOHNS RIVER STATE COLLEGE

Florida School of the Arts

ANNUAL FINANCIAL REPORT

Fiscal Year 2023-2024

A Public State College supported by
The State of Florida and affiliated with Clay, Putnam, and St. Johns Counties.

ST. JOHNS RIVER STATE COLLEGE DISTRICT BOARD OF TRUSTEES

Mr. Rich Komando, Chairman
Ms. Jan Conrad, Vice Chairman

CLAY COUNTY
Mr. Wendell Davis
Mr. Judson Sapp

PUTNAM COUNTY
Mr. Jim Reid

ST. JOHNS COUNTY
Ms. Jan Conrad
Mr. Rich Komando

Board Attorney – Mr. Jeremiah Blocker, J.D.
Executive Secretary – Mr. Joe H. Pickens, J.D.

Palatka Campus
5001 St. Johns Avenue
Palatka, FL 32177-3897
(386) 312-4200

Orange Park Campus
283 College Drive
Orange Park, FL 32065-7650
(904) 276-6800

St. Augustine Campus
2990 College Drive
St. Augustine, FL 32084-1197
(904) 808-7400

St. Johns River State College is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award associate and baccalaureate degrees. St. Johns River State College also may offer credentials such as certificates and diplomas at approved degree levels. Questions about the accreditation of St.

Johns River State College may be directed in writing to the Southern Association of Colleges and Schools Commission on Colleges at 1866 Southern Lane, Decatur, GA 30033-4097, by calling (404) 679-4500, or by using information available on SACSCOC's website (www.sacscoc.org).

**ST. JOHNS RIVER STATE COLLEGE
ANNUAL FINANCIAL REPORT
FISCAL YEAR 2023-2024
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MANAGEMENT'S DISCUSSION AND ANALYSIS

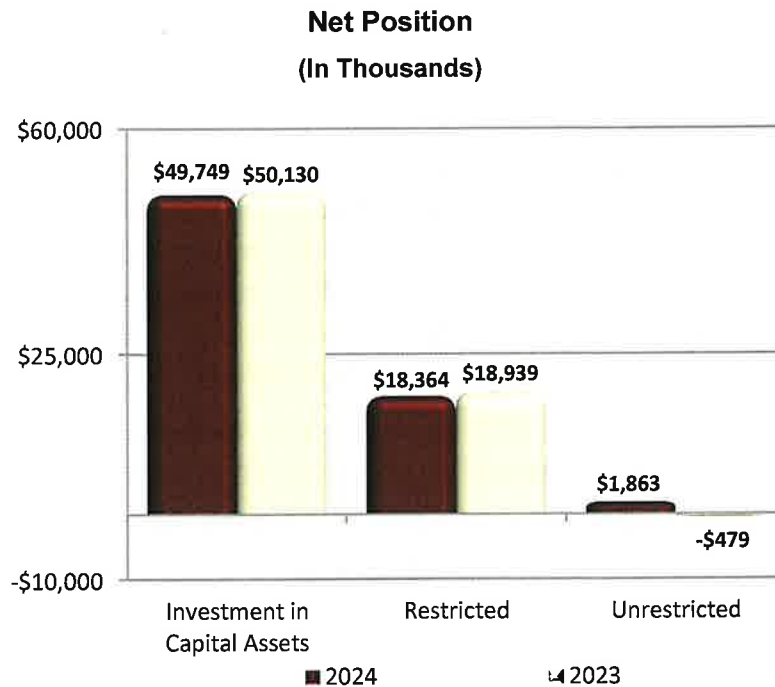
Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the College for the fiscal year ended June 30, 2024, and should be read in conjunction with the financial statements and notes thereto. The MD&A, and financial statements and notes thereto, are the responsibility of College management. The MD&A contains financial activity of the College for the fiscal years ended June 30, 2024, and June 30, 2023, and its discretely presented component units, the St. Johns River State College Foundation, Inc. and the St. Johns River State College Student Housing Corporation (Housing Corp) for the fiscal years ended March 31, 2024, and March 31, 2023.

FINANCIAL HIGHLIGHTS

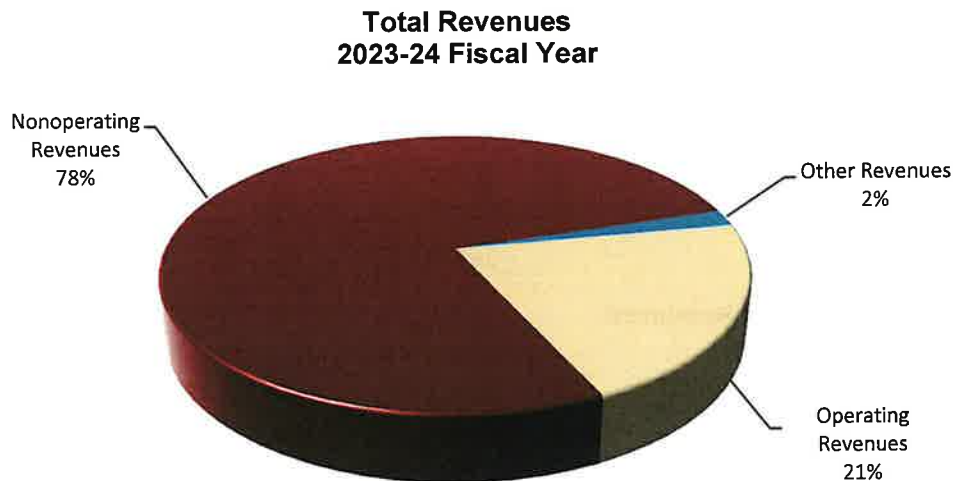
The College's assets and deferred outflows of resources totaled \$103.5 million at June 30, 2024. This balance reflects a \$4.6 million, or 4.7 percent, increase as compared to the 2022-23 fiscal year, resulting primarily from an \$7 million increase in investments, and a \$0.2 million increase in accounts receivable, offset by a \$0.9 million decrease in cash and cash equivalents, a \$0.7 million decrease in due from other governmental agencies, a \$0.6 million decrease in deferred outflows and a decrease in capital assets, net of depreciation, of \$0.4 million. While assets and deferred outflows of resources grew, liabilities and deferred inflows of resources increased by \$3.2 million, or 10.6 percent, totaling \$33.5 million at June 30, 2024, resulting primarily from a \$1.7 million increase in the net pension liability, an increase in deferred inflows of resources of \$1.4 million, a \$0.5 million increase in compensated absences payable, offset by a \$0.5 million decrease in other postemployment benefits payable. As a result, the College's net position increased by \$1.4 million, resulting in a year-end balance of \$70 million.

The College's operating revenues totaled \$13.6 million for the 2023-24 fiscal year, representing a 15.8 percent increase compared to the 2022-23 fiscal year due mainly to an increase of \$1.2 million in net student tuition and fees and an increase in net auxiliary enterprises of \$0.7 million. Operating expenses totaled \$63.8 million for the 2023-24 fiscal year, representing an increase of 15.9 percent as compared to the 2022-23 fiscal year. This increase resulted from a \$6.8 million increase in personnel services, a \$1.7 million in scholarships and waivers expense, a \$0.6 million increase in contractual services, and a \$0.3 million increase in other services and expenses, offset by a \$0.6 million decrease in materials and supplies.

Net position represents the residual interest in the College's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. The College's comparative total net position by category for the fiscal years ended June 30, 2024, and June 30, 2023, is shown in the following graph:



The following chart provides a graphical presentation of College revenues by category for the 2023-24 fiscal year:



OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to the Governmental Accounting Standards Board (GASB) Statement No. 35, the College's financial report consists of three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The financial statements, and notes thereto, encompass the College and its component units, the St. Johns River State College Foundation, Inc. (Foundation) and the St. Johns River State College Student Housing Corporation (Housing Corp). Based on the application of the criteria for determining component units,

both the Foundation and the Housing Corp are included within the College reporting entity as a discretely presented component units.

The Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the College and its component units, using the accrual basis of accounting, and presents the financial position of the College and its component units at a specified time. Assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position, which is one indicator of current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the College's financial condition.

The following summarizes the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the College and its component units for the respective fiscal years ended:

Condensed Statement of Net Position

(In Thousands)

	College		Component Units	
	6-30-24	6-30-23	3-31-24	3-31-23
Assets				
Current Assets	\$ 34,401	\$ 28,841	\$ 6,887	\$ 5,410
Capital Assets, Net	49,749	50,130	-	-
Other Noncurrent Assets	12,114	12,085	3,538	3,501
Total Assets	96,264	91,056	10,425	8,911
Deferred Outflows of Resources	7,255	7,861	-	-
Liabilities				
Current Liabilities	2,142	2,144	17	11
Noncurrent Liabilities	27,834	26,065	64	70
Total Liabilities	29,976	28,209	81	81
Deferred Inflows of Resources	3,567	2,118	135	119
Net Position				
Investment in Capital Assets	49,749	50,130	-	-
Restricted	18,363	18,939	7,059	6,094
Unrestricted	1,863	(479)	3,151	2,617
Total Net Position	\$ 69,976	\$ 68,590	\$ 10,210	\$ 8,711

The \$5.6 million increase in current assets was primarily due to the purchase of an additional certificate of deposit investment of \$7 million. Additionally, accounts receivable increased \$0.2 million related to changes in third party charges. The increases in investments and accounts receivable were offset by a decrease of \$0.9 million in cash and cash equivalents, largely related to a reduction in cash for Thrasher Horne and Bookstore operations. There was also a \$0.7 million decrease in due from other governmental agencies resulting primarily from a \$0.6 million decrease in the due from for state deferred maintenance. A \$0.6 million decrease in the College's deferred outflows of resources resulted mainly from pension-related adjustments required by GASB Statement No. 68, and other postemployment benefits

adjustments required by GASB Statement No. 75. An additional decrease of \$0.4 million in capital assets net of depreciation, due to an \$8.8 million increase in buildings and furniture, machinery and equipment, offset by a \$2.2 million decrease in accumulated depreciation, combined with a \$7.0 million decrease in construction in progress for completed projects.

The increase in non-current liabilities is primarily due to a \$1.7 million and a \$0.5 million increase in the College's net pension liability and compensated absences respectively, offset by an \$0.5 million decrease in other postemployment benefits adjustments required by GASB Statement No. 75. The increase in the College's deferred inflows of resources resulted mainly from a \$1.0 million increase in pension-related adjustments required by GASB Statement No. 68 combined with a \$0.4 million increase in other postemployment benefits adjustments required by GASB Statement No. 75.

The Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the College's and its component units' revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the College's and its component units' activity for the respective fiscal years ended:

Condensed Statement of Revenues, Expenses, and Changes in Net Position For the Fiscal Years

	(In Thousands)			
	College		Component Units	
	6-30-24	6-30-23	3-31-24	3-31-23
Operating Revenues	\$ 13,643	\$ 11,786	\$ 636	\$ 1,080
Less, Operating Expenses	63,767	55,028	658	672
Operating Income (Loss)	(50,124)	(43,242)	(22)	408
Net Nonoperating Revenues	50,239	40,431	1,503	(479)
Income (Loss) Before Other Revenues	115	(2,811)	1,481	(71)
Other Revenues	1,271	7,370	18	62
Net Increase (Decrease) In Net Position	1,386	4,559	1,499	(9)
Net Position, Beginning of Year	68,590	64,031	8,711	8,720
Net Position, End of Year	\$ 69,976	\$ 68,590	\$ 10,210	\$ 8,711

Operating Revenues

GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either gives or receives something of equal or similar value.

The following summarizes the operating revenues for the College and its component units by source that were used to fund operating activities for the respective fiscal years ended:

Operating Revenues For the Fiscal Years

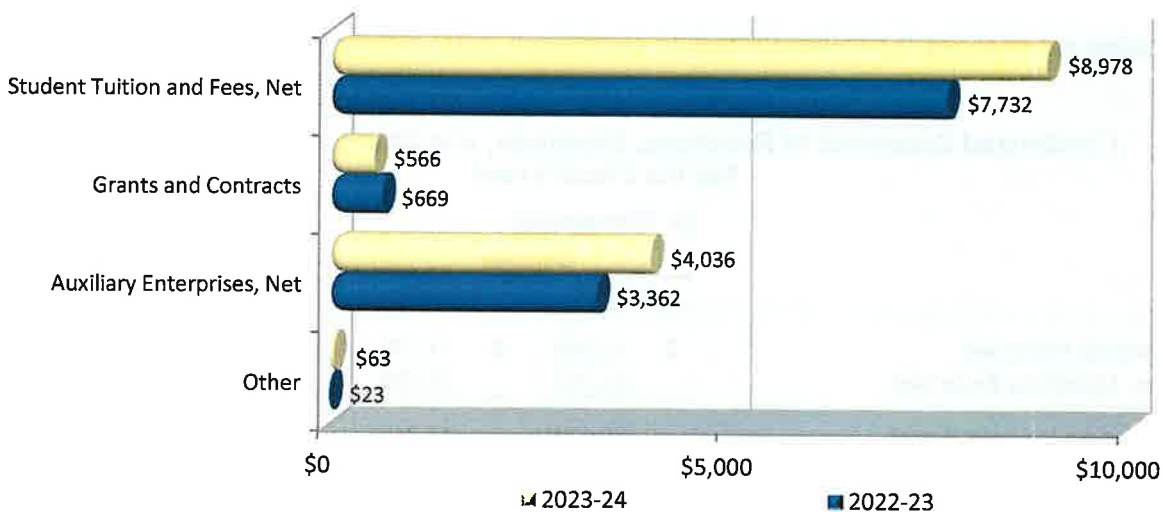
(In Thousands)

	College		Component Units	
	6-30-24	6-30-23	3-31-24	3-31-23
Student Tuition and Fees, Net	\$ 8,978	\$ 7,732	\$ -	\$ -
Grants and Contracts	566	669	-	-
Auxiliary Enterprises, Net	4,036	3,362	-	-
Other	63	23	636	1,080
Total Operating Revenues	\$ 13,643	\$ 11,786	\$ 636	\$ 1,080

The following chart presents the College's operating revenues for the 2023-24 and 2022-23 fiscal years:

Operating Revenues

(In Thousands)



College operating revenue changes were primarily the result of an increase in net student tuition and fees as well as net auxiliary enterprises. Student tuition and fees increased by \$1.2 million, or 16.1 percent compared to the prior fiscal year due largely to increased enrollment. Auxiliary Enterprises increased by \$0.7 million, or 20.0 percent compared to the prior fiscal year due to an increase in bookstore sales and Thrasher Horne ticket sales.

Operating Expenses

Expenses are categorized as operating or nonoperating. The majority of the College's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The College has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position and has displayed the functional classification in the notes to financial statements.

The following summarizes operating expenses by natural classification for the College and its component units for the respective fiscal years ended:

Operating Expenses For the Fiscal Years

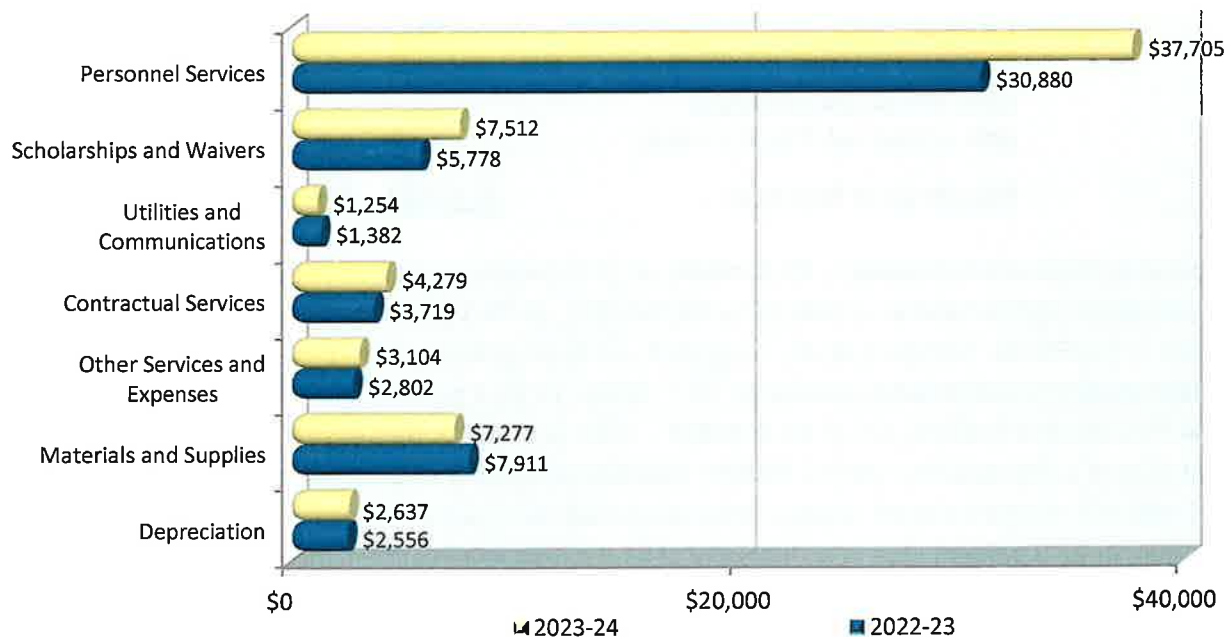
(In Thousands)

	College		Component Units	
	6-30-24	6-30-23	3-31-24	3-31-23
Personnel Services	\$ 37,705	\$ 30,880	\$ -	\$ -
Scholarships and Waivers	7,512	5,778	382	387
Utilities and Communications	1,254	1,382	-	-
Contractual Services	4,279	3,719	103	16
Other Services and Expenses	3,104	2,802	173	269
Materials and Supplies	7,277	7,911	-	-
Depreciation	2,637	2,556	-	-
Total Operating Expenses	\$ 63,767	\$ 55,028	\$ 658	\$ 672

The following chart presents the College's operating expenses for the 2023-24 and 2022-23 fiscal years:

Operating Expenses

(In Thousands)



College operating expense changes were primarily the result of increases in personnel services, scholarships and waivers, contractual services, and other services and expenses, offset by a decrease in materials and supplies. Personnel services increased by \$6.8 million, or 22.1 percent, due primarily to increases in employee salary, benefits, and retirement contributions totaling \$3.3 million along with pension expense adjustments required by GASB Statement No. 68., of \$2.9 million and \$0.6 million in compensated absences. Scholarships and waivers increased by \$1.7 million, or 30.0 percent, due primarily to increases in Federal Pell grants of \$1.3 million. Contractual services increased by \$0.6 million, or 15.1 percent primarily due to an increase in noninstructional services of \$0.3 million. Other

services and expenses increased \$0.3 million, or 10.8 percent mostly due to a \$0.2 million increase in repairs and maintenance.

Materials and supplies decreased by \$0.6 million, or 8.0 percent, due primarily to increases in noncapitalized materials, supplies, and minor equipment costs of \$1.0 million, offset by a decrease in noncapitalized repair and maintenance costs of \$1.6 million.

Nonoperating Revenues

Certain revenue sources that the College relies on to provide funding for operations, including State noncapital appropriations, Federal and State student financial aid, certain gifts and grants, and investment income are defined by GASB as nonoperating. The following summarizes the College's nonoperating revenues and expenses for the 2023-24 and 2022-23 fiscal years:

Nonoperating Revenues For the Fiscal Years		
(In Thousands)		
	<u>2023-24</u>	<u>2022-23</u>
State Noncapital Appropriations	\$ 36,921	\$ 27,322
Federal and State Student Financial Aid	9,326	7,628
Gifts and Grants	2,282	3,279
Investment Income	1,705	2,193
Other Nonoperating Revenues	-	-
Gain on Disposal of Capital Assets	5	9
Nonoperating Revenues	<u>\$ 50,239</u>	<u>\$ 40,431</u>

Nonoperating revenues increased by \$9.8 million, or 24.3 percent when compared to the prior fiscal year. State noncapital appropriations increased by \$9.6 million, or 35.1 percent, primarily due to increases of \$9 million in the Florida College System Program Fund appropriations from the State of Florida. Federal and State student financial aid increased by \$1.7 million, or 22.3 percent due primarily to an increase in Federal Pell student financial aid of \$1.3 million. Gifts and grants decreased by \$1.0 million, or 30.4 percent, due to a decrease in Federal HEERF institutional funding of \$1.4 million, offset by an increase of \$0.4 million in dual enrollment revenue from county school boards. Investment income decreased by \$0.5 million, or 22.3 percent, due to an increase of \$1.0 million in investment income offset by a decrease of \$1.5 million in investment gains from the State Treasury Special Purpose Investment Account (SPIA) investment pool.

Other Revenues

This category is composed of State capital appropriations and capital grants, contracts, gifts, and fees. The following summarizes the College's other revenues for the 2023-24 and 2022-23 fiscal years:

**Other Revenues
For the Fiscal Years
(In Thousands)**

	<u>2023-24</u>	<u>2022-23</u>
State Capital Appropriations	\$ 158	\$ 377
Capital Grants, Contracts, Gifts, and Fees	<u>1,113</u>	<u>6,993</u>
Total	<u><u>\$ 1,271</u></u>	<u><u>\$ 7,370</u></u>

Other revenues decreased \$6.1 million, or 82.8 percent when compared to the prior fiscal year. State capital appropriations decreased by \$0.2 million, or 58.2 percent, due to a decrease of State Public Education Capital Outlay appropriations of \$0.2 million. Capital grants, contracts, gifts, and fees decreased by \$5.9 million, or 84.1 percent, due in total to a decrease in deferred maintenance funding from the State of Florida.

The Statement of Cash Flows

The statement of cash flows provides information about the College's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the College's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the College. Cash flows from capital financing activities include all plant funds and related long-term debt activities. Cash flows from investing activities show the net source and use of cash related to purchasing or selling investments and earning income on those investments. Cash flows from noncapital financing activities include those activities not covered in other sections.

The following summarizes the College's cash flows for the 2023-24 and 2022-23 fiscal years:

**Condensed Statement of Cash Flows
For the Fiscal Years
(In Thousands)**

	<u>2023-24</u>	<u>2022-23</u>
Cash Provided (Used) by:		
Operating Activities	\$ (43,611)	\$ (40,609)
Noncapital Financing Activities	48,529	41,855
Capital and Related Financing Activities	(336)	1,262
Investing Activities	<u>(5,340)</u>	<u>(5,785)</u>
Net Decrease in Cash and Cash Equivalents	(758)	(3,277)
Cash and Cash Equivalents, Beginning of Year	<u>25,594</u>	<u>28,871</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 24,837</u></u>	<u><u>\$ 25,594</u></u>

Major sources of funds came from State noncapital appropriations (\$36.9 million), Federal and State student financial aid (\$9.3 million), net student tuition and fees (\$8.9 million), net auxiliary enterprises (\$3.8 million), gifts and grants received for other than capital or endowment purposes (\$2.3 million), Federal Direct Student Loan program receipts (\$3.7 million), investment gains and income (\$1.7 million), and Capital Grants and Gifts (\$1.7 million). Major uses of funds were for payments to employees and for

employee benefits (\$33.7 million), payments to suppliers (\$14.5 million), purchase of investments (\$7 million), payments for scholarships (\$7.5 million), disbursements to students for Federal Direct Student Loans (\$3.7 million), payments for utilities and communications (\$1.3 million), and purchase of capital assets (\$2.3 million).

The College's overall cash and cash equivalents decreased by \$0.8 million, or 3.0 percent, from the prior fiscal year. Net cash used for operating activities decreased by \$6.2 million primarily due to a decrease in payments for scholarships, grants and contracts, and payments to employees, offset by an increase in tuition and fees, payments to suppliers, payments to for utilities and communications, and in net auxiliary enterprises. Net cash provided by noncapital financing activities increased by \$9.9 million primarily due to an increase in Federal and State student financial aid and in State noncapital appropriations, offset by a decrease in gifts and grants received for other than capital or endowment purposes. Net cash provided by capital and related financing activities decreased by \$1.6 million primarily due to an increase in State capital appropriations, offset by decreases in capital grants and gifts as well as purchases of capital assets. Net cash used by investing activities increased by \$0.4 million due to a decrease in investment income, offset by an increase in the purchase of investments.

CAPITAL ASSETS AND CAPITAL EXPENSES AND COMMITMENTS

Capital Assets

At June 30, 2024, the College had \$96.1 million in capital assets, less accumulated depreciation of \$46.4 million, for net capital assets of \$49.7 million. Depreciation charges for the current fiscal year totaled \$2.6 million. The following table summarizes the College's capital assets, net of accumulated depreciation, at June 30:

Capital Assets, Net at June 30 (In Thousands)

	2024	2023
Land	\$ 688	\$ 687
Construction in Progress	441	7,475
Buildings	45,609	39,465
Other Structures and Improvements	20	47
Furniture, Machinery, and Equipment	2,991	2,456
Capital Assets, Net	<u>\$ 49,749</u>	<u>\$ 50,130</u>

Additional information about the College's capital assets is presented in the notes to financial statements.

Capital Expenses and Commitments

Capital expenses through June 30, 2024, were primarily for \$0.3 million in other structures and improvement projects and renovation projects on the Palatka Campus. The College's major construction commitments at June 30, 2024, are as follows:

	Amount (In Thousands)
Total Committed	\$ 441
Completed to Date	<u>(441)</u>
Balance Committed	<u>\$ -</u>

Additional information about the College's construction commitments is presented in the notes to financial statements.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The College's economic condition is closely tied to that of the State of Florida. Based upon the State budget adopted during the 2024 legislative session, the College will receive an increase of \$5.3 million in State appropriations over the prior fiscal year which equates to a 15 percent increase. Additionally, the College received a non-recurring operational appropriation of \$3.0 million and \$1.2 million in *Prepping Institutions, Programs, Employers and Learners* (PIPELINE) funding, which is a 23 percent increase over the prior year's PIPELINE funding. The purpose of the PIPELINE funding is to reward performance and excellence among nursing education programs. Other than State appropriations, the College receives the majority of its other operating funds from student tuition and fees. Based upon summer term 2024, the College continues to see modest enrollment increases, which is a positive indicator for additional fiscal year 24-25 tuition and fee revenues. Additionally, the following new programs will begin in fiscal year 24-25: Associate in Science degree in Paralegal Studies, Associate in Science in Sonography, Associate in Science in Computer Programming and Analysis, Bachelor of Science degree in Criminal Justice, Applied Intelligence Studies, and Bachelor of Applied Science degree in Information Systems Technology. Lastly, the College was appropriated \$10 million in fixed capital outlay funds as part of the State budget adopted during the 2024 legislative session. These funds are to be used to begin renovation of a classroom building and a workforce training center addition on the College's Palatka campus. Given the enrollment projections, new programs, fixed capital appropriations, and increased state appropriations, the College anticipates adequate resources to continue to provide and enhance the educational programs and services to students within the communities we serve.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Vice President/Chief Finance Officer, St. Johns River State College, 5001 St. Johns Avenue, Palatka, Florida 32177.

BASIC FINANCIAL STATEMENTS

ST. JOHNS RIVER STATE COLLEGE A Component Unit of the State of Florida Statement of Net Position

June 30, 2024

	College	Component Unit
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 12,026,303	\$ 1,681,795
Restricted Cash and Cash Equivalents	696,874	-
Investments	15,000,000	5,205,174
Accounts Receivable, Net	805,395	-
Due from Other Governmental Agencies	5,604,747	-
Due from Component Unit	25,716	44
Inventories	215,983	-
Prepaid Expenses	23,750	-
Deposits Receivable	2,600	-
Total Current Assets	34,401,369	6,887,013
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	12,113,585	-
Restricted Investments	-	3,411,111
Depreciable Capital Assets, Net	48,620,818	-
Nondepreciable Capital Assets	1,128,623	-
Irrevocable Split-Interest Agreement Receivable	-	127,058
Total Noncurrent Assets	61,863,026	3,538,169
TOTAL ASSETS	96,264,395	10,425,182
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	533,845	-
Pensions	6,721,269	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	7,255,114	-
LIABILITIES		
Current Liabilities:		
Accounts Payable	162,298	5,794
Salary and Payroll Taxes Payable	1,259,601	-
Retainage Payable	-	-
Unearned Revenue	238,149	-
Deposits Held for Others	86,072	-
Long-Term Liabilities - Current Portion:		
Compensated Absences Payable	352,091	-
Other Postemployment Benefits Payable	44,173	-
Irrevocable Split-Interest Agreement Payable	-	10,600
Total Current Liabilities	2,142,383	16,394

ST. JOHNS RIVER STATE COLLEGE
A Component Unit of the State of Florida
Statement of Net Position (Continued)

June 30, 2024

	College	Component Unit
LIABILITIES (Continued)		
Noncurrent Liabilities:		
Compensated Absences Payable	2,329,885	-
Other Postemployment Benefits Payable	1,609,610	-
Net Pension Liability	23,894,223	-
Irrevocable Split-Interest Agreement Payable	-	64,230
Total Noncurrent Liabilities	27,833,718	64,230
TOTAL LIABILITIES	29,976,101	80,624
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	1,107,396	-
Pensions	2,459,994	-
Deferred Public-Private Partnership Arrangement Receipts	-	134,541
TOTAL DEFERRED INFLOWS OF RESOURCES	3,567,390	134,541
NET POSITION		
Investment in Capital Assets	49,749,441	-
Restricted:		
Nonexpendable:		
Endowment	-	3,411,111
Expendable:		
Grants and Loans	369,694	-
Scholarships	256,349	3,647,567
Capital Projects	17,737,336	-
Unrestricted	1,863,198	3,151,339
TOTAL NET POSITION	\$ 69,976,018	\$ 10,210,017

The accompanying notes to financial statements are an integral part of this statement.

ST. JOHNS RIVER STATE COLLEGE
A Component Unit of the State of Florida
Statement of Revenues, Expenses, and Changes in Net Position

For the Fiscal Year Ended June 30, 2024

Allowances of \$2,301,999	\$ 8,977,754	\$ -
Federal Grants and Contracts	571,267	-
State and Local Grants and Contracts	(5,335)	-
Nongovernmental Grants and Contracts	-	-
Auxiliary Enterprises, Net of Scholarship		
Allowances of \$378,314	4,035,793	-
Other Operating Revenues	62,984	636,389
Total Operating Revenues	13,642,463	636,389
EXPENSES		
Operating Expenses:		
Personnel Services	37,704,520	-
Scholarships and Waivers	7,512,150	381,800
Utilities and Communications	1,253,783	-
Contractual Services	4,278,799	102,992
Other Services and Expenses	3,103,923	173,135
Materials and Supplies	7,276,833	-
Depreciation	2,636,575	-
Total Operating Expenses	63,766,583	657,927
Operating Loss	(50,124,120)	(21,538)
NONOPERATING REVENUES		
State Noncapital Appropriations	36,920,723	-
Federal and State Student Financial Aid	9,326,074	-
Gifts and Grants Received for Other Than Capital or Endowment Purposes	2,282,309	-
Investment Income	1,704,780	1,503,033
Gain on Disposal of Capital Assets	5,115	-
Net Nonoperating Revenues	50,239,001	1,503,033
Loss Before Other Revenues	114,881	1,481,495
State Capital Appropriations	157,600	-
Capital Grants, Contracts, Gifts, and Fees	1,113,252	-
Endowment Contributions	-	17,513
Total Other Revenues	1,270,852	17,513
Increase in Net Position	1,385,733	1,499,008
Net Position, Beginning of Year	68,590,285	8,711,009
Net Position, End of Year	\$ 69,976,018	\$ 10,210,017

The accompanying notes to financial statements are an integral part of this statement.

ST. JOHNS RIVER STATE COLLEGE
A Component Unit of the State of Florida
Statement of Cash Flows

For the Fiscal Year Ended June 30, 2024

	<u>College</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Student Tuition and Fees, Net	\$ 8,892,329
Grants and Contracts	544,807
Payments to Suppliers	(14,476,816)
Payments for Utilities and Communications	(1,253,783)
Payments to Employees	(25,098,323)
Payments for Employee Benefits	(8,625,254)
Payments for Scholarships	(7,512,150)
Auxiliary Enterprises, Net	3,808,938
Other Receipts	109,372
Net Cash Used by Operating Activities	<u>(43,610,880)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	36,920,723
Federal and State Student Financial Aid	9,326,074
Federal Direct Loan Program Receipts	3,669,517
Federal Direct Loan Program Disbursements	(3,669,517)
Gifts and Grants Received for Other Than Capital or Endowment Purposes	2,282,309
Net Cash Provided by Noncapital Financing Activities	<u>48,529,106</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
State Capital Appropriations	214,783
Capital Grants and Gifts	1,716,944
Proceeds from Sale of Capital Assets	5,115
Purchases of Capital Assets	(2,272,685)
Net Cash Used by Capital and Related Financing Activities	<u>(335,843)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Investments	(7,000,000)
Investment Income	1,659,944
Net Cash Used by Investing Activities	<u>(5,340,056)</u>
Net Decrease in Cash and Cash Equivalents	(757,673)
Cash and Cash Equivalents, Beginning of Year	25,594,435
Cash and Cash Equivalents, End of Year	<u>\$ 24,836,762</u>

ST. JOHNS RIVER STATE COLLEGE
A Component Unit of the State of Florida
Statement of Cash Flows (Continued)
For the Fiscal Year Ended June 30, 2024

	<u>College</u>
RECONCILIATION OF OPERATING LOSS	
TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (50,124,120)
Adjustments to Reconcile Operating Loss	
to Net Cash Used by Operating Activities:	
Depreciation Expense	2,636,575
Changes in Assets, Liabilities, Deferred Outflows of Resources,	
and Deferred Inflows of Resources:	
Receivables, Net	(139,428)
Due from Government Agencies	(10,000)
Inventories	152,522
Prepaid Expenses	38,125
Deposits Receivable	-
Accounts Payable	36,319
Salary and Payroll Taxes Payable	137,847
Unearned Revenue	(223,855)
Deposits Held for Others	46,388
Due from Component Unit	(3,233)
Compensated Absences Payable	559,944
Other Postemployment Benefits Payable	(480,786)
Net Pension Liability	1,708,269
Deferred Outflows of Resources Related to Other Postemployment Benefits	99,779
Deferred Inflows of Resources Related to Other Postemployment Benefits	438,353
Deferred Outflows of Resources Related to Pensions	505,801
Deferred Inflows of Resources Related to Pensions	1,010,620
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (43,610,880)</u></u>

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Reporting Entity. The governing body of St. Johns River State College, a component unit of the State of Florida, is the College Board of Trustees. The Board of Trustees constitutes a corporation and is composed of seven members appointed by the Governor and confirmed by the Senate. The Board of Trustees is under the general direction and control of the Florida Department of Education, Division of Florida Colleges, and is governed by State law and State Board of Education (SBE) rules. However, the Board of Trustees is directly responsible for the day-to-day operations and control of the College within the framework of applicable State laws and SBE rules. The College serves Clay, Putnam, and St. Johns Counties.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. These criteria were used to evaluate potential component units for which the Board of Trustees is financially accountable and other organizations for which the nature and significance of their relationship with the Board of Trustees are such that exclusion would cause the College's financial statements to be misleading. Based on the application of these criteria, the College is a component unit of the State of Florida, and its financial balances and activities are reported in the State's Annual Comprehensive Financial Report by discrete presentation.

Discretely Presented Component Units. Based on the application of the criteria for determining component units, the following component units are included within the College's reporting entity as discretely presented component units:

- The St. Johns River State College Foundation, Inc (Foundation): This legally separate entity is included within the College's reporting entity as a discretely presented component unit and is governed by a separate board.
- The St. Johns River State College Student Housing Corporation (Housing Corp): On February 20, 2023, the Housing Corp was formed as a nonprofit corporation under the laws of the State of Florida to support the activities and educational purposes of the College by leasing certain real property for purposes of facilitating the construction of residential housing and other services ancillary to residential housing for the benefit of students of St. Johns River State College. The Housing Corp provides assistance in connection with the development, financing, acquisition or construction of capital, or other college projects. This legally separate entity is included within the College's reporting entity as a discretely presented component unit and is governed by a separate board.

The component units are also direct-support organizations, as defined in Section 1004.70, Florida Statutes, and although legally separate from the College, are financially accountable to the College. The Foundation and the Housing Corp are managed independently, outside the College's budgeting process, and their powers generally are vested in a governing board pursuant to various State statutes. The Foundation and Housing Corp receive, hold, invest, and administer property, and make expenditures to or for the benefit of the College.

The Foundation was audited by independent auditors pursuant to Section 1004.70(6), Florida Statutes. The Foundation's audited financial statements are available to the public and can be obtained from the Director of Foundation, St. Johns River State College, 5001 St. Johns Avenue, Palatka, Florida 32177. The financial data reported on the accompanying financial statements was derived from the Foundation's audited financial statements for the fiscal year ended March 31, 2024. The Housing Corp was not audited for fiscal year ended March 31, 2024 due to the number of transactions being considered immaterial. As the Housing Corp transactions become material, annual audits will be performed. The Housing Corp's financial statements for fiscal year ended March 31, 2024 are available to the public and can be obtained from the Director of Foundation, St. Johns River State College, 5001 St. Johns Avenue, Palatka, Florida 32177. Condensed financial statements for the College's component units are included in a subsequent note.

Basis of Presentation. The College's accounting policies conform with accounting principles generally accepted in the United States of America applicable to public colleges and universities as prescribed by GASB. The National Association of College and University Business Officers (NACUBO) also provides the College with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB and the Financial Accounting Standards Board (FASB). GASB allows public colleges various reporting options. The College has elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and entitywide reporting including the following components:

- Management's Discussion and Analysis
- Basic Financial Statements:
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements
- Other Required Supplementary Information

Measurement Focus and Basis of Accounting. Basis of accounting refers to when revenues, expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The College's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The College follows GASB standards of accounting and financial reporting.

The College's component units uses the economic resources measurement focus and accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred and follows GASB standards of accounting and financial reporting.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been accounted for as reductions of expenses and not revenues of those departments.

The College's principal operating activity is instruction. Operating revenues and expenses generally include all fiscal transactions directly related to instruction as well as administration, academic support, student services, physical plant operations, and depreciation of capital assets. Nonoperating revenues include State noncapital appropriations, Federal and State student financial aid, and investment income (net of unrealized gains or losses on investments). Other revenues generally include revenues for capital construction projects.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the College's policy to first apply the restricted resources to such programs followed by the use of the unrestricted resources.

The statement of revenues, expenses, and changes in net position is presented by major sources and is reported net of tuition and book scholarship allowances. Tuition and book scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is actually paid by the student or the third-party making payment on behalf of the student. The College is able to identify, within its accounting system, amounts paid for tuition, fees, and book charges by financial aid. To the extent that these resources are used to pay student charges, the College records a scholarship allowance against tuition and fee revenues and auxiliary enterprise revenues.

The statement of cash flows is presented using the direct method in compliance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Cash and Cash Equivalents. The amount reported as cash and cash equivalents consist of cash on hand, cash in demand accounts, and cash with the State Treasury Special Purpose Investment Account (SPIA) investment pool. For reporting cash flows, the College considers all highly liquid investments with original maturities of 3 months or less, that are not held solely for income or profit, to be cash equivalents. Under this definition, the College considers amounts invested in the State Treasury SPIA investment pool to be cash equivalents.

College cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by the Federal Deposit Insurance Corporation, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets are classified as restricted.

The Foundation and Housing Corp, for reporting cash flows, consider all highly liquid investments with original maturities of 3 months or less to be cash equivalents. At March 31, 2024, the Foundation had \$247,941 in demand accounts, \$1,308,502 in money market accounts, \$115,352 in investment management accounts, and liquidated all of their funds in its separate State Treasury SPIA account. At March 31, 2024, the Housing Corp had \$10,000 in demand accounts.

Inventories. Inventories consist of items for resale by the campus bookstore and are valued using the moving average inventory method of valuation. Consumable laboratory supplies, teaching materials, and office supplies on hand in College departments are expensed when purchased, and are not considered material. Accordingly, these items are not included in the reported inventory.

Capital Assets. College capital assets consist of land, construction in progress, buildings, other structures and improvements, and furniture, machinery, and equipment. These assets are capitalized and recorded at cost at the date of acquisition or at acquisition value at the date received in the case of gifts and purchases of State surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The College has a capitalization threshold of \$5,000 for tangible personal property and \$25,000 for buildings and other structures and improvements. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings – 40 years
- Other Structures and Improvements – 10 years
- Furniture, Machinery, and Equipment:
 - Computer Equipment – 3 years
 - Vehicles, Office Machines, and Educational Equipment – 5 years
 - Furniture – 7 years

Noncurrent Liabilities. Noncurrent liabilities include compensated absences payable, other postemployment benefits payable, and net pension liabilities that are not scheduled to be paid within the next fiscal year.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and HIS fiduciary net positions have been determined on the same basis as they are reported by the FRS and the HIS plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

2. Deficit Net Position in Individual Funds

The College reported an unrestricted net position which included a deficit in the current funds - unrestricted, as shown below. This deficit can be attributed to the full recognition of long-term liabilities (i.e., compensated absences payable, other postemployment benefits payable, and net pension liabilities) in the current unrestricted funds.

<u>Fund</u>	<u>Net Position</u>
Current Funds - Unrestricted	\$ (5,307,052)
Auxiliary Funds	7,170,250
Total	\$ 1,863,198

3. Investments

The Board of Trustees has adopted a written investment policy providing that surplus funds of the College shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Section 218.415(16), Florida Statutes, authorizes the College to invest in the Florida PRIME investment pool administered by the State Board of Administration (SBA); Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits and savings accounts in qualified public depositories, as defined by Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open-end or closed-end management type investment companies; and other investments approved by the Board of Trustees as authorized by law. SBE Rule 6A-14.0765(3), Florida Administrative Code, provides that College loan, endowment, annuity, and life income funds may also be invested pursuant to Section 215.47, Florida Statutes. Investments authorized by Section 215.47, Florida Statutes, include bonds, notes, commercial paper, and various other types of investments.

Fair Value Measurement. The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

All of the College's recurring fair value measurements as of June 30, 2024, are valued using quoted market prices (Level 1 inputs), with the following maturities:

Investments by fair value level	Amount	Maturity in Years		
		Less than 1	1 - 5	6 - 10
Certificates of Deposit	\$ 15,000,000	\$ 15,000,000	\$ -	\$ -

Discretely Presented Component Units Investments. The Foundation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

Investments held by the Foundation as of March 31, 2024, are reported at fair value using quoted market prices in active markets for identical assets (Level 1 inputs), with the following maturities:

Investments by fair value level	Amount	Maturity in Years		
		Less than 1	1 - 5	6 - 10
Bonds and Notes	\$2,111,046	\$ 499,972	\$ 775,322	\$ 835,752
Equity Investments				
Common Stock	3,909,730			
Exchange Traded Funds	91,065			
Real Estate Mutual Fund	353,364			
Equities Mutual Fund	2,035,964			
Fixed Income Mutual Fund	83,279			
Fixed Income Exchange Traded Fund	31,837			
Total Component Unit Investments	\$8,616,285			

The Foundation invested in various debt and equity securities. The following risks apply to the Foundation's investments:

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Foundation investment policies include asset allocation guidelines and investment management structure to ensure adequate diversification to reduce the volatility of investment returns.

Credit Risk: Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The Foundation's investment policy requires that debt securities be rated "Baa" or "BBB" or better by Moody's or Standard & Poor's rating services, respectively. The Foundation's investment policy also sets allowable ranges for allocation of assets as follows: domestic equities (50 – 70 percent); international equities (10 – 20 percent); fixed income securities (10 – 20 percent); real estate (0 – 10 percent); cash equivalents (2 – 10 percent); and limits charitable gift annuity investments to no more than 50 percent equities (including mutual funds) and no more than 10 percent in any one stock or fund.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of failure of the counterparty, the value of investments or collateral securities in the possession of an outside party will not be recoverable. The Foundation does not have a formal investment policy that addresses custodial credit risk.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The Foundation's investment policy limits investments with a single issuer to not more than 5 percent of the market value of the portfolio.

As of March 31, 2024, the Housing Corp reported no investments.

4. Accounts Receivable

Accounts receivable represent amounts for student fee deferments, various student services provided by the College, and contract and grant reimbursements due from third parties. The accounts receivable are reported net of a \$75,574 allowance for doubtful accounts.

5. Due From Other Governmental Agencies

The amount due from other governmental agencies consists primarily of \$5,604,747 in deferred maintenance funds and Public Education Capital Outlay allocations due from the State for maintenance projects and construction of College facilities.

6. Due From and To Component Units/College

The amount due from component unit consists primarily of \$25,716 owed to the College by the Foundation for scholarships and student aid. The College's financial statements are reported for the fiscal year ended June 30, 2024. The College's component unit financial statements are reported for the fiscal year ended March 31, 2024. Subsequently, there was no corresponding amount reported as due to the College by the component unit as of March 31, 2024.

7. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2024, is shown in the following table:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets:				
Land	\$ 687,582	\$ -	\$ -	\$ 687,582
Construction in Progress	7,475,241	848,917	7,883,117	441,041
Total Nondepreciable Capital Assets	\$ 8,162,823	\$ 848,917	\$ 7,883,117	\$ 1,128,623
Depreciable Capital Assets:				
Buildings	\$ 73,724,073	\$ 7,875,617	\$ -	\$ 81,599,690
Other Structures and Improvements	4,586,101	7,500	-	4,593,601
Furniture, Machinery, and Equipment	7,914,762	1,406,960	464,962	8,856,760
Total Depreciable Capital Assets	86,224,936	9,290,077	464,962	95,050,051
Less, Accumulated Depreciation:				
Buildings	34,259,226	1,730,980	-	35,990,206
Other Structures and Improvements	4,539,205	34,373	-	4,573,578
Furniture, Machinery, and Equipment	5,459,189	871,222	464,962	5,865,449
Total Accumulated Depreciation	44,257,620	2,636,575	464,962	46,429,233
Total Depreciable Capital Assets, Net	\$ 41,967,316	\$ 6,653,502	\$ -	\$ 48,620,818

8. Unearned Revenue

Unearned revenue at June 30, 2024, includes prepayments of Thrasher-Horne Center cultural program sales and meeting room rentals for which expenses have yet to be incurred. As of June 30, 2024, the College reported \$238,149 of unearned revenue.

9. Long-Term Liabilities

Long-term liabilities activity for the fiscal year ended June 30, 2024, is shown in the following table:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Compensated Absences Payable	\$ 2,122,030	\$ 867,810	\$ 307,864	\$ 2,681,976	\$ 352,091
Other Postemployment Benefits Payable	2,134,569	156,030	636,816	1,653,783	44,173
Net Pension Liability	22,185,954	6,021,876	4,313,607	23,894,223	-
Total Long-Term Liabilities	\$ 26,442,553	\$ 7,045,716	\$ 5,258,287	\$ 28,229,982	\$ 396,264

Compensated Absences Payable. College employees may accrue annual and sick leave based on length of service, subject to certain limitations regarding the amount that will be paid upon termination. The College reports a liability for the accrued leave; however, State noncapital appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the College expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2024, the estimated liability for compensated absences, which includes the College's share of the Florida Retirement System and FICA contributions, totaled \$2,681,976. The current portion of the compensated absences liability, \$352,091, is the amount expected to be paid in the coming fiscal year and represents an average of the reductions over the past 3 fiscal years.

Other Postemployment Benefits Payable. The College follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for other postemployment benefits administered by the Florida College System Risk Management Consortium (Consortium).

General Information about the OPEB Plan

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the Consortium that provides OPEB for all employees who satisfy the College's retirement eligibility provisions. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the College are eligible to participate in the College's healthcare benefits. The College subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The College does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the College and the OPEB Plan members are established and may be amended by action from the Board. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

Employees Covered by Benefit Terms. At June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	25
Inactive Employees Entitled to But Not Yet Receiving Benefits	26
Active Employees	311
Total	362

Total OPEB Liability

The College's total OPEB liability of \$1,653,783 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40 percent
Real Wage Growth	0.85 percent
Wage Inflation	3.25 percent
Salary increases	
Regular Employees	3.40 – 7.80 percent
Senior Management	4.10 – 8.20 percent
Municipal Bond Index Rate	
Prior Measurement Date	3.54 percent
Measurement Date	3.65 percent
Healthcare cost trend rates	
Pre-Medicare	7.00 percent for 2023, decreasing to an ultimate rate of 4.40 percent by 2034
Medicare	5.125 percent for 2023, decreasing to an ultimate rate of 4.40 percent by 2027

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the PUB-2010 mortality tables, with adjustments for FRS experience and generational mortality improvements using Scale MP-2018.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018, adopted by the FRS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023, valuation were based on a review of recent plan experience done concurrently with the June 30, 2023, valuation.

Changes in the Total OPEB Liability

	Amount
Balance at 6/30/23	\$ 2,134,569
Changes for the year:	
Service Cost	78,598
Interest	77,432
Difference between Expected and Actual Inputs	(579,245)
Changes in Assumptions or Other Inputs	(5,461)
Benefit Payments	(52,110)
Net Changes	(480,786)
Balance at 6/30/24	\$ 1,653,783

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Total OPEB liability	\$1,970,276	\$1,653,783	\$1,405,211

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$1,380,332	\$1,653,783	\$2,010,966

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the College recognized OPEB expense of \$101,519. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 266,764	\$ 521,723
Change of assumptions or other inputs	222,908	585,673
Transactions subsequent to the measurement date	44,173	-
Total	\$ 533,845	\$ 1,107,396

Of the total amount reported as deferred outflows of resources related to OPEB, \$44,173 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2025	\$ (54,511)
2026	(54,511)
2027	(43,665)
2028	(32,588)
2029	(74,926)
Thereafter	(357,523)
Total	\$ (617,724)

Net Pension Liability. As a participating employer in the Florida Retirement System (FRS), the College recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2024, the College's proportionate share of the net pension liabilities totaled \$23,894,223. Note 10. includes a complete discussion of defined benefit pension plans.

10. Retirement Plans – Defined Benefit Pension Plans

General Information about the Florida Retirement System (FRS)

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the HIS Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the College are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the

Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

The College's FRS and HIS pension expense totaled \$6,021,876 for the fiscal year ended June 30, 2024.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class* – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS-participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2023-24 fiscal year were:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	13.57
FRS, Senior Management Service	3.00	34.52
Deferred Retirement Option Program (applicable to members from all of the above classes)	0.00	21.13
FRS, Reemployed Retiree	(2)	(2)

(1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The College's contributions to the Plan totaled \$2,376,750 for the fiscal year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the College reported a liability of \$15,740,742 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The College's proportionate share of the net pension liability was based on the College's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the College's proportionate share was

0.039503117 percent, which was a decrease of 0.004421757 from its proportionate share measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the College recognized pension expense of \$3,090,673. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,477,920	\$ -
Change of assumptions	1,026,112	-
Net difference between projected and actual earnings on FRS Plan investments	657,376	-
Changes in proportion and differences between College FRS contributions and proportionate share of contributions	309,241	1,208,780
College FRS contributions subsequent to the measurement date	2,376,750	-
Total	\$ 5,847,399	\$ 1,208,780

The deferred outflows of resources totaling \$2,376,750, resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2024	\$ 255,806
2025	(342,351)
2026	2,361,513
2027	(12,324)
2028	(775)
Total	\$ 2,261,869

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's

description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100.0%			
Assumed inflation - Mean			2.4%	1.4%

(1) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.70 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2023 valuation remained the same as last year.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.70 percent) or 1 percentage point higher (7.70 percent) than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
College's proportionate share of the net pension liability	\$26,888,392	\$15,740,742	\$6,414,398

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2024, the College reported a payable of \$166,645 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2024.

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida

Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2024, Chapter 2023-193 Laws in Florida Senate Bill 7024 increased the level of benefits. Eligible retirees and beneficiaries received an increase in monthly HIS payment from \$5 to \$7.50 for each year of creditable service completed at the time of retirement with an increased minimum HIS payment of \$45 from \$30 and an increased maximum HIS payment of \$225 from \$150 per month, pursuant to Section 112.363, Florida Statutes. This change applies to all years of service for both members currently receiving benefits and members not year receiving benefits. To be eligible to receive a HIS benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, the contribution rate was 2.00 percent of payroll pursuant to Section 112.363, Florida Statutes. The College contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The College's contributions to the HIS Plan totaled \$452,250 for the fiscal year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the College reported a net pension liability of \$8,153,481 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The College's proportionate share of the net pension liability was based on the College's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the College's proportionate share was 0.051340025 percent, which was a decrease of 0.003820409 from its proportionate share measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the College recognized pension expense of \$2,931,203. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual experience	\$ 119,361	\$ 19,137
Change of assumptions	214,353	706,527
Net difference between projected and actual earnings on HIS Plan investments	4,211	-
Changes in proportion and differences between College HIS contributions and proportionate share of HIS contributions	83,695	525,550
College contributions subsequent to the measurement date	452,250	-
Total	\$ 873,870	\$ 1,251,214

The deferred outflows of resources totaling \$452,250, resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2024	\$ (173,092)
2025	(135,689)
2026	(148,071)
2027	(208,183)
2028	(138,422)
Thereafter	(26,137)
Total	\$ (829,594)

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, average, including inflation
Municipal bond rate	3.65 percent

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 3.65 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was

adopted as the applicable municipal bond index. The discount rate used in the 2023 valuation was updated from 3.54 percent to 3.65 percent.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 3.65 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
College's proportionate share of the net pension liability	\$9,301,849	\$8,153,481	\$7,201,561

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2024, the College reported a payable of \$28,062 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2024.

11. Retirement Plans – Defined Contribution Pension Plans

FRS Investment Plan. The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State's Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. College employees already participating in the State College System Optional Retirement Program or DROP are not eligible to participate in the Investment Plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions rates, that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2023-24 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	11.30
FRS, Senior Management Service	12.67

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the College.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The College's Investment Plan pension expense totaled \$1,088,888 for the fiscal year ended June 30, 2024.

Payables to the Investment Plan. At June 30, 2024, the College reported a payable of \$88,620 for the outstanding amount of contributions to the Plan required for fiscal year ended June 30, 2024.

12. Construction Commitments

The College's construction commitments at June 30, 2024, were as follows:

<u>Project Description</u>	<u>Total Commitment</u>	<u>Completed to Date</u>	<u>Balance of Committed</u>
Chiller & Cooling Tower Replacement Project	\$ 69,650	\$ 69,650	\$ -
Sewer Piping Repair/Replacement Project	77,220	77,220	-
Library Restroom/Window Wall System, ADA/Life Safety Project	67,450	67,450	-
Remodel/Addition to FloArts Building Project	42,430	42,430	-
Chiller Replacement Project	85,795	85,795	-
Site Improvement Project	6,450	6,450	-
Gymnasium- Replacement Generator	23,811	23,811	-
Building V Infrastructure Upgrades	64,621	64,621	-
Building A- Replacement Generator	3,614	3,614	-
Total	\$ 441,041	\$ 441,041	\$ -

13. Risk Management Programs

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College provided coverage for these risks primarily through the Florida College System Risk Management Consortium (Consortium), which was created under authority of Section 1001.64(27), Florida Statutes, by the boards

of trustees of the Florida public colleges for the purpose of joining a cooperative effort to develop, implement, and participate in a coordinated Statewide college risk management program. The Consortium is self-sustaining through member assessments (premiums) and purchases excess insurance through commercial companies for claims in excess of specified amounts. Excess insurance from commercial companies provided coverage of up to \$75 million to February 29, 2024, and up to \$100 million from March 1, 2024, for property insurance. Insurance coverage obtained through the Consortium included fire and extended property, general and automobile liability, workers' compensation, health, life, and other liability coverage. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past 3 fiscal years.

14. Functional Distribution of Operating Expenses

The functional classification of an operating expense (instruction, academic support, etc.) is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. For example, activities of an academic department for which the primary departmental function is instruction may include some activities other than direct instruction such as public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The operating expenses on the statement of revenues, expenses, and changes in net position are presented by natural classifications. The following are those same expenses presented in functional classifications as recommended by NACUBO:

<u>Functional Classification</u>	<u>Amount</u>
Instruction	\$ 19,528,838
Public Services	494,616
Academic Support	4,601,711
Student Services	5,650,942
Institutional Support	10,214,234
Operation and Maintenance of Plant	8,093,976
Scholarships and Waivers	7,512,150
Depreciation	2,636,575
Auxiliary Enterprises	<u>5,033,541</u>
Total Operating Expenses	<u><u>\$ 63,766,583</u></u>

15. Discretely Presented Component Units

The College has two discretely presented component units as discussed in Note 1. These component units represent 100 percent of the transactions and account balances of the aggregate discretely presented component units columns of the financial statements. The following financial information is from the most recently available financial statements for the component units:

Condensed Statement of Net Position- Component Units

	St. Johns River State College Foundation, Inc. (1)	St. Johns River State College Housing Corp (1)	Total
Assets			
Current Assets	\$ 6,877,013	\$ 10,000	\$ 6,887,013
Capital Assets, Net	-	-	-
Other Noncurrent Assets	3,538,169	-	3,538,169
Total Assets	<u>10,415,182</u>	<u>10,000</u>	<u>10,425,182</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Current Liabilities	16,350	44	16,394
Noncurrent Liabilities	64,230	-	64,230
Total Liabilities	<u>80,580</u>	<u>44</u>	<u>80,624</u>
Deferred Inflows of Resources	<u>134,541</u>	<u>-</u>	<u>134,541</u>
Net Position			
Restricted	7,058,678	-	7,058,678
Unrestricted	3,141,383	9,956	3,151,339
Total Net Position	<u>\$ 10,200,061</u>	<u>\$ 9,956</u>	<u>\$ 10,210,017</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Position- Component Units

	St. Johns River State College Foundation, Inc. (1)	St. Johns River State College Housing Corp (1)	Total
Operating Revenues	\$ 626,389	\$ 10,000	\$ 636,389
Operating Expenditures	657,883	44	657,927
Operating Income (Loss)	<u>(31,494)</u>	<u>9,956</u>	<u>(21,538)</u>
Net Nonoperating Revenues	<u>1,503,033</u>	<u>-</u>	<u>1,503,033</u>
Increase in Net Position	1,471,539	9,956	1,481,495
Endowment Contributions	17,513	-	17,513
Change in Net Position	<u>1,489,052</u>	<u>9,956</u>	<u>1,499,008</u>
Net Position, Beginning of Year	8,711,009	-	8,711,009
Net Position, End of Year	<u>\$ 10,200,061</u>	<u>\$ 9,956</u>	<u>\$ 10,210,017</u>

(1) Amounts as of March 31, 2024

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OTHER REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 78,598	\$ 111,494	\$ 107,673	\$ 79,831	\$ 62,459	\$ 65,386
Interest	77,432	57,415	53,523	71,836	57,630	53,825
Difference between expected and actual experience	(579,245)	-	212,718	-	260,385	-
Changes of assumptions or other inputs	(5,461)	(557,862)	(92,855)	245,427	164,768	(79,760)
Benefit Payments	(52,110)	(45,932)	(51,252)	(59,644)	(63,778)	(60,765)
Net change in total OPEB liability	(480,786)	(434,885)	229,807	337,450	481,464	(21,314)
Total OPEB Liability - beginning	2,134,569	2,569,454	2,339,647	2,002,197	1,520,733	1,542,047
Total OPEB Liability - ending	\$ 1,653,783	\$ 2,134,569	\$ 2,569,454	\$ 2,339,647	\$ 2,002,197	\$ 1,520,733
Covered-Employee Payroll	\$ 16,773,713	\$ 16,773,752	\$ 16,773,752	\$ 15,660,287	\$ 15,660,287	\$ 15,896,035
Total OPEB Liability as a percentage of covered-employee payroll	9.86%	12.73%	15.32%	14.94%	12.79%	9.57%

**Schedule of the College's Proportionate Share of the Net Pension Liability –
Florida Retirement System Pension Plan**

	<u>2023 (1)</u>	<u>2022 (1)</u>	<u>2021 (1)</u>	<u>2020 (1)</u>
College's proportion of the FRS net pension liability	0.039503117%	0.043924874%	0.044764932%	0.043331278%
College's proportionate share of the FRS net pension liability	\$ 15,740,742	\$ 16,343,583	\$ 3,381,482	\$ 18,780,414
College's covered payroll (2)	\$ 20,548,443	\$ 20,229,145	\$ 19,463,011	\$ 19,698,124
College's proportionate share of the FRS net pension liability as a percentage of its covered payroll	76.60%	80.79%	17.37%	95.34%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	82.38%	82.89%	96.40%	78.85%

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

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

Schedule of College Contributions – Florida Retirement System Pension Plan

	<u>2024 (1)</u>	<u>2023 (1)</u>	<u>2022 (1)</u>	<u>2021 (1)</u>
Contractually required FRS contribution	\$ 2,376,750	\$ 1,928,785	\$ 1,918,622	\$ 1,718,320
FRS contributions in relation to the contractually required contribution	<u>(2,376,750)</u>	<u>(1,928,785)</u>	<u>(1,918,622)</u>	<u>(1,718,320)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll (2)	\$ 22,612,496	\$ 20,548,443	\$ 20,229,145	\$ 19,463,011
FRS contributions as a percentage of covered payroll	10.51%	9.39%	9.48%	8.83%

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

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
0.042277680%	0.043257206%	0.042311196%	0.043366046%	0.045294300%	0.045560091%
\$ 14,559,845	\$ 13,029,295	\$ 12,515,368	\$ 10,949,960	\$ 5,850,366	\$ 2,779,836
\$ 18,513,474	\$ 18,489,074	\$ 18,174,849	\$ 18,293,849	\$ 18,089,635	\$ 17,939,087
78.64%	70.47%	68.86%	59.86%	32.34%	15.50%
82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>
\$ 1,289,149	\$ 1,341,816	\$ 1,260,976	\$ 1,137,187	\$ 1,098,667	\$ 1,104,314
<u>(1,289,149)</u>	<u>(1,341,816)</u>	<u>(1,260,976)</u>	<u>(1,137,187)</u>	<u>(1,098,667)</u>	<u>(1,104,314)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 19,698,124	\$ 18,513,474	\$ 18,489,074	\$ 18,174,849	\$ 18,293,849	\$ 18,089,635
6.54%	7.25%	6.82%	6.26%	6.01%	6.10%

**Schedule of the College's Proportionate Share of the Net Pension Liability –
Health Insurance Subsidy Pension Plan**

	<u>2023 (1)</u>	<u>2022 (1)</u>	<u>2021 (1)</u>	<u>2020 (1)</u>
College's proportion of the HIS net pension liability	0.051340025%	0.055160434%	0.054976814%	0.056851222%
College's proportionate share of the HIS net pension liability	\$ 8,153,481	\$ 5,842,371	\$ 6,743,733	\$ 6,941,442
College's covered payroll (2)	\$ 20,548,443	\$ 20,229,145	\$ 19,463,011	\$ 19,698,124
College's proportionate share of the HIS net pension liability as a percentage of its covered payroll	39.68%	28.88%	34.65%	35.24%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	4.12%	4.81%	3.56%	3.00%

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

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Schedule of College Contributions – Health Insurance Subsidy Pension Plan

	<u>2024 (1)</u>	<u>2023 (1)</u>	<u>2022 (1)</u>	<u>2021 (1)</u>
Contractually required HIS contribution	\$ 452,250	\$ 341,104	\$ 335,804	\$ 323,360
HIS contributions in relation to the contractually required HIS contribution	<u>(452,250)</u>	<u>(341,104)</u>	<u>(335,804)</u>	<u>(323,360)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll (2)	\$ 22,612,496	\$ 20,548,443	\$ 20,229,145	\$ 19,463,011
HIS contributions as a percentage of covered payroll	2.00%	1.66%	1.66%	1.66%

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

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
0.055390690%	0.056572452%	0.057019833%	0.059101534%	0.059626812%	0.060377669%
\$ 6,197,664	\$ 5,987,692	\$ 6,096,824	\$ 6,888,039	\$ 6,080,997	\$ 5,645,459
\$ 18,513,474	\$ 18,489,074	\$ 18,174,849	\$ 18,293,849	\$ 18,089,635	\$ 17,939,087
33.48%	32.39%	33.55%	37.65%	33.62%	31.47%
2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>
\$ 328,112	\$ 308,478	\$ 307,697	\$ 301,742	\$ 303,885	\$ 227,931
(328,112)	(308,478)	(307,697)	(301,742)	(303,885)	(227,931)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 19,698,124	\$ 18,513,474	\$ 18,489,074	\$ 18,174,849	\$ 18,293,849	\$ 18,089,635
1.67%	1.67%	1.66%	1.66%	1.66%	1.26%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. Schedule of Changes in the College's Total Other Postemployment Benefits Liability and Related Ratios

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Assumptions. The discount rate was increased from 3.54 percent to 3.65 percent based on a change in the Municipal Bond Index Rate.

**2. Schedule of Net Pension Liability and Schedule of Contributions –
Florida Retirement System Pension Plan**

Changes of Assumptions. In 2023, the long-term expected rate of return remained 6.70 percent, no change from 2022.

**3. Schedule of Net Pension Liability and Schedule of Contributions –
Health Insurance Subsidy Pension Plan**

Changes of Assumptions. In 2023, the municipal rate used to determine total pension liability increased from 3.54 percent to 3.65 percent.

ST. JOHNS RIVER STATE COLLEGE

Summary of Accounts by General Ledger Code, For the Fiscal Year Ending June 30, 2024

SEE INSTRUCTIONS BY COLUMN Q BEFORE ENTERING DATA

ASSETS	GL Code	(1) Current Funds - Unrestricted	(2) Current Funds - Restricted	(3) Auxiliary Funds	(4) Loan & Endowment Funds	(5) Scholarship Funds	(6) Agency Funds	(7) Unexpended Plant Funds	(8) Dedicated Service Funds	(9) Interest in Plant Funds	Total All Funds	GLSB ASES (Describe in Notes)	ADJUSTED Total All
Cash in Depository	10100	4,848,917.69	351,812.79	7,172,406.44	-	250,724.32	93,774.93	12,114,136.97	-	-	24,832,783.14	-	24,832,783.14
Investments - Cash Equivalent (Other)	10200	-	-	-	-	-	-	-	-	-	-	-	-
Investments - Cash Equivalent (SBA)	10210	-	-	-	-	-	-	-	-	-	-	-	-
Cash on Hand	12100	529.01	-	2,050.00	-	-	-	-	-	-	529.01	-	529.01
Accounts Receivable (non Gov.)	13000	379,341.92	-	-	-	-	-	-	-	-	379,341.92	-	379,341.92
Accounts Receivable - Student	13100	349,241.28	-	-	-	-	-	-	-	-	349,241.28	-	349,241.28
Accounts Receivable - Allowance for Doubtful Accounts	13200	(75,571.35)	17,692.19	48,709.42	-	5,714.74	-	29,000.35	-	-	4,838.06	-	4,838.06
Accounts Receivable - Current	13300	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable - Non-Current	13400	-	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable - Current	14010	44,838.06	-	-	-	-	-	-	-	-	44,838.06	-	44,838.06
Notes Receivable - Non-Current	14020	-	-	-	-	-	-	-	-	-	-	-	-
Lease Receivable - Current	14210	-	-	-	-	-	-	-	-	-	-	-	-
Lease Receivable - Non-Current	14220	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	14500	-	-	23,750.00	-	-	-	-	-	-	23,750.00	-	23,750.00
Prepaid Expenses - Non-Current	14610	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	14600	2,800.00	-	-	-	-	-	-	-	-	2,800.00	-	2,800.00
Deposits Receivable - Current	15100	-	-	-	-	-	-	-	-	-	-	-	-
Deposits Receivable - Non-Current	15200	-	-	-	-	-	-	-	-	-	-	-	-
Investments - Current	16100	15,000,000.00	-	-	-	-	-	-	-	-	15,000,000.00	-	15,000,000.00
Investments - Non-Current	16200	-	-	-	-	-	-	-	-	-	-	-	-
Investments - Non-Current Restricted	16210	-	-	-	-	-	-	-	-	-	-	-	-
Merchandise Inventory	17000	-	-	215,943.41	-	-	-	-	-	-	215,943.41	-	215,943.41
Due from Component Units - Agency	17100	10,000.00	-	-	-	-	-	-	-	-	10,000.00	-	10,000.00
Due from Component Units - Primary	17300	-	-	-	-	-	-	-	-	-	-	-	-
Due from Component Units - CSO	17400	25,715.35	-	-	-	-	-	-	-	-	25,715.35	-	25,715.35
Due from Current Funds - Unrestricted	18100	-	-	-	-	-	-	-	-	-	-	-	-
Due from Current Funds - Restricted	18200	-	-	-	-	-	-	-	-	-	-	-	-
Due from Auxiliary Funds	18300	-	-	-	-	-	-	-	-	-	-	-	-
Due from Loan, Endowment, Annuity & Life Income Funds	18400	-	-	-	-	-	-	-	-	-	-	-	-
Due from Scholarship Funds	18500	-	-	-	-	-	-	-	-	-	-	-	-
Due from Non-Current Funds	18600	-	-	-	-	-	-	-	-	-	-	-	-
Due from Retirement of Indebtedness Funds	18700	-	-	-	-	-	-	-	-	-	-	-	-
Assets Under Capital Leases (New Title Right to Use Lease Assets)	19000	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	19100	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements - Accumulated Amortization	19010	-	-	-	-	-	-	-	-	-	-	-	-
Land	19100	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	19200	-	-	-	-	-	-	-	-	-	-	-	-
Buildings - Accumulated Depreciation	19201	-	-	-	-	-	-	-	-	-	-	-	-
Other Structures & Land Improvements	19300	-	-	-	-	-	-	-	-	-	-	-	-
Other Structures & Land Improv. Accumulated Dep. (10 yr)	19301	-	-	-	-	-	-	-	-	-	-	-	-
Equipment - Accumulated Depreciation	19400	-	-	-	-	-	-	-	-	-	-	-	-
Furniture, Machinery & Equipment (5-10 yrs), Accumulated Deprec.	19410	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	19500	-	-	-	-	-	-	-	-	-	-	-	-
SRTA Subscription Liability - Initial Measurement	19601	-	-	-	-	-	-	-	-	-	-	-	-
SRTA Subscription Liability - Payment of cost of subscription term	19602	-	-	-	-	-	-	-	-	-	-	-	-
SRTA Subscription Liability - Payment of cost of subscription term	19603	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets (non-depreciable)	19610	-	-	-	-	-	-	-	-	-	-	-	-
Artwork/Artifacts	19620	-	-	-	-	-	-	-	-	-	-	-	-
Non-Depreciable Assets - other leasehold	19630	-	-	-	-	-	-	-	-	-	-	-	-
Non-Depreciable Assets - other leasehold	19640	-	-	-	-	-	-	-	-	-	-	-	-
Construction in Progress	19650	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Capital Assets	19801	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Services Concession Arrangement	19802	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Pension HRS	19803	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Pension HRS	19804	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflows of Resources - Other Postemployment Benefits	19910	5,847,395.10	-	-	-	-	-	-	-	-	5,847,395.10	-	5,847,395.10
Deferred Outflows of Resources - Lease Agreements	19911	533,845.00	-	-	-	-	-	-	-	-	533,845.00	-	533,845.00
Deferred Outflows of Resources - Asset Retirement Obligations	19913	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS		27,840,133.07	349,704.98	7,487,116.69	-	259,438.06	93,774.93	11,737,883.40	-	46,748,441.25	103,519,599.28	-	103,519,599.28
LIABILITIES													
Deposits Held in Custody for Others (Current)	21100	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Deductions Payable	21200	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Deductions Payable	21300	-	-	-	-	-	-	-	-	-	-	-	-
Student Fee Refunds Payable	22000	-	-	-	-	-	-	-	-	-	-	-	-
FICA Tax Payable	22100	-	-	-	-	-	-	-	-	-	-	-	-
FICA Tax Payable	22200	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Contributions Payable	22300	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	22400	92,185.34	-	18,229.21	-	-	-	-	-	-	110,414.55	-	110,414.55
Salaries & Wages Payable	22500	1,355,000.04	-	-	-	-	-	-	-	-	1,355,000.04	-	1,355,000.04
Compensation Liabilities - Current	22600	-	-	-	-	-	-	-	-	-	-	-	-
Compensation Liabilities - Non-Current	22700	2,309,884.54	-	-	-	-	-	-	-	-	2,309,884.54	-	2,309,884.54
Other Postemployment Benefits Liability - Current	22710	44,173.00	-	-	-	-	-	-	-	-	44,173.00	-	44,173.00
Other Postemployment Benefits Liability - Non-Current	22720	1,609,610.00	-	-	-	-	-	-	-	-	1,609,610.00	-	1,609,610.00
FICA Net Pension Liability - Current	22751	-	-	-	-	-	-	-	-	-	-	-	-
FICA Net Pension Liability - Non-Current	22760	15,740,742.00	-	-	-	-	-	-	-	-	15,740,742.00	-	15,740,742.00
FICA Net Pension Liability - Non-Current	22761	8,153,461.00	-	-	-	-	-	-	-	-	8,153,461.00	-	8,153,461.00
Accruals Payable - Current	22800	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable - Non-Current	22810	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable - Current	22820	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable - Non-Current	22830	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22840	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22850	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22860	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22870	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22880	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22890	-	-	-	-	-	-	-	-	-	-	-	-
Accruals Payable	22900	-	-	-	-	-	-	-	-	-	-	-	-

ST. JOHNS RIVER STATE COLLEGE

Summary of Expenditures by Function

Current Fund - Unrestricted (Fund 1)

Fiscal Year 2023 - 2024

FUNCTION	Personnel (GLC 50000s)	Current Expense (GLC 60000s)	Capital Outlay (GLC 70000s)	Total	% Of Total
Instruction	\$ 17,085,481	1,559,935	1,053,809	\$ 19,699,225.50	41%
Research	-	-	-	\$ -	0%
Public Service	469,628	83,386	2,893	\$ 555,907.37	1%
Academic Support	-	-	-		
Academic Support-Other	4,063,351	497,423	32,214	\$ 4,592,988.07	10%
Staff/Program Development	-	8,723	-	\$ 8,723.00	0%
Student Support	4,150,590	269,797	219,102	\$ 4,639,489.81	10%
Institutional Support	7,555,802	2,495,437	191,838	\$ 10,243,076.81	21%
Plant Operation & Maintenance	2,671,392	4,414,472	355,754	\$ 7,441,618.47	15%
Student Aid	109,093	-	-	\$ 109,092.53	0%
Transfers, Contingencies, Etc.	\$ -	1,000,000	\$ -	\$ 1,000,000.00	2%
Total	\$ 36,105,338.62	\$ 10,329,172.27	\$ 1,855,610.67	\$ 48,290,121.56	100%

ST. JOHNS RIVER STATE COLLEGE
Report of Capital Improvement Fees
(Fees Collected Under Section 1009.23(11), F.S.)
Fiscal Year 2023 - 2024

	Capital Improvement Fees	Interest and Other Revenue Sources	Combined Total
BEGINNING FUND BALANCE AS OF 07-01-2023	\$ 4,121,625.99	\$ 541,157.08	\$ 4,662,783.07
REVENUES			
Capital Improvement Fees			
CIF - A & P, PSV, EPI, College Prep (GL 40860)	\$ 1,037,727.95	\$ -	\$ 1,037,727.95
CIF - PSAV (GL 40861)	\$ -	\$ -	\$ -
CIF - Baccalaureate (GL 40864)	\$ 75,523.60	\$ -	\$ 75,523.60
Total Capital Improvement Fees Received	\$ 1,113,251.55	\$ -	\$ 1,113,251.55
Interest Received	\$ -	\$ -	\$ -
Other Receipts (Please explain below)	xxxxxx	\$ -	\$ -
Total Revenues	\$ 1,113,251.55	\$ -	\$ 1,113,251.55
EXPENDITURES			
1. New Construction	\$ -	\$ -	\$ -
2. Remodeling	\$ -	\$ 4,898.00	\$ 4,898.00
3. Renovation	\$ -	\$ -	\$ -
4. Equipment	\$ 109,246.09	\$ 536,259.08	\$ 645,505.17
5. Maintenance	\$ -	\$ -	\$ -
6. Technology	\$ -	\$ -	\$ -
7. Other (Please explain below)	\$ -	\$ -	\$ -
Total Expenditures	\$ 109,246.09	\$ 541,157.08	\$ 650,403.17
Bond Payments	\$ -	\$ -	\$ -
ENDING FUND BALANCE AS OF 06-30-24	\$ 5,125,631.45	\$ 0.00	\$ 5,125,631.45

Note: Section 1009.23(11), F.S., establishes a separate fee for capital improvements, technology enhancements, or equipping student buildings. It provides that the fees collected must be deposited in a separate account. Fees collected for capital projects may be expended only to construct and equip, maintain, improve, or enhance the educational facilities of the college. Capital projects funded through the use of the Capital Improvement Fee shall meet the survey and construction requirements of Chapter 1013, Florida Statutes.

**ST. JOHNS RIVER STATE COLLEGE
DISTANCE LEARNING COURSE USER FEE REPORT
Fiscal Year 2023 - 2024**

DISTANCE LEARNING COURSE USER FEE REVENUE

Total Distance Learning Fee Revenue (General Ledger Code 40450)	\$	611,482.00
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DISTANCE LEARNING COURSE EXPENDITURES

1. Personnel Costs	\$	455,777.07
2. Materials and Supplies	\$	199.42
3. Software	\$	145,776.43
4. Computers	\$	-
5. Peripherals	\$	-
6. Repairs and Maintenance	\$	-
7. Contracted Services	\$	-
8. Temporary Contracted Services	\$	-
9. Other Subscriptions/Memberships	\$	8,485.32
10. Other Education and Training	\$	1,243.76
11. Other	\$	-
TOTAL EXPENDITURES	\$	611,482.00
TOTAL REVENUE LESS TOTAL EXPENDITURES	\$	-

Note: Section 1009.23(16), Florida Statutes, authorizes a per credit hour distance learning course user fee and requires that colleges submit a distance learning course user fee report to the Division of Florida Colleges. To assist with fulfilling this reporting requirement, the Division of Florida Colleges has credited the above report template to provide reporting consistency among colleges. **This report is intended to describe the use of the distance learning courses user fee revenue, therefore, only report the expenditures of the revenues collected in GL 40450; do not report any additional distance learning expenditures even though actual expenses may exceed the revenues collected.**

ST. JOHNS RIVER STATE COLLEGE
Report of Student Activities and Service Fees
Revenues and Expenditures
Fiscal Year 2023 - 2024

BEGINNING BALANCE		\$	409,436.77
FEES COLLECTED (GL 40850)		\$	703,553.52
OTHER REVENUES (See Note Below)		\$	-
TOTAL		\$	703,553.52
EXPENDITURES BY TYPE			
5.1000 Social & Cultural Development	\$	438,024.24	
5.2000 Organized Athletics	\$	380,400.62	
5.3000 Counseling & Advisement	\$	-	
5.4000 Placement Services	\$	-	
5.5000 Financial Aid Administration	\$	-	
5.6000 Student Records and Admissions	\$	-	
5.7000 Health Services	\$	-	
5.8100 Services for Special Students	\$	-	
5.9000 Student Service Administration	\$	-	
Other Personnel - DEI	\$	-	
Other Services - DEI	\$	-	
Other Materials & Supplies - DEI	\$	-	
OTHER (See note below)	\$	-	
TOTAL EXPENDITURES		\$	818,424.86
ENDING BALANCE		\$	294,565.43

ST. JOHNS RIVER STATE COLLEGE

2023-2024 FEES			
CCPF TUITION AND FEES	GLC	TOTAL ALL FUNDS	TOTAL TUITION AND OUT-OF-STATE FEES
Tuition-Advanced & Professional - Baccalaureate	40101	\$ 537,705.82	\$ 551,146.78
Tuition-Advanced & Professional	40110	\$ 4,875,546.72	\$ 5,317,210.26
Tuition-Postsecondary Vocational	40120	\$ 1,526,027.04	\$ 1,598,690.87
Tuition-Career and Applied Technology (Formerly PSAV)	40130	\$ 239,484.09	\$ 259,895.60
Tuition-Developmental Education	40150	\$ 80,022.60	\$ 101,324.70
Tuition-EPI	40160	\$ 19,473.48	\$ 20,183.55
Tuition-Vocational Preparatory	40180	\$ -	\$ -
Tuition-Adult General Education (ABE) & Secondary	40190	\$ 12,030.00	\$ 12,030.00
SUBTOTAL IN-STATE TUITION		\$ 7,290,289.75	\$ 7,860,481.76
Out-of-state Fees-Advanced & Professional - Baccalaureate	40301	\$ 13,440.96	
Out-of-state Fees-Advanced & Professional	40310	\$ 441,663.54	
Out-of-state Fees-Postsecondary Vocational	40320	\$ 72,663.83	
Out-of-state Fees-Career and Applied Technology (Formerly PSAV)	40330	\$ 20,411.51	
Out-of-state Fees-Developmental Education	40350	\$ 21,302.10	
Out-of-state Fees-EPI & Alternative Certification Curriculum	40360	\$ 710.07	
Out-of-state Fees-Vocational Preparatory	40380	\$ -	
Out-of-state Fees-Adult General Education (ABE) & Secondary	40390	\$ -	
SUBTOTAL OUT-OF-STATE FEES		\$ 570,192.01	from Accounts by GL:
TOTAL CCPF STUDENT TUITION AND OUT-OF-STATE FEES		\$ 7,860,481.76	\$ 7,860,481.76
OTHER TUITION AND FEES			
Tuition - Lifelong Learning	40210	\$ -	
Tuition - Continuing Workforce Fees	40240	\$ 183,594.14	
Refunded Tuition - Continuing Workforce Fees	40249	\$ -	
Out-of-state - Lifelong Learning	40250	\$ 70,044.00	
Full Cost of Instruction (Repeat Course Fee)	40260	\$ 187,540.00	
Full Cost of Instruction (Repeat Course Fee) - PSAV	40264	\$ -	
Tuition - Self-supporting	40270	\$ 2,041.00	
Laboratory Fees	40400	\$ 375,082.00	
Distance Learning Course User Fee	40450	\$ 611,482.00	
Application Fees	40500	\$ 90,600.00	
Graduation Fees	40600	\$ 960.00	
Transcripts Fees	40700	\$ 13,649.75	
Financial Aid Fund Fees	40800	\$ 354,035.53	
Student Activities & Service Fees	40850	\$ 703,553.52	
CIF - A & P, PSV, EPI, College Prep	40860	\$ 1,037,727.95	
CIF - PSAV	40861	\$ -	
CIF - Baccalaureate	40864	\$ 75,523.60	
Technology Fee	40870	\$ 392,284.96	
Other Student Fees	40900	\$ 350,839.67	
Late Fees	40910	\$ -	
Testing Fees	40920	\$ 76,748.80	
Student Insurance Fees	40930	\$ 6,816.00	
Safety & Security Fees	40940	\$ -	
Picture Identification Card Fees	40950	\$ -	
Parking Fees	40960	\$ -	
Library Fees	40970	\$ -	
Contract Course Fees	40990	\$ -	
Residual Student Fees	40991	\$ -	
SUBTOTAL OTHER TUITION AND STUDENT FEES		\$ 4,532,522.92	
TOTAL TUITION AND STUDENT FEES		\$ 12,393,004.68	

ST. JOHNS RIVER STATE COLLEGE

2023-2024 FEES

PART II. STUDENT FINANCIAL AID FEE REPORT (Supporting Schedule)			
Fund 1	GL	Revenue	
TUITION	A & P	40101 & 40110	\$ 5,413,252.54
TUITION	PSV	40120	\$ 1,526,027.04
TUITION	PSAV	40130	\$ 239,484.09
TUITION	DEV. ED.	40150	\$ 80,022.60
TUITION	EPI	40160	\$ 19,473.48
TUITION	VOC PREP	40180	\$ -
TUITION	ABE & SEC	40190	\$ 12,030.00
OUT-OF-STATE	A & P	40301 & 40310	\$ 455,104.50
OUT-OF-STATE	PSV	40320	\$ 72,663.83

OUT-OF-STATE	PSAV	40330	\$	20,411.51
OUT-OF-STATE	DEV. ED.	40350	\$	21,302.10
OUT-OF-STATE	EPI	40360	\$	710.07
OUT-OF-STATE	VOC PREP	40380	\$	-
OUT-OF-STATE	ABE & SEC	40390	\$	-
TOTAL FUND 1			\$	7,860,481.76
FUND 2				
TUITION	A & P	40101 & 40110	\$	-
OUT-OF-STATE	A & P	40301 & 40310	\$	-
TOTAL FUND 2			\$	-
TOTAL FUND 1 AND FUND 2			\$	7,860,481.76
STUDENT FEE REVENUE				
TUITION			\$	7,290,289.75
OUT-OF-STATE			\$	570,192.01
TOTAL TUITION AND OUT-OF-STATE FEES			\$	7,860,481.76
TECHNOLOGY FEES			\$	392,284.96
TOTAL TUITION, OUT-OF-STATE FEES AND TECHNOLOGY			\$	8,252,766.72



PALATKA CAMPUS
5001 St. Johns Avenue
Palatka, FL 32177-3897

ORANGE PARK CAMPUS
283 College Drive
Orange Park, FL 32065-7650

ST. AUGUSTINE CAMPUS
2990 College Drive
St. Augustine, FL 32084-1197

FLORIDA SCHOOL OF THE ARTS

5001 St. Johns Avenue-Palatka, Florida 32177-3897
386-312-4200

Annual Financial Report

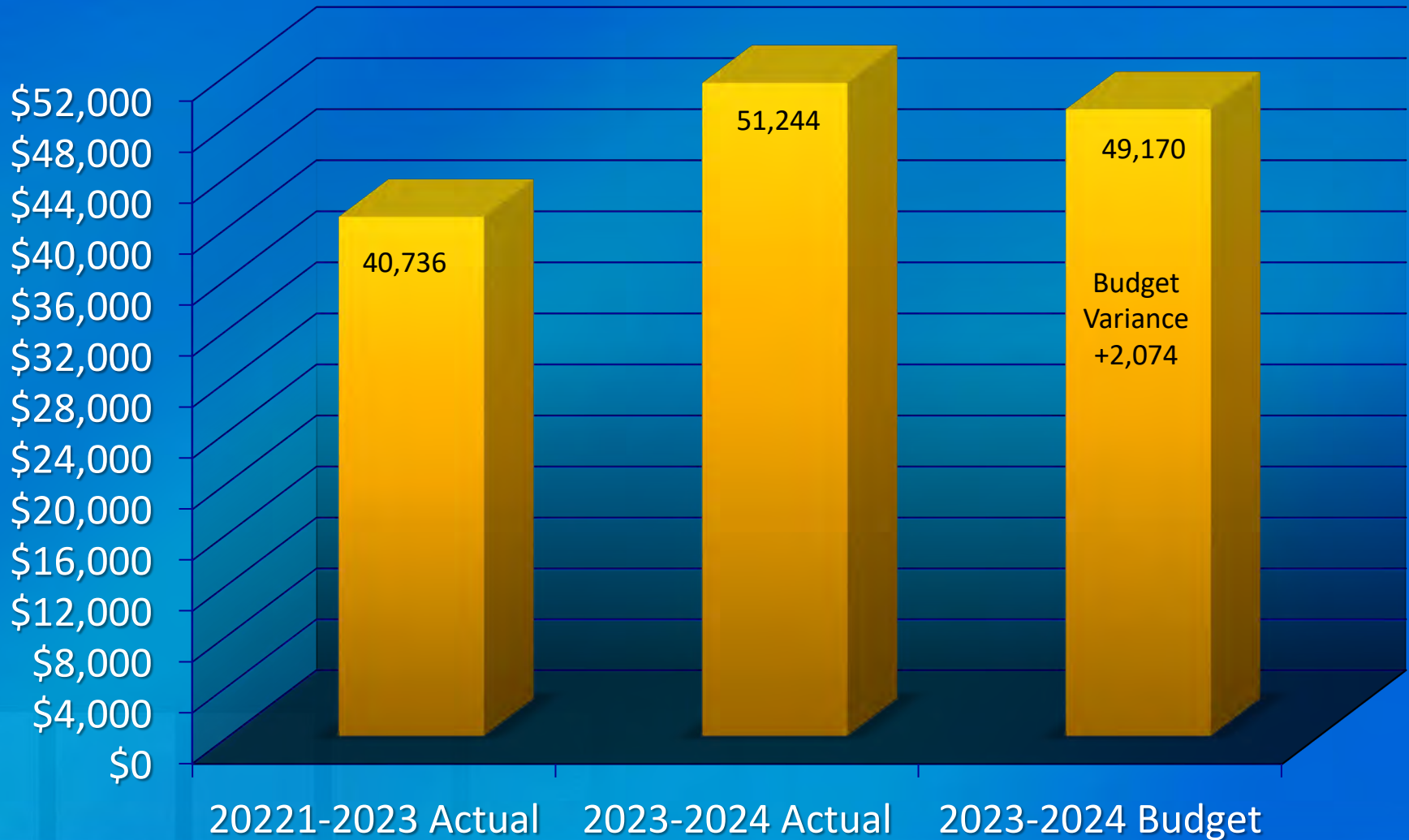
St. Johns River State College

For Fiscal Year Ended June 30, 2024

Presented to St. Johns River State College
District Board of Trustees, September 18, 2024

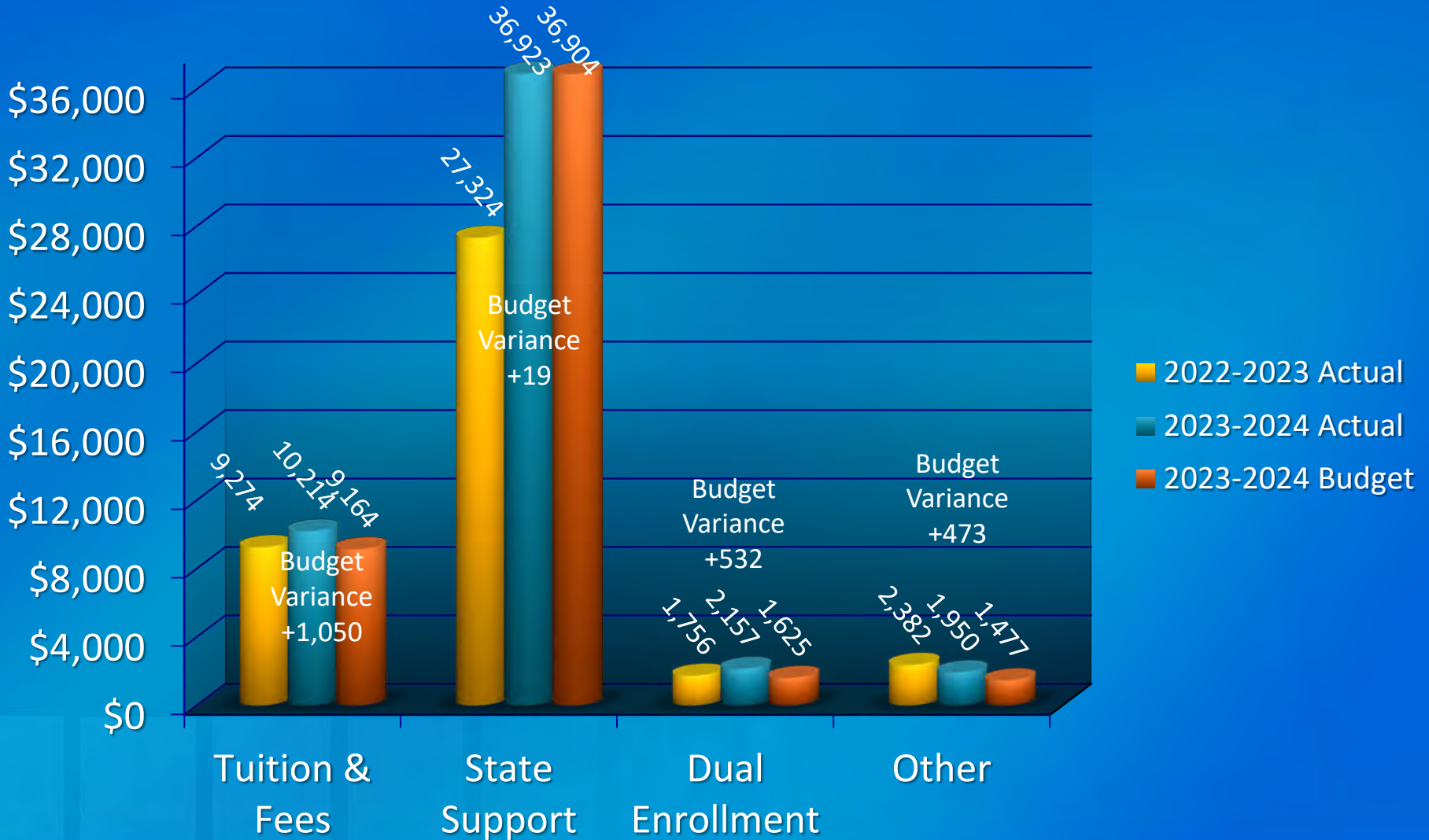
Operating Revenue

(Unrestricted Current Fund, in thousands)



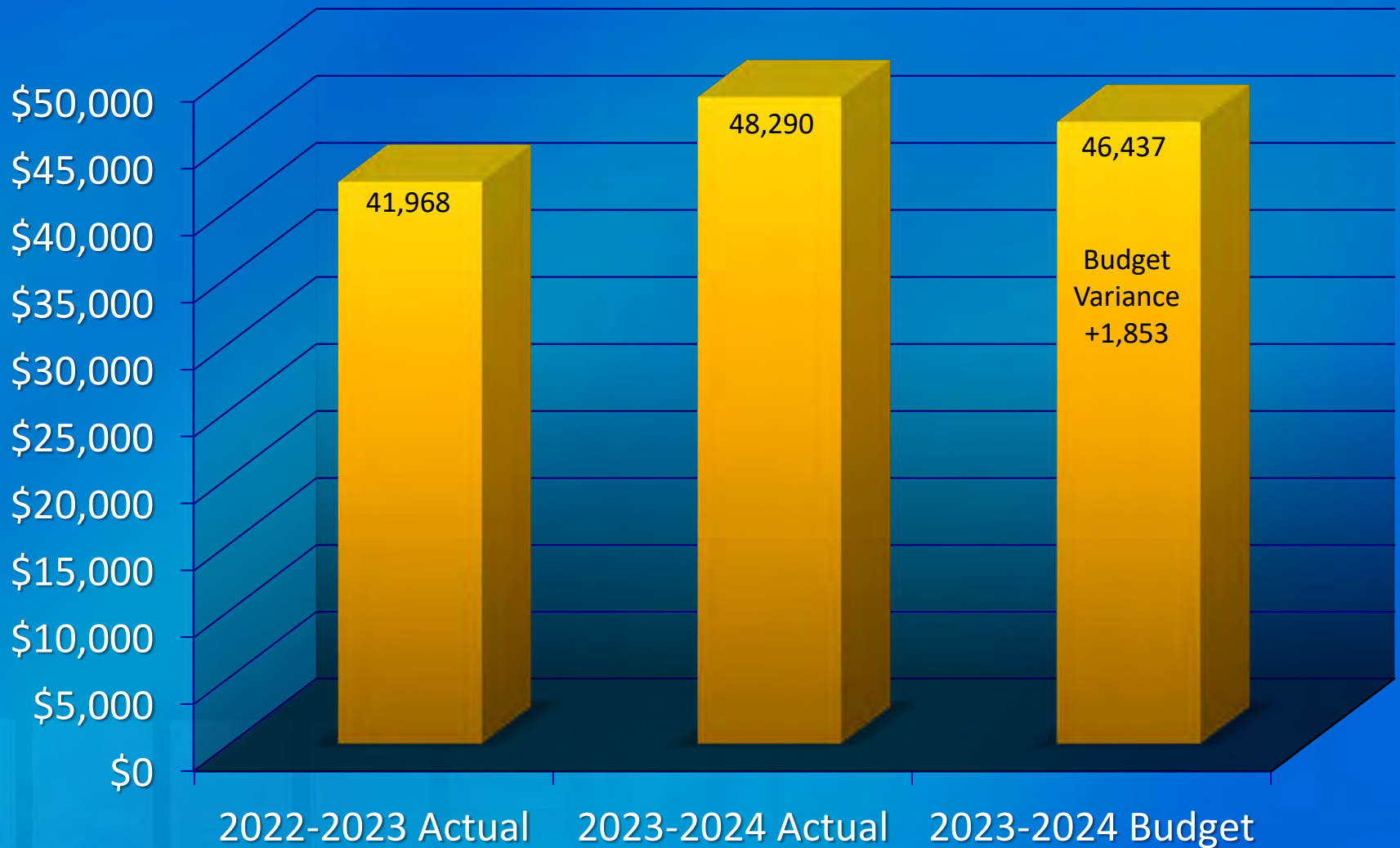
Operating Revenue by Type

(Unrestricted Current Fund, in thousands)



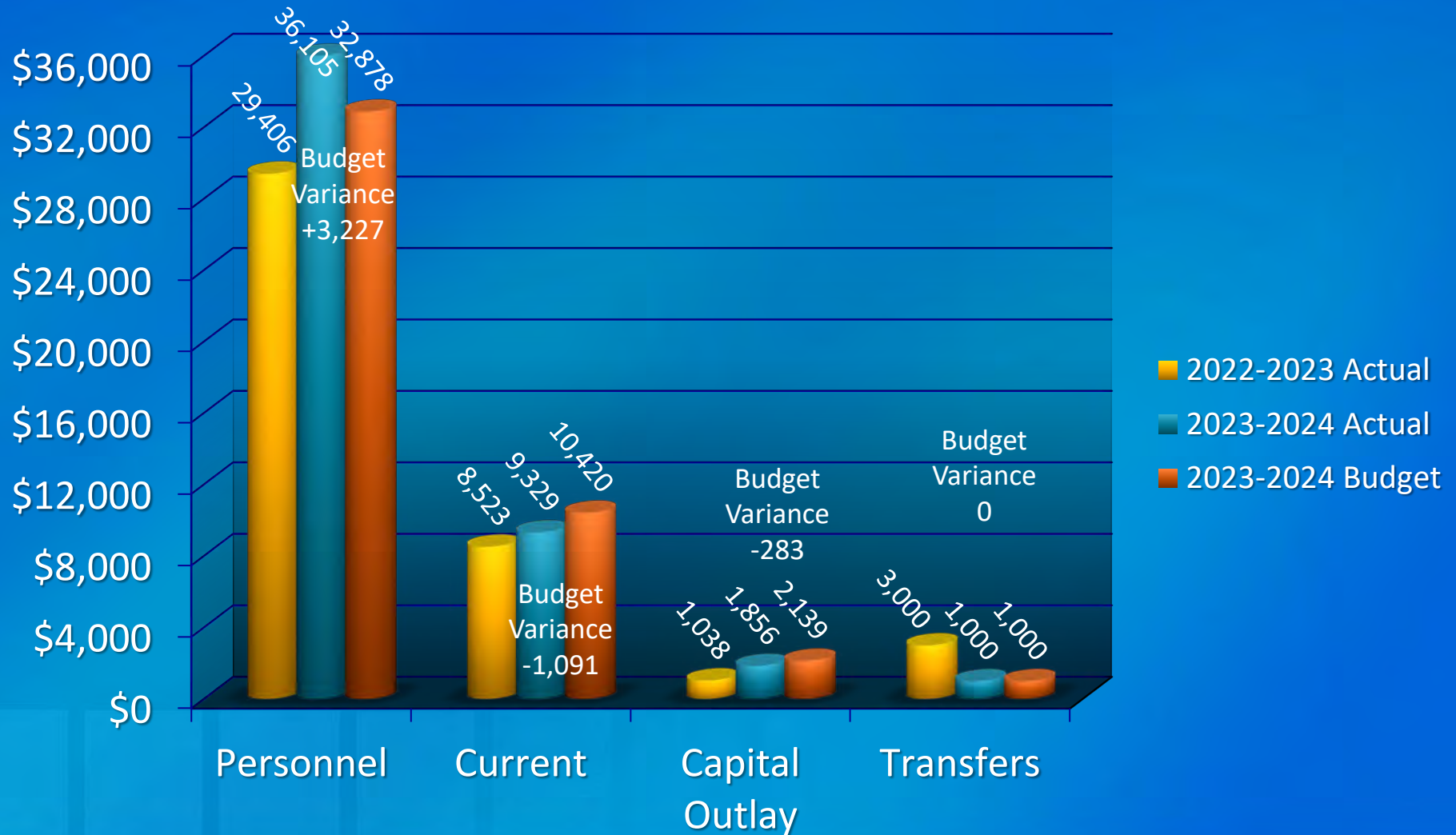
Operating Expenses

(Unrestricted Current Fund, in thousands)



Operating Expenses by Type

(Unrestricted Current Fund, in thousands)



Budget Variance Detail

(Unrestricted Current Fund, in thousands)

Personnel

Category	Dollar Variance
Full Time Faculty	- 313
Full Time Non-Faculty	- 274
Adjunct/Overloads	+ 5
Part Time Non-Faculty	- 174
Employee Benefits	+ 701
Pension/OPEB Adjustments	+ 3,282
Total Variance	+ 3,227

Current Operating Expenses

Category	Dollar Variance
Services	- 299
Repairs/Maint/Rentals	- 187
Supplies	- 116
Software	- 115
Insurance/Utilities	- 286
Travel	- 80
Postage/Printing	- 25
Exemptions/Waivers	+ 78
Other	- 61
Total Variance	- 1,091

(Unrestricted Current Fund, in thousands)

[illegible]

Operating Fund Reserves

(Unrestricted current fund, in thousands)



Current Assets

(consolidated funds, in thousands)



Non Current Assets

(consolidated funds, in thousands)



	Capital Assets	Cash & Cash Equivalents
2020-2021	\$52,625	\$8,102
2021-2022	\$51,600	\$9,612
2022-2023	\$50,130	\$12,086
2023-2024	\$49,749	\$12,114

Current Liabilities

(consolidated funds, in thousands)



Non Current Liabilities

(consolidated funds, in thousands)



Expendable Net Position

(in thousands)



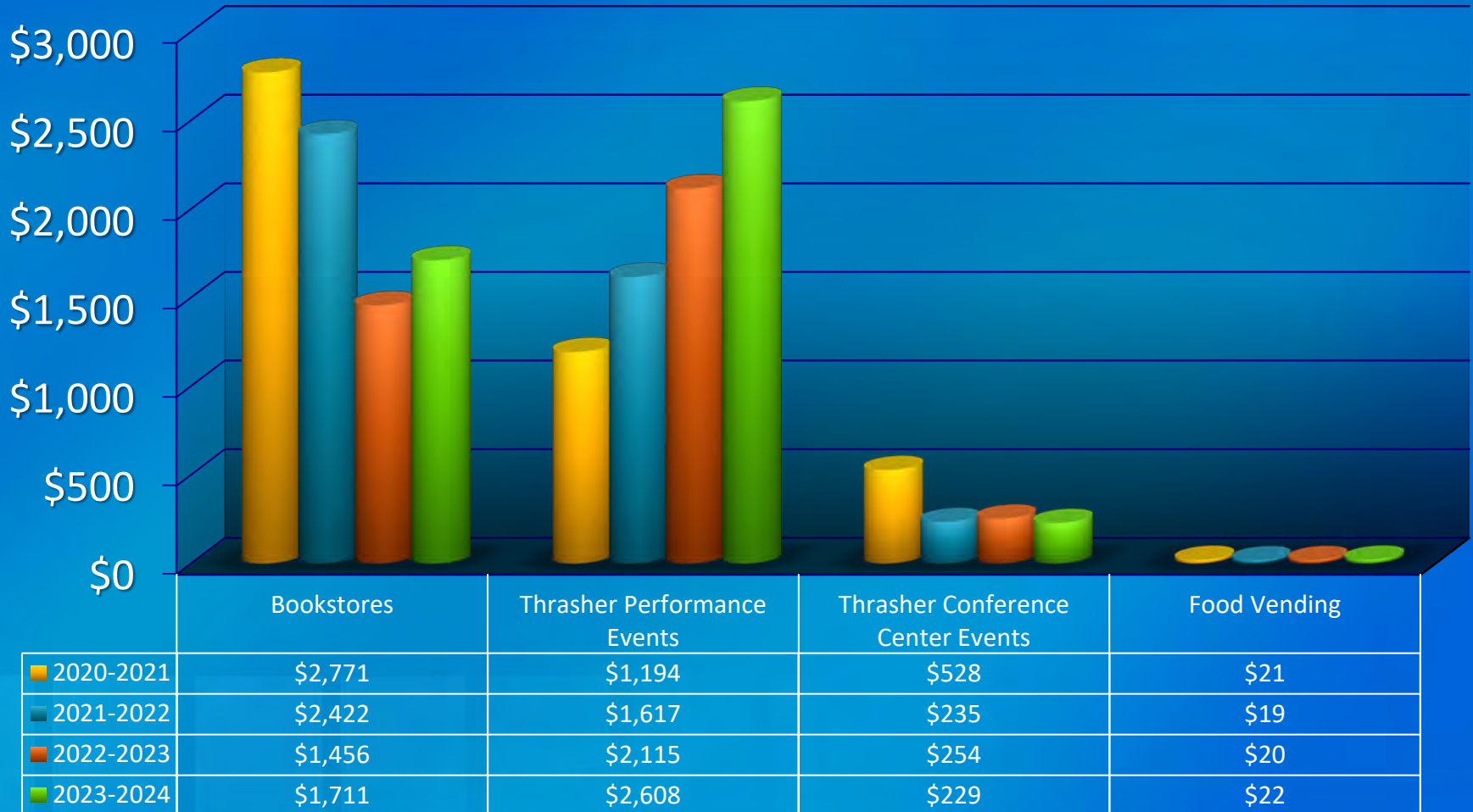
Sources of Revenue

(Restricted Funds, in thousands)



Sources of Revenue

(Auxiliary Funds, in thousands)



Plant Fund Revenue

(in thousands)




Annual Financial Report

St. Johns River State College

For Fiscal Year Ended June 30, 2024

TO: Joe Pickens, J.D.
College President

FROM: Edward P. Jordan, Ph.D. 
Vice President for Academic and Student Affairs

DATE: August 30, 2024

RE: Agenda Item: September 18, 2024, District Board of Trustees Meeting

The following items are submitted for the Board of Trustees' consideration at the September 18, 2024, meeting:


Action

1. Approval of the Florida College System College Affordability Report for 2024

Consent

2. Approval of the 2024-2025 Nursing (ASN) Handbook Update

TO: Joe Pickens, J.D.
College President

FROM: Edward P. Jordan, Ph.D. 
Vice President for Academic and Student Affairs

DATE: August 30, 2024

RE: Florida College System College Affordability Report for 2024

Pursuant to sections 1004.084 and 1004.085, Florida Statutes, the District Board of Trustees of each Florida College System institution is required to report by September 30 of each year to the Chancellor of the Florida College System on college affordability initiatives and textbook/instructional materials selections to ensure maximum affordability for students.

The factors the college is required to provide responses for are as follows:

1. Tuition and Fees
2. Textbook Affordability
3. Financial Aid Policies
4. Other Affordability Strategies

The responses are attached and will be submitted online as required.

(For Planning Purposes Only)

College Affordability***Institution Contact Information***

1. College Name

St. Johns River State College

2. Contact Information

Name	Edward Jordan
Title	VP for Academic & Student Affairs
Email Address	edwardjordan@sjrstate.edu

Tuition and Fees

3. Did your institution reduce or hold tuition flat over the prior year?

☒ Yes☐ No

If you answered "no," provide a short description (100 words or less) of how the decision to increase tuition was made. Specify the amounts and identify the estimated number of students impacted.

Click or tap here to enter text.

4. Did your institution reduce or hold administrative fees flat over the prior year? Administrative fees include financial aid, capital improvement, student activity and service, and technology.

☒ Yes☐ No

If you answered "no," provide a short description (100 words or less) of how the decision to increase administrative fees was made. Specify the amounts and identify the estimated number of students impacted.

Click or tap here to enter text.

5. Did your institution eliminate administrative fees over the prior year?

☐ Yes☒ No

If you answered "yes," provide a short description (100 words or less) of how the decision to eliminate fees was made. Specify the amounts and identify the estimated number of students impacted.

Click or tap here to enter text.

6. Did your institution reduce or hold user fees flat over the prior year? (e.g., laboratory, distance learning, parking, etc.)

☐ Yes

☒ No

If you answered "no," provide a short description (100 words or less) of how the decision to increase user fees was made. Specify the amounts and identify the estimated number of students impacted.

From the May 2024 District Board of Trustees materials: 23 fees were increased (ranging from \$1 to \$52), 11 fees were decreased, 108 fees were unchanged, 1 course was recommended the addition of a \$120 fee, and 1 fee was eliminated. With the addition of new programs, 11 new courses with fees ranging from \$20 to \$125 were added. These recommendations were made to align the fees with changes in the unusual costs of instruction (i.e., consumables, pre-licensure and licensure testing, and electronic systems). The estimated number of students impacted by the increase in fees is 1,422 (duplicated headcount).

7. Did your institution eliminate user fees over the prior year?

☒ Yes☐ No

If you answered "yes," provide a short description (100 words or less) of how the decision to eliminate fees was made. Specify the amounts and identify the estimated number of students impacted.

From the May 2024 District Board of Trustees materials: 11 fees were decreased (ranging from \$1 to \$90) and 1 fee was eliminated (SLS 1401 \$26). These recommendations were made to align the fees with changes in the unusual costs of instruction (i.e., consumables, pre-licensure and licensure testing, electronic systems, and the adoption of OER materials). The estimated number of students impacted by the decrease in fees is 995 (duplicated headcount).

Textbook Affordability

Policies and Strategies

8. Please provide a brief update on your institution's established policies that instructors or departments follow regarding providing adequate notice to bookstores on the adoption of required and recommended textbooks and instructional materials.

The following language is from the College's Collective Bargaining Agreement:

The textbook selection process shall include:

A. Full-time Faculty within each department shall select primary textbook(s) and/or instructional materials to be used in each course (including those taught by part-time Faculty). Faculty who have published textbooks may not use their own text unless it is approved by the majority of Faculty within the department as the main text and the text has followed the same vetting process as other textbook selections.

B. Faculty within each department shall meet and discuss textbook selections and provide written documentation addressing all the considerations listed above and on the designated form as determined by the College. This is required for any initial adoption of a text or new edition of a text that is currently in use as well as for any textbook review. The forms must be completed and submitted to the Dean/Director for signature by the dates identified in paragraph D below.

C. The final decision to adopt a textbook shall be made by majority vote of eligible department Faculty participating in the textbook selection process. All full-time Faculty qualified to teach the course and scheduled to teach the course during the following academic year shall be included in the voting in each department. The Dean/Director will be provided the opportunity to have input regarding the textbooks being considered.

D. Textbooks must be selected and approved utilizing the required forms by April 1 for the following academic year. Under special circumstances approved by the appropriate Dean/Director and Vice President/Associate or Assistant Vice President, a textbook may be selected and approved by October 1 for Spring and by February 1 for Summer, following the procedure stated above.

E. When textbook/instructional materials are bundled, Faculty are expected to use all components of such bundle.

F. All textbook adoptions must be reviewed at least every three (3) full academic years by using the designated form as determined by the College.

G. Approved textbook adoptions shall remain in effect for three (3) full academic years, if supported by the textbook publisher. Only in exceptional cases will permission to discontinue a text be granted at an earlier date. Such permission must be granted by the appropriate Vice President/Associate or Assistant Vice President upon recommendation of the Dean/Director.

H. Due to statutory requirements related to the web posting of required textbooks and instructional materials for courses. Faculty may not add required textbooks after the Web posting, except as provided by statute.

I. All textbook selections and posting timelines shall comply with applicable state statutes and are subject to administrative review by the appropriate Vice President/Associate or Assistant Vice President at any point during the selection process.

J. Faculty must use all adopted textbooks and instructional materials required for students to purchase. Usage of required text shall be monitored each semester by the appropriate Dean/Director. Confirmation by the faculty member's intent to use all required textbooks and instructional materials may be required.

9. Describe your institution's selection process for textbook and instructional materials for high-enrollment courses, defined as the top 10 courses with the highest course enrollments.
The following language is from the College's Collective Bargaining Agreement:

The Faculty and College recognize the financial impact that the cost of textbooks has upon students. Faculty shall make every effort to help control student costs by selecting high-quality instructional material at the lowest available price and utilizing all required texts. Faculty shall use considerations when selecting texts as prescribed in Florida Statute and SBE Rule related to textbook affordability such as:

- Digital textbooks or open access textbooks
- Rental options (the College reserves the right to determine if a textbook is feasible to place in the rental program)
- Length of time textbooks/instructional materials remain in use
- Textbook/instructional material bundling options

All sections of the same course shall use the same textbook. An exception may be made for an alternate textbook if the purpose is to pilot the textbook for possible future department-wide adoption. At the end of the pilot, if the alternate textbook is not adopted by the department, then the alternate textbook will no longer be used. A Faculty member shall not require a student to purchase any course materials that are not College approved per the process stated herein.

10. Identify specific institutional policies or initiatives designed to reduce the cost of textbooks and instructional materials. Select all that apply.

- ☒ Adoption of Open Educational Resources (OER)
- ☒ Usage of digital textbooks and learning objects
- ☒ Textbook affordability committees
- ☒ Mechanisms to assist in buying, renting, selling, and sharing textbooks and instructional materials
- ☒ Program(s) with no textbook costs
- ☐ Faculty grants for development of textbooks
- ☒ Bulk textbook purchasing
- ☐ Offering students opt-in provisions for the purchase of materials
- ☐ Offering students opt-out provisions for the purchase of materials
- ☒ Consideration of the length of time that textbooks and instructional materials remain in use
- ☒ Course-wide adoption, specifically for high-enrollment general education courses
- ☐ Other (please specify): [Click or tap here to enter text.](#)

Forty-Five (45) Day Posting Requirement

11. Describe the policies implemented regarding the posting of textbook and instructional materials for at least 95% of all courses and course sections 45 days before the first day of class.

Textbook selections must be submitted to the College Bookstore according to the following deadlines:

Summer-February 15

Fall-April 15

Spring-October 15

Once the selection (adoption) is finalized, the College's Bookstore posts the course material information timeline on the Bookstore's website as well as in the student's course registration website. Faculty members are also required to post syllabi online in accordance with the state mandated deadlines. The syllabi will also list those materials required for the course.

Per College Procedure 7.7-Instructional Supplies and Materials, All textbook selections and posting timelines shall comply with applicable statutes, and are subject to administrative review and approval by the appropriate Vice President at any point during the selection process. Also, faculty may not add required textbooks after the we post, except as provided by statute.

12. Report the number and the total percentage of courses and course sections, including OER and no-cost* sections, that were not able to meet the textbook and instructional materials posting deadline for the terms below. Please specify how many sections there were with and without reasonable exceptions.

*A "No-Cost Section" could be a section that does not require textbooks or instructional materials or a section that utilizes no-cost OER.

- **Fall 2023 – Total Number of Course Sections**

- **Fall 2023 – Number/Percentage of Course Sections Able to Meet 45-Day Deadline**

- **Fall 2023 – Number/Percentage of Course Sections Not Able to Meet 45-Day Deadline With an Allowable Exception**

- **Fall 2023 – Number/Percentage of Course Sections Not Able to Meet 45-Day Deadline Without an Allowable Exception**

- **Spring 2024 – Total Number of Course Sections**

- **Spring 2024 – Number/Percentage of Course Sections Able to Meet 45-Day Deadline**

- **Spring 2024 – Number/Percentage of Course Sections Not Able to Meet 45-Day Deadline With an Allowable Exception**

- **Spring 2024 – Number/Percentage of Course Sections Not Able to Meet 45-Day Deadline Without an Allowable Exception**

Searchable Textbooks and Instructional Materials List

13. Indicate whether your institution made the list of textbooks and instructional materials searchable by the required components below for this reporting cycle by checking the corresponding box for which the answer is Yes. Not checking a box will indicate the answer is No. Select all that apply.

Required Components

- ☒ Course subject
- ☒ Course number
- ☒ Course title
- ☒ Name of the instructor of the course
- ☒ Title of each assigned textbook or instructional material
- ☒ Each author of an assigned textbook or instructional material

If any component of your institution's list was not searchable or missing a required component, please provide a brief explanation and identify activities to come into compliance.

The PDF Of the document is searchable by all fields listed above. The web version is searchable by Course Subject and Course Number.

Downloadable Textbooks and Instructional Materials List

14. Describe how your institution made the list of textbooks and instructional materials easily downloadable by current and prospective students.

Current and prospective students can download lists of textbooks and instructional materials by visiting <https://sjrstate.campusconcourse.com>. There students can search for course syllabi by course name or instructor; each course syllabus lists the required textbook(s) and instructional materials.

Icon for No-Cost OER and No-Textbook Course Sections

15. Indicate how your institution implemented the use of an icon to indicate the status of course sections where no textbook is required or no-cost OER are used. Not checking a box will indicate the answer is N/A. Select all that apply.

- ☒ Through Zero Textbook Cost Indicator developed by the Florida Postsecondary Academic Library Network.
- ☒ Through the bookstore website (vendor or college-managed).
- ☒ Through the course registration system.
- ☒ Other (please specify): Courses for which no textbook is required or no-cost OER are used are indicated in SJR State's course catalog on FloridaShines. Students can refine their search for courses using the "Zero Textbook Cost" indicator. Students can also identify courses with no textbook requirement or with OER used by the ZTC icon.

If your institution did not implement an icon, please provide a brief explanation and identify activities to come into compliance.

Click or tap here to enter text.

General Education Core Course Syllabi Components and Forty-Five (45) Day Posting Requirement

16. Indicate whether all general education core course syllabi included the required components below for this reporting cycle by checking the corresponding box for which the answer is Yes. Not checking a box will indicate the answer is No. Select all that apply.

Required Components

- ☒ Curriculum
- ☒ Goals
- ☒ Objectives
- ☒ Student expectations of the course
- ☒ How student performance will be measured

If your institution's general education core course syllabi were missing a required component, please provide a brief explanation and identify activities to come into compliance.

[Click or tap here to enter text.](#)

17. Indicate whether your institution met the course syllabi posting requirements below for at least 95% of the general education core course sections 45 days before the first day of class for this reporting cycle, with or without reasonable exceptions, by checking the corresponding box for which the answer is Yes. Not checking a box will indicate the answer is N/A. Select only one.

Reasonable exceptions include:

- A faculty member has not yet been assigned to teach the course section before the forty-five (45) day notification deadline.
- The course section is added after the forty-five (45) day notification deadline.

Posting Requirements

☐ The syllabi for at least 95% of the general education core course sections were posted 45 days before the first day of classes this reporting cycle.

☐ The syllabi for at least 95% of the general education core course sections were not posted 45 days before the first day of classes this reporting cycle; however, with reasonable exceptions, the college is in compliance.

☒ The syllabi for at least 95% of the general education core course sections were not posted 45 days before the first day of classes this reporting cycle.

If your institution did not meet the syllabi posting requirement for which a reasonable exception applies, please provide a brief explanation, and identify activities to come into compliance.

The College has a large portion of dual enrollment sections taught at the high school site by high school instructors who do not check their College email on a regular basis, especially during the Summer. This poses a significant challenge to meet the posting requirement, especially for Fall courses.

The percent of general education core course sections published is given below.

Fall 2023: 68% by 7/7/2023, 77% by 7/11/2023, 82% by 7/24/2023, 89% by 8/9/2023, 98% by 8/14/2023

Spring 2024: 92% by 11/27/2023, 98% by 12/6/2023

Summer A 2024: 74% by 3/24/2024, 88% by 3/25/2024, 95% by 3/31/2024

Summer B 2024: 93% by 5/13/2024, 93% by 5/14/2024, 96% by 5/20/2024

The College uses the Concourse Syllabus Management System to create, post, and store faculty syllabi. All faculty have received training either when Concourse was implemented or during New Faculty Orientation. In addition, the College's Center for Learning Culture maintains a webpage with videos and instructions for using Concourse. Furthermore, instructional technologists offer targeted training sessions to assist faculty and are also available to meet with them individually. Finally, deans, curriculum coordinators, and support staff stress to faculty the importance of posting their syllabi by the required deadlines and then follow up with faculty to ensure compliance.

Textbook and Instructional Materials List Five-Year (5) Posting Requirement

18. Indicate whether your institution updated and posted the list of required and recommended textbooks for the preceding five (5) academic years below by September 1, 2024, by checking the corresponding box for which the answer is Yes. Not checking a box will indicate the answer is No. Select all that apply.

Preceding 5 Academic Years

- ☒ 2018-19
- ☒ 2019-20
- ☒ 2020-21
- ☒ 2021-22
- ☒ 2022-23

If your institution did not publish the textbooks and instructional materials list for all of the preceding five (5) academic years, please provide a brief explanation and identify activities to come into compliance.

[Click or tap here to enter text.](#)

19. Indicate whether the list of required and recommended textbooks for the preceding five (5) academic years included all of the required components below by checking the corresponding box for which the answer is Yes. Not checking a box will indicate the answer is No. Select all that apply.

Required Components

- ☒ Course subject
- ☒ Course number
- ☒ Course title
- ☒ Name of the instructor of the course
- ☒ Title of each assigned textbook or instructional material
- ☒ Each author of an assigned textbook or instructional material

If your institution did not include all of the required components, please provide a brief explanation and identify activities to come into compliance.

[Click or tap here to enter text.](#)

20. Please provide the URL where the five-year textbooks and instructional materials list(s) is posted.
<https://bookstore.sjstate.edu/> (Click Textbooks → Prior Years)

Financial Aid Policies That Promote Affordability

21. Identify specific institutional financial aid policies or programs that promote affordability. Not checking a box will indicate the answer is N/A. Select all that apply.

- ☒ Targeted aid to students close to completing (including Last Mile)
- ☒ Targeted aid to students who were in need, but not eligible for Pell Grants
- ☒ Emergency student aid fund for students in emergency financial situations with unplanned costs
- ☒ Single online scholarship application management system for all institutional scholarships
- ☒ Partnerships with community-based organizations
- ☐ Other (please specify): [Click or tap here to enter text.](#)

Other Affordability Strategies

22. Provide any additional information about any innovative or new affordability strategies. **(Optional)**

[Click or tap here to enter text.](#)



ST. JOHNS RIVER STATE COLLEGE

JOE H. PICKENS, J.D., PRESIDENT
5001 ST. JOHNS AVENUE | PALATKA, FL 32177-3807
(386) 312-4113 | JoePickens@SJRstate.edu

PALATKA CAMPUS 5001 ST. JOHNS AVENUE
PALATKA, FL 32177-3807 | (386) 312-4200

ST. AUGUSTINE CAMPUS 2990 COLLEGE DRIVE
ST. AUGUSTINE, FL 32084-1197 | (904) 808-7400

ORANGE PARK CAMPUS 283 COLLEGE DRIVE
ORANGE PARK, FL 32065-7639 | (904) 276-6800

SJRstate.edu

EQUAL OPPORTUNITY / EQUAL ACCESS COLLEGE

MEMORANDUM

DATE: September 13, 2024

TO: District Board of Trustees
St. Johns River State College

FROM: President Joe H. Pickens, J.D.

SUBJECT: Student Housing Construction Loan and Documents for Third-Parties

The initial draft of the loan documents for the Student Housing construction loan have been sent from the Attorney to VikingArt, Inc. Two of the documents need to be approved and signed by the District Board of Trustees as a Third-Party. Therefore, this is being added as an agenda item for the September 18, 2024, Board Meeting.

- Landlord's Acknowledgment and Consent to Leasehold Mortgage
- Memorandum of Ground Lease

This instrument was prepared by:

Charles R. Wood, Esq.
First Coast Law Group, PLLC
12428 San Jose Blvd., Ste 1
Jacksonville, Florida 32223

**LANDLORD'S ACKNOWLEDGMENT
AND CONSENT TO LEASEHOLD MORTGAGE**

St. Johns River State College Student Housing Corporation, a Florida not for profit corporation (hereinafter the "Landlord") hereby gives this Landlord's Acknowledgement and Consent to Leasehold Mortgage ("Acknowledgement"), as follows:

1. The Amended Ground Sublease Lease Agreement dated August 29, 2024 (hereinafter the "Ground Lease") between Landlord and **VIKINGART, INC.**, a Florida corporation (hereinafter the "Tenant") is in full force and effect.
2. Landlord consents to a Leasehold Mortgage in the amount of **ELEVEN MILLION TWO HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$11,225,000.00)**, including any future advances, on the leasehold interest described in the Leasehold Mortgage by and between Tenant (as "Mortgagor") and **BARWICK BANKING COMPANY**, a Georgia banking company (hereinafter the "Leasehold Mortgagee"). A true and correct copy of the approved form of the Leasehold Mortgage is attached hereto as **Exhibit "A"**.
3. Landlord acknowledges that the rights of Tenant/Mortgagor will be assigned to Leasehold Mortgagee.
4. Landlord acknowledges Tenant's right to encumber the leasehold estate created by the Ground Lease.
5. Landlord acknowledges that the Leasehold Mortgage is given by Tenant to Leasehold Mortgagee for the purpose of perfecting a lien and security interest in and to Tenant's leasehold estate created by the Ground Lease.
6. Landlord acknowledges that Leasehold Mortgagee intends to rely on this Acknowledgement and Consent in extending credit to Tenant/Mortgagor and that Landlord affirms and hereby expresses its intention to be legally bound by the terms hereof. Subject to Tenant's written consent, this acknowledgement/consent will be incorporated into the Ground Lease by reference or exhibit.

LANDLORD:

**St. Johns River State College Student
Housing Corporation**, a Florida not for profit
corporation

By: _____
Print Name: _____
Title: _____

STATE OF FLORIDA

COUNTY OF _____

This instrument was acknowledged before me by means of: [] physical presence or []
online notarization; on this ____ day of _____, 2024, by
_____, as duly _____ of **St. Johns River State
College Student Housing Corporation**, a Florida not for profit corporation, who _____ is
personally known to me or _____ has produced _____ as
identification.

Notary Public, State of Florida
My Commission Expires:

TENANT'S JOINDER

Tenant hereby joins into the foregoing Landlord's Acknowledgement and Consent to Leasehold Mortgage ("Acknowledgement").

VIKINGART, INC., a Florida corporation

By: _____
Preston B. Sloan
Its: President

By: _____
Bradley C. Sloan
Its: Vice President and Secretary

CONSENT OF THE DISTRICT BOARD OF TRUSTEES
OF ST. JOHNS RIVER STATE COLLEGE

THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE, a political subdivision of the State of Florida, as the Lessor of that certain Amended Ground Lease Agreement dated August 29, 2024, between Lessor and **St. Johns River State College Student Housing Corporation**, a Florida not for profit corporation, as Lessee, hereby joins in the execution of this instrument for the purpose of acknowledging and consenting to the sublease to **VikingArt, Inc.**, a Florida corporation, and the Leasehold Mortgage.

**THE DISTRICT BOARD OF
TRUSTEES OF ST. JOHNS RIVER
STATE COLLEGE**, a political subdivision
of the State of Florida

By: _____
Print Name: _____
Title: _____

STATE OF FLORIDA

COUNTY OF _____

This instrument was acknowledged before me by means of: [☐] physical presence or [☐] online notarization; on this ____ day of _____, 2024, by _____, as duly _____ of **THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE**, a political subdivision of the State of Florida, who _____ is personally known to me or _____ has produced _____ as identification.

Notary Public, State of Florida
My Commission Expires:

Exhibit A

**FORM OF LEASEHOLD
MORTGAGE**



Prepared By and Return To:

Charles R. Wood, Esq.
First Coast Law Group, PLLC
12428 San Jose Blvd., Ste 1
Jacksonville, Florida 32223

FL-240618

**LEASEHOLD MORTGAGE, ASSIGNMENT OF LEASES
AND RENTS AND SECURITY AGREEMENT**

THIS LEASEHOLD MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (this “Security Instrument” or “Mortgage”) is made as of the ____ day of _____, 2024 by and among **VIKINGART, INC.**, a Florida corporation, whose address is 2000 Reid Street, Palatka, Florida 32177, as mortgagor (“Borrower” or “Mortgagor”) to **BARWICK BANKING COMPANY**, a Georgia banking company, whose address is 2020 E. Main Street, Barwick, Georgia 31720, as mortgagee (“Lender” or “Mortgagee”). All capitalized terms not defined herein shall have the respective meanings set forth in the Loan Agreement (defined below).

RECITALS:

This Security Instrument is given to secure a loan in the principal sum of **ELEVEN MILLION TWO HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$11,225,000.00)** (the “Loan” or “Debt”) which indebtedness is evidenced by the promissory note made by Borrower dated of even date (the “Note”), said principal (plus interest thereon) being payable as provided for in said Note, the terms of said Note and any agreement modifying it are incorporated herein by reference (such promissory note, together with all extensions, renewals, replacements, restatements, amendments, supplements, severances or modifications thereof being hereinafter referred to as the “Note”), and made pursuant to that certain Construction Loan Agreement, dated as of the date hereof, between Borrower and Lender (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, (the “Loan Agreement”))

Borrower desires to secure the payment of the Loan and the performance of all of its obligations under the Note, the Loan Agreement and the other Loan Documents (as herein defined).

This Security Instrument is given pursuant to the Loan Agreement, and payment, fulfillment, and performance by Borrower of its obligations thereunder and under the other Loan Documents are secured hereby, and each and every term and provision of the Loan Agreement, the Note, and the Loan Documents dated the date hereof made by Borrower in favor of Lender delivered in connection with this Security Instrument, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties therein, are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Security Instrument (the Loan Agreement, the Note, this Security Instrument, and all other documents evidencing or securing the Debt (including all additional mortgages, deeds to secure debt and assignments of leases and rents) or executed or delivered in connection therewith, are hereinafter referred to collectively as the “Loan Documents”). All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Agreement.

ARTICLE 1 - GRANTS OF SECURITY

Section 1.1 PROPERTY MORTGAGED. Borrower does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey to and grant a security interest to Lender and its successors and assigns in, the following property, rights, interests and estates now owned, or hereafter acquired by Borrower (collectively, the "Property"):

(a) Ground Lease. That certain Amended Ground Sublease Agreement dated August 29, 2024, between **St. Johns River State College Student Housing Corporation**, a Florida not for profit corporation, as lessor (together with any future owner(s) of the lessor's interest in the Ground Lease, "Fee Owner") and Borrower, as lessee, evidenced by a Memorandum of Lease, dated as of the date hereof and recorded concurrently with this Security Instrument (collectively, as same may be further amended, restated, replaced, supplemented, assigned or otherwise modified from time to time, the "Ground Lease"), and the leasehold estate created thereby (the "Leasehold Estate") in the real property described therein and set forth in Exhibit A attached hereto (the "Land"), including all assignments, modifications, extensions and renewals of the Ground Lease and all credits, deposits, options, proceeds, privileges and rights of Borrower as tenant under the Ground Lease, including, but not limited to, the right, if any, to renew or extend the Ground Lease for a succeeding term or terms, and also including all the right, title, claim or demand whatsoever of Borrower either in law or in equity, in possession or expectancy, of, in and to Borrower's right, as tenant under the Ground Lease, to elect under Section 365(h)(1) of Title 11 U.S.C.A. § 101 et seq. and the regulations adopted and promulgated thereto (as the same may be amended from time to time, the "Bankruptcy Code") to terminate or treat the Ground Lease as terminated or to consent to the transfer of the Fee Owner's interest in the Land and the Improvements free and clear of the Ground Lease under Section 363 of the Bankruptcy Code in the event (i) of the bankruptcy, reorganization or insolvency of the Fee Owner, and (ii) (A) the rejection of the Ground Lease by such Fee Owner, as debtor in possession, or by a trustee for such Fee Owner, pursuant to Section 365 of the Bankruptcy Code or (B) any attempt by such Fee Owner, as debtor in possession, or by a trustee for such Fee Owner, to transfer such Fee Owner's interest in the Land and the Improvements under Section 363 of the Bankruptcy Code;

(b) Additional Land. All additional lands, estates and development rights hereafter acquired by Borrower for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Security Instrument;

(c) Improvements. The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (the "Improvements");

(d) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and/or the Improvements, including, but not limited to, those arising under and by virtue of the Ground Lease, and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Borrower of, in and to the Land and/or the Improvements, including, but not limited to, those arising under and by virtue of the Ground Lease, and every part and parcel thereof, with the appurtenances thereto;

(e) Fixtures and Personal Property. All machinery, equipment, fixtures (including, but not limited to, all heating, air conditioning, plumbing, lighting, communications and elevator fixtures, inventory and goods

walks, fences, shrubbery, driveways, fixtures, equipment, machinery, apparatus, fittings, building materials and other articles of personal property of every kind and nature whatsoever, now or hereafter ordered for eventual delivery to the Land (whether or not delivered thereto), and all such as are now or hereafter located in or upon any interest or estate in the Land or any part thereof and used or usable in connection with any present or future operation of the Land now owned or hereafter acquired by Mortgagor, including, without limiting the generality of the foregoing, all heating, lighting, laundry, clothes washing, clothes drying, incinerating and power equipment, engines, pipes, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire-prevention, fire-extinguishing, refrigerating, ventilating, and communications apparatus, television sets, radio systems, recording systems, computer equipment, air-cooling and air-conditioning apparatus, elevators, escalators, shades, awnings, draperies, curtains, fans, furniture, furnishings, carpeting, linoleum and other floor coverings, screens, storm doors and windows, stoves, gas and electric ranges, refrigerators, garbage disposals, sump pumps, dishwashers, washers, dryers, attached cabinets, partitions, ducts and compressors, landscaping, swimming pools, lawn and garden equipment, security systems and including all equipment installed or to be installed or used or usable in the operation of the building or buildings or appurtenant facilities erected or to be erected in or upon the Land) and other property of every kind and nature whatsoever owned by Borrower, or in which Borrower has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Land and the Improvements and all building equipment, materials and supplies of any nature whatsoever owned by Borrower, or in which Borrower has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto, or usable in connection with the present or future operation and occupancy of the Land and the Improvements (collectively, the "Personal Property"), and the right, title and interest of Borrower in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the State or States where any of the Property is located (the "Uniform Commercial Code"), superior in lien to the lien of this Security Instrument and all proceeds and products of the above. Disposition of any of the aforesaid or of any interest therein is prohibited; however, if any disposition is made in violation hereof, the Mortgagee shall have a security interest in the proceeds therefrom to the fullest extent permitted by the laws of Florida;

(f) Leases and Rents. All leases, subleases and other agreements, whether or not in writing, including, without limitation, the Ground Lease, affecting the use, enjoyment or occupancy of the Land and/or the Improvements heretofore or hereafter entered into and all extensions, amendments and modifications thereto, whether before or after the filing by or against Borrower of any petition for relief under Title 11 U.S.C.A. § 101 et seq. and the regulations adopted and promulgated thereto (as the same may be amended from time to time, the "Bankruptcy Code") (the "Leases") and all right, title and interest of Borrower, its successors and assigns therein and thereunder, including, without limitation, any guaranties of the lessees' obligations thereunder, cash or securities deposited thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, payments in connection with any termination, cancellation or surrender of any Lease, revenues, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the Land and/or the Improvements whether paid or accruing before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code and all proceeds from the sale or other disposition of the Leases (the "Rents") and the right to receive and apply the Rents to the payment of the Debt;

(g) Condemnation Awards. All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including but not limited to any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Property;

(h) Insurance Proceeds. All proceeds of and any unearned premiums on any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property;

(i) Tax Certiorari. All refunds, rebates or credits in connection with a reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction;

(j) Conversion. All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, proceeds of insurance and condemnation awards, into cash or liquidation claims;

(k) Rights. The right, in the name and on behalf of Borrower, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Lender in the Property;

(l) Agreements. To the extent permitted by law, all agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or activity conducted on the Land and any part thereof and all right, title and interest of Borrower therein and thereunder, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Borrower thereunder;

(m) Intangibles. To the extent permitted by law, all trade names, trademarks, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property;

(n) Accounts. All Accounts, Account Collateral, reserves, escrows and deposit accounts maintained by Borrower with respect to the Property including, without limitation, the Lockbox Account and the Property Account, and all complete securities, investments, property and financial assets held therein from time to time and all proceeds, products, distributions or dividends or substitutions thereon and thereof;

(o) Causes of Action. All causes of action and claims (including, without limitation, all causes of action or claims arising in tort, by contract, by fraud or by concealment of material fact) against any Person for damages or injury to the Property or in connection with any transactions financed in whole or in part by the proceeds of the Loan ("Cause of Action");

(p) Services. Any right to payment or for services rendered, whether or not yet earned by performance, arising from the operation of the improvements or any other facility on the Land, including, without limitation, (1) all accounts arising from the operation of the improvements and all proceeds thereof (whether cash or non-cash, movable or immovable, tangible or intangible) received upon the sale, exchange, transfer, collection or other disposition or substitution thereof, and (2) all rights to payment from any consumer credit/charge card organization or entity, including, without limitation, payments arising from the use of the American Express Card, Visa Card, MasterCard, or any other credit card, including those now existing or hereinafter created or any substitution therefor and all proceeds thereof (whether cash or non-cash, movable or immovable, tangible or intangible) received upon the sale, exchange, transfer, collection or other disposition or substitution thereof

(q) Other Rights. All the right, title and interest (but not the obligations) of Mortgagor, present and future, in and to all present and future accounts, contract rights (including all fees and other obligations set forth in the Mortgagee's commitment to make the Loan), general intangibles, chattel paper, documents and instruments including but not limited to licenses, construction contracts, service contracts, utility contracts,

options, permits, public works agreements, bonds, deposits and payments thereunder, relating or appertaining to the Land and other property described herein and its development, occupancy and use.

(r) Additional Rights. Any and all other rights of Borrower in and to the items set forth in Subsections (a) through (q) above.

Section 1.2 ASSIGNMENT OF LEASES AND RENTS. Borrower hereby absolutely and unconditionally assigns to Lender Borrower's right, title and interest in and to all current and future Leases and Rents; it being intended by Borrower that this assignment constitutes a present, absolute assignment and not an assignment for additional security only. Nevertheless, subject to the terms of this Section 1.2, the provisions of the Assignment of Leases and the provisions of and the Loan Agreement, Lender grants to Borrower a revocable license to collect and receive the Rents. Borrower shall hold the Rents, or a portion thereof sufficient to discharge all current sums due on the Debt, for use in the payment of such sums.

Section 1.3 SECURITY AGREEMENT. This Security Instrument is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Borrower in the Property. By executing and delivering this Security Instrument, Borrower hereby grants to Lender, as security for the Obligations, (as herein defined) a security interest in the Personal Property, the Accounts, and the Account Collateral to the full extent that the Personal Property, the Accounts and the Account Collateral may be subject to the Uniform Commercial Code.

Section 1.4 PLEDGE OF MONIES HELD. Borrower hereby pledges to Lender any and all monies now or hereafter held by Lender, including, without limitation, any sums deposited in the Reserve Funds, the Accounts, Net Proceeds and Awards, as additional security for the Obligations until expended or applied as provided in the Loan Agreement or this Security Instrument.

Section 1.5 CONDITIONS TO GRANT. TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Lender and its successors and assigns, forever. PROVIDED, HOWEVER, these presents are upon the express condition that, if Borrower shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note and this Security Instrument, shall well and truly perform the Other Obligations (as herein defined) as set forth in this Security Instrument and shall well and truly abide by and comply with each and every covenant and condition set forth herein, in the Note and in the Loan Agreement, these presents and the estate hereby granted shall cease, terminate and be void. Borrower hereby warrants and shall indemnify and hold Lender harmless, including Lender's attorneys' fees and costs, from any and all claims made against Lender and or Borrower's interest in and to the Property as hereby mortgaged to Lender by Borrower.

ARTICLE 2 - DEBT AND OBLIGATIONS SECURED

Section 2.1 DEBT. This Security Instrument and the grants, assignments and transfers made in Article 1 are given for the purpose of securing the Debt, including without limitation,

(a) the payment of the indebtedness evidenced by the Note in lawful money of the United States of America;

(b) the payment of interest, default interest, late charges and other sums, as provided in the Note, the Loan Agreement, this Security Instrument or the other Loan Documents;

(c) the payment of all other moneys agreed or provided to be paid by Borrower in the Note, the Loan Agreement, this Security Instrument or the other Loan Documents;

(d) the payment of all sums advanced pursuant to the Loan Agreement or this Security Instrument to protect and preserve the Property and the lien and the security interest created hereby;

(e) the payment of all sums advanced and costs and expenses incurred by Lender in connection with the Debt or any part thereof, any modification, amendment, renewal, extension, or change of or substitution for the Debt or any part thereof, or the acquisition or perfection of the security therefor, whether made or incurred at the request of Borrower or Lender; and

(f) only existing obligations under the Loan Documents, but also such future advances, whether such advances are obligatory or are to be made at the option of Lender, to the same extent as if such future advances are made on the date of the execution of this Mortgage. The total amount of Obligations that may be so secured may decrease or increase from time to time, but the total unpaid balance so secured at one time shall not exceed twice the face amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property, with interest on such disbursements at the Default Rate as hereinafter defined.

Section 2.2 OTHER OBLIGATIONS. This Security Instrument and the grants, assignments and transfers made in Article 1 are also given for the purpose of securing the following (the "Other Obligations"):

(a) the performance of all other obligations of Borrower contained herein;

(b) the performance of each obligation of Borrower contained in any other agreement given by Borrower to Lender which is for the purpose of further securing the obligations secured hereby, and any renewals, extensions, substitutions, replacements, amendments, modifications and changes thereto; and

(c) the performance of each obligation of Borrower contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of the Note, the Loan Agreement, this Security Instrument or the other Loan Documents.

Section 2.3 DEBT AND OTHER OBLIGATIONS. Borrower's obligations for the payment of the Debt and the performance of the Other Obligations, the uses, intents and purposes hereinafter mentioned, that is to say for the benefit and security of Mortgagee and for the enforcement of the payment of the Loan, the Note and all other loans, advances, debts, liabilities, obligations, covenants and duties owing by the Borrower and/or Mortgagor to the Mortgagee (and its successors and/or assigns) of any kind or nature, present or future (including any interest accruing thereon after maturity, or after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding relating to the Borrower or Mortgagor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether direct or indirect (including those acquired by assignment or participation), absolute or contingent, joint or several, due or to become due, now existing or hereafter arising, express or implied, under any documents evidencing or executed in connection with any of the foregoing; and any amendments, extensions, substitutions, renewals, replacements and/or increases of or to any of the foregoing, and all costs and expenses of the Mortgagee incurred in the documentation, negotiation, modification, enforcement, collection and otherwise in connection with any of the foregoing, including reasonable attorneys' fees and expense shall be referred to collectively below as the "Obligations."

ARTICLE 3 - BORROWER COVENANTS

Borrower covenants and agrees that all the covenants, conditions and agreements contained in the Loan Agreement, the Note, and the other Loan Documents are hereby made a part of this Security Instrument to the same extent and with the same force as if fully set forth herein:

Section 3.1 PAYMENT OF DEBT. Borrower will pay the Debt at the time and in the manner provided in the Note, the Loan Agreement and in this Security Instrument.

Section 3.2 INCORPORATION BY REFERENCE. All the covenants, conditions and agreements contained in the Loan Agreement, the Note and all and any of the other Loan Documents, are hereby made a part of this Security Instrument to the same extent and with the same force as if fully set forth herein.

Section 3.3 INSURANCE. Borrower shall obtain and maintain, or cause to be maintained, insurance in full force and effect at all times with respect to Borrower and the Property as required pursuant to the Loan Agreement.

Section 3.4 PAYMENT OF TAXES, ETC. Borrower shall promptly pay all Taxes and other charges in accordance with the terms of the Loan Agreement.

Section 3.5 MAINTENANCE AND USE OF PROPERTY. Borrower shall cause the Property to be maintained in a good and safe condition and repair in accordance with the terms of the Loan Agreement. Subject to the terms of the Loan Agreement, the Improvements and the Personal Property shall not be removed, demolished or materially altered or expanded (except for normal replacement of the Personal Property) without the consent of Lender. Subject to the terms of the Loan Agreement, Borrower shall promptly repair, replace or rebuild any part of the Property which may be destroyed by any Casualty, or become damaged, worn or dilapidated or which may be affected by any Condemnation and shall complete and pay for any structure at any time in the process of construction or repair on the Land. Subject to the terms of the Loan Agreement, Borrower shall not initiate, join in, acquiesce in, or consent to any change in any private restrictive covenant, zoning law or other public or private restriction, limiting or defining the uses which may be made of the Property or any part thereof. If under applicable zoning provisions the use of all or any portion of the Property is or shall become a nonconforming use, Borrower will not cause or permit the nonconforming use to be discontinued or the nonconforming Improvement to be abandoned without the express written consent of Lender.

Section 3.6 WASTE. Borrower shall not commit or suffer any waste of the Property or make any change in the use of the Property which will in any way materially increase the risk of fire or other hazard arising out of the operation of the Property, or take any action that might invalidate or give cause for cancellation of any Policy, or do or permit to be done thereon anything that may in any way impair the value of the Property or the security of this Security Instrument. Borrower will not, without the prior written consent of Lender, permit any drilling or exploration for or extraction, removal, or production of any minerals from the surface or the subsurface of the Land, regardless of the depth thereof or the method of mining or extraction thereof.

Section 3.7 PAYMENT FOR LABOR AND MATERIALS. Borrower will promptly pay when due all bills and costs for labor, materials, and specifically fabricated materials incurred in connection with the Property and never permit to exist in respect of the Property or any part thereof any lien or security interest, even though inferior to the liens and the security interests hereof, and in any event never permit to be created or exist in respect of the Property or any part thereof any other or additional lien or security interest other than the liens or security interests hereof, except for the Permitted Encumbrances.

Section 3.8 PERFORMANCE OF OTHER AGREEMENTS. Borrower shall observe and perform each and every term to be observed or performed by Borrower pursuant to the terms of the Loan Agreement, any other Loan Documents and any agreement or recorded instrument affecting or pertaining to the Property, or given by Borrower to Lender for the purpose of further securing the Obligations and any amendments, modifications or changes thereto.

Section 3.9 CHANGE OF NAME, IDENTITY OR STRUCTURE. Except as may be permitted under the Loan Agreement, Borrower will not change Borrower's name, identity (including its trade name or

names) or corporate, partnership or other structure without first obtaining the prior written consent of Lender. Borrower hereby authorizes Lender, prior to or contemporaneously with the effective date of any such change, to file any financing statement or financing statement change reasonably required by Lender to establish or maintain the validity, perfection and priority of the security interest granted herein. At the request of Lender, Borrower shall execute a certificate in form reasonably satisfactory to Lender listing the trade names under which Borrower intends to operate the Property, and representing and warranting that Borrower does business under no other trade name with respect to the Property.

Section 3.10 PROPERTY USE. The Property shall be used only for **student housing** and any ancillary uses relating thereto, and for no other uses without the prior written consent of Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 3.11 FURTHER ASSURANCES. At any and all times Mortgagor shall furnish and record all and every such further assurances as may be requisite or as the Mortgagee shall reasonably require for the better assuring and confirming unto the Mortgagee the estate and property hereby granted, assigned, conveyed or transferred, or intended so to be whether now owned or hereafter acquired; Mortgagor shall bear all expenses, charges and taxes in connection therewith.

Section 3.12 ESCROW FOR TAXES. To better secure the covenant to pay taxes and fees in the Loan Agreement, Mortgagor agrees that, if Lender so requests, Mortgagor shall deposit with Lender on the day of each month on which a payment of interest is due under the Note, beginning with the month following such request, one-twelfth of the annual taxes next due as estimated by Lender, plus one-twelfth of the annual fire, hazard and other insurance premiums as required herein, such deposit to be held by Lender, without interest, to pay said taxes and premiums. If payments of interest are due under the Note other than monthly, appropriate adjustment shall be made in the amount of the aforesaid periodic deposits.

Any amounts deposited pursuant to the provisions of this Section shall not be, nor be deemed to be, trust funds, nor shall they operate to curtail or reduce the Obligations secured hereby, and all such amounts may be commingled with the general funds of the depositor and be deposited with Mortgagee or at an institution designated by Mortgagee. Mortgagee shall not be responsible for the solvency of such institution, provided it is insured by the Federal Deposit Insurance Corporation or other regulatory agency at the time of designation. If at any time Mortgagee shall determine that the amount then on deposit shall be insufficient to pay an obligation in full, Mortgagor shall immediately after demand deposit with Mortgagee the amount of the deficiency determined by Mortgagee. Nothing contained in this Section shall be deemed to affect any right or remedy of Mortgagee under any provisions of this Security Instrument or of any statute or rule of law to pay any such amount and to add the amount so paid, together with interest at the rate provided for in the Note, to the Obligations secured hereby.

Section 3.13 CHANGE IN TAX LAW. In the event of the passage after date of this Security Instrument of any law changing in any way the laws for the taxation of deeds of trust or debts secured by deeds of trust, or the manner of collection of any such taxation so as to affect this Security Instrument, Mortgagee may give thirty (30) days' written notice to Mortgagor requiring the payment of the Obligations secured hereby. If such notice be given, the Obligations secured hereby shall become due and payable at the expiration of said thirty (30) days; provided, however, that such requirement of payment shall be ineffective if Mortgagor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder, without any penalty or charge thereby accruing to Mortgagee, and if Mortgagor in fact pays such tax prior to the date upon which payment is required by such notice.

Section 3.14 ACTIVITIES ON THE PROPERTY. Mortgagor shall not suffer any act to be done or any conditions to exist on the Property or any part thereof or anything or article to be brought thereon (i) which may cause structural injury to the improvements on the Land; or (ii) which would cause the value or usefulness of the Property or any part thereof to diminish (ordinary wear and tear excepted); or (iii) which

may be dangerous, unless safeguarded as required by law; or (iv) which may in fact or in law, constitute a nuisance, public or private; or (v) which may void or make voidable any insurance then in force or required by the terms of this Mortgage, the Loan Agreement to be in force. Mortgagor shall not use or occupy the Property, and shall not suffer or permit any tenant under any lease to use or occupy the Property, in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Mortgagor becomes aware of such a violation, Mortgagor shall take all actions permitted by law to terminate the activity constituting such violation. Any violation of this Section 3.14 is a material breach of this Mortgage and constitutes an Event of Default.

Section 3.15 ADDITIONAL INSURANCE. If required by the Mortgagee, in addition to the provisions of and to the extent not so provided by the Loan Agreement, Mortgagor shall at all times maintain during the entire term of this Mortgage the following insurance, in form and substance satisfactory to Mortgagee:

- (a) *Hazard/Property Insurance*. Mortgagor shall obtain and keep in effect hazard and property insurance to protect against fire, theft, damage, and other risks (including, if required, flood) in coverage to full extent required by Mortgagee, but in no event, less than total replacement value for all casualty policies;
- (b) *General Liability Insurance*. Mortgagor shall obtain and keep in effect insurance against liability on account of damage to persons or property in coverage to full extent required by Mortgagee;
- (c) *Workers' Compensation*. During any construction, repair, restoration or replacement of improvements on the Land, Mortgagor shall cause all contractors and subcontractors (including Mortgagor if it acts as a contractor) to obtain and keep in effect workers' compensation insurance to the full extent required by applicable law and also which shall cover all employees of each contractor and subcontractor; upon demand, Mortgagor shall provide evidence satisfactory to Mortgagee that it is complying with this covenant; and
- (d) *Additional Insurance*. All other insurance required by this Mortgage or by the Loan Documents.

All insurance for loss or damage shall provide that losses, if any, shall be payable to Mortgagee, as its interest may appear. Mortgagor will pay the premiums for all insurance and deliver to Mortgagee the policies of insurance or duplicates thereof, or other evidence satisfactory to Mortgagee of such insurance coverage. Each insurer shall agree, by endorsement upon the policy or policies issued by it, or by independent instrument furnished to Mortgagee, that (i) it will give Mortgagee thirty (30) days' prior written notice of the effective date of any material alteration or cancellation of such policy; and (ii) the coverage of Mortgagee shall not be terminated, reduced or affected in any manner regardless of any breach or violation by Mortgagor of any warranties, declarations or conditions of such insurance policy or policies. The proceeds of such insurance shall be applied, at Mortgagee's option, toward the replacement, restoration or repair of the Property which may be lost, stolen or destroyed or damaged or toward payment of any Obligations of Mortgagor to Mortgagee

Section 3.16 CONDEMNATION AWARDS. Should the grade of any street be altered or all or any part of the Property be condemned or taken through eminent domain proceedings, all or such part of any award or proceeds derived therefrom, as Mortgagee in its sole discretion may determine in writing, shall be paid to Mortgagee and applied to the payment of the Obligations secured hereby (in such manner or combination thereof, including inverse order of maturity of installments of principal, if any, as Mortgagee may, in its sole discretion, elect) and all such proceeds are hereby assigned to Mortgagee.

Section 3.17 COSTS OF DEFENDING AND ENFORCING THE LIEN. Mortgagor shall pay all costs, charges and expenses, including appraisals, title examinations, and reasonable attorney's fees, which Mortgagee may incur in defending or enforcing the validity or priority of the legal operation and effect of this Mortgage, or any term, covenant or condition hereof, or in collecting any sum secured hereby, or in protecting the security of Mortgagee including without limitation being a party in any condemnation, bankruptcy or administrative proceedings, or, if an Event of Default shall occur, in administering and executing the trust hereby created and performing their powers, privileges and duties hereunder. Mortgagee may make advances or payments for such purposes but all advances or payments made by Mortgagee for such purposes shall be repayable immediately by Mortgagor and shall bear interest at the Default Rate from the date the same shall become due and payable until the date paid, and any such sum or sums with interest as aforesaid shall become a part of the Obligations secured hereby; but no such advance or payment shall relieve Mortgagor from any default hereunder.

Section 3.18 MODIFICATION OF TERMS; NO NOVATION. Mortgagee may at any time, and from time to time, extend the time for payment of the Obligations secured hereby, or any part thereof, or interest thereon, and waive, modify or amend any of the terms, covenants or conditions in the Note, in this Mortgage or in any other Loan Document, in whole or in part, either at the request of Mortgagor or of any person having an interest in the Property, accept one or more notes in replacement or substitution of the Note, consent to the release of all or any part of the Property from the legal operation and effect of this Mortgage, take or release other security, release any party primarily or secondarily liable on the Note or hereunder or on such other security, grant extensions, renewals or indulgences therein or herein, apply to the payment of the principal and interest and premium, if any, of the Obligations secured hereby any part or all of the proceeds obtained by sale or otherwise as provided herein, without resort or regard to other security, or resort to any one or more of the securities or remedies which Mortgagee may have and which in its absolute discretion it may pursue for the payment of all or any part of the Obligations secured hereby, in such order and in such manner as it may determine, all without in any way releasing Mortgagor or any party secondarily liable from any of the terms, covenants or conditions of the Note, this Mortgage, or any other Loan Document, or relieving the unreleased Property from the legal operation and effect of this Mortgage for all amounts owing under the Note, the Loan Agreement and this Mortgage. Mortgagee and Mortgagor recognize and agree that the provisions of this Mortgage, the Note, and any other Loan Document may be modified by them or their successors or assigns at any time before or after default (which modification may involve increasing the rate of interest in the Note, agreeing that other charges should be paid, or modifying any other provision in any such instruments). Mortgagee may extend the time of payment, may agree to alter the terms of payment of the Obligations, and may grant partial releases of any portion of the property included herein. No such modification by Mortgagee and Mortgagor nor any such action by Mortgagee or the Mortgagor referred to above shall be a substitution or novation of the original Obligations or instruments evidencing or securing the same, but shall be considered a possible occurrence within the original contemplation of the parties.

Section 3.19 GOVERNMENTAL ACTION AFFECTING THE PROPERTY. Mortgagor agrees that in the event of the enactment of any law or ordinance, the promulgation of any zoning or other governmental regulation, or the rendition of any judicial decree restricting or affecting the use of the Property or rezoning the area wherein the same shall be situate which Mortgagee reasonably believes adversely affects the Property, Mortgagee may, upon at least sixty (60) days written notice to Mortgagor, require payment of the Obligations secured hereby at such time as may be stipulated in such notice, and the whole of the Obligations secured hereby, shall thereupon become due and payable.

Section 3.20 COMPLIANCE WITH LEASES. Mortgagor shall carry out all of its agreements and covenants as landlord contained in any leases (which word when used in this Mortgage shall include, without limitation, all agreements, licenses, contracts, reservations, accounts, and permits affecting all or any part of the Property) and not permit a lien or other encumbrance superior to such leases other than this Mortgage. No lease shall include any space, or grant to any tenant any right or interest in any area outside

of the limits of the Property. Upon demand of Mortgagee, Mortgagor shall furnish Mortgagee an executed copy of each lease immediately upon its execution. All future leases shall be written on the standard form accepted by Mortgagee, with only such changes as Mortgagee shall have approved in writing or on a lease agreement approved by Mortgagee and in accordance with the Ground Lease.

Section 3.21 LIMITATION ON SUBORDINATE LIENORS. Mortgagor covenants that Mortgagee of any subordinate lien shall have no right, and shall acquire no right, to terminate or modify any lease affecting the Property whether or not such lease is subordinate to the legal operation and effect of this Mortgage.

Section 3.22 DEPOSIT OF RENTS. All payments, including security deposits, under any lease received by Mortgagor shall be deemed held by Mortgagor in trust for the payment of the Obligations secured hereby. Mortgagor shall deposit in a non-interest bearing account or accounts with Mortgagee all payments (except security deposits made under residential leases, if any) made under all leases, which sums, subject to the rights of the tenants therein, may be used by Mortgagor in the ordinary course of Mortgagor's business to the extent permitted by law, until one or more of the Events of Default shall occur, but not thereafter.

Section 3.23 ASSIGNMENT OF BANKRUPTCY AWARDS. Mortgagor hereby assigns to the Mortgagee any award made hereafter to it in any court procedure involving any of the tenants in any bankruptcy, insolvency or reorganization proceeding in any state or federal court and any and all payments by any tenant in lieu of rent.

Section 3.24 LIMITATION OF LIABILITY UNDER LEASES. The Mortgagee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Mortgagor under any lease; and Mortgagor hereby agrees to indemnify the Mortgagee for and to save them harmless from, any and all liability arising from any lease, or this assignment thereof and this assignment shall not place the responsibility for the control, care, management or repair of the Property upon the Mortgagee, nor make said Mortgagee liable for any negligence in the management, operation, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, agent, guest, or stranger.

Section 3.25 SECURITY DEPOSITS. Mortgagor shall deposit in an account or accounts with Mortgagee or its designee, under the depository's standard program for such accounts, all security deposits made under residential leases which sums, subject to the rights of the tenants therein, may be used by Mortgagor in the ordinary course of Mortgagor's business to the extent permitted by law, until one or more of the Events of Default shall occur, but not thereafter. All such deposits shall be the continuing responsibility of Mortgagor, and Mortgagor shall comply with all applicable requirements of state and local law where the Property is located.

Section 3.26 ENVIRONMENTAL COVENANTS.

Section 3.26.1 NO SUBSTANCES PRESENT. Mortgagor hereby represents and warrants to Mortgagee that, after a due and diligent investigation, to the best of its knowledge, there are not now and have never been any materials or substances located on or near the Property that, under federal, state, or local law, statute, ordinance, or regulation, or administrative or court order or decree, or private agreement (collectively, the "Environmental Laws"), are regulated as to use, generation, collection, storage, treatment, or disposal (such materials or substances are hereinafter collectively referred to as "Substances"). The term "Substances" includes any materials or substances whose release or threatened release may pose a risk to human health or the environment or impairment of property values and shall also include without limitation (i) asbestos in any form, (ii) urea formaldehyde foam insulation, (iii) paint containing lead, (iv) transformers or other equipment which contains dielectric fluid containing levels of polychlorinated biphenyls of 50 parts per million or more, and (v) petroleum in any form. Mortgagor further represents and warrants to Mortgagee that the Property is not now being used nor has it ever been used in the past for any activities

involving the use, generation, collection, storage, treatment, or disposal of any Substances. Mortgagor will not place or permit to be placed any Substances on or near the Property except for those Substances that are typically used in the operation of Mortgagor's business provided the same are in appropriately small quantities and are stored, used, and disposed of properly; or Substances that are approved in writing by Mortgagee.

Section 3.26.2 ACTING UPON PRESENCE OF SUBSTANCES. Mortgagor hereby covenants and agrees that, if at any time (i) Substances are spilled, emitted, disposed, or leaked in any amount; or (ii) it is determined that there are Substances located on, in, or under the Property other than those of which Mortgagee has approved in writing or which are permitted to be used on the Property without Mortgagee's written approval, Mortgagor shall immediately notify Mortgagee and any authorities required by law to be notified, and shall, within thirty (30) days thereafter or sooner if required by Mortgagee or any governmental authority, take or cause to be taken, at Mortgagor's sole expense, such action as may be required by Mortgagee or any governmental authority. If Mortgagor shall fail to take such action, Mortgagee may make advances or payments towards performance or satisfaction of the same but shall be under no obligation so to do; and all sums so advanced or paid, including all sums advanced or paid in connection with any investigation or judicial or administrative proceeding relating thereto, including, without limitation, reasonable attorneys' fees, expert fees, fines, or other penalty payments, shall be at once repayable by Mortgagor and shall bear interest at the Default Rate, from the date advanced or paid by Mortgagee until the date paid by Mortgagor to Mortgagee, and all sums so advanced or paid, with interest as aforesaid, shall become a part of the Obligations secured hereby.

Section 3.26.3 ENVIRONMENTAL AUDITS. Mortgagor, promptly upon the written request of Mortgagee from time to time, shall provide Mortgagee, at Mortgagor's expense, from time to time with an environmental site assessment or environmental audit report, or an update of such an assessment or report, all in scope, form, and content satisfactory to Mortgagee.

Section 3.26.4 ENVIRONMENTAL NOTICES. Mortgagor shall furnish to Mortgagee duplicate copies of all correspondence, notices, or reports it receives from any federal, state, or local agency or any other person regarding environmental matters or Substances at or near the Property, immediately upon Mortgagor's receipt thereof.

Section 3.26.5 CONDITION OF PROPERTY. Mortgagor hereby represents and warrants that there are no wells or septic tanks on the Property serving any other property; no wells or septic tanks on other property serving the Property; no burial grounds, archeological sites, or habitats of endangered or threatened species on the Property; and that no part of the Property is subject to tidal waters; has been designated as wetlands by any federal, state, or local law or governmental agency; or is located in a special flood hazard area.

Section 3.26.6 ENVIRONMENTAL INDEMNITY.

Section 3.26.6.1 Mortgagor shall at all times indemnify and hold harmless Mortgagee against and from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Mortgagee, whether as beneficiary of this Mortgage, as mortgagee in possession, or as successor-in-interest to Mortgagor by foreclosure deed or deed in lieu of foreclosure, under or on account of the Environmental Laws or any similar laws or regulations, including the assertion of any lien thereunder, with respect to:

- (a) any discharge of Substances, the threat of a discharge of any Substances, or the presence of any Substances affecting the Property whether or not the same originates

or emanates from the Property or any contiguous real estate including any loss of value of the Property as a result of any of the foregoing;

- (b) any costs of removal or remedial action incurred by the United States Government or any costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction or loss incurred pursuant to any Environmental Laws;
- (c) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at or near the Property; and/or
- (d) any other environmental matter affecting the Property within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state or local environmental agency.

Mortgagor's obligations under this Agreement shall arise upon the discovery of the presence of any Substance, whether or not the Environmental Protection Agency, any other federal agency or any state or local environmental agency has taken or threatened any action in connection with the presence of any Substances.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender that representations and warranties contained in the Loan Agreement, the Note, and the other Loan Documents are hereby made a part of this Security Instrument to the same extent and with the same force as if fully set forth herein:

Section 4.1 WARRANTY OF TITLE. Borrower has good leasehold title to the real property comprising part of the to the Property and has the right to mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey the same and that Borrower possesses a leasehold interest in the Land and the Improvements pursuant to the Ground Lease and that it owns the Property free and clear of all liens, encumbrances and charges whatsoever except for the Permitted Encumbrances. The Permitted Encumbrances do not and will not materially adversely affect or interfere with the value, or materially adversely affect or interfere with the current use or operation, of the Property, or the security intended to be provided by this Security Instrument or the ability of Borrower to repay the Note or any other amount owing under the Note, this Security Instrument, the Loan Agreement, or the other Loan Documents or to perform its obligations thereunder in accordance with the terms of the Loan Agreement, the Note, this Security Instrument or the other Loan Documents. Borrower further represents and warrants that (a) the Ground Lease is in full force and effect and has not been further modified or amended in any manner whatsoever, (b) there are no defaults under the Ground Lease beyond any applicable grace, cure or notice period, (c) all rents, additional rents and other sums due and payable under the Ground Lease have been paid in full, and (d) Borrower has not commenced any action or given or received any notice for the purpose of terminating the Ground Lease. This Security Instrument, when properly recorded in the appropriate records, together with the Assignment of Leases and any Uniform Commercial Code financing statements required to be filed in connection therewith, will create (i) a valid, perfected first priority lien on the Property, subject only to Permitted Encumbrances and (ii) perfected security interests in and to, and perfected collateral assignments of, all personalty (including the Leases), all in accordance with the terms thereof, subject only to Permitted Encumbrances. The Assignment of Leases, when properly recorded in the appropriate records, creates a valid first priority assignment of, or a valid first priority security interest in, certain rights under the related Leases, subject only to a license granted to Borrower to exercise certain rights and to perform certain obligations of the lessor under such Leases, including the right to operate the

Property. No Person other than Borrower owns any interest in any payments due under such Leases that is superior to or of equal priority with the Lender's interest therein. Borrower shall forever warrant, defend and preserve the title and the validity and priority of the lien of this Security Instrument and shall forever warrant and defend the same to Lender against the claims of all persons whomsoever.

ARTICLE 5 - OBLIGATIONS AND RELIANCES

Section 5.1 RELATIONSHIP OF BORROWER AND LENDER. The relationship between Borrower and Lender is solely that of debtor and creditor, and Lender has no fiduciary or other special relationship with Borrower, and no term or condition of any of the Loan Agreement, the Note, this Security Instrument and the other Loan Documents shall be construed so as to deem the relationship between Borrower and Lender to be other than that of debtor and creditor.

Section 5.2 NO RELIANCE ON LENDER. The members, general partners, principals and (if Borrower is a trust) beneficial owners of Borrower are experienced in the ownership and operation of properties similar to the Property, and Borrower and Lender are relying solely upon such expertise and business plan in connection with the ownership and operation of the Property. Borrower is not relying on Lender's expertise, business acumen or advice in connection with the Property.

Section 5.3 NO LENDER OBLIGATIONS. (a) Notwithstanding any provisions of this Mortgage to the contrary, Lender is not undertaking the performance of (i) any obligations under the Leases; or (ii) any obligations with respect to such agreements, contracts, certificates, instruments, franchises, permits, trademarks, licenses and other documents.

(b) By accepting or approving anything required to be observed, performed or fulfilled or to be given to Lender pursuant to this Security Instrument, the Loan Agreement, the Note or the other Loan Documents, including without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, Lender shall not be deemed to have warranted, consented to, or affirmed the sufficiency, the legality or effectiveness of same, and such acceptance or approval thereof shall not constitute any warranty or affirmation with respect thereto by Lender.

Section 5.4 RELIANCE. Borrower recognizes and acknowledges that in accepting the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, (i) Lender is expressly and primarily relying on the truth and accuracy of the warranties and representations set forth in the Loan Agreement and Articles 3 and 4 hereof without any obligation to investigate the Property and notwithstanding any investigation of the Property by Lender; (ii) that such reliance existed on the part of Lender prior to the date hereof; (iii) that the warranties and representations are a material inducement to Lender in accepting the Note, the Loan Agreement, this Security Instrument and the other Loan Documents; and (iv) that Lender would not be willing to make the Loan and accept this Security Instrument in the absence of the warranties and representations as set forth in the Loan Agreement and Articles 3 and 4 hereof.

ARTICLE 6 - FURTHER ASSURANCES

Section 6.1 RECORDING OF SECURITY INSTRUMENT, ETC. Borrower forthwith upon the execution and delivery of this Security Instrument and thereafter, from time to time, will cause this Security Instrument and any of the other Loan Documents creating a lien or security interest or evidencing the lien hereof upon the Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect and perfect the lien or security interest hereof upon, and the interest of Lender in, the Property. Borrower will pay all taxes, filing, registration or recording fees, and all expenses incident to the preparation, execution, acknowledgment and/or recording of the Note, the Loan Agreement, this Security Instrument, the other Loan Documents, and any instrument of further assurance, and any modification or amendment of the foregoing documents, and all federal, state, county and municipal taxes, duties, imposts,

assessments and charges arising out of or in connection with the execution and delivery of this Security Instrument, the other Loan Documents, or any instrument of further assurance, and any modification or amendment of the foregoing documents, except where prohibited by law so to do.

Section 6.2 FURTHER ACTS, ETC. Borrower will, at the cost of Borrower, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignments, transfers and assurances as Lender shall, from time to time, reasonably require, for the better assuring, conveying, assigning, transferring, and confirming unto Lender the Property and rights hereby deeded, mortgaged, granted, bargained, sold, conveyed, confirmed, pledged, assigned, warranted and transferred or intended now or hereafter so to be, or which Borrower may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Security Instrument or for filing, registering or recording this Security Instrument, or for complying with all Legal Requirements. Borrower, on demand, will execute and deliver and hereby authorizes Lender to file one or more financing statements or execute in the name of Borrower to the extent Lender may lawfully do so, one or more chattel mortgages or other instruments, to evidence more effectively the security interest of Lender in the Property or any Collateral. Borrower grants to Lender an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Lender at law and in equity, including without limitation such rights and remedies available to Lender pursuant to this Section 6.2.

Section 6.3 CHANGES IN TAX, DEBT CREDIT AND DOCUMENTARY STAMP LAWS.

(a) If any law is enacted or adopted or amended after the date of this Security Instrument which deducts the Debt from the value of the Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Lender's interest in the Property, Borrower will pay the tax, with interest and penalties thereon, if any. If Lender is advised by counsel chosen by it that the payment of tax by Borrower would be unlawful or taxable to Lender or unenforceable or provide the basis for a defense of usury, then Lender shall have the option, exercisable by written notice of not less than ninety (90) days to declare the Debt immediately due and payable.

(b) Borrower will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes or other charges assessed against the Property, or any part thereof, and no deduction shall otherwise be made or claimed from the assessed value of the Property, or any part thereof, for real estate tax purposes by reason of this Security Instrument or the Debt. If such claim, credit or deduction shall be required by law, Lender shall have the option, exercisable by written notice of not less than ninety (90) days, to declare the Debt immediately due and payable.

(c) If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to the Note, the Loan Agreement, this Security Instrument, or any of the other Loan Documents or impose any other tax or charge on the same, Borrower will pay for the same, with interest and penalties thereon, if any.

Section 6.4 REPLACEMENT DOCUMENTS. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of the Note or any other Loan Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other Loan Documents, Borrower will issue, at Lender's sole cost and expense in lieu thereof, a replacement Note or other Loan Documents, dated the date of such lost, stolen, destroyed or mutilated Note or other Loan Documents in the same principal amount thereof and otherwise of like tenor.

Section 6.5 PERFORMANCE AT BORROWER'S EXPENSE. Borrower acknowledges and confirms that Lender shall impose certain administrative processing and/or commitment fees in connection with (a) the extension, renewal, modification, amendment and termination of the Loan, (b) the release or substitution of collateral therefor, (c) obtaining certain consents, waivers and approvals with respect to the

Property, or (d) the review of any Lease or proposed Lease or the preparation or review of any subordination, non-disturbance agreement (the occurrence of any of the above shall be called an "Event"). Borrower further acknowledges and confirms that it shall be responsible for the payment of all costs of reappraisal of the Property or any part thereof, to the extent required by law, regulation, Lender or any governmental or quasi-governmental authority. Borrower hereby acknowledges and agrees to pay, immediately, with or without demand, all such fees (as the same may be increased or decreased from time to time), and any additional fees of a similar type or nature which may be imposed by Lender from time to time, upon the occurrence of any Event. Wherever it is provided for herein that Borrower pay any costs and expenses, such costs and expenses shall include, but not be limited to, all reasonable out-of-pocket expenses of Lender.

Section 6.6 LEGAL FEES FOR ENFORCEMENT. (a) Borrower shall pay all reasonable legal fees incurred by Lender in connection with the preparation of the Loan Agreement, the Note, this Security Instrument and the other Loan Documents and (b) Borrower shall pay to Lender on demand any and all expenses, including reasonable legal expenses and attorneys' fees, incurred or paid by Lender in protecting its interest in the Property or in collecting any amount payable hereunder or in enforcing its rights hereunder with respect to the Property (including commencing any foreclosure action), whether or not any legal proceeding is commenced hereunder or thereunder, together with interest thereon at the Default Rate from the date paid or incurred by Lender until such expenses are paid by Borrower.

ARTICLE 7 - DUE ON SALE/ENCUMBRANCE

Section 7.1 LENDER RELIANCE. Borrower acknowledges that Lender has examined and relied on the experience of Borrower and its partners, members, principals and (if Borrower is a trust) beneficial owners in owning and operating properties such as the Property in agreeing to make the Loan, and will continue to rely on Borrower's ownership of the Property as a means of maintaining the value of the Property as security for repayment of the Debt and the performance of the Other Obligations. Borrower acknowledges that Lender has a valid interest in maintaining the value of the Property so as to ensure that, should Borrower default in the repayment of the Debt or the performance of the Other Obligations, Lender can recover the Debt by a sale of the Property.

Section 7.2 NO SALE/ENCUMBRANCE. Borrower shall not transfer the Property or any part thereof or any interest therein or permit or suffer the Property or any part thereof or any interest therein to be transferred other than as expressly permitted pursuant to the terms of the Loan Agreement.

ARTICLE 8 - PREPAYMENT

Section 8.1 PREPAYMENT. The Debt may not be prepaid in whole or in part except in accordance with the express terms and conditions of the Loan Agreement and Note.

Section 8.2 RELEASE OF PROPERTY. Borrower shall not be entitled to a release of any portion of the Property from the lien of this Security Instrument except in accordance with terms and conditions of the Loan Agreement and Note.

ARTICLE 9 - RIGHTS AND REMEDIES

Section 9.1 REMEDIES. Upon the occurrence of and during the continuance of any Event of Default, Borrower agrees that Lender may, take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Borrower and in and to the Property, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Lender may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Lender:

(a) declare the entire unpaid Debt to be immediately due and payable, anything in the Note, in the Loan Agreement or in this Mortgage to the contrary notwithstanding; and in the event of any sale of all or any part of the Property, whether made under the power of sale herein granted, assent to a decree or through judicial proceedings, such unpaid principal amount shall automatically and without notice become so due and payable. If Mortgagee exercises Mortgagee's option to declare the entire unpaid principal amount of the Note to be due and payable, Mortgagor covenants to pay immediately the full amount of the Obligations secured hereby even though foreclosure or other court proceedings to collect the Obligations have not been commenced. Acceleration of maturity, once declared by Mortgagee, may at the option of Mortgagee, be rescinded by written acknowledgment to that effect by Mortgagee, but the tender and acceptance of partial payments alone shall not rescind or affect in any way such acceleration of maturity;

(b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Security Instrument under any applicable provision of law in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;

(c) with or without entry, to the extent permitted and pursuant to the procedures provided by Applicable Law, institute proceedings for the partial foreclosure of this Security Instrument for the portion of the Debt then due and payable, subject to the continuing lien and security interest of this Security Instrument for the balance of the Debt not then due, unimpaired and without loss of priority;

(d) sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Borrower therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, in one or more parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law;

(e) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note, the Loan Agreement, or in the other Loan Documents;

(f) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument or the other Loan Documents;

(g) apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and without regard for the adequacy of the security for the Debt and without regard for the solvency of Borrower, any Guarantor or of any person, firm or other entity liable for the payment of the Debt;

(h) subject to any Applicable Law, the license granted to Borrower under this Mortgage shall automatically be revoked and Lender may enter into or upon the Property, either personally or by its agents, nominees or attorneys and dispossess Borrower and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Borrower and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Borrower agrees to surrender possession of the Property and of such books, records and accounts to Lender upon demand, and thereupon Lender may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct business thereon; (ii) complete any construction on the Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Borrower with respect to the Property, whether in the name of Borrower or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents of the Property and every part thereof; (v) require Borrower to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Property as may be occupied by Borrower; (vi) require Borrower to vacate and surrender possession of the Property to Lender or to such receiver and, in default thereof, Borrower may be evicted

by summary proceedings or otherwise; and (vii) apply the receipts from the Property to the payment of the Debt, in such order, priority and proportions as Lender shall deem appropriate in its sole discretion after deducting therefrom all expenses (including reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, other charges, Insurance Premiums and other expenses in connection with the Property, as well as just and reasonable compensation for the services of Lender, its counsel, agents and employees;

(i) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of any Collateral (including, without limitation, the Personal Property) or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Collateral (including without limitation, the Personal Property), and (ii) request Borrower at its expense to assemble the Collateral, including without limitation, the Personal Property, and make it available to Lender at a convenient place acceptable to Lender. Any notice of sale, disposition or other intended action by Lender with respect to the Collateral, including without limitation, the Personal Property, sent to Borrower in accordance with the provisions hereof at least five (5) days prior to such action, shall constitute commercially reasonable notice to Borrower;

(j) apply any sums then deposited in the Accounts and any other sums held in escrow or otherwise by Lender in accordance with the terms of this Security Instrument, the Loan Agreement, or any other Loan Documents to the payment of the following items in any order in its sole discretion:

(i) Taxes and other charges;

(ii) Insurance Premiums;

(iii) interest on the unpaid principal balance of the Note;

(iv) amortization of the unpaid principal balance of the Note; or

(v) all other sums payable pursuant to the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, including without limitation advances made by Lender pursuant to the terms of this Security Instrument;

(k) surrender the Policies, collect the unearned Insurance Premiums and apply such sums as a credit on the Debt in such priority and proportion as Lender in its discretion shall deem proper, and in connection therewith, Borrower hereby appoints Lender as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Borrower to collect such Insurance Premiums;

(l) apply the undisbursed balance of any Net Proceeds Deficiency deposit, together with interest thereon, to the payment of the Debt in such order, priority and proportions as Lender shall deem to be appropriate in its discretion;

(m) foreclose by power of sale or otherwise and apply the proceeds of any recovery to the Debt or to any deficiency under this Security Instrument;

(n) exercise all rights and remedies under any Causes of Action, whether before or after any sale of the Property by foreclosure, power of sale, or otherwise and apply the proceeds of any recovery to the Debt or to any deficiency under this Security Instrument;

(o) pursue such other remedies as Lender may have under Applicable Law.

In the event of a sale, by foreclosure, power of sale, or otherwise, of less than all of the Property, this Security Instrument shall continue as a lien and security interest on the remaining portion of the Property unimpaired and without loss of priority.

Section 9.2 APPLICATION OF PROCEEDS. The purchase money, proceeds and avails of any disposition of the Property, or any part thereof, or any other sums collected by Lender pursuant to the Note, this Security Instrument, the Loan Agreement, or the other Loan Documents, may be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper.

Section 9.3 RIGHT TO CURE DEFAULTS. Upon the occurrence of any Default or Event of Default, Lender may, but without any obligation to do so and without notice to or demand on Borrower and without releasing Borrower from any obligation hereunder, make or do the same in such manner and to such extent as Lender may deem necessary to protect the security hereof. Lender is authorized to enter upon the Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Property or to foreclose this Security Instrument or collect the Debt. The cost and expense of any cure hereunder (including reasonable attorneys' fees to the extent permitted by law), with interest as provided below, shall constitute a portion of the Debt and shall be due and payable to Lender upon demand. All such costs and expenses incurred by Lender in remedying such Default or Event of Default shall bear interest at the Default Rate for the period after notice from Lender that such cost or expense was incurred to the date of payment to Lender and shall be deemed to constitute a portion of the Debt and be secured by this Security Instrument and the other Loan Documents and shall be immediately due and payable upon demand by Lender therefor.

Section 9.4 ACTIONS AND PROCEEDINGS. Lender has the right to appear in and defend any action or proceeding brought with respect to the Property and, after the occurrence and during the continuance of an Event of Default, to bring any action or proceeding, in the name and on behalf of Borrower, which Lender, in its discretion, decides should be brought to protect its interest in the Property.

Section 9.5 RECOVERY OF SUMS REQUIRED TO BE PAID. Lender shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Lender thereafter to bring an action of foreclosure, or any other action, for an Event of Default by Borrower existing at the time such earlier action was commenced.

Section 9.6 OTHER RIGHTS, ETC. (a) The failure of Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument. Borrower shall not be relieved of Borrower's obligations hereunder by reason of (i) the failure of Lender to comply with any request of Borrower or any Guarantor to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any person liable for the Debt or any portion thereof, or (iii) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of the Note, the Loan Agreement, this Security Instrument or the other Loan Documents.

(b) It is agreed that the risk of loss or damage to the Property is on Borrower, and Lender shall have no liability whatsoever for decline in value of the Property, for failure to maintain the Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Lender shall not be deemed an election of judicial relief, if any such possession is requested or obtained, with respect to the Property or any other Collateral not in Lender's possession.

(c) Lender may resort for the payment of the Debt to any other security held by Lender in such order and manner as Lender, in its discretion, may elect. Lender may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender thereafter to foreclose this Security Instrument. The rights of Lender under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other

provision. Lender shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

Section 9.7 RIGHT TO RELEASE ANY PORTION OF THE PROPERTY. Lender may release any portion of the Property for such consideration as Lender may require without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Security Instrument, or improving the position of any subordinate lien with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Lender for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Lender may require without being accountable for so doing to any other lien. This Security Instrument shall continue as a lien and security interest in the remaining portion of the Property.

Section 9.8 VIOLATION OF LAWS. If the Property is not in compliance with Legal Requirements, Lender may impose additional requirements upon Borrower in connection herewith including, without limitation, monetary reserves or financial equivalents.

Section 9.9 RIGHT OF ENTRY. Subject to the terms of the Loan Agreement, Lender and its agents shall have the right to enter and inspect the Property at all reasonable times.

Section 9.10 SUBROGATION. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Lender shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the Lender of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Lender and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, and the performance and discharge of the Obligations.

Section 9.11 APPOINTMENT OF A RECEIVER. Until one or more of the Events of Default shall occur (but not thereafter), Mortgagor shall have possession of the Property and shall have the right to use and enjoy the same and to receive the rents thereof and therefrom. If one or more of the Events of Default shall occur, and without the requirement of any other showing, Mortgagee shall be entitled as a matter of right and to the extent permitted by law, without notice to Mortgagor, and without regard to the adequacy of the security, to the immediate appointment of a receiver of the Property and of the rents thereof and therefrom, in an ex parte proceeding with all such other powers as the court or courts making such appointment shall confer, and the rents thereof and therefrom are hereby assigned to Mortgagee as additional security under this Mortgage. Mortgagor shall deliver to the receiver appointed pursuant to the provisions of this Section, or to Mortgagee in the event of entry pursuant to the terms of the preceding Section, all original records, books, bank accounts, leases, agreements, security deposits of the tenants and all other materials relating to the operation of the Property.

Section 9.12 FORECLOSURE SALE. (a) If one or more of the Events of Default shall occur, the Mortgagee shall sell and in the case of default of any purchaser or purchasers shall resell all the Property as an entirety, or in such parcels and in such order as Mortgagee shall in writing request, or, in the absence of such request, as the Mortgagee may determine (Mortgagor hereby waiving for itself and for any person claiming by or through it application of the doctrine of marshalling of assets), at public auction at some convenient place or places in the jurisdiction in the state where the Property is situate, or in such other place or places as may be permitted by law, at such time, in such manner and upon such terms as the Mortgagee may fix and briefly specify in each notice of sale, which notice of sale shall state the time when, and the place where, the same is to be made, shall contain a brief general description of the property to be sold, and shall be sufficiently given if published as frequently and in such publication as may be required by law, and Mortgagee may cause such further public advertisement to be made as they may deem advisable, and any such sale may be adjourned by the Mortgagee by announcement at the time and place appointed for such

sale or for such adjourned sale, and, without further notice or publication, such sale may be made at the time and place to which the same shall be so adjourned. If one or more leases are entered into or recorded subsequent to the recording of this Mortgage or are otherwise subordinate to this Mortgage, the Mortgagee shall sell, subject to any one or more of such tenancies that are designated and selected by Mortgagee.

(b) Upon the completion of any sale and compliance with all the terms thereof, the Mortgagee shall execute and deliver to the purchaser or purchasers a good and sufficient deed of conveyance, assignment and transfer, lawfully conveying, assigning and transferring the property sold. Payment to the Mortgagee of the entire purchase money shall be full and sufficient discharge of any purchaser or purchasers of the property, sold as aforesaid, for the purchase money; and no such purchaser, or his representatives, successors or assigns, after paying such purchase money and receiving the deed shall be bound to see to the application of such purchase money.

(c) In the case of any sale of the Property or of any part thereof, whether under the power of sale herein granted, assent to decree or through other judicial proceedings, the purchase money, proceeds and avails thereof, together with any other sums which may then be held as security hereunder or be due under any of the provisions hereof as a part of the Property, shall be applied Debt in such priority and proportions as Lender in its discretion shall deem proper.

(d) Immediately upon the filing or docketing of suit preliminary to a foreclosure sale of the Property, or any part thereof under this Mortgage, there shall be and become due and owing by Mortgagor, an auctioneer's commission on the total amount of the indebtedness secured hereby equal to two and one-half percent (2 ½%), and Mortgagee shall not be required to receive the principal and interest in satisfaction of the Obligations secured hereby, but said sale may be proceeded with unless, prior to the day appointed therefor, tender is made of said principal, interest, commissions and all expenses and costs incident to such sale and all other sums that are part of the Obligations secured hereby.

(e) Mortgagee may bid and become the purchaser at any sale under this Mortgage. If Mortgagee is the purchaser at any such sale, Mortgagee may apply the outstanding indebtedness against all or any portion of the purchase price, including the deposit.

Section 9.13 COLLECTION OF REVENUES. In connection with the exercise by Mortgagee of the rights and remedies provided for in subsection 9.1(h) hereof:

(a) Mortgagee may notify any tenant, lessee or licensee of the Property, either in the name of the Mortgagee or Mortgagor, to make payment of revenues directly to Mortgagee or Mortgagor's agents, may advise any person of Mortgagee's interest in and to the revenues arising out of or in connection with the Property and may collect directly from such tenants, lessees and licensees all amounts due on account of such revenues;

(b) At Mortgagee's request, Mortgagor will provide written notification to any or all tenants, lessees and licensees of the property concerning Mortgagee's interest in the revenues arising out of or in connection with the Property and will request that such tenants, lessees and licensees forward payment thereof directly to Lender;

(c) Mortgagor shall hold any proceeds and collections of any of the revenues arising out of or in connection with the Property in trust for Mortgagee and shall not commingle such proceeds or collections with any other funds of Mortgagor; and

(d) Mortgagor shall deliver all such proceeds to Mortgagee immediately upon the receipt thereof by Mortgagor in the identical form received, but duly endorsed or assigned on behalf of Mortgagor to Mortgagee.

Section 9.14 USE AND OCCUPATION OF PROPERTY. Mortgagee may enter upon, occupy, and use all or any part of the Property and may exclude Mortgagor from the Land and the Improvements thereon or portion thereof as may have been so entered upon, occupied, or used. Mortgagee shall not be required to remove any personal Property from the Land and the Improvements upon Mortgagee's taking possession thereof, and may render any personal Property unusable to Mortgagor. In the event Mortgagor manages the Land and the improvements thereon, Mortgagor shall pay to Mortgagee on demand a reasonable fee for the management thereof in addition to the Obligations. Further, Mortgagee may construct such improvements on the Land or make such alterations, renovations, repairs, and replacements to the Improvements, as Mortgagee, in its sole discretion, deems proper or appropriate. The obligation of Mortgagor to pay such amounts and all expenses incurred by Mortgagee in the exercise of its rights hereunder shall be included in the Obligations and shall accrue interest at the default rate of interest stated in the Note.

Section 9.15 PARTIAL SALES. Mortgagor agrees that in case Mortgagee, in the exercise of the power of sale contained herein or in the exercise of any other rights hereunder given, elects to sell in parts or parcels, said sales may be held from time to time and that the power shall not be exhausted until all of the Property not previously sold shall have been sold, notwithstanding that the proceeds of such sales exceed, or may exceed, the Obligations.

Section 9.16 ASSEMBLY OF PROPERTY. Upon the occurrence of any Event of Default, Mortgagee may require Mortgagor to assemble the Property and make it available to Mortgagee, at Mortgagor's sole risk and expense, at a place or places to be designated by Mortgagee which are reasonably convenient to both Mortgagee and Mortgagor

Section 9.17 POWER OF ATTORNEY. Upon the occurrence of any Event of Default, Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor's true and lawful attorney in fact to take any action with respect to the Property to preserve, protect, or realize upon Mortgagee's interest therein, each at the sole risk, cost and expense of Mortgagor, but for the sole benefit of Mortgagee. The rights and powers granted Mortgagee by the within appointment include, but are not limited to, the right and power to: (a) prosecute, defend, compromise, settle, or release any action relating to the Property; (b) endorse the name of Mortgagor in favor of Mortgagee upon any and all checks or other items constituting revenues arising out of or in connection with the Property; (c) sign and endorse the name of Mortgagor on, and to receive as secured party, any of the Property; (d) sign and file or record on behalf of Mortgagor any financing or other statement in order to perfect or protect Mortgagee's security interest; (e) enter into any contracts or agreements relative to, and to take all action deemed necessary in connection with, the construction of any improvements on the Land; (f) manage, operate, maintain or repair the Land and the improvements; and (g) exercise the rights of Mortgagor under any contracts, leases or intangible personal property. Mortgagee shall not be obligated to perform any of such acts or to exercise any of such powers, but if Mortgagee elects so to perform or exercise, Mortgagee shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to Mortgagor except for Mortgagee's willful misconduct or gross negligence. All powers conferred upon Mortgagee by this Mortgage and Security Agreement, being coupled with an interest, shall be irrevocable until terminated by a written instrument executed by a duly authorized officer of the Mortgagee.

ARTICLE 10 - INDEMNIFICATIONS

Section 10.1 GENERAL INDEMNIFICATION. Borrower shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless Lender, as well as any and all of their affiliates, assignors, assignees, attorneys, agents, principals, officers, directors, employees, partners, limited partners, joint venturers, shareholders, members, associates, accountants, legal representatives, predecessors, successors, subsidiaries, parent companies, holding companies, insurers, and reinsurers, including without limitation any and all loan officers, loan processors, mortgage lenders, mortgage brokers, real estate agents, real estate brokers, appraisers, loan owners, investors, closing agents, title insurers, title agencies, underwriters, trusts

and trustees (as well as the officers, directors, members, shareholders, beneficiaries, and employees of the foregoing entities (“Indemnified Parties”) from and against any and all Losses imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any one or more of the following: (a) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (b) any use, nonuse or condition in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (c) performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof; (d) any failure of the Property to be in compliance with any Legal Requirements; (e) any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in any Lease; or (f) the payment of any commission, charge or brokerage fee to anyone which may be payable in connection with the funding of the Loan evidenced by the Note and secured by this Security Instrument. Any amounts payable to Lender by reason of the application of this Section 10.1 shall become immediately due and payable and shall bear interest at the Default Rate from the date loss or damage is sustained by Lender until paid.

Section 10.2 MORTGAGE AND/OR INTANGIBLE TAX. Borrower shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any tax on the making and/or recording of this Security Instrument, the Loan Agreement, the Note or any other Loan Document.

Section 10.3 ENVIRONMENTAL INDEMNITY. Simultaneously with this Security Instrument, Borrower and Indemnitor have executed and delivered the Environmental Indemnity.

ARTICLE 11 - WAIVERS

Section 11.1 WAIVER OF COUNTERCLAIM. Borrower hereby waives the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against it by Lender arising out of or in any way connected with this Security Instrument, the Note, the Loan Agreement, any of the other Loan Documents, or the Obligations.

Section 11.2 MARSHALLING AND OTHER MATTERS. Borrower hereby waives, to the extent permitted by law, the benefit of all appraisal, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein. Further, Borrower hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Borrower, and on behalf of each Person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by Legal Requirements.

Section 11.3 WAIVER OF NOTICE. Borrower shall not be entitled to any notices of any nature whatsoever from Lender except (a) with respect to matters for which this Security Instrument, the Loan Agreement or any other Loan Document, specifically and expressly provides for the giving of notice by Lender to Borrower, and (b) with respect to matters for which Lender is required by any Applicable Law to give notice, and Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Security Instrument does not specifically and expressly provide for the giving of notice by Lender to Borrower.

Section 11.4 WAIVER OF STATUTE OF LIMITATIONS. Borrower hereby expressly waives and releases to the fullest extent permitted by law, the pleading of any statute of limitations as a defense to payment of the Debt or performance of its Other Obligations.

Section 11.5 SOLE DISCRETION OF LENDER. Wherever pursuant to this Security Instrument (a) Lender exercises any right given to it to approve or disapprove, (b) any arrangement or term is to be satisfactory to Lender, or (c) any other decision or determination is to be made by Lender, the decision of Lender to approve or disapprove, all decisions that arrangements or terms are satisfactory or not satisfactory and all other decisions and determinations made by Lender, shall be in the sole and absolute discretion of Lender, except as may be otherwise expressly and specifically provided herein or in any of the other Loan Documents.

ARTICLE 12 - SUBMISSION TO JURISDICTION

Section 12.1 SUBMISSION TO JURISDICTION. BORROWER AGREES, AT THE SOLE OPTION OF LENDER, TO THE JURISDICTION OF THE CIRCUIT COURT OF THE STATE OF FLORIDA IN THE COUNTY IN WHICH THE SUBJECT PROPERTY OF THIS SECURITY INSTRUMENTS IS LOCATED.

ARTICLE 13 - APPLICABLE LAW

Section 13.1 CHOICE OF LAW. THIS SECURITY INSTRUMENT SHALL BE DEEMED TO BE A CONTRACT ENTERED INTO PURSUANT TO THE LAWS OF THE STATE OF FLORIDA AND SHALL IN ALL RESPECTS BE GOVERNED, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA, PROVIDED HOWEVER, THAT WITH RESPECT TO THE CREATION, PERFECTION, PRIORITY AND ENFORCEMENT OF THE LIEN OF THIS SECURITY INSTRUMENT, AND THE DETERMINATION OF DEFICIENCY JUDGMENTS, THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED SHALL APPLY.

Section 13.2 PROVISIONS SUBJECT TO APPLICABLE LAW. All rights, powers and remedies provided in this Security Instrument may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Security Instrument invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any Legal Requirements ("Legal Requirements" shall mean, with respect to the Property, all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities affecting the Property or any part thereof, or the construction, use, alteration or operation thereof, or any part thereof, whether now or hereafter enacted and in force, and all permits, licenses and authorizations and regulations relating thereto, and all covenants, agreements, restrictions and encumbrances contained in any instruments, either of record or known to Borrower, at any time in force affecting the Property or any part thereof, including, without limitation, any which may (a) require repairs, modifications or alterations in or to the Property or any part thereof, or (b) in any way limit the use and enjoyment thereof.

ARTICLE 14 - DEFINITIONS

Section 14.1 GENERAL DEFINITIONS. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Security Instrument may be used interchangeably in singular or plural form and the word "Borrower" shall mean "each Borrower and any subsequent owner or owners of the Property or any part thereof or any interest therein," the word "Lender" shall mean "Lender and any subsequent Lender of the Note," the word "Note," shall mean "the Note and any other evidence of indebtedness secured by this Security Instrument," the word "Property" shall include any portion of the Property and any interest therein, and the phrases "legal fees", "attorneys' fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or

paid by Lender in protecting its interest in the Property, the Leases and the Rents and enforcing its rights hereunder.

Section 14.2 HEADINGS, ETC. The headings and captions of various Articles and Sections of this Security Instrument are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

ARTICLE 15 - MISCELLANEOUS PROVISIONS

Section 15.1 NO ORAL CHANGE. This Security Instrument and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower or Lender, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

Section 15.2 LIABILITY. If Borrower consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several. This Security Instrument shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns forever.

Section 15.3 INAPPLICABLE PROVISIONS. If any term, covenant or condition of this Security Instrument or any other Loan Document, is held to be invalid, illegal or unenforceable in any respect, the Note and this Security Instrument or the other Loan Documents, as the case may be, shall be construed without such provision.

Section 15.4 DUPLICATE ORIGINALS; COUNTERPARTS. This Security Instrument may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Security Instrument may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Security Instrument. The failure of any party hereto to execute this Security Instrument, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder.

Section 15.5 NUMBER AND GENDER. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 15.6 NOTICES. All notices required or permitted under this Security Instrument, unless specifically provided otherwise in this Mortgage or by law, shall be in writing and shall be made by facsimile or by hand delivery, by overnight delivery service, or by certified mail, unrestricted delivery, return receipt requested, postage prepaid, addressed to Mortgagee or Mortgagor at the appropriate address set forth above or to such other address as may be hereafter specified by written notice by Mortgagee or Mortgagor. Notice shall be considered given as of the date of the facsimile or the hand delivery, one (1) calendar day after delivery to the overnight delivery service, or three (3) calendar days after the date of mailing, independent of the date of actual delivery or whether delivery is ever in fact made, as the case may be, provided the giver of notice can establish that notice was given as provided herein.

Section 15.7 MORTGAGEE. The Mortgagee shall be protected in acting upon any notice, request, consent, demand, statement, note or other paper or document believed by them to be genuine and to have been signed by the party or parties purporting to sign the same. The Mortgagee shall not be liable for any error of judgment, nor for any act done or step taken or omitted, nor for any mistake of law or fact, nor for anything which they may do or refrain from doing in good faith nor generally shall a Mortgagee have any accountability hereunder except for his own individual willful default.

Section 15.8 ESTOPPEL CERTIFICATES. Mortgagor, upon request, made either personally or by mail, shall, within six (6) days in case the request is made personally, or within ten (10) days after the mailing of such request in case the request is made by mail, certify, by a writing duly acknowledged, to Mortgagee or to any proposed assignee of the Note, the amount of principal and interest then owing on the Note and whether any offsets or defenses exist against the Obligations secured hereby. At the request of Mortgagee, such certificate shall also contain a statement that Mortgagor knows of no Event of Default nor of any other default which, after notice or lapse of time or both, would constitute an Event of Default, which has occurred and remains uncured as of the date of such certificate, or, if any such Event of Default or other default has occurred and remains uncured as of the date of such certificate, then such certificate shall contain a statement specifying the nature thereof, the time for which the same has continued and the action which Mortgagor has taken or proposes to take with respect thereto

Section 15.9 LEGAL CONSTRUCTION. This Mortgage shall be construed according to the laws of Florida (excluding Florida conflict of laws) and any court of competent jurisdiction of Florida shall have jurisdiction in any proceeding instituted to enforce this Mortgage and any objections to venue are hereby waived.

Section 15.10 USURY LIMITATIONS. No provision of this Mortgage shall require the payment or permit the collection of interest or other sum in excess of the maximum permitted by applicable law, including a judicial determination. If any excess of interest or other sum in such respect is herein provided for, or shall be adjudicated to be so provided for herein, neither Mortgagor nor its successors or assigns shall be obligated to pay such interest or other sum in excess of the amount permitted by applicable law, including a judicial determination, and the right to demand the payment of any such excess shall be and hereby is waived. The provisions of this Section shall control all other provisions of this Mortgage.

Section 15.11 RECORDING. Mortgagor covenants and agrees to promptly cause all documents required by Mortgagee to be properly recorded or filed, including this Mortgage, and to pay all fees, taxes and expenses incident thereto. Mortgagor shall hold harmless and indemnify Mortgagee against any liability incurred by reason of the imposition of any fee, tax or charge on the making and recording of this Mortgage.

Section 15.12 RIGHTS OF MORTGAGEE.

- (a) *Rights Not Limited*. The rights, powers, privileges and discretions (hereinafter collectively called the "rights") specifically granted to the Mortgagee and those specifically granted to Mortgagee under this Mortgage are not in limitation of but in addition to those to which they are entitled under any general or local law relating to and mortgages in Florida, now or hereafter existing.
- (b) *Benefit to Successors and Assigns*. The rights to which Mortgagee may be entitled shall inure to the benefit of its successors and assigns.
- (c) *Rights Cumulative*. All the rights of Mortgagee are cumulative and not alternative and may be enforced successively or concurrently.

Section 15.13 NO WAIVER. Failure of Mortgagee to exercise any of their rights shall not impair any of their rights nor be deemed a waiver thereof, and no waiver of any of their rights shall be deemed to apply to any other such rights, nor shall it be effective unless in writing and signed by the party waiving the right. The acceptance by Mortgagee of any partial payment after default or an Event of Default, with or without knowledge of the default or Event of Default, shall not be a waiver of the default or Event of Default unless Mortgagee shall specifically state in writing that the acceptance waives the default or Event of Default or states further conditions which must be satisfied to constitute such a waiver. The failure of Mortgagee to exercise the option for acceleration of maturity, foreclosure, or either, following an Event of Default or to

exercise any other option or privilege granted to Mortgagee hereunder in any one or more instances, shall not constitute a waiver of any such default, but such option or privilege shall remain continuously in force.

Section 15.14 MUTUAL WAIVER OF JURY TRIAL. Mortgagor and Mortgagee (by acceptance of this Mortgage) each, on behalf of itself and its successors and assigns, WAIVES to the fullest extent permitted by law all right to TRIAL BY JURY of any and all claims between them arising under this Mortgage, the Note, the Loan Agreement, or any other Loan Documents, and any and all claims arising under common law or under any statute of any state or the United States of America, whether any such claims be now existing or hereafter arising, now known or unknown. In making this waiver Mortgagee and Mortgagor acknowledge and agree that any and all claims made by Mortgagee and all claims made against Mortgagee shall be heard by a judge of a court of proper jurisdiction, and shall not be heard by a jury. Mortgagee and Mortgagor acknowledge and agree that THIS WAIVER OF TRIAL BY JURY IS A MATERIAL ELEMENT OF THE CONSIDERATION FOR THIS TRANSACTION. Mortgagee and Mortgagor, with advice of counsel, each acknowledges that it is knowingly and voluntarily waiving a legal right by agreeing to this waiver provision.

Section 15.15 WAIVER BY MORTGAGOR. Mortgagor waives, on behalf of itself and all persons now or hereafter interested in the Property, all rights under all appraisal, homestead, moratorium, valuation, redemption, exemption, stay, extension and marshalling statutes, laws or equities now or hereafter existing and agrees that no defense based on any thereof will be asserted in any action enforcing this Mortgage. Furthermore, Mortgagor hereby expressly waives the right or equity of redemption, whether arising under statute, common law, or both. Mortgagor represents and covenants that the Property forms no part of any property owned, used or claimed by Mortgagor as a business or residential homestead or as exempt from forced sale and disclaims and renounces all and every such claim thereto.

Section 15.16 INDEMNIFICATION. Mortgagee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Mortgagor under any lease. Mortgagor shall indemnify the Mortgagee for and save them harmless from any and all liability arising from any lease or assignment of a lease as security under this Mortgage. Mortgagee shall not have any responsibility for the control, care, management or repair of the Property or be liable for any negligence in the management, operation, upkeep, repair or control of the Property resulting in loss or injury or death to any lessee or any other person or entity. The obligations and liabilities of Mortgagor under this paragraph shall survive any termination, satisfaction or assignment of this Mortgage and the exercise by Mortgagee of any of its rights or remedies hereunder including, without limitation, the acquisition of the Property by foreclosure or a conveyance in lieu of foreclosure.

Section 15.17 BINDING EFFECT. The terms and conditions agreed to by Mortgagor and the covenants of Mortgagor shall be binding upon the personal representatives, successors and assigns of Mortgagor and of each of them, but this provision does not waive any prohibition of assignment or any requirement of consent to an assignment under the other provisions of this Mortgage; any consent to an assignment shall not be consent to any further assignment, each of which must be specifically obtained in writing.

Section 15.18 TIME OF ESSENCE. Time is of the essence of the obligations of Mortgagor in this Mortgage and each and every term, covenant and condition made herein by or applicable to Mortgagor.

ARTICLE 16 - GROUND LEASE PROVISIONS

Section 16.1 NO MERGER OF FEE AND LEASEHOLD ESTATES; RELEASES. So long as any portion of the Debt shall remain unpaid, unless Lender shall otherwise consent, the fee title to the Land and the Leasehold Estate shall not merge but shall always be kept separate and distinct, notwithstanding the union of such estates in Borrower, Fee Owner, or in any other Person by purchase, operation of law or

otherwise. Lender reserves the right, at any time, to release portions of the Property, including, but not limited to, the Leasehold Estate, with or without consideration, at Lender's election, without waiving or affecting any of its rights hereunder or under the Note or the other Loan Documents and any such release shall not affect Lender's rights in connection with the portion of the Property not so released.

Section 16.2 BORROWER'S ACQUISITION OF FEE ESTATE. In the event that Borrower, so long as any portion of the Debt remains unpaid, shall be the owner of the fee title to the Land, the lien of this Security Instrument shall be spread to cover Borrower's fee title to the Land and said fee title shall be deemed to be included in the Property. Borrower agrees, at its sole cost and expense, including without limitation, Lender's reasonable attorney's fees, to (i) execute any and all documents or instruments necessary to subject its fee title to the Land to the lien of this Security Instrument; and (ii) provide a title insurance policy which shall insure that the lien of this Security Instrument is a first lien on Borrower's fee title to the Land.

Section 16.3 Bankruptcy.

(a) Subject to the terms of the Loan Agreement, Borrower shall not, in any event, including the bankruptcy, reorganization or insolvency of Borrower or Fee Owner, (i) surrender its leasehold estate, or any portion thereof, nor terminate, cancel or acquiesce in the rejection of the Ground Lease; (ii) consent or fail to object to any attempt by Fee Owner to sell or transfer its interest in the Land and the Improvements free and clear of the Ground Lease; or (iii) modify, change, supplement, alter or amend the Ground Lease in any respect, either orally or in writing. Subject to the terms of the Loan Agreement, Borrower does hereby expressly release, assign, relinquish and surrender unto Lender all its right, power and authority to terminate, cancel, acquiesce in the rejection of, consent or object to any attempted transfer Fee Owner's interest in the Land and the Improvements free and clear of the Ground Lease, or modify, change, supplement, alter or amend the Ground Lease in any respect, either orally or in writing, at any time, including in the event of the bankruptcy, reorganization or insolvency of Borrower or Fee Owner under the Ground Lease, and any attempt on the part of Borrower to exercise any such right without the consent of Lender shall be null and void. Notwithstanding the foregoing, in the event of a threatened termination of the Ground Lease due to the bankruptcy, reorganization or insolvency of Borrower, Borrower shall, at Lender's election, absolutely assign to Lender, in lieu of such termination, all of Borrower's right, title and interest in and to the Ground Lease.

(b) In the event the Ground Lease is rejected by Fee Owner, as debtor in possession, or by a trustee for Fee Owner, pursuant to Section 365 of the Bankruptcy Code, Borrower shall not exercise its right to elect under Section 365(h)(1) of the Bankruptcy Code to terminate or treat the Ground Lease as terminated. Any such election made shall be null and void. In any event, Borrower hereby waives, for the benefit of Lender, its successors and assigns only, and not enforceable by anyone else, the provisions of Section 365 of the Bankruptcy Code, or of any statute or rule of law now or hereafter in effect which gives or purports to give Borrower any right of election to terminate the Ground Lease, to acquiesce in the termination of the Ground Lease or to surrender possession of the Property in the event of the bankruptcy, reorganization or insolvency of Borrower or any other party including, without limitation, Fee Owner.

(c) In the event Fee Owner, as debtor in possession, or by a trustee for Fee Owner, attempts to transfer its interest in the Land and the Improvements free and clear of the Ground Lease pursuant to Section 363 of the Bankruptcy Code, Borrower shall not consent, acquiesce or fail to object to such attempted transfer. Any such consent, acquiescence or failure to object made shall be null and void. In any event, Borrower hereby waives, for the benefit of Lender, its successors and assigns only, and not enforceable by anyone else, the provisions of Section 363 of the Bankruptcy Code, or of any statute or rule of law now or hereafter in effect which gives or purports to give Borrower any right to consent to or acquiesce in the transfer of the Fee Owner's interest in the Land and the Improvements free and clear of the Ground Lease, to acquiesce in

the termination of the Ground Lease or to surrender possession of the Property in the event of the bankruptcy, reorganization or insolvency of Fee Owner or any other party.

Section 16.4 LEASEHOLD COVENANTS, REPRESENTATIONS AND WARRANTIES. Mortgagor makes the following covenants, representations and warranties with respect to the Ground Lease and the estate created thereby, as of the date thereof:

- (a) The Ground Lease is in full force and effect. No default of Mortgagor, as lessee or tenant, has occurred and is continuing under the Ground Lease; to the best of Mortgagor's knowledge, no default of the lessor has occurred and is continuing under the Lease; and, to the best of Mortgagor's knowledge, no event has occurred or exists that with the passage of time or service of notice, or both, would constitute a default by either Mortgagor or lessor under the Ground Lease.
- (b) All rents, additional rents, percentage rents and all other charges payable by Mortgagor to the lessors under the Ground Lease have been fully paid.
- (c) Mortgagor will promptly perform and observe all of the material terms, covenants and conditions required to be performed and observed by Mortgagor as lessee under the Ground Lease and maintain the Ground Lease in full force and effect until payment and performance in full of all Obligations.
- (d) If Mortgagor shall violate any of the covenants specified in Subsection (c) above, subject to the rights of the landlord under the Ground Lease, and any other restrictions contained in, terms or provisions of, the Ground Lease, Mortgagor grants Mortgagee the right (but not the obligation) to take such action as may be necessary to prevent or cure any default of Mortgagor under the Ground Lease if necessary or appropriate to protect Mortgagee's interest hereunder, and upon prior notification thereof to Mortgagor, Mortgagee shall have the right, subject to the rights of tenants and further subject to the Permitted Liens, to enter all or any portion of the Land or any improvements located thereon at such times and in such manner as Mortgagee deems reasonably necessary (i) to prevent or to cure any such default and (ii) to protect Mortgagee's interest hereunder; provided, however, that, unless termination of the Ground Lease or the lessor's repossession of the premises is imminent as a result of such default, then prior to exercising any rights under this Subsection (d), Mortgagee shall provide Mortgagor with written notice of its intent to prevent or cure such default, shall not take any immediate action and shall prior to taking any action allow Mortgagor five (5) business days to (i) prevent or cure such default or (ii) if prevention or cure is not reasonably possible to accomplish within such five (5) business day period, respond with a plan setting forth a reasonable time period for Mortgagor to prevent or cure such default.
- (e) The curing by Mortgagee of any default by Mortgagor under the Ground Lease shall not remove, cure or waive, as between Mortgagor and Mortgagee, the default which occurred hereunder by virtue of the default by Mortgagor under such Lease. All sums expended by Mortgagee in order to cure any such default shall be paid by Mortgagor to Mortgagee, upon demand, with interest thereon at the Default Rate specified in the Loan Agreement. All such indebtedness shall be deemed to be secured by this Mortgage.
- (f) Mortgagor shall notify Mortgagee promptly of (i) the occurrence of any material default by the lessor under the Lease, or the occurrence of any event which with the passage of time and/or service of notice would constitute a material default by the lessor under the Lease, and (ii) the receipt by Mortgagor of any notice from the lessor noting or claiming the occurrence of any

default by Mortgagor under the Lease, or the occurrence of any event that with the passage of time or service of notice, or both, would constitute a default by Mortgagor under the Lease (and shall deliver a copy of any written notice of default to Mortgagee.

- (g) Promptly upon demand by Mortgagee, but no more than one (1) time per calendar year (unless an Event of Default has occurred and is continuing), Mortgagor shall use reasonable efforts to obtain from the lessor and furnish to Mortgagee, the estoppel certificate of such lessor stating the date through which rent has been paid and whether or not there are any defaults under the Lease and specifying the nature for such claimed defaults, if any.
- (h) Mortgagor shall promptly notify Mortgagee, in writing, of any request made by either party to the Lease for reference or arbitration proceedings pursuant to such Lease and of the institution of any reference or arbitration proceedings, as well as of all proceedings thereunder, and will promptly deliver to Mortgagee a copy of the determination of the referees, arbitrators or appraisers in each such reference or arbitration proceeding. If an Event of Default exists and is continuing, Mortgagee shall have the right (but not the obligation), following the delivery of written notice to Mortgagor, to participate in the appointment of any referee or arbitrator to be appointed by Mortgagor and to participate in such reference or arbitration proceedings in association with Mortgagor or on its own behalf as an interested party. Mortgagor shall promptly notify Mortgagee, in writing, of the institution of any legal proceedings involving obligations under the Lease. If an Event of Default exists and is continuing, Mortgagee may intervene in any such legal proceedings and be made a party to them. Mortgagor shall promptly provide Mortgagee with a copy of any decision rendered in connection with such proceedings.
- (i) Mortgagor shall promptly execute, acknowledge and deliver to Mortgagee such instruments as may be required to permit Mortgagee to cure any default under the Lease or permit Mortgagee to take such other action required to enable Mortgagee to cure or remedy the matter in default and preserve the security interest of Mortgagee under the Lease. Upon the occurrence and continuance of a default under the Lease and an Event of Default, Mortgagor hereby irrevocably appoints Mortgagee as its true and lawful attorney-in-fact in Mortgagee's name or otherwise to do any and all acts and to execute any and all documents which are necessary to preserve any rights of Mortgagor to or under the Lease, or to preserve any rights of Mortgagor whatsoever in respect of any part of the Lease (and the above powers granted to Mortgagee are coupled with an interest and shall be irrevocable).
- (j) The generality of the provisions of this Section 17.4. relating to the Lease shall not be limited by other provisions of this Mortgage setting forth particular obligations of Mortgagor which are also required of Mortgagor as the lessee under the Lease.
- (k) Unless Mortgagee shall otherwise consent in writing, so long as any of the payment Obligations remain unpaid, neither the fee title to the Land nor any other estate, title or interest in the Land shall merge with the leasehold estate under the Lease but shall always be kept separate and distinct therefrom, notwithstanding the union of such estates either in the lessor or the lessee under the Lease or in a third party, by purchase or otherwise.
- (l) Mortgagor shall not subordinate the Lease or the leasehold created by the Lease to any mortgage, Mortgage or other encumbrance of, or lien on, any interest in the real property subject to the Lease without the prior written consent of Mortgagee, which consent shall not be withheld if such subordination is required under the Lease and is otherwise in the form contemplated by the Lease, if any; provided however, if the form of subordination agreement

is not specified in the Lease, then Mortgagee shall have the right to review and approve such subordination, which approval shall not be unreasonably withheld, delayed or conditioned. Any such subordination without such consent shall, at Mortgagee's option, be void.

- (m) Mortgagor hereby assigns to Mortgagee a security interest in all prepaid rents and security deposits and all other security which the landlords under the Lease hold for the performance of Mortgagor's obligation's thereunder.
- (n) To the extent permitted by law, the price payable by Mortgagor or any other party in the exercise of the right of redemption, if any, from any sale under, or decree of foreclosure of, this Mortgage, shall include all rents and other amounts paid and other sums advanced by Mortgagee on behalf of Mortgagor as the tenant under the Lease.
- (o) Mortgagor shall not, without Mortgagee's prior written consent, (i) surrender, terminate, forfeit, or suffer or permit the surrender, termination or forfeiture of (except for the expiration of the term of the Lease in accordance with its express terms and not the result of any default or affirmative election by Mortgagor), or (ii) supplement, modify or amend in any materially adverse manner, the Lease or any rights relating to the Lease or any other portion of the Mortgaged Property, or waive any right, title or interest relating thereto. Any acquisition of the lessor's interest in the Lease by Mortgagor or any affiliate of Mortgagor will be accomplished by Mortgagor in such a manner so as to avoid a merger of the interests of lessor and lessee in the Lease. If Mortgagor (or any of its successors or assigns) shall acquire fee title to the Land, this Mortgage shall automatically be a lien on ttle fee title.
- (p) As used herein, "11 Bankruptcy Code" shall mean 11 U.S.C. §§ 101 et seq., as modified or recodified from time to time. Notwithstanding anything to the contrary herein contained herein with respect to the Lease.
 - a. The lien of this Mortgage attaches to all of Mortgagor's rights and remedies at any time arising under or pursuant to Subsection 365(h) of the Bankruptcy Code, including, without limitation, all of Mortgagor's rights to remain in possession of the Land and any improvements located thereon.
 - b. Mortgagor shall not, without Mortgagee's prior written consent, elect to treat the Lease as terminated under Subsection 365(h) of the Bankruptcy Code (and upon rejection of the Lease under Section 365 of the Bankruptcy Code, Mortgagor shall remain in possession of the Land and any improvements located thereon to the full extent permitted by law). Any such election made without Mortgagee's prior written consent shall be void.
 - c. As additional security for the Obligations, Mortgagor hereby unconditionally assigns, transfers and sets over to Mortgagee all of Mortgagor's claims and rights to the payment of damages arising from any rejection of the Lease by the lessor under the Bankruptcy Code. Mortgagee and Mortgagor shall proceed jointly or in the name of Mortgagor in respect of any claim, suit, action or proceeding relating to the rejection of the Lease including, without limitation, the right to file and prosecute any proofs of claims, complaints, motions, applications, notices and other documents in any case in respect of the lessor under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until all of the Obligations have been satisfied and

discharged in full. Any amounts received by Mortgagee or Mortgagor as damages arising out of the rejection of the Lease as aforesaid shall be applied first to all costs and expenses of Mortgagee (including, without limitation, attorneys' fees) incurred in connection with the exercise of any of its rights or remedies under this Section and then in accordance with the other applicable section(s) of this Mortgage.

- d. If, pursuant to Subsection 365(h) of the Bankruptcy Code, Mortgagor seeks to offset, against the rent reserved in the Lease, the amount of any damages caused by the nonperformance by the lessor thereunder of any of such lessor's obligations under such Lease after the rejection by lessor of such Lease under the Bankruptcy Code, Mortgagor shall, prior to effecting such offset, notify Mortgagee in writing of its intent to so do, setting forth the amounts proposed to be offset and, in the event of Mortgagee's objection received within ten (10) Business Days after notice from Mortgagor, Mortgagor shall not affect any offset of the amounts so objected to by Mortgagee.
- e. If any action, proceeding, motion or notice shall be commenced or filed in respect of the lessor of all or any part of the Lease in connection with any case under Subsection 365(h) of the Bankruptcy Code, Mortgagor and Mortgagee shall cooperatively conduct and control any such litigation with counsel agreed upon between Mortgagor and Mortgagee in connection with such litigation; provided, however, if an Event of Default exists and is continuing, Mortgagee shall have the option, to the exclusion of Mortgagor, exercisable upon notice from Mortgagee to Mortgagor, to conduct and control any such litigation with counsel of Mortgagee's choice and Mortgagee may proceed in its own name or in the name of Mortgagor, in such latter case, Mortgagor agreeing to execute any and all powers, authorizations, consents and other documents required by Mortgagee in connection therewith. Mortgagor shall, upon demand, pay to Mortgagee all reasonable costs and expenses (including reasonable attorneys' fees and costs) actually paid or actually incurred by Mortgagee in connection with the cooperative prosecution or conduct of any such proceedings. All such costs and expenses shall be secured by the lien of this Mortgage.
- f. After receiving notice of any filing by or against the lessor under the Lease of a petition under the Bankruptcy Code, Mortgagor shall promptly give written notice thereof to Mortgagee, setting forth any information available to Mortgagor as to the date of such filing, the court in which such petition was filed, and the relief sought therein. Mortgagor shall promptly deliver to Mortgagee, following its receipt thereof, any and all notices, summonses, pleadings, applications and other documents received by Mortgagor in connection with any such petition and any proceedings relating thereto.
- g. Effective upon the entry of an order for relief in respect of Mortgagor under the Bankruptcy Code, Mortgagor hereby assigns and transfers to Mortgagee a nonexclusive right to apply to the Bankruptcy Court under Subsection 365(d) (1) and/or Subsection 365(d) (4) {as applicable) of the Bankruptcy Code for an order extending the period during which the Lease may be rejected or assumed.
- h. The foregoing references to specific provisions of the Bankruptcy Code shall also be deemed to include any similar present or future laws containing similar provisions or granting similar rights.

Section 16.5 NO RELEASE. No release or forbearance of any of Mortgagor's obligations under the Lease, pursuant to the Lease or otherwise, shall release Mortgagor from any of its obligations under this Mortgage, including its obligations with respect to the payment of rent as provided for in the Lease and the performance of all of the terms, provisions, covenants, conditions and agreements contained in the Lease, to be kept, performed and complied with by the lessee under the Lease.

ARTICLE 17 - WAIVER OF JURY TRIAL

Section 17.1 WAIVER OF JURY TRIAL. **MORTGAGOR AND MORTGAGEE, JOINTLY AND SEVERALLY, HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS MORTGAGE AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS, WHETHER VERBAL OR WRITTEN, OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE MORTGAGEE ACCEPTING THIS MORTGAGE FROM MORTGAGOR.**

[Remainder of Page Left Blank Intentionally]

IN WITNESS WHEREOF, THIS SECURITY INSTRUMENT has been executed by Borrower the day and year first above written.

Signed, sealed and delivered in the presence of:

MORTGAGOR:

VIKINGART, INC., a Florida corporation

Name:

By: _____

Address: _____

Preston B. Sloan

Its: President

By: _____

Bradley C. Sloan

Its: Vice President and Secretary

Name:

Address: _____

STATE OF FLORIDA)

COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence this _____ day of _____, 2024, by **Preston B. Sloan** and **Bradley C. Sloan**, as President, Vice President and Secretary of **VIKINGART, INC.**, a Florida corporation, on behalf of the corporation, who *(check one)* ☐ are personally known to me ☐ have produced valid drivers' licenses as identification.

Notary Public, State of Florida

My Commission Expires:

EXHIBIT A
(Description of Land)

Parent Parcel: 10-10-26-0000-0010-0000

Parent OR Book-247, Pg-628

Parcel A

LEASE PARCEL

A PORTION OF THE NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUTNAM COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST; THENCE S00°45'35"E, ALONG THE EAST LINE OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST 177.07 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF ST. JOHNS AVENUE; THENCE S89°14'25"W , ALONG LAST SAID LINE, 50.00 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SOUTH MOODY ROAD; THENCE S00°45'35"E, 1041.13 FEET; THENCE S89°14'25"W, 522.06 FEET A POINT ON A LINE LYING 1.00 FEET OUTSIDE THE FACE OF A PROPOSED BUILDING AND THE POINT OF BEGINNING; THENCE ALONG AND AROUND SAID LINE LYING 1.00 FEET OUTSIDE THE FACE OF SAID PROPOSED BUILDING, RUN THE FOLLOWING THIRTY-SIX (36) COURSES AND DISTANCES:

(1) S00°00'00"E, 28.05 FEET; (2) N90°00'00"W, 8.08 FEET; (3) S00°00'00"E, , 138.44 FEET; (4) N90°00'00"E, 8.15 FEET; (5) S00°00'00"E, 22.51 FEET; (6) N90°00'00"W, 15.81 FEET; (7) S00°00'00"E, 19.47 FEET; (8) S45°00'00"E, 2.71 FEET; (9) S45°00'00"W, 15.30 FEET; (10) S45°00'03"E, 29.39 FEET; (11) S45°00'00"W, 17.33 FEET; (12) N45°00'03"W, 29.39 FEET; (13) S45°00'00"W, 15.30 FEET; (14) N45°00'00"W, 2.71 FEET; (15) N90°00'00"W, 18.43 FEET; (16) S00°00'00"E, 15.81 FEET; (17) N90°00'00"W, 24.52 FEET; (18) N00°00'00"E, 8.10 FEET; (19) N90°00'00"W, 137.47 FEET; (20) S00°00'00"E, 8.08 FEET; (21) N90°00'00"W, 24.97 FEET; (22) N00°00'00"E, 16.30 FEET; (23) N90°00'00"E, 7.08 FEET; (24) N00°00'00"E, 47.11 FEET; (25) N90°00'00"E, 130.17 FEET; (26) N00°00'00"E, 10.58 FEET; (27) S89°51'13"E, 27.82 FEET; (28) S45°00'00"E, 22.30 FEET; (29) N45°00'00"E, 22.67 FEET; (30) N45°00'00"W, 18.89 FEET; (31) N00°02'29"E, 16.90 FEET; (32) N90°00'00"E, 8.08 FEET; (33) N00°00'00"E, 143.50 FEET; (34) N90°00'00"E, 47.11 FEET; (35) N00°00'00"E, 10.17 FEET; (36) N90°00'00"E, 16.30 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.55 ACRES, MORE OR LESS.

Together with Easement Parcel, as more particularly described on the next page:

EASEMENT PARCEL

A TEN-FOOT-WIDE EASEMENT, LYING IN AND BEING A PORTION OF THE NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUTNAM COUNTY, FLORIDA, LYING 10.0 FEET RIGHT OF, WHEN MEASURED AT RIGHT ANGLES AND PERPENDICULAR THE FOLLOWING DESCRIBED LINE:

COMMENCE AT THE NORTHEAST CORNER OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST; THENCE S00°45'35"E, ALONG THE EAST LINE OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST 177.07 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF ST. JOHNS AVENUE; THENCE S89°14'25"W , ALONG LAST SAID LINE, 50.00 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SOUTH MOODY ROAD; THENCE S00°45'35"E, 1032.25' FEET; THENCE S89°14'25"W, 512.95 FEET TO A POINT ON A LINE LYING 10.00 FEET OUTSIDE THE FACE OF A PROPOSED BUILDING AND THE POINT OF BEGINNING; THENCE ALONG AND AROUND SAID LINE LYING 10.00 FEET OUTSIDE THE FACE OF SAID PROPOSED BUILDING , RUN THE FOLLOWING THIRTY-FOUR (34) COURSES AND DISTANCES:

(1) S00°00'00"E, 46.05 FEET; (2) N90°00'00"W, 8.08 FEET; (3) S00°00'00"E, 120.44 FEET; (4) N90°00'00"E, 8.15 FEET; (5) S00°00'00"E, 40.51 FEET; (6) N90°00'00"W, 15.81 FEET; (7) S00°00'00"E, 6.74 FEET; (8) S45°00'00"E, 7.98 FEET; (9) S45°00'00"W, 15.30 FEET; (10) S45°00'03"E, 29.39 FEET; (11) S45°00'00"W, 35.33 FEET; (12) N45°00'03"W, 29.39 FEET; (13) S45°00'00"W, 15.30 FEET; (14) N45°00'00"W, 7.98 FEET; (15) N90°00'00"W, 5.70 FEET; (16) S00°00'00"E, 15.81 FEET; (17) N90°00'00"W, 42.52 FEET; (18) N00°00'00"E, 8.15 FEET; (19) N90°00'00"W, 119.47 FEET; (20) S00°00'00"E, 8.08 FEET; (21) N90°00'00"W, 42.97 FEET; (22) N00°00'00"E, 34.30 FEET; (23) N90°00'00"E, 7.08 FEET; (24) N00°00'00"E, 47.11 FEET; (25) N90°00'00"E, 130.17 FEET; (26) N00°00'00"E, 10.61 FEET; (27) S89°51'13"E, 40.97 FEET; (28) N90°00'00"E, 5.31 FEET; (29) N00°00'00"E, 30.52 FEET; (30) N90°00'00"E, 8.08 FEET; (31) N00°00'00"E, 143.50 FEET; (32) N90°00'00"E, 47.11 FEET; (33) N00°00'00"E, 10.17 FEET; (34) N90°00'00"E, 34.30 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.26 ACRES, MORE OR LESS

Prepared By and Return To:

Charles R. Wood, Esq.
First Coast Law Group, PLLC
12428 San Jose Blvd., Ste 1
Jacksonville, Florida 32223

FL-240618

MEMORANDUM OF GROUND LEASE

Portion of 10-10-26-0000-0010-0000

THIS MEMORANDUM OF GROUND LEASE is made by and between **THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE**, a political subdivision of the State of Florida (“**Landlord**”), and **ST. JOHNS RIVER STATE COLLEGE STUDENT HOUSING CORPORATION**, a Florida not for profit corporation (“**Tenant**”), to evidence the following terms of that certain **Amended Ground Lease Agreement** (“**Lease**”) by and between the parties hereto.

1. Date of Lease. The Lease is dated effective as of August 29, 2024 (the “Effective Date”).
2. Description of Premises. See **Exhibit “A”** attached hereto.
3. Term. The Term shall be from the Effective Date through **JUNE 30, 2065**, as both are defined and set forth in the Lease.

The purpose of this Memorandum of Lease is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed. This Memorandum of Lease is for information purposes only and nothing contained herein shall be deemed to in any way modify or otherwise affect any of the terms and conditions of the Lease, the terms of which are incorporated herein by reference. This instrument is merely a Memorandum of the Lease and is subject to all of the terms, provisions and conditions of the Lease. In the event of any inconsistency between the terms of the Lease and this instrument, the terms of the Lease shall prevail. The rights and obligations set forth herein shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

(signature pages follow)

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of this _____ day of _____, 2024.

Signed, sealed and delivered in the presence of:

“Landlord”

THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE, a political subdivision of the State of Florida

Name:

Address: _____

By: _____

Name: _____

Title: _____

Name:

Address: _____

STATE OF FLORIDA

COUNTY OF _____

This instrument was acknowledged before me by means of: [] physical presence or [] online notarization; on this ____ day of _____, 2024, by _____, as duly _____ of **THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE**, a political subdivision of the State of Florida, who _____ is personally known to me or _____ has produced _____ as identification.

Notary Public, State of Florida
My Commission Expires:

Signed, sealed and delivered in the presence of:

“Tenant”

**ST. JOHNS RIVER STATE COLLEGE
STUDENT HOUSING CORPORATION,**
a Florida not for profit corporation

Name:

Address: _____

By: _____

Name: _____

Title: _____

Name:

Address: _____

STATE OF FLORIDA

COUNTY OF _____

This instrument was acknowledged before me by means of: [] physical presence or [] online notarization; on this ____ day of _____, 2024, by _____, as duly _____ of **ST. JOHNS RIVER STATE COLLEGE STUDENT HOUSING CORPORATION**, a Florida not for profit corporation, who _____ is personally known to me or _____ has produced _____ as identification.

Notary Public, State of Florida

My Commission Expires:

EXHIBIT A
(Legal Description of Premises)

Parent Parcel: 10-10-26-0000-0010-0000

Parent OR Book-247, Pg-628

Parcel A

LEASE PARCEL

A PORTION OF THE NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUTNAM COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST; THENCE S00°45'35"E, ALONG THE EAST LINE OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST 177.07 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF ST. JOHNS AVENUE; THENCE S89°14'25"W , ALONG LAST SAID LINE, 50.00 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SOUTH MOODY ROAD; THENCE S00°45'35"E, 1041.13 FEET; THENCE S89°14'25"W, 522.06 FEET A POINT ON A LINE LYING 1.00 FEET OUTSIDE THE FACE OF A PROPOSED BUILDING AND THE POINT OF BEGINNING; THENCE ALONG AND AROUND SAID LINE LYING 1.00 FEET OUTSIDE THE FACE OF SAID PROPOSED BUILDING, RUN THE FOLLOWING THIRTY-SIX (36) COURSES AND DISTANCES:

(1) S00°00'00"E, 28.05 FEET; (2) N90°00'00"W, 8.08 FEET; (3) S00°00'00"E, , 138.44 FEET; (4) N90°00'00"E, 8.15 FEET; (5) S00°00'00"E, 22.51 FEET; (6) N90°00'00"W, 15.81 FEET; (7) S00°00'00"E, 19.47 FEET; (8) S45°00'00"E, 2.71 FEET; (9) S45°00'00"W, 15.30 FEET; (10) S45°00'03"E, 29.39 FEET; (11) S45°00'00"W, 17.33 FEET; (12) N45°00'03"W, 29.39 FEET; (13) S45°00'00"W, 15.30 FEET; (14) N45°00'00"W, 2.71 FEET; (15) N90°00'00"W, 18.43 FEET; (16) S00°00'00"E, 15.81 FEET; (17) N90°00'00"W, 24.52 FEET; (18) N00°00'00"E, 8.10 FEET; (19) N90°00'00"W, 137.47 FEET; (20) S00°00'00"E, 8.08 FEET; (21) N90°00'00"W, 24.97 FEET; (22) N00°00'00"E, 16.30 FEET; (23) N90°00'00"E, 7.08 FEET; (24) N00°00'00"E, 47.11 FEET; (25) N90°00'00"E, 130.17 FEET; (26) N00°00'00"E, 10.58 FEET; (27) S89°51'13"E, 27.82 FEET; (28) S45°00'00"E, 22.30 FEET; (29) N45°00'00"E, 22.67 FEET; (30) N45°00'00"W, 18.89 FEET; (31) N00°02'29"E, 16.90 FEET; (32) N90°00'00"E, 8.08 FEET; (33) N00°00'00"E, 143.50 FEET; (34) N90°00'00"E, 47.11 FEET; (35) N00°00'00"E, 10.17 FEET; (36) N90°00'00"E, 16.30 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.55 ACRES, MORE OR LESS.

Together with Easement Parcel, as more particularly described on the next page:

EASEMENT PARCEL

A TEN-FOOT-WIDE EASEMENT, LYING IN AND BEING A PORTION OF THE NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUTNAM COUNTY, FLORIDA, LYING 10.0 FEET RIGHT OF, WHEN MEASURED AT RIGHT ANGLES AND PERPENDICULAR THE FOLLOWING DESCRIBED LINE:

COMMENCE AT THE NORTHEAST CORNER OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST; THENCE S00°45'35"E, ALONG THE EAST LINE OF SAID NORTHEAST 1/ 4 OF SECTION 10, TOWNSHIP 10 SOUTH, RANGE 26 EAST 177.07 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF ST. JOHNS AVENUE; THENCE S89°14'25"W , ALONG LAST SAID LINE, 50.00 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SOUTH MOODY ROAD; THENCE S00°45'35"E, 1032.25' FEET; THENCE S89°14'25"W, 512.95 FEET TO A POINT ON A LINE LYING 10.00 FEET OUTSIDE THE FACE OF A PROPOSED BUILDING AND THE POINT OF BEGINNING; THENCE ALONG AND AROUND SAID LINE LYING 10.00 FEET OUTSIDE THE FACE OF SAID PROPOSED BUILDING , RUN THE FOLLOWING THIRTY-FOUR (34) COURSES AND DISTANCES:

(1) S00°00'00"E, 46.05 FEET; (2) N90°00'00"W, 8.08 FEET; (3) S00°00'00"E, 120.44 FEET; (4) N90°00'00"E, 8.15 FEET; (5) S00°00'00"E, 40.51 FEET; (6) N90°00'00"W, 15.81 FEET; (7) S00°00'00"E, 6.74 FEET; (8) S45°00'00"E, 7.98 FEET; (9) S45°00'00"W, 15.30 FEET; (10) S45°00'03"E, 29.39 FEET; (11) S45°00'00"W, 35.33 FEET; (12) N45°00'03"W, 29.39 FEET; (13) S45°00'00"W, 15.30 FEET; (14) N45°00'00"W, 7.98 FEET; (15) N90°00'00"W, 5.70 FEET; (16) S00°00'00"E, 15.81 FEET; (17) N90°00'00"W, 42.52 FEET; (18) N00°00'00"E, 8.15 FEET; (19) N90°00'00"W, 119.47 FEET; (20) S00°00'00"E, 8.08 FEET; (21) N90°00'00"W, 42.97 FEET; (22) N00°00'00"E, 34.30 FEET; (23) N90°00'00"E, 7.08 FEET; (24) N00°00'00"E, 47.11 FEET; (25) N90°00'00"E, 130.17 FEET; (26) N00°00'00"E, 10.61 FEET; (27) S89°51'13"E, 40.97 FEET; (28) N90°00'00"E, 5.31 FEET; (29) N00°00'00"E, 30.52 FEET; (30) N90°00'00"E, 8.08 FEET; (31) N00°00'00"E, 143.50 FEET; (32) N90°00'00"E, 47.11 FEET; (33) N00°00'00"E, 10.17 FEET; (34) N90°00'00"E, 34.30 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.26 ACRES, MORE OR LESS