

FLORIDA STATE UNIVERSITY

ANNUAL FINANCIAL REPORT 2024-2025





Annual Financial Report 2024-2025

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ANNUAL FINANCIAL REPORT 2024-2025





1851

WESTCOTT
BUILDING
RUBY DIAMOND AUDITORIUM

1905

1910

SCOTT
of Commons Hall
22
Wood Street

THE
FLORIDA STATE
UNIVERSITY

THE
FLORIDA STATE
UNIVERSITY

MESSAGE FROM THE PRESIDENT

This past year was defined by exceptional progress, achievement, and recognition. U.S. News & World Report again placed Florida State University among the Top 25 public universities, and we climbed two spots to No. 21. Our overall ranking of No. 51 among all national universities marked a historic high for Florida State. Niche ranked FSU No. 11 among public universities, and The Princeton Review named us second in the nation for student experience.

Student achievement reached new heights. We set records in freshman retention at 97 percent and four-year graduation at 78 percent, placing us among the top universities in the country. Our transfer student graduation rate reached 80 percent, a record for FSU and the best in the history of the State University System of Florida. We expanded Honors and Presidential Scholars, strengthened support for first-generation students, and marked the 20th anniversary of our First Year Abroad program.

Our faculty continued to fuel momentum in research and innovation. We welcomed more than 200 new faculty members for the third straight year and added three new National Academy members. Research expenditures reached a record \$487 million, and faculty submitted more than \$1.22 billion in competitive grant proposals. We launched ICON-Health, and conducted important work in quantum science, fusion energy, materials research, pediatric rare diseases, and aerospace and advanced manufacturing. Scientists at the National High Magnetic Field Laboratory also set a new world record with a compact superconducting magnet.

We strengthened FSU Health, our bold initiative to expand health education, research, and clinical partnerships across North Florida. Our memorandum of understanding with Tallahassee Memorial HealthCare to create an academic health center represents one of the most significant milestones in the university's history. Construction is underway on the FSU Health Research Building on the TMH campus.

The arts and humanities continued to flourish. We funded the FSU Humanities Center, opened the Governor's Square theater for film students, and celebrated 25 years of FSU's stewardship of The Ringling.

Our alumni and friends continued to invest in the university's future. An extraordinary \$65 million gift from Dr. Herbert Wertheim established the Herbert Wertheim Center for Business Excellence, the new home of the Herbert Wertheim College of Business. This transformational gift — the second largest in FSU's history — includes a \$50 million endowment, the largest ever for the university. It will support faculty development, student scholarships, professional development opportunities, and programs that foster preeminence and innovation.

Bruce and Tracey Berkowitz and the Fairholme Foundation made a landmark \$10 million gift to the College of Nursing — the largest in the college's history — to expand nursing innovation and bring the undergraduate nursing program to FSU's Panama City campus. This investment addresses the region's critical nursing shortage and supports scholarships, advanced technologies, and research to improve health care in Northwest Florida.

And, thanks to the generosity of FSU alumnus Ben Macfarland and his wife, Christina, we opened an executive education space in West Palm Beach to connect students, alumni, and industry partners and expand access to professional development for business leaders across the region.

This past year also tested our strength. The tragedy on April 17 was a painful moment for our campus. In the days that followed, faculty, staff, and students cared for one another with compassion and steadiness. We have since taken important steps to improve safety by installing new locks, panic buttons, and lockdown systems, upgrading access controls, and expanding training.

In 2026, FSU will mark its 175th anniversary, a milestone that offers the opportunity to celebrate our extraordinary legacy and look ahead with confidence to all we know we will achieve together in the future.



Richard McCullough

President, Florida State University

INTRODUCTION FROM THE SENIOR VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

It is my privilege to present Florida State University's Annual Financial Report for Fiscal Year 2024–2025, a year marked by historic growth, strategic investment, and unwavering commitment to excellence. This report reflects not only our financial strength but also the values that guide our stewardship of resources in support of FSU's mission.

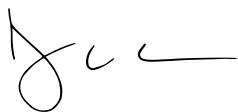
For the 2025-2026 fiscal year, FSU implemented an operating budget of \$3.078 billion. This spending plan reflects our continued commitment to affordability, excellence, and growth.

The budget includes \$486 million for capital projects, supporting the Academic Health Center in Tallahassee, the new Football Operations Facility, Doak Campbell Stadium, Legacy Hall, and a major new student housing, parking, and dining development in the northwest area of main campus. Altogether, FSU's operating budget contributes an estimated \$14.7 billion annually to the state economy, including \$8.77 billion in lifetime earnings by recent graduates.

The FY26 budget also prioritizes retaining outstanding faculty and staff, expanding student aid, and advancing research activity. Additionally, we continue to invest in FSU Health, with the goal of improving health outcomes across North Florida by expanding access to quality care, creating opportunities for clinical research, and strengthening graduate medical education programs for future health professionals.

A major highlight is our plan to build a new acute care hospital in Panama City Beach under the FSU Health name. With fully approved bond financing and land donated by The St. Joe Company, this state-of-the-art facility will serve Bay and Walton counties. In partnership with Tallahassee Memorial HealthCare, the hospital will provide up to 180 beds in its first phase, offering emergency medicine, surgery, diagnostic imaging, and specialized services such as cardiac care and neurology. Construction is set to begin soon, with a targeted opening in 2028.

Under the steadfast leadership of President McCullough, Florida State University continues its remarkable ascent, achieving milestones that are both unprecedented and transformative. Together, we will maintain our upward trajectory and build an even stronger future for our students, faculty, and the people of Florida.



Kyle C. Clark

Senior Vice President, Florida State University

UNIVERSITY OVERVIEW



Florida State University is a premier, comprehensive, graduate research university offering a broad array of academic and professional programs at all degree levels. Located in Tallahassee, Florida's capital city, and founded in 1851, FSU is the oldest of the twelve public institutions of higher learning in the State University System. The university is fully accredited by the Commission on Colleges of the Southern Association of Colleges and Schools and is officially designated as a preeminent research university in the state by the Florida Legislature.

Mission and Vision

Florida State University preserves, expands, and disseminates knowledge in the sciences, technology, arts, humanities, and professions, while embracing a philosophy of learning strongly rooted in the traditions of the liberal arts. The university is dedicated to excellence in teaching, research, creative endeavors, and service. The university strives to instill the strength, skill, and character essential for lifelong learning, personal responsibility, and sustained achievement within a community that fosters free inquiry and diverse viewpoints.

Florida State University will be among the nation's most entrepreneurial and innovative universities, transforming the lives of our students and shaping the future of our state and society through exceptional teaching, research, creative activity, and service. We will amplify these efforts through our distinctive climate—one that places a premium on interdisciplinary inquiry and draws from the rich intellectual and personal experiences of our students, faculty, staff, and alumni. These three forces—entrepreneurship, interdisciplinary, and experiential breadth—deepen FSU's impact and result in a powerful return to our students and the people of Florida for their continued support and trust.

Academics

Florida State University offers leading undergraduate, graduate, and professional programs, many of which consistently rank among the nation's top twenty-five public universities. Baccalaureate degrees are offered in 103 programs, master's degrees in 107 programs, advanced master's/specialist degrees in six programs, doctorates in 63 programs, and four professional degrees.





Students

Designated as a Carnegie Research University (designating very high research activity), Florida State awards more than 3,000 graduate and professional degrees each year, and is recognized as a national leader in the number of doctorates awarded to African-American students and in the graduation rate of African-American undergraduates.

During the Fall 2024 semester, there were 49 freshmen and 101 other undergraduate National Merit Scholars enrolled at Florida State University. The middle 50 percent high school GPA for the Fall 2024 freshman class was 4.1-4.5 and middle 50 percent SAT scores were 1350-1430.

With more than 44,000 students enrolled in Fall 2024, the student body was comprised of 73 percent undergraduates, 24.2 percent graduates, and 2.8 percent unclassified. Our student body is diverse and represents every county in Florida, all 50 states, and 130 countries. Minorities represent 38 percent, and women represent 57.8 percent of our students.



Faculty

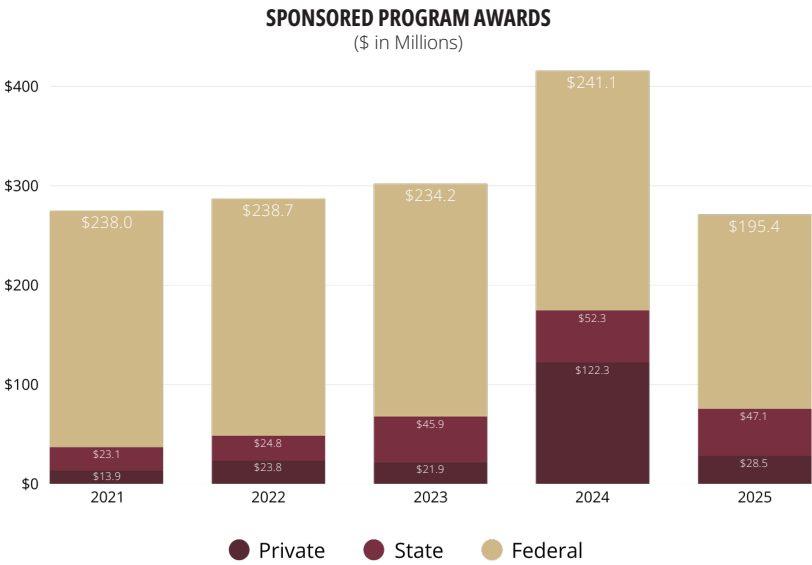
At Florida State University, we are fortunate that our faculty comprises men and women who are widely acknowledged as the finest in their fields. They have distinguished themselves in many disciplines and have gained the high regard of peers around the world. Their academic careers are marked by excellence and the excitement of discovery so important to educating the next generation.

Our faculty members continually strive to build stronger programs in critical areas of technology and science and in the arts and humanities. The result is the expansion of knowledge as well as the discovery of new inventions, products, and processes benefiting the state of Florida, our nation, and the world.

Research

Research and creative activity is about discovery. It is about having an idea and finding the right environment in which to explore that idea. At FSU, we take great pride in our ability to provide supportive environments for the exploration of all types of ideas. With more than 50 prominent research centers and institutes calling our campuses home, FSU continues to be one of the top idea-incubators in the nation.

Florida State University is also home to the National High Magnetic Field Laboratory (NHMFL), funded by the National Science Foundation. The only national lab in Florida, the NHMFL holds the most world records for the most powerful magnets on earth. Other research centers, such as the Center for Advanced Power Systems (CAPS), are supported by the U.S. Departments of Defense and Energy. The NHMFL and CAPS, among other labs, place Florida State University at the cutting edge of research and its application to industry.

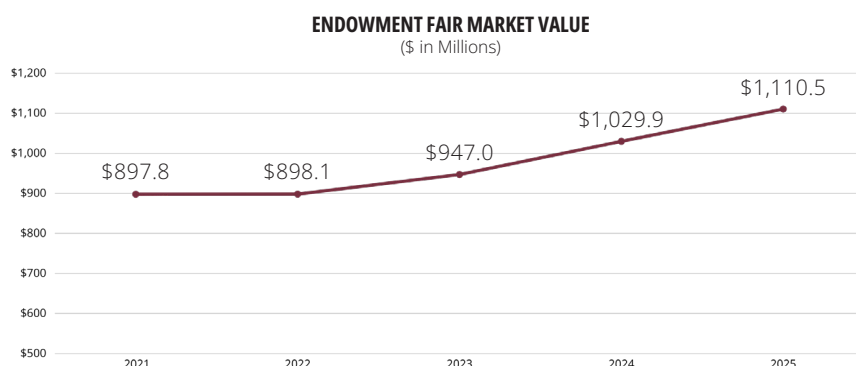


Veterans

The Florida State University Veterans Alliance represents the university's campus-wide commitment to veteran support and success. The Veterans Alliance encompasses FSU's initiatives that ease the transition from military service to campus life, foster a community of past, present, and future veterans, raise awareness of veterans issues among campus and local communities, and support student veterans through graduation and into rewarding careers and graduate-education programs. It is the goal of the Veterans Alliance that FSU be the most veteran-friendly and veteran-empowering university in the country.

Endowment

The Total Endowment and Gifts comprises endowments and gifts from the following university direct support organizations: FSU Foundation, Seminole Boosters, FSU Research Foundation, and The John and Mable Ringling Museum of Art Foundation. The FSU Foundation enhances the academic vision and priorities of FSU through its organized fundraising activities and funds management. The Seminole Boosters acts as the fundraising arm of Florida State University Athletics. The FSU Research Foundation promotes and encourages, and provides assistance to, the research and training activities of faculty, staff and students at FSU. The John and Mable Ringling Museum of Art Foundation provides charitable and educational aid to the university's John and Mable Ringling Museum of Art.



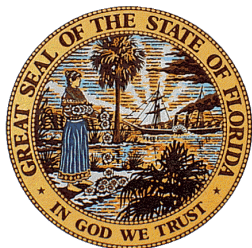
Florida State University in 2024–25

FSU's rankings and achievements during this past fiscal year (2025)

- Florida State University continued ranking as a Top 25 public institution in the U.S. New & World Report.
- Achieved a record 78% four-year graduation rate, landing in the Top 9 in the nation among public schools.
- FSU is in the Top 4 in the nation in retention among public universities at a record setting 97%.
- FSU secured the No. 22 spot for Best Value public college nationally and the No. 1 in the state of Florida according to The Princeton Review.
- Largest graduating class in history during spring ceremonies celebrating more than 7,100 students who earned nearly 9,000 degrees.
- Reached a historic milestone, earning the highest ranking ever at No. 10 in Niche's report of Top Public Universities in America.
- FSU and Tallahassee Memorial Healthcare celebrated the groundbreaking of a new academic health center which includes clinical research space, a family residency practice, laboratory facilities and is expected to attract \$40 million in grant funding annually.
- FSU maintained a strong reputation for providing an excellent return on investment, with a significant percentage of students graduating with little to no debt. Approximately 32% of undergraduates leave with debt, averaging \$14,500, which is well below the national average.







Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Florida State University, a component unit of the State of Florida, and its aggregate discretely presented component units as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Florida State University and of its aggregate discretely presented component units as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units columns as of June 30, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the ***Auditor's Responsibilities for the Audit of the Financial Statements*** section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical

requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Schedule of the University's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of University Contributions – Florida Retirement System Pension Plan**, **Schedule of the University's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan**, **Schedule of University Contributions – Health Insurance Subsidy Pension Plan**, and **Schedule of the University's Proportionate Share of the Total Other Postemployment Benefits Liability**, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in this report. The other information comprises the Message from the President, Introduction from the Senior Vice President for Finance and Administration, and University Overview, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2026, on our consideration of the Florida State University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. The purpose of that report is solely

to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Florida State University's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
January 29, 2026
Report No. 2026-096

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the university for the fiscal year ended June 30, 2025, 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 university management. The MD&A contains financial activity of the university for the fiscal years ended June 30, 2025, and June 30, 2024.

OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to GASB Statement No. 35, the university's financial report includes 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 university and its component units. Based upon the application of the criteria for determining component units, thirteen component units are included within the university reporting entity as discretely presented component units. Information regarding these component units, including summaries of the discretely presented component units' separately issued financial statements, is presented in the notes to financial statements. This MD&A focuses on the university, excluding the component units. The component units' MD&A information is included in their separately issued audit reports.

Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the university, using the accrual basis of accounting, and presents the financial position of the university 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 the university's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the university's financial condition.

CONDENSED STATEMENT OF NET POSITION AT JUNE 30

(In Thousands)

	2025	2024
Assets		
Current Assets	\$ 1,601,580	\$ 1,504,537
Capital Assets, Net	2,469,637	2,292,215
Other Noncurrent Assets	443,487	339,328
Total Assets	4,514,704	4,136,080
Deferred Outflows of Resources	238,970	182,900
Liabilities		
Current Liabilities	701,985	482,995
Noncurrent Liabilities	976,806	924,573
Total Liabilities	1,678,791	1,407,568
Deferred Inflows of Resources	135,510	123,671
Net Position		
Net Investment in Capital Assets	2,235,303	2,022,793
Restricted	479,774	540,602
Unrestricted	224,296	224,346
Total Net Position	\$ 2,939,373	\$ 2,787,741

The university's total assets as of June 30, 2025, increased by \$378.6 million, or 9.2 percent. Current assets increased by \$97 million, or 6.5 percent, driven by a \$67.9 million rise in unrestricted total investments combined with increased capital appropriations due from the State of \$38.6 million for new and ongoing State funded capital projects, and net accounts receivable of \$18 million owed to the Athletics department and Northwest Regional Data Center. These increases were partially offset by a \$29.1 million reduction in amounts due from component units which resulted from the payoff of a construction bridge loan by the FSU Athletics Association to the Athletics department. Net capital assets increased by \$177.4 million, or 7.7 percent, primarily reflecting \$64.6 million in additional construction in progress and \$183.1 million in building additions related mainly to the capitalization of the Interdisciplinary Research and Commercialization Building, partially offset by a \$75 million increase in accumulated depreciation. Other noncurrent assets increased by \$104.2 million, or 30.7 percent, largely due to an increase in restricted investments of institutional funds earmarked for the construction of various capital projects including the Academic Health Center, Legacy Hall, and new on-campus housing, parking, and dining.

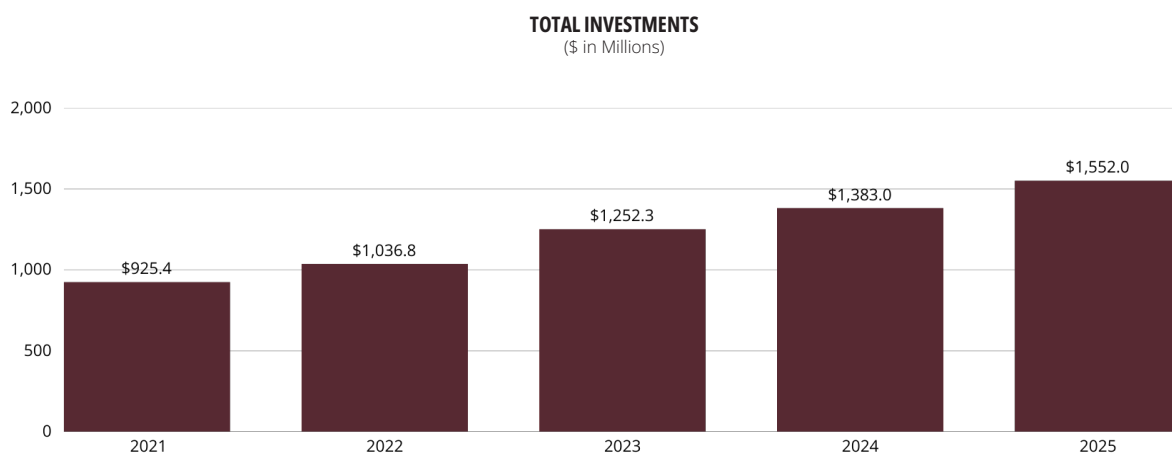
Total liabilities as of June 30, 2025, rose by \$271.2 million, an increase of 19.3 percent. Current liabilities accounted for \$219 million of this growth, climbing 45.3 percent, primarily due to a \$134.1 million increase in amounts owed to component units for investments managed by the university in its role as fiscal agent. Additional contributing factors included increases in unearned revenues of \$50.4 million for State funded capital projects and \$27.1 million in construction contracts payable for ongoing campuswide construction.

Noncurrent liabilities increased by \$52.2 million, or 5.6 percent, largely due to a \$65.4 million increase in the university's proportional share of the State's other postemployment benefits liability and an \$18.4 million increase in compensated absences liabilities, resulting mostly from the implementation of a new accounting standard discussed in the notes to financial statements. These increases were partially offset by annual debt service payments, which led to decreases in capital improvement debt payable and subscription-based information technology arrangements totaling \$25.7 million. Pensions, other postemployment benefits, and leases also drove deferred outflows and deferred inflows of resources, which increased by \$56.1 million and \$11.8 million, respectively.

As a result, the university's overall net position increased by \$151.6 million, or 5.4 percent.

Investments

As of June 30, 2025, the university had \$1.13 billion of unrestricted investments plus another \$424.5 million of restricted investments, for total investments of over \$1.5 billion. The university maintained a significant portion of its investments in Florida PRIME to take advantage of higher short-term interest rate returns. Investments predominantly consisted of \$1.15 billion in Florida PRIME, \$189.5 million in Florida PALM, and \$188.9 million in the State Treasury Special Purpose Investment Account.



Additional information about the university's investments is presented in Note 4 to financial statements.

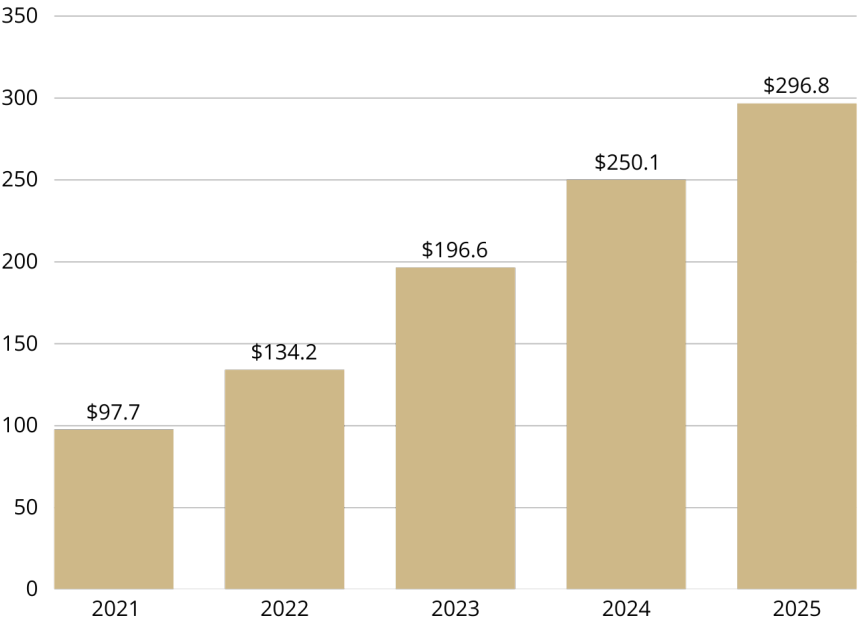
Capital Assets

At June 30, 2025, the university had \$4.14 billion in capital assets, less accumulated depreciation and amortization of \$1.67 billion, for net capital assets of \$2.47 billion. Depreciation and amortization charges for the current fiscal year totaled \$114.5 million.

CAPITAL ASSETS, NET AT JUNE 30
(In Thousands)

	2025	2024
Land	\$ 104,382	\$ 95,971
Buildings	1,681,117	1,569,060
Infrastructure and Other Improvements	66,895	70,769
Furniture and Equipment	111,032	107,638
Library Resources	42,617	41,138
Right-to-Use Leases	8,293	9,330
Right-to-Use SBITA	44,564	53,477
Works of Art and Historical Treasures	92,253	90,902
Construction in Progress	318,484	253,930
Capital Assets, Net	\$ 2,469,637	\$ 2,292,215

CAPITAL ASSET ADDITIONS
(\$ in Millions)



Additional information about the university's capital assets is presented in Note 8 to financial statements.

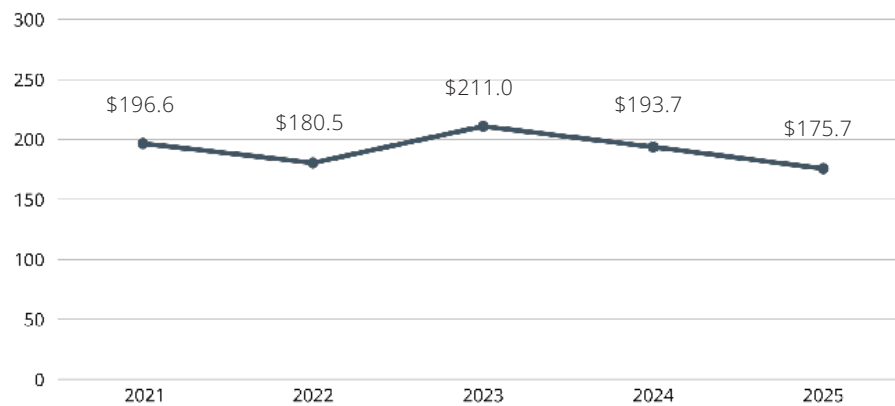
Debt Administration

As of June 30, 2025, the university had \$175.7 million in outstanding capital improvement debt payable, representing a decrease of \$18 million, or 9.3 percent, from the prior fiscal year. The decrease is due to principal reductions resulting from the university's annual debt service payments.

LONG-TERM DEBT, AT JUNE 30 (In Thousands)

	2025	2024
Capital Improvement Debt Payable	\$ 175,737	\$ 193,725
Loans and Notes Payable	3,926	5,162
Right-to-Use Leases Payable	9,151	9,991
Right-to-Use SBITA Payable	47,648	56,088
Total	\$ 236,462	\$ 264,966

CAPITAL IMPROVEMENT DEBT (\$ in Millions)



Additional information about the university's long-term debt is presented in Note 10 to financial statements.

Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the university's 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.

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE FISCAL YEARS

(In Thousands)

	2024-25	2023-24
Operating Revenues	\$ 944,318	\$ 905,900
Less, Operating Expenses	(1,992,691)	(1,849,098)
Operating Loss	(1,048,373)	(943,198)
Net Nonoperating Revenues	1,149,082	1,090,346
Income (Loss) Before Other Revenues	100,709	147,148
Other Revenues	50,923	135,731
Net Increase in Net Position	151,632	282,879
Net Position, Beginning of Year	2,787,741	2,504,862
Net Position, End of Year	\$ 2,939,373	\$ 2,787,741

Revenues

REVENUES

(In Thousands)

	2024-25	2023-24
Net Tuition and Fees	\$ 319,270	\$ 308,385
Grants and Contracts	295,947	280,192
Net Sales and Services of Auxiliary Enterprises	319,164	307,640
Other	9,937	9,683
Operating Revenues	944,318	905,900
State Noncapital Appropriations	822,907	737,216
Federal and State Student Financial Aid	184,995	173,806
Noncapital Grants, Contracts, and Gifts	74,280	89,716
Other	77,350	105,363
Nonoperating Revenues	1,159,532	1,106,101
State Capital Appropriations	33,739	87,677
Capital Grants, Contracts, Donations, and Fees	17,184	48,054
Other Revenues	50,923	135,731
Total Revenues	\$ 2,154,773	\$ 2,147,732

The university's total operating revenues were higher by \$38.4 million, or 4.2 percent, over the 2023-24 fiscal year. Net tuition and fees were up \$10.9 million, or 3.5 percent, primarily driven by higher student enrollment, reflecting strong demand for its academic programs. The \$15.8 million, or 5.6 percent, increase in grants and contracts revenues resulted largely from an increase in this activity at the Learning Systems Institute. Sales and services of auxiliary enterprises increased slightly by \$11.5 million, or 3.7 percent, with Northwest Regional Data Center and University Health Services being the main drivers.

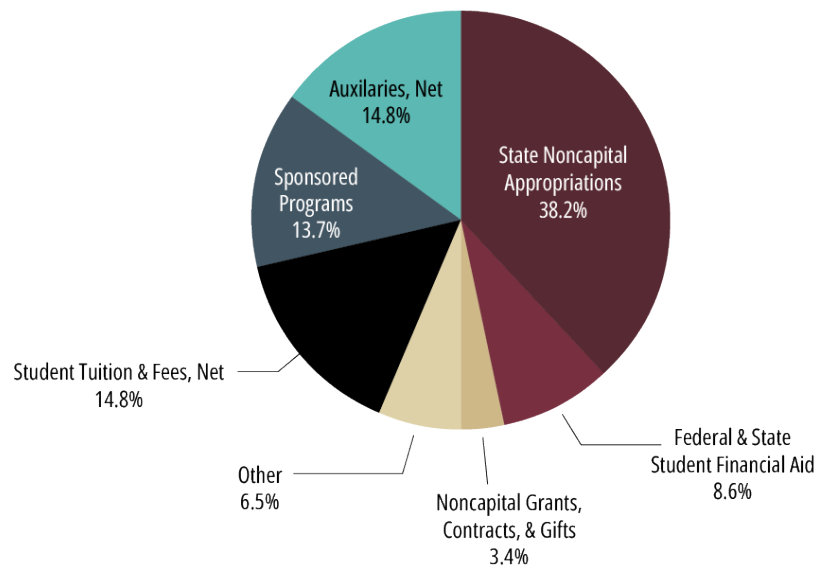
Nonoperating revenues increased by \$53.4 million, or 4.8 percent, from the 2023-24 fiscal year. Significant growth in recurring General Revenue appropriations as part of the State of Florida's overall budget drove the \$85.7 million, or 11.6 percent, increase in State noncapital appropriations. Federal and State student financial aid increased by \$11.2 million, or 6.4 percent, mainly for Federal Pell

grants awarded to undergraduates. Noncapital grants, contracts, and gifts were lower by \$15.4 million, or 17.2 percent, due to a reduction in contributions transferred in from the university's component units. Other nonoperating revenues decreased by \$28 million, or 26.6 percent, mainly due to decreases in the fair value of underlying securities held in the State Treasurer's Investment pool of \$24 million.

Other revenues are comprised of capital appropriations, grants, contracts, donations, and fees. These revenues had risen sharply in the prior fiscal year, driven largely by higher State capital appropriations combined with significant capital donations supporting the Legacy Hall and Doak Campbell Stadium projects. In the current year, State capital appropriations returned to more typical levels, decreasing by \$53.9 million, while capital donations declined by \$30.9 million, as both those major projects approached completion.

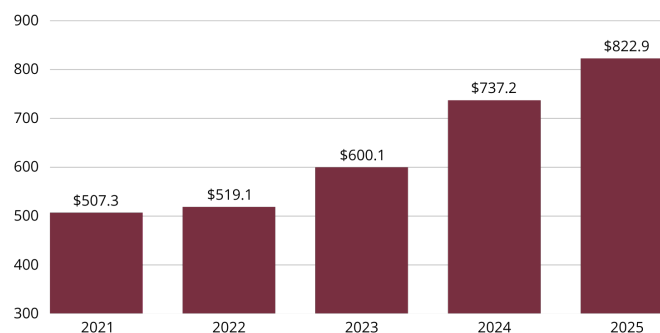
Generally, the university has a diversified revenue base. The single largest major source generated just under 40 percent of total revenues in fiscal year 2025.

2024-25 REVENUES BY MAJOR SOURCE



While revenues are well diversified, the university's largest source, State noncapital appropriations, has been steadily rising over the past five years. This increase highlights the continued and consistent support the university receives from the State of Florida.

STATE NONCAPITAL APPROPRIATIONS (\$ in Millions)



Expenses

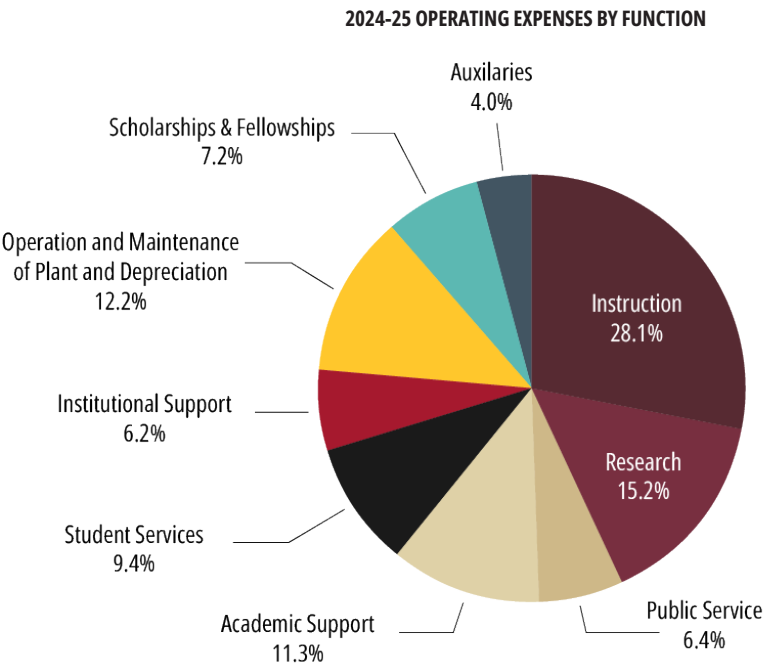
Expenses are categorized as operating or nonoperating. The majority of the university's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The university 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.

EXPENSES
(In Thousands)

	2024-25	2023-24
Compensation and Employee Benefits	\$ 1,186,445	\$ 1,106,073
Services and Supplies	500,910	456,525
Utilities and Communications	48,305	44,222
Scholarships and Fellowships	142,492	130,709
Depreciation and Amortization	114,539	111,569
Operating Expenses	1,992,691	1,849,098
Nonoperating Expenses	10,450	15,755
Total Expenses	\$ 2,003,141	\$ 1,864,853

Operating expenses increased by \$143.6 million, or 7.8 percent, over the 2023-24 fiscal year. Compensation and employee benefits were higher by \$80.4 million, or 7.3 percent, although this increase was partially offset by a \$16.6 million decrease in the university's proportional share of the State's net pension and other postemployment benefit expenses. Excluding these charges, compensation and employee benefits rose by \$97 million primarily due to salary increases for university personnel, higher health insurance costs, overall staffing growth during the 2024-25 fiscal year, and recognition of additional salary expense for compensated absences resulting from the implementation of a new accounting standard. Expenses for services and supplies grew by \$44.4 million, or 9.7 percent. Some of the most significant factors in this rise were increased spending at University Facilities, the Northwest Regional Data Center, University Housing, and University Health Services combined with higher IT software spending across the university. Utilities and communications expenses increased by \$4.1 million, or 9.2 percent, mainly due to one-time contractual services for waste removal. Scholarships and Fellowships were higher by \$11.8 million, or 9 percent, predominantly due to increases in Federal Pell grants, State Bright Future scholarships, and institutionally funded merit scholarships.

A proportional breakdown of operating expenses by functional classification follows.



Statement of Cash Flows

The statement of cash flows provides information about the university's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the university'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 university. 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.

CONDENSED STATEMENT OF CASH FLOWS (In Thousands)

	2024-25	2023-24
Cash Provided (Used) by:		
Operating Activities	\$ (905,936)	\$ (779,851)
Noncapital Financing Activities	1,114,203	979,742
Capital and Related Financing Activities	(108,944)	(159,761)
Investing Activities	(97,187)	(39,061)
Net Increase (Decrease) in Cash and Cash Equivalents	2,136	1,069
Cash and Cash Equivalents, Beginning of Year	23,067	21,998
Cash and Cash Equivalents, End of Year	\$ 25,203	\$ 23,067

Major sources of funds came from State noncapital appropriations (\$822.6 million), net student tuition and fees (\$318.7 million), grants and contracts (\$292.1 million), sales and services of auxiliary enterprises (\$304.1 million), and Federal and State student financial aid (\$185 million). Major uses of funds were for payments made to and on behalf of employees (\$1.1 billion), payments to suppliers (\$549.6 million), payments to and on behalf of students for scholarships (\$142.5 million), and the purchase or construction of capital assets (\$258.6 million).

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

As a public institution, the condition of the State of Florida's economy is the primary factor impacting the university's future. In July 2025, the Florida Economic Estimating Conference adopted a new forecast for the State's economy, which was noticeably weaker in the near term with economic risk pointing predominantly to the downside. The State's economy was relatively stable and expanded 2.9 percent in the 2024-25 fiscal year; however, the near-term expectation of the forecast was for continued deceleration to more typical rates ranging from 1.9 to 2.0 percent over the current and next two fiscal years. Although a less certain economic environment exists going forward, General Revenue collections are expected to grow at a relatively modest rate of 1.6 percent for the fiscal year. Beginning in the 2028-29 fiscal year, the economy is projected to stabilize at its characteristic range of 2.1 to 2.2 percent per year.

The university's 2025-26 operating budget adopted by the Florida Legislature included total recurring General Revenue and Lottery funding for the university of \$742 million. While the year over year growth in these appropriations is a modest one percent, the longer-term trends demonstrate the Legislature's commitment to funding FSU as these recurring appropriations have grown 64 percent in the past five years. The university remains a top performer under the State's accountability metrics, securing its position for continued strong funding support. The university's operating budget approved for 2025-26 reflects strategic investments in academic excellence, research growth, and student success – prioritizing the retention of outstanding faculty, staff, and graduate students; investment in student financial aid packages; and increasing research activity amid continuing developments in the federal funding model. The expansion of FSU Health also remains a focus with the goal of enhancing health outcomes in North Florida and beyond.

While cost pressures related to inflation, insurance, and capital needs remain, FSU is well-positioned to manage them through prudent budgeting, risk management, and operational efficiency. The university's rising national profile, including a number 11 ranking by Niche among public universities, continues to attract students and faculty, supporting enrollment stability and external funding. Florida State University and Tallahassee Memorial HealthCare have approved the structure for a historic partnership agreement to create an academic health center in Tallahassee, a development that will transform health care in North Florida and expand FSU's mission in education and research. These sorts of historic and transcendent initiatives will allow the university to be well-positioned to capitalize on opportunities in research and workforce development. With careful fiscal management and a focus on academic and research excellence, FSU is set to thrive in the 2025-26 fiscal year and beyond.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplemental information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the University Controller's Office, Florida State University, 2200A University Center, Tallahassee, Florida 32306.



STATEMENT OF NET POSITION

AS OF JUNE 30, 2025 (IN THOUSANDS)

	UNIVERSITY	COMPONENT UNITS
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 19,774	\$ 33,619
Investments	1,127,561	244,907
Accounts Receivable, Net	92,381	20,193
Loans and Notes Receivable, Net	298	276
Leases Receivable	359	399
Due from State	330,789	-
Due from Component Units/University	11,317	169,182
Inventories	3,790	178
Other Current Assets	15,311	6,491
Total Current Assets	1,601,580	475,245
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	5,429	38,847
Restricted Investments	424,487	1,102,547
Loans and Notes Receivable, Net	4,486	30,773
Leases Receivable	5,790	1,588
Depreciable Capital Assets, Net	1,954,518	232,207
Nondepreciable Capital Assets	515,119	292,952
Other Noncurrent Assets	3,295	135,554
Total Noncurrent Assets	2,913,124	1,834,468
TOTAL ASSETS	4,514,704	2,309,713
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	150,255	-
Related to Other Postemployment Benefits	88,715	-
Loss on Debt Refunding	-	822
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 25,112	\$ 17,601
Construction Contracts Payable	56,211	46,238
Salaries and Wages Payable	29,113	100
Deposits Payable	5,601	28
Due to Component Units/University	167,371	13,619
Unearned Revenue	370,346	13,819
Other Current Liabilities	697	9,406
Long-Term Liabilities - Current Portion:		
Capital Improvement Debt Payable	16,964	-
Bonds Payable	-	14,583
Loans and Notes Payable	1,268	9,173
Right-to-Use Leases Payable	1,267	1,274
Right-to-Use SBITA Payable	8,784	754
Accrued Self-Insurance Claims	49	-
Compensated Absences Payable	8,961	-
Other Postemployment Benefits Payable	6,709	-
Revenue Received in Advance	3,136	36,134
Net Pension Liability	-	-
Other Noncurrent Liabilities	396	-
Total Current Liabilities	701,985	162,729

	UNIVERSITY	COMPONENT UNITS
Noncurrent Liabilities:		
Capital Improvement Debt Payable	158,773	-
Bonds Payable	-	424,438
Loans and Notes Payable	2,658	61,783
Right-to-Use Leases Payable	7,884	2,437
Right-to-Use SBITA Payable	38,864	-
Accrued Self-Insurance Claims	555	-
Compensated Absences Payable	112,633	450
Other Postemployment Benefits Payable	234,671	-
Revenue Received in Advance	13,309	4,090
Net Pension Liability	406,643	-
Other Noncurrent Liabilities	816	16,703
Total Noncurrent Liabilities	976,806	509,901
TOTAL LIABILITIES	1,678,791	672,630
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	37,874	-
Related to Other Postemployment Benefits	91,957	-
Leases	5,679	2,021
Split-Interest Agreements for Remainder Interests	-	4,799
Trusts Held by Others	-	9,383
NET POSITION		
Net Investment in Capital Assets	\$ 2,235,303	\$ 117,645
Restricted for Nonexpendable, Endowment	-	619,935
Restricted for Expendable:		
Debt Service	292	51,751
Loans	2,293	-
Capital Projects	220,922	86,079
Other	256,267	3,524
Endowment	-	527,919
Unrestricted	224,296	214,849
TOTAL NET POSITION	\$ 2,939,373	\$ 1,621,702

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (IN THOUSANDS)

	UNIVERSITY	COMPONENT UNITS
OPERATING REVENUES		
Student Tuition and Fees, Net of Scholarship Allowances of \$148,920	\$ 319,270	\$ -
Federal Grants and Contracts	227,739	-
State and Local Grants and Contracts	46,022	-
Nongovernmental Grants and Contracts	22,186	-
Sales and Services of Auxiliary Enterprises, Net of Scholarship Allowances of \$29,331	319,164	-
Sales and Services of Component Units	-	48,587
Royalties and Licensing Fees	-	5,731
Gifts and Donations	-	121,202
Interest on Loans and Notes Receivable	58	-
Other Operating Revenues	9,879	22,315
Total Operating Revenues	944,318	197,835
OPERATING EXPENSES		
Compensation and Employee Benefits	1,186,445	44,050
Services and Supplies	500,910	199,667
Utilities and Communications	48,305	331
Scholarships and Fellowships	142,492	-
Depreciation and Amortization	114,539	14,844
Total Operating Expenses	1,992,691	258,892
OPERATING LOSS	(1,048,373)	(61,057)
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	822,907	-
Federal and State Student Financial Aid	184,995	-
Noncapital Grants, Contracts, and Gifts	74,280	21
Investment Income, Net of Expenses	68,224	69,488
Net Increase in the Fair Value of Investments	3,394	59,177
Other Nonoperating Revenues	5,732	10,048
Gain (Loss) on Disposal of Capital Assets	(1,810)	(316)
Interest on Capital Asset-Related Debt	(8,113)	(20,590)
Other Nonoperating Expenses	(527)	(36,751)
NET NONOPERATING REVENUES	1,149,082	81,077
Income (Loss) Before Other Revenues	100,709	20,020
State Capital Appropriations	33,739	-
Capital Grants, Contracts, Donations, and Fees	17,184	49,412
Additions to Permanent Endowments	-	30,374
Increase (Decrease) in Net Position	151,632	99,806
Net Position, Beginning of Year	2,787,741	1,527,558
Adjustments to Net Position, Beginning of Year	-	(5,662)
Net Position, Beginning of Year (As Restated)	2,787,741	1,521,896
NET POSITION, END OF YEAR	\$ 2,939,373	\$ 1,621,702

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



STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (IN THOUSANDS)

	UNIVERSITY
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and Fees, Net	\$ 318,705
Grants and Contracts	292,079
Sales and Services of Auxiliary Enterprises	304,099
Interest on Loans and Notes Receivable	58
Other Operating Receipts	9,180
Payments to Employees	(1,138,350)
Payments to Suppliers for Goods and Services	(549,616)
Payments to Students for Scholarships and Fellowships	(142,492)
Self-Insurance Claims	42
Loans Issued to Students	(35)
Collections on Loans to Students	394
Net Cash Used by Operating Activities	(905,936)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	822,633
Noncapital Grants, Contracts and Gifts	103,376
Federal and State Student Financial Aid	184,995
Federal Direct Loan Program Receipts	146,618
Federal Direct Loan Program Disbursements	(145,936)
Net Change in Funds Held for Others	1,418
Other Nonoperating Receipts	4,984
Other Nonoperating Disbursements	(3,885)
Net Cash Provided by Noncapital Financing Activities	1,114,203
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
State Capital Appropriations	41,280
Capital Grants, Contracts, Donations, and Fees	8,301
Capital Subsidies and Transfers	140,823
Purchase or Construction of Capital Assets	(258,612)
Principal Paid on Capital Debt, Leases and SBITA	(30,966)
Interest Paid on Capital Debt, Leases and SBITA	(10,358)
Principal Received on Leases	418
Interest Received on Leases	170
Net Cash Used by Capital and Related Financing Activities	(108,944)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	2,645,888
Purchase of Investments	(2,811,495)
Investment Income	68,420
Net Cash Used by Investing Activities	(97,187)
Net Increase in Cash and Cash Equivalents	2,136
Cash and Cash Equivalents, Beginning of Year	23,067
Cash and Cash Equivalents, End of Year	\$ 25,203

	UNIVERSITY
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (1,048,373)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation and Amortization Expense	114,539
Change in Assets and Liabilities:	
Other Receivables, Net	(19,412)
Inventories	(612)
Loans and Notes Receivable, Net	276
Deferred Charges and Other Assets	(1,202)
Accounts Payable	1,569
Salaries and Wages Payable	5,052
Accrued Self-Insurance Claims	42
Compensated Absences Payable	19,565
Other Postemployment Benefits Payable	67,579
Unearned Revenue	(619)
Pension Liability	(1,006)
Pension Deferred Outflows	(20,968)
Pension Deferred Inflows	20,695
Other Postemployment Benefits Deferred Outflows	(35,101)
Other Postemployment Benefits Deferred Inflows	(7,721)
Other Liabilities	(239)
NET CASH USED BY OPERATING ACTIVITIES	\$ (905,936)
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING AND INVESTING ACTIVITIES	
The following items were recognized on the statement of revenues, expenses, and changes in net position, but are not cash transactions for the statement of cash flows:	
Unrealized gains on investments	\$ 3,394
Loss on disposal of capital assets	\$ (1,810)
Assets acquired through capital donation	\$ 12,560

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 university is a separate public instrumentality that is part of the State university system of public universities, which is under the general direction and control of the Florida Board of Governors. The university is directly governed by a Board of Trustees (Trustees) consisting of thirteen members. The Governor appoints six citizen members and the Board of Governors appoints five citizen members. These members are confirmed by the Florida Senate and serve staggered terms of five years. The chair of the faculty senate and the president of the student body of the university are also members. The Board of Governors establishes the powers and duties of the Trustees. The Trustees are responsible for setting policies for the university, which provide governance in accordance with State law and Board of Governors' Regulations. The Trustees select the University President. The University President serves as the Executive Officer and the Corporate Secretary of the Trustees and is responsible for administering policies prescribed by the Trustees.

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 primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading. Based on the application of these criteria, the university 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 organizations met all of the financial accountability criteria necessary for inclusion as discretely presented component units and therefore are included within the university reporting entity, or are included based on the nature and significance of their relationship with the university.

These organizations and their purposes are explained as follows:

- **The Florida State University Foundation, Inc. (Foundation)** - The university's fundraising and private support programs are accounted for and reported separately by the Foundation. The Foundation revenues include unrestricted and restricted gifts and grants, rental income, and investment income. The Foundation expenses include scholarship distributions to students and departmental faculty, staff development support, various memorials and class projects, departmental research, and administrative costs of the Foundation's development program.

- **Seminole Boosters, Inc. (Boosters)** - The primary purpose of the Boosters is to stimulate and promote the education, health, and physical welfare of university students by providing financial support from the private sector for the Intercollegiate Athletic Program. Funds raised by the Boosters are utilized for scholarships, recruiting expenses, and authorized travel and entertainment in accordance with the rules and regulations of the National Collegiate Athletic Association. The Boosters' financial information includes the activities of the Florida State University Financial Assistance, Inc., as a blended component unit.
- **The Florida State University Research Foundation, Inc. (Research Foundation)** - The Research Foundation was established to promote and assist the research and training activities of the university through income from contracts, grants, and other sources, including income derived from the development and commercialization of the university's work products.
- **Florida State University International Programs Association, Inc. (International Programs Association)** - The purpose of the International Programs Association is to promote intercultural activities among students, educators, and others. It provides teaching, studying, research, and conference opportunities to U.S. students, scholars, and other professionals and community groups through Florida State University Study-Aboard Programs in England, Italy, Costa Rica, and other sites.
- **Florida State University Schools, Inc. (School)** - The School is a charter school established pursuant to Section 1002.33(5)(a), Florida Statutes. The School provides a setting where university faculty, School faculty, and graduate students can design, demonstrate, and analyze the effectiveness of new instructional materials, technological advances, and strategies under controlled conditions. It also offers an environment for the systematic research, evaluation, and development of commercial or prototype materials and techniques adaptable to other Florida public schools and is supported by School and university researchers or private sector partners.
- **Florida State University Alumni Association, Inc. (Alumni Association)** - The Alumni Association serves as a connecting link between alumni and the university. The nature and purpose of the Alumni Association is to aid, strengthen, and expand the university and its alumni. The Alumni Association utilizes private gifts, devises, other contributions, and advertising income to publish and exchange information with university alumni, to assist the university's development programs, and to provide public and community service.
- **The John and Mable Ringling Museum of Art Foundation, Inc. (Ringling Museum Foundation)** - The Ringling Museum Foundation was established to provide charitable and educational aid to the university's John and Mable Ringling Museum of Art.
- **Florida Medical Practice Plan, Inc. (FMPP)** - FMPP's purpose is to improve and support medical education in the Florida State University College of Medicine.
- **Florida State University Magnet Research and Development, Inc. (Magnet Research and Development)** - The Magnet Research and Development organization was incorporated to promote, encourage, and assist the research and training activities of faculty, staff, and students of the university and specifically to design, develop, invent, assemble, construct, test, repair, maintain, and fabricate magnets or magnet systems of any type or design.
- **The Florida State University Real Estate Foundation, Inc. (Real Estate Foundation)** - The Real Estate Foundation was established to receive, hold, manage, lease, develop, or sell real estate, and to make expenditures, grants, and contributions to or for the benefit of the university. On June 11, 2025, the Real Estate Foundation was formally dissolved. FSU's Office of Real Estate or the FSU Foundation will manage all future real estate-related activities.
- **The Florida State University College of Business Student Investment Fund, Inc. (Student Investment Fund)** - The Student Investment Fund was established to support a student managed investment fund and other FSU College of Business programs.
- **Florida State University Athletics Association, Inc. (Athletics Association)** - The Athletics Association was established to administer varsity collegiate athletics for and on behalf of Florida State University, including oversight, governance, and coordination between the Department of Intercollegiate Athletics and Seminole Boosters, Inc.
- **Florida State University Panama City Developmental Laboratory Charter School, Inc. (The Collegiate School)** - The Collegiate School was established to provide a quality education for all students enrolled in the program that prepares graduates for success in post-secondary education and the workplace with the committed involvement of post-secondary, business, and community partners.

An annual audit of each operational organization's financial statements is conducted by independent certified public accountants. The annual reports are submitted to the Auditor General and the university Board of Trustees. Additional information on the university's discretely presented component units, including copies of audit reports, is available by contacting the University Controller. Condensed financial statements for the university's discretely presented component units are disclosed in a subsequent note.

Basis of Presentation

The university'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 university with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB which allows public universities various reporting options. The university 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 entity wide 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

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. The statement of revenues, expenses, and changes in net position is presented by major sources of operating revenues, natural classifications of operating expenses, nonoperating revenues and expenses, and all other activity not otherwise classified. 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*.

Measurement Focus and Basis of Accounting

The university's and its discretely presented component units' financial statements are presented using the economic resources measurement focus, which aims to report all inflows, outflows, and balances affecting or reflecting an entity's net position, and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash in demand accounts. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by Federal depository insurance, 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.

Investments and Fair Value Measurement

The university categorizes its fair value measurements within the fair value hierarchy or at amortized cost as 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. Amortized cost is considered to approximate fair value.

Other Current Assets

Other Current Assets are primarily made up of prepaid items, which represent payments for goods and services that will benefit future periods.

Capital Assets

University capital assets consist of land, works of art and historical treasures, construction in progress, buildings, infrastructure and other improvements, furniture and equipment, library resources, right-to-use assets, and computer software. 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, except for right-to-use assets as discussed below. 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 university has a capitalization threshold of \$5,000 for tangible personal property, \$100,000 for buildings and other improvements, and \$4,000,000 for intangible assets.

Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings, Infrastructure and Other Improvements – 10 to 50 years
- Furniture and Equipment – 3 to 20 years
- Library Resources – 10 years
- Computer Software – 5 years

Leases

Leases consist of contracts that convey control of the right to use an underlying asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The university recognizes a lease receivable and deferred inflow of resources when it is the lessor party to a contract, or an intangible right-to-use lease asset and lease liability when it is the lessee party to a contract. The expected receipts or payments are discounted using the interest rate stated in the contract, if available, or are otherwise discounted using an estimated incremental borrowing rate. The university applies a materiality threshold of \$5,000 for equipment and \$100,000 for space based on the present value of expected receipts or payments over the term of the contract. Lease amounts are amortized over the shorter of the contract term or the useful life of the underlying asset.

Noncurrent Liabilities

Noncurrent liabilities include capital improvement debt payable, loans and notes payable, leases payable, SBITA payable, accrued self-insurance claims, compensated absences payable, other postemployment benefits payable, revenue received in advance, net pension liability, and other noncurrent liabilities that are not scheduled to be paid within the next fiscal year. Capital improvement debt payable is reported net of unamortized premium or discount. The university amortizes debt premiums and discounts over the life of the debt using the straight-line method.

Compensated Absences

Employees earn vacation and sick leave each pay period and can carryforward unused balances up to certain amounts each calendar year. The university calculates the compensated absences liability based on recorded balances of unused leave as of the end of the fiscal year for which the university expects to compensate employees through paid time off or cash payments at termination. Upon termination of employment, employees are entitled to be paid for any accumulated unused leave up to the maximum allowable amounts.

Subscription-Based Information Technology Arrangements

Subscription-based information technology arrangements consist of contracts that convey control of the right to use another party's information technology software as specified in the contract for a period of time in an exchange or exchange-like transaction. The university recognizes an intangible right-to-use SBITA asset and liability. The expected payments are discounted using the interest rate stated in the contract, if available, or are otherwise discounted using an estimated incremental borrowing rate. The university applies a materiality threshold of \$4,000,000 based on the present value of expected payments over the term of the contract. Amounts are amortized over the shorter of the contract term or the useful life of the underlying asset.

Pensions

For the purposes of measuring the net pension liabilities, 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 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.

Other Postemployment Benefits

For the purposes of measuring the net postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to postemployment benefits, and benefit expense, information about the fiduciary net positions of the Florida Division of State Group Insurance Other Postemployment Benefits Plan (OPEB Plan) and additions to/deductions from the OPEB Plan fiduciary net positions have been determined on the same basis as they are reported by the OPEB Plan. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position

The university's components of net position are classified as follows:

Net Investment in Capital Assets - Represents the university's total investment in capital assets, net of accumulated depreciation and net of outstanding debt obligations and deferred outflows/inflows of resources related to those capital assets.

Nonexpendable Restricted Net Position - Consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be expendable or added to principal. All endowment and similar type funds are held by the university's component units.

Expendable Restricted Net Position - Includes resources in which the university is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Position - Represents resources derived from student tuition and fees, State appropriations, and the sales and services of auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the university and may be used at the discretion of the governing board to meet current expenses for any purpose.

When both restricted and unrestricted resources are available to fund certain programs, generally it is the university's policy to first apply the restricted resources to such programs, followed by the use of the unrestricted resources.

Operating Revenues and Expenses

The university's principal operating activities consist of instruction, research, and public service. Operating revenues include activities that have characteristics of exchange transactions, such as student fees, net of scholarship discounts and allowances; sales and services of auxiliary enterprises; and Federal, State, local and nongovernmental grants and contracts.

Operating expenses include scholarships and fellowships for students, operation and maintenance of capital assets, depreciation on capital assets, and all other fiscal transactions directly related to the university's principal operating activities as well as those related to the academic and general administration of the university.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenue from students, are reported net of scholarship discounts and allowances, which are the differences between the stated charge for goods and services provided by the university and the amount that is actually paid by a student or a third party making payment on behalf of the student. Certain governmental grants, such as Pell grants, and other Federal, State, or nongovernmental programs, such as the Florida Bright Futures Program, are recorded as nonoperating revenues in the university's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the university has recorded a scholarship discount and allowance.

The university applied the "Direct Method A" as prescribed in NACUBO Advisory Report 2023-01 to determine the reported net scholarship discounts and allowances.

Nonoperating Revenues and Expenses

Nonoperating revenues include activities that have characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, as amended by GASB Statements Nos. 37 and 38. Nonoperating revenues include State noncapital appropriations; Federal and State student financial aid; noncapital grants, contracts, and gifts; and investment income. Nonoperating expenses include interest on capital asset-related debt and losses on the disposal of capital assets.

2. REPORTING CHANGES

The university implemented GASB Statement No. 101, *Compensated Absences*. This statement establishes accounting and financial reporting requirements for compensated absences. The cumulative effect of the change in accounting principle to beginning net position was less than one-half of one percent. Therefore, beginning net position was not restated.



3. UNRESTRICTED NET POSITION

The university had an unrestricted net position of \$224,295,660 at June 30, 2025. This includes the full recognition of long-term liabilities expected to be financed in future years. The effect of these items on the university's unrestricted net position is shown below:

Description	Amount
Total Unrestricted Net Position Before Recognition of Long-Term Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources	\$ 884,774,732
Amount Expected to be Financed in Future Years:	
Compensated Absences Payable	121,593,630
Other Postemployment Benefits Payable and Related Deferred Outflows of Resources and Deferred Inflows of Resources	244,623,173
Net Pension Liability and Related Deferred Outflows of Resources and Deferred Inflows of Resources	294,262,269
Total Amount Expected to be Financed in Future Years	(660,479,072)
Total Unrestricted Net Position	\$ 224,295,660

4. INVESTMENTS

Section 1011.42(5), Florida Statutes, authorizes universities to invest funds with the State Treasury and State Board of Administration (SBA) and requires that universities comply with the statutory requirements governing investment of public funds by local governments. Accordingly, universities are subject to the requirements of Chapter 218, Part IV, Florida Statutes. The university's Board of Trustees has adopted a written investment policy providing that surplus funds of the university shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Pursuant to Section 218.415(16), Florida Statutes, the university is authorized to invest in the Florida PRIME investment pool administered by the SBA and the Florida Public Assets for Liquidity Management (FL PALM); interest-bearing time deposits and savings accounts in qualified public depositories, as defined in 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; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and other investments approved by the university's Board of Trustees as authorized by law. Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

The university's investments at June 30, 2025, are reported as follows:

Investments by Fair Value Level	Amount	Level 1	Level 2	Level 3
External Investment Pool:				
State Treasury Special Purpose Investment Account	\$ 188,864,142	\$ -	\$ -	\$ 188,864,142
State Board of Administration Debt Service Accounts	111,047	111,047	-	-
Mutual Funds:				
Bonds	10,226,326	10,226,326	-	-
Equities	5,296,877	5,296,877	-	-
Other Investments	10,584,539	-	-	10,584,539
Total Investments by Fair Value Level	\$ 215,082,931	\$ 15,634,250	\$ -	\$ 199,448,681
Investments at Amortized Cost				
SBA Florida PRIME	1,147,457,035			
FL PALM	189,508,093			
Total Investments	\$ 1,552,048,059			

Investments held by the university's component units at June 30, 2025, are reported as follows:

Investments by Fair Value Level	Amount	Level 1	Level 2	Level 3
U.S. Guaranteed Obligation	\$ 1,572,559	\$ 1,572,559	\$ -	\$ -
Domestic Stocks	34,582,437	34,582,437	-	-
International Stocks	91,840	91,840	-	-
Mutual Funds	149,866,512	149,866,512	-	-
Other Investments	167,727,047	12,039,751	-	155,687,296
Total Investments by Fair Value Level	\$ 353,840,395	\$ 198,153,099	\$ -	\$ 155,687,296
Investments Measured at the Net Asset Value (NAV)				
Domestic Stocks	281,270,870			
International Stocks	204,239,007			
Real Estate Investments	22,520,421			
Hedge Funds	113,690,441			
Private Debt/Credit Opportunities Funds	11,425,994			
Private Equity Funds	238,703,255			
Private Real Estate Funds	66,721,848			
Total Investments Measured at NAV	938,571,836			
Other				
SBA Florida PRIME	48,572,174			
Other Investments	6,469,878			
Total Other Investments	55,042,052			
Total Investments	\$ 1,347,454,283			

The university's component units' investments measured at the net asset value (NAV), as of June 30, 2025, totaled \$938,571,836 as follows:

Investments Measured at the NAV	Amount	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Domestic Stocks	\$ 281,270,870	\$ -	Daily to semi-annually	2 - 60 days
International Stocks	204,239,007	-	Daily to semi-annually	2 - 60 days
Real Estate Investments	22,520,421	-	Daily	2 days
Hedge Funds	113,690,441	574,315	Monthly to every 3 years	10 - 90 days
Private Debt/Credit Opportunities Funds	11,425,994	2,684,405		
Private Equity Funds	238,703,255	94,542,542		
Private Real Estate Funds	66,721,848	34,608,795		
Total Investments Measured at NAV	\$ 938,571,836	\$ 132,410,057		

Investments measured at net asset value are comprised of the following categories:

- Domestic Stocks - equity interests in domestic institutional pooled funds.
- International Stocks - equity interests in global and emerging market institutional pooled funds.
- Real Estate - equity interests in global real estate institutional pooled funds, and a real estate limited partnership.
- Hedge Funds - interests in offshore funds that invest both long and short in domestic and international equities as well as absolute return strategy interests in offshore funds that are designed to produce results that are largely independent of, or have low correlation to, the broader markets.
- Private Debt/Credit Opportunities - fixed income investments in private debt.
- Private Equity - interests in several limited partnership funds that invest in private equity, venture capital, and distressed assets.
- Private Real Estate - interests in several limited partnership funds that invest in real estate and natural resources.

External Investment Pools

The university reported investments at fair value totaling \$188,864,142 at June 30, 2025, in the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities. Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The SPIA carried a credit rating of AA-f by Standard & Poor's, had an effective duration of 3.33 years, and fair value factor of 1.003 at June 30, 2025. Participants contribute to the Treasury Pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participants' total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. The university relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to financial statements of the State's Annual Comprehensive Financial Report.

The university reported investments totaling \$1,147,457,035 at June 30, 2025, in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. The Research Foundation and Magnet Research and Development reported investments in Florida PRIME totaling \$48,319,877 and \$252,297, respectively, at June 30, 2025. These investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, at June 30, 2025, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The Florida PRIME investment pool carried a credit rating of AAAM by Standard & Poor's and had a weighted average days to maturity (WAM) of 47 days as of June 30, 2025. A portfolio's WAM reflects the average maturity in days, based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the Florida PRIME investment pool to interest rate changes. The investments in the Florida PRIME investment pool are reported at amortized cost.

The university reported investments totaling \$189,508,093 at June 30, 2025, in the FL PALM investment pool. The FL PALM investment pool carried a credit rating of AAAM by Standard & Poor's and had a WAM of 44 days as of June 30, 2025. The investments in the FL PALM investment pool are reported at amortized cost.

State Board of Administration Debt Service Accounts

The university reported investments at fair value totaling \$111,047 at June 30, 2025, in the SBA Debt Service Accounts. These investments are used to make debt service payments on bonds issued by the State Board of Education for the benefit of the university. The university's investments consist of United States Treasury securities, with maturity dates of six months or less, and are reported at fair value. The university relies on policies developed by the SBA for managing interest rate risk or credit risk for these accounts. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State's Annual Comprehensive Financial Report.

Other Investments

In addition to external investment pools, the university and its discretely presented component units invested in various debt and equity securities, mutual funds, and real estate funds. The following are required risk disclosures applicable to investments of the university as well as its discretely presented component units.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The university has investments in bond mutual funds that are subject to interest rate risk. Additionally, investments of the university's discretely presented component units in debt securities, bonds and notes, and bond mutual funds are also subject to interest rate risk. These investments and their future maturities at June 30, 2025, are as follows:

	Fair Value	Investment Maturities (in years)		
		Less Than 1	1-10	Greater Than 10
University	\$ 10,226,326	\$ -	\$ 10,226,326	\$ -
Discretely Presented Component Units	\$ 164,883,836	\$ 2,086,334	\$ 162,797,502	\$ -

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Obligations of the United States government or obligations explicitly guaranteed by the United States government are not considered to have credit risk (by the GASB) and do not require disclosure of credit quality. The university and the university's discretely presented component units held bond mutual funds which have underlying investments with quality ratings by nationally recognized rating agencies at June 30, 2025, as follows:

	Fair Value	United States Government	AAA	AA/Aa	A/Ba	Less Than A/Ba or Not Rated
University	\$ 10,226,326	\$ 6,820,483	\$ 312,954	\$ 269,929	\$ 2,805,869	\$ 17,091
Discretely Presented Component Units	\$ 164,883,836	\$ 45,669,527	\$ 6,037,676	\$ 63,127,243	\$ 43,973,783	\$ 6,075,607

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the counterparty, the component unit will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Exposure to custodial credit risk relates to investment securities that are held by someone other than the component unit and are not registered in the component unit's name. Neither the university nor its discretely presented component units have identified any investments falling into this category as of June 30, 2025.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the component unit's investment in a single issuer. The university's discretely presented component units manage their concentration of credit risk based on various investment policies, which may be obtained separately from the discretely presented component units.

5. RECEIVABLES

Accounts Receivable

Accounts receivable represent amounts for student tuition and fees, grant and contract reimbursements due from third parties, various sales and services provided to students and third parties, and interest accrued on investments and loans receivable.

As of June 30, 2025, the university reported the following amounts as accounts receivable:

Description	Amount
Student Tuition and Fees	\$ 15,948,325
Grants and Contracts	40,398,015
Sales and Services of Auxiliary Enterprises	37,705,503
Interest	616,720
Other	829,350
Total Accounts Receivable	\$ 95,497,913

Loans and Notes Receivable

Loans and notes receivable represent all amounts owed on promissory notes from debtors, including student loans made under the Federal Perkins Loan Program and other loan programs. Loans and notes receivable totaled \$5,021,023 at June 30, 2025.

Leases Receivable

The university leases space to external parties for various terms under long-term non-cancelable leases. The leases expire at various dates through 2042. Lease revenue totaling \$518,053 and interest revenue of \$170,521 were recognized during the 2024-25 fiscal year in accordance with GASB Statement No. 87, *Leases*. Future rights to remaining leases receivable as of June 30, 2025, are as follows:

For the Year Ending June 30	Principal	Interest	Total
2026	\$359,025	\$158,446	\$517,471
2027	387,917	154,075	541,992
2028	406,843	146,451	553,294
2029	426,847	135,770	562,617
2030	440,658	123,382	564,040
2031-2035	2,215,618	439,439	2,655,057
2036-2040	1,385,939	180,610	1,566,549
2041-2042	526,708	19,314	546,022
Total Leases Receivable	\$6,149,555	\$1,357,487	\$7,507,042

Allowance for Doubtful Receivables

Allowances for doubtful accounts and loans and notes receivable are reported based on management's best estimate as of fiscal year end considering type, age, collection history, and other factors considered appropriate. Accounts receivable and loans and notes receivable are reported net of allowances of \$3,117,159 and \$237,210, respectively, at June 30, 2025. No allowance has been accrued for grants and contracts receivable or leases receivable as university management considers these to be fully collectible.

6. DUE FROM STATE

This amount consists of \$242,057,374 of Public Education Capital Outlay, \$86,342,000 of General Revenue for construction of facilities, and \$2,389,991 of State Student Financial Aid due from the State to the university.

7. DUE FROM AND TO COMPONENT UNITS/UNIVERSITY

The university's financial statements are reported for the fiscal year ended June 30, 2025. The university's component units' financial statements are reported as of the most recent fiscal year for which an audit report is available. One component unit has a fiscal year other than June 30. Accordingly, amounts reported by the university as due from and to component units on the statement of net position do not agree with amounts reported by the component units as due from and to the university. The amounts due to component units are primarily comprised of cash and investment balances of \$141,396,991 held on behalf of the Athletics Association by the university.



8. CAPITAL ASSETS

Description	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable Capital Assets:				
Land	\$ 95,970,654	\$ 8,411,571	\$ -	\$ 104,382,225
Works of Art and Historical Treasures	90,902,345	1,350,199	-	92,252,544
Construction in Progress	253,930,366	226,542,687	161,988,779	318,484,274
Total Nondepreciable Capital Assets	\$ 440,803,365	\$ 236,304,457	\$ 161,988,779	\$ 515,119,043
Depreciable Capital Assets:				
Buildings	\$ 2,506,316,805	\$ 183,050,141	\$ 3,590,336	\$ 2,685,776,610
Infrastructure and Other Improvements	171,331,865	-	-	171,331,865
Furniture and Equipment	426,387,965	28,491,644	21,721,018	433,158,591
Library Resources	196,451,265	10,461,543	8,676,692	198,236,116
Right-to-Use Lease Assets	13,508,987	492,632	335,407	13,666,212
Right-to-Use SBITA Assets	71,302,405	-	-	71,302,405
Computer Software	49,174,492	-	-	49,174,492
Total Depreciable Capital Assets	3,434,473,784	222,495,960	34,323,453	3,622,646,291
Less, Accumulated Depreciation and Amortization:				
Buildings	937,256,563	67,681,960	278,515	1,004,660,008
Infrastructure and Other Improvements	100,563,403	3,874,130	-	104,437,533
Furniture and Equipment	318,749,986	23,656,422	20,279,946	322,126,462
Library Resources	155,313,055	8,982,563	8,676,692	155,618,926
Right-to-Use Lease Assets	4,178,972	1,430,891	237,122	5,372,741
Right-to-Use SBITA Assets	17,825,602	8,912,800	-	26,738,402
Computer Software	49,174,492	-	-	49,174,492
Total Accumulated Depreciation and Amortization	1,583,062,073	114,538,766	29,472,275	1,668,128,564
Total Depreciable Capital Assets, Net	\$ 1,851,411,711	\$ 107,957,194	\$ 4,851,178	\$ 1,954,517,727

9. UNEARNED REVENUE

Unearned revenue includes capital appropriations for which the university had not yet received approval from the Florida Department of Education, as of June 30, 2025, to spend the funds, as well as grants and contracts, and auxiliary sales and services received prior to fiscal year end related to the subsequent accounting period.

As of June 30, 2025, the university reported the following amounts as unearned revenue:

Description	Amount
State Capital Appropriations	\$ 336,782,093
Grants and Contracts	14,184,347
Sales and Services of Auxiliary Enterprises	19,380,050
Total Unearned Revenue	\$ 370,346,490

10. LONG-TERM LIABILITIES

Long-term liabilities of the university at June 30, 2025, include capital improvement debt payable, loans and note payable, right-to-use leases payable, right-to-use SBITA payable, accrued self-insurance claims, compensated absences payable, other postemployment benefits payable, revenue received in advance, net pension liability, and other noncurrent liabilities.

Long-term liabilities activity for the fiscal year ended June 30, 2025, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Capital Improvement Debt Payable	\$ 193,724,275	\$ -	\$ 17,987,690	\$ 175,736,585	\$ 16,963,818
Loans and Notes Payable	5,161,923	-	1,236,567	3,925,356	1,267,501
Right-to-Use Leases Payable	9,990,974	492,632	1,332,548	9,151,058	1,267,284
Right-to-Use SBITA Payable	56,088,254	-	8,440,224	47,648,030	8,784,091
Accrued Self-Insurance Claims	561,157	62,000	19,922	603,235	48,900
Compensated Absences Payable	102,486,219	25,762,394	6,654,983	121,593,630	8,960,557
Other Postemployment Benefits Payable	173,801,403	213,078,952	145,499,913	241,380,442	6,709,079
Revenue Received in Advance	18,591,757	793,184	2,940,452	16,444,489	3,135,947
Net Pension Liability	407,649,838	151,328,863	152,335,408	406,643,293	-
Other Noncurrent Liabilities	1,824,862	-	612,483	1,212,379	395,991
Total Long-Term Liabilities	\$ 969,880,662	\$ 391,518,025	\$ 337,060,190	\$ 1,024,338,497	\$ 47,533,168

Capital Improvement Debt Payable

The university had the following capital improvement debt payable outstanding at June 30, 2025:

Capital Improvement Debt Type and Series	Amount of Original Issue	Principal Amount Outstanding	Unamortized Amounts Outstanding (1)	Net Amount Outstanding	Interest Rates (Percent)	Maturity Date To
Auxiliary Revenue Debt:						
2014A Housing	\$ 46,085,000	\$ 19,655,000	\$ 2,634,268	\$ 22,289,268	3.25 - 5.0	2031
2015A Housing	59,575,000	40,330,000	2,710,375	43,040,375	3.0 - 5.0	2035
2021A Housing	24,780,000	18,430,000	3,678,534	22,108,534	2.0 - 5.0	2040
2023A Housing	24,395,000	20,420,000	4,073,797	24,493,797	5.0	2033
Total Student Housing Debt	154,835,000	98,835,000	13,096,974	111,931,974		
2021A Parking	11,850,000	5,855,000	33,413	5,888,413	5.0	2031
Total Student Parking Debt	11,850,000	5,855,000	33,413	5,888,413		
2021A Wellness Center	12,330,000	7,545,000	1,834,234	9,379,234	5.0	2030
2022A Union	44,695,000	40,405,000	3,027,052	43,432,052	4.0 - 5.0	2042
Total Auxiliary Debt	223,710,000	152,640,000	17,991,673	170,631,673		
2012 Research Foundation Revenue Debt	11,920,000	4,710,000	394,912	5,104,912	3.0 - 4.0	2031
Total Capital Improvement Debt	\$ 235,630,000	\$ 157,350,000	\$ 18,386,585	\$ 175,736,585		

(1) Unamortized amounts include bond discounts, premiums, and/or gains/losses on bond refundings.

The university has pledged a portion of future housing rental revenues, traffic and parking fees, and assessed student transportation, student health fees, and student facility use fees based on credit hours to repay \$223.7 million in capital improvement (housing, parking, etc.) revenue bonds issued by the Florida Board of Governors on behalf of the university. Proceeds from the bonds provided financing to construct student parking garages, student housing facilities, a student union, and a wellness center. The bonds are payable solely from housing rental income, traffic and parking fees, and assessed student transportation, student health fees, and student facility use fees, and are payable through 2042. The university has committed to appropriate each year from the housing rental income, traffic and parking fees, and assessed student transportation, student health fees, and student facility use fees amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$194.7 million and principal and interest paid for the current year totaled \$22.4 million.

Revenue Pledged	Amount
Housing Rental Income	\$ 56,816,252
Traffic, Parking and Transportation Fees	14,231,528
Student Health Fees	15,225,432
Student Facility Use Fees	4,048,720

Annual requirements to amortize all capital improvement debt outstanding as of June 30, 2025, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 14,855,000	\$ 6,869,113	\$ 21,724,113
2027	14,005,000	6,133,563	20,138,563
2028	14,695,000	5,448,312	20,143,312
2029	15,370,000	4,774,663	20,144,663
2030	16,015,000	4,125,375	20,140,375
2031-2035	57,995,000	11,524,406	69,519,406
2036-2040	17,920,000	3,352,050	21,272,050
2041-2042	6,495,000	392,200	6,887,200
Subtotal	157,350,000	42,619,682	199,969,682
Plus: Unamortized Premiums and (Discounts), Net	18,386,585	-	18,386,585
Total	\$ 175,736,585	\$ 42,619,682	\$ 218,356,267

Direct placements are defined by GASB as debt obligations that have terms negotiated directly with an investor and are not offered for public sale. The 2005A Dining issue was the only direct placement of the university's capital improvement debt payable and was paid off during the 2024-25 fiscal year. All the remaining issues were offered for public sale.

Loans and Notes Payable

The university has financed purchases related to direct borrowing agreements entered into for equipment totaling \$3,925,356 with stated interest rates ranging from 1.8 to 3.295 percent. Direct borrowings are defined by GASB as debt obligations that have terms negotiated directly with a lender and are not offered for public sale. Future minimum payments under the agreements and the present value of the minimum payments as of June 30, 2025, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 1,267,501	\$ 92,771	\$ 1,360,272
2027	1,299,269	61,003	1,360,272
2028	838,157	30,592	868,749
2029	520,429	8,252	528,681
Total Loans and Notes Payable	\$ 3,925,356	\$ 192,618	\$ 4,117,974

Right-to-Use Leases Payable

The university follows GASB Statement No. 87, *Leases*. Space is leased from external parties for various terms under long-term, non-cancelable agreements. The leases expire at various dates through 2039. Payments are made in monthly installments ranging from \$2,858 to \$44,600, and quarterly installments of \$50,000, with implicit interest rates of 3 to 4.5 percent. The university does not have any leases featuring payments tied to an index or market rate, or any leases subject to a residual value guarantee. Future obligations for remaining leases payable as of June 30, 2025, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 1,267,284	\$ 551,122	\$ 1,818,406
2027	1,243,637	491,594	1,735,231
2028	1,229,412	434,356	1,663,768
2029	1,158,883	269,090	1,427,973
2030	979,250	202,357	1,181,607
2031-2035	2,905,839	457,862	3,363,701
2036-2039	366,753	21,001	387,754
Total Right-to-Use Leases Payable	\$ 9,151,058	\$ 2,427,382	\$ 11,578,440

Right-to-Use SBITA Payable

The university has a SBITA payable for the right to use mainframe software totaling \$47,648,030. Payments are made in monthly installments with an implicit interest rate of 4 percent. Future obligations for remaining SBITA payable as of June 30, 2025, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	\$ 8,784,091	\$ 1,746,041	\$ 10,530,132
2027	9,141,969	1,388,163	10,530,132
2028	9,514,427	1,015,705	10,530,132
2029	9,902,059	628,073	10,530,132
2030	10,305,484	224,648	10,530,132
Total Right-to-Use SBITA Payable	\$ 47,648,030	\$ 5,002,630	\$ 52,650,660

Compensated Absences Payable

Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave earned pursuant to Board of Governors' Regulations, university regulations, and bargaining agreements. Leave earned is accrued to the credit of the employee and records are kept on each employee's unpaid (unused) leave balance. The university 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 university 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, 2025, the estimated liability for compensated absences, which includes the university's share of the Florida Retirement System and FICA contributions, totaled \$121,593,630. The current portion of the compensated absences liability, \$8,960,557, is the amount expected to be paid in the coming fiscal year and represents a historical percentage of leave used applied to total accrued leave liability.

Other Postemployment Benefits Payable

As a participating employer in the State Employees' Group Health Insurance Plan, the university recognizes its proportionate share of the collective other postemployment benefits liability of the multiple-employer defined benefit health plan. As of June 30, 2025, the university's proportionate share of the total OPEB liability totaled \$241,380,442.

Revenue Received in Advance

Long-term revenue received in advance represents funds received but not yet earned under the terms and conditions of auxiliary services contracts. Total long-term revenue received in advance at June 30, 2025, amounted to \$16,444,489, with \$3,135,947 expected to be earned during the 2025-26 fiscal year.

Net Pension Liability

As a participating employer in the Florida Retirement System, the university recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2025, the university's proportionate share of the net pension liabilities totaled \$406,643,293.

Other Noncurrent Liabilities

Other noncurrent liabilities consist of the Federal Capital Contribution (advance) provided to fund the university's Federal Perkins Loan Program. The advance amount totaling \$1,212,379 will ultimately be returned to the Federal Government should the university cease making Federal Perkins Loans or if the university has excess cash in the loan program.



11. OTHER POSTEMPLOYMENT BENEFITS

General Information about Other Postemployment Benefits

The university follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits administered by the Florida Department of Management Services, Division of State Group Insurance.

Other Postemployment Benefits Plan

Plan Description – The State Employees' Group Health Insurance Plan for other postemployment benefits is a multiple-employer defined benefit health plan (OPEB Plan). Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the university are eligible to participate in the OPEB Plan. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. A retiree means any officer or employee who retires under a State retirement system or State optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any officer or employee who retires under the Florida Retirement System Investment Plan is considered a "retiree" if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. The university 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 retiree healthcare costs are generally greater than active employee healthcare costs. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan contribution requirements and benefit terms necessary for funding the OPEB Plan each year is on a pay-as-you-go basis as established by the Governor's recommended budget and the General Appropriations Act. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

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

Proportionate Share of the Total OPEB Liability

The university's proportionate share of the total OPEB liability of \$241.4 million was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2024. At June 30, 2025, the university's proportionate share, determined by its proportion of total benefit payments made, was 2.37 percent, which was an increase of 29 basis points from its proportionate share reported as of June 30, 2024.

Actuarial Assumptions and Other Inputs – The total OPEB liability 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
- Salary Increases Varies by FRS class
- Discount Rate 4.21 percent

Healthcare cost trend rates for the Preferred Provider Option (PPO) Plan and Health Maintenance Organization (HMO) Plan, respectively, are 7.86 and 7.68 percent for the 2024-25 fiscal year, gradually decreasing to 4.00 percent after the 2073-74 fiscal year.

Retiree premium trend rates for both the PPO and HMO plans are 7.8 percent for the 2024-25 fiscal year, gradually decreasing to 4.0 percent after the 2073-74 fiscal year.

The discount rate was based on the 20-year S&P Municipal Bond Rate Index.

Mortality rates were based on the Pub-2010 mortality tables with fully generational improvement using Scale MP-2018.

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal used in the July 1, 2024, valuation were based on the 2019 Experience Study prepared by Milliman.

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 July 1, 2024, valuation were based on a review of recent plan experience done concurrently with the July 1, 2022, valuation.

The following changes have been made since the prior valuation:

- The census data reflects changes in status for the twenty-four month period since July 1, 2022.
- In conjunction with the passing of Senate Bill 7024, the maximum DROP participation period was extended from 60 months (5 years) to 96 months (8 years) for all groups.
- There were previously constraints on when a member could enter DROP after becoming retirement eligible. These constraints were removed. This was also implemented due to Senate Bill 7024.
- Also included in Senate Bill 7024, eligibility was updated for special risk hired on or after July 1, 2011. Previously members became eligible at age 60 with 8 years of Credited Service or with 30 years of Credited Service. Eligibility is now age 55 with 8 years of Credited Service or with 25 years of Credited Service.
- In conjunction with the plan changes above associated with Senate Bill 7024, retirement rates and DROP entry rates were updated in alignment with the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2023.
- The assumed claims and premiums reflect the actual claims information that was provided as well as the premiums that are actually being charged to participants. The recent claims experience along with changes in the demographics of the population resulted in pharmacy claims costs higher than projected and lower premium rates than expected. The net result was an increase in liabilities due to claims and premiums as of June 30, 2024.
- Age-related claims were updated to use aging factors developed in a study completed by Dale Yamamoto for the Society of Actuaries to more accurately account for the way in which claims costs vary with age.
- The medical trend assumption is updated each year based on the Getzen Model. Medical trend rates used were consistent with the August 2024 Report on Financial Outlook of the Plan along with information from the Getzen Model and actuarial judgement. The impact of the trend rate is a small increase in the liability, due primarily to higher trend rates in the first several years.
- The discount rate was updated to utilize the mandated discount rate based on a 20-year S&P Municipal Bond Rate Index as of the measurement date, as required under GASB 75. The discount rate increased from 4.13 percent to 4.21 percent.

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate – The following table presents the university's proportionate share of the total OPEB liability, as well as what the university's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.21 percent) or 1 percentage-point higher (5.21 percent) than the current rate:

	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
University's proportionate share of the total OPEB liability	\$ 283,249,045	\$ 241,380,442	\$ 208,372,595

Sensitivity to the University's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table presents the university's proportionate share of the total OPEB liability, as well as what the university's proportionate share of the 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:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
University's proportionate share of the total OPEB liability	\$ 204,383,535	\$ 241,380,442	\$ 289,588,194

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

For the fiscal year ended June 30, 2025, the university recognized OPEB expense of \$31,536,903. At June 30, 2025, the university reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 22,504,309
Changes of assumptions or other inputs	35,585,610	67,503,432
Changes in proportion and differences between university benefit payments and proportionate share of benefit payments	46,349,157	1,949,644
Transactions subsequent to the measurement date	6,779,887	-
Total	\$ 88,714,654	\$ 91,957,385

Of the total amount reported as deferred outflows of resources related to OPEB, \$6,779,887 resulting from transactions (e.g. benefit payments) subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability and included in OPEB expense in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2026	\$ (7,908,993)
2027	(5,423,140)
2028	(887,164)
2029	(2,669,016)
2030	(1,869,615)
Thereafter	8,735,310
Total	\$ (10,022,618)

12. RETIREMENT PLANS – DEFINED BENEFIT PENSION PLANS

General Information about the Florida Retirement System

The Florida Retirement System was created in Chapter 121, Florida Statutes, in order 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 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class (SMSC) employed by the State and faculty and specified employees in the State university system. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (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 university 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 Florida Retirement System 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 website (www.dms.myflorida.com).

The university's pension expense for the FRS and HIS cost-sharing multiple-employer defined benefit plans totaled \$52,640,375 for the 2024-25 fiscal year.

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 (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight 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, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 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, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of creditable service. Members of 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 Deferred Retirement Option Program, 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 96 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 credit service. 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 five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight 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:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
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 years of service or more	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
Special Risk Class	3.00

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 2024-25 fiscal year were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (1)
Florida Retirement System, Regular	3.00	13.63
Florida Retirement System, Senior Management Service	3.00	34.52
Florida Retirement System, Special Risk	3.00	32.79
Teachers' Retirement System, Plan E	6.25	13.90
Deferred Retirement Option Program - Applicable to		
Members from All of the Above Classes or Plan	0.00	21.13
Florida Retirement System, Reemployed Retiree	(2)	(2)

(1) Employer rates include 2 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs of the Investment Plan.

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

The university's contributions to the Plan totaled \$46,647,577 for the fiscal year ended June 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the university reported a liability of \$295,350,641 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The university's proportionate share of the net pension liability was based on the university's 2023-24 fiscal year contributions relative to the total 2023-24 fiscal year contributions of all participating members. At June 30, 2024, the university's proportion was 0.76 percent, which was equal to its proportionate share measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the university recognized pension expense of \$45,838,806. In addition, the university reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,838,344	\$ -
Changes of assumptions	40,480,506	-
Net difference between projected and actual earnings on pension plan investments	-	19,630,540
Changes in proportion and differences between university contributions and proportionate share of contributions	7,566,494	2,685,353
University contributions subsequent to the measurement date	46,647,577	-
Total	\$ 124,532,921	\$ 22,315,893

The deferred outflows of resources totaling \$46,647,577, resulting from university contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2026	\$ (3,911,758)
2027	50,352,302
2028	5,437,480
2029	888,745
2030	2,802,682
Thereafter	-
Total	\$ 55,569,451

Actuarial Assumptions - The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 2.40 percent
- Salary Increases 3.50 percent, average, including inflation
- Investment Rate of Return 6.70 percent, net of Plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2021. This is a change from the previous valuation in which the mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

The long-term expected rate of return on 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:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Annual Geometric Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed Income	29.0%	5.7%	5.6%	3.9%
Global Equity	45.0%	8.6%	7.0%	18.2%
Real Estate (Property)	12.0%	8.1%	6.8%	16.6%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.6%	6.2%	8.7%
Total	100.0%			
Assumed Inflation - Mean			2.4%	1.5%

(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 2024 valuation was unchanged from the previous valuation.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the university's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent, as well as what the university'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:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
University's proportionate share of the net pension liability	\$ 519,511,436	\$ 295,350,641	\$ 107,568,430

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.

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, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan 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, 2025, the contribution rate was 2 percent of payroll pursuant to section 112.363, Florida Statutes. The university contributed 100 percent of its statutorily required contributions for the current and preceding three 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 university's contributions to the HIS Plan totaled \$7,272,437 for the fiscal year ended June 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the university reported a liability of \$111,292,652 for its proportionate share of the net pension liability. The current portion of the net pension liability is the university's proportionate share of benefit payments expected to be paid within one year, net of the university's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was

measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The university's proportionate share of the net pension liability was based on the university's 2023-24 fiscal year contributions relative to the total 2023-24 fiscal year contributions of all participating members. At June 30, 2024, the university's proportion was 0.74 percent, which was an increase of 7 basis points from its proportionate share measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the university recognized pension expense of \$6,801,569. In addition, the university reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,074,606	\$ 213,698
Changes of assumptions	1,969,619	13,175,622
Net difference between projected and actual earnings on HIS Plan investments	-	40,250
Changes in proportion and differences between university contributions and proportionate share of contributions	15,405,770	2,128,866
University contributions subsequent to the measurement date	7,272,437	-
Total	\$ 25,722,432	\$ 15,558,436

The deferred outflows of resources totaling \$7,272,437 was related to pensions resulting from university contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2026	\$ 665,208
2027	254,555
2028	(327,479)
2029	904,572
2030	1,136,617
Thereafter	258,086
Total	\$ 2,891,559

Actuarial Assumptions - The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 2.40 percent
- Salary Increases 3.50 percent, average, including inflation
- Municipal Bond Rate 3.93 percent

Mortality rates were based on the Generational PUB-2010, projected generationally with Scale MP-2021. This is a change from the previous valuation in which the mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

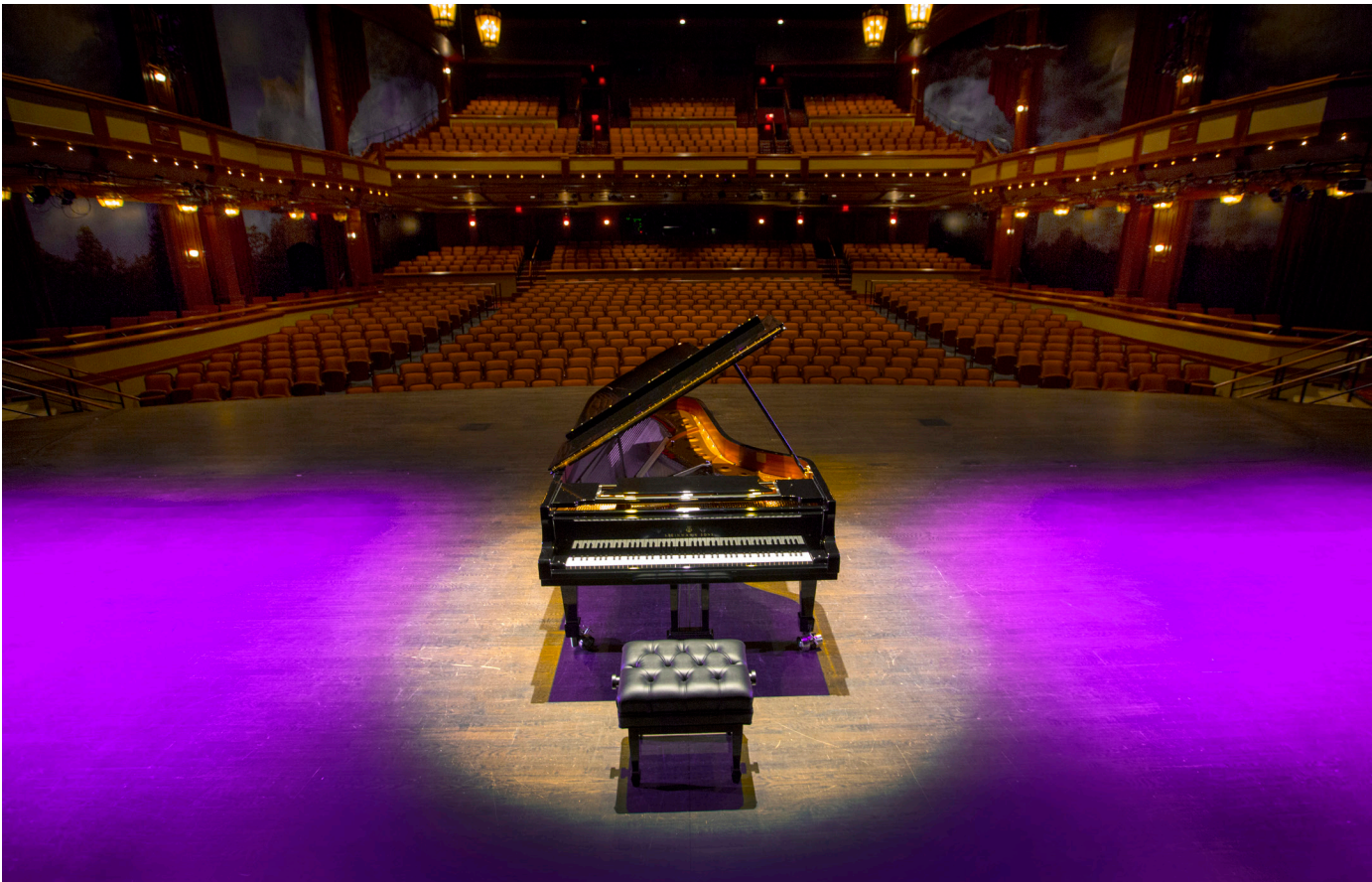
While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate - The discount rate used to measure the total pension liability was 3.93 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 2024 valuation was updated from 3.65 percent to 3.93 percent.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the university's proportionate share of the net pension liability calculated using the discount rate of 3.93 percent, as well as what the university's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.93 percent) or 1 percentage-point higher (4.93 percent) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
University's proportionate share of the net pension liability	\$ 126,692,381	\$ 111,292,652	\$ 98,508,388

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 Annual Comprehensive Financial Report.



13. 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. University employees already participating in the State University System Optional Retirement Program or DROP are not eligible to participate in this program. 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, 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 2024-25 fiscal year were as follows:

Class or Plan	Percent of Gross Compensation
Florida Retirement System, Regular	11.30
Florida Retirement System, Senior Management Service	12.67
Florida Retirement System, Special Risk	19.00

For all membership classes, employees are immediately vested in their own contributions and are vested after one 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 FRS 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 five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2025, 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 university.

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 university’s contributions to the Investment Plan totaled \$19,090,392 and employee contributions totaled \$4,101,933 for the 2024-25 fiscal year.

State University System Optional Retirement Program

Section 121.35, Florida Statutes, provides for an Optional Retirement Program (ORP) for eligible university instructors and administrators. The ORP is designed to aid State universities in recruiting employees by offering more portability to employees not expected to remain in the FRS for eight or more years.

The ORP is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the ORP, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes 5.14 percent of the participant’s salary to the participant’s account, 4.84 percent to cover the unfunded actuarial liability of the FRS pension plan, and 0.01 percent to cover administrative costs, for a total of 9.99 percent, and employees contribute 3 percent of the employee’s salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the university to the participant’s annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

The university’s contributions to the ORP totaled \$30,633,393 and employee contributions totaled \$15,170,388 for the 2024-25 fiscal year.



14. CONSTRUCTION COMMITMENTS

The university's construction commitments at June 30, 2025, were as follows:

Project Description	Total Commitment	Completed to Date	Committed Balance
Legacy Hall, College of Business	\$ 160,000,000	\$ 137,497,262	\$ 22,502,738
Academic Health Center	137,500,000	29,402,748	108,097,252
Dittmer Chemistry Lab Renovations	95,400,000	3,749	95,396,251
Academic Support Building	40,000,000	-	40,000,000
FAMU/FSU College of Engineering	25,000,000	894,029	24,105,971
Doak Campbell Structural Improvements	20,000,000	17,125,633	2,874,367
National High Magnetic Field Lab Electrical Expansion	18,750,000	844,763	17,905,237
Veterans Legacy Complex	17,500,000	84,836	17,415,164
Kellogg Building Renovations	17,400,000	948,149	16,451,851
Biological Sciences Lab Renovations	17,208,000	561,532	16,646,468
University Housing, Parking, and Dining Facilities	16,855,000	2,272,581	14,582,419
Other (1)	354,729,757	128,848,991	225,880,766
Total	\$ 920,342,757	\$ 318,484,273	\$ 601,858,484

(1) All other projects with Total Commitment of less than \$15 million

15. RISK MANAGEMENT PROGRAMS

The university 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. Pursuant to Section 1001.72(2), Florida Statutes, the university participates in State self-insurance programs providing insurance for property and casualty, workers’ compensation, general liability, fleet automotive liability, Federal Civil Rights, and employment discrimination liability. During the 2024-25 fiscal year, for property losses, the State retained the first \$2 million per occurrence for all perils except named windstorm and flood. The State retained the first \$2 million per occurrence with an annual aggregate retention of \$40 million for named windstorm and flood losses. After the annual aggregate retention, losses in excess of \$2 million per occurrence were commercially insured up to \$62.5 million for named windstorm and flood losses through February 14, 2025, and increased to \$75.3 million beginning February 15, 2025. For perils other than named windstorm and flood, losses in excess of \$2 million per occurrence were commercially insured up to \$237.5 million through February 14, 2025, and increased to \$350 million beginning February 15, 2025; and losses exceeding those amounts were retained by the State. No excess insurance coverage is provided for workers’ compensation, general and automotive liability, Federal Civil Rights and employment action coverage; all losses in these categories are completely self-insured by the State through the State Risk Management Trust Fund established pursuant to Chapter 284, Florida Statutes. Payments on tort claims are limited to \$200,000 per person, and \$300,000 per occurrence as set by Section 768.28(5), Florida Statutes. Calculation of premiums considers the cash needs of the program and the amount of risk exposure for each participant. Settlements have not exceeded insurance coverage during the past three fiscal years.

Pursuant to Section 110.123, Florida Statutes, university employees may obtain healthcare services through participation in the State group health insurance plan or through membership in a health maintenance organization plan under contract with the State. The State’s risk financing activities associated with State group health insurance, such as risk of loss related to medical and prescription drug claims, are administered through the State Employees Group Health Insurance Trust Fund. It is the practice of the State not to purchase commercial coverage for the risk of loss covered by this Fund. Additional information on the State’s group health insurance plan, including the actuarial report, is available from the Florida Department of Management Services, Division of State Group Insurance.

University Self-Insurance Program

The Florida State University College of Medicine Self-Insurance Program was established pursuant to Section 1004.24, Florida Statutes on July 1, 2006. The Self-Insurance Program provides professional and general liability protection for the Florida State University Board of Trustees for claims and actions arising from the clinical activities of the College of Medicine faculty, staff and resident physicians. This includes the faculty and staff of the College of Nursing, effective July 1, 2009, and the faculty and staff of the Student Health Center, effective July 1, 2010. Liability protection is afforded to the students of each college. The Self-Insurance Program provides legislative claims bill protection.

The university is protected for losses that are subject to Section 768.28, Florida Statutes, to the extent of the waiver of sovereign immunity as described in Section 768.28(5), Florida Statutes. The Self-Insurance Program also provides \$1,000,000 per legislative claims bills inclusive of payments made pursuant to Section 768.28, Florida Statutes; \$250,000 per occurrence of protection for the participants that are not subject to the provisions of Section 768.28, Florida Statutes; \$250,000 per claim protection for participants who engage in approved community service and act as Good Samaritans; and student protections of \$200,000 for a claim arising from an occurrence for any one person, \$300,000 for all claims arising from an occurrence and professional liability required by a hospital or other healthcare facility for educational purposes not to exceed a per occurrence limit of \$1,000,000.

The Self-Insurance Program’s estimated liability for unpaid claims at fiscal year-end is the result of management and actuarial analysis and includes an amount for claims that have been incurred but not reported. Changes in the balances of claims liability for the Self-Insurance Program during the 2024-25 fiscal year are presented in the following table:

Fiscal Year	Claims Liabilities Beginning of Year	Current Claims/Changes in Estimates	Claims Payments	Claims Liabilities End of Year
2023-24	\$ 548,454	\$ 91,636	\$ (78,933)	\$ 561,157
2024-25	561,157	62,000	(19,922)	603,235



16. FUNCTIONAL DISTRIBUTION OF OPERATING EXPENSES

The functional classification of an operating expense (instruction, research, 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 academic departments for which the primary departmental function is instruction may include some activities other than direct instruction such as research and 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:

Functional Classification	Amount
Instruction	\$ 559,883,978
Research	302,439,006
Public Service	128,296,834
Academic Support	224,932,269
Student Services	188,021,650
Institutional Support	122,726,802
Operation and Maintenance of Plant	128,479,074
Scholarships and Fellowships	142,492,330
Depreciation	114,538,766
Auxiliary Enterprises	80,880,877
Total Operating Expenses	\$ 1,992,691,586

17. SEGMENT INFORMATION

A segment is defined as an identifiable activity (or grouping of activities) that has one or more bonds or other debt instruments outstanding with a revenue stream pledged in support of that debt. In addition, the activity's related revenues, expenses, gains, losses, assets, and liabilities are required to be accounted for separately. The following financial information for the university's Parking and Housing facilities represents identifiable activities for which one or more bonds are outstanding:

CONDENSED STATEMENT OF NET POSITION

	Parking Facility	Housing Facility
Assets		
Current Assets	\$ 10,958,752	\$ 79,264,775
Capital Assets, Net	56,953,175	268,333,714
Other Noncurrent Assets	6,485,817	33,506,095
Total Assets	74,397,744	381,104,584
Liabilities		
Current Liabilities	2,268,659	16,629,788
Noncurrent Liabilities	4,347,844	100,779,452
Total Liabilities	6,616,503	117,409,240
Net Position		
Net Investment in Capital Assets	51,064,762	156,401,740
Restricted - Expendable	6,344,645	31,931,854
Unrestricted	10,371,834	75,361,750
Total Net Position	\$ 67,781,241	\$ 263,695,344

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

Operating Revenues	\$ 14,231,528	\$ 56,816,252
Depreciation Expense	(2,016,836)	(8,902,758)
Other Operating Expenses	(10,594,888)	(31,463,061)
Operating Income	1,619,804	16,450,433
Net Nonoperating Revenues (Expenses)	841,458	3,783,704
Increase in Net Position	2,461,262	20,234,137
Net Position, Beginning of Year	65,319,979	243,461,207
Net Position, End of Year	\$ 67,781,241	\$ 263,695,344

Condensed Statement of Cash Flows

Net Cash Provided (Used) by:

Operating Activities	\$ 3,847,663	\$ 24,822,481
Noncapital Financing Activities	84,408	642,426
Capital and Related Financing Activities	(3,342,078)	(32,247,346)
Investing Activities	(967,651)	7,765,053
Net Increase (Decrease) in Cash and Cash Equivalents	(377,658)	982,614
Cash and Cash Equivalents, Beginning of Year	609,061	1,953,745
Cash and Cash Equivalents, End of Year	\$ 231,403	\$ 2,936,359

18. DISCRETELY PRESENTED COMPONENT UNITS

The university has thirteen component units as discussed in note 1. These component units comprise 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns of the financial statements.

	Foundation 6/30/2025	Boosters 6/30/2025	Research Foundation 6/30/2025	International Programs Association 9/30/2024	Athletics Association 6/30/2025	Other Component Units 6/30/2025	Total
CONDENSED STATEMENT OF NET POSITION							
Assets:							
Current Assets	\$ 48,761,210	\$ 39,415,738	\$ 163,172,058	\$ 31,797,812	\$ 143,745,764	\$ 48,352,214	\$ 475,244,796
Capital Assets, Net	6,225,703	154,293,087	12,177,510	38,048,140	280,039,389	34,374,969	525,158,798
Other Noncurrent Assets	1,104,863,730	151,070,452	43,451,661	764,043	4,699,878	4,459,965	1,309,309,729
Total Assets	1,159,850,643	344,779,277	218,801,229	70,609,995	428,485,031	87,187,148	2,309,713,323
Deferred Outflows of Resources	-	822,166	-	-	-	-	822,166
Liabilities:							
Current Liabilities	3,898,120	61,037,297	27,708,139	4,535,048	56,719,165	8,831,378	162,729,147
Noncurrent Liabilities	6,379,413	135,161,778	36,889,912	2,311,605	317,498,947	11,659,280	509,900,935
Total Liabilities	10,277,533	196,199,075	64,598,051	6,846,653	374,218,112	20,490,658	672,630,082
Deferred Inflows of Resources	14,181,942	1,578,940	-	442,537	-	-	16,203,419
Net Position:							
Net Investment in Capital Assets	3,716,638	17,749,447	7,072,598	9,440,578	48,416,986	31,248,212	117,644,459
Restricted, Nonexpendable	568,326,033	49,688,362	-	-	-	1,920,889	619,935,284
Restricted, Expendable	518,907,829	100,640,489	38,868,500	-	5,849,933	5,006,108	669,272,859
Unrestricted	44,440,668	(20,254,870)	108,262,080	53,880,227	-	28,521,281	214,849,386
Total Net Position	\$1,135,391,168	\$ 147,823,428	\$ 154,203,178	\$ 63,320,805	\$ 54,266,919	\$ 66,696,490	\$1,621,701,988
Condensed Statement of Revenues, Expenses, and Changes in Net Position							
Operating Revenues	\$ 50,055,991	\$ 61,775,865	\$ 17,859,796	\$ 28,066,633	\$ -	\$ 40,076,677	\$ 197,834,962
Operating Expenses	80,260,923	77,158,173	34,252,893	22,439,495	-	44,780,342	258,891,826
Operating Income (Loss)	(30,204,932)	(15,382,308)	(16,393,097)	5,627,138	-	(4,703,665)	(61,056,864)
Net Nonoperating Revenues (Expenses)	99,335,191	(31,949,089)	13,351,826	1,229,213	(4,658,338)	3,768,210	81,077,013
Other Revenues, Expenses, Gains, and Losses	25,430,749	35,961,969	-	-	18,393,169	-	79,785,887
Increase (Decrease) in Net Position	94,561,008	(11,369,428)	(3,041,271)	6,856,351	13,734,831	(935,455)	99,806,036
Net Position, Beginning of Year	1,040,830,160	164,651,400	157,244,449	56,668,722	40,532,088	67,631,945	1,527,558,764
Adjustment to Beginning Net Position	-	(5,458,544)	-	(204,268)	-	-	(5,662,812)
Net Position, End of Year	\$1,135,391,168	\$ 147,823,428	\$ 154,203,178	\$ 63,320,805	\$ 54,266,919	\$ 66,696,490	\$1,621,701,988

OTHER REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – FLORIDA RETIREMENT SYSTEM PENSION PLAN

Description	2024 (1)		2023 (1)		2022 (1)	
University's proportion of the FRS net pension liability	0.76%		0.76%		0.74%	
University's proportionate share of the FRS net pension liability	\$	295,350,641	\$	301,458,225	\$	274,467,175
University's covered payroll (2)	\$	610,243,237	\$	562,743,810	\$	499,362,101
University's proportion of the FRS net pension liability as a percentage of its covered payroll	48.40%		53.57%		54.96%	
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	83.70%		82.38%		82.89%	

(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, State University System optional retirement program 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 UNIVERSITY CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN

Description	2025 (1)		2024 (1)		2023 (1)	
Contractually required FRS contribution	\$	46,647,577	\$	43,233,171	\$	36,394,558
FRS contributions in relation to the contractually required FRS contribution	(46,647,577)		(43,233,171)		(36,394,558)	
Contribution deficiency (excess)	\$	-	\$	-	\$	-
University's covered payroll (2)	\$	661,621,688	\$	610,243,237	\$	562,743,810
FRS contributions as a percentage of covered payroll	7.05%		7.08%		6.47%	

(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, State University System optional retirement program 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 THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – HEALTH INSURANCE SUBSIDY PENSION PLAN

Description	2024 (1)		2023 (1)		2022 (1)	
University's proportion of the HIS net pension liability	0.74%		0.67%		0.60%	
University's proportionate share of the HIS net pension liability	\$	111,292,652	\$	106,191,613	\$	63,832,781
University's covered payroll (2)	\$	304,483,988	\$	259,305,383	\$	216,243,489
University's proportion of the HIS net pension liability as a percentage of its covered payroll	36.55%		40.95%		29.52%	
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	4.80%		4.12%		4.81%	

(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 UNIVERSITY CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN

Description	2025 (1)		2024 (1)		2023 (1)	
Contractually required HIS contribution	\$	7,272,437	\$	6,281,167	\$	4,398,542
HIS contributions in relation to the contractually required HIS contribution	(7,272,437)		(6,281,167)		(4,398,542)	
Contribution deficiency (excess)	\$	-	\$	-	\$	-
University's covered payroll (2)	\$	354,982,874	\$	304,483,988	\$	259,305,383
HIS contributions as a percentage of covered payroll	2.05%		2.06%		1.70%	

(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 THE UNIVERSITY'S PROPORTIONATE SHARE OF THE TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY

Description	2024 (1)		2023 (1)		2022 (1)	
University's proportion of the total other postemployment benefits liability	2.37%		2.08%		2.10%	
University's proportionate share of the total other postemployment benefits liability	\$	241,380,442	\$	173,801,404	\$	164,768,865
University's covered payroll	\$	610,243,237	\$	562,743,810	\$	499,362,101
University's proportionate share of the total other postemployment benefits liability as a percentage of its covered payroll	39.55%		30.88%		33.00%	

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

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

2021 (1)		2020 (1)		2019 (1)		2018 (1)		2017 (1)		2016 (1)		2015 (1)	
0.72%		0.74%		0.76%		0.75%		0.72%		0.72%		0.72%	
\$	54,350,905	\$	320,415,160	\$	262,063,652	\$	225,130,592	\$	212,443,411	\$	181,310,252	\$	93,262,711
\$	495,343,167	\$	503,662,186	\$	482,527,134	\$	455,890,734	\$	438,212,856	\$	423,172,345	\$	407,099,915
10.97%		63.62%		54.31%		49.38%		48.48%		42.85%		22.91%	
96.40%		78.85%		82.61%		84.26%		83.89%		84.88%		92.00%	

2022 (1)		2021 (1)		2020 (1)		2019 (1)		2018 (1)		2017 (1)		2016 (1)	
\$	31,477,108	\$	27,410,274	\$	24,563,022	\$	23,595,217	\$	21,301,230	\$	18,696,925	\$	17,510,994
	(31,477,108)		(27,410,274)		(24,563,022)		(23,595,217)		(21,301,230)		(18,696,925)		(17,510,994)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	499,362,101	\$	495,343,167	\$	503,662,186	\$	482,527,134	\$	455,890,734	\$	438,212,856	\$	423,172,345
6.30%		5.53%		4.88%		4.89%		4.67%		4.27%		4.14%	

Changes of assumptions – In 2024, salary increases including inflation increased from 3.25 percent to 3.5 percent and the mortality assumptions were updated.

2021 (1)		2020 (1)		2019 (1)		2018 (1)		2017 (1)		2016 (1)		2015 (1)	
0.62%		0.63%		0.65%		0.65%		0.65%		0.66%		0.65%	
\$	75,636,589	\$	77,489,534	\$	72,784,363	\$	68,540,176	\$	69,890,112	\$	76,700,313	\$	66,652,215
\$	217,109,222	\$	218,367,106	\$	216,222,787	\$	209,298,557	\$	206,288,311	\$	201,302,795	\$	196,319,296
34.84%		35.49%		33.66%		32.75%		33.88%		38.10%		33.95%	
3.56%		3.00%		2.63%		2.15%		1.64%		0.97%		0.50%	

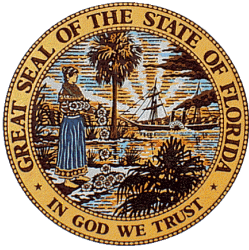
2022 (1)		2021 (1)		2020 (1)		2019 (1)		2018 (1)		2017 (1)		2016 (1)	
\$	3,646,684	\$	3,624,444	\$	3,657,181	\$	3,612,160	\$	3,511,821	\$	3,459,247	\$	3,373,247
	(3,646,684)		(3,624,444)		(3,657,181)		(3,612,160)		(3,511,821)		(3,459,247)		(3,373,247)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	216,243,489	\$	217,109,222	\$	218,367,106	\$	216,222,787	\$	209,298,557	\$	206,288,311	\$	201,302,795
1.69%		1.67%		1.67%		1.67%		1.68%		1.68%		1.68%	

Changes of assumptions – In 2024, the municipal rate used to determine total pension liability increased from 3.65 percent to 3.93 percent and the demographic and coverage election assumptions were updated.

2021 (1)		2020 (1)		2019 (1)		2018 (1)		2017 (1)	
1.92%		1.89%		1.63%		1.65%		1.65%	
\$	202,495,049	\$	194,892,613	\$	206,091,438	\$	174,101,000	\$	178,386,000
\$	495,343,167	\$	503,662,186	\$	482,527,134	\$	455,890,734	\$	438,212,856
40.88%		38.70%		42.71%		38.19%		40.71%	

Changes of assumptions – This reflects a change in the discount rate from 4.13% for the reporting period ended June 30, 2024 to 4.21% for the reporting period ended June 30, 2025. Also reflected as assumption changes are:

- Updated health care costs and premiums based on Plan experience,
- Updated claims aging rates,
- Updated health care cost trend rates based on projected Plan experience, and
- An updated DROP participation period assumption to 48 months (4 years) for those who have elected DROP.



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the Florida State University, a component unit of the State of Florida, and its aggregate discretely presented component units as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated January 29, 2026, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control

that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
January 29, 2026
Report No. 2026-096

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IN MEMORIAM



John Thrasher

1943 - 2025

John Thrasher, who led his beloved alma mater to new heights as Florida State University's 15th president after a distinguished career in law and public service, will be remembered for his steady leadership, servant's heart, and abiding faith.



ANNUAL FINANCIAL REPORT 2024-2025