USF 2\textsuperscript{ND} and 3\textsuperscript{RD} Quarter Income Statement Notes

1.) It should be noted that the Budget for the 2\textsuperscript{ND} and 3\textsuperscript{RD} quarters may be somewhat misleading as USF has budgeted on an Annual basis in the past and has not budgeted by quarters. In order to arrive at a budget for each of the quarters, we divided the annual budget into four equal quarters. This does not take into account the seasonality of some of the USF Revenues. Therefore, two different methods were used in preparing Income Statements. The second method shows the Annual Budget and where USF stands to date in relation to this Annual Budget.

2.) The Income Statement only contains information regarding the actual operations of the University and does not contain Construction related revenue and expenditures.

3.) There are reports provided for both the 2\textsuperscript{nd} and 3\textsuperscript{rd} quarters. The 2\textsuperscript{nd} quarter has been closed and will no longer have any changes. The 3\textsuperscript{rd} quarter is not yet closed and, therefore, the reports are not final.

4.) We are currently recognizing State Appropriations as we receive them. We fully expect to collect all State Appropriations that we have budgeted and consider this to be a timing issue. The deficit that we currently show year to date through the 3\textsuperscript{rd} quarter should actually be recognized as a slight surplus.

5.) The timing of Student Tuition revenue is very seasonal. The fluctuation between 2\textsuperscript{nd} quarter and 3\textsuperscript{rd} quarter Total Revenue is mainly due to this seasonality. Tuition Revenue should again increase in the 4\textsuperscript{th} quarter as we recognized Tuition Revenue for the summer semester.