

Annual Report

2008-09



www.shcc.ufl.edu

UF | Student Health Care Center

UNIVERSITY *of*
FLORIDA



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Mission Statement

The mission of the Student Health Care Center is to support the University of Florida's mission in becoming a national leader in research, education, and service. The Student Health Care Center leads, collaborates, and excels in the provision of comprehensive physical and mental health services through wellness promotion and compassionate and accessible care.

2008–2009 Management Overview

University of Florida Student Health Care Center Annual Report 2008–2009

Interim Dean, College of Medicine
Michael L. Good, M.D.

**University of Florida
Student Health Care Center Executive Staff**

Director
Phillip L. Barkley, M.D.
Chief of Medical Staff
Guy W. Nicolette, M.D.

**Associate Director,
Medical/Health Administration**
Toni J. Ratliff, B.S.N., R.N., M.B.A.
Associate Director, Nursing Services
Jane C. Cullen, M.N., A.R.N.P.
Phylis Craig, A.R.N.P.

Director, Student Mental Health Services
Jackie L. Ayers, Ph.D.

**Director, GatorWell Health Promotion
Services**
Shirley Haberman, Ph.D., CHES

Quality Improvement
Louise E. Okken, R.N.

**Information Technology Manager/
Electronic Health Record Coordinator**
Steve Kozakoff

Accounting Division
Mary Flowers, Accounts Payable
Melissa DeNardo, Fiscal Assistant
Thomas J. Fox, M.H.A., Accountant

Mary Jones, Senior Accountant
Addie Pons, Accounts Receivable
Toni Ratliff, M.B.A., Associate Director

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The University of Florida Student Health Care Center 2008-2009 annual report was prepared by the accounting division of the SHCC.

Letter from the Director



It is an honor to serve as the director of the Student Health Care Center as we continue to meet the health needs of the campus community at the University of Florida. We provide a broad array of medical, mental health, health promotion, and support services in a patient-centered fashion that meets the vast majority of health concerns of UF students. I would like to highlight several accomplishments of this past year.

SHCC continues the use of electronic health records, with no new paper charts since fall 2007.

A new facility is under construction on Radio Road that will house Mental Health and Health Promotion services. Although the new facility will not house SHCC services, student health staff put significant effort into the design of the new facility.

SHCC continues to provide leadership through the Primary Care Sports Medicine Fellowship under the direction of Jay Clugston, M.D. Two new fellows were hired in July 2009 for the third-year rotation.

SHCC provided leadership in the Healthy Gators 2010 task force to implement a campus-wide smoke free initiative and changes in nutritional labeling policies. Here are some of the other things we accomplished in the 2008-2009 fiscal year:

- ◆ We began our response to the H1N1 swine flu pandemic.
- ◆ We continued to promote diversity initiatives at SHCC.
- ◆ We continued to provide disaster planning leadership to UF.
- ◆ Student insurance programs were successfully re-negotiated, including enhancements to the benefit structure.
- ◆ We began planning for enhanced health insurance billing.
- ◆ Four employees were selected for Superior Accomplishment Awards.

Of administrative interest, SHCC will continue to work closely with Student Mental Health and Gator-Well Health Promotion Services as they transition to Student Affairs and subsequently move into the new facility in 2010.

We will continue to track and identify our employees' contributions to the community service, teaching, and research missions of SHCC, and to promote diversity initiatives.

Phillip L. Barkley, M.D., Director
Student Health Care Center, University of Florida

Letter from the Associate Director

Above all else, the University of Florida Student Health Care Center is committed to providing exceptional primary medical care, mental health care, and health promotion services to enrolled students so they can reach their scholastic goals and graduate in a timely manner.

Accommodating approximately 85,000 patient visits a year, the SHCC is one of the largest student health centers in the country, as well as one of the most respected and progressive. This is evident in SHCC's leadership in high quality-control and accuracy rates, lowering the number of no-show appointments, and the implementation of robust yet affordable student insurance plans. We continue to work with the university auditors who began the operational audit of the SHCC in October 2008.

We demonstrated our efforts to remain good stewards of the revenue generated by the student health fee, fee-for-service income, contracts, grants, and state dollars. In addition, both Dr. Barkley, Director of the SHCC, and Dr. Ayers, Director of Student Mental Health Services, are past American College of Health Association presidents, and others have served as chairs of various national and state committees. Under the direction of compelling and proficient leadership, the SHCC will continue to remain on the forefront of college and university health care.

As we approach the 2009-2010 fiscal year, the GatorWell and Student Mental Health departments will join with the university's division of Student Affairs and be housed in the Counseling and Wellness Center on Radio Road. We are looking toward different revenue streams in order to make our high-quality and affordable services more accessible to the students of our university.

Since they are our *raison d'être*, we are proud of the level of satisfaction among our patients. Just as university academic, research, and athletic departments strive to lead, collaborate, and excel, so does the UF SHCC. During 2008-2009, we achieved the following Patient Satisfaction survey results:

On a scale of 1-5, with 5 being the highest satisfaction...

- | | |
|---|------|
| ◆ How helpful was the check-in receptionist staff? | 4.66 |
| ◆ Was the professional staff helpful and informative? | 4.77 |
| ◆ Were your health concerns addressed to your satisfaction? | 4.71 |
| ◆ Were your provider's instructions easy to understand? | 4.80 |
| ◆ Overall, how would you rate today's visit? | 4.73 |

The following satisfaction ratings demonstrate the efficiency and effectiveness of our "Advanced Access" appointment system:

- | | |
|---|-----|
| ◆ Did you schedule an appointment before you got here? | 70% |
| ◆ If yes, were you seen within 15 minutes of your appointment time? | 87% |
| ◆ Were you able to obtain an appointment time that met your needs? | 98% |

It is our pleasure to present the 2008-2009 Annual Financial Report of the University of Florida Student Health Care Center. We are confident that you will learn something new and that you will be impressed with what the faculty and staff accomplished this year!

Toni Ratliff, BSN, RN, MBA, Associate Director Medical/Health Admin
Student Health Care Center, University of Florida





Student Health Care Center at a Glance

The Student Health Care Center (SHCC) at the University of Florida is an accredited outpatient clinic which serves all the students at the University of Florida and provides occupational medicine and workers' compensation health care services to university faculty and staff. SHCC provides three broad services, including primary outpatient medical care, mental health counseling, and health promotion.

The SHCC is located in the historic Infirmary building on the university's main campus. In 1931, the university built the Infirmary building as an inpatient hospital to care for patients with malaria and influenza. Today, with 250 medical and support personnel, SHCC sees an average of 85,000 patient visits per year. To align with the University's educational mission, the SHCC provides professional training and teaching with nearly 11,000 trainee and lecture hours annually. The SHCC continues to support and promote diversity initiatives.

The Accreditation Association for Ambulatory Health Care and the College of American Pathologists accredit the SHCC. Additionally, SHCC is a participating member of the American College Health Association and an Institutional Member of the National Association of Student Personnel Administrators.

The Student Health Care Center at the Infirmary building includes a full-service pharmacy, a diagnostic laboratory, and a radiology department. In addition to the main clinic, students also can receive care at two satellite locations: at the UF Health Science Center and Corry Village. Health promotion services are available at the Jennings and Springs residence halls. Through contracted services, Santa Fe College students can be seen at an SHCC clinic managed by an advanced registered nurse practitioner.

Student Mental Health Services offers a range of services to students, including individual and group therapy, psychiatric consultations, the Alcohol and Substance Abuse Program, and Sexual Assault/Abuse Recovery and Education services. GatorWell Health Promotion Services focus on promoting a healthy campus community. Staff provide programs and services in the following areas, among others: eating disorders, stress reduction, alcohol, tobacco, drugs, sexual health, and nutrition.

Aside from primary care, mental health counseling, and health promotion, the SHCC offers a range of specialty services. These include dermatology, women's health, physical therapy, and sports medicine. Nearly 64% of the patient population is female; therefore, the Women's Health Clinic plays a major role in meeting patients' needs.

Year in Review

Employee Flu Vaccines

Currently in the U.S., only 44% of health care providers are vaccinated against the flu. This is a cause for concern because the FDA recognizes providers as a potential cause of an influenza outbreak in the health care environment. At the SHCC, we urge our employees to be vaccinated to protect themselves against influenza and so they will not spread influenza to others on campus. In 2007, SHCC vaccination rates were 65% for overall staff and 74% for clinical staff. The Quality Improvement (QI) committee's goal for 2008 was that 70% of overall staff and 80% of clinical staff would be vaccinated against influenza. By the end of December 2008, 67% of overall staff and 85% of clinical staff were vaccinated, nearly achieving the QI goal and surpassing the national vaccination rate for health care facility staff. Weekly promotions, fact sheets, and free vaccinations for staff made the 2008 campaign successful. Through our commitment to provide free flu vaccines to our staff, the SHCC strives to ensure the health of employees and students at the University of Florida.

Operational and IT Audit

Periodically, the University of Florida Office of Audit and Compliance Review conducts an operational audit of the SHCC. An audit of the SHCC began in October 2008 and has not yet been completed. As one of the largest auxiliaries at the university and as a health care center that must protect the health information of our patients, it is in our best interest to have fresh, expert eyes on our activities. This audit will evaluate key controls over administrative processes, focusing on control environment, fiscal monitoring, billing and collections, payroll, purchasing disbursements, inventory/asset management, and information technology. As one of the few health care centers with a fully implemented electronic health record system, SHCC will be evaluated on the privacy and security of records, disaster recovery plans, data management, and of course, how well we follow established university policies and procedures.



After the audit is complete, we will have an established time period in which to respond to the comments. The auditor will return for a follow-up to assess if corrections have been implemented according to the intent of the comments. At the end of the audit, positive change will occur. The SHCC will be a more efficient, effective organization that protects the interests of all of its customers.

C. Arthur Sandeen Award

Phillip Barkley, M.D., director of the Student Health Care Center, received the C. Arthur Sandeen "Improving the Quality of Life" Award in 2009. The award honors people who have demonstrated a commitment to improving the quality of life enjoyed by students at the University of Florida. Dr. Barkley was chosen by a committee comprised of the Student Body President, the Dean of Students, and Dr. Sandeen. Dr. Barkley's personal qualities emulate both the tireless dedication to students and the steadfast desire to improve the University of Florida that former Student Affairs Vice President Dr. Art Sandeen demonstrated during his almost thirty years of service in that post. We are honored to commend Dr. Barkley for providing leadership to the staff of the SHCC to promote quality of life among students, faculty, and staff at UF.

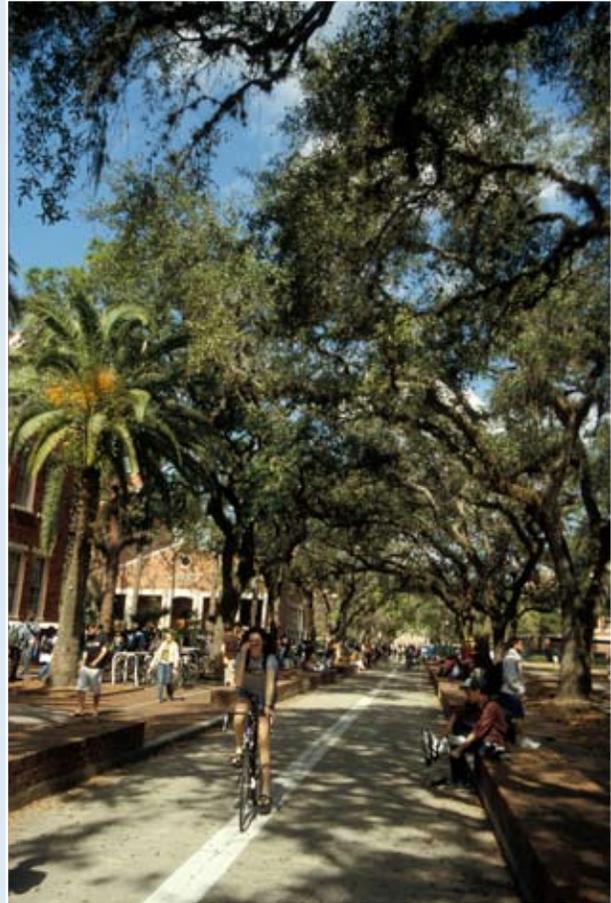
Green Ideas

The SHCC is proud to highlight one of our own employees, Rizan Yozgat, A.R.N.P., who received the 2009 "Sustainable Solutions Award" for her idea to eliminate the use of paper flyers on cars in the O'Connell Center parking lot before campus events. This change will save significant paper and human resources while reducing litter. Rizan proposed using digital signs and e-mails, or creating a Web site as alternative ways to announce events that could affect parking. UF Transportation and Parking Services has already begun implementing this bright idea. Rizan made a significant contribution to advance sustainability at UF.

No-show System

In August 2008, the Student Health Care Center implemented a new system to decrease the number of "no-show" appointments (when the patient does not attend the appointment or call to cancel before it should begin) so valuable appointments would be available to other patients. A policy was developed and approved by our governing board. Patient instruction began prior to the fall semester implementation of the new policy, which helped to set the students and the organization up for success.

A comparison of the rates of no-show appointments in the fall 2007 and fall 2008 semesters shows the new system has had a noticeable effect. In the fall 2007 semester, 7.89% of appointments were no-show appointments. In the fall 2008 semester, only 5.87% of appointments fell into the no-show category. The reduction in no-show appointments makes it easier for administrative staff to manage scheduling and benefits patients who do attend their appointments.





Outreach to Our Campus Community

Healthy Gators 2010

Healthy Gators 2010 is a coalition of faculty, staff, and students from more than 40 University of Florida departments and organizations working to promote a campus environment supportive of the development and maintenance of a healthy body, mind, and spirit. Since the coalition began in 2004, Student Health Care Center staff has provided ongoing leadership in policy, programming, and data collection. During the 2008-2009 fiscal year, two accomplishments were especially noteworthy.

In September, the coalition submitted a report to President Machen recommending ways to reduce tobacco use among the UF community by the year 2010. Five Student Health Care Center staff participated in the coalition's Tobacco Prevention and Cessation Task Force and had a hand in creating the recommendation after a year of research. The cornerstone recommendation of the report is for UF to become a tobacco-free campus by July 1, 2010.

In November, the coalition co-sponsored "World Diabetes Day" with the UF at Shands Diabetes Center of Excellence. The University of Florida became the first campus in the nation to light six of its iconic monuments blue in honor of this international event. Diabetes screenings also were provided in several places on campus, and more than 500 individuals took advantage of this free service.

Free STI Testing Day

GatorWell teamed up with the Alachua County Health Department to offer free testing for sexually transmitted infections to UF students on February 11, 2009. It was a huge success. A total of 153 students were tested and several more came back the following days to be tested. Offering free STI testing is one way SHCC caters to our primary target audience – college students.

Smoking Cessation Programs for UF Employees

In the fall of 2008, SHCC joined with the university's Employee Assistance Program and UF's Area Health Education Centers to offer smoking cessation assistance for UF employees and their partners and spouses in the form of group programs. Several different groups were offered, each meeting one day a week to educate participants about quitting smoking and to offer individuals group support, prescription smoking cessation medications at a discounted price, and medical supervision by a health care provider.





Looking Forward

Part of the center's mission is to provide students with accessible care. As we look toward the 2009-2010 fiscal year, one way the SHCC seeks to fulfill this mission is by exploring the possibility of accepting insurance from private insurers. Accepting payment from private insurers would make it financially easier for students covered by their own or their parents' plans to use the SHCC without purchasing one of the school-sponsored plans. Also, we anticipate the new revenue stream generated from billing private insurance will reduce the center's reliance on the student health fee.

Due to several variables involved with implementing a system of this complexity, an exact implementation date cannot be readily determined. However, after researching other Florida universities that have attempted private insurance billing, we have decided to follow the lead of one of our sister universities, the University of South Florida. USF has successfully implemented a system similar to the one proposed for the SHCC. The USF Health center has collaborated with their College of Medicine to approve the student health center staff as participating providers for several of the large insurance carriers. The UF Student Health Care Center is working to develop a similar method of insurance billing that will include the SHCC

primary and mental health care providers under the managed care contracts already in place for the UF College of Medicine/Shands network.

This step is logical for the SHCC because our physicians, including psychiatrists, are faculty members of the UF College of Medicine. This relationship benefits SHCC patients by offering them a comprehensive network of qualified specialists and continuity of care. Our faculty physicians are currently being credentialed by the UF College of Medicine/Shands network and we are negotiating access to the Shands electronic health record, which would further enhance the SHCC's ability to seamlessly provide continuity of care to UF students.

Representatives of both the Student Health Care Center and the UF College of Medicine feel confident that with the entities' established relationship, a successful process can be implemented to facilitate acceptance of third-party insurance. This partnership will allow the UF College of Medicine to collect a percentage of the insurance revenue from each claim processed to cover the cost of the billing services provided. The arrangement would be ideal since the contractual agreements and billing infrastructure already exist within the UF College of Medicine/Shands system.

Introduction and Background

The following Management's Discussion and Analysis provides an overview of the financial position and activities of the University of Florida Student Health Care Center for the fiscal year ended June 30, 2009, and should be read in conjunction with the financial statements and notes thereto. The UF SHCC operates as an auxiliary of the University of Florida and its financial data is included in the university's annual financial reporting.

Financial Highlights

The SHCC began fiscal year 2008-2009 with a net income profit of \$940,000 from the previous year. The operating budget for the fiscal year was set with a zero net income in mind, making sure the revenues budgeted were equal to the expenses budgeted in order to maintain a self-sufficient SHCC for the year. SHCC balances the need to be good stewards of the students' health fee, yet maintain adequate cash on hand to survive unexpected equipment purchases or repairs and increases in university-imposed overhead. Having

a reasonable amount of cash on hand also helps SHCC survive the summer when student enrollment is lower than other semesters.

Net assets increased by \$816,000, or 53%, over the 2007-08 fiscal year's net assets. Total operating revenues increased by 2.7%. The major components of operating revenues are student fees and sales and services. Revenues from student fees increased by 2.8%. Revenues from sales and services increased by 3.1%.

Total operating expenses increased by 0.6%. The largest category of operating expenses – personnel services – had an increase of 1.9%.

Statement of Net Assets

The Statement of Net Assets reflects the assets and liabilities of the SHCC, using the accrual basis of accounting, and presents the financial position of the SHCC at a specified time. The difference between total assets and total liabilities - net assets - is one indicator of the current financial condition of the SHCC. The changes in the net assets that occur over time indicate improvements or deterioration in the SHCC's financial condition.

The following summarizes the SHCC's assets, liabilities, and net assets as of June 30 for 2008 and 2009:

| Condensed Statement of Net Assets | | |
|-----------------------------------|--------------------|--------------------|
| | 2008 | 2009 |
| Assets: | | |
| Current Assets | \$2,223,437 | \$3,016,222 |
| Non-current Assets | \$413,693 | \$538,295 |
| Total Assets | \$2,637,130 | \$3,554,517 |
| Liabilities: | | |
| Current Liabilities | \$211,370 | \$255,946 |
| Non-current Liabilities | \$890,361 | \$947,122 |
| Total Liabilities | \$1,101,731 | \$1,203,069 |
| Net Assets: | | |
| Unrestricted | \$1,535,399 | \$2,351,448 |
| Total Net Assets | \$1,535,399 | \$2,351,448 |

Statement of Revenues, Expenses, and Changes in Net Assets

The Statement of Revenues, Expenses, and Changes in Net Assets presents the results of the SHCC's revenues and expense activity, categorized as operating or non-operating. Revenues and expenses are recognized when earned or incurred, regardless of when the cash is received or paid. The following summarizes the SHCC's activity for the fiscal years ended June 30 for 2008 and 2009:

Operating Revenues

Operating revenues generally result from exchange transactions where each of the parties to the transaction either give up or receive something of equal or similar value. The following summarizes the operating revenues, by source, which were used to fund the SHCC's operating activities for the fiscal years ended June 30 2008 and 2009:

| Condensed Statement of Revenues, Expenses, and Changes in Net Assets | | |
|--|--------------|--------------|
| | 2008 | 2009 |
| Operating Revenues | \$16,811,423 | \$17,285,009 |
| Cost of Goods Sold | (\$22,244) | (\$13,280) |
| Operating Expenses | \$16,447,362 | \$16,550,436 |
| Operating Gain (Loss) | \$364,060 | \$721,292 |
| Net Non-operating Revenues (Expenses) | \$117,950 | \$94,757 |
| Increase (Decrease) in Net Assets | \$482,011 | \$816,050 |
| Net Assets: Beginning of Year | \$1,053,388 | \$1,535,399 |
| Adjustment to Net Assets | \$0 | \$0 |
| Net Assets: End of Year | \$1,535,399 | \$2,351,448 |

| Operating Revenues | | |
|--------------------------|--------------|--------------|
| | 2008 | 2009 |
| Student Fees | \$12,002,881 | \$12,340,756 |
| Sales and Services | \$4,746,652 | \$4,895,876 |
| Other Operating Revenues | \$84,133 | \$48,377 |
| Total Operating Revenues | \$16,833,666 | \$17,285,009 |

Operating Expenses

Operating expenses generally result from exchange transactions and are reported in natural classifications on the face of the statement. The operating expenses increased by \$103,000, or 0.6%, in 2008-09. The following summarizes the operating expenses used for the fiscal years ended June 30 2008 and 2009:

Non-operating Revenues and Expenses

Non-operating revenues include state appropriations and investment income. Non-operating expenses include loss on capital assets and debt. The non-operating revenues decreased by \$44,000 in 2008-09. This decrease was mainly due to a decrease in investment income paid to the SHCC by the University of Florida during 2008-2009. The following summarizes the non-operating revenues and expenses used for the fiscal years ended June 30 2008 and 2009:

| Operating Expenses | | |
|---------------------------------|---------------------|---------------------|
| | 2008 | 2009 |
| Personnel Services | \$10,276,039 | \$10,474,408 |
| Supplies and Other Services | \$5,318,603 | \$5,200,063 |
| Utilities and Communications | \$281,875 | \$295,426 |
| Depreciation Expense | \$121,032 | \$109,777 |
| Overhead | \$466,423 | \$471,670 |
| Bad Debts | (\$16,610) | (\$908) |
| Total Operating Expenses | \$16,447,362 | \$16,550,436 |

| Non-operating Revenues (Expenses) | | |
|--|------------------|-----------------|
| | 2008 | 2009 |
| Non-operating Revenue | \$104,748 | \$66,034 |
| Non-operating Expense | \$0 | \$0 |
| Gain on Disposal of Capital Assets (Loss) | (\$799) | (\$6,108) |
| Net Non-operating Revenues (Expenses) | \$103,950 | \$59,926 |

Statement of Cash Flows

The Statement of Cash Flows provides information about the SHCC's sources and uses of cash and cash equivalents during the fiscal year. The following summarizes sources and uses of cash and cash equivalents into four categories for the fiscal years ended June 30 2008 and 2009:

Capital Assets

On June 30, 2009, the SHCC had approximately \$538,000 invested in capital assets, net of accumulated depreciation of \$1.05 million. Depreciation charges for the current year not shown here totaled \$110,000. The following summarizes the SHCC's capital assets, net of accumulated depreciation as of June 30 2008 and 2009:

| Summary of Cash Flows | | |
|---|--------------|--------------|
| | 2008 | 2009 |
| Cash Flows From Operating Activities: | | |
| Total Provided (Revenues) | \$16,099,834 | \$16,305,287 |
| Total Uses (Expenses) | \$15,006,943 | \$14,855,090 |
| Total | \$1,092,891 | \$1,450,197 |
| Non-capital Financing Activities: | | |
| Operating Subsidies and Transfers | (\$444,925) | (\$475,658) |
| Other Non-operating Expenses | \$3,000 | \$1,419 |
| Total | (\$441,925) | (\$474,239) |
| Capital and Related Financing Activities: | | |
| Purchases of Capital Assets | (\$33,183) | (\$234,975) |
| Investing Activities: | | |
| Purchase of Investments | (\$718,254) | (\$804,999) |
| Investment Income | \$99,171 | \$64,615 |
| Total | (\$619,083) | (\$740,383) |

| Capital Assets, Net | | |
|-------------------------------|---------------|---------------|
| | 2008 | 2009 |
| Furniture and Equipment | \$1,455,277 | \$1,591,571 |
| Less Accumulated Depreciation | (\$1,041,585) | (\$1,053,277) |
| Total Capital Assets, Net | \$413,693 | \$538,295 |

Statement of Net Assets as of June 30, 2009

| | |
|--|-----------------|
| Assets | |
| Current Assets: | |
| Cash | \$2,312,128 |
| Petty Cash | \$450 |
| Accounts Receivable | \$507,668 |
| Inventories | \$195,977 |
| Bad Checks Receivable | \$0 |
| Total Current Assets | \$3,016,222 |
| Non-current Assets | |
| Depreciable Assets, Net | \$538,295 |
| Total Assets | \$3,554,517 |
| Liabilities | |
| Current Liabilities: | |
| Accounts Payable | \$100,029 |
| Accrued Salaries and Wages Payable | \$155,467 |
| Accrued Compensated Absences Liability | \$947,122 |
| Other Current Liabilities | \$450 |
| Total Current Liabilities | \$1,203,069 |
| Non-current Liabilities | \$0 |
| Total Liabilities | \$1,203,069 |
| Net Assets | |
| Unrestricted Net Assets | \$2,351,448 |
| Total Net Assets | \$2,351,448 |
| Total Liabilities and Net Assets | \$3,554,517 |

Statement of Revenues, Expenses, and Changes in Net Assets for the fiscal year ended June 30, 2009

| | |
|---------------------------------------|--------------|
| Revenues | |
| Operating Revenues: | |
| Student Fees | \$12,340,756 |
| Sales and Services | \$4,895,876 |
| Other Operating Revenues | \$48,377 |
| Total Operating Revenues | \$17,285,009 |
| Cost of Goods Sold | (\$13,280) |
| Gross Revenue Margin | \$17,271,728 |
| Expenses | |
| Operating Expenses: | |
| Personnel Services | \$10,474,408 |
| Services and Supplies | \$5,200,063 |
| Utilities and Communications | \$295,426 |
| Depreciation Expense | \$109,777 |
| Overhead | \$471,670 |
| Bad Debts | (\$908) |
| Total Operating Expenditures | \$16,550,436 |
| Operating Income (Loss) | \$721,292 |
| Non-operating Revenues (Expenses) | |
| Non-operating Revenue | \$66,034 |
| Transfers In/Out - Net | \$34,831 |
| Loss on Disposal of Capital Assets | (\$6,108) |
| Net Non-operating Revenues (Expenses) | \$94,757 |
| Increase (Decrease) in Net Assets | \$816,049 |
| Net Assets, Beginning of Year | \$1,535,399 |
| Net Assets, End of Year | \$2,351,448 |

Statement of Cash Flows for the fiscal year ended June 30, 2009

| | |
|--|---------------|
| Cash Flows from Operating Activities: | |
| Student Fees | \$12,340,756 |
| Sales and Services | \$3,964,531 |
| Other Operating Receipts | \$0 |
| Payments to Employees | (\$9,658,715) |
| Payments to Suppliers | (\$5,195,870) |
| Payments to Scholarships/Fellowships | (\$504) |
| Net Cash Used by Operating Activities | \$1,450,197 |
| Cash Flows from Non-capital Financing Activities: | |
| Operating Subsidies and Transfers | (\$474,239) |
| Cash Flows from Capital and Related Financing: | |
| Purchases of Capital Assets | (\$234,975) |
| Cash Flows from Investing Activities: | |
| Purchase of Investments | (\$804,999) |
| Investment Income | \$64,615 |
| Net Cash Provided (Used) by Investing Activities | (\$740,383) |
| Net Increase (Decrease) in Cash and Cash Equivalents | \$600 |
| Cash and Cash Equivalents, Beginning of Year | \$0 |
| Cash and Cash Equivalents, End of Year | \$600 |

Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities

| | |
|--|-------------|
| Operating Income (Loss) | \$1,508,695 |
| Cash Provided (Used) by Operating Activities | |
| Receivables, Net | (\$113,841) |
| Inventories | \$13,280 |
| Accounts Payable | \$20,717 |
| Accrued Salaries and Wages Payable | \$21,347 |
| Net Cash Provided (Used) by Operating Activities | \$1,450,197 |

Economic Outlook



In the 2008-2009 fiscal year, the SHCC achieved goals to monitor spending, decrease unnecessary expenses, and to maintain a positive cash position in order to plan for any upcoming unexpected contingencies.

For the upcoming fiscal year 2009-2010, Student Health Fees will decrease from \$9.43 to \$7.09 per credit hour. This decrease is expected as the SHCC plans a departmental change during the year. The SHCC's psychology and CARE departments, GatorWell, and CPR will no longer be a part of SHCC. The psychology, CARE, and GatorWell departments will become part of UF's division of Student Affairs and take a portion of the SHCC's health fee allotment with them. The CPR department has moved under Student Affairs and will be self-sufficient in funds. The SHCC has planned and budgeted accordingly for these changes for the upcoming year and has modified its budget for the loss of personnel, expenses, and health fee allotment that would have accompanied these departments.

There are a number of expenses that will increase during the 2009-2010 fiscal year. First, the university's overhead rate for the SHCC will increase

from 3% to 8%. Next, an increase in the fringe-benefit rate will take place, raising salary and OPS expenses. Also, a new retirement enhancement program is underway, which would require the SHCC to pay any eligible employees who choose to retire through the program a year's worth of salary in a lump sum.

With these expense increases in our future, the SHCC continues to research different revenue sources to alleviate some of the costs. The SHCC continues to receive a portion of the AHEC (Area Health Education Centers) grant. This grant funds the SHCC's smoking cessation campaign for UF employees. We expect to receive \$20,000 in funding from this grant for the 2009-2010 fiscal year. SHCC's insurance office is preparing to begin accepting third-party insurance to give students more payment options and increase the number of sources from which SHCC can receive payment.

The university fee committee has approved an increase in student health fees in fall 2010 from \$7.09 to \$7.47 per credit hour, a 5.35% increase. SHCC also expects to hire additional staff and operating expenses are expected to increase at least 3%.

Notes to the Financial Statements for the Fiscal Year Ended June 30, 2009

Summary of Significant Accounting Policies

Reporting Entry

The Student Health Care Center operates as an auxiliary of the University of Florida and the financial statements represented here are included in the latest audited financial statements of the university.

Basis of Presentation

The Student Health Care Center has elected to follow the university in reporting as engaged in only business-type activity (GASB Statement 35.) This requires the adoption of the accrual basis of accounting and reporting, including the following components:

- ◆ Management's Discussion and Analysis
- ◆ Basic Financial Statements:
 - ◆ Statement of Net Assets
 - ◆ Statement of Revenues, Expenses, and Changes in Net Assets
 - ◆ Statement of Cash Flows
- ◆ Notes to the Financial Statements

The financial balances and activities included in these financial statements also are included in the university's Annual Financial Report.

Basis of Accounting

The basis of accounting refers to when revenues, expenses, and related assets and liabilities are recognized in the accounts and reported in the financial statements. The financial statements are presented using the accrual basis of accounting.

Long-term Liabilities

Compensated Absences Liability

Employees earn the right to be compensated during absences for annual leave and sick leave earned pursuant to Rule 6C-5.920, Florida Administrative Code. Leave earned is accrued to the credit of the employee, and records are kept on each employee's unpaid leave balance.

At June 30, 2009, the total estimated liability for annual, sick, and compensatory leave for the Student Health Care Center is \$947,122.