

AGREEMENT BETWEEN THE COMMISSION FOR PUBLIC HIGHER EDUCATION AND  
THE FLORIDA BOARD OF GOVERNORS FOUNDATION

This Agreement is between the Florida Board of Governors Foundation, Inc. (Foundation), a Florida Not for Profit Corporation, and the Commission for Public Higher Education, Inc. (CPHE), a Florida Not for Profit Corporation. The purpose of this Agreement is to formalize the schedule by which the Foundation will provide funds to CPHE to operationalize CPHE.

**WHEREAS**, during the FY2024-2025, the Florida Legislature allocated a total of Four Million Dollars (\$4,000,000 or \$4M) in funds to support start-up activities to operationalize a new accrediting agency. These funds are held by the Foundation.

**WHEREAS**, CPHE was formed for charitable and educational purposes to advance the quality and improvement of higher education and to serve as an accrediting agency for public colleges and universities in the United States.

**WHEREAS**, CPHE has a corporate member, the Board of Governors of the State University System of Florida (BOG-SUSF) and is governed by a Board of Directors in accordance with its Articles of Incorporation and Bylaws.

**WHEREAS**, this agreement documents that, at the beginning of each quarter in FY 2026-27, the BOG Foundation will release to CPHE a sum equal to expenses forecasted for the quarter ahead, in support of operational benchmarks, activities, and projected expenditures.

**NOW, THEREFORE**, the parties agree as follows:

**Article I: Purpose And Scope**

**1.1 Purpose**

This Agreement sets forth the terms and conditions under which the Foundation will disburse funds to CPHE to support initial start-up operations during FY2026-2027 in accordance with the schedule attached as Exhibit A.

**1.2 Maximum Funds**

The maximum funds available to CPHE under this Agreement is up to \$3,462,888.17 (the "Grant Funds"). The Foundation shall disburse funds quarterly pursuant to an annual schedule submitted by CPHE at the beginning of each fiscal year, until the \$4,000,000 is disbursed or CPHE no longer needs funds to support its operations, whichever is sooner. The Foundation disbursed \$537,111.83 in 2025-2026.

**1.3 Disbursement of Funds: FY2026-2027 and Subsequent Fiscal Years**

CPHE agrees to submit a disbursement schedule at least thirty (30) days in advance of each fiscal year in which it seeks funds substantially in the form of the disbursement schedule for the FY2026-2027, attached hereto and incorporated herein as Exhibit A. The Foundation agrees to disburse funds to CPHE in accordance with the disbursement schedule at the beginning of each quarter. Nothing herein prevents the parties from mutually agreeing to modify the disbursement

during the term of a fiscal year. No later than May 1, 2027, CPHE shall submit the proposed disbursement schedule for FY2027-2028 in substantially the same form as Exhibit A for FY2026-2027.

## **Article II: Conditions**

### **2.1 Uses of Funds**

Funds shall be used exclusively for the expense categories and amounts detailed in the disbursement schedule, which for FY2026-2027 is set forth as Exhibit A. CPHE shall *not* use funds for:

- Any purposes other than those set forth in the disbursement schedule;
- Personal expenses of CPHE directors, officers, or employees unrelated to CPHE business;
- Political activities or lobbying;
- Entertainment or social functions not directly related to CPHE's purpose; and
- Any activity that conflicts with CPHE's status as a non-profit corporation under the laws of the State of Florida and tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code.

Notwithstanding the foregoing, CHPE may reallocate funds among expense categories in any particular quarter and between quarters as set forth in the disbursement schedule without prior written approval from the Foundation; provided, however, the total disbursement for any such quarter remains unchanged and such reallocations are consistent with the CPHE's purposes and this Agreement.

### **2.2 Excess Expenditures**

Any expenditures that exceed the approved quarterly amount set forth in the disbursement schedule must be funded entirely from CPHE's other sources. CPHE acknowledges that it is solely responsible for securing alternative funding for any costs beyond the funds set forth in the disbursement schedule.

### **2.3 Unexpended Funds at the End of Each Quarter**

In the event CPHE spends less than disbursed pursuant to the disbursement schedule for a particular quarter and thereby holds unexpended funds, such funds can be carried forward into the subsequent quarter(s) until the end of CPHE's fiscal year.

## **Article III: Financial Controls and Compliance Monitoring**

### **3.1 Financial Management Standards**

CPHE shall maintain financial records in accordance with Generally Accepted Accounting Principles (GAAP) and make any such records available to the Foundation or its designated auditors.

### **3.2 Segregation of Funds**

Funds disbursed from the Foundation in accordance with this Agreement shall be maintained in separate bank accounts and shall not be commingled with other CPHE funds or resources.

### **3.3 Documentation Requirements**

All expenditures must be supported by appropriate documentation, including but not limited to invoices, receipts, contracts, payroll records, time and attendance records, paid checks, and other evidence of legitimate business expenses.

### **3.4 Audit**

The Foundation reserves the right to audit CPHE's use of funds disbursed pursuant to this Agreement at any time during the term of this Agreement period and for a period of three (3) years after the termination of this Agreement.

### **3.5 Compliance Monitoring**

If the Foundation determines that CPHE is not in compliance with this Agreement, the Foundation may require certain corrective action(s) within a designated timeframe to come into compliance before disbursing any additional funds.

## **Article IV: Default and Remedies**

### **4.1 Events of Default**

The following constitutes events of default:

- Use of funds for unauthorized purposes;
- Material breach of any term or condition of this Agreement; or
- Misrepresentation or fraud in reporting

### **4.2 Remedies**

Upon default, the Foundation may:

- Terminate this Agreement;
- Suspend or withhold funds;
- Demand immediate repayment of misspent funds;
- Exercise any rights as the sole corporate member; or
- Pursue any other available legal remedies for breach of contract.

## **Article V: General**

### **5.1 Entire Agreement**

This Agreement, including all recitals, schedules and attachments, constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements.

**5.2 Amendment**

This Agreement may be amended only by written instrument executed by both parties.

**5.3 Governing Law**

This Agreement shall be governed by the laws of the State of Florida.

**5.4 Severability**

If any provision of this Agreement is held invalid or unenforceable, the remainder shall continue in full force and effect.

**5.5 Termination**

Either party may terminate this Agreement upon sixty (60) days written notice, subject to the repayment by CHPE to Foundation of any unused funds.

**5.6 Implementation**

Upon execution of this Agreement, absent the any cause under Article IV of this Agreement, payment will be issued each quarter from the Foundation to CPHE, pursuant to the disbursement schedule as set forth in Exhibit A for FY2026-2027 and as submitted subsequent fiscal years. By the 20<sup>th</sup> day of the month following the end of each quarter, CPHE must submit a report from that quarter with supporting documentation for the expenditure of funds and proof of the operational benchmarks from each prior quarter.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date of the last signature.

**FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**

By:  
Name:  
Title: Board Chair  
Date:

**COMMISSION FOR PUBLIC HIGHER EDUCATION, INC.**

By:  
Name:  
Title: Board Chair  
Date:

## Exhibit A

### FY2026-27 Disbursement Schedule

Quarterly sums for FY2026-27 requested by BOG Foundation in support of Y2 expenses for CPHE, with associated operational benchmarks:

#### Q1 (July 1, 2026- September 30, 2026)

Operational Benchmarks:

1. Receipt of self-studies from one or more applicants for accreditation.
2. Site visits to one or more applicants for accreditation.
3. Holding Q1 meeting of the Board.

Foundation Disbursement supporting Q1 table on July 1, 2026, totaling \$273,250.00.

Q1 Table

Category	Projected Expenditure
Employee Salary and Fringe	\$178,750.00
Office Supplies	\$12,000.00
Professional Services (Legal, Accounting, etc.)	\$62,500.00
Conferences, Meetings, and Travel	\$10,000.00
Evaluation of Applications for Institutional Membership and Accreditation	\$10,000.00
<b>Q1 TOTAL PROJECTED EXPENDITURES AND DISBURSEMENT</b>	<b>\$273,250.00</b>

**Q2 (October 1, 2026 -December 31, 2026)**

Benchmarks/deliverables by conclusion of Q2:

1. CPHE board to vote on one or more applications for accreditation.
2. Completion and filing of first portion of Petition for Recognition to Department of Education.
3. CPHE Q2 board meeting.

Foundation Disbursement supporting Q2 table on October 1, 2026, totaling \$92,500.00.

CPHE submits supporting documentation as referenced in 3.3 & 5.6 for Q1 by October 20, 2026.

Q2. Table

<b>Category</b>	<b>Projected Expenditure</b>
Evaluation of Applications for Institutional Membership and Accreditation	\$10,000.00
Professional Services (Legal, Accounting, etc.)	\$62,500.00
Conferences, Meetings, and Travel	\$10,000.00
Miscellaneous and Reserves	\$10,000.00
<b>Q2 TOTAL PROJECTED EXPENDITURES AND DISBURSEMENT</b>	<b>\$92,500.00</b>

### Q3 (January 1, 2027-March 31, 2027)

Benchmarks/deliverables by conclusion of Q3:

1. CPHE Q3 board meeting.
2. Upon receiving authorization from the Department of Education, completion and filing of second portion of Petition for Recognition.

Foundation Disbursement supporting Q3 table on January 1, 2027, totaling \$132,500.00.

CPHE submits supporting documentation as referenced in 3.3 & 5.6, for Q2 by January 20, 2027.

#### Q3. Table

<b>Category</b>	<b>Projected Expenditure</b>
Evaluation of Applications for Institutional Membership and Accreditation	\$10,000.00
Professional Services (Legal, Accounting, etc.)	\$ 62,500.00
Conferences, Meetings, and Travel	\$10,000.00
Miscellaneous and Reserves	\$10,000.00
Insurance premiums	\$40,000.00
<b>Q3 TOTAL PROJECTED EXPENDITURES AND DISBURSEMENT</b>	<b>\$132,500.00</b>

### Q4 (April 1, 2027 - June 30, 2027)

Benchmarks/deliverables by conclusion of Q4:

1. CPHE in-person Q4 board meeting.

Foundation Disbursement supporting Q4 table on April 1, 2027, totaling \$102,500.00.

CPHE submits supporting documentation as referenced in 3.3 & 5.6, for Q3 by April 20, 2027.

#### Q4. Table

<b>Category</b>	<b>Projected Expenditure</b>
Professional Services (Legal, Accounting, etc.)	\$62,500.00
In-person meeting of Board of Directors	\$20,000.00
Conferences, Meetings, and Travel	\$10,000.00
Evaluation of Applications for Institutional Membership and Accreditation	\$10,000.00
<b>Q4 TOTAL PROJECTED EXPENDITURES AND DISBURSEMENT</b>	<b>\$102,500.00</b>

CPHE submits supporting documentation as referenced in 3.3 & 5.6, for Q4 by July 20, 2027.