



STATE  
UNIVERSITY  
SYSTEM  
of FLORIDA  
Board of Governors

## AGENDA

Budget and Finance Committee  
University of South Florida  
Traditions Hall, Gibbons Alumni Center  
Tampa, Florida  
June 23, 2011  
1:00 p.m. - 2:00 p.m.

1. Call to Order Governor Tico Perez
2. Approval of Committee Meeting Minutes Governor Perez
  - a. January 19, 2011
  - b. February 10, 2011
3. Clarification on the Implementation of UNF's Student Life and Services Fee Governor Perez
4. Consideration of 2011 Tuition Differential Fee Proposals Governor Perez
5. Notice of Intent to Amend Board Regulations: Mr. Tim Jones,  
a. Regulation 7.001 - Tuition and Associated Fees Chief Financial Officer,  
b. Regulation 7.003 - Fees, Fines and Penalties Board of Governors
6. Consideration of Collegiate License Plate Expenditure Modifications Mr. Jones
7. Consideration of FIU's Self Insurance Program Investment Policy Ms. Vikki Shirley  
General Counsel,  
Board of Governors
8. Concluding Remarks and Adjournment Governor Perez



**STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011**

**SUBJECT:** Approval of Minutes of Meeting held January 19, 2011 and February 10, 2011

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**PROPOSED COMMITTEE ACTION**

Approval of minutes of meetings held on January 19, 2011 at the University of West Florida, Pensacola and February 10, 2011 at the University of Central Florida, Orlando.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

N/A

**BACKGROUND INFORMATION**

Committee members will review and approve the minutes of the meeting held on January 19, 2011 at the University of West Florida, Pensacola and February 10, 2011 at the University of Central Florida.

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**Supporting Documentation Included:** Minutes: January 19, 2011 & February 10, 2011

**Facilitators/Presenters:** Governor Perez



MINUTES  
STATE UNIVERSITY SYSTEM OF FLORIDA  
BUDGET AND FINANCE COMMITTEE  
UNIVERSITY OF WEST FLORIDA  
PENSACOLA, FLORIDA  
JANUARY 19, 2011

Mr. Beard, Vice Chair, convened the meeting of the Budget and Finance Committee at 2:00 PM. Mr. Perez, Chair, was present by phone. Members present were Ann Duncan, Mori Hosseini, Dr. Stanley Marshall, John Rood, Norman Tripp, and Gallop Franklin. Other Board members present were Ava Parker, Dean Colson, Charlie Edwards, Frank Martin, John Temple, Gus Stavros, and Pat Frost.

**1. Minutes of Prior Meetings**

Mr. Beard presented the minutes of the November 4, 2010, meeting. There were no changes to the minutes. Mr. Beard moved that the committee approve the minutes as presented. Mr. Tripp seconded the motion, and members of the Committee concurred.

**2. Financial Aid Overview**

Mr. Beard introduced Dr. Maribeth Ehasz, Chair of the Council of Student Affairs. Dr. Ehasz presented an overview of financial aid. She spoke of the need to make students aware of the financial aid that is available and how it is packaged.

**3. Financial Aid Primer**

Mr. Beard introduced Dr. Dan Cohen-Vogel. Dr. Cohen-Vogel explained the various types of financial aid available and its sources. He stated that there are regulations in place for financial aid relating to the administration, distribution and use of funds. He stated that there have been many changes in financial aid in the past few years. He provided a breakdown of the fees that an average student would pay in a year.

**4. Florida State University Tuition Analysis**

Dr. Barron presented a financial aid tuition analysis as it applies to Florida State University. He spoke of the importance of accessibility. He stated that there were two pressing issues at FSU: the significant decrease in assistant professors and non-competitive faculty salaries. To offset the budget shortfall, he suggested that some revenue options would be additional state appropriations, on-line education, an increase in out-of-state students, an increase in in-state enrollment, philanthropy, and a tuition increase. Dr. Barron stated that a focus on retention rates would have a dramatic impact on the cost of education to the state. Dr. Barron also spoke to having predictability in tuition increases and eventually reaching the national average.

5. **Institutional Process and Individual Student Cases**

Mr. Beard introduced Ms. Anissa Agne, Director of Financial Aid at the University of North Florida, and Ms. Karen Fooks, Director of Student Financial Services at the University of Florida. They reviewed how financial aid is packaged for students, the common packaging methodologies, and considerations in institutional aid strategies. They also presented examples of packaging financial aid for high income, moderate income and low income students.

6. **"Empowering Communities to Help Students Know How to Go"**

Mr. Beard introduced Mr. Braulio Colon, Interim Director of ENLACE. He spoke about what communities are doing to advance access. Some of the initiatives are "College Goal Sunday Florida," and "Know How 2GO Florida." He stated that he works with many of the financial aid officers to help provide access for students. Mr. Franklin inquired as to the impact Bright Futures has on minorities and students of limited resources to attend college and the accessibility. Mr. Colon responded that when standards are raised, minority students can rise to the challenge and reach those requirements.

7. **Concluding Remarks and Adjournment**

Mr. Beard reminded the committee of the February 10, 2011, meeting at the University of Central Florida in Orlando to review market tuition and fee proposals. The meeting will begin at 10:00 AM. Recommendations will be made to the full board at the February 17, 2011, conference call. He stated that we have received 8 fee proposals and 18 market rate tuition proposals. He also encouraged the student leader of the respective university be present to speak.

Mr. Perez thanked the Committee for their work and Mr. Tim Jones for arranging the presentations today. Having no further business, the meeting was adjourned at 4:40 PM.

MINUTES  
STATE UNIVERSITY SYSTEM OF FLORIDA  
BUDGET AND FINANCE COMMITTEE  
UNIVERSITY OF CENTRAL FLORIDA  
ORLANDO, FLORIDA  
FEBRUARY 10, 2011

Mr. Perez, Chair, convened the meeting of the Budget and Finance Committee at 10:00 AM. Members present were Dick Beard, Dr. Stanley Marshall, John Rood, Norman Tripp, and Gallop Franklin. Other Board members present were Ava Parker, Dean Colson, and Frank Martin.

**1. Call to Order**

Mr. Perez called the meeting to order and thanked the members for their attendance. He announced that the meeting was originally scheduled to last until 2:00 PM, but given the number of university proposals he expected the meeting to go later into the afternoon.

Mr. Perez thanked the Governor for his budget recommendation that included no further reductions to the university's base budget. He reminded everyone that this is just the beginning and the Legislature has a lot of work to do to craft the 2011-12 budget.

**2. Student Life Facilities Survey Report**

Mr. Perez called upon Mr. Tim Jones to present the Student Life Facilities Report. Mr. Jones provided an overview of the report, including recommendations that would request the Legislature to amend the statutory cap on the building and capital improvement fee to allow up to a \$1 per credit hour increase. Any proposals to increase the fee would be submitted by the Board of Trustees to the Board of Governors for consideration. The committee was requested to submit the report and recommendation to the full Board to include the request in the 2011 legislative agenda.

There was discussion and support expressed by Mr. Franklin and Mr. Beard. Mr. Beard moved that the committee recommend that the full Board consider adding this statutory change to the legislative agenda. Mr. Rood seconded the motion and the members of the committee concurred.

**3. Fee Proposals**

Mr. Perez provided a PowerPoint presentation of the proposals that were submitted along with the salient points from the Board Regulation 7.003. Mr. Perez also provided the Committee with the filters that he will use as he evaluates each proposal. After each

universities fee proposal presentation, the Committee will decide whether to make a recommendation to the full Board for approval or denial.

- a. University of South Florida – Provost Ralph Wilcox and USF students:
  - i. Global Experience Fee – Provost Wilcox and the USF students presented the need for the fee of \$10.00 per semester. After discussion, Mr. Rood moved that the fee be denied. Mr. Franklin seconded the motion and the members of the Committee concurred with a vote of 4-1. Mr. Beard, Mr. Rood, Mr. Tripp and Mr. Franklin voted in favor of the motion, with Dr. Marshall opposing.
  - ii. Green Fee - Provost Wilcox and the USF students presented the need for the fee of \$1.00 per credit hour. After discussion, Mr. Beard moved that the fee be approved. Mr. Franklin seconded the motion and the members of the Committee concurred with a vote of 3-1. Mr. Beard, Dr. Marshall, and Mr. Franklin voted in favor of the motion, with Mr. Rood opposing.
- b. New College of Florida - John Martin, VP of Finance & Administration and NCF students:
  - i. Green Fee – Mr. Martin and the NCF student presented the need for the fee of \$1.00 per credit hour. After discussion, Dr. Marshall moved that the fee be approved. Mr. Franklin seconded the motion and the members of the Committee concurred with a vote of 3-2. Mr. Beard, Dr. Marshall, and Mr. Franklin voted in favor of the motion, with Mr. Rood and Mr. Tripp opposing.
- c. Florida Gulf Coast University – Joe Shepard, VP of Finance & Administration:
  - i. Recreation Fee – Mr. Shepard presented the need for the new fee of \$4.49 per credit hour and a corresponding reduction in the Activity and Service (A&S) Fee. There was significant discussion regarding the creation of the new fee and the additional debt capacity created by decreasing the A&S Fee. Mr. Rood moved that the Committee defer action on the fee until general counsel had an opportunity to meet with legislative staff to determine legislative intent. Dr. Marshall seconded the motion and the Committee unanimously agreed.
- d. University of West Florida – Jim Hurd, Associate VP of Student Affairs:
  - i. Student Life and Services Facility Fee – Mr. Hurd presented the need for the new fee and read a statement from the student president in support. The fee would be \$4.00 per credit hour and \$10.00 per semester. The Committee discussed the creation of a new fee that is similar to the building/capital improvement fee that is currently capped in statute. The Committee questioned whether the new fee circumvented the statutory cap and if that was the legislative intent associated with allowing the Board to create a new fee. Mr. Tripp moved that the fee be approved. Mr. Franklin seconded the motion.



The motion was defeated on a tie vote with Mr. Tripp, Mr. Franklin and Dr. Marshall voting in favor and Mr. Perez, Mr. Beard, and Mr. Rood voting against. Mr. Rood then made a motion to defer action on the fee until general counsel had an opportunity to meet with legislative staff to determine legislative intent. Mr. Tripp seconded the motion and the Committee unanimously agreed.

- ii. Orientation Fee – Mr. Hurd presented the need to increase the orientation fee from \$35 to \$50. After discussion, Dr. Marshall moved that the fee increase be approved. Mr. Tripp seconded the motion and the members of the Committee concurred with a vote of 4-1. Mr. Beard, Dr. Marshall, Mr. Rood, and Mr. Tripp voted in favor of the motion, with Mr. Franklin opposing.
- e. University of North Florida – President John Delaney and UNF student president:
  - i. Student Life and Services Fee – President Delaney and the student presented the need for the fee of \$4.78 per credit hour. After discussion, Mr. Rood moved that the fee be approved. Mr. Franklin seconded the motion and members of the Committee concurred unanimously.
- f. Florida State University – Interim Provost Bob Bradley, Chief David Perry and FSU student president:
  - i. Student Safety and Security Fee – Provost Bradley presented the need for the fee of \$.97 per credit hour. After discussion, Mr. Beard moved that the fee be approved. Dr. Marshall seconded the motion. The motion to approve the fee failed on a tie vote with Mr. Beard, Dr. Marshall, and Mr. Franklin voting in support and Mr. Tripp, Mr. Rood, and Mr. Perez voting against.
- g. Florida International University – Provost Doug Wartzog and FIU student:
  - i. Test Preparation Fee – Provost Wartzog presented the need for the fee for the College of Law. After discussion, Mr. Franklin moved that the fee be approved. Mr. Rood seconded the motion and the Committee concurred unanimously.

#### **4. Market Tuition Proposals**

Mr. Perez moved to the last item on the agenda, university market tuition proposals, and reminded the Committee that only graduate on-line courses or courses offered through the continuing education program are eligible for consideration of market tuition rates.

- a. Florida International University – Provost Wartzog and Dr. Joyce Elam, Dean:
  - i. Provost Wartzog presented four market tuition proposals and indicated that the fifth proposal regarding Public Health was being withdrawn. The four proposals presented included Master degrees in

Business, Global Governance, Accounting and Business Administration. After discussion, Mr. Beard moved that the market tuition proposals be approved. Mr. Rood seconded the motion and the Committee concurred unanimously.

b. Florida State University – Interim Provost Bradley:

- i. Interim Provost Bradley presented five market tuition proposals. The proposals included Master degrees in Social Work, Library and Information Studies, Management with a major in Risk Management & Insurance, Management Information Studies, and Business Administration. After discussion, Dr. Marshall moved that the market tuition proposals be approved. Mr. Franklin seconded the motion and the Committee concurred unanimously.

c. University of Florida – Provost Joe Glover:

- i. Provost Glover presented five market tuition proposals. The proposals included Master degrees in Outreach Engineering, Business Administration and Pharmaceutical Sciences and Doctorate degrees in Audiology and Pharmaceutical Sciences Clinical. After discussion, Mr. Rood moved that the market tuition proposals be approved. Dr. Marshall seconded the motion and the Committee concurred unanimously.

d. University of Central Florida – Diane Chase, Executive VP for Academic Affairs:

- i. Dr. Chase presented three market tuition proposals. The proposals included a Masters degree in Business Administration and two professional Master degrees in Management and Real Estate. After discussion, Governor Beard moved that the market tuition proposals be approved. Mr. Rood seconded the motion and the Committee concurred unanimously.

## 5. Concluding Remarks and Adjournment

Mr. Perez thanked the Committee for their work and said a decision would be forthcoming on whether to bring the Committees recommendations to the full Board during the February 17 conference call or waiting until the March 24 meeting in Tallahassee. Having no further business, the meeting was adjourned at 4:10 PM.

STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011

**SUBJECT:** UNF Student Life and Services Fee

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**PROPOSED COMMITTEE ACTION**

Clarify that the new fee approved by the Board in March shall be no more than 5 percent of tuition.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution and Regulation 7.003

**BACKGROUND INFORMATION**

In March the Board approved UNF's Student Life and Services Fee to be implemented with the fall 2011 term. There is an ambiguity as to whether the fee was presented and approved as a \$4.78 per credit hour fee or a fee set at 5 percent of base tuition. It was UNF's intention, and approved by their Board of Trustees, that the fee be no more than 5 percent of tuition.

A clarification that this fee is indexed to tuition will avoid UNF from having to come back to this Committee, and ultimately the Board, for any increases to the fee whenever base tuition increases. As required in Regulation 7.003, UNF must establish a fee committee that will make recommendations to the President and Board of Trustees on the fee usage and increases to the fee whenever base tuition increases.

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**Supporting Documentation Included:** None

**Facilitators/Presenters:** Governor Perez



STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011

**SUBJECT:** 2011-12 Tuition Differential Fees

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**PROPOSED COMMITTEE ACTION**

Review and take action on universities' request to implement a tuition differential fee increase of 7 percent effective with the fall 2011 semester.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution and Regulation 7.001

**BACKGROUND INFORMATION**

Pursuant to Regulation 7.001 (13) university boards of trustees may submit tuition differential fee proposals to this committee for consideration. The aggregate sum of tuition and the tuition differential fee cannot exceed 15 percent of the total charged for these in the preceding fiscal year. The 2011 General Appropriations Act (SB 2000) approved an 8 percent increase in the base undergraduate tuition. Thus, university Boards of Trustees can only request a tuition differential fee increase up to 7 percent.

Each Board of Trustees has approved and submitted a request to implement a tuition differential fee increase of 7 percent effective with the fall 2011 semester.

The committee will make a recommendation to the full Board on each university's proposal. If the Board would deny any proposal, the Board of Trustees may file an appeal with the Tuition Appeals Committee pursuant to Regulation 7.001(13)(e).

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**Supporting Documentation Included:**

1. Tuition differential requests located within the university work plans
2. Overall Observations
3. 2010-11 Summary tuition differential
4. 2011-12 Summary tuition differential

**Facilitators/Presenters:** Governor Perez



## Tuition Differential Fee Overall Observations

- Each university is requesting 7 percent; this is in addition to the 8 percent base tuition authorized by the legislature. This will be the 3<sup>rd</sup> year in a row the maximum tuition differential is requested by each university.
- The Legislature, in building the 2011-12 General Appropriations Act, assumed that every university would increase to the maximum 7% tuition differential.
- The national average for 2010-11 is \$7,605. For 2008-09 Florida ranked 49<sup>th</sup> and in 2010-11 48<sup>th</sup>.
- Pursuant to Board Regulation 7.001, the sum of tuition and fees cannot exceed the national average undergraduate tuition and fees. The College Board annual tuition and fee survey is the benchmark used to compare Florida to the national average. SUS universities were well under the national average with a low of \$4,470 (NCF) and a high of \$5,237 (FSU).
- For 2011-12, a total of \$144.5 million is estimated to be expended; approximately \$39 million will be used for need-based financial aid and the balance for undergraduate education.
- For 2011-12, universities are instituting various initiatives with the resources; e.g. hiring and retaining faculty, improving advising, and adding course sections.
- A 7 percent tuition differential increase ranges from \$8.62 to \$10.00 per credit hour. If approved, the total tuition differential will range from \$21.45 to \$32.00 per credit hour.

	2010-11 Tuition & Differential (per credit hour)	2011-12 Incremental Change		2011-12 Tuition & Differential (per credit hour)		
	Total	8% Base Legislative Increase	7% Tuition Differential Increase	Total Base Tuition	Total Tuition Differential	Total
FAMU	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
FAU	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
FGCU	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
FIU	\$117.67	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32
FSU	\$117.67	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32
NCF	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
UCF	\$111.55	\$7.65	\$9.08	\$103.32	\$24.96	\$128.28
UF	\$117.67	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32
UNF	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
USF-Tampa	\$117.67	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32
USF-Sa.r/Man.	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
USF-St. Pete.	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
USF-Polytechnic	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74
UWF	\$108.47	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74

State University System  
2010-2011 Tuition Differential Summary

Actual Expenditures				Other Information					
University	Undergraduate Education - 70%	Need Based Aid - 30%	Total	Adjuncts / Faculty Hired / Retained	Advisors Hired / Retained	Course Sections Added / Saved	Number of Financial Aid Awards	Minimum Awarded	Maximum Awarded
FAMU	\$2,063,337	\$884,287	\$2,947,624	319	-----	585	248	\$200	\$5,000
FAU	\$3,855,529	\$1,652,370	\$5,507,899	75	9	500	826	\$1,000	\$1,000
FGCU	\$1,751,044	\$750,449	\$2,501,493	14	-----	286	735	\$99	\$3,910
FIU	\$9,491,496	\$4,352,888	\$13,844,384	58	33	573	5,207	\$86	\$750
FSU	\$5,366,712	\$3,171,811	\$8,538,523	27	-----	104	2,196	\$110	\$3,780
NCF	\$182,851	\$78,410	\$261,261	3	-----	3	35	\$975	\$5,000
UCF	\$17,215,318	\$7,377,993	\$24,593,311	114	28	929	5,610	\$133	\$1,500
UF*	\$10,830,635	-----	\$10,830,635	130	3	755	1,403	\$11	\$9,337
UNF	\$2,119,630	\$908,412	\$3,028,042	36	-----	240	243	\$94	\$11,050
USF-Tampa	\$8,600,599	\$3,784,293	\$12,384,892	40	18	263	3,256	\$160	\$2,882
USF-Sar / Man.	\$127,624	\$128,587	\$256,211	41	-----	41	137	\$250	\$1,000
USF-St. Pete.	\$386,021	\$351,339	\$737,360	7	3	16	231	\$250	\$2,000
USF-Polytechnic	\$265,855	\$114,240	\$380,095	22	-----	23	72	\$250	\$1,000
UWF	\$1,430,597	\$624,801	\$2,055,398	20	-----	-----	554	\$88	\$1,500
	\$63,687,248	\$24,179,880	\$87,867,128	906	94	4,318	20,753	\$265	\$3,551

\* UF reported that 30% of other contributions were expended towards need based financial aid.



State University System  
2011-12 Tuition Differential Summary

	UBOT Approval Date	2010-11 Tuition & Tuition Differential (amounts per credit hour unless noted)				2011-12 Incremental Change			2011-12 Tuition & Tuition Differential (amounts per credit hour unless noted)					Estimated Expenditures		
		Base Tuition	Tuition Differential	Total	Total for 30 Credit Hours	8% Base Legislative Increase	7% Tuition Differential Increase	Total Base Tuition	Total Tuition Differential	Total	Total for 30 Credit Hours	Increase for 30 Credit Hours	UG Education - 70%	Need Based Aid - 30%	Total	Total
FAMU	05/17/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$3,910,383	\$1,675,878	\$5,586,261	
FAU	06/15/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$6,732,079	\$2,885,177	\$9,617,256	
FGCU	06/21/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$3,592,826	\$1,539,782	\$5,132,608	
FIU	06/21/11	\$95.67	\$22.00	\$117.67	\$3,530.10	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32	\$4,059.60	\$529.50	\$16,047,837	\$6,594,552	\$22,642,389	
FSU	06/02/11	\$95.67	\$22.00	\$117.67	\$3,530.10	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32	\$4,059.60	\$529.50	\$18,982,825	\$3,171,811	\$22,154,636	
NCF	06/18/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$322,427	\$138,184	\$460,611	
UCF	05/26/11	\$95.67	\$15.88	\$111.55	\$3,346.50	\$7.65	\$9.08	\$103.32	\$24.96	\$128.28	\$3,848.40	\$501.90	\$17,215,318	\$7,377,993	\$24,593,311	
UF	06/10/11	\$95.67	\$22.00	\$117.67	\$3,530.10	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32	\$4,059.60	\$529.50	\$15,366,093	\$5,698,459	\$21,064,552	
UNF	06/21/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$3,558,626	\$1,525,125	\$5,083,751	
USF-Tampa	06/08/11	\$95.67	\$22.00	\$117.67	\$3,530.10	\$7.65	\$10.00	\$103.32	\$32.00	\$135.32	\$4,059.60	\$529.50	\$14,118,422	\$5,858,803	\$19,977,225	
USF-Sar/Man.	06/08/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$658,717	\$224,769	\$883,486	
USF-St. Pete	06/08/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$1,786,836	\$605,851	\$2,392,687	
USF-Polytechnic	06/08/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$460,942	\$197,717	\$658,659	
UWF	06/07/11	\$95.67	\$12.80	\$108.47	\$3,254.10	\$7.65	\$8.62	\$103.32	\$21.42	\$124.74	\$3,742.20	\$488.10	\$2,994,039	\$1,283,159	\$4,277,198	
Total													\$105,747,170	\$38,777,260	\$144,524,430	



**STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011**

**SUBJECT:** Regulation 7.001 – Tuition and Associated Fees

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**PROPOSED COMMITTEE ACTION**

Approve public notice of intent to amend Regulation 7.001.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution and Board Regulation Development Procedure

**BACKGROUND INFORMATION**

This regulation has been amended to codify the actions taken by the Legislature during the 2011 session to increase undergraduate base tuition from \$95.67 to \$103.32, an 8 percent increase. In addition, pursuant to Senate Bill 2150, a modification has been made to the tuition differential component of the regulation that will allow excess revenue for need-based financial aid to be spent on other undergraduate education if all tuition and fee needs of resident Pell Grant students have been met.

This regulation has been shared with the universities.

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**Supporting Documentation Included:** Regulation 7.001 – Tuition and Associated Fees

**Facilitators/Presenters:**

Tim Jones



## 7.001 Tuition and Associated Fees

(1) All students shall pay tuition and associated fees, unless waived pursuant to Regulation 7.008, as authorized by the Board of Governors or its designee.

(2) Tuition shall be defined as the basic fee assessed to students for enrollment in credit courses at any of the state universities. Non-resident tuition shall be defined as the basic fee and out-of-state fee assessed to non-resident students for enrollment in credit courses at any of the state universities. The out-of-state fee is the additional fee charged to a non-resident student. The non-resident tuition must be sufficient to offset the full instructional cost of serving the non-resident student. Calculations of the full cost of instruction shall be based on the university average of the prior year's cost of programs using the expenditure analysis.

(3) Effective with the Fall 2011~~10~~ term, undergraduate tuition shall be \$103.32~~95.67~~ per credit hour.

(4) Each university board of trustees may set tuition for graduate, including professional, programs.

(5) Each university board of trustees may set out-of-state fees for undergraduate and graduate, including professional, programs.

(6) Associated fees shall include the following fees and other fees as authorized by the Board of Governors:

- (a) Student Financial Aid Fee;
- (b) Capital Improvement Fee;
- (c) Building Fee;
- (d) Health Fee;
- (e) Athletic Fee;
- (f) Activity and Service Fee;
- (g) Non-Resident Student Financial Aid Fee, if applicable;
- (h) Technology Fee; and
- (i) Tuition Differential.

(7) Students shall pay tuition and associated fees or make other appropriate arrangements for the payment of tuition and associated fees (installment payment, deferment, or third party billing) by the deadline established by the university for the courses in which the student is enrolled, which shall be no later than the end of the second week of class.

(8) Registration shall be defined as the formal selection of one or more credit courses approved and scheduled by the university and tuition payment, partial or otherwise, or other appropriate arrangements for tuition payment (installment payment, deferment, or third party billing) for the courses in which the student is enrolled as of the end of the drop/add period.

(9) Tuition and associated fees liability shall be defined as the liability for the payment of tuition and associated fees incurred at the point at which the student has completed registration, as defined above.

(10) Tuition and associated fees shall be levied and collected for each student registered in a credit course, unless provided otherwise in Board regulations.

(11) Each student enrolled in the same undergraduate college-credit course more than twice shall pay tuition at 100 percent of the full cost of instruction and shall not be included in calculations of full-time equivalent enrollments for state funding purposes. Students who withdraw or fail a class due to extenuating circumstances may be granted an exception only once for each class pursuant to established university regulations. The university may review and reduce these fees paid by students due to continued enrollment in a college-credit class on an individual basis contingent upon the student's financial hardship. For purposes of this paragraph, first-time enrollment in a class shall mean enrollment in a class fall semester 1997 or thereafter. Calculations of the full cost of instruction shall be based on the system-wide average of the prior year's cost of undergraduate programs in the state university system using the expenditure analysis.

(12) Each FAMU student enrolled in the same college-preparatory class more than twice shall pay 100 percent of the full cost of instruction to support continuous enrollment of that student in the same class, and shall not be included in calculations of full-time equivalent enrollments for state funding purposes. Students who withdraw or fail a class due to extenuating circumstances may be granted an exception only once for each class pursuant to established university regulations. Calculations of the full cost of instruction shall be based on FAMU's average of the prior year's cost of remedial undergraduate programs using the expenditure analysis and adjusted by the percentage budget increase in the current year appropriation.

(13) A university board of trustees may submit a proposal for a block tuition policy to the budget committee for consideration by the committee during a November meeting. The proposed block tuition policy for resident undergraduate or graduate students shall be based on the per-credit hour tuition amount. The proposed block tuition policy for nonresident undergraduate or graduate students shall be based on the per-credit-hour tuition and out-of-state

fee amount. The block tuition policy can only be implemented beginning with the fall term.

(a) The proposal shall be submitted in a format designated by the Chancellor and include at a minimum:

1. An explanation of the process used to determine the block tuition ranges.
2. An explanation of how the university will ensure that sufficient courses are available to meet student demand.
3. A description of how the policy is aligned with the mission of the university.
4. A declaratory statement that the policy does not increase the state's fiscal liability or obligation.
5. An explanation of any proposed restrictions, limitations, or conditions to be placed on the policy.
6. A clear statement that any student that is a beneficiary of a prepaid tuition contract, purchased prior to the first fall term in which the block tuition is implemented, will not be included in any block tuition policy and will be billed on a per-credit-hour basis. The university shall work with the Florida Prepaid Board to determine how block tuition will be paid for beneficiaries of prepaid tuition contracts after implementation of block tuition. The university shall report the final resolution to the budget committee.
7. An estimation of the economic impact that implementation of the policy will have on the university and the student by identifying the incremental revenue the university anticipates collecting if this policy is implemented and the financial impact on the typical student subject to the policy.
8. A description of any outcome measures that will be used to determine the success of the policy, including but not limited to, time to degree, course load impact, and graduation rates.

(b) The Board of Governors will act upon the budget committee recommendation at the next scheduled meeting. If a university board of trustees' proposal is denied, within five days, the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors' denial to consider a university board of trustees request for reconsideration.

(c) Every five years, the university board of trustees shall review the policy to determine if it has met its intended outcomes and whether the policy should

be continued or modified. The university board of trustees shall submit its findings to the Board.

(14) As a component of the annual university Work Plan, a board of trustees may submit a proposal to the budget committee of the Board of Governors by May 31 of each year to establish an increase in the undergraduate tuition differential to be implemented with the fall academic term. The tuition differential shall promote improvements to undergraduate education and provide financial aid to undergraduate students who have financial need. University boards of trustees shall have flexibility in distributing need-based financial aid awards according to university policies and Board of Governors' regulations.

(a) The aggregate sum of tuition and tuition differential can not be increased by more than 15 percent of the total charged for the aggregate sum of these fees in the preceding fiscal year.

1. The tuition differential may be assessed on one or more undergraduate courses or all undergraduate courses and may vary by campus or center location.
2. The sum of undergraduate tuition and associated fees per credit hour may not exceed the national average undergraduate tuition and fees at four-year degree granting public postsecondary educational institutions.
3. Students having prepaid contracts in effect on July 1, 2007, and which remain in effect, are exempt from paying the tuition differential.
4. Students who were in attendance at the university before July 1, 2007, and maintain continuous enrollment may not be charged the tuition differential.

(b) The university board of trustees' proposal shall be submitted in a format designated by the Chancellor, and include at a minimum:

1. The course or courses for which the tuition differential will be assessed.
2. The amount that will be assessed for each tuition differential proposed.
3. The purpose of the tuition differential.
4. Identification of how the revenues from the tuition differential will be used to promote improvements in the quality of undergraduate education and to provide financial aid to undergraduate students who have financial need.

a. For the purposes of the following subsection,

- i. "Financial aid fee revenue" means financial aid fee funds collected in the prior year.
- ii. "Private sources" means prior-year revenue from sources other than the financial aid fee or the direct appropriation



for financial assistance provided to state universities in the General Appropriations Act.

b. At least thirty percent of the revenue shall be expended to provide need-based financial aid to undergraduate students to meet the cost of university attendance. If the entire tuition and fee costs of resident students who have applied for and received Pell Grant funds have been met and the university has excess funds remaining, the university may expend the excess portion on undergraduate education.

i. Universities shall increase undergraduate need-based aid over the prior year by at least thirty percent of the tuition differential.

ii. This expenditure shall not supplant the amount of need-based aid provided to undergraduate students in the preceding fiscal year from financial aid fee revenues, the direct appropriation for financial assistance provided to state universities in the general appropriations act, or from private sources.

iii. If a university's total undergraduate need-based awards does not meet or exceed the sum of the prior year's undergraduate need-based awards plus thirty percent of new tuition differential funds, the university may still be considered in compliance. However, the university shall provide detailed documentation demonstrating that the difference is attributed to a decrease in financial aid fee collections (Regulation 7.003(187)), tuition differential collections, the direct appropriation for student financial assistance in the General Appropriations Act, and/or a decrease in foundation endowments that support undergraduate need-based aid awards.

c. The remaining revenue shall be expended on undergraduate education.

5. Indicate how the university will monitor the success of the tuition differential in achieving the purpose for which the tuition differential is being assessed.

(c) The budget committee will examine data gathered as part of the University Annual Reports instituted pursuant to Regulation 2.002 to inform members' deliberations regarding institutional proposals for tuition differential increases. At a minimum, the committee will review:

1. Undergraduate retention and graduation rates.
2. Percentage of students graduating with more than 110 percent of the hours required for graduation.

3. Licensure pass rates for completers of appropriate undergraduate programs.
4. Number of undergraduate course offerings.
5. Percentage of undergraduate students who are taught by each instructor type.
6. Average salaries of faculty who teach undergraduate courses.
7. Undergraduate student-faculty ratio.
8. Other university specific measures identified by the boards of trustees pursuant to subparagraph (14)(b)5.
9. Number of need-based financial aid awards provided, average award, and median award.

(d) The budget committee shall review each proposal and advise the university board of trustees of the need for any additional information or revision to the proposal. The budget committee will make a recommendation to the Board of Governors at the next scheduled meeting.

(e) The Board of Governors will act upon the budget committee recommendation at the next scheduled meeting. If a university board of trustees' proposal is denied, within five days the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors denial to consider a university board of trustees request for reconsideration.

(f) Each university board of trustees that has been approved to assess a tuition differential shall submit the following information to the Board of Governors General Office in a format and at a time designated by the Chancellor, so that such information can be incorporated into a system report that will be submitted to the Governor and Legislature by January 1.

1. The amount of tuition differential assessed.
2. The course or courses for which the tuition differential was assessed.
3. Total revenues generated.
4. Number of students eligible for a waiver as outlined in Regulation 7.008(20), number of these students receiving a waiver, and the value of these waivers.
5. Detailed expenditures (submitted as a part of the August operating budget).
6. Detailed reporting of financial aid sources and disbursements sufficient to meet the requirements in subparagraph (14)(b)4.
7. Data on indicators outlined in subparagraph (14)(c).

(g) Universities must maintain the need-based financial aid revenue generated from the tuition differential in a separate Education and General account, with the revenue budget in the Student and Other Fee Trust Fund.

(h) If, after approval by the Board of Governors, a university determines that modifications need to be made to the monitoring and implementation of the proposed undergraduate improvement programs, the university shall notify the Chancellor.

(15) A university board of trustees may submit a proposal for market tuition rates for graduate-level courses offered online or through the university's continuing education unit when such courses constitute an approved degree program or college credit certificate program. Proposals shall be submitted to the budget committee for consideration by the committee during a November meeting.

(a) Proposals to charge market tuition rates for degree programs and college credit certificate programs shall be considered by the Board only if documentation is provided that demonstrates:

1. The programs have been approved in accordance with Regulation 8.011 and have established one or more separate market tuition rate student cohorts, each of which can be tracked for administrative and reporting purposes.
2. The programs do not lead to initial licensing or certification for occupational areas identified as state critical workforce need in the State University System of Florida Strategic Plan, 2005-2013, Areas of Programmatic Strategic Emphasis, as amended in 2009. A university may request establishment of market tuition rates for such programs for non-residents if such programs do not adversely impact development of other programs for Florida residents. A university, upon a written request for a special exception from the Chancellor, may submit a proposal for market tuition rate for a program leading to initial licensing or certification in a state critical workforce need area if it can be demonstrated to increase the number of graduates in the state.
3. The program admission and graduation requirements shall be the same as similar programs funded by state appropriations.

(b) If approved by the Board, the university shall operate these programs for a pilot period in order to collect sufficient information to determine the merit and success of market tuition rate courses. During the pilot period, the Board shall approve no more than five new graduate-level degree programs or college credit certificate program proposals per academic year. After three years, the university shall present its findings to the Board budget committee.

The university findings shall include, but not be limited to, program enrollments, degrees produced, and enrollments in similar state funded programs. The budget committee will then make any appropriate recommendations to the Board for changes of market tuition rates programs.

(c) The proposal for market tuition rate programs shall be submitted in a format designated by the Chancellor and include at a minimum:

1. A description of the program and its compliance with the requirements outlined in (15)(a).
2. An explanation of the process used to determine the market tuition rate and the tuition at similar programs from at least five other institutions, including both private and public.
3. A description of similar programs offered by other state university system institutions.
4. An estimate of the market tuition rate to be charged over the next three years. Any annual increase shall be no more than 15 percent over the preceding year.
5. A description of how offering the proposed program at market tuition rate is aligned with the mission of the university.
6. An explanation and declaratory statement that offering the proposed program at market tuition rate does not increase the state's fiscal liability or obligation.
7. An explanation of any differentiation in rate between resident and non-resident students paying market tuition rate.
8. An explanation of any proposed restrictions, limitations, or conditions to be placed on the program.
9. A description of any outcome measures that will be used to determine the success of the proposal.
10. In addition, the following information will be included with the proposal:
  - a. An explanation of how the university will ensure that sufficient courses are available to meet student demand and facilitate completion of each program submitted for consideration.
  - b. A baseline of current enrollments, including a breakout of resident and nonresident enrollment, in similar state-funded courses.
  - c. An estimation of the economic impact that implementation of the proposal will have on the university and the student by identifying the incremental revenue the university anticipates collecting if the proposal is approved.
  - d. A description of how revenues will be spent, including whether any private vendors will be utilized, and which budget entity the funds will be budgeted.

(d) The Board of Governors will act upon the budget committee recommendation at the next scheduled meeting. If a university board of trustees' proposal is denied, within five days, the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors' denial to consider a university board of trustees request for reconsideration.

(e) If a university charges a market tuition rate for a course within an approved program, preference shall be given to Florida residents in the admission process for similar state funded programs.

(f) Enrollments and degrees granted in market tuition rate program cohorts shall be reported in a manner to be determined by the Chancellor.

(g) Credit hours generated by courses in market tuition rate program cohorts shall not be reported as fundable credit hours and all costs shall be recouped within the market tuition rate.

(h) Programs and associated courses approved for market tuition rate shall not supplant existing university offerings funded by state appropriations.

(i) Each university approved to offer market tuition rates shall provide an annual status report in a format designated by the Chancellor.

Authority: Section 7(d), Art. IX, Fla. Const.; History--Formerly BOR Rule 6C-7.001, Adopted 4-8-79, Renumbered 12-16-74, Amended 6-28-76, 7-4-78, 8-6-79, 9-28-81, 12-14-83, 7-25-84, 10-2-84, 10-7-85, Formerly 6C-7.01, Amended 12-25-86, 11-16-87, 10-19-88, 10-17-89, 10-15-90, 9-15-91, 1-8-92, 11-9-92, 7-22-93, 8-1-94, 11-29-94, 4-16-96, 8-12-96, 9-30-97, 12-15-97, 8-11-98, 9-30-98, 8-12-99, 8-3-00, 8-28-00, 8-12-01, Amended and Renumbered as 7.001 09-25-08, Amended 12-10-09, 11-04-10, 01-20-11.



**STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011**

**SUBJECT:** Regulation 7.003 – Fees, Fines & Penalties

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**PROPOSED COMMITTEE ACTION**

Approve public notice of intent to amend Regulation 7.003.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution and Board Regulation Development Procedure

**BACKGROUND INFORMATION**

This regulation has been amended to codify several actions taken by the Board during the March meeting and statutory changes made by the 2011 Legislature.

1. In March the Board approved the creation of several new university fees and an increase to the orientation fee at the University of West Florida. These actions have been added to the regulation.
2. During the Budget and Finance Committee deliberations in February and the full Board discussion in March, members expressed that additional criteria be included in the fee regulation that would guide the universities in the development of new fees that are submitted for Board consideration. To that end, the following criteria has been included:
  - a. The fee cannot be an extension of, or cover the same services, as an existing statutory fee;
  - b. The fee cannot be utilized to create additional bonding capacity in an existing fee;
  - c. The fee cannot be used to support services or activities that have been paid for with education and general funds; and
  - d. The fee should support a service or activity in which a majority of students is able to participate or from which derive a benefit.
3. Senate Bill 2150 authorizes a transient student fee not to exceed \$5.00 per distance learning course for accepting a transient student and processing the

student's admissions application.

4. Senate Bill 2150 modifies the existing excess hour fee. All undergraduate students entering for the first time in fall 2011 shall pay an excess hour fee equal to 100 percent (was 50 percent) of the undergraduate tuition in excess of 115 percent (was 120 percent) of the number of credit hours required to complete the baccalaureate degree.

These proposed changes have been shared with the universities.

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**Supporting Documentation Included:** Regulation 7.003 – Fees, Fines & Penalties

**Facilitators/Presenters:** Tim Jones



### 7.003 Fees, Fines and Penalties.

(1) The Board of Governors must authorize all fees assessed to students. Accordingly, the specific fees listed in this section, and the tuition and associated fees defined in Regulation 7.001, are the only fees that may be charged for state fundable credit hours without the specific approval of the Board, except as authorized in Regulation 8.002. For purposes of clarification, the term "at cost" or "cost" as used in this regulation includes those increased costs that are directly related to the delivery of the goods, services, or programs.

(2) Each university board of trustees is authorized to assess the following fees at the statutory amounts listed:

- (a) Security / Access / Identification Card, Duplicate Security / Access / Identification Card, Fee Card, or Passbook:
  - 1. Annual – cost up to \$10.00.
  - 2. All duplicates – cost up to \$15.00
- (b) Orientation Fee – up to \$35.00.
  - 1. Effective fall 2011, the board of trustees of the University of West Florida may assess a \$50 Orientation Fee.
- (c) Admissions Deposit – Up to \$200. The admissions deposit shall be imposed at the time of an applicant's acceptance to the university and shall be applied toward tuition upon registration and budgeted in the Student and Other Fee Trust Fund. In the event the applicant does not enroll in the university, the admissions deposit shall be budgeted in an auxiliary account of the university and used to expand financial assistance, scholarships, student academic and career counseling services, and admission services at the university.
- (d) Transcript Fee – per item; up to \$10.00.
- (e) Diploma Replacement Fee – per item; up to \$10.00.
- (f) Service Charge – up to \$15.00 for the payment of tuition and fees in installments.
- (g) Audit Registration Fees -- Audit registration assures a course space for the student; however, no grade is awarded. This fee is the same as the tuition and associated fees provided in Regulation 7.001. Budgeting of fee proceeds shall be in the Student and Other Fee Trust Fund.
- (h) Registration of Zero Hours -- Such registration provides for examinations, graduations, use of facilities, etc., when deemed appropriate by the institution. The student is assessed tuition and associated fees for one credit hour. The Zero Credit Fee shall be budgeted in the Student and Other Fee Trust Fund.
- (i) Application Fee -- Individuals who make application for admission to universities within the State University System shall pay a non-refundable Application Fee of not more than \$30.00. The fee shall be budgeted in the

Student and Other Fee Trust Fund. Provisions may be made to waive the application fee as specified by the university.

- (j) Late Registration Fee -- Universities shall assess a Late Registration Fee to students who fail to register before the end of the regular registration period. This fee may also be assessed to students reinstated after their course schedules were cancelled due to non-payment of fees. The fee shall be not less than \$50 nor more than \$100 with a minimum of 50 percent budgeted to the Student and Other Fee Trust Funds and the balance budgeted in an Auxiliary Trust Fund. Provisions may be made to waive the Late Registration Fee as specified by the university.
- (k) Late Payment Fee -- Universities may assess a Late Payment Fee to students who fail to pay, or make appropriate arrangements for payment (installment payment, deferment, or third-party billing), of tuition and associated fees by the deadline set by each university. The fee shall be not less than \$50 nor more than \$100 with a minimum of 50 percent budgeted to the Student and Other Fee Trust Fund and the balance budgeted in an Auxiliary Trust Fund. Provisions may be made to waive the Late Payment Fee as specified by the university.

(3) Before the Board's last meeting of each calendar year, the university board of trustees shall notify the Board of any potential increases in fees outlined in subparagraph (2). A university board of trustees may then submit a proposal for an increase in that fee to the Board of Governors' budget committee by January 15 for consideration by the committee during a February meeting.

- (a) The proposal shall be submitted in a format designated by the Chancellor and include at a minimum:
  - 1. The current and proposed increase to the fee and a description of the process used to determine the need for the increase, including any student involvement.
  - 2. The service or operation currently being funded by the fee.
  - 3. An analysis of whether the service or operation can be performed more efficiently to alleviate the need for any increase.
  - 4. The additional or enhanced service or operation to be implemented.
  - 5. Identification of other resources that could be used to meet this need.
  - 6. The financial impact on students, including those with financial need.
  - 7. The current revenue collected and expenditures from the current fee.
  - 8. The estimated revenue to be collected and expenditures for the fee increase.
- (b) The Board will act upon the budget committee recommendation at the next scheduled meeting.
- (c) An increase in these fees can only be implemented with the fall term.
- (d) Every five years the university board of trustees shall review the fee increase to determine if the fee has met its intended outcomes and whether the fee should be increased, decreased or discontinued. The

university board of trustees shall submit its findings to the Board. Any subsequent decreases or continuation in these fees are delegated to the university board of trustees, with notification to the Chancellor.

(4) Each university board of trustees is authorized to establish separate activity and service, health, and athletic fees on the main campus, branch campus, or center.

- (a) The fees shall be retained by the university and paid into the separate activity and service, health, and athletic funds. A university may transfer revenues derived from the fees authorized pursuant to this section to a university direct-support organization of the university pursuant to a written agreement approved by the Board of Governors.
- (b) The sum of the activity and service, health, and athletic fees a student is required to pay to register for a course shall not exceed 40 percent of the tuition. Within the 40 percent cap, universities may not increase the aggregate sum of activity and service, health, and athletic fees more than 5 percent per year or the same percentage increase in tuition, whichever is higher..
- (c) A university may increase its athletic fee to defray the costs associated with changing National Collegiate Athletic Association divisions. Any such increase in the athletic fee may exceed both the 40 percent cap and the 5 percent cap imposed by this subsection. Any such increase must be approved by the athletic fee committee in the process outlined in subparagraph (4)(d) and cannot exceed \$2 per credit hour.
- (d) Increases in the health, athletic, and activity and service fee must be recommended by a fee committee, at least one-half of whom are students appointed by the student body president. The remainder of the committee shall be appointed by the university president. A chairperson, appointed jointly by the university president and the student body president, shall vote only in the case of a tie. The recommendations of the committee shall take effect only after approval by the university president, after consultation with the student body president, and approval by the university board of trustees. An increase in these fees may occur only once each fiscal year and must be implemented beginning with the fall term.
- (e) The student activity and service fee shall be expended for lawful purposes to benefit the student body in general. This shall include, but shall not be limited to, student publications and grants to duly recognized student organizations, the membership of which is open to all students at the university without regard to race, sex, or religion. The fee may not benefit activities for which an admission fee is charged to students, except for student-government-association-sponsored concerts. The allocation and expenditure of the fees shall be determined by the student government association of the university, except that the president of the university may veto any line item or portion thereof within the budget when

submitted by the student government association legislative body. The university president shall have 15 school days from the date of presentation of the budget to act on the allocation and expenditure recommendations, which shall be deemed approved if no action is taken within the 15 school days. If any line item or portion thereof within the budget is vetoed, the student government association legislative body shall within 15 school days make new budget recommendations for expenditure of the vetoed portion of the fees. If the university president vetoes any line item or portion thereof within the new budget revisions, the university president may reallocate by line item that vetoed portion to bond obligations guaranteed by activity and service fees.

- (f) Unexpended fees and undisbursed fees remaining at the end of a fiscal year shall be carried over and remain in the student activity and service fund and be available for allocation and expenditure during the next fiscal year.

(5) Technology Fee – Each university board of trustees may establish a technology fee to be paid by all students. The fee may be up to 5 percent of the tuition charged per credit hour. The revenue from this fee shall be used to enhance instructional technology resources for students and faculty. The revenue and expenditures shall be budgeted in the Local Fund budget entity.

(6) Off-Campus Educational Activities - As used herein, "off-campus" refers to locations other than state-funded main campuses, branch campuses, or centers. Each university board of trustees is authorized to establish fees for state fundable off-campus course offerings when the location results in specific, identifiable increased costs to the university. These fees will be in addition to the tuition and associated fees charged to students enrolling in these courses on-campus. The additional fees charged are for the purpose of recovering the increased costs resulting from off-campus vis-à-vis on-campus offerings. The university shall budget the fees collected for these courses to the Student and Other Fee Trust Funds. Each university shall use the additional fees collected to cover the increased cost of these courses and reimburse the appropriate Educational and General fund, or other appropriate fund if the costs are incurred in other than Educational and General funds.

(7) Material and Supply Fees - Each university board of trustees is authorized to assess Material and Supply Fees not to exceed the amount necessary to offset the cost of materials or supply items which are consumed in the course of the student's instructional activities, excluding the cost of equipment and equipment repairs and maintenance. Revenues from such fees shall be budgeted in the Auxiliary Trust Fund.

(8) Housing Rental Rates – Basic rates for housing rental shall be set by each university board of trustees. In addition, the university board of trustees is authorized to establish miscellaneous housing charges for services provided by the university at the request of the students.

(9) Parking Fines, Permits and Decals -- Each university board of trustees shall establish charges for parking decals, permits and parking fines.

(10) Transportation Access Fee - Each university board of trustees is authorized to establish a transportation access fee, with appropriate input from students, to support the university's transportation infrastructure and to increase student access to transportation services.

(11) Returned Check Fee -- Each university board of trustees shall assess a service charge for unpaid checks returned to the university.

(12) Collection costs -- Each university board of trustees is authorized to assess a charge representing reasonable cost of collection efforts to effect payment for overdue accounts. Amounts received for collection costs shall be retained by the university.

(13) Service Charge -- Each university board of trustees is authorized to assess a service charge on university loans in lieu of interest and administrative handling.

(14) Educational Research Center for Child Development Fee -- Each university board of trustees is authorized to assess child care and service fees.

(15) Transient Student Fee – Each university board of trustees is authorized to assess a fee not to exceed \$5.00 per distance learning course for accepting a transient student and processing the student's admissions application pursuant to Section 1004.091.

~~(16)~~ Building Fee – Each university board of trustees shall assess \$2.32 per credit hour per semester. No project proposed by a university which is to be funded by this fee shall be submitted to the Board of Governors for approval without prior consultation with the student government association of that university.

~~(17)~~ Capital Improvement Fee – Each university board of trustees shall assess \$2.44 per credit hour per semester. No project proposed by a university which is to be funded by this fee shall be submitted to the Board of Governors for approval without prior consultation with the student government association of that university.

(187) Student Financial Aid Fee – Each university board of trustees is authorized to collect for financial aid purposes an amount not to exceed 5 percent of the tuition and out-of-state fee. The revenues from fees are to remain at each university. A minimum of 75 percent of funds from the student financial aid fee shall be used to provide financial aid based on demonstrated financial need. Each university shall report annually to the Board of Governors on the revenue collected pursuant to this subsection, the amount carried forward, the criteria used to make awards, the amount and number of awards for each criterion, and a delineation of the distribution of such awards. The report shall include an assessment by category of the financial need of every student who receives an award, regardless of the purpose for which the award is received. Awards which are based on financial need shall be distributed in accordance with the federal methodology for determining need. An award for academic merit shall require a minimum overall grade point average of 3.0 on a 4.0 scale or the equivalent for both initial receipt of the award and renewal of the award.

(198) Each university board of trustees is authorized to assess the following fees which will have varied amounts:

- (a) Development Research School Fees – activity fees which shall be discretionary with each university.
- (b) Library Fines – per book or unit, per day; the funds shall be budgeted to the Student and Other Fee Trust Fund.
- (c) Overdue Reserve Library books – per book, per library hour; the funds shall be budgeted to the Student and Other Fee Trust Fund.
- (d) Late Equipment Fee, Physical Education – per item, per day.
- (e) Fees and fines relating to the use, late return, and loss and damage of facilities and equipment.
- (f) Distance Learning Fee.

(2049) Each university board of trustees is authorized to assess reasonable fees for incidental non-academic services provided directly to individuals. This could include, but not be limited to, fees for duplicating, lost keys, copyright material, breakage, standardized tests, library loans.

(210) Each university board of trustees is authorized to assess an international student service fee to cover the university costs associated with reporting requirements of the Student and Exchange Visitor Information System administered by the Department of Homeland Security for F-Visa and J-Visa degree seeking students.

(221) Excess Hour Fee – ~~An undergraduate student shall pay an excess hour fee equal to 50 percent of the undergraduate tuition identified in Regulation 7.001(3) for each credit hour in excess of 120 percent of the number of credit hours~~

~~required to complete the baccalaureate degree program in which the student is enrolled.~~ This fee shall be budgeted in the Student and Other Fee Trust Fund.

- (a) ~~This provision is effective for~~ All state university undergraduate students who entered a postsecondary undergraduate program at any Florida public institution of higher education for the first time in fall 2009 or thereafter and prior to fall 2011 shall pay an excess hour fee equal to 50 percent of the undergraduate tuition identified in Regulation 7.001(3) for each credit hour in excess of 120 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled or thereafter.
- (b) All state university undergraduate students who entered a postsecondary undergraduate program at any Florida public institution of higher education for the first time in fall 2011 or thereafter shall pay an excess hour fee equal to 100 percent of the undergraduate tuition identified in Regulation 7.001(3) for each credit hour in excess of 115 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.
- (c) Each university shall implement a process for notifying students of this fee upon a student's initial enrollment. A second notice must be provided to the student when the student has attempted the number of credit hours needed to complete the baccalaureate degree program in which the student is enrolled. The second notice must include a recommendation that each student who intends to earn credit hours at the university in excess of the credit hours required for the baccalaureate degree program in which the student is enrolled meet with the student's academic advisor.
- (d) All credit hours for courses taken at the university from which the student is seeking a baccalaureate degree shall be included when calculating the number of hours taken by a student, including:
  - 1. Failed courses.
  - 2. Courses dropped or withdrawn from after the university's advertised last day of the drop and add period, except as provided for in subparagraph (224)(e).
  - 3. Repeated courses, except repeated courses for which the student has paid the full cost of instruction as provided in Regulation 7.001(11).
  - 4. All credit hours earned at another institution and accepted for transfer by the university and applied toward the student's baccalaureate degree program.
- (e) All credit hours earned under the following circumstances shall not be calculated as hours required to earn a baccalaureate degree:
  - 1. College credits earned through an articulated accelerated mechanism.

2. Credit hours earned through internship programs.
3. Credit hours required for certification, recertification, or certificate programs.
4. Credit hours in courses from which a student must withdraw due to reasons of medical or personal hardship.
5. Credit hours taken by active-duty military personnel.
6. Credit hours required to achieve a dual major taken while pursuing a baccalaureate degree.
7. Remedial and English as a Second Language credit hours.
8. Credit hours earned in military science courses that are part of the Reserve Officers' Training Corps program.

| (232) Convenience fee – Each university board of trustees may establish a convenience fee when accepting payments by credit cards, charge cards, and debit cards. The fee shall not be greater than the cost of providing the service. The fee is not refundable to the payor.

| (243) Before the Board's last meeting of each calendar year, the university board of trustees shall notify the Board of any potential new fees that are being considered by the university. A university board of trustees may then submit a proposal for a new fee not currently authorized in Board regulation or statute to the Board of Governors' budget committee by January 15 for consideration by the committee during a February meeting.

(a) The proposal shall be submitted in a format designated by the Chancellor, and include at a minimum:

1. The purpose to be served or accomplished with the fee.
2. The demonstrable student-based need for the fee that is currently not being met through existing university services, operations or another fee.
3. The process used to assure substantial student input or involvement.
4. Any proposed restrictions, limitations, or conditions to be placed on the fee.
5. The financial impact of the fee on students, including those with financial need.
6. The estimated revenue to be collected and proposed expenditures for the new fee.
7. The outcome measures that will be implemented to determine when the purpose of the fee will be accomplished.

(b) The aggregate sum of any fees approved by the Board that a student is required to pay to register for a course shall not exceed 10 percent of tuition. All other fees shall be based on cost.

(c) The fee can only be implemented in the fall term.



(d) The revenue generated by this fee may not be transferred to an auxiliary enterprise or a direct-support organization and may not be used to pay or secure debt.

(e) The university shall account for the revenue and detailed expenditures of this fee in the Annual Report.

(f) The fee cannot be an extension of, or cover the same services, as an existing statutory fee.

(g) The fee cannot be utilized to create additional bonding capacity in an existing fee.

(h) The fee cannot be used to support services or activities that have been paid for with education and general funds.

(i) The fee should support a service or activity in which a majority of students is able to participate or from which derive a benefit.

(j) Once the Board approves a fee under this section, a university fee committee shall be established similar to other existing fee committees.

(k) The Board will act upon the budget committee recommendation at the next scheduled meeting.

(l) Every five years the university board of trustees shall review the fee to determine if the fee has met its intended outcomes and whether the fee should be increased, decreased or discontinued. The university board of trustees shall submit its findings to the Board. Any subsequent decreases or continuation in these fees are delegated to the university board of trustees, with notification to the Chancellor.

(m) If a university board of trustees' proposal is denied, within five days the university board of trustees may request reconsideration by the Board's Tuition Appeals Committee, which shall consist of the Chair of the Board and the Chair of each Board committee. The Tuition Appeals Committee will meet within ten days after the Board of Governors denial to consider a university board of trustees request for reconsideration.

(25) Pursuant to subparagraph (24), the university boards of trustees designated below are authorized to assess the following fees:

(a) Green Fee - This fee may be assessed to establish or improve the use of renewable energy technologies or energy efficiencies that lower the university's greenhouse emissions.

1. University of South Florida: up to \$1.00 per credit hour

2. New College of Florida: up to \$1.00 per credit hour

(b) Test Preparation Fee - at cost. This fee may be assessed to increase accessibility to test preparation courses in programs where students are expected to obtain specific preparation for a practice-based examination.

1. Florida International University

(c) Student Life and Services Fee - This fee may be assessed to expand student participation in transformational learning opportunities that build

new and enhances ongoing activities which connect students to the institution.

1. University of North Florida: not to exceed 5 percent of tuition.

Authority: Section 7(d), Art. IX, Fla. Const.; History—Formerly BOR Rule 6C-7.003. Derived from 6C-2.74 and 6C-2.76, Amended and Renumbered 12-17-74, Amended 2-22-76, 6-22-76, 6-28-76, 11-1-76, 9-8-77, 2-14-79, 9-28-81, 12-7-82, 12-13-83, 10-2-84, Formerly 6C-7.03, Amended 1-8-86, 8-11-86, 12-25-86, 6-2-87, 10-17-89, 4-10-90, 1-7-91, 7-2-91, 9-15-91, 8-4-92, 11-9-92, 4-12-93, 5-30-93, 9-23-93, 8-1-94, 1-24-96, 4-16-96, 12-15-97, 8-28-00, 8-12-01, Amended and Renumbered as 7.003 9-25-08, Amended 12-10-09, 11-04-10.

**STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011**

**SUBJECT:** Collegiate License Plate Revenue Expenditure Plans

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**PROPOSED COMMITTEE ACTION**

Consider approval of expenditure plans for funds received from the sale of collegiate license plates for Florida Gulf Coast University and New College of Florida, and a revised plan for Florida A&M University.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution and Section 320.08058(3), Florida Statutes

**BACKGROUND INFORMATION**

Section 320.08058(3)(b), Florida Statutes, states that the Board of Governors shall require each state university to submit a plan for approval of the expenditure of all revenues collected from the sale of collegiate license plates. The funds may only be used for academic enhancement, including scholarships and private fundraising activities. During fiscal year 2009-10 over \$6.3 million was generated from the sale of collegiate license plates for the universities.

	Gross Revenues
FAMU	\$519,550
FAU	\$63,175
FGCU	\$41,525
FIU	\$72,325
FSU	\$1,814,225
NCF	\$18,050
UCF	\$374,575
UF	\$2,925,750
UNF	\$44,750
USF	\$412,069
UWF	\$45,500

On March 15, 1996 the Board of Regents approved expenditure plans for nine universities. These expenditure plans indicated the percentage of funds that would be expended for scholarships, fundraising and academic enhancements. These plans would be in effect indefinitely unless the university wished to deviate from the approved plan.

	Scholarships	Fundraising	Academic Enhancement
FAMU	85%	15%	
FAU	75%	25%	
FIU	75%	25%	
FSU	18%	82%	
UCF*	20%	30%	50%
UF	60%	40%	
USF	20%	66%	14%
UNF	70%	30%	
UWF		100%	

\*UCF's expenditure plan was modified in March, 2002.

A review of the records shows that Florida Gulf Coast University and New College of Florida expenditures plans have not been officially approved in accordance with statute. The following represents the percent these two institutions have been spending on these activities:

	Scholarships	Fundraising	Academic Enhancement
FGCU	100%		
NCF	50%	10%	40%

On February 10, 2011, the Florida A&M University Board of Trustees approved a modification to their expenditure plan:

	Scholarships	Fundraising	Academic Enhancement
FAMU - Current	85%	15%	
FAMU - Proposed	25%	75%	

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**Supporting Documentation Included:**

1. March, 1996 Board of Regents action
2. Florida Gulf Coast University letter
3. New College of Florida letter
4. Florida A&M University letter

**Facilitators/Presenters:**

Tim Jones



STATE UNIVERSITY SYSTEM OF FLORIDA  
325 West Gaines Street, Tallahassee, Florida 32399-1950

March 21, 1996

M E M O R A N D U M

TO: Members, Council of Presidents  
FROM: Charles B. Reed *Charles B. Reed*  
SUBJECT: Collegiate License Plate Program

This is to advise that the Board of Regents, at its meeting on March 15, 1996, approved the use of Collegiate License Plate funds as depicted on the attached Supplemental Agenda Item 12 and Certificate of the Secretary. Pursuant to Chancellor's Memorandum 88-05.1, this approval will remain in effect indefinitely. Submission of a revised expenditure plan will be required only if the university wishes to deviate from the approved plan.

CBR/dgs

Attachment

cc: University Foundation Directors

AN EQUAL ACCESS/OPPORTUNITY—AFFIRMATIVE ACTION SYSTEM

University of Florida • Florida State University • Florida A&M University • University of South Florida • Florida Atlantic University  
Gainesville Tallahassee Tallahassee Tampa Boca Raton  
University of West Florida • University of Central Florida • Florida International University • University of North Florida • Florida Gulf Coast University  
Pensacola Orlando Miami Jacksonville Ft. Myers

BOARD OF REGENTS  
March 15, 1996

SUBJECT: Approval of Collegiate License Plate Revenue Expenditure Plans

BOR COMMITTEE REVIEW: Finance/Facilities  
UNIVERSITIES AFFECTED: All Except FGCUPROPOSED BOARD ACTION

Approve expenditure plans for funds received from the sale of Collegiate License Plates as outlined on the attachment.

BACKGROUND INFORMATION

Pursuant to Section 320.08058, Florida Statutes, revenues received from the sale of Collegiate License Plates shall be utilized for academic enhancement purposes, including scholarships and fund-raising activities, as approved by the Board of Regents. Since Florida Statutes stipulate the type of activities for which Collegiate License Plate revenues can be utilized, the Board could approve a continuing plan that meets the statutory requirements. Such approval would eliminate paperwork and make Collegiate License Plate revenues available for use by the universities immediately upon the receipt of funds from the Department of Highway Safety and Motor Vehicles. The attached summary reflects each university's proposed expenditure plan for the use of funds for which expenditure plans have not been previously approved. The universities propose to utilize these revenues as outlined in statute. Future expenditure plans will be submitted for Board of Regents approval only if the university wishes to deviate from the approved plan. As indicated on the summary, some universities are proposing to utilize a large portion or all of their available funds on fund-raising activities.

Supporting Documentation Included: Summary of University Plans

Other Support Documents Available: Individual University Plans

Legal Review Required: Yes No X

EEO Impact Studies Required: Yes No X

Council Review: N/A

Date Submitted: 3/04/96

Prepared by: Ron Stubbs/Bob Henker

Phone: 904/488-6370

SC 278-6370

Submitted by: Carl W. Blackwell C.W.B.

Phone: 904/487-0862

SC 277-0862



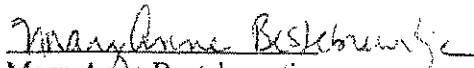
**STATE UNIVERSITY SYSTEM OF FLORIDA**  
*325 West Gaines Street, Tallahassee, Florida 32399-1950*

March 19, 1996

**FLORIDA BOARD OF REGENTS**

**CERTIFICATE OF THE SECRETARY**

I, Mary-Anne Bestebreurtje, Corporate Secretary of the Florida Board of Regents, do hereby certify that the Florida Board of Regents at a meeting on March 15, 1996, authorized each university to utilize Collegiate License Plate Revenues as defined in Item 12 of the Amended Agenda.

  
Mary-Anne Bestebreurtje  
Corporate Secretary

In witness thereof, I have  
hereunto set my hand and  
seal this 19th day of March,  
1996.

**AN EQUAL ACCESS/OPPORTUNITY—AFFIRMATIVE ACTION SYSTEM**

*University of Florida • Florida State University • Florida A&M University • University of South Florida • Florida Atlantic University*  
*Gainesville Tallahassee Tallahassee Tampa Boca Raton*

*University of West Florida • University of Central Florida • Florida International University • University of North Florida • Florida Gulf Coast University*  
*Pensacola Orlando Miami Jacksonville Ft. Myers*

STATE UNIVERSITY SYSTEM  
UNIVERSITY EXPENDITURE PLANS  
EFFECTIVE MARCH 15, 1996  
COLLEGIATE LICENSE PLATE REVENUES  
RESIDUAL BALANCES NOT PREVIOUSLY SUBMITTED FOR APPROVAL  
AND  
REVENUES RECEIVED AFTER JULY 1, 1995

	<u>UF</u>	<u>FSU</u>	<u>FAMU</u>	<u>USE</u>	<u>FAU</u>	<u>UWF</u>	<u>UCE</u>	<u>FIU</u>	<u>UNE</u>
SCHOLARSHIPS	60.00%	18.00%	85.00%	20.00%	75.00%		50.00%	75.00%	70.00%
FUNDRAISING	40.00%	82.00%	15.00%	66.00%	25.00%	100.00%	30.00%	25.00%	30.00%
ACADEMIC ENHANCEMENT				14.00%			20.00%		

NOTE: AN EXCEPTION TO THE ABOVE EXPENDITURE PLANS: THE PLAN FOR THE UNIVERSITY OF CENTRAL FLORIDA WILL BECOME EFFECTIVE JULY 1, 1996





Foundation

May 31, 2011

Mr. Tim Jones  
Chief Financial Officer  
State University System of Florida  
Board of Governors  
325 West Gains Street  
Tallahassee, Florida 32399

Dear Tim:

Please accept this letter as an official declaration that Florida Gulf Coast University Foundation, Inc. uses one hundred percent of its license plate revenue for scholarships. The Foundation has always used these funds for scholarships and plans to continue this practice.

If you need any additional information, please do not hesitate to contact me directly.

Sincerely,

Steve L. Magiera CPA, MS  
Executive Director  
Florida Gulf Coast University Foundation, Inc.



**New  
College**  
Florida's Honors College

*Celebrating Fifty Years*

NEW COLLEGE FOUNDATION, INC.

*emailed 9/10/10*

September 10, 2010

Mr. John Frady, Senior Budget Analyst  
State University System of Florida Board of Governors  
325 West Gaines Street, Suite 1652  
Tallahassee, FL 32399-0400

Re: New College Foundation License Plate funds spending policy

Dear Mr. Frady:

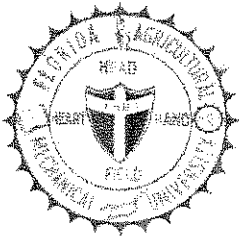
New College Foundation, Inc. and New College of Florida have set a spending policy for license plate proceeds as follows:

Scholarship funding	50%
Academic Enhancements	40%
Fundraising	10%

Sincerely,

Barbara A. Brosius  
Vice President, Finance





Excellence With Courage

# Florida Agricultural and Mechanical University

TALLAHASSEE, FLORIDA 32307-3100

JAMES H. AMMONS, Ph.D., PRESIDENT

OFFICE OF THE PRESIDENT

TELEPHONE: (850) 599-3225

FAX: (850) 561-2152

TDD: (850) 561-2764

March 2, 2011

Ms. Kristie Harris  
Director of University Budgets  
Board of Governors  
State University System of Florida  
325 West Gaines Street  
Tallahassee, FL 32399-0400

Dear Ms. Harris:

This is to inform you that effective February 10, 2011, the Florida A&M University Board of Trustees approved changing the allocation of revenues received from Collegiate License Plate fees. Below is a summary of the reallocations:

**Previous Allocations:**

85% - Scholarships

15% - Fundraising

**Revised Allocations (Effective 2/10/2011):**

25% - Scholarships

75% - Fundraising

This action is pursuant to Section 320.08058 of the Florida Statutes. If you have any questions or concerns, I may be reached at (850) 599-3225.

Sincerely,

*James H. Ammons*

James H. Ammons  
President

CC: Carla S. Willis, Vice President, University Relations, Florida A&M University  
Frank Brogan, Chancellor, State University System of Florida  
Jeanette Collins, Florida Department of Motor Vehicles

*launching campaign*

FAMU IS AN EQUAL OPPORTUNITY/EQUAL ACCESS UNIVERSITY



STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
Budget and Finance Committee  
June 23, 2011

**SUBJECT:** Florida International University Self-Insurance Program Investment Policy

**PROPOSED COMMITTEE ACTION**

Approve Florida International University Self-Insurance Program Investment Policy.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Article IX, Section 7, Florida Constitution and Board Regulation 10.001

**BACKGROUND INFORMATION**

Pursuant to Board Regulation 10.001, the Florida International University Board of Trustees has adopted an Investment Policy to define the management process for capturing investment opportunities and to establish parameters by which the FIU Self-Insurance Program Council will exercise its fiduciary responsibility and oversight for the prudent investment of funds held by the FIU Self-Insurance Program in an investment custody account.

The Investment Policy creates an Investment Committee comprised of no less than three members appointed by the Council, the University Chief Financial Officer, the University Treasurer, and the Executive Associate Dean for Finance and Administration for the Wertheim College of Medicine. All members must possess demonstrable knowledge and experience with financial investments and portfolio management. The Investment Policy delineates the Investment Committee's responsibilities and establishes the parameters for defining and disclosing a substantial existing or potential conflict of interest and providing for the Council to determine the appropriate action to take in light of the conflict.

The Investment Policy also establishes investment guidelines consistent with the statutory investment criteria set forth in Section 215.47, Florida Statutes.

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**Supporting Documentation Included:** FIU SIP Investment Policy

**Facilitators/Presenters:**

Vikki Shirley



11 APR 13 AM 11:25



**FLORIDA INTERNATIONAL UNIVERSITY  
HERBERT WERTHEIM COLLEGE OF MEDICINE  
SELF-INSURANCE PROGRAM  
INVESTMENT POLICY**

APPROVED AS OF FEBRUARY 3, 2010

The Florida International University Self-Insurance Program Council ("Council") is responsible for the oversight and approval of the overall investment policy and investment portfolio of the Florida International University Self-Insurance Program ("FIUSIP"). The intent of this policy is to define the management process for capturing investment opportunities as they may occur and to set forth reasonable parameters to ensure prudence and care in the execution of the investment program, in accordance with applicable law.

**I. Governance: Definition of the Fund**

- A. Investment of assets of the FIUSIP shall be governed by a SIP Investment Committee (the "Investment Committee") of the Council which shall have responsibility for FIUSIP investments and the allocation thereof. The Council may, in its discretion, serve as the Investment Committee until such time as the Council deems it prudent to constitute an Investment Committee.
- B. The Investment Committee shall consist of no less than three members appointed by the Council. The Council shall select the Chairperson of the Investment Committee. In addition to the appointed Investment Committee members, the University Chief Financial Officer, University Treasurer, and Executive Associate Dean for Finance & Administration, Wertheim College of Medicine shall be ex officio members of the Investment Committee. Investment Committee members need not be members of the Council, provided that such members have demonstrable knowledge, experience and familiarity with financial investments and portfolio management.
- C. For purposes of this Investment Policy document, monies available for investment (hereinafter referred to as the "Fund") means an amount equal to the sum derived when, at any given time, the amount of cash in FIUSIP's investment custody account is added to an amount equal to the fair market value of all securities held in the investment custody account of the FIUSIP on behalf of the FIUSIP.

II. Investment Committee Responsibilities and Procedures:

- A. The Investment Committee, with the guidance and recommendations of its advisors and consultants, shall be responsible for:
1. Meeting as needed, but no less than once per fiscal year, at the discretion of the Chair of the Council or Chair of the Investment Committee, to review the manner in which the Fund is invested, with outcomes of said meetings to be reported to the Council;
  2. Reviewing the implementation of this Investment Policy at least once each fiscal year and recommending to the Council any changes in investment strategy;
  3. Investing the Fund in conformance with this Investment Policy as approved by the Council. The Investment Committee shall have no power in any way to modify, alter, add to, or subtract from any provisions of this Investment Policy as approved by the Council;
  4. Ensuring that the objectives stated in the Investment Policy are practical and reflect the mission of the FIUSIP;
  5. Recommending the engagement of investment advisors, consultants, managers, and/or custodians for the approval of the Council and/or recommending the termination of such advisors, consultants, managers or custodians that fail to maintain acceptable quantitative (e.g. risk/return profile) and/or qualitative (e.g. organizational changes) standards;
  6. Implementing and monitoring the asset allocation targets;
  7. Determining whether the investment objectives set forth herein are being met and whether the investment guidelines and applicable law are being followed;
  8. Providing regular performance reports to the Council.
- B. The staff, as assigned by the Council in consultation with the University, is an integral part of the day to day requirements of the operating portfolio. The staff has the responsibility of administering and coordinating the implementation decisions made by the Investment Committee and the Council. The staff is responsible for:
1. Administering the investments of the Fund at the lowest possible cost, being careful to avoid sacrificing quality;
  2. Executing the rebalancing procedures, as necessary;



3. Maintaining day-to-day interaction with the investment advisors, consultants, managers, and custodians.
- C. No member of the Investment Committee shall have or appear to have a material personal interest, either directly or indirectly, in conflict with the interests of FIUSIP, unless such interest is disclosed and approved as provided herein. In the event any member of the Investment Committee should have any conflict of interest, he or she shall disclose such conflict to the Council and, if so directed by the Council, shall abstain from voting or acting on matters involving the conflict. The Council shall decide what action, if any, to take in light of the conflict of interest. Such action may, but is not required to, include accepting the individual's abstention, requiring the individual to terminate the conflict of interest, or causing the individual's appointment to the Investment Committee to be terminated.

A member of the Investment Committee shall be deemed to have a possible or actual conflict if he or she has a substantial existing or potential personal interest in a matter which impairs or might appear to impair the member's ability to exercise independent and unbiased judgment in the good faith discharge of his or her duties to FIUSIP.

In addition to limitation on conflicts of interest, no member of the Investment Committee, nor a business entity of which the member is also an officer, director, employee, or substantial owner, shall enter into a transaction with the FIUSIP unless such transaction is disclosed fully to the Council. The Council must approve the transaction by a vote of three-fourths (3/4) of all Council members. The Council's determination regarding any transaction that may constitute a conflict of interest must be consistent with applicable Florida law including Chapter 112 of the Florida Statutes.

The mere employment by an officer or employee of FIUSIP or member of the Investment Committee by the Florida International University Board of Trustees or any of its component or supporting organizations, or by an insured entity of the FIUSIP, shall not constitute a conflict of interest.

- D. The Council will, to the extent legally permissible indemnify and hold harmless each member of the Investment Committee from all actions, proceedings, claims, or demands by any persons, corporations, associations, or entities whatsoever in which such person may be involved by reason of his or her service on the Investment Committee, and will indemnify and hold harmless each member of the Investment Committee against all costs, damages, or expenses which the Investment Committee member may pay, sustain, or incur by reason or in consequence of such service; provided, however, such member was exercising due care and diligence in the performance of his or her duties on behalf of the FIUSIP, and provided that no settlement shall be entered into without the prior consultation and approval of the Council.

- E. The investment advisors, consultants, managers, and custodians shall:
1. Recommend to the Investment Committee changes in investment objectives, policies, and procedures;
  2. Make purchases and sales of securities in accordance with the Investment Policy; and
  3. Report their respective activities to the Investment Committee and in such manner and in such frequency as may be requested, from time to time, by the Investment Committee.

III. Investment Objectives

The overall investment objective of the Fund is to achieve a favorable rate of return, in combination with preservation of principal and liquidity, subject to the quality, diversification, and maturity restrictions imposed by the investment guidelines contained in this Investment Policy and all Florida Statutes cited herein.

IV. Investment Guidelines

- A. Investment of the Fund shall be governed by the following investment guidelines, consistent with Chapter 215.47:
1. The Fund may be invested with no limitation in any security described in Section 215.47(1), Florida Statutes.
  2. Subject to the investment percentage limitations described therein, the Fund may be invested in the securities described in Section 215.47(2), (3), (4), (5), and (6).
  3. All holdings of investment will be of sufficient size in issues actively traded to ensure marketability and liquidity to facilitate transactions at minimum cost and to permit accurate market valuation.
  4. All purchases and sales of securities will be executed by the Investment Committee or its agent(s) at the most advantageous price to the Fund with principal dealers in the particular securities being purchased or sold.
  5. The investment performance of the Fund shall be measured in terms of total return against appropriate benchmarks or market indices having the same investment characteristics and guidelines as the Fund. In the evaluation of performance no distinction shall be made between realized and unrealized returns or between the income and capital components of total return of the Fund.

6. Consistent with the foregoing, the Investment Committee may adopt any such additional guidelines and/or objectives it may deem necessary or appropriate to fulfill its fiduciary responsibilities.