NOTICE OF PROPOSED RULE (Repeal)

RULE NO. AND TITLE: Direct Support Organizations, 6C3-11.001 Requirements for Certification, Budget and Audit Review

PURPOSE AND EFFECT: To repeal Rule 6C3-11.001, Florida Administrative Code (F.A.C.), in its entirety, based on the amendment of Section 1004.28, Florida Statutes (March 2018), which authorizes universities to adopt regulations, and not rules, governing the use of property and personnel by direct support organizations.

SUMMARY: Rule 6C3-11.001, F.A.C. is repealed based on the amendment of Section 1004.28, Florida Statutes (March 2018), which removed the University's rulemaking authority. This language was previously codified in FAMU's Direct Support Organization Regulation 11.001.

RULEMAKING AUTHORITY: Section 7, Article IX, Florida Constitution; Florida Statute Section 1004.28.

LAW IMPLEMENTED: Amendment of Section 1004.28, Florida Statutes (March 2018).

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS (SERC) AND LEGISLATIVE RATIFICATION: The University has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the repeal of the Rule. Fla. Stat. §§ 120.541(1) (b) & 120.54 (3)(b). Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED ON FAMU'S WEBSITE AT HTTP://WWW.FAMU.EDU/INDEX.CFM?A=REGULATIONS.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Shira Thomas, Interim Vice President of Legal affairs and General Counsel, Office of the General Counsel, 304 Foote-Hilyer Administration Center, 1700 Lee Hall Drive, Tallahassee, Florida 32307, Telephone: (850) 599-3591, Facsimile: (850) 561-2862, Email: shira.thomas@famu.edu.

NAME OF PERSON ORIGINATING PROPOSED RULE: Shira Thomas, Interim Vice President of Legal affairs and General Counsel, Office of the General Counsel

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Florida Agricultural and Mechanical University Board of Trustees

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: Board of Trustees on March 7, 2019

DATE NOTICE OF PROPOSED RULE DEVELOPMENT TO BE PUBLISHED IN TALLAHASSEE DEMOCRAT: March 8, 2019 and March 15, 2019

FULL TEXT OF THE PROPOSED RULE REPEAL IS:

6C3-11.001 Requirements for Certification, Budget and Audit Review

- (1) In order to be certified as a direct support organization, as provided in section 1004.28, F.S., an organization wishing to become a Florida Agricultural and Mechanical University ("University") Direct Support Organization ("DSO") shall fulfill the requirements of section 1004.28(1)(a), F.S., and shall request approval of the Florida Agricultural and Mechanical University Board of Trustees ("the Board"). Upon the approval of the University President (the "President") and approval by the Board, a direct support organization shall be considered to be certified and authorized to use the property, facilities, name and personal services of the University.
 - (2) The senior operating officer of the DSO shall report to the President.
- (3) Operating budgets of DSOs shall be prepared at least annually, approved by the organization's governing board and by the President and submitted to the Board for approval.
- (4) A DSO shall have the authority to amend its budget. Budget amendment requests for less than 15%, but not to exceed \$40,000, of the total amount of the annual budget shall require the approval of the President, provided that no budget amendment affecting the President or the President's compensation, salary or other benefits shall be made without the approval of the Board. Other budget amendment requests shall require the approval of the President and the Board.
- (5) Direct support organizations shall provide for an annual audit and management letter, as prescribed by applicable laws and rules, which shall be submitted to the President and to the Audit Committee of the Board for Board review and approval.
- (6) If the President determines that the DSO is no longer serving the best interests of the University, the President may request that the Board decertify a DSO. The Board has the authority to request that the President investigate any DSO that is acting inconsistently with the best interests of the University. The request for decertification shall include a plan for disposition of the DSO's assets and liabilities.

Rulemaking Authority	§ 1004.28 (2), FS.	History–New 1-1-04, r	epealed .
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