Florida Gulf Coast University Board of Trustees
February 6, 2003

SUBJECT: Minutes of December 2, 2002 Meeting

PROPOSED BOARD ACTION

Approve minutes.

BACKGROUND INFORMATION

The Florida Gulf Coast University Board of Trustees met on December 2, 2002. Minutes of the meeting were kept, as required by Florida law.

Supporting Documentation Included: Minutes of December 2, 2002 Meeting

Prepared by: Barbara Krell, Office of the President

Legal Review by: Wendy Morris, General Counsel (January 21, 2003)

Submitted by: President Bill Merwin
Chairman Lutgert convened the meeting of the University Board of Trustees in the Sprint Room on the Florida Gulf Coast University Campus at 1:00 p.m., December 2, 2002 with the following members present:

Brian Cobb  
Larry Hart  
Bernard Lester  
David Lucas  
Scott Lutgert  
Gerri Moll  
Edward Morton  
Adam Ricciardiello  
Jerry Starkey  
Linda Taylor – via conference call  
Michael Villalobos

Peg Gray-Vickrey-Non Voting Member

Members of the staff present were:

William Merwin, President  
Brad Bartel, Provost  
Curtis Bullock, Vice President, Administrative Services  
Thomas Healy, Interim Vice President for Advancement  
Susan Evans, Special Assistant to the President  
Wendy Morris, General Counsel

1. Call to Order and Chair’s Remarks

Chairman Lutgert greeted Trustees and thanked audience members for attending. He announced that the January 9 Board of Trustees meeting has been postponed until February 6, 2003 due to the implications of Amendment 11 which go into effect January 7. He complimented
President Bill Merwin and President Ken Walker and both Boards of Trustees for the work that has been done in developing the joint degree programs. The cooperation between the university and the Community College has significant implications statewide. Chairman Lutgert also thanked Provost Bartel and Dr. Peg Gray-Vickrey for their leadership in the Mission Statement development process. He turned the meeting over to President Merwin for his report.

2. President’s Report

President Merwin greeted Trustees and said that in the past several weeks a number of interesting things have occurred. One was a visit by the American Association for Collegiate Schools of Business. This accreditation would place us in the top 25% among the nation’s colleges of business, and while we will not receive final word until April, the preliminary report has been encouraging. He reported that the Annual Scholarship Luncheon was held recently with donors and scholarship recipients. This event is very meaningful and included testimonies by students on the impact of these scholarships have on their lives.

President Merwin stated that the Alico Arena grand opening is tonight with a ribbon cutting ceremony at 4:30 p.m. followed by the women’s game begins at 5:30 p.m. and the men’s game at 7:30 p.m. At this event we plan to honor Ben Hill Griffin and Bernie Lester along with other members of the Alico Board.

President Merwin reminded Board members that Commencement would be held for the last time in the Teco Arena on Sunday, December 15, at 1 p.m. He announced that he has been elected to the Board of the American Association of Colleges and Universities. President Merwin met with Ave Maria University president and founder and wished them well. We are looking forward to them joining the Alliance of Education Leaders and the possibility of intercollegiate athletics.

President Merwin reported that the Degree Program in Partnership with Edison Community College has been accomplished and will come before the Trustees later this afternoon. He thanked Dr. Bob Burns who worked diligently to make this joint partnership a success.

President Merwin stated that he is optimistic regarding the outcome of Amendment 11, and feels we will be able to work successfully within the guidelines of that Amendment. He stated that the board of governors will govern the state university system and a board of trustees will administer each public university. Each university board of trustees will be comprised of 13 members. The board of governors will establish
the powers and duties of the boards of trustees. The Governor will appoint 6 to the board of trustees and the board of governors will appoint 5 to the board of trustees. The chair of the faculty senate and the president of the student body also will serve – resulting in the total of 13. The board of governors consists of 17 members. The governor will appoint 14 to the board of governors. In addition, the commissioner of education, the chair of the advisory council of the faculty senates and the president of the Florida student association will also serve – resulting in the total of 17 members. We hope to maintain the local autonomy that is serving FGCU so well. President Merwin stated that employees would not know the difference related to paychecks, and that benefits and retirement matters would not change.

3. Consent Agenda

A motion was made by Trustee Moon to approved the Minutes of October 10, 2002 meeting. Motion was seconded by Trustee Lester. Motion carried unanimously.

4. Academic/Student/Faculty Affairs Committee Meeting – Committee Chair Renee Lee

Provost Bartel presented the following action items on behalf of Trustee Lee:

Student Athletics Fee Increase for 2003-04 (Appendix A) – A motion was made by Trustee Moll to approve the recommended increase. Motion was seconded by Trustee Villalobos. Motion carried unanimously.

FGCU Mission Statement (Appendix B) - A motion was made by Trustee Moll to approve the Mission Statement. Motion was seconded by Trustee Villalobos. Chairman Lutgert stated he felt we now have a concise Mission Statement that fits the vision we all share for the university. Motion carried unanimously.

New Degree Proposal: FGCU/ECC Partnership for an FGCU Bachelor of Science in Applied Science with Concentration in Computer Technology and Public Services Management (Appendix C) - Provost Bartel commended Dr. Bob Burns and Ms. Cathy Duff, Associate Dean of Planning & Evaluation for their hard work and dedication to this process. Motion was made to approve the new degree program by Trustee Lucas. Motion was seconded by Trustee Villalobos. Motion carried unanimously.
New Degree Proposal: Hospitality Management (Appendix D) – Provost Bartel stated this was a very important degree program for Florida Gulf Coast University. Dean Johnny McGaha, College of Professional Studies, outlined plans regarding this new degree program. Trustee Morton requested that budget sheets accompany all new degree program requests. Motion was made by Trustee Moll to approve the Hospitality Management Degree Program. Motion was seconded by Trustee Morton. Motion carried unanimously.

New Degree Proposal: Biotechnology (Appendix E): Provost Bartel reviewed this new degree program and the need for such a science program at Florida Gulf Coast University. Motion was made by Trustee Morton to approve the Biotechnology Degree Program. Motion was seconded by Trustee Moll. Motion carried unanimously.

5. Finance & Administration Committee Meeting (Includes Public Input) – Committee Chair Bernie Lester

Committee Chair Bernie Lester called the Committee to order and presented the following action items:

Signature Authority for Checking Signing (Appendix F): Section 1011.42 (7), Florida Statues, effective January 7, 2003, requires that the Florida Gulf Coast University Board of Trustees “specifically designate and spread upon the minutes of the board the legal name and position title of any university employee authorized to sign checks to pay legal obligations of the university”. The recommendation is that William C. Merwin, President and Curtis Bullock, Vice President, Administrative Services be authorized to sign checks and pay legal obligations of the university. Motion was made by Trustee Morton to approve the recommendation. Motion was seconded by Trustee Starkey. Motion carried unanimously.

Transition from State Accounting System (FLAIR) to FGCU Accounting System (Appendix G): The recommendation is that the Board of Trustees approve FGCU’s Initial Transition Plan, to be submitted to the State Comptroller for review and subsequent submission to the Board of Education. Motion was made by Trustee Taylor to approve this Transition Plan. Motion was seconded by Trustee Morton. Motion carried unanimously.

2003-04 Legislative Agenda (Appendix H): Trustee Lester introduced Dr. Tom Healy to review the Legislative Agenda with Board members. A motion was made by Trustee Moll to approve the 2003-04
Legislative Agenda. Motion was seconded by Trustee Moon. Motion carried unanimously.

President’s Employment Contract (Appendix I): Chairman Lutgert reviewed the process regarding the evaluation of the President. He stated that in January, the Board adopted the performance measures to evaluate the President. The next step was to hire a consultant, Dr. James Koch, to assist the Board in fact finding and evaluating the President. Dr. Koch interviewed many members of the faculty and the community-at-large and friends of the university. Dr. Koch provided us with a report which the Board reviewed at the June meeting. In addition, the Board, at the June meeting, reviewed the President’s performance based on the standards we set in January, and at that time, decided to extend the President’s contract for a period of time. We delegated the negotiating of the President’s new contract to Trustee Lester with the assistance of Dr. Koch. We will present that contract today.

Chairman Lutgert turned the meeting back to Trustee Lester who outlined the process for today’s presentation of the President’s contract. Trustee Lester introduced Mr. Curtis Bullock, Vice President for Administrative Services who summarized the contract. Trustee Moll stated that she was part of the search committee who brought President Merwin to Florida Gulf Coast University and that in her estimation he has exceeded her high expectations of him at the time of his hiring. She stated that this contract confirms that the Board is extremely pleased with President Merwin’s performance. Trustee Moon echoed those comments and stated that he felt FGCU has been transformed since it’s inception due to President Merwin’s leadership and that the President has done a superb job. Motion was made by Trustee Moon to approve the President’s contract. Motion was seconded by Trustee Moll. Motion carried unanimously.

Trustee Taylor proposed that the Board look into a performance package for other top management and Trustee Morton stated that it would be important to find an appropriate performance matrix for the entire management team. President Merwin will report back on this matter to Board members.

Chairman Lutgert thanked the Board for their ability to work together over this past year in order to accomplish all that has been done.

Meeting adjourned 2:55 p.m.
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APPENDIX:

A. Student Athletics Fee Increase for 2003-04
B. FGCU Mission Statement
C. New Degree Proposal: FGCU/ECC Partnership for an FGCU Bachelor of Science in Applied Science with Concentration in Computer Technology and Public Services Management
D. New Degree Proposal: Hospitality Management
E. New Degree Proposal: Biotechnology
F. Signature Authority for Checking Signing
G. Transition from State Accounting System (FLAIR) to FGCU Accounting System
H. 2003-04 Legislative Agenda
I. President’s Employment Contract
Florida Gulf Coast University Board of Trustees
February 6, 2003

SUBJECT: New Degree Proposal: English

PROPOSED BOARD ACTION
Approve new Master of Arts (M.A.) degree in English.

BACKGROUND INFORMATION

FGCU is requesting permission to offer a M.A. degree in English as described in the Executive Summary.

Supporting Documentation Included: (1) Memo from Provost Bartel, and (2) Executive Summary of Degree Program

Prepared by: Cathy Duff, Assistant Dean of Planning and Evaluation

Legal Review by: Wendy Morris, General Counsel (January 21, 2003)

Submitted by: Dr. Brad Bartel, Provost
January 15, 2003

MEMORANDUM

TO: Renee Lee, Chair
    Academic/Student/Faculty Affairs Committee
    FGCU Board of Trustees

FROM: Brad Bartel
      Provost and Vice President for Academic Affairs

SUBJECT: Master of Arts in English

The implementation of the Master of Arts (M.A.) in English program will provide Southwest Florida with a high quality program that is consistent with the university's mission and will serve an identifiable need. The university-wide Graduate Affairs Team has approved the program.

With respect to cost, the program will utilize faculty and resources currently available within the College of Arts and Sciences. Limited new state resources will be required for implementation. Additional resources made available as a result of enrollment growth will also support the program. For these reasons, I recommend approval of the M.A. in English program.

BB:CD: cmb
FLORIDA GULF COAST UNIVERSITY

Executive Summary
New Program Proposal

Degree: Master of Arts (M.A.)

Major: English

College: Arts and Sciences

Division: Arts and Humanities

Program Description:

The proposed M.A. in English program consists of 33 semester credit hours and provides graduate preparation in literary and cultural analysis as well as expository and creative writing. The program is designed to serve students who are preparing for professional employment in business, government, and education as well as those who plan further graduate study in English.

Most obviously, the program will prepare students for beginning or advancing their teaching careers at the elementary, secondary, and community college levels. Additionally, the degree is designed to prepare students who wish to continue their studies in Ph.D. programs in English and American Studies. Because the curriculum is based on the close analysis of complex material, the formulation of responses to that material, and the effective communication of ideas to others, the M.A. in English can be considered a terminal degree for those planning careers in various professional fields in business and government, including writing, editing and publishing, advertising and public relations, and business administration and management.

Implementation of the program is anticipated for Fall 2003.

Consistency with FGCU’s Mission and Strategic Plan:

The program furthers the university’s mission to provide selected graduate programs to meet local personal and employment needs by providing access to humanistic education and preparation for a variety of occupations requiring critical thinking and oral and written communication skills.
Executive Summary: English

Need and Demand:

Projections of economic development and workforce availability indicate that a local source for individuals with graduate training in English clearly is needed.

In addition, both undergraduate and graduate degree programs in the arts and humanities, such as English, are part of the standard curriculum at most universities in the United States.

No public or private institution offers a similar program in the university’s five-county service area.

Enrollment Projections and Resources:

Beginning with a small cohort of 16 students in the Fall 2003 term, the program eventually will grow to 74 students for the 2007-2008 academic year (Table 2).

Resources:

Because the B.A. Liberal Studies-English is an established program at FGCU, the library has already collected a number of resources related to English language, literature pedagogy, and the humanities. The need for additional library resources to support the M.A. English program will be minimal.

It is anticipated that three new faculty members at the assistant/associate professor rank (one each in years 3, 4, and 5) will be hired to support the M.A. English program as well as existing programs in the College of Arts and Sciences (Table 1). With the conservative growth pattern noted above, funding needs can easily be met through enrollment growth funds, which will become available in Fall 2003 (Table 3).
TABLE 1
ESTIMATED FACULTY PARTICIPATION

<table>
<thead>
<tr>
<th>Year</th>
<th>Headcount</th>
<th>FTE*</th>
</tr>
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<tbody>
<tr>
<td>Year 1</td>
<td>4</td>
<td>0.75</td>
</tr>
<tr>
<td>Year 2</td>
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<td>Year 3</td>
<td>6</td>
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<tr>
<td>Year 4</td>
<td>8</td>
<td>1.88</td>
</tr>
<tr>
<td>Year 5</td>
<td>8</td>
<td>2.25</td>
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*Estimated faculty workload in percent person-years (a calculated budgeting term where a position budgeted for 12 months of activity with a full-time effort directed to the activity equals 1.0 FTE).

TABLE 2
STUDENT ENROLLMENT PROJECTIONS

<table>
<thead>
<tr>
<th>Year</th>
<th>Headcount</th>
<th>Full-Time Equivalent (FTE)**</th>
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<tr>
<td></td>
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<td>Full-time</td>
</tr>
<tr>
<td>Year 1</td>
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<td>10</td>
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<tr>
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<td>22</td>
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<td>22</td>
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<td>31</td>
<td>29</td>
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<tr>
<td>Year 5</td>
<td>37</td>
<td>37</td>
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**32 graduate student credit hours equals 1 FTE.

TABLE 3
COMPARISON OF PROGRAM COSTS TO PROJECTED ENROLLMENT GROWTH FUNDS

<table>
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<tr>
<th>Year</th>
<th>Costs</th>
<th>Estimated Enrollment Growth***</th>
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<tr>
<td>Year 1</td>
<td>$163,162</td>
<td>$86,680</td>
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<tr>
<td>Year 2</td>
<td>$201,101</td>
<td>$200,090</td>
</tr>
<tr>
<td>Year 3</td>
<td>$256,515</td>
<td>$287,760</td>
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<tr>
<td>Year 4</td>
<td>$313,368</td>
<td>$358,930</td>
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<tr>
<td>Year 5</td>
<td>$372,187</td>
<td>$444,180</td>
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***Total FTE (from Table 2) X $11,000
Florida Gulf Coast University Board of Trustees  
(February 6, 2003)

SUBJECT: Student Code of Conduct

PROPOSED BOARD ACTION

Approve revised Student Code of Conduct.

BACKGROUND INFORMATION

In January of 2002 a committee of students, faculty and staff was comprised to evaluate and recommend to the FGCU Board of Trustees changes to the Florida Gulf Coast University Student Code of Conduct. The composition of the committee involved at least fifty percent (50%) students as required. The committee members were as follows:

Dr. Charles McKinney, Chair (staff)  
Magali Solimano (student)  
David Anderson (student)  
Scott Hulgan (student)  
Scott Hadley (student)  
Dr. Debra Giambo (faculty)  
Linda Bacheler (staff)  
Dr. Joe Shepard (ex-officio/staff)

The Committee met on a regular basis and reviewed and redesigned the Student Code of Conduct. A public hearing was held on October 17, 2002, from 1:30 p.m. to 5 p.m. in Howard Hall 111 and the revisions were presented for public comment. Additionally, other students were involved for input and given

(continued)
opportunities for review. The revised Code was reviewed by the Office of the Dean of Student Affairs and by the Student Government Association. All entities concur with the revisions being presented to the FGCU Board of Trustees.

Supporting Documentation Included: FGCU Student Code of Conduct

Prepared by: Dr. Joe Shepard, Dean of Student Affairs

Legal Review by: Wendy Morris, General Counsel (January 21, 2003)

Submitted by: Dr. Brad Bartel, Provost
Revised by:
The Student Code of Conduct Committee, comprised of one-half student representation, established in January 2002.

Committee Members:
Dr. Charles McKinney, Chair (staff)
Magali Solimano (student)
David Anderson (student)
Scott Hulgan (student)
Scott Hadley (student)
Dr. Debra Giambo (faculty)
Linda Bacheler (staff)
Dr. Joe Shepard (ex-officio/staff)
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<td>Disruptive Conduct</td>
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Waiver Form: 24-Hour Consideration Period
Waiver Form: Tape Recorded Hearings

XIII  Judicial Process Flowchart
I. INTRODUCTION

The Student Code of Conduct exists to define the behavioral rights and responsibilities of FGCU students; to foster and enhance the academic mission of the university; to protect the rights of all university students, faculty, and staff; and to protect university property.

II. SCOPE

These rules shall apply to all undergraduate students, graduate students, and student organizations of the university and shall be deemed a part of the terms and conditions of admission and enrollment of all students.

The university’s jurisdiction regarding discipline is generally limited to the conduct of any student or registered student organization that occurs on university premises, including University Housing. However, the University reserves the right to impose discipline based on any student conduct, regardless of location, that may adversely affect the University community.

The right of all students to seek knowledge, form opinions, and freely express their ideas is fully recognized by the university. The Student Code of Conduct applies to student conduct and will not be used to discipline the lawful expression of ideas.

The processes for adjudicating violations of State and Federal law violations and of the Student Conduct Code are separate and may be pursued independently of one another.

III. AUTHORITY

A. The University President shall have the final responsibility and authority for the discipline of students of the university. The President delegates this responsibility to the Dean of Student Affairs or his/her designee. The Dean of Student Affairs has the authority to enforce regulations and may take direct jurisdiction of any case.

B. Student organizations charged with violating the Student Code of Conduct fall under the authority of the University conduct system.

C. Hearing bodies have the authority to make decisions regarding a finding of responsible or not responsible for violating the Student Code of Conduct and to sanction accordingly.

D. Failure to comply with duly established laws or university regulations may subject violator(s) to appropriate action by university authorities and/or appropriate civil
authorities. Serious violations of university regulations may be recorded in the individual(s) and/or organization(s) permanent record in the Dean of Students’ Office.

E. The Dean of Student Affairs (or designee) has the authority to notify the person listed as the student’s emergency contact (or other appropriate person) in case of an emergency involving that student.

IV. DEFINITIONS

A. Advisor – Any one person chosen by the charged student or the alleged victim to assist him/her throughout the disciplinary process. Students are required to address the hearing body in person, on their own behalf, although they may consult with their advisor during the hearing. This consultation must take place in a manner that does not disrupt the proceedings. The advisor shall not speak on behalf of the student unless expressly authorized to do so by the hearing body. If an attorney is to be the advisor, the judicial officer assigned to the case must be notified in writing at least two class days prior to the hearing.

B. Administrative Hearing – An official hearing conducted before a designated judicial officer. The judicial officer reviews information; determines if a charged student is responsible or not responsible; and, if found responsible, determines sanctions accordingly.

C. Charged Student – Any student who has been formally charged with an alleged violation of the Student Conduct Code.

D. Class day- Any day (Monday through Saturday) that either classes or final exams are scheduled.

E. Judicial Officer – A university official appointed by Dean of Student Affairs to make the appropriate inquiries into the circumstances of a case and to determine appropriate proceedings of (1) case dismissal, (2) immediate administrative action, or (3) formal charge. The judicial officer conducts administrative hearings and may also serve as a facilitator in a judicial board hearing.

F. Judicial Board Hearing – An official hearing conducted before a judicial board. The judicial board has the authority to review student conduct violations and make decisions related to the case. At the hearing, the judicial board determines if a charged student is responsible or not responsible, and, if found responsible, determines sanctions accordingly. The judicial board must be comprised of at least 50% student representation.
G. **Judicial Appeal Board** - A board consisting of at least 50% student representation convened to hear the appeals of immediate administrative action. (Please refer Section 6: **Immediate Administrative Action** of the Student Code of Conduct.)

H. **Hearing Body** - Any person or persons authorized by the Dean of Student Affairs to conduct hearings to determine whether a student has violated the Student Conduct Code and to impose sanctions. This includes the judicial officer and individuals serving on the judicial board.

I. **Notice** - The written notice given to a student of the Student Conduct Code charge and the allegations of misconduct.

I. **Preponderance of Evidence** – The term “preponderance of evidence” means that evidence, considered as a whole, indicates the fact sought to be proved is more probable than not. The standard used in hearing all disciplinary cases within this Student Conduct Code is “preponderance of evidence.”

J. **Reasonable Person Standard** – The degree of interpretation that a “reasonable” person would provide without bias when presented with similar information.

K. **Student** – Any person matriculated to the University, any person who participates in any course or program in any school, division or unit of Florida Gulf Coast University, or any person who has participated in any course or program at the University and continues to be associated with the University because he/she has not completed the course or program in which he/she was enrolled. The term ‘student’ will also refer to student clubs, groups and organizations.

L. **Judicial Boards** – The Judicial Board is a body of students, faculty and staff to review student conduct violations. Only current students who are actively enrolled at the University, in good academic and disciplinary standing and subject to this Student Code of Conduct are eligible to serve on this Board. The judicial board must be comprised of at least 50% student representation.

M. **University** – The term “University” means Florida Gulf Coast University, including the main campus, all of its branch locations, sites and international programs. The Student Code of Conduct applies to the University as defined herein.

N. **University Community** – Any person who is a student, faculty member, University official, or any other person employed by the University or a guest of the University.
O. **University Official** – Any person employed by the University to perform assigned teaching, research, and administrative, professional or other responsibilities. University Police also falls under this definition.

P. **University Policy** – The written regulations of the University as found in the Student Conduct Code, the Undergraduate/Graduate Catalogs, The Student Guidebook, and the University Housing Rules and Regulations Handbook.

Q. **University Premises** – All land, buildings, facilities, and properties owned, used, leased, or operated by the university.

R. **Notice** - The written notice given to a student of the Student Conduct Code charge and the allegations of misconduct.

** All code of conduct definitions not included in this list are in accordance with definitions found in a current law dictionary recognized by the American Bar Association.

V. **OFFENSES**

As defined by a reasonable person standard, the following offenses, including the aiding or inciting of, or attempt to commit these offenses, represent violations of the Student Code of Conduct. These rules apply to conduct, which occurs on University premises, while attending University sponsored/related activities, and conduct that takes place off University premises when that conduct is determined as adversely affecting the interests of the University community.

A. Academic Dishonesty/Cheating
B. Falsification/Fraud
C. Disruptive Conduct
D. Personal Abuse
F. Sexual Misconduct
G. Larceny/Property Damage
H. Hazing
I. Unauthorized Use of Keys and/or Entry
J. Misconduct at University Sponsored/Related Activities
K. Controlled Substances
L. Alcohol
M. Weapons/Firearms
N. Instigation or Participation in Group Disturbances During Demonstrations
O. Computer Misuse and Telecommunications Resources
P. Gambling
Q. University Designated Student Residence Violations
R. University Wordmark
S. Disregard for the Student Code of Conduct process
T. Other Violations

A. Academic Dishonesty/Cheating

1. Cheating is a violation of student academic behavior standards. The common forms of cheating are:
   
a. Unauthorized assistance- communication to another through written, visual, or oral means. The presentation of material that has not been studied or learned, but obtained through someone else’s efforts and used as part of an examination, course assignment, or project constitutes a violation. The unauthorized possession or use of examination or course related material may also constitute cheating.

b. Plagiarism whereby another’s work is deliberately used or appropriated without any indication of the source, thereby attempting to convey the impression that such work is the student’s own. Any student failing to properly credit ideas or material taken from another is plagiarizing.

2. Any student who knowingly helps another violate academic behavior standards is also in violation of the standards.

   NOTE: For further information see “Student Academic Behavior.”

B. Falsification/Fraud

1. The furnishing of false or misleading information to a University official or others, or withholding required information from University officials or others.

2. Misuse, alteration or forgery of any documents, records, keys or property.

3. Impersonation or misrepresentation. Acting on behalf of another person, group or the University without authorization or prior consent.

4. Permitting another person to use his/her identification.

5. Inappropriate use of another person’s identification.

6. Failure to show proper identification to a University official.
7. Forgery, alteration, or misuse of identification.

D. Disruptive Conduct

1. Intentionally acting to impair, interfere with, or obstruct the orderly conduct, processes and functions of the university.

2. Violence against any member or guest of the university community.

3. An act on university premises that deliberately impedes or interferes with the normal flow of pedestrian and vehicular traffic.

4. Action that tampers with the election(s) of any university student organization or group.

5. Willful destruction of university property or property of members of the university.

6. Misuses of any university safety equipment, fire fighting equipment, or alarm.

7. An act that deliberately interferes with academic freedom or the freedom of speech of any member or guest of the university.

8. A false report of an explosive or incendiary device which constitutes threat or bomb scare.

9. Conduct which is intentionally lewd or indecent.

10. Failure to comply with reasonable oral or written instruction from duly authorized university officials acting in the performances of their duties and/or failure to identify oneself to these individuals when requested.

E. Personal Abuse

1. Verbal abuse from any person including lewd, indecent, racist, prejudice, obscene, or expressions deemed inappropriate.

2. Physical abuse or threat of abuse to any person.

3. Harassment is defined as: engaging in a course of conduct, including but not limited to stalking, directed at a member of the university community which would cause the victim severe emotional distress, intimidation, coercion or which would place the victim in fear of bodily injury or death, provided that this provision shall not be
interpreted to abridge the right of any member of the university community to freedom of expression.

4. The failure to respect the privacy of other individuals.

5. Retaliation against or harassment of complainant(s) or other person(s) alleging misconduct.

F. Sexual Misconduct

1. Sexual Assault - acquaintance rape (date, friend, someone the victim knows casually or through mutual friends) or any other form of rape. Rape may be determined as unconsenting sexual penetration, coercion, or penetration against the victim’s will.

Any sexual conduct shall be consensual, meaning that willing and verbal agreement shall be clearly given in advance by all persons involved at each new level of such conduct. Further, one person shall not physically or verbally coerce another person to engage in sexual conduct, to the end that consent as defined above is not given. A person shall not knowingly take sexual advantage of another person who is:

   a. Under 18 years of age, or
   b. A person a with mental disability that would prevent that person from making a reasonable sexual decision, or
   c. Under the influence of prescribed medication, or
   d. Under the influence of alcohol or other chemical drugs, or
   e. Who is not conscious or awake, and thus is not able to give consent as defined above.

2. Public Indecency - exposure of one’s body in such a manner that another party reasonably could be offended or to display sexual behavior which another person reasonably finds offensive.

3. Voyeurism - sexual stimulation sought through trespass, spy, or eavesdrop activities.

NOTE: FGCU will use discretion in accommodating the victim as well as protecting the rights of the charged student. As a result of these special circumstances, a case of student sexual misconduct may be resolved before a judicial officer. FGCU will not attempt to shelter students from federal, state, and/or local laws pertaining to sexual misconduct. For further information see “Provisions for Victims/Survivors” found in the Student Guidebook.
G. Larceny/Property Damage

1. Unauthorized use, possession, or theft of property. Such property may be personal or public.

2. To damage or deface university property or the property of another person.

H. Hazing

1. Any action or situation which recklessly or intentionally endangers the mental or physical health and/or safety of a student for the purpose of initiation or admission into, or affiliation with any organization operating under the sanction of the university.

2. Brutality of a physical nature such as whipping, beating, branding, forced calisthenics, exposure to the elements, forced consumption of any food, liquor, drug, or other substances, or other forced activities which could adversely affect the physical health or safety of the individual.

3. Any activity which could subject the individual to mental stress such as sleep deprivation, forced exclusion from social contact, forced contact, which could result in embarrassment, or any other activity which could adversely affect the mental health or dignity of the individual.

I. Unauthorized Use of Keys and/or Entry

1. Unauthorized possession, duplication, or use of keys to any university premises.

2. Unauthorized entry or attempted entry to university premises.

J. Misconduct at University Sponsored Activities

Violation of university policies at a university sponsored/related activity.

K. Controlled Substances

1. Possession or use of any narcotic or other controlled substances.

2. Distribution, delivery, sale or attempted sale of any narcotic or controlled substances.

3. Possession or use of drug paraphernalia.
L. Alcohol

1. Possession, use or consumption of alcohol when under the legal drinking age as defined by law.

2. Dispensing, selling or supplying alcoholic beverages to an individual who is under the legal drinking age as defined by law.

3. Public intoxication as observed through disruptive behavior resulting from excessive consumption of alcoholic beverages (to be determined by physical observation or BAC test, if available).

4. Violating other University or Housing policies while under the influence of alcohol. Students who choose to drink alcohol will be held fully responsible for their behavior while under the influence of alcohol.

Note: For further information see “Drug Free Workplace/Drug Free Schools Policy” which can be found either in the Student Guidebook or the Catalog.

M. Weapons/Firearms

1. Unauthorized possession or use of firearms or any weapon on university premises or at university sponsored/related activities.

2. Unauthorized possession or use of fireworks of any description, explosives, or chemicals which are disruptive, explosive, or corrosive on university premises or at university sponsored/related activities.

N. Instigation or Participation in Group Disturbances During Demonstrations, Parades, or Picketing

1. The participation in a demonstration(s), parade(s), or picketing that interferes with the educational function of the university, or jeopardizes public order and safety.

2. Leading or inciting others to disrupt scheduled and/or normal activities on university premises.

O. Computer Misuse and Telecommunications Resources

1. The university supports open access to electronic communication and information. Nevertheless, the preservation of an open computing and communications environment requires adherence by users to a set of standards and policies for the
responsible use of computing systems, software, and telecommunication networks. University computing and telecommunications resources shall not be used as follows:

a. To impersonate another individual or to misrepresent an authorization to act on behalf of other individuals or the university.
b. To modify the original attribution of electronic mail messages or postings.
c. To send anonymous messages without clearly and correctly identifying the sender.
d. To make unauthorized or illegal use of the intellectual property of others without the prior written permission of the owner or the copyright holder of the information.
e. To transmit to others or to display images, sounds, or messages that reasonably could be perceived as being harassing, invasive, or otherwise unwanted.
f. To carry out commercial or other for-profit purposes.
g. To conduct programs which do not directly relate to, or are not in support of, the academic, research, administrative, or student activities of the university.
h. To attempt to undermine, as defined by a reasonable person standard, the security or the integrity of the university’s computing systems or telecommunications networks, to attempt to gain unauthorized access, or to intercept or decode passwords or similar access control information.
i. To intentionally, as defined by a reasonable person standard, damage, disable, or impair computing or telecommunications equipment or software.
j. To acquire or utilize software that does not adhere to applicable software licenses and copyright laws or is not consistent with university software policies.
k. To introduce viruses or other destructive software in university computer facilities.
l. To engage in activities which are not consistent with the provisions of Chapter 815, Florida Statutes, Computer Crimes Act, Title 18 United States Code, Electronic Communication Privacy Act of 1986, or the Telecommunications Act of 1996.
m. “Chain letters” or similar materials are prohibited.

2. All members of the university community are expected to adhere to university policies regarding the security and use of individual user identifications and passwords. Members of the university community are held responsible for any violation of university policies that occurs either on or off campus that involve the use of their computer account. Unauthorized use of a university computer account is expressly prohibited.

Computer users shall comply with all applicable federal, state, and local laws and regulations governing the use of computer and telecommunication technology, as well as all applicable policies of the university, the Florida Board of Education, and
the FGCU Board of Trustees. These policies are referenced in the “FGCU Acceptable Computer and Network Policy”, the student guidebook and are posted on the University website. Violations of the computer and network rules and policies shall result in disciplinary action. Serious violations of university policies shall generally result in immediate loss of network and computer access and privileges.

Suspected criminal violations of federal, state, or local laws shall be reported to the University Police Department, appropriate law enforcement agencies or any other applicable authorities or agencies. However, unauthorized or fraudulent use of university computing and telecommunication resources can result in felony prosecution as provided for in Florida Statutes, Chapter 775, Florida Criminal Code.

P. Gambling

1. To play in an unlawful game of chance for money or for anything of value on university premises or at any affair sponsored by a student organization.
2. To sell, barter, or dispose of a ticket, order, or any interest in a scheme of chance by whatever name on university premises or at any affair sponsored by a student organization.
3. To wager on a university team or organization in a competition with a direct interest in the success of the competition.

NOTE: Charitable, nonprofit organizations may operate “drawings by chance”. The law requires specific disclosures and procedures, 849.0935, SF. Permission for student organizations to organize “drawings by chance” on university premises or at any sponsored affair must be secured from the Dean of Student Services prior to an announcement of the event.

Q. University Designated Student Residence Violations

Repeated or flagrant violations of regulations governing university student housing (which are found in Housing Rules and Regulations Handbook).

R. University Wordmark

Unauthorized use of the official university Eagle, mono-seal, or other graphic identity symbol.

S. Disregard for the Student Code of Conduct Process

1. Failure to obey a Hearing Body directive(s) or order(s).
2. Improper actions during a conduct hearing.
3. Failure to respond to a request to appear before a Hearing Body when notified to do so.

4. Knowingly withhold, falsify, or misrepresent information before a Hearing Body.

5. Violation of the terms of the Hearing Decision.

T. Other Violations

1. Violation of Federal or State law or local ordinance.

2. Aiding or assisting in any other violation of Federal or State law or local ordinance.

VI. IMMEDIATE ADMINISTRATIVE ACTION

In certain circumstances involving a student’s actions that may affect the safety, health, or general welfare of the student or University community, the Dean of Student Affairs may impose an immediate University suspension prior to the student’s hearing with a hearing body. An immediate suspension means a student cannot be on University property, cannot attend classes, and cannot use University facilities. The Director of Housing and Residence Life has the authority to cancel a student’s University Housing contract under a separate process.

A. An immediate suspension requires that the student be notified in writing.

B. The student has the opportunity for a speedy appeal hearing before a judicial board regarding whether the immediate suspension should continue until a hearing is held on the alleged violations of the Student Code of Conduct. This appeal hearing will be held within three (3) class days of receipt of the written notice of immediate suspension unless both parties agree upon a later time in writing. The appeal must be based on one of the following:

1. An egregious error pertaining to the student’s involvement.

2. Contention that the offense, even if proven, does not pose a threat to the safety, health or general welfare of the University community and, thus, does not warrant a suspension.

C. The judicial appeal board may consist of any number of individuals as long as it maintains at least 50% of its representation from students. The decision resulting from the appeal hearing is final.
D. Formal disciplinary charges will normally be filed at the completion of all investigations or as soon thereafter as possible.

E. Student organizations may be immediately suspended by the Dean of Student Affairs in circumstances involving actions related to that group that may affect the safety, health or general welfare of its members, the University community, or others. The affected student organization has the right to a speedy appeal hearing before a judicial board as described above in (B). An immediate suspension of a student organization means all activities, programs, social events, funding requests and budget expenditures are suspended. One exception is that Greek organizations may be allowed to conduct business meetings provided that 1) they notify and receive permission from the Director of Student Life in advance and 2) an advisor recognized by the University attends the meeting.

VII. STUDENT RIGHTS

A. Notice. Students will be given written notice of the Student Code of Conduct violation and the allegations upon which the charge is based.

B. Pre-hearing. At the pre-hearing information session, the student has the right to review all materials to be used in his/her case and to select a type of hearing, either before a judicial board or a university administrator.

C. Hearing. At the selected hearing, students will be given an opportunity to present information in a fair and impartial setting.

D. Appeal. Students have the right to appeal a decision by a hearing body based on established appeal guidelines.

(A more detailed description of the procedures utilized to implement these rights is found in Section IX, Procedures. A complete description of Appeal rights can be found in Section XI, Appeals.)
VIII. Victim Rights

Victims of Student Code of Conduct violations have the following rights in accordance with all federal and state laws:

A. To have an advisor of the alleged victim’s choice accompany her/him when presenting information to the hearing body and to any other relevant meetings held throughout the disciplinary process.

B. To submit a victim impact statement to the hearing body. This information may be used only in the sanctioning phase of deliberations, if the charged student is found responsible for the charge(s). If the charged student appeals the decision on the basis of severity of the sanction imposed, he/she will have the right to view the victim’s impact statement upon request.

C. To have unrelated past behavior excluded from the hearing. The judicial officer will decide if such information is unrelated. For example, the past sexual history of the alleged victim is not usually considered relevant.

D. To submit questions to the judicial officer 48 hours prior to the hearing. The judicial officer will then consider posing these questions to the charged student.

E. At the request of a victim in cases involving sexual misconduct, physical violence or stalking charges, the alleged victim may request to present his/her side of the story in a separate room from the charged student so long as the process does not unduly compromise the charged student’s right to question the witness.

F. To be present throughout the hearing, or portions thereof. This option will be offered only by the judicial officer.

G. To have any personal property returned to them if in current possession of the University. The determination of when this property is to be returned is left to the discretion of the judicial officer and/or university police.

H. To be notified of the outcome, including both the decision and the sanctions of the disciplinary process.
IX. PROCEDURES

The Dean of Student Affairs is charged with implementing the Student Code of Conduct. All procedures implemented by the Office of the Dean of Student Affairs will be consistent with all appropriate rights accorded to students in university disciplinary decisions.

A. Charges.

Reports should be submitted to either law enforcement or the designated judicial officer within one calendar year of discovery of the alleged violation, except in extraordinary cases. A review of possible charges may be initiated in the following ways:

1. Receipt of a police report, either initiated by the police or filed by any person or entity (including University departments, offices, officials, staff, faculty, students, community members, etc.). Also included are reports requested of (or received by) another law enforcement agency.

2. Any individual may provide a signed written statement to the Office of the Dean of Student Affairs or the designated judicial officer. All information will then be reviewed by an appropriate staff member to determine whether Student Code of Conduct charges will be filed or if alternative action is appropriate.

3. Any information that comes to the attention of the University that is a violation of the Student Code of Conduct and has the potential to impact the safety and well-being of the University community may result in a student being charged with a violation of the Student Code of Conduct.

Upon the conclusion of the investigation process, the judicial officer may either

1. Dismiss the charge(s),
2. Take immediate administrative action, or
2. File formal charge(s)

No sanctions may be imposed by the judicial officer, or any other party, through an informal settlement process.

B. Notice.

Any charged student will be given written notice of the alleged violation(s) of the Student Code of Conduct. The local address on file with the University will be used for all disciplinary notices. The judicial officer may place a disciplinary hold on the records and registration of any student who fails to respond to a charge letter. Any pending disciplinary matters must be resolved prior to the awarding of any degree or certificate.
The written notice will include the following:

1. The student’s name, social security number, and address;
2. Description of the alleged violation including date(s), time(s), and place(s);
3. Source(s) of information;
4. Names of potential witnesses known at the time formal charges are prepared;
5. Description of any written or physical evidence known at the time charges are prepared;
6. The student’s right to select a type of hearing, either before a judicial board or an administrator.
7. An opportunity to attend a pre-hearing informational session to clarify rights and procedures;

In addition, the following documents will accompany the written notice as attachments:

1. A brochure that outlines students’ rights under the Student Code of Conduct and contains the contact information of impartial advisors, such as the Student Government Association and the University Ombudsman.
2. The Waiver of Student Rights Form, which must be signed by a student to proceed with an administrative hearing over a judicial board hearing.

C. Pre-Hearing. At the pre-hearing information session, the student has the right to review all materials to be used in his/her case and to select a hearing type.

1. It is the student’s responsibility to schedule an appointment for a pre-hearing prior to the formal hearing. The pre-hearing must be scheduled within ten (10) class days from the date of the notice or at the discretion of the Conduct Hearing Officer.
2. Following the pre-hearing information session, the charged student will have a 24-hour consideration period to select either a Judicial Board Hearing or waive this right to select an Administrative Hearing. The 24-hour consideration period may be waived by the student in writing through the Waiver of 24-Hour Consideration Period Form.
3. The selected hearing shall be no sooner than three (3) class days from the date of the pre-hearing, unless waived by the student in writing, nor later than fourteen class days from the pre-hearing.
4. If a student fails to schedule or attend a scheduled pre-hearing information session, and ten (10) class days have expired since the date of the notice, the student waives his/her right to a pre-hearing. At that time, a formal hearing before an administrator or a judicial board, to be determined by the judicial officer, will be scheduled in the
student’s absence. The date of the formal hearing will be no sooner than three (3) class days nor later than twenty-eight (28) class days from the day it is scheduled. The student shall be notified in writing of the hearing type and its date, time, and location.

5. If the student fails to appear at the scheduled formal hearing and failed to provide notice to this effect, the hearing will be held in the student’s absence and he/she may be charged with additional violations of the Student Code of Conduct.

D. Hearings.

Hearings will follow these guidelines:

1. All hearings will be fair and impartial.

2. A student charged with offense(s) will have the opportunity to present information on his/her behalf, including presenting witnesses and/or signed, written statements.

3. The charged student may be accompanied during the hearing by an advisor of his/her choice. The advisor may not represent the student before the hearing body; the student must speak for himself or herself. In addition, the advisor may not participate in the hearing other than providing consultation to the student. This consultation must take place in a manner that does not disrupt the proceedings. The advisor may be removed from the hearing if it is determined that his/her presence is disruptive. The charged student should notify the Office of the Dean of Student Affairs of the advisor’s name at least two (2) class days prior to the hearing.

4. A student may choose not to answer any questions posed by a hearing body. However, the University is not required to postpone disciplinary proceedings pending the outcome on any criminal prosecution. The Hearing Body may proceed with a hearing and base its decision on all available information. This protection from self-incrimination does not extend to student clubs or organizations.

5. The burden of proof rests with the plaintiff. The standard of proof at a hearing will be the preponderance of the evidence; this means that the evidence, as a whole, shows that the fact sought to be proved is more probable than not.

6. In cases involving multiple students charged, information provided at one hearing may be used as evidence in the related cases(s).

7. Information obtained in a hearing may result in the adjustment of the original charges and sanctions may be imposed accordingly.
8. Closed Hearings. A closed hearing may include the person(s) bringing charges against a student, the charged student, advisors, Conduct Hearing Officers, Residence Life staff (including RAs), alleged victim(s) and any witness(es) who can give a first hand account of the incident. Witnesses may only be present during the time they are testifying, even if the hearing is open. Character witnesses may only provide testimony in the form of a written statement. All hearings are closed unless the Conduct Hearing Officer receives a request for the hearing to be open.

Open Hearings. If either party requests the hearing be open, a petition must be received by the Office of the Dean of Student Affairs at least three (3) class days prior to the scheduled hearing. Both the charged student(s) and the alleged victim(s) must agree for the hearing to be open. An open hearing is completely open to the public, and may include family members, members of the University community or the community at large (including the media both on- and off-campus). The Conduct Hearing Officer will attempt to notify (by telephone) the other party(ies) involved of the request immediately upon receipt of the petition. If after four attempts the other party(ies) cannot be directly reached, the petition will be denied and the hearing will remain closed. The decision to have an open hearing will be finalized by the Conduct Hearing Officer one class day prior to the hearing and will not be reversed on the day of the hearing. It is the responsibility of each party to contact the Conduct Hearing Officer prior to the day of the hearing to confirm whether the hearing is open or closed.

9. All hearing decisions will be communicated in writing to the charged student and will include the rationale, the hearing decision, and sanctions imposed (if applicable).

10. Appropriate witnesses will be called by the University when necessary to support charges. Witnesses who appear may be questioned by the charged student. Appropriate witnesses may also be called by the charged student to all formal hearings.

11. If the charged student fails to appear at the scheduled hearing after proper notice (see Section IX: Procedures), the hearing may be held in the charged student’s absence.

12. Prior records of disciplinary action and victim impact statements are considered by the hearing body only in the sanctioning phase of deliberations. Past criminal convictions also may be considered if relevant to the proceedings.

13. The hearing body’s determination of “responsible” or “not responsible” will be based solely on the information presented at the hearing.
E. Types of Hearings.

Charged students may select between two distinct types of hearings. The two hearings provided for by the Student Code of Conduct are 1) the judicial board hearing and 2) the administrative hearing. Administrative hearings typically can be scheduled more quickly than judicial board hearings.

1. Judicial Board Hearings:

   a. Appropriate witnesses may be called to provide information to support the charges. Charged students who wish to question adverse witnesses will be given the opportunity to do so.

   b. Are scheduled no sooner than three (3) class days and no later than twenty-eight (28) class days from the pre-hearing (unless waived by the student).

   c. Will be tape recorded, unless waived by the charged student in writing. This recording will serve as the official record of the proceedings.

   d. A decision letter will be sent to the student within ten (10) class days from the conclusion of the hearing process. This time limit may be extended if necessary where additional consideration of evidence and deliberation is required by the judicial board.

   e. The following order of presentation is recommended for use in judicial board hearings. The judicial board may change the order if necessary:

      i. Presentation of charges.

      ii. Opening statements (if any) by the University, followed by the opening statement of the charged student.

      iii. Presentation of evidence and witnesses by the University, followed by questioning of those witnesses. Each witness is dismissed after questioning.

      iv. Presentation of evidence and witnesses by the charged student, followed by questioning of those witnesses. Each witness is dismissed after questioning.

      v. Questions directed to the charged student by the hearing body.

      vi. Closing statements (if any) by the University, followed by the closing
2. Administrative Hearings:

   a. The judicial officer does not automatically call witnesses to support the charges, although he/she may gather any additional information needed, including calling witnesses. The student will be informed of any additional information gathered by the Conduct Hearing Officer and have an opportunity to respond at the hearing. The charged student may call witnesses and present evidence.

   b. Are scheduled no sooner than three (3) class days from the pre-hearing (unless waived by the student), no later than twenty-eight (28) class days.

   c. Will be tape recorded, unless waived by the charged student in writing. This recording will serve as the official record of the proceedings.

   d. A decision letter will be sent to the student within ten (10) class days from the conclusion of the hearing process.

F. Choice of Hearing Type.

   1. Students may select between judicial board hearing or administrative hearing. To select an administrative hearing, the charged student must sign the Waiver of Student Rights Form.

   2. When two or more individual cases stem from the same incident, those cases may be heard jointly if the students waive the right to individual hearings. In these situations, sanctions (if any) will be communicated separately.

X. Sanctions

A. In light of the facts and circumstances of each case, the following sanctions, or combination of sanctions (with or without appropriate modifications) may be imposed upon any student found to have violated the Student Conduct Code:

   1. Reprimand. An oral warning or written statement placed in a student’s disciplinary file.

   2. Community Service Hours. Assignment to perform tasks or services under the supervision of a University department or community service agency.

   3. Educational Activities. Attendance at educational programs, interviews with appropriate officials, planning and implementing educational programs, writing research papers or other educational activities.

   4. Counseling Assessment and Compliance. Referral for assessment (at the student’s expense) to a licensed mental health professional or counseling center for general mental health or other counseling issues. Students found
responsible for alcohol/drug violations may be referred to the FGCU Counseling and Student Health office or to an outside agency or counselor based on the seriousness of the offense. Students must comply with all recommendations established as a result of any assessment.

5. Restitution. Payment of actual damages or loss of services to the University or victim.

6. Disciplinary Probation. A period of time during which any further violation of the Student Conduct Code puts the student’s status with the University in jeopardy. If the student is found “responsible” for another violation of the Code during the period of Disciplinary Probation, serious consideration will be given to imposing a sanction of Suspension or Expulsion from the University.

7. Restrictions. Some of the restrictions that may be placed on a student include, but are not limited to:

   a. Participation in student clubs, groups, activities or events.
   
   b. Representation of the University on athletic teams.
   
   c. Holding leadership positions.
   
   d. Entrance to University Housing areas or any other areas on campus.
   
   e. Contact with another specified person(s).

8. Change in University Housing assignment.

9. Exclusion (either temporary or permanent) from University Housing.

10. Removal from the classroom.

13. Suspension. Separation from the University for a specified period of time.

14. Expulsion. Separation from the University without the possibility of re-admission.

15. Withholding of registration, diplomas, transcripts or other records.

16. Transcript Notations. A written notation indicating that disciplinary action was taken.

(Note: Students will normally forfeit tuition and Housing Fees if found responsible for a Student Conduct Code violation resulting in removal from the classroom, suspension or expulsion. A student may also forfeit academic credit accordingly and must see his/her
professor to determine the impact on grades based on the withdrawal. Students who are excluded from living in University Housing must contact the Director of Housing and Residence Life to determine the financial impact of the canceled contract).

B. The following sanctions may be imposed upon groups or organizations found to have violated the Student Conduct Code:

1. Those sanctions listed in Section A above. Suspension or Expulsion of student organizations includes temporary or permanent loss of recognized status with the University.

2. Additional sanctions specific to student organizations are found in organizational constitutions, the Office of Greek Life, and the Office of Student Life policies, which are hereby incorporated by reference.

C. Any sanction that separates a student from the University will be noted on that student’s academic transcript. A lesser sanction may not be noted on the transcript.

D. Decisions regarding falsification of admission or re-admission information may be forwarded to the appropriate office for review of the application and appropriate action regarding admission.

E. Students who fail to complete sanctions will have a disciplinary hold placed on their records and may receive additional charges.

XI. Appeals

A. Appeal Requests

A student may appeal the outcome of a Student Conduct Hearing in writing to the Dean of Student Affairs within five (5) class days of the date of the decision letter. Supporting documentation should accompany all appeals. An appeal must be based on one or more of the following grounds:

1. Due process errors involving violations of the charged student’s rights that substantially affected the outcome of the hearing.

2. The sanction(s) is (are) extraordinarily disproportionate to the offense committed.

3. New information that was not available at the time of the original hearing.

B. Appeal Hearings

1. Appeals will be heard by the Dean of Student Affairs (or designee).
2. The appeal will be scheduled within ten (10) class days of receiving the written request for appeal.

3. The necessity for an Appeal Hearing will be at the discretion of the Dean of Student Affairs (or designee).

4. The student may bring an advisor to the appeal hearing.

5. On appeal, the burden of proof rests with the student to clearly show that an error has occurred during the original hearing.

C. Appeal Decisions

1. The Dean of Student Affairs (or designee) may uphold, modify, or reverse the original hearing decision, or order that a new hearing be held.

2. Are communicated within twenty class (20) days of the appeal hearing unless notification is given that additional time is necessary for consideration of the record on appeal.

3. Except in the case of an immediate suspension, the student’s status will remain unchanged during the appeal process.

4. May be appealed to the University President. The decision of the University President is final.

XII. Records

A. Records of all disciplinary cases will be maintained in the Division of Student Affairs.

B. Records containing a sanction of expulsion will be maintained in a permanent file and not be removed under any circumstances.

C. Records (with the exception noted in B above) will be kept on file for five years past the date of final action taken on the record. These records will be destroyed after five years in accordance with State regulations.

D. Records indicating a finding of “not responsible” will be considered Administrative Files and will be destroyed three years after the date of final action taken on the record.

E. A student’s prior disciplinary record will be considered only during the
sanctioning phase of deliberations, not to determine whether or not to find a student “responsible” or “not responsible” for the alleged violation.

F. The release of student disciplinary records will be governed by applicable federal and state laws regarding the privacy of educational records.

(Revised Fall 2002 by the Student Code of Conduct Revision Committee)
Waiver Form: Students’ Right to Judicial Board Hearing

Name of Student: _____________________

Name of Presiding Judicial Officer: ________________________

I, the undersigned student, hereby request that charges related to my alleged violation of the FGCU Student Conduct Code be adjudicated through an Administrative Hearing.

I understand that I have the right to have my hearing held before a judicial board comprised of a minimum of 50% student representation and that by signing this waiver form, I waive this right.

As a result of selecting an Administrative Hearing, I understand and accept the following conditions:

1. I willingly choose an administrative hearing.
2. I must give at least two (2) class days notice if I will be assisted by an advisor in the course of the hearing.
3. I waive my right to cross-examine witnesses who have provided written statements or been quoted in reports referenced in the pre-hearing.

_______________________________________________________
Student Signature

_______________________________________________________
Date

Comments:
______________________________

______________________________

______________________________
Waiver Form: 24-Hour Consideration Period

Name of Student: ____________________________  Name of Presiding Judicial Officer: ________________________

I, the undersigned student, hereby waive my right to a 24-hour consideration period following the pre-hearing.

I understand that this 24-hour consideration period is a right granted to all students by the Student Code of Conduct and that during the 24-hour consideration period, I have the opportunity to select a hearing type.

I understand that by waiving this right, I willingly select a hearing type at the pre-hearing without the 24-hour consideration period.

_______________________________________________________
Student Signature

Date

Comments:

___________________________________________________________
___________________________________________________________
___________________________________________________________
Waiver Form: Tape Recorded Hearings

Name of Student: ___________________________   Name of Presiding Judicial Officer: ________________________

I, the undersigned student, hereby waive my right to tape record the hearing in which my case will be adjudicated.

I understand that the right to tape record hearings is granted to all students by the Student Code of Conduct. I understand that the tape recordings serve as the official record of the proceedings and that by waiving this right, the official records of my hearing will be subject to the interpretation of the judicial officer or another party.

I understand that by waiving this right, my case will not be tape-recorded.

______________________________________________________________
Student Signature   Date

Comments:
___________________________________________________________
___________________________________________________________
___________________________________________________________
XIII. **STUDENT CODE OF CONDUCT: JUDICIAL PROCESS FLOWCHART**

Alleged Violation Reported to the Dean of Student Affairs or FGCU Police Department

**Investigation Process**

- Case Dismissal
- Student Notified of Charge through Letter
- Emergency Suspension

**Pre-hearing Information Session**

- 24-hour period
- Waiver of 24-hour period

**Student Selects Type of Hearing**

- **Judicial Board Hearing**
  - Not in Violation
  - In Violation - Sanctions imposed

- **Administrative Hearing with Judicial Officer**
  - Not in Violation
  - In Violation - Sanctions imposed

**Student**

- Accepts
- Appeals

**Student Code of Conduct Committee**

**Dean of Student Affairs**

**University President**
Florida Gulf Coast University Board of Trustees
February 6, 2003

SUBJECT: Financial Audit

PROPOSED BOARD ACTION

Information only.

BACKGROUND INFORMATION


Supporting Documentation Included: FGCU Financial Audit (Report No. 03-106)

Prepared by: Curtis Bullock, Vice President for Administrative Services

Legal Review by: Wendy Morris, General Counsel (January 21, 2003)

Submitted by: President Bill Merwin
Florida Gulf Coast University
Board Of Trustees

A Financial Statement Audit Report
For the Fiscal Year Ended June 30, 2002

WILLIAM O. MONROE, CPA
During the audit period, the President of the University was Dr. William C. Merwin. The Board members who served during the audit period are listed below:

**Board Members**

- Brian Cobb
- Larry D. Hart
- Renee Lee
- Dr. W. Bernard Lester
- David Lucas
- Scott F. Lutgert
- Gerri Moll
- Dr. Harry K. Moon
- Edward A. Morton
- Adam Ricciardiello from 6-1-02 (1)
- Magali Solimano to 5-31-02 (1)
- Jerry Starkey
- Linda K. Taylor
- Michael Villalobos

Note: (1) The student body president, who is a voting member of the Board in accordance with Section 229.003(4), Florida Statutes.

**Auditor General**

The Auditor General provides independent, unbiased, timely, and relevant information to the Legislature, entity management, and the citizens of the State of Florida which can be used to improve the operations and accountability of public entities.
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EXECUTIVE SUMMARY

The audit of the financial statements of the Board of Trustees of the Florida Gulf Coast University for the fiscal year ended June 30, 2002, was conducted pursuant to the provisions of Section 11.45, Florida Statutes.

The scope of this audit included an examination of the financial statements of the University, a component unit of the State of Florida, and a determination as to whether management has complied with applicable laws, administrative rules, regulations, contracts, and grants that are material to the financial statements. An examination of Federal awards administered by the University is included in our Statewide audit of Federal awards administered by the State of Florida.

The following provides a summary of the findings of our audit of the financial statements of the University:

- We found that the University's financial statements presented fairly, in all material respects, the financial position of the University and of its discretely presented component unit as of June 30, 2002; the revenues, expenses and changes in net assets; and the cash flows for the fiscal year then ended.
- The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.
- We noted no matters involving the University's internal control over financial reporting and its operation that we considered to be material weaknesses.

This audit was conducted by Carol R. Slade, CPA, and supervised by Reginald C. McNeill, CPA. Please address inquiries regarding this report to James E. Raulerson, CPA, Audit Manager, via e-mail at jimraulerson@aud.state.fl.us or by telephone at (850) 487-4468. This report, as well as other audit reports prepared by the Auditor General, can be obtained on our Web site (http://www.state.fl.us/audgen); by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.
INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Florida Gulf Coast University, a component unit of the State of Florida, and its discretely presented component unit as of and for the fiscal year ended June 30, 2002, as shown on pages 10 through 26. These financial statements are the responsibility of the University's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit, as described in note 1 to the financial statements, which comprise 100 percent of the transactions and account balances of the discretely presented component unit column. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for this entity, is based solely upon the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Florida Gulf Coast University and of its discretely presented component unit as of June 30, 2002, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.
As described in note 13 to the financial statements, the University adopted Governmental Accounting Standards Board Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis - for Public Colleges and Universities*, and related pronouncements as of and for the fiscal year ended June 30, 2002.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Florida Gulf Coast University’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, administrative rules, regulations, contracts, and grants included under the heading **INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The **MANAGEMENT’S DISCUSSION AND ANALYSIS** on pages 5 through 9 is not a required part of the financial statements, but is supplementary information required by accounting principles generally accepted in the United States. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

Respectfully submitted,

[Signature]

William O. Monroe, CPA
January 9, 2003
The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

We have audited the financial statements of the Florida Gulf Coast University, a component unit of the State of Florida, as of and for the fiscal year ended June 30, 2002, and have issued our report thereon included under the heading INDEPENDENT AUDITOR’S REPORT ON FINANCIAL STATEMENTS. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our report on the financial statements included disclosures regarding our reference to the report of other auditors.

Compliance

As part of obtaining reasonable assurance about whether the University’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, administrative rules, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the University’s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the University’s internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in the internal control over
financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, Federal and other granting agencies, and applicable management. Copies of this report are available pursuant to Section 11.45(4), Florida Statutes, and its distribution is not limited.

Respectfully submitted,

[Signature]

William O. Monroe, CPA
January 9, 2003
MANAGEMENT’S DISCUSSION AND ANALYSIS

Overview of the Financial Statements and Financial Analysis

This section of Florida Gulf Coast University’s annual financial report presents management’s discussion and analysis of the financial performance of the University during the fiscal year ended June 30, 2002. This discussion should be read in conjunction with the financial statements and notes thereto. The discussion and analysis is designed to focus on current activities, resulting change, and currently known facts.

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 35, Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities and GASB Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments. Florida Gulf Coast University’s reporting model under GASB Statement No. 35 is a special-purpose government entity engaged only in business-type activities.

These financial statements differ significantly, in both form and the accounting principles utilized, from prior financial statements. The financial statements in prior years focused on the accountability of funds, while these statements focus on the financial condition of the University, the results of operations, and cash flows of the University, as a whole. The major reporting differences are the tuition scholarship allowances and depreciation and deletions of capital assets. Since this is a transition year for this format, only one year of the management’s discussion and analysis is presented.

One of the most important questions asked about the University’s finances is whether the University, as a whole, is better off or worse off as a result of the year’s activities. The key to understanding this question is the statement of net assets, statement of revenues, expenses, and changes in net assets, and the statement of cash flows. Over time, increases or decreases in net assets are indicators of the improvement or erosion of the University’s financial health when considered with nonfinancial facts such as enrollment levels and the condition of the facilities.

The Analysis of Net Assets

The statement of net assets includes assets, liabilities, and net assets of the University. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when goods or services are received, regardless of when cash is exchanged. The assets and liabilities are shown in order of their relative liquidity. An asset’s liquidity is determined by how readily it is expected to be converted to cash and whether restrictions limit the University’s ability to use the resources. A liability’s liquidity is based on its maturity or when cash is expected to be used to liquidate the liability.

The University’s financial health, as a whole, improved during the fiscal year ended June 30, 2002, with net assets of $158,813,001. Net assets increased approximately 16 percent over the previous year. The change resulted primarily from an increase in capital assets. The utilization of long-lived assets is reflected in the financial statements as depreciable capital assets. Depreciation amortizes cost of an asset over its expected
useful life. Capital leases payable for student housing is the University's largest liability at June 30, 2002, in the amount of $22 million representing 69 percent of total University liabilities.

**The Statement of Revenues, Expenses, and Changes in Net Assets**

The statement of revenues, expenses, and changes in net assets presents the revenue earned and the expenses incurred during the year. Activities are reported as either operating or nonoperating. The financial reporting model classifies State appropriations as nonoperating revenues.

Total operating revenues for the fiscal year ended June 30, 2002, were $26,568,285 of which $11,721,720 was from student tuition and fees. The tuition scholarship allowance, which represents institutional scholarships and Federal student aid, was $1,564,246, resulting in net student tuition and fees of $10,157,474. Increases in operating revenues resulted primarily from increases in student tuition and fees and auxiliary enterprises that include the student housing operation. There were no significant or unexpected changes in operating revenue. The following chart summarizes the University’s operating revenue for the fiscal year ended June 30, 2002:

![Operating Revenue Chart]

The largest nonoperating revenue source came from State appropriations, totaling $49,625,390. Appropriations for salaries and expenses totaled $29,185,790 and fixed capital outlay (shown as other nonoperating revenue on the statement of revenues, expenses, and changes in net assets) totaled $20,439,600. The following chart summarizes the University’s total operating and nonoperating revenue for the fiscal year ended June 30, 2002:
Total operating expenses, including depreciation and deletions of $5,454,364, for the fiscal year ended June 30, 2002, was $55,470,531. Of this total, $17,524,878, or 32 percent, was for instruction and research. The following chart summarizes total operating and nonoperating expenses by functional classification:

Total operating expenses for the fiscal year ended June 30, 2002, were $55,470,531, of which $35,260,199 was for employee compensation and benefits, or 64 percent. Other than an increase in utilities expense of approximately 18 percent, there were no significant or unexpected changes in operating expenses. The following chart summarizes the University's operating expenses for the fiscal year ended June 30, 2002, by natural classification:
The Statement of Cash Flow

Another important factor to consider when evaluating financial viability is the University's ability to meet financial obligations as they mature. The statement of cash flows presents the information related to cash inflows and outflows summarized by operations, capital and noncapital financing, and investing activities.

The University's overall liquidity increased approximately 23 percent during the year, with a net increase in cash and cash equivalents of $1,104,503. The major sources of cash included in operating activities are student tuition and fees totaling $9,967,293, or 38 percent, Federal, State and local grants and contracts in the amount $10,140,830, or 39 percent, and auxiliary enterprises, primarily housing receipts, totaling $5,825,802, or 22 percent. Major uses of cash were payments made to employees in the amount of $34,904,329, or 70 percent, and to vendors for supplies and utilities in the amount of $6,470,524, or 13 percent. Of noncapital financing activities, the largest inflow of cash is State appropriations totaling $29,185,790 used for operations. Of capital and other related financing activities, the largest inflow of cash is again State appropriations in the amount of $21,639,293 used for capital projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

At June 30, 2002, the University had $139,333,736 invested in capital assets, net of accumulated depreciation of $17,878,404. Depreciation and deletions expense for the year totaled $5,454,364. Capital expenditures during the fiscal year ended June 30, 2002, approximated $17.4 million. The University's significant capital asset additions for the fiscal year ended June 30, 2002, were for new buildings reported as construction in progress approximating $12.5 million and for student housing obtained through a capital lease of $8 million. The condition of University facilities is excellent. The University opened in August 1997 with the oldest building placed in service at that time.
The University’s Board of Trustees approved the capital budget for the 2002-03 fiscal year in the amount of $12.5 million. Several important PECO and Facility Enhancement Challenge Grant Program appropriations by project include: (1) Library Expansion in the amount of $7.5 million, (2) Classrooms/Academic 5 in the amount of $2 million, (3) Teaching Gymnasium in the amount of $2 million and (4) Health Education Center in the amount of $1 million.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The University is not aware of any currently known facts, decisions, or conditions expected to have a significant effect on its financial position or operations during the 2002-03 fiscal year. The University’s financial outlook for the future continues to be positive. The level of State support is one of the key factors influencing the University’s financial condition. Financial and political support from State government is expected to remain fairly stable with moderate growth over the long-term. During this fiscal year, the University experienced a General Revenue Appropriation budget reduction of approximately 5 percent or $1.8 million as a result of a decline in sales tax collected by the State. There is some indication there may be a continued general weakening and slowing of the economy, especially due to the effects of events on September 11, 2001, that may continue to affect the State of Florida’s tourism industry.

Another significant factor in the University’s economic position relates to its ability to recruit and retain high quality students. Fall 2002 total enrollment head count was up 24 percent and first time in college freshman admissions of 586 students represents an 8 percent increase over last year. Improved entering grade point averages and consistently high test scores accompanied the increase in enrollment. Efforts to improve retention, such as an aggressive marketing plan to recruit qualified students, and enhanced intervention to assist academic success will help assure this positive trend.
### ASSETS

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>University</th>
<th>Component Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>5,557,424.61</td>
<td>608,433.00</td>
</tr>
<tr>
<td>Investments with State Treasury</td>
<td>8,017,911.20</td>
<td></td>
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<tr>
<td>Accounts Receivable, Net</td>
<td>243,490.37</td>
<td>3,886,587.00</td>
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<tr>
<td>Interest and Dividends Receivable</td>
<td>14,577.24</td>
<td>457,327.00</td>
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<tr>
<td>Contracts and Grants Receivable</td>
<td>438,061.66</td>
<td></td>
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<tr>
<td>Due from Component Unit/Primary Government</td>
<td>36,493,277.59</td>
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<tr>
<td>Loans and Notes Receivable, Net</td>
<td>10,881.74</td>
<td></td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td>50,775,624.41</td>
<td>4,952,347.00</td>
</tr>
<tr>
<td>Restricted Cash and Cash Equivalents</td>
<td>407,785.28</td>
<td>6,081,720.00</td>
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<tr>
<td>Investments - Restricted</td>
<td></td>
<td>16,930,763.00</td>
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<tr>
<td>Net Investment in Direct Financing Lease</td>
<td></td>
<td>13,904,962.00</td>
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<tr>
<td>Deferred Charges</td>
<td>8,789.30</td>
<td></td>
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<tr>
<td>Buildings, Equipment, and Other</td>
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<td></td>
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<tr>
<td>Depreciable Capital Assets, Net</td>
<td>96,150,375.06</td>
<td>59,174.00</td>
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<tr>
<td>Land and Other Nondepreciable Assets</td>
<td>43,183,361.29</td>
<td>9,015,636.00</td>
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<td><strong>Total Noncurrent Assets</strong></td>
<td>139,750,310.93</td>
<td>45,992,255.00</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$ 190,525,935.34</td>
<td>$ 50,944,602.00</td>
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</table>

### LIABILITIES

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>University</th>
<th>Component Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>596,037.48</td>
<td>370,474.00</td>
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<tr>
<td>Construction Contracts Payable</td>
<td>2,849,648.82</td>
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<tr>
<td>Accrued Salaries and Wages</td>
<td>866,021.62</td>
<td></td>
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<tr>
<td>Deposits Payable</td>
<td>296,524.77</td>
<td></td>
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<tr>
<td>Deferred Revenue</td>
<td></td>
<td>2,318,763.00</td>
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<tr>
<td>Other Current Liabilities</td>
<td></td>
<td>50,705.00</td>
</tr>
<tr>
<td>Long-Term Liabilities - Current Portion:</td>
<td></td>
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<tr>
<td>Compensated Absences Payable</td>
<td>247,666.35</td>
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<tr>
<td>Bonds Payable</td>
<td>72,857.31</td>
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<tr>
<td>Capital Leases Payable</td>
<td>200,000.00</td>
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<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>5,128,756.35</td>
<td>2,739,942.00</td>
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<tr>
<td>Noncurrent Liabilities</td>
<td></td>
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<tr>
<td>Advances from Other Funds</td>
<td>20,000.00</td>
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<tr>
<td>Certificates of Participation Payable</td>
<td></td>
<td>22,000,000.00</td>
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<tr>
<td>Other Noncurrent Liabilities</td>
<td></td>
<td>616,004.00</td>
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<tr>
<td>Compensated Absences Payable</td>
<td>2,359,347.91</td>
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</tr>
<tr>
<td>Bonds Payable</td>
<td>2,404,830.46</td>
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<tr>
<td>Capital Leases Payable</td>
<td>21,800,000.00</td>
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<tr>
<td><strong>Total Noncurrent Liabilities</strong></td>
<td>26,584,178.37</td>
<td>22,616,004.00</td>
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<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>31,712,934.72</td>
<td>25,355,946.00</td>
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</table>
## FLORIDA GULF COAST UNIVERSITY
A COMPONENT UNIT OF THE STATE OF FLORIDA
STATEMENT OF NET ASSETS (Continued)
June 30, 2002

<table>
<thead>
<tr>
<th>NET ASSETS</th>
<th>University</th>
<th>Component Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in Capital Assets, Net of Related Debt</td>
<td>$ 115,319,260.50</td>
<td>$</td>
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<tr>
<td>Restricted and Expendable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>130,815.94</td>
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<tr>
<td>Capital Projects</td>
<td>33,189,206.15</td>
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<tr>
<td>Other Restricted Assets</td>
<td>4,270,575.66</td>
<td>21,662,066.00</td>
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<tr>
<td>Unrestricted</td>
<td>5,903,142.37</td>
<td>3,926,590.00</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>$ 158,813,000.62</td>
<td>25,588,656.00</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>$ 190,525,935.34</td>
<td>$ 50,944,602.00</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of this statement.
**FLORIDA GULF COAST UNIVERSITY**  
A COMPONENT UNIT OF THE STATE OF FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
For the Fiscal Year Ended June 30, 2002

<table>
<thead>
<tr>
<th></th>
<th>University</th>
<th>Component Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Tuition and Fees, Net of Scholarship</td>
<td>$10,157,474.82</td>
<td>$</td>
</tr>
<tr>
<td>Allowances of $1,564,245.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Grants and Contracts</td>
<td>4,386,203.02</td>
<td></td>
</tr>
<tr>
<td>State and Local Grants and Contracts</td>
<td>2,892,432.22</td>
<td></td>
</tr>
<tr>
<td>Nongovernmental Grants and Contracts</td>
<td>2,919,845.67</td>
<td></td>
</tr>
<tr>
<td>Sales and Services of Auxiliary Enterprises</td>
<td>5,825,801.80</td>
<td></td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>386,527.48</td>
<td></td>
</tr>
<tr>
<td>Gifts and Donations</td>
<td>8,759,077.00</td>
<td></td>
</tr>
<tr>
<td>Rental Income and Other</td>
<td>1,311,015.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>26,568,285.01</td>
<td>10,070,092.00</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>35,260,199.45</td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td>2,774,757.75</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>1,557,993.13</td>
<td></td>
</tr>
<tr>
<td>Materials and Supplies</td>
<td>1,930,237.19</td>
<td></td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>4,409,690.30</td>
<td>252,418.00</td>
</tr>
<tr>
<td>Depreciation and Deletions Expense</td>
<td>5,454,364.23</td>
<td></td>
</tr>
<tr>
<td>Loan Cancellation and Receivable Writeoffs</td>
<td>93,928.61</td>
<td></td>
</tr>
<tr>
<td>Other Operating Expense</td>
<td>3,989,360.81</td>
<td></td>
</tr>
<tr>
<td>General and Administrative</td>
<td>1,569,104.00</td>
<td></td>
</tr>
<tr>
<td>University Support</td>
<td>624,706.00</td>
<td></td>
</tr>
<tr>
<td>Program Services</td>
<td>2,462,528.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>55,470,531.47</td>
<td>4,908,756.00</td>
</tr>
<tr>
<td><strong>Operating Income (Loss)</strong></td>
<td>(28,902,246.46)</td>
<td>5,161,336.00</td>
</tr>
<tr>
<td><strong>NONOPERATING REVENUES (EXPENSES)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriations - Operating</td>
<td>29,185,790.00</td>
<td></td>
</tr>
<tr>
<td>Investment Income</td>
<td>485,082.20</td>
<td>876,067.00</td>
</tr>
<tr>
<td>Interest on Asset - Related Debt</td>
<td>(542,485.11)</td>
<td></td>
</tr>
<tr>
<td>Other Nonoperating Expense</td>
<td>(15,932.95)</td>
<td></td>
</tr>
<tr>
<td><strong>Net Loss on Investments</strong></td>
<td>(1,172,284.00)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Nonoperating Revenues (Expenses)</strong></td>
<td>29,112,454.14</td>
<td>(296,217.00)</td>
</tr>
<tr>
<td><strong>Net Income Before Other Revenue and Transfers</strong></td>
<td>210,207.68</td>
<td>4,865,119.00</td>
</tr>
<tr>
<td>Capital Grants, Contracts, and Donations</td>
<td>1,258,617.32</td>
<td></td>
</tr>
<tr>
<td>State Appropriations - Fixed Capital Outlay</td>
<td>20,439,599.76</td>
<td></td>
</tr>
<tr>
<td>Transfers from Component Unit/Primary Government</td>
<td>62,715.16</td>
<td></td>
</tr>
<tr>
<td><strong>Total Other Revenue and Transfers</strong></td>
<td>21,760,932.24</td>
<td></td>
</tr>
<tr>
<td><strong>Increase in Net Assets</strong></td>
<td>21,971,139.92</td>
<td>4,865,119.00</td>
</tr>
<tr>
<td>Net Assets, July 1, 2001</td>
<td>136,841,860.70</td>
<td>20,723,537.00</td>
</tr>
<tr>
<td><strong>Net Assets, June 30, 2002</strong></td>
<td>$158,813,000.62</td>
<td>$25,588,656.00</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of this statement.
## University

### Cash Flows from Operating Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Tuition and Fees</td>
<td>$9,967,292.69</td>
</tr>
<tr>
<td>Grants and Contracts</td>
<td>10,140,830.18</td>
</tr>
<tr>
<td>Sales and Services of Auxiliary Enterprises</td>
<td>5,825,801.80</td>
</tr>
<tr>
<td>Net Loans Issued to Students</td>
<td>6,822.69</td>
</tr>
<tr>
<td>Other Operating Receipts</td>
<td>386,421.25</td>
</tr>
<tr>
<td>Payments to Employees</td>
<td>(34,904,328.79)</td>
</tr>
<tr>
<td>Payments to Suppliers for Goods and Services</td>
<td>(6,470,523.91)</td>
</tr>
<tr>
<td>Payments to Students for Scholarships and Fellowships</td>
<td>(4,409,690.30)</td>
</tr>
<tr>
<td>Other Operating Disbursements</td>
<td>(4,083,289.42)</td>
</tr>
</tbody>
</table>

Net Cash Used by Operations                                                  (23,540,663.81)

### Cash Flows from Noncapital Financing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations - Operating</td>
<td>29,185,790.00</td>
</tr>
<tr>
<td>Other Noncapital Financing Net Receipts</td>
<td>56,106.57</td>
</tr>
</tbody>
</table>

Net Cash Provided by Noncapital Financing Activities                          29,241,896.57

### Cash Flows from Capital and Related Financing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations - Fixed Capital Outlay</td>
<td>21,639,292.76</td>
</tr>
<tr>
<td>Capital Subsidies and Transfers</td>
<td>(7,538,180.06)</td>
</tr>
<tr>
<td>Purchase or Construction of Capital Assets</td>
<td>(17,411,454.34)</td>
</tr>
<tr>
<td>Proceeds from Capital Debt</td>
<td>460,229.84</td>
</tr>
<tr>
<td>Principal Paid on Capital Debt</td>
<td>(62,715.16)</td>
</tr>
<tr>
<td>Interest Paid on Asset Related Debt</td>
<td>(540,911.81)</td>
</tr>
</tbody>
</table>

Net Cash Used from Capital and Related Financing Activities                  (3,453,738.77)

### Cash Flows from Investing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of Investments</td>
<td>(9,280,397.56)</td>
</tr>
<tr>
<td>Sales of Investments</td>
<td>7,675,785.19</td>
</tr>
<tr>
<td>Investment Income</td>
<td>461,621.25</td>
</tr>
</tbody>
</table>

Net Cash Used by Investing Activities                                          (1,142,991.12)

### Net Increase in Cash

**Net Increase in Cash**, **July 1, 2001**: 1,104,502.87

**Cash and Cash Equivalents, June 30, 2002**: $5,965,209.89
RECONCILIATION OF OPERATING CASH FLOW TO OPERATING LOSS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Loss</td>
<td>$ (28,902,246.46)</td>
</tr>
<tr>
<td>Adjustments to Reconcile Operating Loss to Net Cash Used by Operations:</td>
<td></td>
</tr>
<tr>
<td>Depreciation and Deletions Expense</td>
<td>$ 5,454,364.23</td>
</tr>
<tr>
<td>Changes in Assets and Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$(190,182.13)</td>
</tr>
<tr>
<td>Contracts and Grants Receivable</td>
<td>$(57,650.73)</td>
</tr>
<tr>
<td>Loans and Notes Receivable</td>
<td>$ 6,822.69</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$(207,535.84)</td>
</tr>
<tr>
<td>Accrued Salaries and Wages</td>
<td>$ 95,482.57</td>
</tr>
<tr>
<td>Deposits Payable</td>
<td>$(106.23)</td>
</tr>
<tr>
<td>Compensated Absences Liability</td>
<td>$ 260,388.09</td>
</tr>
</tbody>
</table>

**Net Cash Used by Operations**

$ (23,540,663.81)

The accompanying notes to the financial statements are an integral part of this statement.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity.** In prior fiscal years, Florida’s public universities were governed by a Board of Regents, and their financial activities were reported in the State of Florida’s financial statements as part of the primary government. Effective July 1, 2001, the Legislature amended Section 229.003, Florida Statutes, abolishing the Board of Regents and transferring its operations to the Florida Board of Education, which is responsible for overseeing kindergarten through graduate studies education. In addition, the Statute provided for separate boards of trustees appointed by the Governor for each university. Although the University is part of the State University System regulated and coordinated by the Florida Board of Education, effective July 1, 2001, it became a separate public instrumentality.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board’s (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. Application of these criteria determines potential component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government’s financial statements to be misleading or incomplete. Based on the application of these criteria, effective July 1, 2001, the University became a component unit of the State of Florida.

The governing body of Florida Gulf Coast University is its Board of Trustees. The Board constitutes a body corporate and is composed of twelve (12) members appointed by the Governor and one student member. The Board of Trustees is under the general direction and control of the Commissioner of Education, the Chancellor of Division of Colleges and Universities, and is governed by Florida law and rules of the Florida Board of Education. By statute, the Board of Trustees selects the President and Florida Board of Education must ratify the candidate selected. The University Board of Trustees adopts university rules and procedures and plans for the future needs of the University. The University President is responsible for the management of the University and has the ultimate responsibility for administering the policies prescribed by the Board of Trustees.

**Component Unit.** Based on the application of the criteria for determining component units, the Florida Gulf Coast University Foundation, Inc. (Foundation), is included within the University reporting entity as a discretely presented component unit and the financial statements for the fiscal year ended June 30, 2001, the latest available, for this organization are included in the financial statements of the University. The Foundation was incorporated on April 29, 1993, as a Florida not-for-profit foundation under the provisions of Chapter 617 of the Florida Statutes, and pursuant to Section 240.299, Florida Statutes, is a direct-support organization of the University. The Foundation was established to encourage, solicit, collect, receive, and administer gifts and bequests of property and funds for scientific, educational, and charitable purposes, all for the advancement of Florida Gulf Coast University and its objectives. An annual post
audit of the Foundation’s financial statements is conducted by an independent certified public accountant. The annual report is submitted to the Auditor General and the Board of Trustees for review.

**Basis of Presentation.** The University’s fiscal and accounting operations are effectively structured around the Governmental Accounting Standard Board’s statements. The University also adheres to the recommendations of the National Association of College and University Business Officers (NACUBO). NACUBO’s recommendations are prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board.

In November 1999, the Governmental Accounting Standard Board (GASB) issued GASB Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities*. This Statement included public colleges and universities within the financial reporting guidelines of GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*. GASB Statements Nos. 34 and 35 provide significant changes in financial reporting for all governmental institutions. Florida Gulf Coast University’s reporting model under GASB Statement No. 35 is a special-purpose government entity engaged only in business-type activities.

GASB Statements Nos. 34 and 35 provide that a special-purpose government entity engaged only in business-type activities is to present entity-wide reporting including the following components:

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

**Basis of Accounting.** Basis of accounting refers to when the effect of transactions or events should be recognized for financial reporting purposes. It relates to the timing of the measurements made, regardless of the measurement focus applied. The statement of net assets and the statement of revenues, expenses, and changes in net assets are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.
The University’s principal operating activities consist of instruction, research, and public service. Operating revenues and expenses generally include all fiscal transactions directly related to these activities plus administration, operation and maintenance of plant assets, and depreciation of capital assets. Included in nonoperating revenues are State appropriations, investment income, and revenues for capital construction projects. Interest on asset-related debts is considered a nonoperating expense.

Interdepartmental transactions of Auxiliary Service Departments and other Institutional Departments have been accounted for as reductions of expenditures and not revenues of the Auxiliary Service Departments.

Property, plant, and equipment are capitalized, and recorded at historical cost at the date of acquisition or at appraised value at the date received in the case of gifts or purchases from the State Division of Surplus Property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The University has a capitalization threshold of $1,000 for all movable equipment items and a $100,000 threshold for building renovations and improvements. Depreciation is computed on the straight-line basis over the estimated useful life of the related assets.

The following estimated useful lives were used to determine depreciation expense:

- Buildings – 35 to 50 Years
- Infrastructure and Other Improvements – 15 to 50 Years
- Property Under Capital Lease – 50 Years
- Furniture and Equipment:
  - Equipment – 10 to 25 Years
  - Computer Equipment – 3 to 6 Years
  - Moveable Equipment – 5 to 20 Years
- Library Resources – 10 Years

The statement of net assets is presented in a classified format to distinguish between current and long-term assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, grants, etc., it is the University’s policy to first apply the restricted resources to such programs followed by the use of the unrestricted resources.

The statement of revenues, expenses, and changes in net assets is presented by major sources, and is reported net of tuition scholarship allowances. The University applied “The Alternate Method” as prescribed in "NACUBO Advisory Report 2000-05" to determine the net tuition scholarship allowances reported in the statement of revenues, expenses, and changes in net assets.
The statement of cash flows is presented using the direct method, and is in compliance with GASB Statement No. 9, *Reporting Cash Flow for Proprietary and Non-expendable Trust Funds*.

The University follows FASB Statements and interpretations issued on or after November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

2. **CASH AND CASH EQUIVALENTS**

The amount reported as cash and cash equivalents consists of cash on hand, cash in demand accounts, the unexpended general revenue appropriation releases, and cash held in the State Treasury. Cash in demand accounts is held in banks qualified in accordance with the provisions of Chapter 280, Florida Statutes, as public depositories. Deposits are fully insured by a mutual collateral pool.

3. **INVESTMENTS**

The University participates in investment pools through the State Treasury in accordance with the provisions of Section 18.125, Florida Statutes. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes. The University’s investments in these pools are reported at market value.

Generally accepted accounting principles require that the credit risk of investments be classified into the following three categories:

- **Risk Category 1** – Insured or registered, or securities held by the entity or its agent in the entity’s name.
- **Risk Category 2** – Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity’s name.
- **Risk Category 3** – Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the entity’s name.

University investments in investment pools managed by other governments cannot be categorized because the University's investments are not evidenced by specific, identifiable investment securities. All University investments at June 30 were in investment pools managed by the State Treasury with a fair market value of $8,017,911.20.

4. **ACCOUNTS RECEIVABLE**

Accounts receivable reported in the statement of net assets represent amounts for student fees and various student services provided by the University. An estimate of uncollectible accounts receivable of $142,283.42 was calculated by aging the accounts and considering any account over 180 days old as uncollectible at June 30, 2002.
5. CAPITAL ASSETS

The university's major classes of capital assets are listed below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning Balance</th>
<th>Additions</th>
<th>Deletions</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nondepreciable Capital Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$25,150,694.83</td>
<td>$</td>
<td>$</td>
<td>$25,150,694.83</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>5,439,231.34</td>
<td>12,483,579.12</td>
<td></td>
<td>17,922,810.46</td>
</tr>
<tr>
<td>Works of Art and Historical Treasures</td>
<td>84,856.00</td>
<td>25,000.00</td>
<td></td>
<td>109,856.00</td>
</tr>
<tr>
<td><strong>Total Nondepreciable Capital Assets</strong></td>
<td>$30,674,782.17</td>
<td>$12,508,579.12</td>
<td>$</td>
<td>$43,183,361.29</td>
</tr>
<tr>
<td><strong>Depreciable Capital Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>$54,655,492.26</td>
<td>$563,042.51</td>
<td>$50,751.00</td>
<td>$55,167,783.77</td>
</tr>
<tr>
<td>Infrastructure and Other Improvements</td>
<td>7,532,285.77</td>
<td>3,893,417.23</td>
<td></td>
<td>11,425,703.00</td>
</tr>
<tr>
<td>Furniture and Equipment</td>
<td>17,090,571.07</td>
<td>1,497,809.18</td>
<td>1,297,000.45</td>
<td>17,291,379.80</td>
</tr>
<tr>
<td>Library Resources</td>
<td>6,514,241.05</td>
<td>977,062.92</td>
<td></td>
<td>7,491,303.97</td>
</tr>
<tr>
<td>Property Under Capital Leases</td>
<td>13,904,962.23</td>
<td>8,095,037.77</td>
<td></td>
<td>22,000,000.00</td>
</tr>
<tr>
<td>Other Fixed Assets</td>
<td>467,725.47</td>
<td>197,287.80</td>
<td></td>
<td>652,608.27</td>
</tr>
<tr>
<td><strong>Total Depreciable Assets</strong></td>
<td>$100,165,277.85</td>
<td>$15,223,657.41</td>
<td>$1,360,156.45</td>
<td>$114,028,778.81</td>
</tr>
<tr>
<td><strong>Less Accumulated Depreciation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>2,743,831.44</td>
<td>1,179,833.37</td>
<td>3,794.37</td>
<td>3,919,870.44</td>
</tr>
<tr>
<td>Infrastructure and Other Improvements</td>
<td>810,042.61</td>
<td>333,966.95</td>
<td>9,588.7</td>
<td>1,134,420.69</td>
</tr>
<tr>
<td>Furniture and Equipment</td>
<td>7,886,070.90</td>
<td>2,290,647.51</td>
<td>777,427.97</td>
<td>9,399,290.44</td>
</tr>
<tr>
<td>Library Resources</td>
<td>1,912,801.74</td>
<td>726,267.53</td>
<td></td>
<td>2,639,069.27</td>
</tr>
<tr>
<td>Other Fixed Assets</td>
<td>283,859.05</td>
<td>84,832.11</td>
<td>10,253.64</td>
<td>358,437.52</td>
</tr>
<tr>
<td>Property Under Capital Leases</td>
<td>147,590.23</td>
<td>279,725.16</td>
<td></td>
<td>427,315.39</td>
</tr>
<tr>
<td><strong>Total Accumulated Depreciation</strong></td>
<td>$13,784,195.97</td>
<td>$4,895,272.63</td>
<td>$801,064.85</td>
<td>$17,878,403.75</td>
</tr>
<tr>
<td><strong>Total Depreciable Capital Assets, Net</strong></td>
<td>$86,381,081.88</td>
<td>$10,328,384.78</td>
<td>$559,091.60</td>
<td>$96,150,375.06</td>
</tr>
</tbody>
</table>

6. LONG-TERM LIABILITIES

A summary of the University's indebtedness resulting from on-going operations is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning Balance</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance</th>
<th>Current Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Long-Term Obligations:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds Payable</td>
<td>$2,078,598.93</td>
<td>$461,804.00</td>
<td>$62,715.16</td>
<td>$2,477,687.77</td>
<td>$72,857.31</td>
</tr>
<tr>
<td>Capital Lease</td>
<td>14,000,000.00</td>
<td>8,000,000.00</td>
<td></td>
<td>22,000,000.00</td>
<td>200,000.00</td>
</tr>
<tr>
<td><strong>Other Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensated Absences</td>
<td>2,346,626.00</td>
<td>486,958.26</td>
<td>276,570.00</td>
<td>2,557,014.26</td>
<td>247,666.35</td>
</tr>
<tr>
<td><strong>Total Long-Term Liabilities</strong></td>
<td>$18,425,224.93</td>
<td>$8,948,762.26</td>
<td>$339,285.16</td>
<td>$27,034,702.03</td>
<td>$520,523.66</td>
</tr>
</tbody>
</table>
A summary of pertinent information related to the University’s indebtedness resulting from the issuance of revenue certificates is as follows:

**Bonds Payable.** Bonds payable represents revenue certificates issued by the State University System on behalf of the University to construct a Child Care Center, North Lake Recreation Center, and Athletic Playfields. Revenue certificates, which include both term and serial certificates, are secured by a pledge of various student fee assessments. The building fees and capital improvement fees collected as a part of tuition and remitted to the Florida Board of Education are used to retire the revenue certificates for the academic and student facilities. Bonds payable at June 30, 2002, are shown below:

<table>
<thead>
<tr>
<th>Bond Series</th>
<th>Amount of Issue</th>
<th>Unamortized Bond Discount</th>
<th>Total Retired</th>
<th>Amount of Principal</th>
<th>Outstanding Interest</th>
<th>Interest Rates (Percent)</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>$431,326.75</td>
<td>$5,969.00</td>
<td>$57,541.49</td>
<td>$367,816.26</td>
<td>$246,290.00</td>
<td>5 - 7</td>
<td>2022</td>
</tr>
<tr>
<td>1998</td>
<td>1,853,631.84</td>
<td>21,139.48</td>
<td>178,566.71</td>
<td>1,653,925.65</td>
<td>979,849.26</td>
<td>4 - 5</td>
<td>2023</td>
</tr>
<tr>
<td>2001</td>
<td>466,935.10</td>
<td>6,437.05</td>
<td>4,552.19</td>
<td>455,945.86</td>
<td>311,886.92</td>
<td>4 - 5</td>
<td>2026</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,751,893.69</strong></td>
<td><strong>$33,545.53</strong></td>
<td><strong>$240,660.39</strong></td>
<td><strong>$2,477,687.77</strong></td>
<td><strong>$1,538,026.18</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Principal and interest payments for these revenue certificates are shown below:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$72,857.31</td>
<td>$118,295.13</td>
<td>$191,152.44</td>
</tr>
<tr>
<td>2004</td>
<td>76,565.61</td>
<td>114,922.87</td>
<td>191,488.48</td>
</tr>
<tr>
<td>2005</td>
<td>80,514.69</td>
<td>111,379.60</td>
<td>191,894.29</td>
</tr>
<tr>
<td>2006</td>
<td>83,809.57</td>
<td>107,897.30</td>
<td>191,706.87</td>
</tr>
<tr>
<td>2007</td>
<td>86,980.84</td>
<td>104,410.80</td>
<td>191,391.64</td>
</tr>
<tr>
<td>2008-2012</td>
<td>486,406.07</td>
<td>460,876.94</td>
<td>947,283.01</td>
</tr>
<tr>
<td>2013-2017</td>
<td>611,033.43</td>
<td>333,156.74</td>
<td>944,190.17</td>
</tr>
<tr>
<td>2018-2022</td>
<td>777,551.04</td>
<td>167,682.97</td>
<td>945,234.01</td>
</tr>
<tr>
<td>2023-2026</td>
<td>235,514.74</td>
<td>19,403.86</td>
<td>254,918.60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,511,233.30</td>
<td>1,538,026.21</td>
<td>$4,049,259.51</td>
</tr>
<tr>
<td><strong>Less Bond Discount</strong></td>
<td>(33,545.53)</td>
<td>(33,545.53)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,477,687.77</td>
<td>$1,538,026.21</td>
<td>$4,015,713.98</td>
</tr>
</tbody>
</table>

**Obligations Under Capital Lease Payable.** Florida Gulf Coast University Foundation, Inc., issued the Series 2000 Certificates of Participation (COPS) in the amount of $22,000,000 for the purpose of constructing student housing facilities on land leased from the University and to refund the 1997 and 1999 COPS totaling $14,000,000. The University leased back the land and the completed student housing facilities from the Foundation to manage and operate. Revenue from the student housing facilities is pledged to pay rent to the Foundation or its assignees equal to the debt service on the COPS. The variable interest rate on the COPS is based upon a weekly determination by the remarketing agent. As of
June 30, 2002, the rate was 1.35 percent. The following is a schedule of future minimum payments remaining under the lease at fiscal year end:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$200,000.00</td>
<td>$294,525.00</td>
<td>$494,525.00</td>
</tr>
<tr>
<td>2004</td>
<td>300,000.00</td>
<td>290,588.00</td>
<td>590,588.00</td>
</tr>
<tr>
<td>2005</td>
<td>300,000.00</td>
<td>286,538.00</td>
<td>586,538.00</td>
</tr>
<tr>
<td>2006</td>
<td>300,000.00</td>
<td>282,488.00</td>
<td>582,488.00</td>
</tr>
<tr>
<td>2007</td>
<td>400,000.00</td>
<td>277,200.00</td>
<td>677,200.00</td>
</tr>
<tr>
<td>2008-2012</td>
<td>2,200,000.00</td>
<td>1,301,176.00</td>
<td>3,501,176.00</td>
</tr>
<tr>
<td>2013-2017</td>
<td>2,900,000.00</td>
<td>1,127,814.00</td>
<td>4,027,814.00</td>
</tr>
<tr>
<td>2018-2022</td>
<td>4,100,000.00</td>
<td>884,814.00</td>
<td>4,984,814.00</td>
</tr>
<tr>
<td>2023-2027</td>
<td>5,500,000.00</td>
<td>554,288.00</td>
<td>6,054,288.00</td>
</tr>
<tr>
<td>2028-2030</td>
<td>5,800,000.00</td>
<td>130,726.00</td>
<td>5,930,726.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$22,000,000.00</strong></td>
<td><strong>$5,430,157.00</strong></td>
<td><strong>$27,430,157.00</strong></td>
</tr>
</tbody>
</table>

7. COMPENSATED ABSENCES LIABILITY

Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave pursuant to Section 6C-5.920, Florida Administrative Code; and pursuant to bargaining agreements between the Florida Board of Education and the United Faculty of Florida. Leave earned is accrued to the credit of the employee and records are kept on each employee’s unpaid (unused) leave balance. GASB Statement No. 16 requires that the University accrue a liability in the statement of net assets for employees’ right to receive compensation for future absences when certain conditions are met, whereas State appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the liability is expected to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. Consequently, the recording of the liability for compensated absences without the corresponding recognition of such future resources, results in the appearance of a reduced ability to meet current obligations. At June 30, 2002, the estimated liability for annual/compensatory leave and sick leave and special compensation is $2,122,355.30 and $425,968.10 and $58,690.86, respectively. The net assets at June 30, 2002, of $158,813,000.62 would have been $161,420,014.88 had such liability for compensated absences not been applied against it. The current compensated absences liability is based on actual pay-outs over the last three years, calculated as a percentage of those years’ total compensated absences liability.

8. INSURANCE – RISK EXPOSURE

In accordance with a program for central insurance purchases adopted by the Florida Cabinet in 1969, the Department of Management Services has been granted authority to purchase insurance on behalf of all State agencies. This authority was granted with the enactment of Section 287.022, Florida Statutes.
Other actions by the Legislature have resulted in the development of State self-insurance funds providing hazard insurance for property and casualty insurance for State employee workers’ compensation, general liability, fleet automotive of $4 million are commercially insured up to $300 million per loss event. Payments on tort claims are limited to $100,000 per person and $200,000 per occurrence as set by Section 768.28, Florida Statutes. Premiums are calculated on the cash needs of the program and are based on the amount of risk exposure for each state agency. There have been no significant reductions in insurance coverage from the prior year coverage. Settlements have not exceeded insurance coverage during the past three years.

9. OPERATING LEASES

The University has long-term commitments for assets leased under operating leases. These assets are not recorded on the statement of net assets; however, the operating lease payments are recorded as expenses in the statement of revenues, expenses, and changes in net assets when paid or incurred. Future minimum lease commitments for these operating leases as of June 30, 2002, were as follows:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Building</th>
<th>Operating Lease</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$123,794.50</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>96,026.70</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>98,938.64</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>16,570.66</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$335,330.50</strong></td>
<td><strong>$</strong></td>
</tr>
</tbody>
</table>

10. CONSTRUCTION COMMITMENTS

The major construction commitments of the University for those projects for which the estimated cost is $1 million or more at fiscal year end are shown on the following page:
11. STATE RETIREMENT PLANS

Florida Retirement System. Pursuant to Chapter 121, Florida Statutes, the Florida Legislature established the Florida Retirement System to provide a retirement and survivor benefit program for participating public employees. Most employees working in regularly established positions of the University are covered by the Florida Retirement System, a State-administered cost-sharing multiple-employer public employee defined benefit retirement plan. Participating employers include all State departments, counties, district school boards, and community colleges. Many municipalities and special districts have elected to be participating employers.

The Florida Legislature has reduced the vesting period from 10 to 6 years of service. Any member employed in a regularly established position on (as of) July 1, 2001, with a total of 6 or more years of creditable service will be considered vested. Former members who are not employed with a participating FRS employer on July 1, 2001, must return to covered employment for one year to become eligible for the six-year vesting provision. An exception to this one-year requirement applies to former members who are within one year of vesting under the pre-2001 vesting requirements. These members will only be required to work the lesser of one year or the amount of time it would have taken to vest normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service.

The Deferred Retirement Optional Program (DROP) is a program under which an eligible member of the Florida Retirement System may elect to participate, deferring receipt of retirement benefits while
continuing employment with a Florida Retirement System employer. The deferred monthly benefit accrues on behalf of the participant, plus interest compounded monthly, for the specified period of the DROP participation. Upon termination of employment, the participant receives the total DROP benefits and begins to receive previously determined retirement benefits.

Employers pay all contributions for regular class employees. For the 2001-02 fiscal year, the rate assessed against regular class, special risk class, and senior management service class amounted to 6.19, 17.33, and 8.17 percent, respectively. The University's liability for any unfunded pension benefit obligation is limited to the payment of the required contribution at the rates established by law on future payrolls of the University.

The University's 2001-02 fiscal year payroll for all employees totaled $28,715,829.64, including $9,739,508.17 paid to employees who were members of the Florida Retirement System. Required contributions made to the Florida Retirement System in the 2001-02 fiscal year totaled $785,183.71, which represents 8.06 percent of covered payroll. Contributions for the 2000-01 and 1999-2000 fiscal years totaled $872,251.51 and $894,804.31, respectively.

Additional information on the Florida Retirement System, including the ten-year historical trend information and the total unfunded pension benefit obligation is presented in the annual financial report of the Florida Retirement System.

During the 2001-02 fiscal year and as of June 30, 2002, the Florida Retirement System held no securities issued by the University.

Optional Retirement Program. Pursuant to Section 121.35, Florida Statutes, the Florida Legislature created an Optional Retirement Program (ORP) for eligible State University System faculty and administrators. The program, which became effective July 1, 1984, was expanded in 1988 to include the State University System Executive Service. The program is designed to aid the University system in recruiting employees by offering more portability to those employees who are not expected to remain in the Florida Retirement System for 6 or more years.

The ORP is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions are allowed to make an irrevocable election to participate in the ORP rather than the Florida Retirement System, and purchase retirement and death benefits through contracts provided by certain insurance carriers.

The University contributes on behalf of the participant 10.43 percent of the participant's salary. A portion of the total contribution remains in the ORP Trust Fund for program administrative costs. The remaining contribution is invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement. The participant may contribute by salary reduction an amount not to
exceed the percentage contributed by the University to his annuity account. There were 312 University participants during the 2001-02 fiscal year.

Required contributions made to the ORP in the 2001-02 fiscal year totaled $1,574,515.53, including $704,037.66 from employee contributions, which represents 10.41 and 4.65 percent, respectively, of covered payroll which totaled $15,126,162.50. Contributions made for the 2000-01 and 1999-2000 fiscal years totaled $1,343,117.35 and $1,545,440.82, respectively.

During the fiscal year and as of June 30, 2002, the ORP held no securities issued by the University.

12. OTHER POSTEMPLOYMENT BENEFITS

To assist retirees of all State-administered retirement systems in paying health insurance costs, the Florida Legislature established the Retiree Health Insurance Subsidy (HIS). During 2001-02 fiscal year, the HIS program was funded by required contributions consisting of 1.11 percent assessed against the payroll for all active employees covered in State-administered retirement systems.

Eligible retirees, spouses, or financial dependents under any State-administered retirement system must provide proof of health insurance coverage, which can include Medicare. During the period, participants received an extra $5 per month for each year of creditable service completed at the time of retirement. If contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

13. ACCOUNTING CHANGE FOR NEW REPORTING MODEL

In connection with the University’s implementation of GASB Statements Nos. 34 and 35, the University made adjustments to beginning fund balances to report the cumulative effect of this accounting change. Other immaterial adjustments were reported through current year operations. An accumulated depreciation adjustment of $13,784,195.97 was made to beginning fund balances as follows:

<table>
<thead>
<tr>
<th>Explanation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balances</td>
<td>$150,626,056.67</td>
</tr>
<tr>
<td>Depreciation and Deletions Expense</td>
<td>(13,784,195.97)</td>
</tr>
<tr>
<td>Adjusted Beginning Net Assets</td>
<td>$136,841,860.70</td>
</tr>
</tbody>
</table>

14. FUNCTIONAL DISTRIBUTION OF EXPENSES

The operating expenses on the statement of revenues, expenses, and changes in net assets are presented in the natural classifications. Below are those same expenses presented in functional classifications as recommended by NACUBO. The functional classification (instruction, research, etc.) is assigned to a department based on the nature of the activity which represents the material portion of the activity attributable to the department. For example, activities of academic departments for which the
primary departmental function is instruction may include some activities other than direct instruction such as research and public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The functional classification of expenses is summarized below:

<table>
<thead>
<tr>
<th>Functional Classification</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$16,618,489.06</td>
</tr>
<tr>
<td>Research</td>
<td>906,388.87</td>
</tr>
<tr>
<td>Public Services</td>
<td>3,058,516.79</td>
</tr>
<tr>
<td>Academic Support</td>
<td>6,662,436.18</td>
</tr>
<tr>
<td>Student Services</td>
<td>4,410,565.33</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>6,822,453.14</td>
</tr>
<tr>
<td>Operation and Maintenance of Plant</td>
<td>3,103,276.76</td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>3,699,606.18</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>4,734,434.93</td>
</tr>
<tr>
<td><strong>Total Functional Expenses</strong></td>
<td><strong>$50,016,167.24</strong></td>
</tr>
<tr>
<td>Depreciation and Deletions</td>
<td>5,454,364.23</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$55,470,531.47</strong></td>
</tr>
</tbody>
</table>
SUBJECT: Direct Support Organizations

PROPOSED BOARD ACTION

Approve Rule 6C10-1.005, Direct Support Organizations

BACKGROUND INFORMATION

On January 7, 2003, the Board of Governors adopted a resolution establishing the powers and duties of the university boards of trustees. The resolution provides that the universities shall have those duties and responsibilities set forth in the Florida K-20 Education Code, Chapters 1000 to 1013, Florida Statutes. Paragraph 37 of the resolution specifically adopts the terms of Section 1001.74(37), F.S., and provides as follows:

Each board of trustees shall prescribe the conditions for direct-support organizations and university health services support organizations to be certified and to use university property and services. Conditions related to certification must provide for audit review and oversight by the board of trustees.

Section 1004.28(2)(b), F.S., requires that the FGCU Board of Trustees exercise this authority through the promulgation of a rule.

The proposed rule implements the authority of the FGCU Board of Trustees by prescribing the conditions with which a direct-support organization must comply to be certified to use the property, facilities and personal services of the University. The rule further provides for budget and audit review of the direct-support organization by the FGCU Board of Trustees.
Supporting Documentation Included: Rule 6C10-1.005, Direct Support Organizations

Prepared by: Wendy Morris, General Counsel

Legal Review by: Wendy Morris, General Counsel (January 21, 2003)

Submitted by: President Bill Merwin
NOTICE OF PROPOSED RULE MAKING
BOARD OF EDUCATION
Division of Colleges and Universities
Florida Gulf Coast University Board of Trustees

RULE CHAPTER TITLE: Agency Administration
RULE CHAPTER NUMBER: 6C 10-1

RULE TITLE: Direct Support Organizations
RULE NUMBER: 6C 10-1.005

PURPOSE AND EFFECT: The purpose and effect of the proposed rule is to exercise the authority of the Florida Gulf Coast University Board of Trustees pursuant to 1001.74 (37) and 1004.28, F.S., to certify and oversee university direct support organizations.

SUMMARY: The proposed rule prescribes the conditions with which a direct-support organization must comply in order to use the property, facilities, or personal services at the University. The rule further provides for budget and audit review and oversight by the University Board of Trustees.

SPECIFIC AUTHORITY: 1001.74(4); 1004.28(2)(b), Florida Statutes.
LAW IMPLEMENTED: 1001.74(37); 1004.28, Florida Statutes.

IF REQUESTED WITHIN 21 CALENDAR DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE TIME, DATE AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: 8:30 A.M., Friday, January 17, 2003
PLACE: Academic Building Three, Room 124

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:
Wendy S. Morris, General Counsel, Florida Gulf Coast University, 10501 FGCU Blvd. South, Fort Myers, FL 33965-6565, (239) 590-1100.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this program must at least seven (7) calendar days prior to the event notify Julie Heuer, Senior Administrative Assistant, at (239) 590-1100. If you are hearing or speech impaired, please call (239) 590-1405 (TDD).

NAME OF PERSON ORIGINATING PROPOSED RULE: Wendy S. Morris, General Counsel

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: William C. Merwin, President, Florida Gulf Coast University

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 11, 2002

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN THE FORT MYERS NEWS PRESS: November 20, 2002
THE FULL TEXT OF THE PROPOSED RULE 6C10-1.005 IS:

6C10-1.005 Florida Gulf Coast University; Direct Support Organizations

(1) The President shall recommend to the Florida Gulf Coast University Board of Trustees that an organization meeting the requirements of Section 1004.28, F.S., be certified as a Florida Gulf Coast University Direct Support Organization (“DSO”).

(2) To be considered for certification, the Articles of Incorporation and Bylaws of the proposed DSO together must provide:

   (a) The DSO is a Florida not for profit corporation under the provisions of Chapter 617, FS, or the DSO will, upon certification by the Board of Trustees, file for such incorporation with the Department of State.

   (b) Any person employed by the DSO shall not be considered to be an employee of the University by virtue of employment by the DSO.

   (c) The chief executive officer or director of the DSO shall be selected by the President and shall report to the President or a designee reporting directly to the President.

   (d) Any amendments to the Articles of Incorporation or Bylaws shall be submitted by the President to the Board of Trustees for approval prior to becoming effective.

   (e) The President or designee shall have the following powers and duties:

      1. Monitor and control the use of University resources by the DSO.

      2. Control the use of the University name by the DSO.

      3. Monitor compliance of the DSO with federal and state laws.

      4. Recommend to the governing board of the DSO an annual budget.

      5. Review and approve quarterly expenditure plans.

      6. Approve contributions of funds or supplements to support intercollegiate athletics.

(3) Upon approval by the Board of Trustees, a DSO is certified and authorized to use the property, facilities and personal services of the University, to receive, hold, invest
or administer assets or property and to make expenditures for the benefit of the University. A DSO is further authorized to issue revenue bonds or other forms of Indebtedness upon approval of the Board of Trustees in accordance with Section 1010.60, FS, and to enter into agreements to finance, design and construct, lease, lease-purchase, purchase, or operate facilities necessary and desirable to serve the needs and purposes of the University.

(4) The Chair of the Board of Trustees shall appoint a representative to the governing body and the executive committee of each DSO. The President or designee shall also serve on the governing body and executive committee of each DSO.

(5) Each DSO shall prepare and submit to the President or designee no later than the first day of each quarter of the organization’s fiscal year a quarterly expenditure plan that delineates planned actions which would cause a commitment of University resources or represent a significant commitment of the resources of the DSO, including:

1. Major fund raising events and campaigns and their purpose.
2. Compensation and benefits to University employees and employees of the organization.
3. Capital projects, including land acquisition, construction, renovation or repair.
4. Other major commitments of the resources of the organization.

(6) Each DSO shall conduct its financial operation observing a fiscal year ending on June 30 of each year and shall cause a financial audit of its accounts and records to be conducted by an independent certified public accountant after the close of each fiscal year as follows.

1. Audits shall be conducted pursuant to Section 1004.28, F.S. and in accordance with rules adopted by the Auditor General pursuant to Section 11.45, F.S.
2. The President of the University shall submit the annual audit report to the Board of Trustees and the Auditor General within nine months after the end of the fiscal year.

(7) The President of the University shall recommend to the Board of Trustees
that a DSO be decertified if the President determines that the organization is no longer serving the best interests of the University. The recommendation for decertification shall include a plan for disposition of the organization’s assets and liabilities.

Specific Authority 1001.74(4), 1004.28(2) FS.

Law Implemented 1001.74(37), 1004.28 FS.

History--New

PROPOSED BOARD ACTION

Approve (1) proposed measures, and (2) annual schedule for adoption of measures and evaluation of the president.

BACKGROUND INFORMATION

The Florida Gulf Coast University Board of Trustees is required by law to annually evaluate the performance of the FGCU president. The Board’s initial performance evaluation was conducted at its June 2002 meeting, followed by the fall 2002 negotiation and approval of an employment contract for the president.

New performance measures are needed for the current year’s evaluation. The Board’s regular meetings are in October, January, April and June of each year. It is proposed that the Board perform its annual evaluation of the president during its fourth regular (usually June) meeting, and that annual performance evaluations be based on the respective fiscal year. The proposed set of measures is designed to cover the period of July 1, 2002 through June 30, 2003, with the current evaluation to be conducted by the Board at its May 29, 2003 meeting (previously scheduled for June 12, 2003). Under this schedule approach, the president would submit his proposed annual performance measures to the Board at its first regular (usually October) meeting, and be evaluated by the Board at its fourth regular (usually June) meeting.


Prepared by: Susan Evans, Office of the President

Legal Review by: Wendy Morris, General Counsel (January 21, 2003)

Submitted by: President Bill Merwin
Florida Gulf Coast University

President’s Performance Measures
For July 1, 2002 – June 30, 2003
(As of January 23, 2003)

1. GOAL: Grow Student Enrollment

A. Fall Term Headcount:

   Actual Fall 2001
   4235

   Projected Fall 2002
   4747

   Actual Fall 2002
   5258 (11% increase over projected fall)

B. Full-Time Equivalent (Fundable):

   Actual 2001-02
   2389

   2002-03 Enrollment Plan
   2521

   2002-03 Actual (Pending)
   3000 (Projected)

NOTE:
For “B” - The Approved Enrollment Plan for 2002-03 FTE was 2,521. The final result is estimated at this time to be 3,000 in annual FTE for 2002-03, representing 479 FTE more than the Approved Enrollment Plan, and 289 FTE more than the target of 2711 FTE needed to be eligible for enrollment growth funds.
2. GOAL: Diversify Student Enrollment

A. Students of Color:

Actual Fall 2001
593

Projected Fall 2002
664

Actual Fall 2002
778 (17% increase over projected fall)

B. International Students:

Actual Fall 2001
228

Projected Fall 2002
235

Actual Fall 2002
315 (34% increase over projected fall)

3. GOAL: Increase Number of Undergraduate & Graduate Degrees Awarded

<table>
<thead>
<tr>
<th></th>
<th>2001-02 Actual</th>
<th>Projected 2002-03</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor:</td>
<td>490</td>
<td>515 (5% increase)</td>
</tr>
<tr>
<td>Master:</td>
<td>169</td>
<td>175 (3.6% increase)</td>
</tr>
<tr>
<td>Total:</td>
<td>659</td>
<td>690 (5% increase)</td>
</tr>
</tbody>
</table>
4. GOAL: Improve Freshman* to Sophomore Retention Rates

**Actual Fall 2001**
68%

**Projected Fall 2002**
69%

**Actual Fall 2002**
69%

(*Freshman = First-Time-In-College Student with Less than 12 Semester Credit Hours.)

5. GOAL: Build New Facilities on Campus

- **Alico Arena** – Goal of Fall 2002 Main Completion, with Addition Completed in Spring 2003. *COMPLETED MAIN, WITH ADDITION ON SCHEDULE.*
- **Student Union** – Goal of Spring 2003 Completion.
- **Art and Music Building** – Goal of Fall 2002 Completion. *COMPLETED.*
- **Aquatics Center** – Begin construction in January 2003. (NOTE: Completion in Fall 2003).
- **Student Housing/Phase 5** – Begin construction in Spring 2003. (NOTE: Completion in Fall 2003).
6. GOAL: Increase Non-State Funding Support:

A. Sponsored Research Funds:
   2000-01 Actual: $6.2 Million
   2001-02 Actual: $9.1 Million* (163 Proposals Submitted)
   2002-03 Goal: $9.1 Million (170 Proposals/Increase of 10%)
   2002-03 Actual: TBD

   (* Included a one-time matchable grant of $1.3 million for WGCU –TV)

B. Private Contributions & Gifts:
   2000-01 Actual: $12 Million
   2001-02 Actual: $15 Million
   2002-03 Goal: $12.5 Million
   2002-03 Actual: TBD

NOTE:
The 2002-03 goal has been conservatively estimated because the new Vice President for University Advancement joined FGCU in January 2003, the middle of the performance review period.

7. GOAL: Increase/Improve Academic/Community Outreach

- Strengthen A.S. articulation with Edison Community College.
- Explore an academic research relationship with Naples Botanical Garden.
- Launch the Charlotte Center.
- Increase memberships and participation in the Renaissance Academy.
- Launch a Center for Civic Engagement through community partnerships.
- Explore an academic research relationship with Rookery Bay National Estuarine Research Reserve.

8. GOAL: Develop Research Park

- Secure land and associated infrastructure funding for a research, development, business & technology park near FGCU campus.
9. GOAL: Charter Developmental Research School (PreK-20)

- Secure land for a developmental research school adjacent to TECO Arena.
- Acquire Florida legislative designation as a charter developmental research school.

10. GOAL: Intercollegiate Athletics

- Establish new programs in men’s and women’s basketball.
- Establish new program in men’s baseball.
- Establish new program in women’s softball.
- Establish new programs in men’s and women’s cross country.
- NCAA Self-Study. Complete an NCAA self study and implement any recommendations that the study defines. Continue to work with the NCAA to complete all requirements for NCAA provisional membership.
- Women’s Volleyball. Launch women’s volleyball program to begin play in Fall 2004.

11. GOAL: Balance the Budget


12. GOAL: Alliance of Educational Leaders

- Continue to develop plans for the K-20 school (Charter Developmental Research School).
- Be responsive to business/workforce by working with area’s economic development councils and workforce boards and continuing to update and expand website – www.swfleducation.com
- Develop format to present articulation agreements that is easily understood and used (which will further demonstrate “seamlessness” and career paths/choices).
- Facilitate multi-agency collaborations and partnerships (in particular, in the areas of the reading and legislation) that leverage the region’s intellectual, time and fiscal resources.
13. GOAL: Educational Governance Transition

- Begin implementation of Section 7, Article IX of the Florida Constitution, entitled State University System, which was approved in the November 2002 general election as Constitutional Amendment 11 (effective January 7, 2003). (NOTE: It is anticipated that this process will be completed during 2004.)

14. GOAL: Develop Statement and Plan

- Develop new FGCU mission and vision statements, and devise an accompanying set of new strategic plans with measurable quantitative benchmarks for the next five years.

15. GOAL: Contribute to Florida’s New K-20 Education System

- Continue to contribute to Florida’s new K-20 seamless education system to meet student needs, through The Alliance of Educational Leaders, the charter developmental research school, and other projects.

(END)