



REGULATION

✓USF System USF USFSP USFSM

Number: USF13.002
Title: Direct Support Organizations and Health Services Support Organizations
Responsible Office: USF System Services

Date of Origin: 11-20-03 **Date Last Amended:** ~~8-17-15 (technical)~~ 9-4-18 **Date Last Reviewed:** ~~8-17-15~~ 4-18

(1) An organization seeking to receive, hold, invest and administer property and to make expenditures to, or for, the benefit of the University of South Florida System (“USF System”) may request approval by the University of South Florida Board of Trustees (“Board”) to become a direct-support organization, as provided in Section 1004.28, Florida Statutes. An organization seeking to enter into arrangements with other entities as providers in other integrated health care systems or similar entities for the exclusive benefit of the USF System may request approval by the Board to become a health services support organization, as provided in Section 1004.29, Florida Statutes. In no case shall the USF System have any responsibility for acts, debts, liabilities, and obligations incurred or assumed by a health services support organization.

(2) Upon approval by the Board, a direct-support organization or health services support organization (“Support Organization[s]”) shall be certified and authorized to use the property, facilities and personnel services of the USF System to the extent permissible by applicable law, the conditions prescribed by regulations, and internal management memoranda of the USF System.

(3) The Articles of Incorporation and Bylaws of a Support Organization of the USF System and all amendments of such Articles or Bylaws shall be recommended and presented by the President of the USF System (“President”) to the Board for review and approval.

a) The Articles or Bylaws, as applicable, of a Support Organization shall require the appointment of at least one representative to the Support Organization’s board of directors and its executive committee by the Board Chair. The Board Chair’s representative(s) may be selected by the Board Chair from the existing membership of the Support Organization’s board of directors or its executive committee.

38 b) The Articles or Bylaws, as applicable, of a Support Organization shall require the
39 President, or his or her designee, serve on the Support Organization's board of
40 directors and its executive committee.

41 c) The Board shall approve all other appointments to the board of directors of each
42 Support Organization.

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44 (4) Operating budgets of Support Organizations shall be prepared at least annually,
45 approved by the organization's governing board, and presented by the President to the Board for
46 review and approval.

47 (5) Expenditure plans of Support Organizations shall be reviewed and approved quarterly
48 by the President or designee; said designee shall be a vice president, provost or other duly
49 authorized senior officer of the USF System reporting directly to the President and having
50 operational responsibility on behalf of the USF System for the Support Organization.

51 (6) Thresholds for approval of purchases, acquisitions, projects and issuance of debt by
52 Support Organizations shall be set by the Board.

53 (7) All debt issued by a Support Organization is subject to the State University System Debt
54 Management Guidelines and all public-private partnership transactions involving a Support
55 Organization are subject to the State University System Public-Private Partnership Guidelines.

56 (8) Support Organizations shall provide for an annual financial audit and management
57 letter as prescribed by, and in accordance with, applicable law, regulations (including USF Regulation
58 13.002, Direct-Support Organizations and Health Services Support Organizations) and internal
59 management memoranda. The letter shall be forwarded to the Board for review, oversight and
60 approval. The Board shall have the right to inspect and audit the books and records of Support
61 Organizations, which must be made available to the Board upon request.

62 (9) Support Organizations shall adopt the following policies:

63 a) Conflict of Interest and Financial Code of Ethics Policy

64 b) Expenditure Policy

65 c) Signatory Authority Policy

66 d) Procurement Policy (to include supplier diversity)

67 e) Travel Policy

68 f) Internal Controls and Internal Audit Policy

69 a)g) Workplace Discrimination and Retaliation Policy

b)h) Public Appearance Policy

Support Organizations may adopt such other policies and procedures deemed appropriate by their board of directors. Each Support Organization shall certify to the Board that all of the above policies are adopted and then reviewed on an annual basis.

~~(10)~~ The Board is authorized to revoke certification of an organization as a Support Organization of the USF System if it determines, in its sole discretion, that the organization is no longer serving the best interest of the USF System. If certification is revoked, the Board shall determine the disposition of the Support Organization's assets and liabilities in accordance with applicable laws, the Support Organization's Articles of Incorporation and Bylaws.

(11) A Support Organization is prohibited from giving, either directly or indirectly, any gift to a political committee as defined in Section 106.011, Florida Statutes.

(12) A Support Organization is prohibited from receiving state funds for Support Organization travel expenses.

Authority: Art. IX, Sec. 7, Fla. Constitution; BOG Regulations 1.001, 9.011; Sections 1004.28, 1004.29, F.S.

History: New (BOT approval) 11-20-03, Formerly 6C4-13.002, F.A.C., Amended 9-10-09, 10-24-12, 8-17-15 (technical), 9-4-18

Certification: USF certifies that it has followed the Florida Board of Governors Regulation Development Procedure and has a record of written notices, comments, summaries and responses as required.