

6E-2.004 Standards and Procedures for Licensure

(1) through (5) No change.

(6) Standard 6: Finances. All institutions must demonstrate that the financial structure of the institution is sound, with resources sufficient for the proposed operations of the institution and the discharge of its obligations to the students. To demonstrate this, the school shall provide the following:

(a) 1. No change

2. Annual License. Extended Annual License, or Annual Review:

a. Licensed nondegree schools shall provide annually a review or audit, prepared in accordance with Generally Accepted Accounting Principles by an independent certified public accountant, Licensed colleges and universities shall provide annually an audit, prepared in accordance with Generally Accepted Accounting Principles by an independent certified public accountant. This annual financial statement shall demonstrate that the current assets of the institution exceed the current liabilities, and that there was a positive net working capital and a profit or surplus for the prior year. If an institution does not meet the above requirements, the Commission shall require an explanation of the financial condition of the institution including a financial improvement plan or teach-out plan or form of surety guaranteeing that the resources are sufficient to protect the current students. If the Commission determines that the institution does not have sufficient resources, it shall take actions up to and including revocation of licensure.

b. If an independent postsecondary educational institution earns less than \$100,000 gross tuition revenue per the institution's fiscal year, the institution shall provide both a compiled financial statement of the institution and of the controlling principles. The financial statement shall be compiled, reviewed, or audited by an independent certified public accountant. These statements must demonstrate sufficient resources to ensure appropriate institutional development.

3. through 4. No change.

(6)(b) through (12) No change.

SPECIFIC AUTHORITY: 1005.22(1)(e), 1005.31(2), (3), 1005.34, 1005.39,

Florida Statutes

LAW IMPLEMENTED: 1005.04, 1005.31, 1005.33(1), 1005.34, 1005.39, Florida

Statutes

History: Promulgated 12-5-74, Formerly 6E-3.01(1), Readopted 11-11-75,

Amended 3-7-77, 5-7-79, 10-13-83, Formerly 6E-2.04, Amended 11-27-88, 11-

29-79, 12-10-90, 10-19-93, 4-2-96, 4-11-00, 1-7-03, 4-5-04, 5-24-04, 5-18-05,

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