

**FLORIDA ATLANTIC UNIVERSITY
NOTICE OF REGULATION AMENDMENT**

Date: May 15, 2026

REGULATION TITLE AND NUMBER: Faculty Practice Plans (9.001).

SUMMARY: Regulation 9.001 authorizes the College of Medicine to form corporate entities as necessary to establish and maintain faculty practice plans for the collection, distribution, and regulation of fees generated by faculty members engaged in the provision of healthcare services to patients as an integral part of their academic activities and employment as faculty. The proposed changes to Regulation 9.001 would broaden the permitted faculty practice plan activities to (i) include all colleges, schools and other academic programs or units at the University engaged in clinical activities; and (ii) authorize the formation and operation of multiple not-for-profit corporations, as necessary, to support the clinical and professional activities of such colleges, schools, programs and units.

FULL TEXT OF THE REGULATION: The full text of the proposed regulation is attached below to this Notice. The full text of the existing regulation is posted on FAU's website at www.fau.edu/regulations. In addition, the full text of the proposed regulation and current regulation are available upon request to the Office of the General Counsel, which can be contacted at (561) 297-3007 or GeneralCounsel@fau.edu.

AUTHORITY TO AMEND THE REGULATION: Article IX of the Florida Constitution and the Board of Governors Regulation Development Procedure dated July 21, 2005.

UNIVERSITY OFFICIAL INITIATING THE REGULATION AMENDMENT: Joseph Van de Bogart, Vice President & General Counsel

COMMENTS CONCERNING THE PROPOSED REGULATION AMENDMENT SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW. In response, the University may solicit additional written comments, schedule a public hearing, withdraw or modify the proposed regulation amendment in whole or in part after notice, or proceed with adopting the regulation amendment. The comments must identify the regulation(s) on which you are commenting.

THE PERSON TO BE CONTACTED REGARDING THE AMENDMENT/REPEAL OF REGULATIONS IS: Ms. Suzanne Prescott, Office of the General Counsel, 777 Glades Road, Boca Raton, Florida, 33431, (561) 297-3007 (phone), (561) 297-2787 (fax), GeneralCounsel@fau.edu

Florida Atlantic University

Regulation 9.001 Faculty Practice ~~Plan~~Plans

(1) ~~The Florida Atlantic University Charles E. Schmidt College of Medicine (the “College” or the “College of Medicine”)~~ provides educationally oriented ~~professional~~clinical practice settings and opportunities through which ~~its~~ faculty members provide ~~professional~~health and medical services, ~~including medical~~ care and treatment to patients, including patients at independent hospitals, other institutions and various clinical sites as an integral part of their academic activities and employment as faculty members. Such faculty practice activities are designed to assure professional and clinical practice opportunities and experiences that are essential in the training of students, residents and ~~other~~ postgraduate health professionals and that will enhance skills and knowledge of faculty members who must teach and train medical ~~students, residents~~ and other health professional students. Participation in such faculty practice activities by members of the faculty of the ~~College of Medicine~~University’s clinical colleges, schools and other academic programs and units is vital to the educational mission, the maintenance of skills in the treatment and diagnosis of diseases, and the maintenance of patient management skills, clinical expertise and medical judgment. ~~Such participation is a necessary and essential part of their employment as faculty members.~~

Because faculty practice activities generate income from a cross section of patients and third party payors that is critical to support the ~~College’s~~University’s mission, the ~~College~~University is authorized, in accordance with Florida Board of Governors Regulation 9.017 ~~and this Regulation~~, to regulate and collect fees and other income generated from such faculty ~~practice~~practices and to develop and maintain ~~a~~ faculty practice ~~plan~~plans for the orderly collection, administration and distribution of such fees and other income. The ~~College of Medicine~~University is authorized to form corporate entities ~~as agents~~ to achieve the objectives of the faculty practice ~~plan~~plans. The faculty practice ~~plan~~plans, any subsequent changes thereto, and any proposed corporate entities must be approved by the Dean of the ~~applicable~~ College ~~of Medicine~~ and the President of the University prior to submission for approval by the ~~FAU~~University Board of Trustees and, as necessary, the Florida Board of Governors. The faculty practice ~~plan~~plans must be consistent with, and supportive of, the objectives of the ~~applicable~~ College ~~of Medicine, school or other academic program or unit~~ and the University and shall be known as the Florida Atlantic ~~University College of Medicine~~ Faculty Practice ~~Plan~~Plans (the “Faculty Practice ~~Plan~~Plans”).

(2) Faculty practice income shall include all payments resulting from the clinical or professional services rendered by ~~College of Medicine~~University faculty. ~~Honoraria, royalties, non-clinical consultation fees, or other income derived from outside employment approved by the Dean of the applicable College are not considered to be faculty practice income as described herein. Faculty members employed by the Florida Atlantic University College of Medicine who engage in the practice of medicine must do so exclusively through the College of Medicine and its Faculty Practice Plan, unless otherwise specifically approved in writing by the Dean of the College.~~ Each member of the faculty will assign to ~~Florida Atlantic~~the University all faculty

practice income generated by or on behalf of him or her, and adequate records will be kept of these collections.

(3) In order to achieve the objectives of the Faculty Practice Plan, the University has authorized the formation and operation of ~~a one or more~~ Florida not-for-profit ~~corporation, FAU Clinical Practice Organization, Inc. (“FAU CPO”), as the University’s agent~~ corporations (“Florida Atlantic FPPs”) to support the clinical and professional activities of ~~the College of Medicineits clinical colleges, schools and other academic programs or units,~~ including the orderly collection and administration of income generated from ~~College of Medicineits~~ clinical and professional activities. ~~FAU CPO~~The Florida Atlantic FPPs will be responsible for billing and collections, contracting, and the development and reporting to its various oversight entities appropriate data with regard to its activities (and may contract with other entities to provide such services).

(4) Faculty practice income shall be distributed to appropriate funds of ~~Florida Atlantic~~the University to be used for the support and advancement of the academic mission of ~~the College of Medicineits colleges, schools and the University~~other academic programs or units. The University shall distribute such funds for purposes that may include, but are not limited to, the payment of clinical practice expenses and faculty and staff salaries and benefits. The assets and activities of ~~FAU CPO~~each Florida Atlantic FPP will be managed and directed by a Board of Directors in accordance with the Articles of Incorporation and Bylaws of ~~FAU CPO~~the Florida Atlantic FPP.

(5) ~~The Faculty Practice Plan~~Each Florida Atlantic FPP shall include or provide for:

- (a) A written document that describes the University’s policies and procedures pertaining to faculty practice activities and the resulting professional fees and other income.
- (b) Articles of Incorporation and Bylaws ~~of FAU CPO.~~
- (c) A separate bank account into which all ~~income and fees generated by the College of Medicine~~applicable faculty practice ~~income and fees~~ are to be deposited, which shall be held, administered and distributed by ~~FAU CPO, acting as the University’s agent under right of control by the University and/or the College of Medicine~~Florida Atlantic FPP.
- (d) The preparation of ~~the Faculty Practice Plan~~an operating budget to occur at least annually and to be submitted to the Dean of the ~~College of Medicine~~applicable college for approval. The budget shall then be recommended by the Dean ~~of the College of Medicine~~ and the President of the University to the ~~FAU~~University Board of Trustees. ~~An annual financial audit and management letter for the Faculty Practice Plan and FAU CPO~~ shall be conducted and prepared by an independent outside certified public accountant or firm, submitted to the Dean of the ~~College of Medicine~~applicable college, and forwarded to the President of the University, ~~FAU~~the University Board of Trustees and the Florida Board of Governors for review and oversight.
- (e) ~~FAU CPO~~The Florida Atlantic FPP to serve as the administrative services supporting organization for the Faculty Practice Plan ~~and provide that FAU CPO shall not be involved in the delivery of medical services; the maintenance of any medical~~

- ~~facilities; the employment, control or compensation of medical doctors or other health professionals; or the determination, control, or evaluation of any medical procedures or standards for any medical doctor, other health professional or medical facility.~~
- (f) All agreements and contracts ~~involving the Faculty Practice Plan or FAU CPO~~ to be reviewed in advance by the FAU University Office of the General Counsel.
 - (g) ~~The compliance of the Faculty Practice Plan, including FAU CPO,~~Compliance with applicable regulations, rules, policies and procedures of the University and the Florida Board of Governors.
 - (h) Such other activities ~~by the Faculty Practice Plan or FAU CPO~~ as directed or authorized by the FAU University Board of Trustees.

Specific Authority: Article IX of the Florida Constitution, Florida Board of Governors Regulations 1.001(8)(a) and 9.017. History–New 5-18-11; Amended xx-xx-26.