

CHAPTER 19-B-4: ADVANCE PAYMENT CONTRACT APPLICATION AND PAYMENTS

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19B-4.001 Application.

(1)(a) Rule Chapters 19B-4 through 19B-13 and 19B-15, F.A.C., apply to advance payment contracts for the prepayment of postsecondary registration, local fees, tuition differential fees and/or dormitory residency fees under the Stanley G. Tate Florida Prepaid College Program, the “Program.”

(b) The application period shall commence and terminate on dates set annually by the Board and published in the Florida Administrative Weekly. Applications for advance payment contracts purchased through the Board’s direct support organization, The Florida Prepaid College Foundation, Inc., for purchasers participating in employer participation programs or by purchasers pursuant to a court order will be accepted by the Board at any time. Other applications for advance payment contracts submitted to the Board outside the annual application period will be processed for data collection and administrative purposes, but will not be accepted by the Board until the beginning of the next succeeding annual application period.

(c) The contract prices associated with applications submitted to the Board during the annual application period shall be the contract prices applicable to advance payment contracts for the annual application period. The contract prices associated with applications submitted to the Board outside the annual application period, except for those purchased through the Board’s direct support organization, The Florida Prepaid College Foundation, Inc., for purchasers participating in employer participation programs or by purchasers pursuant to a court order, shall be the contract prices applicable to advance payment contracts for the next succeeding annual application period. After acceptance by the Board of the purchaser’s application, a participation and payment schedule shall be mailed to the purchaser.

(d) The advance payment contract shall be comprised of the application, master covenant, and participation and payment schedule.

(2) The Florida Prepaid College Plan and Florida College Investment Plan New Account Application, Form No. FPCB 2012-01, is hereby incorporated by reference and may be obtained from the Board by calling (800)552-GRAD (4723) (prompt 1). The Florida Prepaid College Plan Master Covenant, Form No. FPCB 2012-02, is hereby incorporated by reference and may be obtained from the Board by calling (800)552-GRAD (4723) (prompt 1). The Florida Prepaid College Plan Add-a-Plan Application, Form No. FPCB 2012-03, <http://www.flrules.org/Gateway/reference.asp?No=Ref-00767>, <http://www.flrules.org/Gateway/reference.asp?No=Ref->

00769, <http://www.flrules.org/Gateway/reference.asp?No=Ref-00770>, are hereby incorporated by reference and may be obtained from the Board by calling (800)552-GRAD (4723) (prompt 1).

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-4.001, Amended 12-5-93, 5-31-95, 6-20-96, 10-20-96, 12-16-97, 2-18-99, 6-6-99, 2-8-00, 5-21-00, 1-3-01, 10-9-01, 11-27-02, 10-1-03, 1-29-04, 12-28-04, 6-2-05, 12-20-05, 1-1-07, 11-27-07, 12-17-07, 11-18-08, 1-28-09, 4-5-09, 10-26-09, 10-18-10, 12-5-11.

19B-4.002 Contract Prices.

(1) The Board will evaluate the advance payment contract prices for revision annually. All advance payment contract prices will be published annually in the Florida Administrative Weekly.

(2) The advance payment contract prices for:

(a) The 4-Year Florida University Plan are based on the actuarial assumptions that Registration Fees at State Universities will rise at an average of 6.5 percent per annum, Local Fees at State Universities will rise at an average of 6.5 percent per annum, and the Tuition Differential Fee will rise annually at the maximum increase permitted pursuant to Section 1009.24(16), F.S.

(b) The 2 + 2 Florida Plan are based on the actuarial assumptions that Registration Fees at State Universities will rise at an average of 6.5 percent per annum, Local Fees at State Universities will rise at an average of 6.5 percent per annum, the Tuition Differential Fee will rise annually at the maximum increase permitted pursuant to Section 1009.24(16), F.S., the Registration Fees at Florida Colleges will rise at an average of 6 percent per annum and Local Fees at Florida Colleges will rise at an average of 6 percent per annum.

(c) The 4-Year Florida College Plan are based on the actuarial assumptions that the Registration Fees at Florida Colleges will rise at an average of 6 percent per annum and Local Fees at Florida Colleges will rise at an average of 6 percent per annum.

(d) The 2-Year Florida College Plan are based on the actuarial assumptions that Registration Fees at Florida Colleges will rise at an average of 6 percent per annum and Local Fees at Florida Colleges will rise at an average of 6 percent per annum.

(e) The Dormitory Plan are based on the actuarial assumption that dormitory fees at State Universities will rise at an average of 6 percent per annum.

(f) Local Fee Plans are based on the actuarial assumptions that the Local Fees at State Universities will rise at an average of 6.5 percent per annum and Local Fees at Florida Colleges will rise at an average of 6 percent per annum.

(g) Tuition Differential Fee Plans are based on the actuarial assumption that the Tuition Differential Fee will rise annually at the maximum increase permitted pursuant to Section 1009.24(16), F.S.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(2) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-

4.002, Amended 5-31-95, 2-18-99, 2-8-00, 12-28-03, 12-28-04, 12-20-05, 12-17-07, 11-30-09, 10-18-10.

19B-4.003 Payment Options.

Purchasers may make payments through a variety of means. Payments may be made by checks, money orders, electronic funds transfers, automatic contribution plan, or employer payroll deductions. Payments may not be made by credit cards or other means of credit, rollover distributions, third party checks of \$10,000.00 or more, or traveler's checks.

(1) Payments for applications received during the application period may be made under any schedule, on such specific date as specified by the Board and advertised in the Florida Administrative Weekly. Payments are due in full within the specified dates as published in the Florida Administrative Weekly.

(2) Payments for applications received from purchasers pursuant to an employer participation agreement may be made as specified by the agreement. The payment schedule will correspond with the employer's payroll schedule.

(3) An implied interest rate for installment payment plans will be calculated and approved by the Board and published annually in the Florida Administrative Weekly.

(4) The Board's direct support organization, The Florida Prepaid College Foundation, Inc., may purchase advance payment contracts by providing a lump sum payment on or before March 1 of the Fall Semester of the anticipated enrollment year designated in the contract. Such payment shall be comprised of the lump sum price of the advance payment contract plus seven and one-half percent (7 1/2%) interest compounded per annum from the date of the first payment due date.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.975, 1009.98(4) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-4.003, Amended 6-20-96, 6-6-99, 11-27-02, 12-28-03.

19B-4.004 Default.

Failure to make any payment within thirty (30) days of the due date shall result in default by the purchaser and suspension of the qualified beneficiary's rights under the plan. A purchaser may reinstate his status in good standing within 180 days of the default, provided all delinquent amounts have been paid, however if no payments are received within 120 days of the first payment due date of a contract, the contract is not eligible for reinstatement. A contract which has not been reinstated shall be eligible for involuntary termination as provided in Rule 19B-10.001, F.A.C.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(4) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-4.004.

19B-4.005 Maximum Account Balance Limit.

(1) The maximum account balance limit shall be determined annually by the Board. The maximum account balance limit shall be calculated by multiplying the qualified higher education expenses, including tuition fees, room and board, and supplies, at the most expensive eligible educational institution, by seven (7), and rounding the resulting product downward to the nearest \$1,000.00 increment. In determining the qualified higher education expenses at the most expensive eligible educational institution, the Board will consult the figures compiled by the College Board and published in the annual College Handbook which is found at the College Board's website at <http://store.collegeboard.com>. The maximum account balance limit shall not exceed the amount permitted pursuant to s. 529 of the Internal Revenue Code. The Board will publish the amount of the maximum account balance limit annually in the Florida Administrative Weekly. The redemption value of an advance payment contract plus the account balance of an account in the Florida College Investment Plan, for the same beneficiary shall not exceed the maximum account balance limit.

(2) For purposes of the maximum account balance limit, the redemption value of an advance payment contract for:

(a) The 4-Year Florida University Plan shall be the most expensive lump-sum contract price for the 4-Year Florida University Plan, as determined annually by the Board's actuary.

(b) A 2 + 2 Florida Plan shall be the most expensive lump-sum contract price for the 2 + 2 Florida Plan, as determined annually by the Board's actuary.

(c) A 4-Year Florida College Plan shall be the most expensive lump-sum contract price for the 4-Year Florida College Plan, as determined annually by the Board's actuary.

(d) A 2-Year Florida College Plan shall be the most expensive lump-sum contract price for the 2-Year Florida College Plan, as determined annually by the Board's actuary.

(e) A Tuition Plan shall be the most expensive lump-sum price for a 4-Year University Tuition Plan, as determined by the Board's actuary in the actuarial report prepared by the Board's actuary dated August 19, 2009.

(f) A Local Fee Plan shall be the most expensive lump-sum contract price for a 4-Year University Local Fee Plan, as determined annually by the Board's actuary.

(g) A Tuition Differential Fee Plan shall be the most expensive lump-sum contract price for a 4-Year University TDF Plan, as determined annually by the Board's actuary.

(h) A Dormitory Plan shall be the most expensive lump-sum four (4) year dormitory contract price (8 semesters) as determined annually by the Board's actuary.

(3) If the Board receives an application for an advance payment contract or an additional plan as an addendum to an advance

payment contract for a beneficiary and the sum of the redemption value of that application's benefit(s), the redemption value of any existing advance payment contract for that beneficiary and the account balance of a Florida College Investment Plan account for that beneficiary exceeds the maximum account balance limit, the Board will notify the purchaser that the Board cannot accept the application.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98, 1009.981 FS. History--New 11-27-02, Amended 12-28-03, 7-13-06, 12-17-07, 7-9-08, 10-18-10.

CHAPTER 19B-5: ADVANCE PAYMENT CONTRACT BENEFITS

- 19B-5.001 Plan Types
- 19B-5.002 Contract Benefits
- 19B-5.003 Contract Requirements
- 19B-5.004 Contract Purchasers
- 19B-5.005 Contract Exclusions
- 19B-5.006 Limitations on Plan Option Changes
- 19B-5.007 Scholarship Programs Operated by Non Profit Organizations

19B-5.001 Plan Types.

(1) Definitions.

(a) “Florida College” means any public postsecondary educational institution in the Florida College System as defined in Section 1000.21(3), F.S.

(b) “Local Fee” means: (a) the activity and service, health, and athletic fees authorized in Sections 1009.24(9)-(12), F.S., charged by a State University; or (b) the student activity and service fee authorized in Section 1009.23, F.S., and charged by a Florida College. The technology fee authorized in Section 1009.23(10), F.S., charged by a Florida College is also covered by Local Fee Plans purchased after July 1, 1999.

(c) “Registration Fee” means: (a) the tuition fee authorized in Section 1009.24(4), F.S., financial aid fee authorized in Section 1009.24(7), F.S., building fee authorized in Section 1009.24(8), F.S., and Capital Improvement Trust Fund fee authorized in Section 1009.24(8), F.S., charged by a State University; or (b) the tuition fee, authorized in Section 1009.23(3), F.S., the fee for capital improvements authorized in Section 1009.23(11), F.S., and the financial aid fee authorized in Section 1009.23(8), F.S., charged by a Florida College.

(d) “State University” means any university in the State University System as defined in Section 1000.21(6), F.S.

(e) “Tuition Differential Fee” means the fee charged by a State University pursuant to Section 1009.24(16), F.S.

(2) The 4-Year Florida University Plan. The 4-Year Florida University Plan prepays the Registration Fees, Tuition Differential Fee and Local Fees, for 120 semester credit hours at a State University. The 4-Year Florida University Plan initially is available for purchase during 2010-2011 open enrollment period which begins on October 18, 2010. The 4-Year Florida University Plan may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the purchase of the 4-Year Florida University Plan is accepted by the Board.

(3) The 2 + 2 Florida Plan. The 2 + 2 Florida Plan prepays the Registration Fees and Local Fees for 60 lower division semester credit hours at a Florida College and the Registration Fees, Tuition Differential Fee and Local Fees for 60 semester credit hours at a State University. The 2 + 2 Plan initially is available for purchase during the 2010-2011 open enrollment period which begins on

October 18, 2010. The 2 + 2 Florida Plan may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the purchase of the 2 + 2 Florida Plan is accepted by the Board.

(4) The 4-Year Florida College Plan. The 4-Year Florida College Plan prepays the Registration Fees and Local Fees for 60 lower division semester credit hours at a Florida College and for 60 upper division semester credit hours at a Florida College. The 4-Year Florida College Plan initially is available for purchase during the 2010-2011 open enrollment period which begins on October 18, 2010. The 4-Year Florida College Plan may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the purchase of the 4-Year Florida College Plan is accepted by the Board.

(5) The 2-Year Florida College Plan. The 2-Year Florida College Plan prepays the Registration Fees and Local Fees for 60 lower division semester credit hours at a Florida College. The 2-Year Florida College Plan initially is available for purchase during the 2010-2011 open enrollment period which begins on October 18, 2010. The 2-Year Florida College Plan may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the purchase of the 2-Year Florida College Plan is accepted by the Board.

(6) Tuition Plans consist of three (3) separate plans:

(a) 4-Yr University Tuition Plan – The purchase of a 4-Yr University Tuition Plan prepays the Registration Fees for 120 credit hours at a State University for the benefit of the qualified beneficiary.

(b) 2-Yr FL College Tuition (formerly the Community College Plan) – The purchase of a 2-Yr FL College Tuition Plan prepays the Registration Fees for 60 lower division credit hours at a Florida College for the benefit of the qualified beneficiary. For 2-Yr FL College Plans purchased prior to the 1996-97 application period, the number of credit hours purchased through the 2-Yr FL College Tuition Plan shall be the number specified in the advance payment contract.

(c) 2 + 2 Tuition Plan (formerly the Community College Plus University Plan) – The purchase of a 2 + 2 Tuition Plan prepays the Registration Fees for 60 lower division credit hours at a Florida College and the Registration Fees for 60 upper division level credit hours at a State University for the benefit of the qualified beneficiary. For 2 + 2 Tuition Plans purchased prior to the 1996-97 application period, the number of credit hours purchased through the 2 + 2 Plan shall be the number specified in the advance payment contract.

Tuition Plans do not cover Local Fees, the Tuition Differential Fee or other institutionally-imposed fees. Tuition Plans are not available for purchase after January 31, 2010.

(7) Local Fee Plans consist of three (3) separate plans:

(a) 4-Yr University Local Fee Plan – The purchase of a 4-Yr University Local Fee Plan prepays the Local Fees for 120 credit

hours at a State University for the benefit of the qualified beneficiary. The 4-Yr University Local Fee Plan may only be purchased as an addition to a 4-Yr University Tuition Plan.

(b) 2-Yr FL College Local Fee Plan (formerly the Community College Local Fee Plan) – The purchase of a 2-Yr FL College Local Fee Plan prepays the Local Fees for 60 lower division credit hours at a Florida College for the benefit of the qualified beneficiary. The 2-Yr FL College Local Fee Plan may only be purchased as an addition to a 2-Yr FL College Tuition Plan.

(c) 2 + 2 Local Fee Plan (formerly the Community College Plus University Plan) – The purchase of a 2 + 2 Local Fee Plan prepays the Local Fees for 60 lower division credit hours at a Florida College and 60 upper division level credit hours at a State University for the benefit of the qualified beneficiary. The 2 + 2 Local Fee Plan may only be purchased as an addition at the 2 + 2 Tuition Plan.

Local Fee Plans may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the purchase of the Local Fee Plan is accepted by the Board. The Local Fee Plans do not include payment of the Tuition Differential Fee or other institutionally-imposed fees.

(8) Tuition Differential Fee Plans consist of two (2) separate plans:

(a) 4-Yr University TDF Plan – The purchase of a 4-Yr University TDF Plan prepays the Tuition Differential Fee for 120 credit hours at a State University for the benefit of the qualified beneficiary. The 4-Yr University TDF Plan may be purchased only as an addition to a 4-Yr University Tuition Plan.

(b) 2 + 2 TDF Plan (formerly the Community College Plus University Tuition Differential Fee Plan) – The 2 + 2 TDF Plan prepays the Tuition Differential Fee for 60 credit hours at a State University for the benefit of the qualified beneficiary. The 2 + 2 TDF Plan may be purchased only as an addition to a 2 + 2 Tuition Plan.

Tuition Differential Fee Plans may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the Tuition Differential Fee Plan is accepted by the Board. Beneficiaries for whom advance payment contracts were in effect prior to July 1, 2007 and include the 4-Yr University Tuition Plan or the 2 + 2 Tuition Plan, are exempt from the tuition differential fee. Tuition Differential Fee Plans do not include payment of Local Fees or other institutionally-imposed fees.

(9) Dormitory Plan.

(a) The Dormitory Plan provides payment for a double-occupancy, air-conditioned room in a dormitory specified by the State University and approved by the Board in which the qualified beneficiary is enrolled. Where a State University does not offer a double-occupancy, air-conditioned dormitory room, the Dormitory Plan will pay the State University, on behalf of the qualified beneficiary, the average cost of an eligible double-occupancy, air-conditioned dormitory room in the State University System.

(b) The Dormitory Plan may be purchased only for a qualified beneficiary who is in the eleventh grade or below at the time the application for the purchase of the Dormitory Plan is accepted by the Board.

(c) A Dormitory Plan which is purchased in conjunction with or as an addendum to the 2 + 2 Florida Plan or which is purchased as an addendum to a 2 + 2 Tuition Plan may only be used after the beneficiary is admitted to a State University. A Dormitory Plan may only be transferred for use at a Florida College pursuant to Rule 19B-9.004, F.A.C.

(d) A purchaser may purchase a Dormitory Plan for a beneficiary who was adopted from the Department of Children and Family Services after May 5, 1997, without purchasing a 4-Year Florida University Plan or 2 + 2 Florida Plan or without having purchased Tuition Plan for that beneficiary.

(10) The advance payment contract does not cover fees and costs related to books, meals, transportation, and institutionally-imposed fees, including, but not limited to laboratory fees.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(2), (10) FS. History--New 3-29-89, Amended 5-17-92, 8-23-92, Formerly 4G-5.001, Amended 5-31-95, 6-20-96, 10-20-96, 8-18-97, 2-18-99, 2-8-00, 8-27-02, 12-17-07, 11-30-09, 10-18-10.

19B-5.002 Contract Benefits.

(1) A qualified beneficiary may begin to receive benefits during the Summer Semester of the scheduled matriculation year. The benefits of the purchaser's advance payment contract shall be paid at the time a qualified beneficiary enrolls in a state postsecondary institution except in the event of legislative action pursuant to Section 1009.98(5), F.S. The credit hours purchased may be used during any semester of postsecondary enrollment. To receive benefits under this program, a qualified beneficiary whose advance payment contract is in good standing will be issued an identification card prior to each postsecondary Fall enrollment period. No identification card will be issued to a beneficiary unless the beneficiary submits a social security number. Benefits under each advance payment contract are available for use by the specified beneficiary for one (1) matriculation each semester, however, a beneficiary may matriculate more than once a semester if required by law or policy of the postsecondary institution.

(2) To be eligible to receive Dormitory Plan benefits, qualified beneficiaries must file a complete and timely residence application with the applicable postsecondary institution. Beneficiaries must comply with all housing authority rules and regulations. The housing prepayment fee will be waived for the first housing application. Subsequent applications to alternate housing authorities will require payment by the purchaser of the appropriate prepayment fee. The Dormitory Plan is not available for use during the summer term.

(3) Local Fee Plans and Tuition Differential Fee Plans are tied to the corresponding type of Tuition Plan purchased for the qualified beneficiary for matriculation purposes. Payment for the Local Fees and the Tuition Differential Fee will be remitted with

the payment for Registration Fees, upon the receipt of an invoice for a qualified beneficiary whose advance payment contract includes those plans.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-5.002, Amended 5-31-95, 6-20-96, 2-18-99, 1-1-07, 12-17-07, 11-30-09, 10-18-10.

19B-5.003 Contract Requirements.

(1) Each application submitted to the Board must specify the qualified beneficiary, provided however, that the board's direct support organization and organizations operating scholarship programs pursuant to Rule 19B-5.007, F.A.C., shall be permitted to leave the qualified beneficiary's name blank until April 1 of the anticipated enrollment year.

(2) Only one (1) qualified beneficiary is allowed per advanced payment contract, and a specific beneficiary can be named in only one (1) advance payment contract, provided however, a second advance payment contract may be purchased for a beneficiary by the direct support organization or an organization operating a scholarship program pursuant to Rule 19B-5.007, F.A.C. If a second advance payment contract is purchased for a beneficiary by the direct support organization or an organization operating a scholarship program pursuant to Rule 19B-5.007, F.A.C., the purchaser of the original prepaid contract may receive a refund pursuant to subsection 19B-11.001(2)(a), F.A.C. In the event duplicate advance payment contracts for the same beneficiary are processed and the second advance payment contract was not purchased by the direct support organization or an organization operating a scholarship program pursuant to Rule 19B-5.007, F.A.C., the advance payment contract processed first shall be deemed valid and the remaining advance payment contract shall be deemed terminated.

(3) The purchaser does not have to designate the postsecondary institution that the beneficiary will attend.

(4) The benefits of an advance payment contract may be used within three (3) years in advance of the selected matriculation date indicated in the application with no penalty or additional cost. However, to utilize the benefits prior to the selected matriculation date, the purchaser must pay the advance payment contract in full before changing such matriculation date.

(5)(a) The benefits of an advance payment contract may be received for up to a ten (10) year period after the matriculation date. This ten (10) year limitation will be extended upon application to the Board. Any time spent by the qualified beneficiary in the military service tolls the time for receiving contract benefits under all plans. The matriculation date is the projected college enrollment year of the qualified beneficiary, based on the information about the qualified beneficiary's age or grade contained in the purchaser's application, or similar information received subsequently by the Board from the purchaser. The right to use the benefits of an advance payment contract shall expire on December 31, ten (10) years after the matriculation date, or any extension thereof.

(b) When the benefits of an advance payment contract have not been used on December 31, nine (9) years after the

matriculation date or one (1) year prior to the expiration of any extension of the expiration date for the use of the advance payment contract benefits, the Board shall mail a written notice to the purchaser which indicates:

1. The procedure to extend the time period for the use of advance payment contract benefits or to obtain a refund for the contract;
2. That the right to use the advance payment contract benefits will expire on December 31, ten (10) years after the matriculation date or any extension thereof; and
3. That such benefits and refund will escheat to the Florida Prepaid College Trust Fund on that date.

Such notice shall be mailed not later than 180 days prior to the expiration of the advance payment contract benefits. An alphabetical list of the names of purchasers of such advance payment contracts shall be posted on the Board's website on the Internet.

(c) The benefits from and any refund associated with an advance payment contract for which the benefits have not been used by December 31, ten (10) years after the matriculation date, or any extension thereof, shall escheat to the Florida Prepaid College Trust Fund.

(6) Contract benefits associated with advance payment contracts that are composed of a Tuition Plan, a Local Fee Plan and a Tuition Differential Fee Plan will only be paid if the Tuition Plan, Local Fee Plan and Tuition Differential Fee Plan are in good standing. Payments for the contract benefits associated with Local Fee Plans and Tuition Differential Fee Plan shall not be remitted to pay the Registration Fees for any beneficiary attending a State University or Florida College. Payments for the contract benefits associated with Local Fee Plans and Tuition Differential Fee Plans may be remitted to pay tuition at private and out-of-state colleges for any qualified beneficiary.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(4) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-5.003, Amended 5-31-95, 6-20-96, 2-18-99, 6-6-99, 11-6-01, 8-27-02, 12-17-07, 1-28-09, 10-18-10.

19B-5.004 Contract Purchasers.

(1) Any person, corporation, or organization may purchase an advance payment contract for a qualified beneficiary. Any natural person named as the purchaser or the co-purchaser must be 18 years of age or older and each must be either a United States citizen or a resident alien.

(2) For advance payment contracts that include a 4-Year Florida University Plan, 2 + 2 Florida Plan, 4-Year Florida College Plan or 2-Year Florida College Plan:

(a) Co-purchasers are permitted, but are not required. When a co-purchaser is designated on an advance payment contract, the

purchaser and co-purchaser each will enjoy a right of survivorship.

(b) Changes to the purchaser, co-purchaser or beneficiary designated on the advance payment contract, requests for voluntary termination of the advance payment contract, and refund requests associated with the termination of an advance payment contract must be in writing and contain the notarized signature of the purchaser and co-purchaser. All other changes to the advance payment contract must be in writing and approved by the purchaser.

(3) For advance payment contracts that include a Tuition Plan purchased prior to February 1, 2009:

(a) Co-purchasers are permitted, and will enjoy only a right of survivorship. However, the purchaser may, without the consent or authorization of the co-purchaser, execute all contract changes, conversions, transfers, cancellations, and refund requests.

(b) Any requests to change the purchaser designated on the advance payment contract must be signed by the purchaser and notarized by a notary. Refunds shall be made payable to the purchaser only.

(c) If a purchaser terminates a contract pursuant to Rule 19B-10.002, F.A.C., the co-purchaser must be notified in writing.

(d) Purchasers may elect to change the rights of a co-purchaser to be the same as those for advance payment contracts purchased on or after February 1, 2009, by submitting a written request to the Board. The request must be signed by the purchaser and the co-purchaser and both signatures must be notarized by a notary. If a purchaser changes the rights enjoyed by the co-purchaser to those for advance payment contracts purchased on or after February 1, 2009, the change in the co-purchaser's rights is irrevocable, the provisions of paragraphs 19B-5.004(3)(a), (b) and (c), F.A.C., shall not apply to the advance payment contract and the provisions of subsection 19B-5.004(4), F.A.C., shall apply to the advance payment contract.

(4) For advance payment contracts that include a Tuition Plan purchased on or after February 1, 2009:

(a) Co-purchasers are permitted, but are not required. When a co-purchaser is designated on an advance payment contract, the purchaser and co-purchaser each will enjoy a right of survivorship.

(b) Changes to the purchaser, co-purchaser or beneficiary designated on the advance payment contract, requests for voluntary termination of the advance payment contract, and refund requests associated with the termination of an advance payment contract must be in writing and contain the notarized signature of the purchaser and co-purchaser. All other changes to the advance payment contract must be in writing and approved by the purchaser.

(5) The provisions of subsection 19B-5.004(3), F.A.C., also apply to advance payment contracts for Dormitory Plan, Local Fee Plans and Tuition Differential Fee Plans, regardless of the date of their purchase, that are associated with Tuition Plans that were purchased prior to February 1, 2009. The provisions of subsection 19B-5.004(4), F.A.C., apply to advance payment contracts for Dormitory Plans, Local Fee Plans and Tuition Differential Fee Plans associated with Tuition Plans that were purchased on or after

February 1, 2009.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History–New 3-29-89, Amended 3-19-92, Formerly 4G-5.004, Amended 12-5-93, 6-20-96, 7-28-98, 11-27-02, 1-28-09, 10-18-10.

19B-5.005 Contract Exclusions.

No graduate program, adult basic, or adult secondary program is available under this plan.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History–New 3-29-89, Formerly 4G-5.005, Amended 6-20-96, 1-3-01.

19B-5.006 Limitations on Plan Option Changes.

(1) A purchaser of an advance payment contract must notify the Board of a change to the payment option or plan option delineated on such contract before the end of the official contract change period, such dates to be published in the Florida Administrative Weekly. Except as provided in Rule 19B-11.002, F.A.C., no changes in enrollment or payment options will be allowed after this change period.

(2)(a) Advance payment contract purchasers may make a lump sum prepayment to fully prepay the installment payments then remaining due for any plan included in an advance payment contract with no prepayment penalty.

(b) Advance payment contract purchasers may make one (1) or more partial prepayments for any plan included in the advance payment contract. For purposes of this rule, a partial prepayment is a payment made on a plan on which payments are due and which is received by the Board prior to the regularly scheduled time for a payment and is less than the lump sum amount required to fully prepay the installment payments due on a plan included in the advance payment contract at the time such payment is received by the Board. An advance payment contract purchaser shall not receive any refund or reduction of the total amount due for all of the installment payments due for any plan included in an advance payment contract, including any amount for implied interest pursuant to subsection 19B-4.003(2), F.A.C., as the result of one (1) or more partial prepayments.

(3) No plan option, including a Dormitory Plan, Local Fee Plan or Tuition Differential Fee Plan, may be added or deleted except during this change period, during an open enrollment period, or by approval of the Board in cases of hardship and pursuant to the special petition procedure outlined in Rule 19B-12.001, F.A.C.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(4) FS. History–New 2-6-90, Formerly 4G-5.006, Amended 6-20-96, 3-20-97, 2-18-99, 12-17-07, 10-18-10.

19B-5.007 Scholarship Programs Operated by Non Profit Organizations.

(1) During the open enrollment period, a nonprofit organization may purchase advance payment contracts for a scholarship program operated by the organization provided the Board has approved the scholarship program.

(2) The Board will approve scholarship programs operated by nonprofit organizations upon submission of a written application to the Board that contains:

- (a) Evidence that the organization is a nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code;
- (b) Evidence that the organization is exempt from taxation pursuant to Section 501(a) of the Internal Revenue Code;
- (c) Information describing the scholarship program and its purposes;
- (d) A statement that the nonprofit organization operates the scholarship program;
- (e) A statement that the nonprofit organization shall comply with the terms of the advance payment contract, Section 1009.97-.98, 1009.982, 1009.983, F.S., and the rules of the Board.

(3) An application for approval of a scholarship program may be submitted with an application to purchase one or more advance payment contracts.

(4) After an application is determined by the Executive Director to be complete, the Board will consider and approve the application for the scholarship program at its next meeting.

(5) Approval by the Board of a scholarship program is not and shall not be promoted by the nonprofit organization as, an endorsement by the Board of the scholarship program or the sponsoring nonprofit organization.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(9) FS. History—New 10-9-01.

CHAPTER 19B-6: FEE SCHEDULE

19B-6.001 Fee Schedule

19B-6.001 Fee Schedule.

The following fee schedule will apply for all advance payment contract applicants and purchasers:

(1) Application Fee –

(a) A fifty dollar (\$50.00) nonrefundable application fee will be collected at the time an application is submitted to the Board.

(b) If the purchaser named on the application for the advance payment contract has a Florida College Investment Plan account and the designated beneficiary of that account is the same as beneficiary named on the application for the advanced payment contract, a thirty dollar (\$30.00) nonrefundable application fee will be collected at the time the application is submitted.

(c) If an application for both the advance payment contract and the Florida College Investment Plan is submitted on the same application, an eighty dollar (\$80.00) nonrefundable application fee will be collected at the time the application is submitted.

(d) A fee of ten dollars (\$10.00) will be assessed for any purchaser of a 4-Year Florida University Plan, 2 + 2 Florida Plan or Tuition Plan who subsequently adds a Dormitory Plan to the previously purchased 4-Year Florida University Plan, 2 + 2 Florida Plan or Tuition Plan.

(e) A fee of ten dollars (\$10.00) will be assessed for any purchaser of a Tuition Plan who subsequently adds the corresponding Local Fee Plan to the previously purchased Tuition Plan.

(f) A fee of ten dollars (\$10.00) will be assessed for any purchaser of a Tuition Plan who subsequently adds the corresponding Tuition Differential Fee Plan to the previously purchased Tuition Plan.

(2) Termination Fee – Fifty percent (50%) of the amount paid into a 4-Year Florida University Plan, 2 + 2 Florida Plan, 4-Year Florida College Plan, 2-Year Florida College Plan or Tuition Plan up to a cap of fifty dollars (\$50.00) will be assessed upon termination of a 4-Year Florida University Plan, 2 + 2 Florida Plan, 4-Year Florida College Plan, 2-Year Florida College Plan or Tuition Plan respectively, unless:

(a) The purchaser or beneficiary dies or is disabled; or

(b) The beneficiary receives a scholarship which renders the plan unusable; or

(c) The purchaser holds the advance payment contract for a period of at least two (2) years immediately preceding the request for termination and refund.

(3) Cancellation Fee – In verifying the residency of a beneficiary, if the Board discovers that a purchaser has committed fraud, a cancellation fee of one hundred percent (100%) of the amount paid into the plan up to a maximum of two hundred fifty dollars

(\$250.00) will be assessed, and the remainder of the amount paid into the plan will be automatically refunded to the purchaser.

(4) Late Fee.

(a) A late fee of ten dollars (\$10.00) will be assessed on each monthly payment received twenty (20) days past the due date. This charge shall be separate from and in addition to any termination fee that might be imposed pursuant to subsection (2) of this rule. If Tuition Plan, Local Fee Plan and Tuition Differential Fee Plan payments are received twenty (20) or more days past the due date, only the Tuition Plan will be assessed a ten dollar (\$10.00) late fee. The Board will grant an additional four (4) days' grace period when a federal holiday occurs within the twenty (20) days mentioned above.

(b) When an advance payment contract is terminated, not more than seventy dollars (\$70.00) in outstanding late fees may be deducted from the refund for the advance payment contract.

(c) When an advance payment contract is paid-in-full, the Board will waive:

1. Any outstanding late fees in excess of seventy dollars (\$70.00).
2. The outstanding late fee balance when the outstanding late fee balance is fifty dollars (\$50.00) or less.

(5) Insufficient Funds – Purchasers will automatically be assessed a twenty dollar (\$20.00) fee for all payments returned for insufficient funds.

(6) Outstanding Fees – All outstanding fees must be paid by March 1 of the anticipated enrollment year in order for the qualified beneficiary to receive the advance payment contract benefits. Fees assessed after March 1 of the anticipated enrollment year and remaining unpaid on February 1 of the succeeding year will result in a suspension of the advance payment contract benefits.

(7) Reinstatement Fee – A fifty dollar \$50.00 fee shall be assessed for the reinstatement of a voluntarily canceled or involuntarily canceled plan. This fee shall be due for each 4-Year Florida University Plan, 2 + 2 Florida Plan, 4-Year Florida College Plan, 2-Year Florida College Plan, Tuition Plan, Local Fee Plan, Tuition Differential Fee Plan and Dormitory Plan. The fee shall be due from the purchaser at the time the request for reinstatement is made and shall be in addition to all payments and fees required to bring a plan current.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971(4), 1009.98 FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, 8-23-92, Formerly 4G-6.001, Amended 12-5-93, 6-20-96, 12-16-97, 2-18-99, 2-8-00, 11-6-01, 11-27-02, 12-17-07, 10-18-10.

CHAPTER 19B-7: ELIGIBILITY

19B-7.001	Beneficiary Defined
19B-7.002	Residency
19B-7.003	Evidence of Residency

19B-7.001 Beneficiary Defined.

For each annual application period, a qualified beneficiary is defined as an individual who is under the age of 21 on the first day of the month in which the application period begins, has not completed the 11th grade, and is either:

(1) A resident of Florida, or

(2) A non-resident who is the child of a non-custodial parent who is a resident of this state. Documentation shall be in such form as required by the Board and may include a copy of the court order.

The qualified beneficiary must be either a United States citizen or a resident alien with a valid social security number.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.98 FS. History—New 3-29-89, Amended 2-6-90, Formerly 4G-7.001, Amended 11-27-02, 1-1-07.

19B-7.002 Residency.

The qualified beneficiary of the advance payment contract must be a Florida resident for at least twelve (12) months prior to a purchaser's application for an advance payment contract. This requirement does not apply in the case of a child born in Florida and under the age of one on the date of application. The qualified beneficiary may be a U.S. citizen, a permanent resident alien, or a dependent of a U.S. citizen or a permanent resident alien.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.97(3)(f), 1009.971, 1009.98 FS. History—New 3-29-89, Formerly 4G-7.002.

19B-7.003 Evidence of Residency.

(1) For qualified beneficiaries under the age of one the following documents, presented at the time of application, will be considered by the Board as sufficient to establish residency status:

(a) A birth certificate indicating the qualified beneficiary was born in Florida; or

(b) Any item listed under paragraph (2)(b) of this rule.

(2) The following documents, presented at the time of application, will be considered by the Board as sufficient to establish residency for qualified beneficiaries between one year of age and kindergarten enrollment:

(a) A progress report from the child's preschool or day care center indicating twelve (12) months of residency; or

(b) In the event there exist no records on the qualified beneficiary, the parents' or guardians' residency shall be determinative.

Residency may be indicated by one or more of the following documents that shows twelve (12) months of residence in the State of Florida:

1. Voter's registration card;
2. Driver's license;
3. Certificate of domicile;
4. Homestead exemption;
5. Utility bills at the same residence;
6. Professional or occupational license;
7. Proof of full-time Florida employment;
8. Florida vehicle registration; or
9. Any other similar-type documentation indicating residence for twelve (12) months in the State.

(3) For school age children from kindergarten to the 12th grade:

(a) A school report card or transcript from a Florida public or private school; or

(b) In the event school documents are not available, residency may be determined by the parents' or guardians' residency status as indicated in paragraph (2)(b) of this rule.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.97(3)(f), 1009.971, 1009.98 FS. History—New 3-29-89, Formerly 4G-7.003, Amended 6-20-96.

CHAPTER 19B-8: SUBSTITUTION OF BENEFICIARY

19B-8.001	Qualified Individuals
19B-8.002	Age Limitations
19B-8.003	Fee. (Repealed)
19B-8.004	Scholarship Programs

19B-8.001 Qualified Individuals.

Except when an advance payment contract is established by a person functioning in a custodial capacity, the qualified beneficiary may be changed to any member of the family of the then-current qualified beneficiary, at any time, by submitting a written, notarized request signed by the person or persons required by Rule 19B-5.004, F.A.C., directing the Board to change the qualified beneficiary for the contract. "Member of the family" means the same as that term is defined in s. 529 of the Internal Revenue Code. The substitute beneficiary must meet the residency requirement of a qualified beneficiary at the time of substitution.

Specific Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(4) FS. History—New 3-29-89, Formerly 4G-8.001, Amended 12-5-93, 6-20-96, 8-18-97, 12-16-97, 3-24-99, 2-8-00, 10-9-01, 12-28-03, 3-15-06, 1-28-09.

19B-8.002 Age Limitations.

The transfer to a substitute beneficiary is limited to individuals who are younger than the qualified beneficiary, or no more than three years older than the qualified beneficiary, without assessment of an additional advance payment contract price. If transfer to a substitute beneficiary more than three years older than the qualified beneficiary is desired, application must be made to the Board. The Board may assess an additional amount to ensure the actuarial soundness of the trust fund.

Specific Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.98 FS. History—New 3-29-89, Formerly 4G-8.002, Amended 6-20-96.

19B-8.003 Fee.

Specific Authority 240.551(5) FS. Law Implemented 240.551 FS. History—New 3-29-89, Formerly 4G-8.003, Repealed 6-20-96.

19B-8.004 Scholarship Programs.

Advance payment contracts purchased through an approved non-profit organization as provided in Rule 19B-5.007, F.A.C., or the Florida Prepaid College Foundation, Inc., may transfer the Prepaid benefits to any qualified beneficiary who meets the residency requirements at the time of substitution. An authorized representative for the scholarship donor organization will be required to sign and notarize any request to substitute beneficiaries on advance payment contracts.

Specific Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History—New 1-1-07.

CHAPTER 19B-9: TRANSFERABILITY

19B-9.001	Flexibility
19B-9.002	Use of Benefits at In-State Private Colleges or Universities, Out-of-State Colleges and Universities and Vocational-Technical Schools
19B-9.003	Transfer to Out-of-State Schools (Repealed)
19B-9.004	Dormitory Transfer to Community Colleges and State University-Held Residences Other than Dormitories
19B-9.005	Transfer to In-State Vocational-Technical Schools (Repealed)

19B-9.001 Flexibility.

The benefits of advance payment contracts are designed to be flexible in order to allow beneficiaries to attend the postsecondary institutions of their choice regardless of the type of plans included in the advance payment contract purchased.

(1) Plan benefits will be automatically converted upon receipt of a valid postsecondary institution invoice based upon the respective rates of tuition and/or fees included among the contract benefits for the plan or plans included in the qualified beneficiary's advance payment contract at the time of the qualified beneficiaries' actual matriculation dates. For example, if the qualified beneficiary has a 2-Yr FL College Tuition Plan and if the Florida College Registration Fees (the benefits provided by a 2-Yr FL College Tuition Plan) are two-thirds (2/3) of the State University Registration Fees at the time of matriculation, three Florida College credit hours will be used to pay for two (2) State University credit hours.

(2) A Dormitory Plan may not be used at a Florida College except as provided in Rule 19B-9.004, F.A.C., and may not be an addendum to a 4-Year Florida College Plan, 2-Year Florida College Plan or 2-Yr FL College Tuition Plan.

(3) A Tuition Differential Fee Plan may not be used at a Florida College and may not be an addendum to a 2-Yr FL College Tuition Plan.

(4) For the purchaser to convert plan benefits and receive a refund, pursuant to Rule 19B-11.002, F.A.C., a written conversion/refund request must be received from the purchaser no earlier than one (1) year and before April 1 of the year of matriculation of the qualified beneficiary.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.98(3) FS. History—New 3-29-89, Amended 3-19-92, Formerly 4G-9.001, Amended 6-20-96, 8-18-97, 12-17-07, 10-18-10.

19B-9.002 Use of Benefits at In-State Private Colleges or Universities, Out-of-State Colleges and Unviersities and Vocational-Technical Schools.

(1) In the event the beneficiary matriculates to any eligible education institution, as defined in s. 529 of the Internal Revenue Code (other than a State University in Florida or a Florida College), the redemption value will be forwarded to the institution.

(2) For purposes of the transfer of 4-Year Florida University Plans, the redemption value shall be the sum of the average amounts payable to State Universities for Registration Fees, Local Fees and Tuition Differential Fees under the beneficiary's plan, at the time of matriculation.

(3) For purposes of the transfer of 2 + 2 Florida Plans, the redemption value shall be the sum of the average amounts payable to State Universities for Registration Fees, Local Fees and Tuition Differential Fees under the beneficiary's plan, at the time of matriculation, and the sum of the average amounts payable to Florida Colleges for Registration Fees and Local Fees under the beneficiary's plan, at the time of matriculation.

(4) For purposes of the transfer of 4-Year Florida College Plans, the redemption value shall be the sum of the average amounts payable to Florida Colleges for Registration Fees and Local Fees under the beneficiary's plan, at the time of matriculation.

(5) For purposes of the transfer of 2-Year Florida College Plans, the redemption value shall be the sum of the average amounts payable to Florida Colleges for Registration Fees and Local Fees under the beneficiary's plan, at the time of matriculation.

(6) For purposes of transfers of Tuition Plans, Local Fee Plans and Tuition Differential Fee Plans, the redemption value shall be the average amount payable to State Universities for Registration Fees, Local Fees and Tuition Differential Fees, respectively, under the beneficiary's plan or plans or the average amount payable to Florida Colleges for Registration Fees and Local Fees, respectively, under the beneficiary's plan or plans, at the time of matriculation.

(7) For purposes of transfers of the Dormitory Plan, the redemption value shall be the average of the State University dormitory fees payable under the beneficiary's plan to a State University or Florida College, at the time of matriculation for the number of semesters reflected in each beneficiary's Dormitory Plan.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History—New 3-29-89, Formerly 4G-9.002, Amended 2-6-90, 12-5-93, 6-20-96, 10-20-96, 2-18-99, 10-9-01, 12-17-07, 11-30-09, 10-18-10.

19B-9.003 Transfer to Out-of-State Schools.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(3) FS. History—New 3-29-89, Formerly 4G-9.003, Amended 12-5-93, 6-20-96, 2-18-99, 1-3-01, 10-9-01, 12-17-07, Repealed 11-30-09.

19B-9.004 Dormitory Transfer to Florida Colleges and State University-Held Residences Other than Dormitories.

(1) A Dormitory Plan may be transferred to a Florida College or Florida College direct-support organization that operates a residence facility for students attending the Florida College. Funds transferred to the Florida College or Florida College direct-support organization shall not exceed the lesser of the actual fees charged by the Florida College or the Florida College direct-

support organization for dormitories or residency opportunities or the average dormitory fees payable under the beneficiary's Dormitory Plan for State University dormitories designated for inclusion in the Program.

(2) A Dormitory Plan may be transferred to other State University held residences designated by a State University for inclusion in the Program. Funds transferred to other State University held residences shall not exceed the average of fees payable under the beneficiary's Dormitory Plan for dormitories at the State University that are designated for inclusion in the Program. The terms of the State University contract shall take precedence over the terms of the advance payment contract for the purpose of transferring Dormitory Plans.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(3), (10) FS. History—New 10-20-96, Amended 1-28-09, 11-30-09, 10-18-10.

19B-9.005 Transfer to In-State Vocational-Technical Schools.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(3) FS. History—New 1-3-01, Amended 12-17-07, Repealed 11-30-09.

CHAPTER 19B-10: TERMINATION

19B-10.001 Involuntary Termination

19B-10.002 Voluntary Termination

19B-10.001 Involuntary Termination.

Involuntary termination shall occur upon a finding of fraud in the verification of residency of a qualified beneficiary at the time of application or the nonpayment of any appropriate payments due within established timeframes.

Specific Authority 1009.971(1), (4), (6) Law Implemented 1009.971, 1009.98(4) FS. History—New 3-29-89, Formerly 4G-10.001, Amended 6-20-96.

19B-10.002 Voluntary Termination.

Voluntary termination shall occur within thirty days of receiving a written request for cancellation of an advanced payment contract.

A request for the cancellation of an advance payment contract must contain the notarized signature of the person or persons required pursuant to Rule 19B-5.004, F.A.C.

Specific Authority 1009.971(1), (4), (6) Law Implemented 1009.971, 1009.98(4) FS. History—New 3-29-89, Formerly 4G-10.002, Amended 6-20-96, 7-28-98, 1-28-09.

CHAPTER 19B-11: REFUND

19B-11.001	General
19B-11.002	Conversion of a Plan to Another Plan of Lesser Value
19B-11.003	Conversion/Refund Requests
19B-11.004	Dormitory Refund
19B-11.005	Other Refunds
19B-11.006	Hold Harmless
19B-11.007	Unclaimed Refunds

19B-11.001 General.

Except as provided herein, refunds shall not exceed the amount paid for any plan included in the advance payment contract bought by the purchaser, except for conversions pursuant to Rule 19B-11.002, F.A.C., and dormitory plan refunds due to insufficient housing pursuant to Rule 19B-11.004, F.A.C. Termination of student status after the official drop/add period eliminates the refund option for that semester. The Board will process a refund associated with an account that was terminated pursuant to Rule 19B-10.001 or 19B-10.002, F.A.C., upon the receipt of a notarized, written request that is signed by the person or persons required pursuant to Rule 19B-5.004, F.A.C. The refund will be paid only to the purchaser.

(1) For participants in the Florida Prepaid College Board Program's advance payment contracts, a scholarship is defined as a financial or in-kind award or grant given to an individual for study, training, or research, and which does not constitute compensation for personal services.

(2) Refunds may exceed the amount paid for a plan in the following circumstances:

(a) If a beneficiary is awarded a scholarship, the terms of which cover the benefits included in the beneficiary's advance payment contract, moneys paid for the purchase of the advance payment contract shall be returned to the purchaser in semester installments coinciding with the matriculation by the beneficiary in an amount not to exceed the redemption value of the advance payment contract at the time the scholarship benefits are used. Proof of scholarship shall be given to the Board as required by the Master Covenant.

(b) In the event of death or total disability of the beneficiary, the advance payment contract may be terminated pursuant to Rule 19B-10.002, F.A.C., and the moneys paid for the purchase of an advance payment contract shall be refunded in lump sum in an amount not to exceed the redemption value of the advance payment contract at the time of the refund request. Proof of death or disability shall be in such form as required by the Board.

(3) For the purposes of refunds pursuant to subsection 19B-11.001(2), F.A.C., the redemption value for the:

(a) 4-Year Florida University Plan shall be the sum of the average amounts payable to State Universities for Registration Fees, Local Fees and Tuition Differential Fees, under the beneficiary's plan.

(b) 2 + 2 Florida Plan shall be the sum of the average amounts payable to the State Universities for Registration Fees, Local Fees and Tuition Differential Fees, under the beneficiary's plan, and the sum of the average amounts payable to Florida Colleges for Registration Fees and Local Fees, under the beneficiary's plan.

(c) 4-Year Florida College Plan shall be the sum of the average amounts payable to Florida Colleges for Registration Fees and Local Fees, under the beneficiary's plan.

(d) 2-Year Florida College Plan shall be the sum of the average amounts payable to Florida Colleges for Registration Fees and Local Fees, under the beneficiary's plan.

(e) Tuition Plans, Local Fee Plans and Tuition Differential Fee Plans shall be the average amount payable to State Universities for Registration Fees, Local Fees and Tuition Differential Fees, respectively, under the beneficiary's plan or plans or the average amount payable to Florida Colleges for Registration Fees and Local Fees, respectively, under the beneficiary's plan or plans.

(f) Dormitory Plans shall be the average of the State University dormitory fees payable under the beneficiary's Dormitory Plan for the number of semesters reflected in the beneficiary's advance payment contract.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.98(5), (10) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-11.001, Amended 8-18-97, 11-6-01, 12-17-07, 1-28-09, 11-30-09, 10-18-10.

19B-11.002 Conversion of a Plan to Another Plan of Lesser Value.

In the event a plan is converted to another plan of a lesser value, the purchaser will be entitled to a refund equal to the difference between the amount paid for the original contract and the amount that would have been paid for the contract to which the plan is converted had the converted plan been purchased under the same payment plan at the time the original advance payment contract was executed. However, should a beneficiary convert plans without notifying the Board, no refund will be provided.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(5) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-11.002, Amended 8-18-97.

19B-11.003 Conversion/Refund Requests.

All conversion/refund requests must be in writing, executed by the purchaser and filed in accordance with the provisions of subsection 19B-9.001(3), F.A.C.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98(5) FS. History—New 3-29-89, Amended 3-19-92, Formerly 4G-11.003.

19B-11.004 Dormitory Refund.

If there is insufficient housing to accommodate a qualified beneficiary under the Dormitory Plan, the actual value of dormitory rates at the specified institution at the time of the application for dormitory space at the university will be refunded to the purchaser. Insufficient housing means that sufficient numbers of double-occupancy, air-conditioned dormitory rooms are not available for the qualified beneficiaries who attend that State University. If the qualified beneficiary is placed upon an university admission wait list and is therefore prohibited by university regulations from submitting a timely housing application and, as a consequence, does not receive a housing assignment, this shall constitute insufficient housing pursuant to this section. The Board shall require documentation from the university housing authority and/or admission office prior to processing a dormitory refund due to insufficient housing. If the qualified beneficiary elects not to apply for the dormitory residence, the refund will be the amount paid for the dormitory plan after assessment of the termination fee pursuant to subsection 19B-6.001(2), F.A.C. Where a State University does not offer a double-occupancy, air-conditioned dormitory room, the Program will refund the purchaser the average cost of an eligible double-occupancy, air-conditioned dormitory room in the State University System.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.98(5) FS. History—New 3-29-89, Amended 2-6-90, Formerly 4G-11.004, Amended 5-31-95, 2-18-99, 10-18-10.

19B-11.005 Other Refunds.

If a beneficiary does not complete a 4-Year Florida University Plan, 2 + 2 Florida Plan, 4-Year Florida College Plan, 2-Year Florida College Plan, Tuition Plan, Local Fee Plan, Tuition Differential Fee Plan or Dormitory Plan for reasons other than those specified in Rules 19B-11.001 through 19B-11.004, F.A.C., the plan may be terminated pursuant to Rule 19B-10.002, F.A.C., and a pro-rata refund of the amount paid for the plan or plans is available. A refund under this rule will not include funds for any school year partially attended but not completed. A school year partially attended but not completed shall mean any one semester of a two semester school year whereby the student is enrolled at the conclusion of the official drop/add period, but withdraws before the end of such semester.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.98(5) FS. History—New 3-29-89, Amended 2-6-90, 3-19-92, Formerly 4G-11.005, Amended 1-28-09, 10-18-10.

19B-11.006 Hold Harmless.

(1) Any purchaser who exhausts the benefits purchased under an advance payment contract and for whom the total value of benefits received under such contract is less than the total of principal paid for the benefits may petition the Board for a refund of the

difference between the value of the benefits received and the principal paid.

(2) Any time a purchaser seeks to convert a plan purchased through the Program, the Board shall inform the purchaser of available conversion and cancellation options, including the financial consequences of each such option. Any purchaser who converts a plan based on this information shall not be eligible to petition for a refund pursuant to subsection (1) of this rule.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History--New 6-20-96.

19B-11.007 Unclaimed Refunds.

(1) The Board will mail written notice to the purchaser of a terminated advance payment contract when a refund for the account has been available for six (6) years. Such refund will consist of any monies paid into the program minus any applicable fees due against the account. The notice will indicate the procedure which must be followed to obtain a refund of the monies held by the Board and that if a refund claim is not timely made that the funds will escheat to the Florida Prepaid College Trust Fund. An alphabetical list of the names and city of residence of such purchasers will be posted on the Board's website on the Internet (www.myfloridaprepaid.com). Any refund which remains unclaimed seven (7) years after an account is terminated will escheat to the Florida Prepaid College Trust Fund.

(2) The Board will attempt to identify purchasers who have made inadvertent payments of fifty dollars or more into the Program and who are owed a refund of such payments. The Board will mail a written notice to persons who made such payments informing them that they are entitled to a refund of the inadvertent payments when such refunds have been unclaimed for six years. The notice will indicate the procedure which the person must follow to obtain a refund of the monies held by the Board and that if a claim for a refund is not timely made that the funds will escheat to the Florida Prepaid College Trust Fund. An alphabetical list of the names and city of residence of such purchasers will be posted on the Board's website on the Internet. Any refund of an inadvertent payment into the Program which remains unclaimed after seven years or on December 31, 2004, whichever is later, will escheat to the Florida Prepaid College Trust Fund.

(3) When the Board determines one or more additional methods for locating and notifying purchasers due an unclaimed refund or entitled to a refund of an inadvertent payment are available which are likely to increase the number and amounts of refunds provided to purchasers entitled to a refund or provided to purchasers who have made inadvertent payments, the Board will use such methods to locate and provide refunds to purchasers.

(4) The Board will annually review and approve the list of unclaimed refunds and inadvertent payments which have remained unclaimed for the periods required under this rule and have escheated to the Florida Prepaid College Trust Fund.

Rulemaking Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.971, 1009.972(5), 1009.98(5) FS. History—New 6-20-96, Amended 12-29-98, 4-15-04, 1-28-09, 10-18-10.

CHAPTER 19B-12: GRIEVANCE PETITIONS

19B-12.001	Special Petition
19B-12.002	Point of Entry
19B-12.003	Financial Hardship

19B-12.001 Special Petition.

(1) Any person who desires to petition the Board for relief from the procedures and policies within Chapters 19B-4 through 11, 19B-13 and 19B-16, F.A.C., may do so by filing a petition with the Executive Director of the Board or by filing a petition for a waiver or variance of a Board rule pursuant to Section 120.542, F.S.

(2) The petition shall contain the name and address of the person requesting relief; the specific nature of the relief requested; the name and address of any purchaser, benefactor, designated beneficiary or beneficiary on any disputed contract (if applicable); the prepaid college contract or participation agreement account numbers of the contract in question; the rule or policy from which the petitioner is requesting relief; the date of request; and the signature of the petitioner.

(3) The chairman has the authority to respond on behalf of the Board. The response must be in writing and must be made within 45 days of receipt of the petition from the person requesting relief.

Specific Authority 1009.971(1), (4), (6) FS. Law Implemented 120.542, 1009.98, 1009.981 FS. History—New 2-6-90, Formerly 4G-12.001, Amended 6-20-96, 12-16-97, 5-30-02.

19B-12.002 Point of Entry.

Any person whose interests are substantially affected by a response to a special petition filed pursuant to Rule 19B-12.001, F.A.C., may seek relief pursuant to s. 120.569, F.S., or may seek a waiver or variance pursuant to s. 120.542, F.S., and Rule 28-104, F.A.C.

Specific Authority 1009.971(1), (4), (6) FS. Law Implemented 120.542, 120.569, 1009.98, 1009.981 FS. History—New 2-6-90, Formerly 4G-12.002, Amended 12-16-97.

19B-12.003 Financial Hardship.

(1) In response to a demonstrated financial hardship, any contract purchaser as defined by Rule 19B-5.004, F.A.C., may file a petition with the Executive Director of the Board seeking to obtain the waiver of any late fees assessed against that purchaser pursuant to subsection 19B-6.001(5), F.A.C., or seeking to avoid the involuntary termination of a contract pursuant to Chapter 19B-10, F.A.C., or seeking to avoid the imposition of a termination fee.

(2) The Board will also entertain petitions to temporarily suspend a purchaser's participation in a contract plan due to a demonstrated financial hardship, when such a Petition is filed in order to avoid default as defined in Rule 19B-4.004, F.A.C.

However, in no event will the Board permit any contract purchaser to suspend payments on any plan for a period of longer than 180 days, as specified in Rule 19B-4.004, F.A.C. At the end of any period of suspension authorized by the Board pursuant to a demonstrated financial hardship, the contract purchaser must bring his account into good standing within a period of thirty (30) days.

(3) For purposes of this Chapter, the term “financial hardship” shall be defined to include any loss of employment or income by a contract purchaser or the spouse of a contract purchaser which limits or otherwise impairs the ability of the contract purchaser to make timely payments on a contract with the Board. A financial hardship will also be found to exist whenever a contract purchaser can demonstrate to the Board that medical circumstances, such as hospitalization of the purchaser or the spouse of the purchaser, that limit or otherwise impair the contract purchaser’s ability to make timely payments on a contract with the Board. Proof of loss of employment or income or proof of medical circumstances cited in any Petition may be required by the Board.

Specific Authority 1009.971(1), (4), (6) FS. Law Implemented 1009.98 FS. History—New 5-17-92, Formerly 4G-12.003, Amended 6-20-96.