

1 A bill to be entitled
2 An act relating to higher education; amending
3 s. 240.299, F.S.; providing reporting
4 requirements for university direct-support
5 organizations; amending s. 240.311, F.S.,
6 relating to rules of the State Board of
7 Community Colleges; requiring a community
8 college district board of trustees to annually
9 evaluate the college president; amending s.
10 240.324, F.S.; providing an additional
11 requirement for the accountability plan for
12 community colleges; amending ss. 240.331,
13 240.3315, F.S.; prescribing membership of
14 boards of directors and executive committees of
15 community college direct-support organizations
16 and statewide community college direct-support
17 organizations; restricting activities of such
18 direct-support organizations; providing
19 reporting requirements for such organizations;
20 amending s. 240.3335, F.S.; removing the
21 authority of a board of directors of a center
22 of technology innovation to acquire, lease, or
23 sublease property; providing an appropriation;
24 providing an effective date.

25
26 Be It Enacted by the Legislature of the State of Florida:

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28 Section 1. Subsection (6) is added to section 240.299,
29 Florida Statutes, to read:

30 240.299 Direct-support organizations; use of property;
31 board of directors; audit; facilities.--

1 (6) ANNUAL BUDGETS AND REPORTS.--Each direct-support
2 organization shall submit to the university president and the
3 Board of Regents its federal Internal Revenue Service
4 Application for Recognition of Exemption form (Form 1023) and
5 its federal Internal Revenue Service Return of Organization
6 Exempt from Income Tax form (Form 990).

7 Section 2. Paragraph (f) of subsection (3) of section
8 240.311, Florida Statutes, is amended to read:

9 240.311 State Board of Community Colleges; powers and
10 duties.--

11 (3) The State Board of Community Colleges shall:

12 (f) Specify, by rule, procedures to be used by the
13 boards of trustees in the annual ~~periodic~~ evaluations of
14 presidents and formally review the evaluations of presidents
15 by the boards of trustees.

16 Section 3. Present paragraph (g) of subsection (1) of
17 section 240.324, Florida Statutes, is redesignated as
18 paragraph (h) and a new paragraph (g) is added to that
19 subsection, to read:

20 240.324 Community college accountability process.--

21 (1) It is the intent of the Legislature that a
22 management and accountability process be implemented which
23 provides for the systematic, ongoing improvement and
24 assessment of the improvement of the quality and efficiency of
25 the State Community College System. Accordingly, the State
26 Board of Community Colleges and the community college boards
27 of trustees shall develop and implement a plan to improve and
28 evaluate the instructional and administrative efficiency and
29 effectiveness of the State Community College System. This
30 plan must address the following issues:

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1 (g) Institutional assessment efforts related to the
2 requirements of s. III in the Criteria for Accreditation of
3 the Commission on Colleges of the Southern Association of
4 Colleges and Schools.

5 Section 4. Section 240.331, Florida Statutes, is
6 amended to read:

7 240.331 Community college direct-support
8 organizations.--

9 (1) DEFINITIONS.--For the purposes of this section:

10 (a) "Community college direct-support organization"
11 means an organization that ~~which~~ is:

12 1. A Florida corporation not for profit, incorporated
13 under the provisions of chapter 617 and approved by the
14 Department of State.

15 2. Organized and operated exclusively to receive,
16 hold, invest, and administer property and to make expenditures
17 to, or for the benefit of, a community college in this state.
18 ~~The direct support organization may, at the request of the~~
19 ~~district board of trustees, provide residency opportunities on~~
20 ~~or near the college campus for students. Community College~~
21 ~~Program Fund and Public Education Capital Outlay funds may not~~
22 ~~be used to construct, maintain, or operate such facilities.~~

23 3. An organization that ~~which~~ the board of trustees,
24 after review, has certified to be operating in a manner
25 consistent with the goals of the community college and in the
26 best interest of the state. Any organization that ~~which~~ is
27 denied certification by the board of trustees may ~~shall~~ not
28 use the name of the community college that ~~which~~ it serves.

29 (b) "Personal services" includes full-time or
30 part-time personnel as well as payroll processing.

31

1 (2) BOARD OF DIRECTORS.--The chairperson of the board
2 of trustees shall appoint a representative to the board of
3 directors and the executive committee of each direct-support
4 organization established under this section, including those
5 established before July 1, 1998. The president of the
6 community college for which the direct-support organization is
7 established, or the president's designee, shall also serve on
8 the board of directors and the executive committee of the
9 direct-support organization, including any direct-support
10 organization established before July 1, 1998.

11 ~~(3)(2)~~ USE OF PROPERTY.--

12 (a) The board of trustees is authorized to permit the
13 use of property, facilities, and personal services at any
14 state community college by any community college
15 direct-support organization, subject to the provisions of this
16 section.

17 (b) The board of trustees is authorized to prescribe
18 by rule any condition with which a community college
19 direct-support organization must comply in order to use
20 property, facilities, or personal services at any state
21 community college.

22 (c) The board of trustees may ~~shall~~ not permit the use
23 of property, facilities, or personal services at any state
24 community college by any community college direct-support
25 organization that ~~which~~ does not provide equal employment
26 opportunities to all persons regardless of race, color,
27 national origin, sex, age, or religion.

28 (4) ACTIVITIES; RESTRICTIONS.--

29 (a) A direct-support organization may, at the request
30 of the district board of trustees, provide residency
31 opportunities on or near campus for students.

1 (b) A direct-support organization that constructs
2 facilities for use by a community college or its students must
3 comply with all requirements of this chapter relating to the
4 construction of facilities by a community college, including
5 requirements for competitive bidding.

6 (c) Any transaction or agreement between one
7 direct-support organization and another direct-support
8 organization or between a direct-support organization and a
9 center of technology innovation designated under s. 240.3335
10 must be approved by the district board of trustees.

11 (5) ANNUAL BUDGETS AND REPORTS.--Each direct-support
12 organization shall submit to the board of trustees its federal
13 Internal Revenue Service Application for Recognition of
14 Exemption form (Form 1023) and its federal Internal Revenue
15 Service Return of Organization Exempt From Income Tax form
16 (Form 990).

17 (6)(3) ANNUAL AUDIT.--Each direct-support organization
18 shall make provisions for an annual postaudit of its financial
19 accounts to be conducted by an independent certified public
20 accountant in accordance with rules to be promulgated by the
21 district board of trustees. The annual audit report must
22 ~~shall~~ be submitted to the Auditor General, the State Board of
23 Community Colleges, and the board of trustees for review. The
24 board of trustees and the Auditor General may ~~shall have the~~
25 ~~authority to~~ require and receive from the organization or from
26 its independent auditor any detail or supplemental data
27 relative to the operation of the organization. The identity
28 of donors who desire to remain anonymous shall be protected,
29 and that anonymity shall be maintained in the auditor's
30 report. All records of the organization, other than the
31 auditor's report, any information necessary for the auditor's

1 report, any information related to the expenditure of funds,
2 and any supplemental data requested by the board of trustees
3 and the Auditor General, shall be confidential and exempt from
4 the provisions of s. 119.07(1).

5 Section 5. Section 240.3315, Florida Statutes, is
6 amended to read:

7 240.3315 Statewide community college direct-support
8 organizations.--

9 (1) DEFINITIONS.--For the purposes of this section:

10 (a) "Statewide community college direct-support
11 organization" means an organization that ~~which~~ is:

12 1. A Florida corporation not for profit, incorporated
13 under the provisions of chapter 617 and approved by the
14 Department of State.

15 2. Organized and operated exclusively to receive,
16 hold, invest, and administer property and to make expenditures
17 to, or for the benefit of, the Community College System in
18 this state.

19 3. An organization that ~~which~~ the State Board of
20 Community Colleges, after review, has certified to be
21 operating in a manner consistent with the goals of the
22 Community College System and in the best interest of the
23 state. Any organization that ~~which~~ is denied certification by
24 the State Board of Community Colleges may ~~shall~~ not use the
25 name of any community college.

26 (b) "Personal services" includes full-time or
27 part-time personnel as well as payroll processing.

28 (2) BOARD OF DIRECTORS.--The chairperson of the State
29 Board of Community Colleges may appoint a representative to
30 the board of directors and the executive committee of any
31 statewide, direct-support organization established under this

1 section or s. 240.331. The chairperson of the State Board of
2 Community Colleges, or the chairperson's designee, shall also
3 serve on the board of directors and the executive committee of
4 any direct-support organization established to benefit the
5 State Community College System.

6 (3)(2) USE OF PROPERTY.--

7 (a) The State Board of Community Colleges may is
8 ~~authorized to~~ permit the use of property, facilities, and
9 personal services of the Division of Community Colleges by any
10 statewide community college direct-support organization,
11 subject to the provisions of this section.

12 (b) The State Board of Community Colleges may is
13 ~~authorized to~~ prescribe by rule any condition with which a
14 statewide community college direct-support organization must
15 comply in order to use property, facilities, or personal
16 services of the Division of Community Colleges.

17 (c) The State Board of Community Colleges may shall
18 not permit the use of property, facilities, or personal
19 services of the Division of Community Colleges by any
20 statewide community college direct-support organization that
21 ~~which~~ does not provide equal employment opportunities to all
22 persons regardless of race, color, national origin, sex, age,
23 or religion.

24 (4) RESTRICTIONS.--

25 (a) A statewide, direct-support organization may not
26 use public funds to acquire, construct, maintain, or operate
27 any facilities.

28 (b) Any transaction or agreement between a statewide,
29 direct-support organization and any other direct-support
30 organization or between a statewide, direct-support
31 organization and a center of technology innovation designated

1 under s. 240.3335 must be approved by the State Board of
2 Community Colleges.

3 (5) ANNUAL BUDGETS AND REPORTS.--Each direct-support
4 organization shall submit to the State Board of Community
5 Colleges its federal Internal Revenue Service Application for
6 Recognition of Exemption form (Form 1023) and its federal
7 Internal Revenue Service Return of Organization Exempt From
8 Income Tax form (Form 990).

9 (6)(3) ANNUAL AUDIT.--A statewide community college
10 direct-support organization shall make provisions for an
11 annual postaudit of its financial accounts to be conducted by
12 an independent certified public accountant in accordance with
13 rules to be adopted by the State Board of Community Colleges.
14 The annual audit report shall be submitted to the Auditor
15 General and the State Board of Community Colleges for review.
16 The State Board of Community Colleges and the Auditor General
17 shall have the authority to require and receive from the
18 organization or from its independent auditor any detail or
19 supplemental data relative to the operation of the
20 organization. The identity of a donor or prospective donor who
21 desires to remain anonymous and all information identifying
22 such donor or prospective donor are confidential and exempt
23 from the provisions of s. 119.07(1) and s. 24(a), Art. I of
24 the State Constitution. Such anonymity shall be maintained in
25 the auditor's report.

26 Section 6. Subsection (7) of section 240.3335, Florida
27 Statutes, is amended to read:

28 240.3335 Centers of technology innovation.--

29 (7) Each center shall have a board of directors with
30 at least five members who shall be appointed by the district
31 board of trustees. The board of directors is ~~shall be~~

1 responsible for overseeing the operation of the center,
2 approval of the annual budget, and setting policy to guide the
3 director in the operation of the center. ~~The board of~~
4 ~~directors shall have the authority to acquire, lease, and~~
5 ~~sublease property subject to the provisions of general law.~~

6 The board of directors shall consist of at least the
7 following:

8 (a) The director of the center.

9 (b) The vice president of academic affairs, or the
10 equivalent, of the community college.

11 (c) The vice president of business affairs, or the
12 equivalent, of the community college.

13 (d) Two members designated by the president of the
14 community college.

15 Section 7. There is hereby appropriated from the
16 General Revenue Fund the sum of \$1 million as a grant and aid
17 to Brevard Community College for fiscal year 1998-1999 to
18 support the acquisition of a black beam interferometer for the
19 Open Access Clean Room on the Palm Bay Campus.

20 Section 8. This act shall take effect July 1, 1998.
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