

By Representative Constantine

1   A bill to be entitled  
 2           An act relating to postsecondary education;  
 3           amending s. 240.2605, F.S., relating to the  
 4           Trust Fund for Major Gifts; revising matching  
 5           requirements for receipt of funds from the  
 6           trust fund; providing separate matching  
 7           requirements for universities endowing  
 8           two-plus-two scholarships with community  
 9           colleges; deleting a provision authorizing  
 10          encumbrance of state matching funds for  
 11          challenge grants from carryforward accounts;  
 12          deleting a provision requiring university  
 13          presidents to list donations from private  
 14          donors for specific types of donations for the  
 15          1999-2000 fiscal year only; providing an  
 16          effective date.

17

18 Be It Enacted by the Legislature of the State of Florida:

19

20           Section 1. Section 240.2605, Florida Statutes, is  
 21 amended to read:

22           240.2605 Trust Fund for Major Gifts.--

23           (1) There is established a Trust Fund for Major Gifts.

24 The purpose of the trust fund is to enable the Board of  
 25 Regents Foundation, each university, and New College to  
 26 provide donors with an incentive in the form of matching  
 27 grants for donations for the establishment of permanent  
 28 endowments, which must be invested, with the proceeds of the  
 29 investment used to support libraries and instruction and  
 30 research programs, as defined by procedure of the Board of  
 31 Regents. All funds appropriated for the challenge grants, new

1 donors, major gifts, or eminent scholars program must be  
2 deposited into the trust fund and invested pursuant to s.  
3 18.125 until the Board of Regents allocates the funds to  
4 universities to match private donations. Notwithstanding s.  
5 216.301 and pursuant to s. 216.351, any undisbursed balance  
6 remaining in the trust fund and interest income accruing to  
7 the portion of the trust fund which is not matched and  
8 distributed to universities must remain in the trust fund and  
9 be used to increase the total funds available for challenge  
10 grants. ~~The Board of Regents may authorize any university to~~  
11 ~~encumber the state matching portion of a challenge grant from~~  
12 ~~funds available under s. 240.272.~~

13 (2) The Board of Regents shall specify the process for  
14 submission, documentation, and approval of requests for  
15 matching funds, accountability for endowments and proceeds of  
16 endowments, allocations to universities, restrictions on the  
17 use of the proceeds from endowments, and criteria used in  
18 determining the value of donations.

19 (3)(a) The Board of Regents shall allocate the amount  
20 appropriated to the trust fund to the Board of Regents  
21 Foundation, each university, and New College based on the  
22 amount of the donation and the restrictions applied to the  
23 donation.

24 (b) Donations for a specific purpose must be matched  
25 in the following manner:

26 1. The Board of Regents Foundation and each university  
27 that raises at least \$100,000 but no more than \$999,999  
28 ~~\$599,999~~ from a private source must receive a matching grant  
29 equal to 50 percent of the private contribution.

30 ~~2. The Board of Regents Foundation and each university~~  
31 ~~that raises a contribution of at least \$600,000 but no more~~

1 ~~than \$1 million from a private source must receive a matching~~  
2 ~~grant equal to 70 percent of the private contribution.~~

3 ~~2.3.~~ The Board of Regents Foundation and each  
4 university that raises a contribution equal to or in excess of  
5 \$1 million but no more than \$2,999,999~~\$1.5 million~~ from a  
6 private source must receive a matching grant equal to 60 ~~75~~  
7 percent of the private contribution.

8 ~~4.~~ The Board of Regents Foundation and each university  
9 that raises a contribution in excess of ~~\$1.5 million but no~~  
10 ~~more than \$2 million from a private source must receive a~~  
11 ~~matching grant equal to 80 percent of the private~~  
12 ~~contribution.~~

13 ~~3.5.~~ The Board of Regents Foundation and each  
14 university that raises a contribution equal to or in excess of  
15 \$3~~\$2~~ million from a private source must receive a matching  
16 grant equal to 85 ~~100~~ percent of the private contribution.

17 4. The amount of matching funds used to match a single  
18 gift in any given year shall be limited to \$3 million. The  
19 total amount of matching funds available for any single gift  
20 shall be limited to \$15 million, to be distributed in equal  
21 amounts of \$3 million per year over a period of 5 years,  
22 subject to the availability of funds.

23 (c) Notwithstanding subparagraphs (b)1.-3., if a  
24 university seeking matching funds under this section and a  
25 community college seeking matching funds under s. 240.36  
26 jointly endow a two-plus-two scholarship, the university shall  
27 receive matching funds on the same basis as the community  
28 college under s. 240.36(3). To be eligible for matching funds  
29 under this paragraph, the notification of receipt and deposit  
30 of private contributions for such purpose must be submitted  
31 jointly by a community college and a state university in

1 increments of \$50,000, consisting of \$30,000 to the university  
2 from a single donor and \$20,000 to the community college, with  
3 a maximum of 50 scholarships per year being eligible for a  
4 match. Five scholarships per year shall be reserved for each  
5 state university until March 1, at which time any unmatched  
6 funds shall be made available to universities and community  
7 colleges under procedures established by the Board of Regents  
8 and the State Board of Community Colleges.

9 (d)(c) The Board of Regents shall encumber state  
10 matching funds for any pledged contributions, pro rata, based  
11 on the requirements for state matching funds as specified for  
12 the particular challenge grant and the amount of the private  
13 donations actually received by the university or Board of  
14 Regents Foundation for the respective challenge grant.

15 (4) Matching funds may be provided for contributions  
16 encumbered or pledged under the Florida Endowment Trust Fund  
17 for Eminent Scholars Act prior to July 1, 1994, and for  
18 donations or pledges of any amount equal to or in excess of  
19 the prescribed minimums which are pledged for the purpose of  
20 this section.

21 (5)(a) The Board of Regents Foundation, each  
22 university foundation, and New College Foundation shall  
23 establish a challenge grant account for each challenge grant  
24 as a depository for private contributions and state matching  
25 funds to be administered on behalf of the Board of Regents,  
26 the university, or New College. State matching funds must be  
27 transferred to a university foundation or New College  
28 Foundation upon notification that the university or New  
29 College has received and deposited the amount specified in  
30 this section in a foundation challenge grant account.

31

1           (b) The foundation serving a university and New  
2 College Foundation each has the responsibility for the  
3 maintenance and investment of its challenge grant account and  
4 for the administration of the program on behalf of the  
5 university or New College, pursuant to procedures specified by  
6 the Board of Regents. Each foundation shall include in its  
7 annual report to the Board of Regents information concerning  
8 collection and investment of matching gifts and donations and  
9 investment of the account.

10           (c) A donation of at least \$600,000 and associated  
11 state matching funds may be used to designate an Eminent  
12 Scholar Endowed Chair pursuant to procedures specified by the  
13 Board of Regents.

14           (6) The donations, state matching funds, or proceeds  
15 from endowments established under this section may not be  
16 expended for the construction, renovation, or maintenance of  
17 facilities or for the support of intercollegiate athletics.

18           (7) The Board of Regents Foundation may participate in  
19 the same manner as a university foundation with regard to the  
20 provisions of this section.

21           ~~(8) Notwithstanding other provisions of this section,~~  
22 ~~for the 1999-2000 fiscal year only, for gifts received during~~  
23 ~~this period, the university presidents shall provide a list of~~  
24 ~~donations from private donors for challenge grants, new~~  
25 ~~donations, major gifts, and the eminent scholars program to be~~  
26 ~~matched for the 1999-2000 fiscal year to the Board of Regents.~~  
27 ~~The listing shall contain an explanation of the donation, a~~  
28 ~~statement of the specific benefits accrued to the university~~  
29 ~~as a result of the donation, and how the donation is~~  
30 ~~consistent with the mission of the institution, as defined by~~  
31 ~~the Board of Regents in the 1998-2003 Strategic Plan.~~

1 ~~University presidents shall rank each private donation to~~  
2 ~~their university, giving highest priority to private donations~~  
3 ~~that provide additional library resources to universities;~~  
4 ~~donations that provide student assistance through~~  
5 ~~scholarships, fellowships, or assistantships; donations that~~  
6 ~~provide funding for existing academic programs at~~  
7 ~~universities; and donations that meet the matching requirement~~  
8 ~~without encumbering pledges. The Board of Regents, using the~~  
9 ~~same criteria, shall develop a systemwide priority list and~~  
10 ~~may set restrictions on the annual amount of matching funds~~  
11 ~~provided for single donations that exceed \$5 million.~~

12 Section 2. This act shall take effect July 1, 2000.

13 \*\*\*\*\*

14 HOUSE SUMMARY

15  
16 Revises provisions relating to the Trust Fund for Major  
17 Gifts to revise matching requirements for receipt of  
18 funds from the trust fund, to delete a provision  
19 authorizing encumbrance of state matching funds for  
20 challenge grants from carryforward accounts, and to  
21 delete a provision requiring university presidents to  
22 list donations from private donors for specific types of  
23 donations for the 1999-2000 fiscal year only. Provides  
24 separate matching requirements for universities endowing  
25 two-plus-two scholarships with community colleges. See  
26 bill for details.  
27  
28  
29  
30  
31