

Bill No. CS for SB 2456

Amendment No. ____

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Sullivan moved the following amendment:

Senate Amendment (with title amendment)

On page 12, between lines 24 and 25,

insert:

Section 6. Section 240.2605, Florida Statutes, is amended to read:

240.2605 Trust Fund for Major Gifts.--

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

The purpose of the trust fund is to enable the Board of Regents Foundation, each university, and New College to provide donors with an incentive in the form of matching grants for donations for the establishment of permanent endowments, which must be invested, with the proceeds of the investment used to support libraries and instruction and research programs, as defined by procedure of the Board of Regents. All funds appropriated for the challenge grants, new donors, major gifts, or eminent scholars program must be deposited into the trust fund and invested pursuant to s. 18.125 until the Board of Regents allocates the funds to

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

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

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

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

23 1. The Board of Regents Foundation and each university
 24 that raises at least \$100,000 but no more than \$999,999
 25 ~~\$599,999~~ from a private source must receive a matching grant
 26 equal to 50 percent of the private contribution.

27 ~~2. The Board of Regents Foundation and each university~~
 28 ~~that raises a contribution of at least \$600,000 but no more~~
 29 ~~than \$1 million from a private source must receive a matching~~
 30 ~~grant equal to 70 percent of the private contribution.~~

31 2.3. The Board of Regents Foundation and each

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1 university that raises a contribution equal to or in excess of
 2 \$1 million but no more than ~~\$2,999,999~~ \$1.5 million from a
 3 private source must receive a matching grant equal to 60 ~~75~~
 4 percent of the private contribution.

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

10 ~~3.5.~~ The Board of Regents Foundation and each
 11 university that raises a contribution equal to or in excess of
 12 ~~\$3~~ \$2 million from a private source must receive a matching
 13 grant equal to 85 ~~100~~ percent of the private contribution.

14 4. The maximum amount of matching funds which may be
 15 used to match a single gift in any given year is \$3 million.
 16 The maximum total amount of matching funds which may be used
 17 to match any single gift is \$15 million, to be distributed in
 18 equal amounts of \$3 million per year over a period of 5 years,
 19 subject to the availability of funds.

20 ~~(c) The Board of Regents shall encumber state matching~~
 21 ~~funds for any pledged contributions, pro rata, based on the~~
 22 ~~requirements for state matching funds as specified for the~~
 23 ~~particular challenge grant and the amount of the private~~
 24 ~~donations actually received by the university or Board of~~
 25 ~~Regents Foundation for the respective challenge grant.~~

26 (4) Matching funds may be provided for contributions
 27 encumbered or pledged under the Florida Endowment Trust Fund
 28 for Eminent Scholars Act prior to July 1, 1994, and for
 29 donations or pledges of any amount equal to or in excess of
 30 the prescribed minimums which are pledged for the purpose of
 31 this section.

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1 (5)(a) The Board of Regents Foundation, each
2 university foundation, and New College Foundation shall
3 establish a challenge grant account for each challenge grant
4 as a depository for private contributions and state matching
5 funds to be administered on behalf of the Board of Regents,
6 the university, or New College. State matching funds must be
7 transferred to a university foundation or New College
8 Foundation upon notification that the university or New
9 College has received and deposited the amount specified in
10 this section in a foundation challenge grant account.

11 (b) The foundation serving a university and New
12 College Foundation each has the responsibility for the
13 maintenance and investment of its challenge grant account and
14 for the administration of the program on behalf of the
15 university or New College, pursuant to procedures specified by
16 the Board of Regents. Each foundation shall include in its
17 annual report to the Board of Regents information concerning
18 collection and investment of matching gifts and donations and
19 investment of the account.

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

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

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

31 (8) For challenge grants for which state matching

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1 funds are requested ~~Notwithstanding other provisions of this~~
2 ~~section, for the 1999-2000 fiscal year only, for gifts~~
3 ~~received during this period, the university presidents shall~~
4 annually provide a list to the Board of Regents of donations
5 from private donors for challenge grants, ~~new donations, major~~
6 ~~gifts, and the eminent scholars program to be matched for the~~
7 ~~1999-2000 fiscal year to the Board of Regents.~~ The listing
8 shall include, but need not be limited to, contain an
9 explanation of the donation, a statement of the specific
10 benefits accrued to the university as a result of the
11 donation, and how the donation is consistent with the mission
12 of the institution, as defined by the Board of Regents in its
13 most recent the 1998-2003 Strategic Plan. The Board of Regents
14 shall submit a report to the President of the Senate, the
15 Speaker of the House of Representatives, and the Governor by
16 January 15 of each year. The report must include, but not be
17 limited to, the annual listing described in this subsection as
18 well as information regarding the expenditure of the proceeds
19 of the endowments for the previous year. ~~University presidents~~
20 ~~shall rank each private donation to their university, giving~~
21 ~~highest priority to private donations that provide additional~~
22 ~~library resources to universities; donations that provide~~
23 ~~student assistance through scholarships, fellowships, or~~
24 ~~assistantships; donations that provide funding for existing~~
25 ~~academic programs at universities; and donations that meet the~~
26 ~~matching requirement without encumbering pledges.~~ The Board of
27 Regents, ~~using the same criteria, shall develop a systemwide~~
28 ~~priority list and may set restrictions on the annual amount of~~
29 ~~matching funds provided for single donations that exceed \$5~~
30 ~~million.~~

31 Section 7. Present subsections (7) through (11) of

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1 section 240.2601, Florida Statutes, are redesignated as
2 subsections (8) through (11), respectively, and a new
3 subsection (7) is added to that section to read:

4 240.2601 State University System Facility Enhancement
5 Challenge Grant Program.--

6 (7) For challenge grants for which state matching is
7 being requested, university presidents shall provide to the
8 Board of Regents a list of donations received from private
9 donors for the State University System Facility Enhancement
10 Challenge Grant Program. This listing shall contain an
11 explanation of the donation, a statement of the specific
12 benefits accrued to the university as a result of the
13 donation, and the projected cost to the state for the
14 operation and maintenance of the facility. The Board of
15 Regents shall review and rank each private donation, giving
16 highest priority to private donations that provide the
17 financial resources for major renovations to existing
18 facilities, particularly instructional facilities, and new
19 space requirements as identified by the space utilization
20 model. The listing shall be submitted by August 1 of each
21 year.

22 Section 8. Donations received before July 1, 2000,
23 shall be matched at the percentage level in effect on the date
24 the gift was received. Any gift agreements signed and received
25 by July 1, 1999, which were approved for payment over a period
26 of up to 5 years are eligible for the level of match in effect
27 when the agreement was received and initial payment was made.

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29 (Redesignate subsequent sections.)

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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 On page 2, line 1, after the semicolon,

4

5 insert:

6 amending s. 240.2605, F.S.; rescinding a
7 provision that allows the Board of Regents to
8 authorize a university to encumber the state
9 matching portion of a challenge grant from
10 funds available under s. 240.272, F.S.;
11 revising provisions that prescribe the manner
12 in which donations from the trust fund must be
13 matched; providing the maximum yearly amount
14 and the maximum total amount of matching funds
15 which may be used to match a single gift;
16 repealing an obsolete provision; amending s.
17 240.2601, F.S.; requiring a report to the Board
18 of Regents and a priority list; providing for
19 donations received prior to a specified date;

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