

By the Committees on Education; Ethics and Elections; and
Senators Kurth and Kirkpatrick

304-1864-00

1 A bill to be entitled
2 An act relating to direct-support
3 organizations; amending s. 240.299, F.S.;
4 prohibiting a university direct-support
5 organization from making certain political
6 contributions unless approved by board vote;
7 amending s. 240.331, F.S.; prohibiting a
8 community college direct-support organization
9 from making certain political contributions
10 unless approved by board vote; amending s.
11 240.3315, F.S.; prohibiting statewide community
12 college direct-support organizations from
13 making certain political contributions unless
14 approved by board vote; providing an effective
15 date.

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

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19 Section 1. Section 240.299, Florida Statutes, is
20 amended to read:

21 240.299 Direct-support organizations; use of property;
22 board of directors; activities; audit; facilities.--

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

24 (a) "University direct-support organization" means an
25 organization which is:

26 1. A Florida corporation not for profit incorporated
27 under the provisions of chapter 617 and approved by the
28 Department of State;

29 2. Organized and operated exclusively to receive,
30 hold, invest, and administer property and to make expenditures
31 to or for the benefit of a state university in Florida or for

1 the benefit of a research and development park or research and
2 development authority affiliated with a state university and
3 organized under part V of chapter 159; and

4 3. An organization which the Board of Regents, after
5 review, has certified to be operating in a manner consistent
6 with the goals of the university and in the best interest of
7 the state. Any organization which is denied certification by
8 the Board of Regents shall not use the name of the university
9 which it serves.

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

12 (2) USE OF PROPERTY.--

13 (a) The Board of Regents is authorized to permit the
14 use of property, facilities, and personal services at any
15 state university by any university direct-support
16 organization, and, subject to the provisions of this section,
17 direct-support organizations may establish accounts with the
18 State Board of Administration for investment of funds pursuant
19 to part IV of chapter 218.

20 (b) The Board of Regents shall prescribe by rule
21 conditions with which a university direct-support organization
22 must comply in order to use property, facilities, or personal
23 services at any state university. Such rules shall provide
24 for budget and audit review and oversight by the Board of
25 Regents.

26 (c) The Board of Regents shall not permit the use of
27 property, facilities, or personal services at any state
28 university by any university direct-support organization which
29 does not provide equal employment opportunities to all persons
30 regardless of race, color, religion, sex, age, or national
31 origin.

1 (3) BOARD OF DIRECTORS.--The chair of the Board of
2 Regents may appoint a representative to the board of directors
3 and the executive committee of any direct-support organization
4 established under this section. The president of the
5 university for which the direct-support organization is
6 established, or his or her designee, shall also serve on the
7 board of directors and the executive committee of any
8 direct-support organization established to benefit that
9 university.

10 (4) ACTIVITIES; RESTRICTION.--A university
11 direct-support organization is prohibited from giving, either
12 directly or indirectly, any gift to a political committee or
13 committee of continuous existence as defined in s. 106.011 for
14 any purpose other than those certified by a majority roll call
15 vote of the governing board of the direct support organization
16 at a regularly scheduled meeting as being directly related to
17 the educational mission of the university.

18 (5)~~(4)~~ ANNUAL AUDIT.--Each direct-support organization
19 shall make provisions for an annual postaudit of its financial
20 accounts to be conducted by an independent certified public
21 accountant in accordance with rules to be promulgated by the
22 Board of Regents. The annual audit report shall include a
23 management letter and shall be submitted to the Auditor
24 General and the Board of Regents for review. The Board of
25 Regents and the Auditor General shall have the authority to
26 require and receive from the organization or from its
27 independent auditor any detail or supplemental data relative
28 to the operation of the organization. The identity of donors
29 who desire to remain anonymous shall be protected, and that
30 anonymity shall be maintained in the auditor's report. All
31 records of the organization other than the auditor's report,

1 management letter, and any supplemental data requested by the
2 Board of Regents and the Auditor General shall be confidential
3 and exempt from the provisions of s. 119.07(1).

4 (6)~~(5)~~ FACILITIES.--In addition to issuance of
5 indebtedness pursuant to s. 240.2093(2), each direct-support
6 organization is authorized to enter into agreements to
7 finance, design and construct, lease, lease-purchase,
8 purchase, or operate facilities necessary and desirable to
9 serve the needs and purposes of the university, as determined
10 by the systemwide strategic plan adopted by the Board of
11 Regents, upon approval of such agreements by the Board of
12 Regents and approval of the project by the Legislature. Such
13 agreements are subject to the provisions of s. 243.151.

14 (7)~~(6)~~ ANNUAL BUDGETS AND REPORTS.--Each
15 direct-support organization shall submit to the university
16 president and the Board of Regents its federal Internal
17 Revenue Service Application for Recognition of Exemption form
18 (Form 1023) and its federal Internal Revenue Service Return of
19 Organization Exempt from Income Tax form (Form 990).

20 Section 2. Paragraph (d) is added to subsection (4) of
21 section 240.331, Florida Statutes, to read:

22 240.331 Community college direct-support
23 organizations.--

24 (4) ACTIVITIES; RESTRICTIONS.--

25 (d) A community college direct-support organization is
26 prohibited from giving, either directly or indirectly, any
27 gift to a political committee or committee of continuous
28 existence as defined in s. 106.011 for any purpose other than
29 those certified by a majority roll call vote of the governing
30 board of the direct support organization at a regularly

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1 scheduled meeting as being directly related to the educational
2 mission of the community college.

3 Section 3. Paragraph (c) is added to subsection (4) of
4 section 240.3315, Florida Statutes, to read:

5 240.3315 Statewide community college direct-support
6 organizations.--

7 (4) RESTRICTIONS.--

8 (c) A statewide community college direct-support
9 organization is prohibited from giving, either directly or
10 indirectly, any gift to a political committee or committee of
11 continuous existence as defined in s. 106.011 for any purpose
12 other than those certified by a majority roll call vote of the
13 governing board of the direct support organization at a
14 regularly scheduled meeting as being directly related to the
15 educational mission of the State Board of Community Colleges.

16 Section 4. This act shall take effect July 1, 2000.

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18 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
19 COMMITTEE SUBSTITUTE FOR
20 CS/SB 890

21 The committee substitute provides that in order for a
22 direct-support organization (DSO) of a state university,
23 community college, or state-wide community college group to
24 give a gift to a political committee or committee of
25 continuous existence, the DSO must have an affirmative roll
26 call vote of its governing board, taken at a regularly
27 scheduled meeting, certifying the action is directly related
28 to the educational mission of the university, community
29 college, or state-wide community college organization.

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