



ENROLLED
HB 0315, Engrossed 1

2003 Legislature

A bill to be entitled

An act relating to the Florida Institute for Human and Machine Cognition, Inc.; creating s. 1004.447, F.S.; establishing the Florida Institute for Human and Machine Cognition, Inc., at the University of West Florida as a not-for-profit corporation; providing that the corporation shall act as an instrumentality of the state; authorizing the creation of subsidiaries by the corporation; providing for articles of incorporation; providing powers of the corporation; authorizing contracts without competitive bidding; providing for a board of directors; providing for an affiliation agreement; providing for an annual postaudit report; authorizing the corporation to secure liability protection; providing for assumption of responsibilities of the corporation by the University of West Florida under certain circumstances; providing for administration of the institute by a chief executive officer and providing duties; requiring appointment of a council of scientific advisers and providing duties; providing that the corporation and its subsidiaries are not agencies for certain purposes; authorizing additional affiliation agreements; providing an effective date.

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

Section 1. Section 1004.447, Florida Statutes, is created to read:



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1004.447 Florida Institute for Human and Machine Cognition, Inc.--

(1)(a) There is created a not-for-profit corporation, to be known as the "Florida Institute for Human and Machine Cognition, Inc.," which shall be registered, incorporated, organized, and operated in compliance with chapter 617. The Florida Institute for Human and Machine Cognition, Inc., is established at the University of West Florida.

(b) The corporation is authorized to create not-for-profit corporate subsidiaries that are organized under the provisions of chapter 617 upon the prior approval of the Board of Governors, as necessary, to fulfill its mission.

(2) The corporation and any authorized and approved subsidiary:

(a) Shall be a corporation primarily acting as an instrumentality of the state, pursuant to s. 768.28(2), for purposes of sovereign immunity.

(b) Is not an agency within the meaning of s. 20.03(11).

(c) Is subject to the open records and meeting requirements of s. 24, Art. I of the State Constitution, chapter 119, and s. 286.011.

(d) May receive, hold, invest, and administer property and any moneys acquired from private, local, state, and federal sources, as well as technical and professional income generated or derived from practice activities of the institute, for the benefit of the institute and the fulfillment of its mission.

(e) May perform all things necessary to secure letters of patent, copyrights, and trademarks on any work products and to



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enforce its rights therein. The corporation must consider contributions by a state university and university personnel in the development of trademarks, copyrights, and patents and shall enter into written contracts establishing the interests of the university and such personnel in each trademark, copyright, or patent.

(f) May secure comprehensive general liability protection, including professional liability protection, for the not-for-profit corporation and its subsidiaries.

(g) May enter into affiliation agreements with other universities or research institutes.

(h) Is not subject to the provisions of chapter 287.

(3) The officers, directors, and employees of the corporation or any authorized and approved subsidiary shall be governed by the code of ethics for public officers and employees as set forth in part III of chapter 112.

(4) The articles of incorporation of the corporation or any authorized and approved subsidiary must be approved in a written agreement by the Board of Governors. The agreement and the articles of incorporation shall:

(a) Provide that the corporation and any authorized and approved subsidiary shall provide equal employment opportunities for all persons regardless of race, color, religion, gender, national origin, age, handicap, or marital status.

(b) Provide that the corporation and any authorized and approved subsidiary are subject to the public records and meeting requirements of s. 24, Art. I of the State Constitution.



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(c) Provide that all officers, directors, and employees of the corporation and any authorized and approved subsidiary shall be governed by the code of ethics for public officers and employees as set forth in part III of chapter 112.

(d) Provide that members of the board of directors of the corporation are responsible for the prudent use of all public and private funds and that they will ensure that the use of funds is in accordance with all applicable laws, bylaws, and contractual requirements.

(e) Provide that the fiscal year of the corporation and any authorized and approved subsidiary is from July 1 to June 30.

(5) The affairs of the corporation shall be managed by a board of directors who shall serve without compensation. Each director shall have only one vote.

(a) The board of directors shall consist of:

1. The chair of the Board of Governors or the chair's designee.

2. The chair of the Board of Trustees of the University of West Florida or the chair's designee.

3. The President of the University of West Florida or the president's designee.

4. Three state university representatives.

5. Nine public representatives who are neither state university employees nor state employees.

(b) The Governor, the President of the Senate, and the Speaker of the House of Representatives shall each make one initial appointment of a state university representative to the



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board of directors. Each director who is a representative of a state university shall be appointed for an initial term of 3 years. The Governor shall make three initial appointments of public representatives to the board of directors. The President of the Senate and the Speaker of the House of Representatives shall each make two initial appointments of public representatives to the board of directors. The chair of the Board of Trustees of the University of West Florida shall make two initial appointments of public representatives to the board of directors. Each director who is a representative of the public shall be appointed to serve an initial term of 2 years.

(c) Upon the completion of the initial terms, a director appointed under paragraph (b) shall be appointed by a majority vote of the directors to an additional 3-year term.

(d) Any vacancy in office of a director appointed under paragraph (b) shall be filled for the remainder of the term by majority vote of the directors.

(e) Any director may be reappointed by a majority vote of the board of directors.

(f) The chair of the board of directors shall be selected by a majority vote of the directors, a quorum being present.

(6) No later than 30 days following approval of the corporation's articles of incorporation by the Board of Governors, the corporation shall enter into an affiliation agreement with the Board of Trustees of the University of West Florida for:

(a) The use or mutual provision of or participation in university programs or services, including use of the



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university's moneys, facilities, furnishings, equipment, other chattels, personnel, or services.

(b) The use of facilities and personnel for mutually approved teaching and research programs conducted by universities or research institutes.

(c) The preparation of an annual postaudit of the corporation's financial accounts and the financial accounts of any authorized and approved subsidiary to be conducted by an independent certified public accountant. The annual audit report shall include management letters and be submitted to the Auditor General and the Board of Governors for review.

(d) Use of the facilities of the University of West Florida, including all furnishings, equipment, and other chattels used in the operation of those facilities.

If the agreement between the corporation and the Board of Trustees of the University of West Florida is terminated, all property, including buildings, land, furnishings, equipment, and other chattels originally leased to the corporation, as well as any subsequently constructed or otherwise acquired facilities in connection with the operation of the institute, automatically reverts to full ownership by the University of West Florida. Such a reversionary interest of the state in all after-acquired facilities of the corporation is in furtherance of the goals of this section, and such a present ownership interest by the university is a continuing and insurable public interest.

(7) The corporation shall employ a chief executive officer to administer the affairs of the Florida Institute for Human and



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Machine Cognition, Inc. The chief executive officer shall be appointed by and serve at the pleasure of the board of directors. The chief executive officer shall exercise the following powers and duties, subject to the approval of the board of directors:

(a) Establish programs that fulfill the mission of the institute, as one of the nation's premier information-technology-related research organizations, in research, education, scientific advancement, and economic development. However, the chief executive officer may not establish academic programs for which academic credit is awarded, or programs that culminate in the conferring of a degree, without prior approval of the University of West Florida.

(b) Control the budget and the moneys appropriated or donated to the institute from private, local, state, and federal sources, as well as technical and professional income generated or derived from research activities of the institute. However, income generated by university faculty from research activities at the institute shall be shared between the institute and the university, as determined by the chief executive officer and the appropriate university president or the president's designee.

(c) Appoint representatives of the institute to carry out the research and educational activities of the institute and establish the compensation, benefits, and terms of service of such representatives. Representatives may hold concurrent appointments at affiliated academic institutions. University faculty may hold concurrent appointments at the institute.



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(d) Control the use and assignment of space and equipment within the facilities.

(e) Create the administrative structure necessary to carry out the mission of the institute.

(f) Annually report in writing to the Commissioner of Education on the activities of the institute and state budget allocation expenditures.

(g) Provide a copy of the institute's annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chair of the Board of Governors, and the University of West Florida.

(h) Appoint a council of scientific advisers to the chief executive officer comprised of leading researchers and scientists who shall review programs and recommend research priorities and initiatives to maximize the state's investment in the institute.

1. The board of directors shall ratify the appointments of scientific advisers to the council.

2. Each member of the council shall be appointed to serve a 2-year term and may be reappointed.

(8) The Board of Governors, the Board of Trustees of the University of West Florida, the Auditor General, and the Office of Program Policy Analysis and Government Accountability may require and receive from the corporation and any subsidiary, or from their independent auditor, any detail or supplemental data relative to the operation of the corporation or subsidiary.

(9) The Board of Trustees of the University of West Florida shall annually certify to the Governor, the President of



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the Senate, the Speaker of the House of Representatives, and the Board of Governors that the corporation and its authorized subsidiaries are complying with the requirements of this section and are acting in the best interests of the state.

Section 2. The corporation created pursuant to s. 1004.447(1), Florida Statutes, may enter into affiliation agreements similar to the agreement described in s. 1004.447(6), Florida Statutes, with the boards of trustees of other public or private universities.

Section 3. This act shall take effect upon becoming a law.