

By Senators King and Smith

8-608-05

See HB 67

1 A bill to be entitled

2 An act relating to the Trust Fund for

3 University Major Gifts; amending s. 1011.94,

4 F.S.; authorizing the Florida Board of

5 Governors Foundation, Inc., to provide matching

6 grants; providing duties of the Board of

7 Governors; replacing references to the State

8 Board of Education with references to the Board

9 of Governors; deleting references to New

10 College; deleting provisions that authorize

11 encumbrances; requiring donations to support

12 priorities established by a university's board

13 of trustees; revising provisions that prescribe

14 the manner in which donations must be matched;

15 revising provisions relating to donations that

16 may be used to designate an Eminent Scholar

17 Endowed Chair; providing an effective date.

18

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

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21 Section 1. Section 1011.94, Florida Statutes, is

22 amended to read:

23 1011.94 Trust Fund for University Major Gifts.--

24 (1) There is established a Trust Fund for University

25 Major Gifts. The purpose of the trust fund is to enable the

26 Florida Board of Governors Foundation, Inc., and each

27 university ~~and New College~~ to provide donors with an incentive

28 in the form of matching grants for donations for the

29 establishment of permanent endowments and sales tax exemption

30 matching funds received pursuant to s. 212.08(5)(j), which

31 must be invested, with the proceeds of the investment used to

1 support libraries and instruction and research programs, as
2 defined by the Board of Governors ~~State Board of Education~~.
3 All funds appropriated for the challenge grants, new donors,
4 major gifts, sales tax exemption matching funds pursuant to s.
5 212.08(5)(j), or eminent scholars program must be deposited
6 into the trust fund and invested pursuant to s. 17.61 until
7 the Board of Governors ~~State Board of Education~~ allocates the
8 funds to universities to match private donations.
9 Notwithstanding s. 216.301 and pursuant to s. 216.351, any
10 undisbursed balance remaining in the trust fund and interest
11 income accruing to the portion of the trust fund which is not
12 matched and distributed to universities must remain in the
13 trust fund and be used to increase the total funds available
14 for challenge grants. Funds deposited in the trust fund for
15 the sales tax exemption matching program authorized in s.
16 212.08(5)(j), and interest earnings thereon, shall be
17 maintained in a separate account within the Trust Fund for
18 University Major Gifts, and may be used only to match
19 qualified sales tax exemptions that a certified business
20 designates for use by state universities and community
21 colleges to support research and development projects
22 requested by the certified business. ~~The State Board of~~
23 ~~Education may authorize any university to encumber the state~~
24 ~~matching portion of a challenge grant from funds available~~
25 ~~under s. 1011.45.~~

26 (2) The Board of Governors ~~State Board of Education~~
27 shall specify the process for submission, documentation, and
28 approval of requests for matching funds, accountability for
29 endowments and proceeds of endowments, allocations to
30 universities, restrictions on the use of the proceeds from
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1 | endowments, and criteria used in determining the value of
2 | donations.

3 | (3)(a) ~~The Board of Governors State Board of Education~~
4 | shall allocate the amount appropriated to the trust fund to
5 | the Florida Board of Governors Foundation, Inc., and each
6 | university ~~and New College~~ based on the amount of the donation
7 | and the restrictions applied to the donation.

8 | (b)1. Donations from a private source, including any
9 | gift pledged and approved for initial match, which are
10 | approved by the Board of Governors and are on the pending list
11 | before July 1, 2006, must be for a specific purpose to support
12 | university priorities as established by the university's board
13 | of trustees and must be matched in the following manner:

14 | a.1- The Florida Board of Governors Foundation, Inc.,
15 | and each university that raises at least \$100,000 but no more
16 | than \$599,999 from a private source must receive a matching
17 | grant equal to 50 percent of the private contribution.

18 | b.2- The Florida Board of Governors Foundation, Inc.,
19 | and each university that raises a contribution of at least
20 | \$600,000 but no more than \$1 million from a private source
21 | must receive a matching grant equal to 70 percent of the
22 | private contribution.

23 | c.3- The Florida Board of Governors Foundation, Inc.,
24 | and each university that raises a contribution in excess of \$1
25 | million but no more than \$1.5 million from a private source
26 | must receive a matching grant equal to 75 percent of the
27 | private contribution.

28 | d.4- The Florida Board of Governors Foundation, Inc.,
29 | and each university that raises a contribution in excess of
30 | \$1.5 million but no more than \$2 million from a private source
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1 must receive a matching grant equal to 80 percent of the
2 private contribution.

3 ~~e.5.~~ The Florida Board of Governors Foundation, Inc.,
4 and each university that raises a contribution in excess of \$2
5 million from a private source must receive a matching grant
6 equal to 100 percent of the private contribution.

7 2. For new gifts and pledges made on or after July 1,
8 2006, donations from a private source must be for a specific
9 purpose to support university priorities as established by the
10 university's board of trustees and must be matched in the
11 following manner:

12 a. The Florida Board of Governors Foundation, Inc.,
13 and each university that raises at least \$100,000 but no more
14 than \$499,999 from a private source must receive a matching
15 grant equal to 25 percent of the private contribution.

16 b. The Florida Board of Governors Foundation, Inc.,
17 and each university that raises a contribution of at least
18 \$500,000 but no more than \$999,999 from a private source must
19 receive a matching grant equal to 50 percent of the private
20 contribution.

21 c. The Florida Board of Governors Foundation, Inc.,
22 and each university that raises a contribution of at least \$1
23 million but less than \$3 million from a private source must
24 receive a matching grant equal to 75 percent of the private
25 contribution.

26 d. The Florida Board of Governors Foundation, Inc.,
27 and each university that raises a contribution of \$3 million
28 or more from a private source must receive a matching grant
29 equal to 100 percent of the private contribution.

30 e. A bundled gift shall be limited to not more than \$1
31 million and a maximum match of 50 percent.

1 f. The maximum amount of matching funds that may be
2 used to match a single gift in any given year is \$3 million.
3 The maximum total amount of matching funds that may be used to
4 match any single gift is \$15 million, to be distributed in
5 equal amounts of \$3 million per year over a period of 5 years,
6 subject to availability of funds.

7 ~~(c) The State Board of Education shall encumber state~~
8 ~~matching funds for any pledged contributions, pro rata, based~~
9 ~~on the requirements for state matching funds as specified for~~
10 ~~the particular challenge grant and the amount of the private~~
11 ~~donations actually received by the university for the~~
12 ~~respective challenge grant.~~

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

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

29 (b) The foundation serving a university ~~and New~~
30 ~~College Foundation~~ each has the responsibility for the
31 maintenance and investment of its challenge grant account and

1 for the administration of the program on behalf of the
2 university ~~or New College~~, pursuant to procedures specified by
3 the Board of Governors ~~State Board of Education~~. Each
4 foundation shall include in its annual report to the Board of
5 Governors ~~State Board of Education~~ information concerning
6 collection and investment of matching gifts and donations and
7 investment of the account.

8 (c)1. A private donation, including any gift pledged
9 and approved for initial match, which is approved by the Board
10 of Governors and is on the pending list before July 1, 2006,
11 of at least \$600,000 and associated state matching funds may
12 be used to designate an Eminent Scholar Endowed Chair pursuant
13 to procedures specified by the Board of Governors ~~State Board~~
14 ~~of Education~~.

15 2. For new gifts and pledges made on or after July 1,
16 2006, a private donation of at least \$700,000 and associated
17 state matching funds may be used to designate an Eminent
18 Scholar Endowed Chair pursuant to procedures specified by the
19 Board of Governors.

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

24 (7) The Florida Board of Governors Foundation, Inc.,
25 may participate in the same manner as a university foundation
26 with regard to the provisions of this section.

27 Section 2. This act shall take effect July 1, 2005.
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