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A bill to be entitled
 An act relating to the Trust Fund for University Major
 Gifts; amending s. 1011.94, F.S.; authorizing the Florida
 Board of Governors Foundation, Inc., to provide matching
 grants; providing duties of the Board of Governors;
 replacing references to the State Board of Education with
 references to the Board of Governors; deleting references
 to New College; deleting provisions that authorize
 encumbrances; requiring donations to support priorities
 established by a university's board of trustees; revising
 provisions that prescribe the manner in which donations
 must be matched; revising provisions relating to donations
 that may be used to designate an Eminent Scholar Endowed
 Chair; providing an effective date.

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

Section 1. Section 1011.94, Florida Statutes, is amended
 to read:

1011.94 Trust Fund for University Major Gifts.--

(1) There is established a Trust Fund for University Major
 Gifts. The purpose of the trust fund is to enable the Florida
 Board of Governors Foundation, Inc., and 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 and sales tax exemption matching funds received
 pursuant to s. 212.08(5)(j), which must be invested, with the
 proceeds of the investment used to support libraries and

CODING: Words **stricken** are deletions; words **underlined** are additions.

29 instruction and research programs, as defined by the Board of
 30 Governors ~~State Board of Education~~. All funds appropriated for
 31 the challenge grants, new donors, major gifts, sales tax
 32 exemption matching funds pursuant to s. 212.08(5)(j), or eminent
 33 scholars program must be deposited into the trust fund and
 34 invested pursuant to s. 17.61 until the Board of Governors ~~State~~
 35 ~~Board of Education~~ allocates the funds to universities to match
 36 private donations. Notwithstanding s. 216.301 and pursuant to s.
 37 216.351, any undisbursed balance remaining in the trust fund and
 38 interest income accruing to the portion of the trust fund which
 39 is not matched and distributed to universities must remain in
 40 the trust fund and be used to increase the total funds available
 41 for challenge grants. Funds deposited in the trust fund for the
 42 sales tax exemption matching program authorized in s.
 43 212.08(5)(j), and interest earnings thereon, shall be maintained
 44 in a separate account within the Trust Fund for University Major
 45 Gifts, and may be used only to match qualified sales tax
 46 exemptions that a certified business designates for use by state
 47 universities and community colleges to support research and
 48 development projects requested by the certified business. ~~The~~
 49 ~~State Board of Education may authorize any university to~~
 50 ~~encumber the state matching portion of a challenge grant from~~
 51 ~~funds available under s. 1011.45.~~

52 (2) The Board of Governors ~~State Board of Education~~ shall
 53 specify the process for submission, documentation, and approval
 54 of requests for matching funds, accountability for endowments
 55 and proceeds of endowments, allocations to universities,

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56 restrictions on the use of the proceeds from endowments, and
57 criteria used in determining the value of donations.

58 (3)(a) ~~The Board of Governors State Board of Education~~
59 shall allocate the amount appropriated to the trust fund to the
60 Florida Board of Governors Foundation, Inc., and each university
61 ~~and New College~~ based on the amount of the donation and the
62 restrictions applied to the donation.

63 (b)1. Donations from a private source, including any gift
64 pledged and approved for initial match, which are approved by
65 the Board of Governors and are on the pending list before July
66 1, 2006, must be for a specific purpose to support university
67 priorities as established by the university's board of trustees
68 and must be matched in the following manner:

69 ~~a.1-~~ The Florida Board of Governors Foundation, Inc., and
70 each university that raises at least \$100,000 but no more than
71 \$599,999 from a private source must receive a matching grant
72 equal to 50 percent of the private contribution.

73 ~~b.2-~~ The Florida Board of Governors Foundation, Inc., and
74 each university that raises a contribution of at least \$600,000
75 but no more than \$1 million from a private source must receive a
76 matching grant equal to 70 percent of the private contribution.

77 ~~c.3-~~ The Florida Board of Governors Foundation, Inc., and
78 each university that raises a contribution in excess of \$1
79 million but no more than \$1.5 million from a private source must
80 receive a matching grant equal to 75 percent of the private
81 contribution.

82 ~~d.4-~~ The Florida Board of Governors Foundation, Inc., and
83 each university that raises a contribution in excess of \$1.5

84 million but no more than \$2 million from a private source must
85 receive a matching grant equal to 80 percent of the private
86 contribution.

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

91 2. For new gifts and pledges made on or after July 1,
92 2006, donations from a private source must be for a specific
93 purpose to support university priorities as established by the
94 university's board of trustees and must be matched in the
95 following manner:

96 a. The Florida Board of Governors Foundation, Inc., and
97 each university that raises at least \$100,000 but no more than
98 \$499,999 from a private source must receive a matching grant
99 equal to 25 percent of the private contribution.

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

104 c. The Florida Board of Governors Foundation, Inc., and
105 each university that raises a contribution of at least \$1
106 million but less than \$3 million from a private source must
107 receive a matching grant equal to 75 percent of the private
108 contribution.

109 d. The Florida Board of Governors Foundation, Inc., and
110 each university that raises a contribution of \$3 million or more

111 from a private source must receive a matching grant equal to 100
 112 percent of the private contribution.

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

115 f. The maximum amount of matching funds that may be used
 116 to match a single gift in any given year is \$3 million. The
 117 maximum total amount of matching funds that may be used to match
 118 any single gift is \$15 million, to be distributed in equal
 119 amounts of \$3 million per year over a period of 5 years, subject
 120 to availability of funds.

121 ~~(e) The State Board of Education shall encumber state~~
 122 ~~matching funds for any pledged contributions, pro rata, based on~~
 123 ~~the requirements for state matching funds as specified for the~~
 124 ~~particular challenge grant and the amount of the private~~
 125 ~~donations actually received by the university for the respective~~
 126 ~~challenge grant.~~

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

132 (5)(a) The Florida Board of Governors Foundation, Inc.,
 133 and each university foundation and New College Foundation shall
 134 establish a challenge grant account for each challenge grant as
 135 a depository for private contributions and state matching funds
 136 to be administered on behalf of the Board of Governors or State
 137 ~~Board of Education,~~ the university, ~~or New College.~~ State
 138 matching funds must be transferred to a university foundation ~~or~~

139 ~~New College Foundation~~ upon notification that the university ~~or~~
 140 ~~New College~~ has received and deposited the amount specified in
 141 this section in a foundation challenge grant account.

142 (b) The foundation serving a university ~~and New College~~
 143 ~~Foundation~~ each has the responsibility for the maintenance and
 144 investment of its challenge grant account and for the
 145 administration of the program on behalf of the university ~~or New~~
 146 ~~College~~, pursuant to procedures specified by the Board of
 147 Governors State Board of Education. Each foundation shall
 148 include in its annual report to the Board of Governors State
 149 ~~Board of Education~~ information concerning collection and
 150 investment of matching gifts and donations and investment of the
 151 account.

152 (c)1. A private donation, including any gift pledged and
 153 approved for initial match, which is approved by the Board of
 154 Governors and is on the pending list before July 1, 2006, of at
 155 least \$600,000 and associated state matching funds may be used
 156 to designate an Eminent Scholar Endowed Chair pursuant to
 157 procedures specified by the Board of Governors State Board of
 158 Education.

159 2. For new gifts and pledges made on or after July 1,
 160 2006, a private donation of at least \$700,000 and associated
 161 state matching funds may be used to designate an Eminent Scholar
 162 Endowed Chair pursuant to procedures specified by the Board of
 163 Governors.

164 (6) The donations, state matching funds, or proceeds from
 165 endowments established under this section may not be expended

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166 | for the construction, renovation, or maintenance of facilities
167 | or for the support of intercollegiate athletics.

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

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