

**The Florida Senate**  
**PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Education Facilities Appropriations Committee

BILL: CS/SB 1064

INTRODUCER: Education Facilities Committee and Senator King

SUBJECT: Facility Enhancement Challenge Grant Programs

DATE: March 28, 2007                      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hawkins	Hamon	EF	Fav/CS
2.				
3.				
4.				
5.				
6.				

**I. Summary:**

This bill streamlines the administrative process for the Alex P. Courtelis Challenge Grant Program as well as updates the statutes to conform to current administrative practices. This bill requires each university to maintain a separate account for private matching funds which eliminates the need to transfer private match funds from universities to the state’s Courtelis Matching Grant Trust Fund. Since the Courtelis Matching Grant Trust Fund will no longer be a repository of private match and has not received state match appropriations in recent years, the bill terminates the Courtelis Matching Grant Trust Fund on July 1, 2009, giving the Department of Education two years to phase out the fund.

The bill also requires unneeded or reverted funds to be returned to the fund from which appropriated for both the Courtelis Matching Grant Program and the Community College Matching Grant Program.

**II. Present Situation:**

**Alex P. Courtelis Challenge Grant Program**

Section 1013.79, F.S., establishes the Alex P. Courtelis Matching Grant Program. This section also establishes the Courtelis Matching Grant Trust Fund as a depository for the purpose of providing matching funds for private contributions to be used for the development of high priority instructional and research capital facilities within the state university system. The major sources of state revenue for the fund have been the General Revenue Fund and the Educational Enhancement Trust Fund.

Prior to 2004-2005, state matching fund appropriations (primarily from the General Revenue Fund) were transferred to the Courtelis Matching Grant Trust Fund before expenditure. This was discontinued after devolution from the FLAIR accounting system. In addition to receiving the transfer of state match funds, the Courtelis Matching Grant Trust Fund also has been a repository for private matching funds. This practice has continued post-devolution.

### **Community College Challenge Grant Program**

Section 1011.32, F.S., establishes the Community College Facility Enhancement Challenge Grant Program for the purpose of assisting community colleges in building high priority instructional and community-related capital facilities.

### **III. Effect of Proposed Changes:**

This bill streamlines the administrative process for the Alex P. Courtelis Challenge Grant Program as well as updates the statutes to conform to current administrative practices. It makes minor changes to the Community College Matching Grant program relating to the reversion of appropriated funds to conform to current practice.

This bill requires each university to maintain a separate account for private matching funds. In doing so, several unnecessary administrative processes are eliminated including the need to transfer private match funds from universities to the state's Courtelis Matching Grant Trust Fund; the need to process interim budget amendments to create matching trust fund budget authority to spend the private match from the Courtelis fund; the need for Department of Education staff to track and invest separate cash sources in the trust fund; and also the need for staff to review, analyze and approve project encumbrance authorization requests and monthly cash disbursement requests for the private funds.

The bill terminates the Courtelis Matching Grant Trust Fund on July 1, 2009 since the Courtelis Matching Grant Trust Fund will no longer be a repository of private match under the provisions of the bill.

The bill directs reversions in appropriations for both the Courtelis Matching Grant Program and the Community College Program to be returned to the fund from which originally appropriated.

It also allows projects to be approved by the legislature as well as the Board of Governors or Board of Education as long as they meet statutory criteria.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.



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## **VIII. Summary of Amendments:**

None.

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This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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