

By Senator Lynn

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A bill to be entitled
An act relating to trust funds; terminating specified trust funds within the Board of Governors of the State University System; providing for the disposition of balances in and revenues of such trust funds; prescribing procedures for the termination of such trust funds; amending s. 1011.94, F.S.; redesignating the Trust Fund for University Major Gifts as the "University Major Gifts Program"; providing the purpose of the program; providing for the use of funds; modifying specified trust funds within the Board of Governors of the State University System; providing an effective date.

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

Section 1. (1) The following trust funds within the Board of Governors of the State University System are terminated:

(a) Grants and Donations Trust Fund, FLAIR number 49-2-153.

(b) Engineering Industrial Experiment Station Trust Fund, FLAIR number 49-2-186.

(c) Experiment Station Federal Grant Trust Fund, FLAIR number 49-2-207.

(d) Experiment Station Incidental Trust Fund, FLAIR number 49-2-210.

(e) Extension Service Federal Grant Trust Fund, FLAIR number 49-2-216.

- 1 (f) Extension Service Incidental Trust Fund, FLAIR
2 number 49-2-219.
- 3 (g) Auxiliary Trust Fund, FLAIR number 49-2-330.
- 4 (h) University of Florida Health Sciences Center
5 Incidental Trust Fund, FLAIR number 49-2-381.
- 6 (i) University of Florida Health Sciences Center
7 Operations and Maintenance Trust Fund, FLAIR number 49-2-424.
- 8 (j) Sponsored Research Trust Fund, FLAIR number
9 49-2-655.
- 10 (k) Building Fee Trust Fund, FLAIR number 49-2-064.
- 11 (l) Institute of Food and Agriculture Sciences
12 Relocation and Reconstruction Trust Fund, FLAIR number
13 48-2-395.
- 14 (m) Institute of Food and Agriculture Sciences
15 Relocation and Reconstruction Trust Fund, FLAIR number
16 49-2-395.
- 17 (n) Capital Improvement Fee Trust Fund, FLAIR number
18 49-2-071.
- 19 (o) State University System Concurrency Trust Fund,
20 FLAIR number 49-2-682.
- 21 (p) Major Gifts Trust Fund, FLAIR number 49-2-483.
- 22 (q) State University System Construction Trust Fund,
23 FLAIR number 49-2-137.
- 24 (r) Educational Enhancement Trust Fund, FLAIR number
25 49-2-178.
- 26 (s) Developmental Research School Trust Fund, FLAIR
27 number 49-2-999.
- 28 (2) Unless otherwise provided, all current balances
29 remaining in, and all revenues of, the trust funds terminated
30 by this act shall be transferred to the General Revenue Fund.
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1 (3) For each trust fund terminated by this act, the
2 agency that administers the trust fund shall pay any
3 outstanding debts and obligations of the terminated fund as
4 soon as practicable, and the Chief Financial Officer shall
5 close out and remove the terminated fund from the various
6 state accounting systems using generally accepted accounting
7 principles concerning warrants outstanding, assets, and
8 liabilities.

9 Section 2. Section 1011.94, Florida Statutes, is
10 amended to read:

11 1011.94 ~~Trust Fund for~~ University Major Gifts
12 Program.--

13 (1) There is established a ~~Trust Fund for~~ University
14 Major Gifts Program. The purpose of the program ~~trust fund~~ is
15 to enable each university and New College to provide donors
16 with an incentive in the form of matching grants for donations
17 for the establishment of permanent endowments and sales tax
18 exemption matching funds received pursuant to s. 212.08(5)(j),
19 ~~which must be invested,~~ with the proceeds of the donation
20 ~~investment~~ used to support libraries and instruction and
21 research programs, as defined by the State Board of Education.
22 ~~All funds appropriated for the challenge grants, new donors,~~
23 ~~major gifts, sales tax exemption matching funds pursuant to s.~~
24 ~~212.08(5)(j), or eminent scholars program may be deposited~~
25 ~~into the trust fund and invested pursuant to s. 17.61 until~~
26 ~~the State Board of Education allocates the funds to~~
27 ~~universities to match private donations. Notwithstanding s.~~
28 ~~216.301 and pursuant to s. 216.351, any undisbursed balance~~
29 ~~remaining in the trust fund and interest income accruing to~~
30 ~~the portion of the trust fund which is not matched and~~
31 ~~distributed to universities must remain in the trust fund and~~

1 ~~be used to increase the total funds available for challenge~~
2 ~~grants. Funds deposited in the trust fund for the sales tax~~
3 ~~exemption matching program authorized in s. 212.08(5)(j), and~~
4 ~~interest earnings thereon, shall be maintained in a separate~~
5 ~~account within the Trust Fund for University Major Gifts, and~~
6 ~~may be used only to match qualified sales tax exemptions that~~
7 ~~a certified business designates for use by state universities~~
8 ~~and community colleges to support research and development~~
9 ~~projects requested by the certified business. The State Board~~
10 ~~of Education may authorize any university to encumber the~~
11 ~~state matching portion of a challenge grant from funds~~
12 ~~available under s. 1011.45.~~

13 (2) The State Board of Education shall specify the
14 process for submission, documentation, and approval of
15 requests for matching funds, accountability for endowments and
16 proceeds of endowments, allocations to universities,
17 restrictions on the use of the proceeds from endowments, and
18 criteria used in determining the value of donations.

19 (3)(a) The State Board of Education shall allocate the
20 amount appropriated to ~~the trust fund to~~ each university and
21 New College based on the amount of the donation and the
22 restrictions applied to the donation.

23 (b) Donations for a specific purpose must be matched
24 in the following manner:

25 1. Each university that raises at least \$100,000 but
26 no more than \$599,999 from a private source must receive a
27 matching grant equal to 50 percent of the private
28 contribution.

29 2. Each university that raises a contribution of at
30 least \$600,000 but no more than \$1 million from a private
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1 source must receive a matching grant equal to 70 percent of
2 the private contribution.

3 3. Each university that raises a contribution in
4 excess of \$1 million but no more than \$1.5 million from a
5 private source must receive a matching grant equal to 75
6 percent of the private contribution.

7 4. Each university that raises a contribution in
8 excess of \$1.5 million but no more than \$2 million from a
9 private source must receive a matching grant equal to 80
10 percent of the private contribution.

11 5. Each university that raises a contribution in
12 excess of \$2 million from a private source must receive a
13 matching grant equal to 100 percent of the private
14 contribution.

15 (c) The State Board of Education shall encumber state
16 matching funds for any pledged contributions, pro rata, based
17 on the requirements for state matching funds as specified for
18 the particular challenge grant and the amount of the private
19 donations actually received by the university for the
20 respective challenge grant.

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

26 (5)(a) Each university foundation and New College
27 Foundation shall establish a challenge grant account for each
28 challenge grant as a depository for private contributions and
29 state matching funds to be administered on behalf of the State
30 Board of Education, the university, or New College. State
31 matching funds must be transferred to a university foundation

1 or New College Foundation upon notification that the
2 university or New College has received and deposited the
3 amount specified in this section in a foundation challenge
4 grant account.

5 (b) The foundation serving a university and New
6 College Foundation each has the responsibility for the
7 maintenance and investment of its challenge grant account and
8 for the administration of the program on behalf of the
9 university or New College, pursuant to procedures specified by
10 the State Board of Education. Each foundation shall include in
11 its annual report to the State Board of Education information
12 concerning collection and investment of matching gifts and
13 donations and investment of the account.

14 (c) A donation of at least \$600,000 and associated
15 state matching funds may be used to designate an Eminent
16 Scholar Endowed Chair pursuant to procedures specified by the
17 State Board of Education.

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

22 Section 3. The following trust funds within the Board
23 of Governors of the State University System are modified:

24 (1) Uniform Payroll Trust Fund, from FLAIR number
25 49-2-766 to 48-2-766.

26 (2) Ancillary Facilities Construction Trust Fund, from
27 Flair number 49-2-026 to 48-2-026.

28 (3) Law Enforcement Trust Fund, from FLAIR number
29 49-2-434 to 48-2-434.

30 (4) Phosphate Research Trust Fund, from FLAIR number
31 49-2-530 to 48-2-530.

