

1                   A bill to be entitled  
2           An act relating to community college finance; amending s.  
3           1001.64, F.S.; providing conditions for certain  
4           contracting by community college boards of trustees;  
5           authorizing boards of trustees to enter into certain  
6           short-term loans and contracts and make payments subject  
7           to appropriation; authorizing boards of trustees to incur  
8           long-term debt according to specified requirements;  
9           amending s. 1004.70, F.S.; requiring community college  
10          boards of trustees to authorize debt incurred by direct-  
11          support organizations; authorizing delegation for approval  
12          of short-term loans and lease-purchase agreements;  
13          providing restrictions; amending s. 1009.22, F.S.,  
14          relating to workforce education postsecondary student  
15          fees, and s. 1009.23, F.S., relating to community college  
16          student fees; revising provisions relating to pledge of  
17          fee revenues to repayment of debt by community college  
18          boards of trustees; providing requirements for the  
19          request, issuance, securing, and payment of bonds;  
20          revising provisions relating to validation of bonds;  
21          providing for limitation of actions; amending s. 1011.84,  
22          F.S.; correcting references; providing for transmittal of  
23          funds for amounts required for capital improvement revenue  
24          bond debt service under certain circumstances; providing  
25          restrictions; authorizing rules; providing an effective  
26          date.

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

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Section 1. Subsections (26) and (38) of section 1001.64, Florida Statutes, are amended to read:

1001.64 Community college boards of trustees; powers and duties.--

(26) Each board of trustees is authorized to contract for the purchase, sale, lease, license, or acquisition in any manner (including purchase by installment or lease-purchase contract which may provide for the payment of interest on the unpaid portion of the purchase price and for the granting of a security interest in the items purchased, subject to the provisions of subsection (38) and ss. 1009.22 and 1009.23) of goods, materials, equipment, and services required by the community college. The board of trustees may choose to consolidate equipment contracts under master equipment financing agreements made pursuant to s. 287.064.

(38) Each board of trustees is authorized to enter into short-term loans and installment, lease-purchase, and other financing contracts for a term of not more than 5 years, including renewals, extensions, and refundings. Payments on short-term loans and installment, lease-purchase, and other financing contracts pursuant to this subsection shall be subject to annual appropriation by the board of trustees. Each board of trustees is authorized to borrow funds and incur long-term debt, including promissory notes, installment sales agreements, lease-purchase agreements, certificates of participation, and other similar long-term financing arrangements, only as specifically provided ~~entering into lease purchase agreements and the~~

57 ~~issuance of revenue bonds as specifically authorized and only~~  
58 ~~for the purposes authorized in ss. 1009.22(6) and (9), and~~  
59 ~~1009.23(11) and (12), and 215.61(1). At the option of the board~~  
60 ~~of trustees, bonds issued pursuant to ss. 1009.22(6) and (9) and~~  
61 ~~1009.23(11) and (12) may be issued which are secured by a~~  
62 ~~combination of revenues authorized to be pledged to bonds~~  
63 ~~pursuant to such subsections ss. 1009.22(6) and 1009.23(11) or~~  
64 ~~ss. 1009.22(9) and 1009.23(12). Notwithstanding the provisions~~  
65 ~~of this subsection, lease-purchase agreements may be secured by~~  
66 ~~a combination of revenues as specifically authorized pursuant to~~  
67 ~~ss. 1009.22(7) and 1009.23(10).~~

68 Section 2. Paragraph (e) is added to subsection (4) of  
69 section 1004.70, Florida Statutes, to read:

70 1004.70 Community college direct-support organizations.--

71 (4) ACTIVITIES; RESTRICTIONS.--

72 (e) A community college board of trustees must authorize  
73 all debt, including lease-purchase agreements, incurred by a  
74 direct-support organization. Authorization for approval of  
75 short-term loans and lease-purchase agreements for a term of not  
76 more than 5 years, including renewals, extensions, and  
77 refundings, for goods, materials, equipment, and services may be  
78 delegated by the board of trustees to the board of directors of  
79 the direct-support organization. Trustees shall evaluate  
80 proposals for debt according to guidelines issued by the  
81 Division of Community Colleges. Revenues of the community  
82 college shall not be pledged to debt issued by direct-support  
83 organizations.

84 Section 3. Subsections (6) and (9) of section 1009.22,  
 85 Florida Statutes, are amended to read:

86 1009.22 Workforce education postsecondary student fees.--

87 (6) (a) Each district school board and community college  
 88 board of trustees may establish a separate fee for capital  
 89 improvements, technology enhancements, or equipping buildings  
 90 which may not exceed 5 percent of tuition for resident students  
 91 or 5 percent of tuition and out-of-state fees for nonresident  
 92 students. Funds collected by community colleges through the fee  
 93 ~~these fees~~ may be bonded only for the purpose of financing or  
 94 refinancing new construction and equipment, renovation, or  
 95 remodeling of educational facilities. The fee shall be collected  
 96 as a component part of the tuition and fees, paid into a  
 97 separate account, and expended only to construct and equip,  
 98 maintain, improve, or enhance the certificate career education  
 99 or adult education facilities of the school district or  
 100 community college. Projects funded through the use of the  
 101 capital improvement fee must meet the survey and construction  
 102 requirements of chapter 1013. Pursuant to s. 216.0158, each  
 103 district school board and community college board of trustees  
 104 shall identify each project, including maintenance projects,  
 105 proposed to be funded in whole or in part by such fee. Capital  
 106 improvement fee revenues may be pledged by a board of trustees  
 107 as a dedicated revenue source to the repayment of debt,  
 108 including lease-purchase agreements, with an overall term of not  
 109 more than 7 years, including renewals, extensions, and  
 110 refundings, and revenue bonds, ~~with a term not exceeding~~ to  
 111 ~~exceed 20 years,~~ and not exceeding ~~to exceed~~ the useful life of

112 the asset being financed, only for the new construction and  
 113 equipment, renovation, or remodeling of educational facilities.  
 114 Bonds authorized pursuant to this paragraph shall be requested  
 115 by the community college board of trustees and shall be issued  
 116 by the Division of Bond Finance in compliance with s. 11(d),  
 117 Art. VII of the State Constitution and the State Bond Act. The  
 118 Division of Bond Finance may pledge fees collected by one or  
 119 more community colleges, including capital improvement fees  
 120 collected pursuant to s. 1009.23(11), to secure such bonds. Any  
 121 project included in the approved educational plant survey  
 122 pursuant to chapter 1013 is approved pursuant to s. 11(f), Art.  
 123 ~~VII of the State Constitution. Community colleges may use the~~  
 124 ~~services of the Division of Bond Finance of the State Board of~~  
 125 ~~Administration to issue any bonds authorized through the~~  
 126 ~~provisions of this subsection. Any such bonds issued by the~~  
 127 ~~Division of Bond Finance shall be in compliance with the~~  
 128 ~~provisions of the State Bond Act. Bonds issued pursuant to this~~  
 129 ~~paragraph may the State Bond Act shall be validated in the~~  
 130 manner provided by chapter 75. The complaint for such validation  
 131 shall be filed in the circuit court of the county where the seat  
 132 of state government is situated, the notice required to be  
 133 published by s. 75.06 shall be published only in the county  
 134 where the complaint is filed, and the complaint and order of the  
 135 circuit court shall be served only on the state attorney of the  
 136 circuit in which the action is pending. A maximum of 15 cents  
 137 per credit hour may be allocated from the capital improvement  
 138 fee for child care centers conducted by the district school  
 139 board or community college board of trustees. The use of capital

140 improvement fees for such purpose shall be subordinate to the  
 141 payment of any bonds secured by the fees.

142 (b) The state does hereby covenant with the holders of the  
 143 bonds issued under paragraph (a) that it will not take any  
 144 action that will materially and adversely affect the rights of  
 145 such holders so long as the bonds authorized by paragraph (a)  
 146 are outstanding.

147 (9) (a) Community college boards of trustees and district  
 148 school boards are not authorized to charge students enrolled in  
 149 workforce development programs any fee that is not specifically  
 150 authorized by statute. In addition to tuition, out-of-state,  
 151 financial aid, capital improvement, and technology fees, as  
 152 authorized in this section, community college boards of trustees  
 153 and district school boards are authorized to establish fee  
 154 schedules for the following user fees and fines: laboratory  
 155 fees; parking fees and fines; library fees and fines; fees and  
 156 fines relating to facilities and equipment use or damage; access  
 157 or identification card fees; duplicating, photocopying, binding,  
 158 or microfilming fees; standardized testing fees; diploma  
 159 replacement fees; transcript fees; application fees; graduation  
 160 fees; and late fees related to registration and payment. Such  
 161 user fees and fines shall not exceed the cost of the services  
 162 provided and shall only be charged to persons receiving the  
 163 service. Parking fee revenues may be pledged by a community  
 164 college board of trustees as a dedicated revenue source for the  
 165 repayment of debt, including lease-purchase agreements, with an  
 166 overall term of not more than 7 years, including renewals,  
 167 extensions, and refundings, and revenue bonds with a term ~~terms~~

168 not exceeding 20 years and not exceeding the useful life of the  
169 asset being financed. Community colleges shall use the services  
170 of the Division of Bond Finance of the State Board of  
171 Administration to issue any revenue bonds authorized by ~~the~~  
172 ~~provisions of this paragraph subsection.~~ Any such bonds issued  
173 by the Division of Bond Finance shall be in compliance with the  
174 provisions of the State Bond Act. Bonds issued pursuant to the  
175 State Bond Act ~~may shall~~ be validated in the manner established  
176 in chapter 75. The complaint for such validation shall be filed  
177 in the circuit court of the county where the seat of state  
178 government is situated, the notice required to be published by  
179 s. 75.06 shall be published only in the county where the  
180 complaint is filed, and the complaint and order of the circuit  
181 court shall be served only on the state attorney of the circuit  
182 in which the action is pending.

183 (b) As provided in this paragraph, a community college  
184 board of trustees may, without utilizing the services or  
185 obtaining the approval of the Division of Bond Finance, pledge  
186 parking fee revenues to debt, including promissory notes,  
187 installment sales agreements, lease-purchase agreements,  
188 certificates of participation, and other similar financing  
189 arrangements, for an overall term of not more than 20 years,  
190 including renewals, extensions, refinancings, and refundings,  
191 and not exceeding the useful life of the asset being financed as  
192 long as the interest rate on any fixed-rate financing is lower  
193 than the interest rate on such debt as determined by reference  
194 to the Municipal Market Data yields listing for the debt-rating  
195 category most closely comparable to the debt being issued

196 immediately prior to the date such interest rate on the debt is  
 197 set. If the Municipal Market Data yields are no longer  
 198 available, the interest rate shall be lower than the rate  
 199 determined by reference to a nationally recognized tax-exempt  
 200 benchmark interest-rate index. The interest rate on any  
 201 variable-rate financing must be lower than that of a nationally  
 202 recognized tax-exempt variable-rate index.

203 Section 4. Subsections (11) and (12) of section 1009.23,  
 204 Florida Statutes, are amended to read:

205 1009.23 Community college student fees.--

206 (11)(a) Each community college board of trustees may  
 207 establish a separate fee for capital improvements, technology  
 208 enhancements, or equipping student buildings which may not  
 209 exceed 10 percent of tuition for resident students or 10 percent  
 210 of the sum of tuition and out-of-state fees for nonresident  
 211 students. The fee for resident students shall be limited to an  
 212 increase of \$2 per credit hour over the prior year. Funds  
 213 collected by community colleges through the fee ~~these fees~~ may  
 214 be bonded only as provided in this subsection for the purpose of  
 215 financing or refinancing new construction and equipment,  
 216 renovation, or remodeling of educational facilities. The fee  
 217 shall be collected as a component part of the tuition and fees,  
 218 paid into a separate account, and expended only to construct and  
 219 equip, maintain, improve, or enhance the educational facilities  
 220 of the community college. Projects funded through the use of the  
 221 capital improvement fee shall meet the survey and construction  
 222 requirements of chapter 1013. Pursuant to s. 216.0158, each  
 223 community college shall identify each project, including



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224 maintenance projects, proposed to be funded in whole or in part  
225 by such fee.

226 (b) Capital improvement fee revenues may be pledged by a  
227 board of trustees as a dedicated revenue source to the repayment  
228 of debt, including lease-purchase agreements, with an overall  
229 term, including renewals, extensions, and refundings, of not  
230 more than 7 years, including renewals, extensions, and  
231 refundings, and revenue bonds with a term not exceeding ~~to~~  
232 ~~exceed~~ 20 annual maturities and not exceeding ~~to exceed~~ the  
233 useful life of the asset being financed, only for financing or  
234 refinancing of the new construction and equipment, renovation,  
235 or remodeling of educational facilities. Bonds authorized  
236 pursuant to ~~through the provisions of~~ this subsection shall be  
237 requested by the community college board of trustees and shall  
238 be issued by the Division of Bond Finance ~~upon the request of~~  
239 ~~the community college board of trustees~~ in compliance with ~~the~~  
240 ~~provisions of~~ s. 11(d), Art. VII of the State Constitution and  
241 the State Bond Act. The Division of Bond Finance may pledge fees  
242 collected by one or more community colleges, including capital  
243 improvement fees collected pursuant to s. 1009.22(6), to secure  
244 such bonds. Any project included in the approved educational  
245 plant survey pursuant to chapter 1013 is approved pursuant to s.  
246 11(f)(d), Art. VII of the State Constitution.

247 ~~(c)(d)~~ Any validation of the Bonds issued pursuant to this  
248 subsection may be validated ~~shall be~~ in the manner provided by  
249 chapter 75. Only the initial series of bonds is required to be  
250 validated. The complaint for such validation shall be filed in  
251 the circuit court of the county where the seat of state

252 government is situated, the notice required to be published by  
 253 s. 75.06 shall be published only in the county where the  
 254 complaint is filed, and the complaint and order of the circuit  
 255 court shall be served only on the state attorney of the circuit  
 256 in which the action is pending.

257 ~~(d)~~(e) A maximum of 15 percent may be allocated from the  
 258 capital improvement fee for child care centers conducted by the  
 259 community college. The use of capital improvement fees for such  
 260 purpose shall be subordinate to the payment of any bonds secured  
 261 by the fees.

262 ~~(e)~~(e) The state does hereby covenant with the holders of  
 263 the bonds issued under this subsection that it will not take any  
 264 action that will materially and adversely affect the rights of  
 265 such holders so long as the bonds authorized by this subsection  
 266 are outstanding.

267 (12) (a) In addition to tuition, out-of-state, financial  
 268 aid, capital improvement, student activity and service, and  
 269 technology fees authorized in this section, each community  
 270 college board of trustees is authorized to establish fee  
 271 schedules for the following user fees and fines: laboratory  
 272 fees; parking fees and fines; library fees and fines; fees and  
 273 fines relating to facilities and equipment use or damage; access  
 274 or identification card fees; duplicating, photocopying, binding,  
 275 or microfilming fees; standardized testing fees; diploma  
 276 replacement fees; transcript fees; application fees; graduation  
 277 fees; and late fees related to registration and payment. Such  
 278 user fees and fines shall not exceed the cost of the services  
 279 provided and shall only be charged to persons receiving the

280 service. A community college may not charge any fee except as  
 281 authorized by law or rules of the State Board of Education.  
 282 Parking fee revenues may be pledged by a community college board  
 283 of trustees as a dedicated revenue source for the repayment of  
 284 debt, including lease-purchase agreements, with an overall term  
 285 of not more than 7 years, including renewals, extensions, and  
 286 refundings, and revenue bonds with a term ~~terms~~ not exceeding 20  
 287 years and not exceeding the useful life of the asset being  
 288 financed. Community colleges shall use the services of the  
 289 Division of Bond Finance of the State Board of Administration to  
 290 issue any revenue bonds authorized by ~~the provisions of this~~  
 291 paragraph subsection. Any such bonds issued by the Division of  
 292 Bond Finance shall be in compliance with the provisions of the  
 293 State Bond Act. Bonds issued pursuant to the State Bond Act may  
 294 ~~shall~~ be validated in the manner established in chapter 75. The  
 295 complaint for such validation shall be filed in the circuit  
 296 court of the county where the seat of state government is  
 297 situated, the notice required to be published by s. 75.06 shall  
 298 be published only in the county where the complaint is filed,  
 299 and the complaint and order of the circuit court shall be served  
 300 only on the state attorney of the circuit in which the action is  
 301 pending.

302 (b) As provided in this paragraph, a community college  
 303 board of trustees may, without utilizing the services or  
 304 obtaining the approval of the Division of Bond Finance, pledge  
 305 parking fee revenues to debt, including promissory notes,  
 306 installment sales agreements, lease-purchase agreements,  
 307 certificates of participation, and other similar financing

308 arrangements, for an overall term of not more than 20 years,  
 309 including renewals, extensions, refinancings, and refundings,  
 310 and not exceeding the useful life of the asset being financed as  
 311 long as the interest rate on any fixed-rate financing is lower  
 312 than the interest rate on such debt as determined by reference  
 313 to the Municipal Market Data yields listing for the debt-rating  
 314 category most closely comparable to the debt being issued  
 315 immediately prior to the date such interest rate on the debt is  
 316 set. If the Municipal Market Data yields are no longer  
 317 available, the interest rate shall be lower than the rate  
 318 determined by reference to a nationally recognized tax-exempt  
 319 benchmark interest-rate index. The interest rate on any  
 320 variable-rate financing must be lower than that of a nationally  
 321 recognized tax-exempt variable-rate index.

322 Section 5. Section 1011.84, Florida Statutes, is amended  
 323 to read:

324 1011.84 Procedure for determining state financial support  
 325 and annual apportionment of state funds to each community  
 326 college district.--The procedure for determining state financial  
 327 support and the annual apportionment to each community college  
 328 district authorized to operate a community college under ~~the~~  
 329 ~~provisions of s. 1001.61~~ shall be as follows:

330 (1) DETERMINING THE AMOUNT TO BE INCLUDED IN THE COMMUNITY  
 331 COLLEGE PROGRAM FUND FOR THE CURRENT OPERATING PROGRAM.--

332 (a) The Department of Education shall determine annually  
 333 from an analysis of operating costs, prepared in the manner  
 334 prescribed by rules of the State Board of Education, the costs  
 335 per full-time equivalent student served in courses and fields of

336 study offered in community colleges. This information and  
337 current college operating budgets shall be submitted to the  
338 Executive Office of the Governor with the legislative budget  
339 request prior to each regular session of the Legislature.

340 (b) The allocation of funds for community colleges shall  
341 be based on advanced and professional disciplines, college-  
342 preparatory programs, and other programs for adults funded  
343 pursuant to s. 1011.80.

344 (c) The category of lifelong learning is for students  
345 enrolled pursuant to s. 1004.93. A student shall also be  
346 reported as a lifelong learning student for his or her  
347 enrollment in any course that he or she has previously taken,  
348 unless it is a credit course in which the student earned a grade  
349 of D or F.

350 (d) If an adult student has been determined to be a  
351 disabled student eligible for an approved educational program  
352 for disabled adults provided pursuant to s. 1004.93 and rules of  
353 the State Board of Education and is enrolled in a class with  
354 curriculum frameworks developed for the program, state funding  
355 for that student shall be provided at a level double that of a  
356 student enrolled in a special adult general education program  
357 provided by a community college.

358 (e) All state inmate education provided by community  
359 colleges shall be reported by program, FTE expenditure, and  
360 revenue source. These enrollments, expenditures, and revenues  
361 shall be reported and projected separately. Instruction of state  
362 inmates shall not be included in the full-time equivalent

363 student enrollment for funding through the Community College  
364 Program Fund.

365 (f) When a public educational institution has been fully  
366 funded by an external agency for direct instructional costs of  
367 any course or program, the FTE generated shall not be reported  
368 for state funding.

369 (g) The State Board of Education shall adopt rules to  
370 implement s. 9(d)(8)g.~~g.~~, Art. XII of the State Constitution.  
371 These rules shall provide for the use of the funds available  
372 under s. 9(d)(8)g.~~g.~~, Art. XII by an individual community  
373 college for operating expense in any fiscal year during which  
374 the State Board of Education has determined that all major  
375 capital outlay needs have been met. Highest priority for the use  
376 of these funds for purposes other than financing approved  
377 capital outlay projects shall be for the proper maintenance and  
378 repair of existing facilities for projects approved by the State  
379 Board of Education. However, in any fiscal year in which funds  
380 from this source are authorized for operating expense other than  
381 approved maintenance and repair projects, the allocation of  
382 community college program funds shall be reduced by an amount  
383 equal to the sum used for such operating expense for that  
384 community college that year, and that amount shall not be  
385 released or allocated among the other community colleges that  
386 year.

387 (2) DETERMINING THE AMOUNT TO BE INCLUDED FOR CAPITAL  
388 OUTLAY AND DEBT SERVICE.--The amount included for capital outlay  
389 and debt service shall be as determined and provided in s. 18,  
390 Art. XII of the State Constitution of 1885, as adopted by s.

391 9(d), Art. XII of the 1968 revised State Constitution and State  
 392 Board of Education rules.

393 (3) REDUCTION FOR AMOUNTS REQUIRED FOR CAPITAL IMPROVEMENT  
 394 REVENUE BOND DEBT SERVICE.--

395 (a) If amounts sufficient to fully fund all debt service  
 396 payments with respect to bonds pledging capital improvement fee  
 397 revenues under s. 1009.22 or s. 1009.23 that have become due and  
 398 payable have not been forwarded to the State Board of  
 399 Administration as otherwise required by the proceedings  
 400 authorizing such bonds, the State Board of Administration,  
 401 pursuant to its powers and duties under s. 215.69, shall direct  
 402 the Department of Education to transmit legally available funds  
 403 remaining in the Community College Program Fund appropriated to  
 404 the community college with insufficient capital improvement fees  
 405 to pay debt service to the State Board of Administration for  
 406 such purpose. The Department of Education may adopt rules to  
 407 allocate such debt service liability among the community  
 408 colleges.

409 (b) No community college may obligate the state to  
 410 appropriate funds pursuant to this subsection. Such funds are  
 411 only available to the extent appropriated, and nothing in this  
 412 subsection shall constitute a pledge of the state to continue  
 413 such appropriations.

414 (4) ~~(3)~~ DETERMINING THE APPORTIONMENT FROM STATE FUNDS.--

415 (a) By December 15 of each year, the Department of  
 416 Education shall estimate the annual enrollment of each community  
 417 college for the current fiscal year and for the 6 subsequent  
 418 fiscal years. These estimates shall be based upon prior years'

419 | enrollments, upon the initial fall term enrollments for the  
420 | current fiscal year for each college, and upon each college's  
421 | estimated current enrollment and demographic changes in the  
422 | respective community college districts.

423 |       (b) The apportionment to each community college from the  
424 | Community College Program Fund shall be determined annually in  
425 | the General Appropriations Act. In determining each college's  
426 | apportionment, the Legislature shall consider the following  
427 | components:

428 |           1. Base budget, which includes the state appropriation to  
429 | the Community College Program Fund in the current year plus the  
430 | related student tuition and out-of-state fees assigned in the  
431 | current General Appropriations Act.

432 |           2. The cost-to-continue allocation, which consists of  
433 | incremental changes to the base budget, including salaries,  
434 | price levels, and other related costs allocated through a  
435 | funding model approved by the Legislature which may recognize  
436 | differing economic factors arising from the individual  
437 | educational approaches of the various community colleges,  
438 | including, but not limited to:

439 |           a. Direct Instructional Funding, including class size,  
440 | faculty productivity factors, average faculty salary, ratio of  
441 | full-time to part-time faculty, costs of programs, and  
442 | enrollment factors.

443 |           b. Academic Support, including small colleges factor,  
444 | multicampus factor, and enrollment factor.

445 |           c. Student Services Support, including headcount of  
446 | students as well as FTE count and enrollment factors.



447           d. Library Support, including volume and other  
 448 materials/audiovisual requirements.

449           e. Special Projects.

450           f. Operations and Maintenance of Plant, including square  
 451 footage and utilization factors.

452           g. District Cost Differential.

453           3. Students enrolled in a recreation and leisure program  
 454 and students enrolled in a lifelong learning program who may not  
 455 be counted as full-time equivalent enrollments for purposes of  
 456 enrollment workload adjustments.

457           4. Operating costs of new facilities adjustments, which  
 458 shall be provided, from funds available, for each new facility  
 459 that is owned by the college and is recommended in accordance  
 460 with s. 1013.31.

461           5. New and improved program enhancements, which shall be  
 462 determined by the Legislature.

463

464 Student fees in the base budget plus student fee revenues  
 465 generated by increases in fee rates shall be deducted from the  
 466 sum of the components determined in subparagraphs 1.-5. The  
 467 amount remaining shall be the net annual state apportionment to  
 468 each college.

469           (c) No community college shall commit funds for the  
 470 employment of personnel or resources in excess of those required  
 471 to continue the same level of support for either the previously  
 472 approved enrollment or the revised enrollment, whichever is  
 473 lower.

474 (d) The apportionment to each community college district  
 475 for capital outlay and debt service shall be the amount  
 476 determined in accordance with subsection (2). This amount, less  
 477 any amount determined as necessary for administrative expense by  
 478 the State Board of Education and any amount necessary for debt  
 479 service on bonds issued by the State Board of Education pursuant  
 480 to s. 9(d), Art. XII of the 1968 revised State Constitution,  
 481 shall be transmitted to the community college board of trustees  
 482 to be expended in a manner prescribed by rules of the State  
 483 Board of Education.

484 (e) If at any time the unencumbered balance in the general  
 485 fund of the community college board of trustees approved  
 486 operating budget goes below 5 percent, the president shall  
 487 provide written notification to the State Board of Education.

488 (f) Expenditures for apprenticeship programs shall be  
 489 reported separately.

490 (5)~~(4)~~ EXPENDITURE OF ALLOCATED FUNDS.--Subject to the  
 491 provisions of subsection (3), any funds allocated herein to any  
 492 community college shall be expended only for the purpose of  
 493 supporting that community college.

494 (6)~~(5)~~ REPORT OF REMEDIAL EDUCATION.--Each community  
 495 college board of trustees shall report the volume and cost of  
 496 remedial education activities as a separate item in its annual  
 497 cost accounting system.

498 Section 6. This act shall take effect July 1, 2008.