

## Committee Substitute for Senate Bill No. 1328

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; amending ss. 267.173, 1004.45, and 1009.74, F.S., relating to the University Major Gifts Program; conforming provisions to changes made by the act; 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.
- (f) Extension Service Incidental Trust Fund, FLAIR number 49-2-219.
- (g) Auxiliary Trust Fund, FLAIR number 49-2-330.
- (h) University of Florida Health Sciences Center Incidental Trust Fund, FLAIR number 49-2-381.
- (i) University of Florida Health Sciences Center Operations and Maintenance Trust Fund, FLAIR number 49-2-424.
- (j) Sponsored Research Trust Fund, FLAIR number 49-2-655.
- (k) Institute of Food and Agriculture Sciences Relocation and Reconstruction Trust Fund, FLAIR number 48-2-395.
- (l) Institute of Food and Agriculture Sciences Relocation and Reconstruction Trust Fund, FLAIR number 49-2-395.
- (m) Capital Improvement Fee Trust Fund, FLAIR number 49-2-071.

(n) State University System Concurrency Trust Fund, FLAIR number 49-2-682.

(o) Major Gifts Trust Fund, FLAIR number 49-2-483.

(p) State University System Construction Trust Fund, FLAIR number 49-2-137. All current cash balances remaining in, and all revenues of, the fund shall be transferred to the Public Education and Capital Outlay and Debt Service Trust Fund, FLAIR number 48-2-555.

(q) Educational Enhancement Trust Fund, FLAIR number 49-2-178.

(r) Developmental Research School Trust Fund, FLAIR number 49-2-999.

(2) Unless otherwise provided, all current balances remaining in, and all revenues of, the trust funds terminated by this act shall be transferred to the General Revenue Fund.

(3) For each trust fund terminated by this act, the agency that administers the trust fund shall pay any outstanding debts and obligations of the terminated fund as soon as practicable, and the Chief Financial Officer shall close out and remove the terminated fund from the various state accounting systems using generally accepted accounting principles concerning warrants outstanding, assets, and liabilities.

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

1011.94 ~~Trust Fund for University Major Gifts Program.~~—

~~(1) There is established a Trust Fund for University Major Gifts Program. The purpose of the program trust fund is to enable 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 instruction and research programs, as defined by the State Board of Education. All funds appropriated for the challenge grants, new donors, major gifts, sales tax exemption matching funds pursuant to s. 212.08(5)(j), or eminent scholars program may be deposited into the trust fund and invested pursuant to s. 17.61 until the State Board of Education allocates the funds to universities to match private donations. Notwithstanding s. 216.301 and pursuant to s. 216.351, any undisbursed balance remaining in the trust fund and interest income accruing to the portion of the trust fund which is not matched and distributed to universities must remain in the trust fund and be used to increase the total funds available for challenge grants. Funds deposited in the trust fund for the sales tax exemption matching program authorized in s. 212.08(5)(j), and interest earnings thereon, shall be maintained in a separate account within the Trust Fund for University Major Gifts, and may be used only to match qualified sales tax exemptions that a certified business designates for use by state universities and community colleges to support research and development projects requested by the certified business. The State Board of~~

~~Education may authorize any university to encumber the state matching portion of a challenge grant from funds available under s. 1011.45.~~

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

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

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

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

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

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

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

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

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

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

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

received and deposited the amount specified in this section in a foundation challenge grant account.

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

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

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

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

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

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

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

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

(5) Replacement Trust Fund, from FLAIR number 49-2-580 to 48-2-580.

(6) Capital Facilities Matching Trust Fund, from FLAIR number 49-2-070 to 48-2-070.

(7) Student and Other Fees Trust Fund, from FLAIR number 49-2-164 to 48-2-164.

(8) Operations and Maintenance Trust Fund, from FLAIR number 49-2-516 to 48-2-516.

(9) Building Fee Trust Fund, from FLAIR number 49-2-064 to 48-2-064.

Section 4. Subsection (8) of section 267.173, Florida Statutes, is amended to read:

267.173 Historic preservation in West Florida; goals; contracts for historic preservation; powers and duties.—

(8) Notwithstanding any other provision of law, the University of West Florida and its direct-support organization are eligible to match state funds in the ~~Trust Fund for University Major Gifts~~ Program established pursuant to s. 1011.94.

Section 5. Paragraph (j) of subsection (2) of section 1004.45, Florida Statutes, is amended to read:

1004.45 Ringling Center for Cultural Arts.—

(2)

(j) Notwithstanding any other provision of law, the John and Mable Ringling Museum of Art direct-support organization is eligible to match state funds in the ~~Trust Fund for University Major Gifts~~ Program established pursuant to s. 1011.94 as follows:

1. For the first \$1,353,750, matching shall be on the basis of 75 cents in state matching for each dollar of private funds.

2. For additional funds, matching shall be provided on the same basis as is authorized in s. 1011.94.

Section 6. Subsections (1) and (2) of section 1009.74, Florida Statutes, are amended to read:

1009.74 The Theodore R. and Vivian M. Johnson Scholarship Program.—

(1) There is established the Theodore R. and Vivian M. Johnson Scholarship Program to be administered by the Department of Education. The program shall provide scholarships to students attending a state university. The program shall be funded by contributions from the Theodore R. and Vivian M. Johnson Scholarship Foundation and from state matching funds to be allocated from the ~~Trust Fund for University Major Gifts~~ Program.

(2) The amount to be allocated to the program shall be on the basis of a 50-percent match of funds from the ~~Trust Fund for University Major Gifts~~ Program for each contribution received from the Theodore R. and Vivian M. Johnson Scholarship Foundation. The funds allocated to the program, including the corpus and interest income, shall be expended for scholarships to benefit disabled students attending a state university.

Section 7. This act shall take effect July 1, 2007.

Approved by the Governor April 18, 2007.

Filed in Office Secretary of State April 18, 2007.