

SENATE FILE NO. SF0006

Community college endowment.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to the community college endowment
 2 challenge fund; establishing the endowment fund; providing
 3 for separate accounts for each community college; defining
 4 terms; imposing conditions and limitations; establishing a
 5 matching program based upon gifts received by each
 6 college's foundation; providing an appropriation; and
 7 providing for an effective date.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 21-16-1001 through 21-16-1004 are
 12 created to read:

13

14

ARTICLE 10

15

WYOMING COMMUNITY COLLEGE ENDOWMENT CHALLENGE PROGRAM

16

1 **21-16-1001. Wyoming community college endowment**
2 **challenge program.**

3

4 The Wyoming community college endowment challenge program
5 is created.

6

7 **21-16-1002. Definitions.**

8

9 (a) As used in this article:

10

11 (i) "Challenge fund" means the community college
12 endowment challenge fund created under this article;

13

14 (ii) "Endowment gift" means an irrevocable gift
15 or transfer to a Wyoming community college foundation of
16 money or other property, whether real, personal, tangible
17 or intangible, and whether or not the donor or transferor
18 retains an interest in the property, where the gift or the
19 foundation's interest in the property is required to be
20 used by the foundation exclusively for endowment purposes,
21 where:

22

1 (A) The gift was received or the transfer
2 occurred during the period July 1, 2004, through June 30,
3 2009; or

4
5 (B) A commitment to make the gift or
6 transfer was made in writing to the respective community
7 college foundation, which commitment was received during
8 the period July 1, 2004, through June 30, 2009, and the
9 gift was received or the transfer occurred not later than
10 December 31, 2010.

11

12 (iii) "Foundation" means an organization
13 established for each community college that among other
14 purposes, exists to generate additional revenues for
15 community college programs and activities;

16

17 (iv) "Permanent endowment funds managed by a
18 Wyoming community college foundation" means the endowment
19 funds that are invested by the respective Wyoming community
20 college foundation on a permanent basis and the earnings on
21 those investments are dedicated to be expended exclusively
22 to benefit and promote the mission, operation or any
23 program or activity of the respective community college,
24 including but not limited to professorships and student

1 scholarships, increases to the corpus of the endowment and
2 defraying reasonable costs of endowment administration.

3

4 **21-16-1003. Wyoming community college endowment**
5 **challenge fund.**

6

7 (a) The Wyoming community college endowment challenge
8 fund is created and shall consist of seven (7) separate
9 accounts, one (1) account for each Wyoming community
10 college.

11

12 (b) The state treasurer shall invest funds within the
13 fund created under subsection (a) of this section and shall
14 deposit the earnings from fund investments to the general
15 fund.

16

17 **21-16-1004. Endowment challenge fund matching**
18 **program; matching payments; agreements with foundations;**
19 **annual reports.**

20

21 (a) To the extent funds are available in the separate
22 account of any community college within the endowment
23 challenge fund, the state treasurer shall match endowment
24 gifts actually received by that community college's

1 foundation. A match shall be paid under this subsection by
2 the state treasurer at the time any accumulated amounts
3 actually received by a community college foundation total
4 ten thousand dollars (\$10,000.00) or more. The match shall
5 be made by transferring from the separate challenge fund
6 account to the appropriate community college an amount
7 equal to the amount accumulated by its foundation. The
8 recipient community college shall immediately transfer
9 matching funds received under this subsection to the
10 community college foundation.

11

12 (b) Each community college district shall enter into
13 an agreement with its foundation under which the foundation
14 shall manage the matching funds received under subsection
15 (a) of this section in the same manner as other permanent
16 endowment funds are managed by its foundation, including
17 the permanent investment of funds, maintenance of the fund
18 corpus as inviolate and the expenditure of fund earnings
19 for endowment purposes only.

20

21 (c) Earnings from endowment funds established with
22 matching funds under this section shall be expended only
23 for the purpose of the endowment, including increasing the

1 balance in the fund corpus and reasonable costs of
2 administration.

3

4 (d) The state treasurer shall make transfers to the
5 appropriate community college under this section not later
6 than the end of the calendar quarter following the quarter
7 during which foundation gifts total at least ten thousand
8 dollars (\$10,000.00). If gifts are made through a series of
9 payments or transfers, no matching funds shall be
10 transferred under this section until the total value of all
11 payments or transfers actually received totals at least ten
12 thousand dollars (\$10,000.00).

13

14 (e) Except as provided under subsection (f) of this
15 section, matching funds paid under this section shall not
16 be distributed to or encumbered by any community college
17 foundation in excess of the amount in the challenge fund
18 account for that college. Except to the extent authorized
19 under subsection (f) of this section, matching funds shall
20 not be transferred to any community college by the state
21 treasurer except to match gifts actually received by its
22 foundation.

23

1 (f) Notwithstanding subsection (e) of this section,
2 matching funds may be distributed to or encumbered by a
3 community college foundation in excess of the amount within
4 the challenge fund account of that college if:

5

6 (i) Endowment gifts for that college exceed the
7 amount within its challenge fund account;

8

9 (ii) The college enters into a written agreement
10 with another college having unencumbered amounts remaining
11 within its challenge fund account;

12

13 (iii) The college with unencumbered amounts
14 within its account agrees to transfer any portion of its
15 unencumbered amount to that college;

16

17 (iv) Matching funds transferred by the state
18 treasurer for amounts transferred between colleges pursuant
19 to this subsection shall be divided equally between the
20 colleges participating in the agreement.

21

22 (g) If the president of any community college
23 determines that the purpose of an endowment gift to the
24 community college's foundation is not consistent with the

1 mission or capability of that college, the gift shall not
2 qualify for matching funds under this section.

3

4 (h) For the purpose of computing the matching amount,
5 the state treasurer shall use the value of an endowment
6 gift based upon its fair market value at the time the gift
7 is received by the community college foundation. The
8 community college shall provide evidence of fair market
9 value for any gift if requested by the state treasurer and
10 shall fund the cost of providing any requested evidence.

11

12 (j) Each community college shall on or before October
13 1 of each year submit a report to the state treasurer from
14 its foundation on the endowment matching program under this
15 section for the preceding fiscal year. The report shall
16 include a financial summary and a review of the
17 accomplishments resulting from endowment program
18 expenditures. The report required under this subsection
19 shall be for each applicable fiscal year through June 30,
20 2011.

21

22 **Section 2.**

23

1 (a) Thirty-five million dollars (\$35,000,000.00) is
2 appropriated from the general fund to the community college
3 endowment challenge fund as created under section 1 of this
4 act. Notwithstanding any other provision of law, any
5 unexpended funds from the amount appropriated under this
6 subsection shall revert to the budget reserve account on
7 July 1, 2011.

8

9 (b) The amount appropriated into the challenge fund
10 under subsection (a) of this section shall be equally
11 deposited into each of the seven (7) separate accounts
12 created within the fund pursuant to section 1 of this act.

13

14 **Section 3.** This act is effective July 1, 2004.

15

16

(END)