CHAPTER 1010
FINANCIAL MATTERS

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PART I
GENERAL ACCOUNTING REQUIREMENTS

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1010.01 Uniform records and accounts.--

(1)(a) The financial records and accounts of each school district, community college, and other institution or agency under the supervision of the State Board of Education shall be prepared and maintained as prescribed by law and rules of the State Board of Education.

(b) The financial records and accounts of each state university under the supervision of the Board of Governors shall be prepared and maintained as prescribed by law and rules of the Board of Governors.

(2) Rules of the State Board of Education and rules of the Board of Governors shall incorporate the requirements of law and accounting principles generally accepted in the United States. Such rules shall include a uniform classification of accounts.

(3) Each state university shall annually file with the Board of Governors financial statements prepared in conformity with accounting principles generally accepted by the United States and the uniform classification of accounts prescribed by the Board of Governors. The Board of Governors' rules shall prescribe the filing deadline for the financial statements.

(4) Required financial accounts and reports shall include provisions that are unique to each of the following: K-12 school districts, community colleges, and state universities, and shall provide for the data to be reported to the National Center of Educational Statistics and other governmental and professional educational data information services as appropriate.

History.--s. 526, ch. 2002-387; s. 142, ch. 2007-217.

1010.011 Definition.--For purposes of this chapter and chapter 1011, the terms "university," "universities," and "university board of trustees" include all state universities under the supervision of the Board of Governors.

History.--s. 527, ch. 2002-387; s. 143, ch. 2007-217.

1010.02 Financial accounting and expenditures.--

(1) All funds accruing to a school district or a community college must be received, accounted for, and expended in accordance with law and rules of the State Board of Education.

(2) All funds accruing to a state university must be received, accounted for, and expended in accordance with law and rules of the Board of Governors.

History.--s. 528, ch. 2002-387; s. 144, ch. 2007-217.

1010.03 Delinquent accounts.--District school boards, community college boards of trustees, and university boards of trustees:

(1) Shall exert every effort to collect all delinquent accounts.

(2) May charge off or settle such accounts as may prove uncollectible.

(3) May employ the services of a collection agency when deemed advisable in collecting delinquent accounts.
May adopt rules, as necessary, to implement the provisions of this section, including setoff procedures, payroll deductions, and restrictions on release of transcripts, awarding of diplomas, and access to other resources and services of the school district, community college, or university.

History.--s. 529, ch. 2002-387.

1010.04 Purchasing.--

(1)(a) Purchases and leases by school districts and community colleges shall comply with the requirements of law and rules of the State Board of Education.

(b) Purchases and leases by state universities shall comply with the requirements of law and rules of the Board of Governors.

(2) Each district school board, community college board of trustees, and each university board of trustees shall adopt rules to be followed in making purchases.

(3) In districts in which the county purchasing agent is authorized by law to make purchases for the benefit of other governmental agencies within the county, the district school board and community college board of trustees shall have the option to purchase from the current county contracts at the unit price stated therein if such purchase is to the economic advantage of the district school board or the community college board of trustees; subject to confirmation of the items of purchase to the standards and specifications prescribed by the school district or community college.

(4)(a) The State Board of Education may, by rule, provide for alternative procedures for school districts and community colleges for bidding or purchasing in cases in which the character of the item requested renders competitive bidding impractical.

(b) The Board of Governors may, by rule, provide for alternative procedures for state universities for bidding or purchasing in cases in which the character of the item requested renders competitive bidding impractical.

History.--s. 530, ch. 2002-387; s. 145, ch. 2007-217.

1010.05 Federal grants; maximization of indirect cost allowance.--The Department of Education shall maximize the available federal indirect cost allowed on all federal grants. Beginning with the 2003-2004 fiscal year, none of the funds received from indirect cost allowance shall be expended by the department without specific appropriation by the Legislature. Funds received pursuant to s. 1004.22 are specifically exempt from this provision.

History.--s. 531, ch. 2002-387; ss. 4, 79, ch. 2002-402.

1010.07 Bonds or insurance required.--

(1) Each district school board, community college board of trustees, and university board of trustees shall ensure that each official and employee responsible for handling, expending, or authorizing the expenditure of funds shall be appropriately bonded or insured to protect the board and the funds involved.

(2)(a) Contractors paid from school district or community college funds shall give bond for the faithful performance of their contracts in such amount and for such purposes as prescribed by s. 255.05 or by rules of the State Board of Education relating to the type of contract involved. It shall be the duty of the district school board or community college board of trustees to require from construction contractors a bond adequate to protect the board and the board's funds involved.
(b) Contractors paid from university funds shall give bond for the faithful performance of their contracts in such amount and for such purposes as prescribed by s. 255.05 or by rules of the Board of Governors relating to the type of contract involved. It shall be the duty of the university board of trustees to require from construction contractors a bond adequate to protect the board and the board's funds involved.

History.--s. 532, ch. 2002-387; s. 123, ch. 2003-1; s. 146, ch. 2007-217.

1010.08 Promotion and public relations; funding.--Each district school board and community college board of trustees may budget and use a portion of the funds accruing to it from auxiliary enterprises and undesignated gifts for promotion and public relations as prescribed by rules of the State Board of Education. Such funds may be used to provide hospitality to business guests in the district or elsewhere. However, such hospitality expenses may not exceed the amount authorized for such contingency funds as prescribed by rules of the State Board of Education.

History.--s. 533, ch. 2002-387.

1010.09 Direct-support organizations.--

(1) School district and community college direct-support organizations shall be organized and conducted under the provisions of ss. 1001.453 and 1004.70 and rules of the State Board of Education, as applicable.

(2) State university direct-support organizations shall be organized and conducted under the provisions of s. 1004.28 and rules of the Board of Governors, as applicable.

History.--s. 534, ch. 2002-387; s. 147, ch. 2007-217.

1010.10 Florida Uniform Management of Institutional Funds Act.--

(1) SHORT TITLE.--This section may be cited as the "Florida Uniform Management of Institutional Funds Act."

(2) DEFINITIONS.--As used in this section, the term:

(a) "Endowment fund" means an institutional fund, or any part thereof, not wholly expendable by the institution on a current basis under the terms of the applicable gift instrument.

(b) "Governing board" means the body responsible for the management of an institution or of an institutional fund.

(c) "Institution" means an incorporated or unincorporated organization organized and operated exclusively for the advancement of educational purposes, or a governmental entity to the extent that it holds funds exclusively for educational purposes.

(d) "Institutional fund" means a fund held by an institution for its exclusive use, benefit, or purposes. The term excludes a fund held for an institution by a trustee that is not an institution. The term also excludes a fund in which a beneficiary that is not an institution has an interest, other than possible rights that could arise upon violation or failure of the purposes of the fund.

(e) "Instrument" means a will; deed; grant; conveyance; agreement; memorandum; electronic record; writing; or other governing document, including the terms of any institutional solicitations from which an institutional fund resulted, under which property is transferred to or held by an institution as an institutional fund.
(3) EXPENDITURE OF ENDOWMENT FUNDS.--

(a) A governing board may expend so much of an endowment fund as the governing board determines to be prudent for the uses and purposes for which the endowment fund is established, consistent with the goal of conserving the purchasing power of the endowment fund. In making its determination the governing board shall use reasonable care, skill, and caution in considering the following:

1. The purposes of the institution;
2. The intent of the donors of the endowment fund;
3. The terms of the applicable instrument;
4. The long-term and short-term needs of the institution in carrying out its purposes;
5. The general economic conditions;
6. The possible effect of inflation or deflation;
7. The other resources of the institution; and
8. Perpetuation of the endowment.

Expenditures made under this paragraph will be considered prudent if the amount expended is consistent with the goal of preserving the purchasing power of the endowment fund.

(b) A restriction upon the expenditure of an endowment fund may not be implied from a designation of a gift as an endowment or from a direction or authorization in the instrument to use only "income," "interest," "dividends," or "rents, issues or profits," or "to preserve the principal intact," or words of similar import.

(c) The provisions of paragraph (a) shall not apply to instruments if the instrument so indicates by stating, "I direct that the expenditure provision of paragraph (a) of subsection (3) of the Florida Uniform Management of Institutional Funds Act not apply to this gift" or words of similar import.

(d) This subsection does not limit the authority of a governing board to expend funds as permitted under other law, the terms of the instrument, or the charter of the institution.

(e) Except as otherwise provided, this subsection applies to instruments executed or in effect before or after the effective date of this section.

(4) STANDARD OF CONDUCT.--

(a) Members of a governing board shall invest and manage an institutional fund as a prudent investor would, by considering the purposes, distribution requirements, and other circumstances of the fund. In satisfying this standard, the governing board shall exercise reasonable care, skill, and caution.

(b) A governing board's investment and management decisions about individual assets shall be made not in isolation but in the context of the institutional fund's portfolio of investments as a whole and as a part of an overall investment strategy that provides risk and return objectives reasonably suited to the fund and to the institution.

(c) Among circumstances that a governing board shall consider are:
1. Long-term and short-term needs of the institution in carrying out its purposes;
2. Its present and anticipated financial resources;
3. General economic conditions;
4. The possible effect of inflation or deflation;
5. The expected tax consequences, if any, of investment decisions or strategies;
6. The role that each investment or course of action plays within the overall investment portfolio of the institutional fund;
7. The expected total return from income and the appreciation of its investments;
8. Other resources of the institution;
9. The needs of the institution and the institutional fund for liquidity, regularity of income, and preservation or appreciation of capital; and
10. An asset's special relationship or special value, if any, to the purposes of the applicable gift instrument or to the institution.

(d) A governing board shall make a reasonable effort to verify the facts relevant to the investment and management of institutional fund assets.

(e) A governing board shall diversify the investments of an institutional fund unless the board reasonably determines that, because of special circumstances, the purposes of the fund are better served without diversifying.

(f) A governing board shall invest and manage the assets of an institutional fund solely in the interest of the institution.

(5) INVESTMENT AUTHORITY.--In addition to an investment otherwise authorized by law or by the applicable gift instrument, and without restriction to investments a fiduciary may make, the governing board, subject to any specific limitations in the applicable gift instrument or in the applicable law, other than law relating to investments by a fiduciary:

(a) Within a reasonable time after receiving property, shall review the property and make and implement decisions concerning the retention and disposition of the assets, in order to bring the portfolio of the institutional fund into compliance with the purposes, terms, distribution requirements, and other circumstances of the institution, and with the requirements of this section;

(b) May invest in any kind of property or type of investment consistent with the standards of this section;

(c) May include all or any part of an institutional fund in any pooled or common fund maintained by the institution; and

(d) May invest all or any part of the institutional fund in any other pooled or common fund available for investment, including shares or interests in regulated investment companies, mutual funds, common trust funds, investment partnerships, real estate investment trusts, or similar organizations in which funds are commingled and investment determinations are made by persons other than the governing board.
DELEGATION OF INVESTMENT MANAGEMENT.--

(a) Except as otherwise provided by applicable law relating to governmental institutions or funds, a governing board may delegate investment and management functions that a prudent governing body could properly delegate under the circumstances. A governing board shall exercise reasonable care, skill, and caution in:

1. Selecting an agent;

2. Establishing the scope and terms of the delegation, consistent with the purposes of the institutional fund; and

3. Periodically reviewing the agent's actions to monitor the agent's performance and the agent's compliance with the terms of the delegation.

(b) In performing a delegated function, an agent owes a duty to the governing board to exercise reasonable care to comply with the terms of the delegation.

(c) The members of a governing board who comply with the requirements of paragraph (a) are not liable for the decisions or actions of the agent to whom the function was delegated.

(d) By accepting the delegation of an investment or management function from a governing board of an institution that is subject to the laws of this state, an agent submits to the jurisdiction of the courts of this state in all actions arising from the delegation.

INVESTMENT COSTS.--In investing and managing trust assets, a governing board may only incur costs that are appropriate and reasonable in relation to the assets and the purposes of the institution.

RELEASE OF RESTRICTIONS ON USE OR INVESTMENT.--

(a) With the written consent of the donor, a governing board may release, in whole or in part, a restriction imposed by the applicable instrument on the use or investment of an institutional fund.

(b) If written consent of the donor cannot be obtained by reason of the donor's death, disability, unavailability, or impossibility of identification, a governing board may release, in whole or in part, a restriction imposed by the applicable instrument on the use or investment of an institutional fund if the fund has a total value of less than $100,000 and if the governing board, in its fiduciary judgment, concludes that the value of the fund is insufficient to justify the cost of administration as a separate institutional fund.

(c) If written consent of the donor cannot be obtained by reason of the donor's death, disability, unavailability, or impossibility of identification, a governing board may apply in the name of the institution to the circuit court of the county in which the institution is located for release of a restriction imposed by the applicable instrument on the use or investment of an institutional fund. The Attorney General shall be notified of the application and shall be given an opportunity to be heard. If the court finds that the restriction is unlawful, impracticable, impossible to achieve, or wasteful, it may by order release the restriction in whole or in part. A release under this subsection may not change an endowment fund to a fund that is not an endowment fund.

(d) A release under this subsection may not allow a fund to be used for purposes other than the educational purposes of the institution affected.

(e) This subsection does not limit the application of the doctrine of cy pres.
UNIFORMITY OF APPLICATION AND CONSTRUCTION.--This act shall be applied and construed so as to effectuate its general purpose to make uniform the law with respect to the subject of this act among those states which enact it.

History.--s. 13, ch. 2003-399; s. 79, ch. 2004-41.

1010.11 Electronic transfer of funds.--Pursuant to the provisions of s. 215.85, each district school board, community college board of trustees, and university board of trustees shall adopt written policies prescribing the accounting and control procedures under which any funds under their control are allowed to be moved by electronic transaction for any purpose including direct deposit, wire transfer, withdrawal, or investment. Electronic transactions shall comply with the provisions of chapter 668.

History.--s. 535, ch. 2002-387.

PART II

FINANCIAL REPORTING

1010.20 Cost accounting and reporting for school districts.

1010.21 Indirect costs.

1010.215 Educational funding accountability.

1010.22 Cost accounting and reporting for workforce education.

1010.23 Cost accounting and reporting for community colleges.

1010.24 Cost accounting and reporting for universities.

1010.20 Cost accounting and reporting for school districts.--

(1) COST ACCOUNTING.--Each school district shall account for expenditures of all state, local, and federal funds on a school-by-school and a district-aggregate basis in accordance with the manual developed by the Department of Education or as provided by law.

(2) COST REPORTING.--

(a) Each district shall report on a district-aggregate basis expenditures for inservice training pursuant to s. 1011.62(3) and for categorical programs as provided in s. 1011.62(6).

(b) Each district shall report on a school-by-school and on an aggregate district basis expenditures for each program funded in s. 1011.62(1)(c).

(c) The Commissioner of Education shall present to the Legislature, prior to the opening of the regular session each year, a district-by-district report of the expenditures reported pursuant to paragraphs (a) and (b). The report shall include total expenditures, a detailed analysis showing expenditures for each program, and such other data as may be useful for management of the education system. The Commissioner of Education shall also compute cost factors relative to the base student allocation for each funded program in s. 1011.62(1)(c).

(3) PROGRAM EXPENDITURE REQUIREMENTS.--
(a) Each district shall expend at least the percent of the funds generated by each of the programs listed in this section on the aggregate total school costs for such programs:

1. Kindergarten and grades 1, 2, and 3, 90 percent.
2. Grades 4, 5, 6, 7, and 8, 80 percent.
3. Grades 9, 10, 11, and 12, 80 percent.
4. Programs for exceptional students, on an aggregate program basis, 90 percent.
5. Grades 7 through 12 career education programs, on an aggregate program basis, 80 percent.
6. Students-at-risk programs, on an aggregate program basis, 80 percent.
7. Juvenile justice programs, on an aggregate program basis, 90 percent.
8. Any new program established and funded under s. 1011.62(1)(c), that is not included under subparagraphs 1.-7., on an aggregate basis as appropriate, 80 percent.

(b) Funds for inservice training established in s. 1011.62(3) and for categorical programs established in s. 1011.62(6) shall be expended for the costs of the identified programs as provided by law and in accordance with the rules of the State Board of Education.


1010.21 Indirect costs.--District school boards shall assess district indirect costs only for services received by the program or institution against which such cost is assessed. When assigning each specific indirect cost to multiple programs or institutions, district school boards shall identify one basis for the assessment of such cost and shall maintain the same basis for assigning such cost to each program or institution.

History.--s. 538, ch. 2002-387.

1010.215 Educational funding accountability.--

(1) As used in this section, the term:

(a) "Administrative personnel" means those employees responsible for management functions such as the development of broad policies and implementation of those policies through the direction of personnel.

(b) "Educational support personnel" means district-based and school-based employees, including professional staff, technicians, secretaries, clerks, skilled workers, transportation employees, food service employees, and custodial and maintenance workers.

(c) "Instructional personnel" means classroom teachers, including substitute teachers.

(d) "Instructional specialists" means staff members responsible for providing student personnel services, librarians, and media specialists.

(e) "Instructional support personnel" means aides or assistants to instructional personnel or instructional specialists.
(f) “Managers” means instructional and noninstructional employees with some managerial and supervisory functions, although primarily responsible for general operations. This category includes only district-based employees.

(2) Each district school board must classify each employee of the district school board into one of the following categories:

(a) Instructional personnel;

(b) Instructional specialists;

(c) Instructional support personnel;

(d) Administrative personnel;

(e) Managers; or

(f) Educational support personnel.

The district school board shall notify each employee of such classification.

(3)(a) The school public accountability report to parents must include the number of employees in each of the categories listed in subsection (2), by work location. However, this does not include the number of temporary substitute employees.

(b) Any teacher-to-student ratio or class size measure required by law or State Board of Education rule must be computed by dividing the number of students in membership at the school by the number of full-time equivalent instructional personnel pursuant to paragraph (2)(a). Class size reports for exceptional student education shall be computed by dividing the number of exceptional students in membership by the number of full-time equivalent exceptional education classroom teachers who are classified as instructional personnel pursuant to paragraph (2)(a).

(4)(a) All expenditures within the general and special revenue funds for each district school board, including salaries, benefits, purchased services, energy services, materials and supplies, capital outlay, and miscellaneous expenditures, for the following purposes are classified as administrative expenditures:

1. District school board.

2. General administration.

3. School administration, excluding support expenditures.

4. Facilities acquisition and construction at the district level.

5. Fiscal services.

6. Central services at the district level.

(b) All expenditures within the general and special revenue funds for each district school board, including salaries, benefits, purchased services, energy services, materials and supplies, capital outlay, and miscellaneous expenditures, for the following purposes are classified as instructional expenditures:
1. Instruction.

2. Instructional support services, including student personnel services, instructional media services, instruction and curriculum development, and instructional staff training services.

3. School administration, including support expenditures.

4. Facilities acquisition and construction at the school level.

5. Food services.

6. Central services at the school level.

7. Student transportation services.

8. Operation of plant.


Definitions for the functions specified in this subsection are specified in State Board of Education rules.

(5) The annual school public accountability report required by ss. 1001.42(18) and 1008.345 must include a school financial report. The purpose of the school financial report is to better inform parents and the public concerning how funds were spent to operate the school during the prior fiscal year. Each school’s financial report must follow a uniform, districtwide format that is easy to read and understand.

(a) Total revenue must be reported at the school, district, and state levels. The revenue sources that must be addressed are state and local funds, other than lottery funds; lottery funds; federal funds; and private donations.

(b) Expenditures must be reported as the total expenditures per unweighted full-time equivalent student at the school level and the average expenditures per full-time equivalent student at the district and state levels in each of the following categories and subcategories:

1. Teachers, excluding substitute teachers, and education paraprofessionals who provide direct classroom instruction to students enrolled in programs classified by s. 1011.62 as:
   a. Basic programs;
   b. Students-at-risk programs;
   c. Special programs for exceptional students;
   d. Career education programs; and
   e. Adult programs.

2. Substitute teachers.

3. Other instructional personnel, including school-based instructional specialists and their assistants.
4. Contracted instructional services, including training for instructional staff and other contracted instructional services.

5. School administration, including school-based administrative personnel and school-based education support personnel.

6. The following materials, supplies, and operating capital outlay:
   a. Textbooks;
   b. Computer hardware and software;
   c. Other instructional materials;
   d. Other materials and supplies; and
   e. Library media materials.

7. Food services.

8. Other support services.

9. Operation and maintenance of the school plant.

(c) The school financial report must also identify the types of district-level expenditures that support the school’s operations. The total amount of these district-level expenditures must be reported and expressed as total expenditures per full-time equivalent student.

(6) Based on the classifications in this section, each district school board shall annually submit a report by January 1, which identifies and summarizes administrative expenditures and instructional expenditures by fund for the preceding fiscal year. The report shall also state the number of unweighted full-time equivalent students enrolled in the school district. The total amount of administrative expenditures shall be divided by the number of unweighted full-time equivalent students to determine the administrative expenditures per student. This calculation is to be made separately for the general and the special revenue funds. In addition, the report shall reflect the number of employees in each category outlined in subsection (2) and the percentage of employees in each category, excluding the number of temporary substitute employees. This report shall be submitted to the commissioner and shall be made available to the public. The school public accountability report shall contain notification of the availability of this report.


1010.22 Cost accounting and reporting for workforce education.--

(1) Each school district and each community college shall account for expenditures of all state, local, federal, and other funds in the manner prescribed by the State Board of Education.

(2) Each school district and each community college shall report expenditures for workforce education in accordance with requirements prescribed by the State Board of Education.

(3) The Department of Education, in cooperation with school districts and community colleges, shall develop and maintain a database of valid comparable information on workforce education which will meet both state and local needs.
History.--s. 540, ch. 2002-387.

1010.23 Cost accounting and reporting for community colleges.--Community colleges shall provide an annual report on the cost of operations as provided in s. 1011.84.

History.--s. 541, ch. 2002-387.

1010.24 Cost accounting and reporting for universities.--Universities shall provide an annual expenditure analysis report as provided in s. 1011.90.

History.--s. 542, ch. 2002-387.

PART III

AUDIT REQUIREMENTS AND PROCEDURES

1010.30 Audits required.

1010.305 Audit of student enrollment.

1010.33 Financial and performance audits.

1010.34 Audits of direct-support organizations.

1010.30 Audits required.--School districts, community colleges, and other institutions and agencies under the supervision of the State Board of Education and state universities under the supervision of the Board of Governors are subject to the audit provisions under ss. 11.45 and 218.39.


1010.305 Audit of student enrollment.--

(1) The Auditor General shall periodically examine the records of school districts, and other agencies as appropriate, to determine compliance with law and State Board of Education rules relating to the classification, assignment, and verification of full-time equivalent student enrollment and student transportation reported under the Florida Education Finance Program.

(2) If it is determined that the approved criteria and procedures for the placement of students and the conduct of programs have not been followed by the district, appropriate adjustments in the full-time equivalent student count for that district must be made, and any excess funds must be deducted from subsequent allocations of state funds to that district. As provided for by rule, if errors in a specific program of a district recur in consecutive years due to lack of corrective action by the district, adjustments may be made based upon statistical estimates of error projected to the overall district program.

History.--s. 545, ch. 2002-387.

1010.33 Financial and performance audits.--Each district school board and community college board of trustees, and university board of trustees is authorized to have an audit of their accounts and records by an independent certified public accountant retained by them and paid from their public funds. These audits are in addition to those required by ss. 11.45 and 218.39.

History.--s. 546, ch. 2002-387.
1010.34 Audits of direct-support organizations.—Audits of school district, community college, and state university direct-support organizations are subject to the audit provisions of ss. 1001.453 (4), 1004.28(5), and 1004.70(6), as applicable.

History.—s. 547, ch. 2002-387.

PART IV

PROVISIONS RELATING TO BONDING

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1010.40 Proposals for issuing bonds.--Whenever the residents of a school district in this state shall desire the issuance of bonds by such school district for the purpose of acquiring, building, enlarging, furnishing, or otherwise improving buildings or school grounds, or for any other exclusive use of the public schools within such school district, they shall present to the district school board a petition signed by not less than 25 percent of the duly qualified electors residing within the school district, setting forth in general terms the amount of the bonds desired to be issued, the purpose thereof, and that the proceeds derived from the sale of such bonds shall be used for the purposes set forth in the petition. The requirement for such petition may be dispensed with and the proposition of issuing bonds for the purposes as herein outlined may be initiated by the district school board of the said district; however, nothing contained in this section shall repeal any of the provisions of ss. 100.201-100.221, 100.241, 100.261-100.341, and 100.351.

History.--s. 549, ch. 2002-387.

1010.41 Procedure of district school boards with reference to proposals for issuing bonds.--It shall be the duty of the district school board to plan the school financial program of the district so that, insofar as practicable, needed capital outlay expenditures can be made without the necessity of issuing bonds. Whenever the district school board proposes an issue of bonds or has received any petition proposing the issuance of bonds, as provided in s. 1010.40, the said board shall forthwith proceed as follows:

(1) The district school board, after considering recommendations submitted by the district school superintendent, shall determine whether in its opinion the projects for which bonds are proposed to be issued are essential for the school program of the district.

(2) If the proposed projects are deemed essential by the district school board or if the proposed projects are rejected in whole or in part, the district school board shall, if practicable, prepare a plan for carrying out the projects, or at least part of the projects, with current funds which have been or can be set aside for that purpose.

(3) If the district school board determines that any portion of the projects cannot be carried out so that all costs can be met from the proceeds of a special district millage voted for that purpose or from district current funds that are not needed for salaries of teachers or other necessary expenses of operating the schools or from such funds that can reasonably be expected to be available by the time the projects are completed, or cannot be completed on the basis of a loan against district current funds, approved in accordance with s. 1011.14, the district school board shall then determine the amount of bonds necessary to be issued to complete the projects as proposed for the district and shall adopt and transmit to the Department of Education a resolution setting forth the proposals with reference to the projects and the proposed plan for financing the projects, said resolution to be in such form and contain such information as may be prescribed by the State Board of Education. If the Department of Education shall determine that the issuance of bonds as proposed is unnecessary or is unnecessary in the amount and according to the plan proposed, and shall notify the district school board accordingly, the district school board shall then amend its resolution to conform to the recommendation of the Department of Education, and no further action shall be taken for a period of at least 1 year on the proposal for a bond issue unless, within 30 days thereafter, a petition signed by at least 35 percent of the qualified electors within the district is received by the school board requesting that an election be called to vote bonds for the purposes set forth and in an amount which shall not exceed the amount of bonds proposed by the district school board. If such a petition is received by the district school board, as provided herein, or if the resolution proposing a bond issue has been approved by the Department of Education, the school board shall then proceed at its next ensuing meeting to adopt a resolution authorizing that an election be held for the purpose of determining whether bonds shall be issued as proposed.

History.--s. 550, ch. 2002-387.

1010.42 Publication of resolution.--It shall be the duty of the district school board, when the resolution proposing a bond issue has been approved by the Department of Education or when such
a proposal has been rejected by the Department of Education and a new petition signed by 35 percent of the qualified electors of the district has been presented, and when the resolution authorizing an election has been adopted as set forth above, to cause such resolution to be published at least once each week for 2 consecutive weeks in some newspaper published in the district. This resolution may also include a notice of election as prescribed in s. 1010.43.

History.--s. 551, ch. 2002-387.

1010.43 Notice of election; qualifications of electors.--The district school board shall also, at the meeting at which is passed the resolution provided for in s. 1010.41, order that an election shall be held in the school district to determine whether or not there shall be issued by the district the bonds provided for in such resolution, in which election only the duly qualified electors thereof shall vote; and prior to the time of holding such election, the district school board shall cause to be published at least once each week for 2 consecutive weeks in a newspaper published in the district a notice of the holding of such election, which shall specify the time and place or places of the holding thereof. The resolution prescribed in s. 1010.41 may be incorporated in and published as a part of the notice prescribed in this section.

History.--s. 552, ch. 2002-387.

1010.44 Conduct of election; form of ballot; appointment of inspectors; canvassing returns.--The election, provided for in s. 1010.43, shall be held at the place or several places in the district where the last general election was held throughout the district, unless the district school board orders otherwise; and the district school board shall appoint inspectors for the election and cause to be prepared and furnished to the inspectors the ballots to be used at the election; the form of ballots for such election shall be: "For bonds" or "Against bonds." The inspectors shall make returns to the district school board immediately after the election, and the school board shall hold a special meeting as soon thereafter as practicable for the purpose of canvassing the election returns and shall determine and certify its result.

History.--s. 553, ch. 2002-387.

1010.45 Result of election held.--If it appears by the result of the election that a majority of the votes cast shall be "For bonds," the district school board shall issue the bonds authorized by the election for the purposes specified in the resolution as published, not to exceed the amount named therein. If the majority of the votes cast shall have been "Against bonds," no bonds shall be issued.

History.--s. 554, ch. 2002-387.

1010.46 If election adverse, no second election within 6 months.--If the result of the election is adverse to the issuance of the bonds, no election shall be held for such purpose within 6 months thereafter. In the event such election shall result or shall have resulted in an equal number of votes being cast for the issuance of the bonds as shall be cast adverse to issuance of bonds, the district school board may call and order another or second election within the district to have determined the question of whether the bonds specified in the original petition and resolution shall be issued by the district, after giving notice as provided for by s. 1010.43, and it shall not be necessary to have presented to the district school board further petitions to order the second election.

History.--s. 555, ch. 2002-387.

1010.47 Receiving bids and sale of bonds.--

(1) If the issuance of bonds is authorized at the election, or if any bonds outstanding against the district are being refunded, the district school board shall sell the bonds in the manner provided in s. 218.385.
In the marketing of the bonds, the district school board shall be entitled to have such assistance as can be rendered by the Division of Bond Finance, the Commissioner of Education, or any other public state officer or agency. In determining the highest and best bidder for bonds offered for sale, the net interest cost to the school board as shown in standard bond tables shall govern, provided that the determination of the district school board as to the highest and best bidder shall be final.

History.--s. 556, ch. 2002-387; s. 45, ch. 2004-305.

1010.48 Bidders to give security.--The district school board may require of all bidders for the bonds that they give security by bond or by a deposit to the district school board that the bidder shall comply with the terms of the bid, and any bidder whose bid is accepted shall be liable to the district school board for all damages on account of the nonperformance of the terms of such bid or to a forfeiture of the deposit required by the district school board.

History.--s. 557, ch. 2002-387.

1010.49 Form and denomination of bonds.--The district school board may prescribe the denomination of the bonds to be issued, and such bonds may be issued with or without interest coupons in the discretion of the board. The form of the bonds to be issued may be prescribed by the State Board of Education on the recommendation of the Department of Legal Affairs. The schedule of maturities of the proposed bonds shall be so arranged that the total payments required each year shall be as nearly equal as practicable. The schedule shall provide that all bonds are to be retired within a period of 20 years from the date of issuance unless a longer period is required and has been specifically approved by the Department of Education. All bonds issued under this section that bear interest in excess of 2.99 percent shall be callable on terms prescribed by the district school board beginning not later than 10 years from the date of issuance.

History.--s. 558, ch. 2002-387.

1010.50 Investment of fiduciary funds in bonds; security for deposit of public funds.--School district bonds authorized and issued under the provisions of this chapter shall be lawful investments for fiduciary and trust funds, including all funds in the control of trustees, assignees, administrators, and executors, and may be accepted as security for all deposits of public funds.

History.--s. 559, ch. 2002-387.

1010.51 Records to be kept and reports to be made.--The district school board shall maintain a complete record of all bonds issued under the provisions of this chapter, which record shall show upon what authority the bonds are issued, the amount for which issued, the persons to whom issued, the date of issuance, the purpose or purposes for which issued, the rate of interest to be paid, and the time and place of payment of each installment of principal and interest. This record shall be so arranged as to show the amount of principal and interest to be paid each year and shall also show the annual or semiannual payments which are made and the bonds which are canceled. In addition, the district school superintendent shall file with the Department of Education in accordance with rules of the State Board of Education reports giving such information as may be required regarding any bonds which may be issued as provided herein.

History.--s. 560, ch. 2002-387.

1010.52 Bonds may be validated; validity of bonds.--When an issue of bonds for any school district shall be authorized in the manner provided under the terms of this chapter, such bonds shall, in the discretion of the district school board, be subject to validation in the manner provided for in chapter 75. In lieu of validation as set forth in that chapter, the district school board may, in its discretion, submit to the Department of Legal Affairs all information relating to the issuance of bonds as provided in said chapter 75, and an approving opinion of the Department of Legal Affairs
shall be sufficient evidence that the bonds are valid. Bonds reciting that they are issued pursuant to the terms of this chapter shall, in any action or proceeding involving their validity, be conclusively deemed to be fully authorized thereby, to have been issued, sold, executed, and delivered in conformity therewith, and with all other provisions of law applicable thereto, and shall be incontestable, anything herein or in other statutes to the contrary notwithstanding, unless such action or proceeding is begun before or within 30 days after the date upon which the bonds are sold, paid for, and delivered.

History.--s. 561, ch. 2002-387.

1010.53 Proceeds; how expended.--The proceeds derived from the sale of the bonds shall be held by the district school board and shall be expended by the board for the purpose for which the bonds were authorized for the school district, and shall be held and expended in the manner following:

(1) The district school board shall deposit, or cause to be deposited, the proceeds arising from the sale of each issue of bonds in a separate bond construction fund account in the school depository.

(2) All or any part of the fund derived from the proceeds of any such bond issue that in the judgment of the district school board is not immediately needed may be placed in the following securities maturing not later than the time when the funds are reasonably expected to be needed:

(a) In investments listed in s. 218.415(16).

(b) In any bonds issued by the district; provided, such bonds are not in default and can be obtained at a price which will result in a net saving to the taxpayers of the district.

(c) In any obligations of the district school board approved in accordance with the provisions of ss. 1011.13, 1011.14, and 1011.15.

(d) In any bonds issued by the State Board of Education or another school district.

History.--s. 562, ch. 2002-387.

1010.54 Disposition of surplus of bond issue.--Should there remain any of the proceeds of the sale of school district bonds after the purpose and object for which the bonds were issued shall have been carried out and performed by the district school board, the surplus then shall be held by the district school board and expended for the exclusive use of the public schools within the school district as the district school board may deem reasonable and proper.

History.--s. 563, ch. 2002-387.

1010.55 Additional bond issues.--After the issuance by any school district of bonds in the manner authorized in this chapter, the qualified electors of the school district may thereafter, from time to time, in the manner herein provided for, authorize one or more additional bond issues as they may determine upon.

History.--s. 564, ch. 2002-387.

1010.56 Board of Administration to act as fiscal agent in issuance and sale of motor vehicle anticipation certificates.--

(1) In aid of the provisions of s. 18, Art. XII of the State Constitution of 1885 as adopted by s. 9(d), Art. XII, 1968 revised constitution and the additional provisions of s. 9(d), the State Board of Administration may upon request of the State Board of Education, act as fiscal agent for the State
Board of Education in the issuance and sale of any or all bonds or motor vehicle tax anticipation certificates, including any refunding of bonds, certificates or interest coupons thereon which may be issued pursuant to the above cited provisions of the State Constitution and upon request of the State Board of Education the State Board of Administration may take over the management, control, bond trusteeship, administration, custody and payment of any or all debt service or other funds or assets now or hereafter available for any bonds or certificates issued for the purpose of obtaining funds for the use of any district school board or to pay, fund or refund any bonds or certificates theretofore issued for such purpose. The State Board of Education may from time to time provide by its duly adopted resolution or resolutions the duties said fiscal agent shall perform as authorized by this section and such duties may be changed, modified or repealed by subsequent resolution or resolutions as the State Board of Education may deem appropriate, provided, however, that such changes shall only affect the duties of the State Board of Administration as fiscal agent and shall not affect or modify the paramount constitutional authority of the State Board of Education nor affect, modify, or impair the contract rights of persons holding or owning the obligations so authorized to be issued.

(2) No such bonds or motor vehicle tax anticipation certificates shall ever be issued by the State Board of Administration until after the adoption of a resolution requesting the issuance thereof by the State Board of Education for and on behalf of the district for which the obligations are to be issued.

(3) All such bonds or certificates issued pursuant to this part shall be issued in the name of the State Board of Education but shall be issued for and on behalf of the district school board requesting the issuance thereof and shall be issued pursuant to any rules adopted by the State Board of Education which are not in conflict with the provisions of s. 18, Art. XII of the State Constitution of 1885 as adopted by s. 9(d), Art. XII, 1968 revised constitution, and the additional provisions of s. 9(d).

(4) The proceeds of any sale of original bonds or original certificates shall be deposited in the State Treasury to the credit of the particular construction account for which the original bonds or original certificates were issued and shall be under the direct control and supervision of the State Board of Education, and withdrawals from such construction accounts shall be made only upon warrants signed by the Chief Financial Officer. Such warrants shall be issued by the Chief Financial Officer only when the vouchers requesting such warrants are accompanied by the certificates of the State Board of Education to the effect that such withdrawals are proper expenditures for the cost of the particular construction account against which the requested warrants are to be drawn.

(5) The State Board of Administration shall annually determine the amounts necessary to meet the debt service requirements of all bonds or certificates administered by it pursuant to this section and shall certify to the State Board of Education said amounts needed. The State Board of Education, upon being satisfied that the amounts are correct, shall pay the amounts directly to the State Board of Administration for application by the State Board of Administration as provided under the terms of the resolutions authorizing the issuance of the bonds or certificates and as provided in s. 18, Art. XII of the State Constitution of 1885 as adopted by s. 9(d), Art. XII, 1968 revised constitution, and the additional provisions of s. 9(d).

(6) The expenses of the State Board of Administration incident to the issuance and sale of any bonds or certificates issued under the provisions of the constitution and under the provisions of this section shall be paid from the proceeds of the sale of the bonds or certificates or from the funds distributable to each county under the provisions of s. 18(a), Art. XII of the Constitution of 1885 as adopted by s. 9(d), Art. XII, 1968 revised constitution. All other expenses of the State Board of Administration for services rendered specifically for, or which are properly chargeable to the account of any bonds or certificates issued for and on behalf of any district school board under the above cited provisions of the State Constitution shall be paid from the funds distributable to each county under the provisions of s. 18(a), Art. XII of the State Constitution of 1885 as adopted by s. 9(d), Art. XII, 1968 revised constitution; but general expenses of the State Board of Administration for services rendered all the districts alike shall be prorated among them and paid from the funds
(7) The provisions of this section contemplate that it will aid the State Board of Education and better serve the purposes contemplated by s. 18, Art. XII of the State Constitution of 1885 as adopted by s. 9(d), Art. XII, 1968 revised constitution, and the additional provisions of s. 9(d) and not be inconsistent therewith.


1010.57 Bonds payable from motor vehicle license tax funds; instruction units computed.--

(1) For the purpose of administering the provisions of s. 9(d), Art. XII of the State Constitution as amended in 1972, the number of current instruction units in districts shall be computed annually by the Department of Education by multiplying the number of full-time equivalent students in programs under s. 1011.62(1)(c) in each district by the cost factors established in the General Appropriations Act and dividing by 23, except that all basic program cost factors shall be one, and the special program cost factors for hospital and homebound I and for community service shall be zero. Full-time equivalent membership for students residing in Department of Children and Family Services residential care facilities or identified as Department of Juvenile Justice students shall not be included in this computation. Any portion of the fund not expended during any fiscal year may be carried forward in ensuing budgets and shall be temporarily invested as prescribed by law or rules of the State Board of Education.

(2) Whenever the State Board of Education issues bonds or certificates for and on behalf of any district school board, or whenever any district school board issues bonds or certificates repayable from motor vehicle license tax funds, the aggregate number of instruction units in the district in any future school fiscal year, as authorized under the amendment contained in s. 18, Art. XII of the State Constitution of 1885 as amended and adopted by reference in s. 9(d), Art. XII of the Constitution of 1968, to the full extent necessary to pay all principal of and interest on, and reserves for, bonds or certificates issued for and on behalf of the district or by the district school board in any school fiscal year, as they become due and payable, shall be not less than the aggregate number of instruction units in the district for the school fiscal year preceding the school fiscal year in which the bonds or certificates are issued, computed in accordance with the statutes in force in the school fiscal year preceding the school fiscal year in which the bonds or certificates are issued.

(3) The provisions of this section are not intended to, and shall not, be applicable to, or confer any rights on, any district to payments from said motor vehicle license taxes except to the full extent necessary to pay all principal of and interest on, and reserves for, bonds or certificates so issued by the district school board and by the State Board of Education for and on behalf of the school districts, in each future school fiscal year as they mature and become due; and except for such purpose, all payments of the amounts of the motor vehicle license taxes distributable under the provisions of s. 18, Art. XII of the State Constitution of 1885 as amended and adopted by reference in s. 9(d), Art. XII of the Constitution of 1968 shall continue to be made and distributed to the districts in the manner provided by the amendment and the general laws of Florida in force and effect at the time of the distributions.

History.--s. 566, ch. 2002-387.

1010.58 Procedure for determining number of instruction units for community colleges.--The number of instruction units for community colleges shall be determined from the full-time equivalent students in the community college, provided that full-time equivalent students may not be counted more than once in determining instruction units. Instruction units for community colleges shall be computed as follows:
(1) One unit for each 12 full-time equivalent students at a community college for the first 420 students and one unit for each 15 full-time equivalent students for all over 420 students, in other than career education programs as defined by rules of the State Board of Education, and one unit for each 10 full-time equivalent students in career education programs and compensatory education programs as defined by rules of the State Board of Education. Full-time equivalent students enrolled in a community college shall be defined by rules of the State Board of Education.

(2) For each 8 instruction units in a community college, 1 instruction unit or proportionate fraction of a unit shall be allowed for administrative and special instructional services, and for each 20 instruction units, 1 instruction unit or proportionate fraction of a unit shall be allowed for student personnel services.

History.--s. 567, ch. 2002-387; s. 128, ch. 2004-357.

1010.59 Interest rates.--All bonds issued by the State Board of Education pursuant to the provisions of s. 9(a), Art. XII of the State Constitution, as amended, may bear interest at such rate or rates as may be determined by the State Board of Education. However, the maximum rate of interest shall not exceed the rates authorized under the provisions of s. 215.84.

History.--s. 568, ch. 2002-387.

1010.62 Revenue bonds and debt.--

(1) As used in this section, the term:

(a) "Capital outlay project" means:

1. Any project to acquire, construct, improve, or change the functional use of land, buildings, and other facilities, including furniture and equipment necessary to operate a new or improved building or facility.

2. Any other acquisition of equipment or software.

(b) "Debt" means bonds, except revenue bonds as defined in paragraph (d), loans, promissory notes, lease-purchase agreements, certificates of participation, installment sales, leases, or any other financing mechanism or financial arrangement, whether or not a debt for legal purposes, for financing or refinancing for or on behalf of a state university or a direct-support organization or for the acquisition, construction, improvement, or purchase of capital outlay projects.

(c) "Direct-support organization" means an organization created pursuant to s. 1004.28 or any entity specifically established to incur debt.

(d) "Revenue bonds" means any obligation that constitutes a revenue bond pursuant to s. 11(d), Art. VII of the State Constitution.

(2)(a) The Board of Governors may request the issuance of revenue bonds pursuant to the State Bond Act and s. 11(d), Art. VII of the State Constitution to finance or refinance capital outlay projects permitted by law. Revenue bonds may be secured by or payable only from those revenues authorized for such purpose, including the Capital Improvement Trust Fund fee, the building fee, the health fee, the transportation access fee, hospital revenues, or those revenues derived from or received in relation to sales and services of auxiliary enterprises or component units of the university, including, but not limited to, housing, transportation, health care, research or research-related activities, food service, retail sales, athletic activities, or other similar services, other revenues attributable to the projects to be financed or refinanced, any other revenue approved by the Legislature for facilities construction or for securing revenue bonds issued pursuant to s. 11(d),
Art. VII of the State Constitution, or any other revenues permitted by law. Revenues from the activity and service fee and the athletic fee may be used to pay and secure revenue bonds except that the annual debt service shall not exceed an amount equal to 5 percent of the fees collected during the most recent 12 consecutive months for which collection information is available prior to the sale of the bonds. The assets of a university foundation and the earnings thereon may also be used to pay and secure revenue bonds of the university or its direct-support organizations. Revenues from royalties and licensing fees may also be used to pay and secure revenue bonds so long as the facilities being financed are functionally related to the university operation or direct-support organization reporting such royalties and licensing fees. Revenue bonds may not be secured by or be payable from, directly or indirectly, tuition, the financial aid fee, sales and services of educational departments, revenues from grants and contracts, except for money received for overhead and indirect costs and other moneys not required for the payment of direct costs, or any other operating revenues of a state university. Revenues from one auxiliary enterprise may not be used to secure revenue bonds of another unless the Board of Governors, after review and analysis, determines that the facilities being financed are functionally related to the auxiliary enterprise revenues being used to secure such revenue bonds.

(b) In connection with the issuance of revenue bonds, the Board of Governors, and the state university if so designated by the Board of Governors, shall comply with all covenants, commitments, or other provisions relating to the revenue bonds. Such covenants, commitments, or other provisions, in addition to those provided in the State Bond Act, may relate to:

1. Pledging the fees, charges, and other revenues that secure the revenue bonds;

2. Fixing and maintaining fees, rates, and other charges pledged to the payment of the revenue bonds;

3. Providing a lien on the revenues pledged;

4. Preventing or providing for the creation of other liens on the fees, charges, and other revenues that secure the revenue bonds;

5. Establishing and maintaining reserves for debt service payments on revenue bonds;

6. Providing for the operation, maintenance, and improvement of facilities that are related to the generation of the fees, revenues, and other charges pledged to the payment of the revenue bonds; and

7. Establishing any other covenants, commitments, or provisions that are deemed necessary or advisable to enhance the security of the revenue bonds, or the marketability thereof, and that are customary in accordance with the market requirements for the sale of such revenue bonds.

(c) Revenue bonds issued pursuant to this subsection are not required to be validated pursuant to chapter 75.

(3)(a) A state university or direct-support organization may not issue debt without the approval of the Board of Governors. The Board of Governors may approve the issuance of debt by a state university or a direct-support organization only when such debt is used to finance or refinance capital outlay projects. The debt may be secured by or payable only from those revenues authorized for such purpose, including the health fee, the transportation access fee, hospital revenues, or those revenues derived from or received in relation to sales and services of auxiliary enterprises or component units of the university, including, but not limited to, housing, transportation, health care, research or research-related activities, food service, retail sales, athletic activities, or other similar services. Revenues derived from the activity and service fee and the athletic fee may be used to pay and secure debt except that the annual debt service shall not exceed an amount equal to 5 percent of the fees collected during the most recent 12 consecutive months for which collection information is available prior to the sale of the bonds. The assets of a university foundation and the earnings thereon may also be used to pay and secure revenue bonds of the university or its direct-support organizations.
months for which collection information is available prior to incurring the debt. The assets of
university foundations and the earnings thereon may be used to pay and secure debt of the
university or its direct-support organizations. Gifts and donations or pledges of gifts may also be
used to secure debt so long as the maturity of the debt, including extensions, renewals, and
refundings, does not exceed 5 years. Revenues from royalties and licensing fees may also be
used to secure debt so long as the facilities being financed are functionally related to the university
operation or direct-support organization reporting such royalties and licensing fees. The debt may
not be secured by or be payable from, directly or indirectly, tuition, the financial aid fee, sales
and services of educational departments, revenues from grants and contracts, except for money
received for overhead and indirect costs and other moneys not required for the payment of direct
costs of grants, or any other operating revenues of a state university. The debt of direct-support
organizations may not be secured by or be payable under an agreement or contract with a state
university unless the source of payments under such agreement or contract is limited to revenues
that universities are authorized to use for payment of debt service. Revenues from one auxiliary
enterprise may not be used to secure debt of another unless the Board of Governors, after review
and analysis, determines that the facilities being financed are functionally related to the auxiliary
enterprise revenues being used to secure such debt. Debt may not be approved to finance or
refinance operating expenses of a state university or a direct-support organization. The maturity of
debt used to finance or refinance the acquisition of equipment or software, including any
extensions, renewals, or refundings thereof, shall be limited to 5 years or the estimated useful life
of the equipment or software, whichever is shorter. The Board of Governors may establish
conditions and limitations on such debt as it determines to be advisable.

(b) Approval by the Board of Governors of the issuance of debt shall be based upon a
determination that the debt:

1. Is for a purpose consistent with the mission of the state university;
2. Is structured in a manner appropriate for the prudent financial management of the state
   university;
3. Is secured by revenues adequate to provide for all payments relating to the debt;
4. Has been analyzed by the Division of Bond Finance and issues raised by such analysis have been
   appropriately considered by the Board of Governors; and
5. Is consistent with the requirements of any policies or criteria adopted by the Board of
   Governors for the approval of debt.

(c) Notwithstanding paragraphs (a) and (b), state universities and direct-support organizations may
engage in the following activities without the approval of the Board of Governors:

1. State universities may lease-purchase equipment and software in accordance with the deferred-
purchase provisions in chapter 287 and direct-support organizations may lease-purchase equipment
   and software to the extent that the overall term of the financing, including any extension,
   renewal, or refinancing thereof, does not exceed 5 years or the estimated useful life of the
   equipment or software, whichever is shorter;
2. Direct-support organizations may issue promissory notes and grant conventional mortgages for
   the acquisition of real property; and
3. State universities and direct-support organizations may secure debt with gifts and donations and
   pledges of gifts so long as the facilities being financed thereby have been included in the
   university's 5-year capital improvement plan that has been approved by the Board of Governors and
   the maturity of the debt, including any extension, renewal, or refunding, does not exceed 5 years.
(4) The approval by the Board of Governors of revenue bonds, except refunding bonds, or debt must be requested by a resolution of the board of trustees of each state university involved in the issuance of the revenue bonds or debt.

(5) Revenue bonds or debt issued under this section may be secured on a parity with prior revenue bonds or debt issued by or on behalf of one or more universities or a direct-support organization.

(6) Capital outlay projects to be financed by revenue bonds or debt are limited to those approved by the Legislature through approval of the specific project or general approval of the type or category of capital outlay project.

(7)(a) As required pursuant to s. 11(d), Art. VII of the State Constitution and subsection (6), the Legislature approves capital outlay projects meeting the following requirements:

1. The project is located on a campus of a state university or on land leased to the university or is used for activities relating to the state university;

2. The project is included in the master plan of the state university or is for facilities that are not required to be in a university's master plan;

3. The project is approved by the Board of Governors as being consistent with the strategic plan of the state university and the programs offered by the state university; and

4. The project is for purposes relating to the housing, transportation, health care, research or research-related activities, food service, retail sales, or student activities of the state university.

(b) Capital outlay projects for the acquisition of equipment or software are also approved for purposes of subsection (6) to the extent that the overall term of the financing, including any extension, renewal, or refinancing thereof, does not exceed 5 years or the estimated useful life of the equipment or software, whichever is shorter.

(8) Notwithstanding any other law, the Board of Governors, each state university, and any direct-support organization must comply with the provisions of this section in order to issue or enter into agreements for the issuance of revenue bonds or debt.

(9) The Board of Governors may adopt such policies as may be necessary or desirable for carrying out all of the requirements of this section and may do all things necessary or desirable to carry out the powers granted under this section. Such policies may include categories of debt, other than revenue bonds, which may be issued without approval of the specific issuance by the Board of Governors if the issuance complies with any terms, conditions, or requirements included in such policy and laws governing the imposition of fees and laws requiring specific authority to pledge revenues to secure debt.

(10) Any legal commitments, contracts, or other obligations relating to the financing of capital outlay projects that were lawfully entered into before the effective date of this section shall remain in full force and effect. Any such legal commitment, contract, or other obligation may be amended without compliance with this section, but only to the extent that such amendment does not increase the financial obligation of the Board of Governors, a state university, or a direct-support organization.

History.--s. 5, ch. 2006-27.

PART V

TRUST FUNDS
1010.70 Educational Enhancement Trust Fund.

1010.71 State School Trust Fund.

1010.73 State Student Financial Assistance Trust Fund.

1010.731 Student Loan Guaranty Reserve Trust Fund.

1010.74 Educational Certification and Services Trust Fund.

1010.75 Teacher Certification Examination Trust Fund.

1010.77 Food and Nutrition Services Trust Fund.

1010.78 Projects, Contracts, and Grants Trust Fund.

1010.79 Sophomore Level Test Trust Fund.

1010.80 Educational Media and Technology Trust Fund.

1010.81 Knott Data Center Working Capital Trust Fund.

1010.82 Textbook Bid Trust Fund.

1010.83 Institutional Assessment Trust Fund.

1010.84 Displaced Homemaker Trust Fund.

1010.85 Phosphate Research Trust Fund.

1010.86 Administration of capital improvement and building fees trust funds.

1010.87 Workers' Compensation Administration Trust Fund within the Department of Education.

1010.70 Educational Enhancement Trust Fund.--Each fiscal year, variable percentages of the gross revenue from the sale of online and instant lottery tickets as determined by the department, and other earned revenue, excluding application processing fees, shall be deposited in the Educational Enhancement Trust Fund as provided in s. 24.121.


1010.71 State School Trust Fund.--

(1) The State School Trust Fund shall be derived from the following sources:

(a) The proceeds of all lands that have been or may hereafter be granted to the state by the United States for public school purposes;

(b) Donations to the state when the purpose is not specified;

(c) Appropriations by the state;

(d) The proceeds of escheated property or forfeitures; and
(e) Twenty-five percent of the sales of public lands which are now or may hereafter be owned by the state.

(2) The land comprising part of the State School Trust Fund shall not be subject to taxes of any kind whatsoever, but shall enjoy constitutional immunity therefrom, nor shall taxes of any kind be imposed thereon; nor, since not subject to tax, shall the state or any state agency be liable for taxes or the equivalent thereof sought to be imposed upon said land. All outstanding tax sale certificates against land of the State School Trust Fund are hereby canceled.

History.--s. 582, ch. 2002-387.

1010.73 State Student Financial Assistance Trust Fund.--

(1) The State Student Financial Assistance Trust Fund is hereby created, to be administered by the Department of Education. Funds shall be credited to the trust fund as provided in the General Appropriations Act or similar legislation, to be used for the purposes set forth therein.

(2) The department may transfer into this trust fund general revenue, private donations for the purpose of matching state funds, and federal receipts for scholarships and grant programs. An individual account code shall be established for each funded scholarship and grant program for accountability purposes.

(3) Notwithstanding the provisions of s. 216.301, and pursuant to s. 216.351, any balance in the trust fund at the end of any fiscal year shall remain in the trust fund and shall be available for carrying out the purposes of the trust fund.

History.--s. 584, ch. 2002-387.

1010.731 Student Loan Guaranty Reserve Trust Fund.--Chapter 99-35, Laws of Florida, re-created the Student Loan Guaranty Reserve Trust Fund to be used by the Department of Education for the administration of the guaranteed student loan program as provided in s. 1009.92.

History.--s. 585, ch. 2002-387.

1010.74 Educational Certification and Services Trust Fund.--The proceeds from the collection of certification fees, fines, penalties, and costs levied pursuant to s. 1012.59 shall be remitted by the Department of Education to the Chief Financial Officer for deposit into and disbursed from the "Educational Certification and Services Trust Fund" as re-created by chapter 99-31, Laws of Florida.


1010.75 Teacher Certification Examination Trust Fund.--The proceeds for the certification examination fee levied pursuant to s. 1012.59 shall be remitted by the Department of Education to the Chief Financial Officer for deposit into and disbursed from the "Teacher Certification Examination Trust Fund" as re-created by chapter 99-28, Laws of Florida.


1010.77 Food and Nutrition Services Trust Fund.--Chapter 99-34, Laws of Florida, re-created the Food and Nutrition Services Trust Fund to record revenue and disbursements of Federal Food and Nutrition funds received by the Department of Education as authorized in s. 1006.06.

History.--s. 589, ch. 2002-387.

1010.78 Projects, Contracts, and Grants Trust Fund.--There is created in the Department of
Education the Projects, Contracts, and Grants Trust Fund. The personnel employed to plan and administer grants or contracts for specific projects shall be considered in time-limited employment not to exceed the duration of the grant or until completion of the project, whichever first occurs. Such employees shall not acquire retention rights under the Career Service System. Any employee holding permanent career service status in a Department of Education position who is appointed to a position under the Projects, Contracts, and Grants Trust Fund shall retain such permanent status in the career service position.


¹Note.--Repealed July 1, 2008, by s. 5, ch. 2007-19.

1010.79 Sophomore Level Test Trust Fund.--Chapter 99-26, Laws of Florida, re-created the Sophomore Level Test Trust Fund to record revenue and disbursements of examination fees received by the Department of Education as authorized in s. 1008.29.

History.--s. 591, ch. 2002-387.

1010.80 Educational Media and Technology Trust Fund.--Chapter 99-25, Laws of Florida, re-created the Educational Media and Technology Trust Fund to record revenue and disbursements by the Department of Education for the cost of producing and disseminating educational materials and products as authorized in s. 1006.39.

History.--s. 592, ch. 2002-387.

1010.81 Knott Data Center Working Capital Trust Fund.--Chapter 99-29, Laws of Florida, re-created the Knott Data Center Working Capital Trust Fund to record the revenue from fees paid for services provided by the Department of Education’s data center and disbursements to pay the costs of operating the data center as authorized in s. 216.272.

History.--s. 593, ch. 2002-387.

1010.82 Textbook Bid Trust Fund.--Chapter 99-36, Laws of Florida, re-created the Textbook Bid Trust Fund to record the revenue and disbursements of textbook bid performance deposits submitted to the Department of Education as required in s. 1006.32.

History.--s. 594, ch. 2002-387.

1010.83 Institutional Assessment Trust Fund.--

(1) Chapter 99-32, Laws of Florida, re-created the Institutional Assessment Trust Fund to be administered by the Department of Education pursuant to this section and rules of the State Board of Education. The trust fund shall consist of all fees and fines imposed upon nonpublic colleges and schools pursuant to this chapter and chapter 1005, including all fees collected from nonpublic colleges and schools for participation in the Student Protection Fund and the statewide course numbering system. The department shall maintain separate accounts for the operation of the Commission for Independent Education; the Student Protection Fund; and the Department of Education.

(2) Funds from the trust fund shall be used for purposes including, but not limited to, the following:

(a) Authorized expenses of the Commission for Independent Education in carrying out its required duties.
(b) Authorized expenses from the Department of Education account incurred as a result of the inclusion of nonpublic colleges in the statewide course numbering system.

(c) Expenses authorized by the Commission for Independent Education from the Student Protection Fund account to complete the training of students enrolled in an institution that terminates a program or ceases operation while the student is enrolled or to facilitate the retrieval or safekeeping of records from a closed institution.

(3) The Commission for Independent Education may utilize other individuals or entities to administer the programs authorized in subsection (2).


1010.84 **Displaced Homemaker Trust Fund.**---Chapter 99-33, Laws of Florida, re-created the Displaced Homemaker Trust Fund to record revenue and disbursements from fees as authorized in s. 446.50.

**History.**---s. 596, ch. 2002-387.

1010.85 **Phosphate Research Trust Fund.**---Chapter 99-45, Laws of Florida, re-created the Phosphate Research Trust Fund to record the revenue and disbursements from tax on severance of phosphate rock as provided in s. 211.3103.

**History.**---s. 597, ch. 2002-387.

1010.86 **Administration of capital improvement and building fees trust funds.**---The State Board of Education shall administer the Capital Improvement Fee Trust Fund and the Building Fee Trust Fund which include receipts from capital improvement and building student fee assessments, interest earnings, and subsidy grants. All funds, except those to be used for debt service payments, reserve requirements, and educational research centers for child development, pursuant to s. 1011.48, shall be used to fund projects appropriated by the Legislature. Projects funded pursuant to this section may be expanded by the use of supplemental funds such as grants, auxiliary enterprises, private donations, and other nonstate sources.

**History.**---s. 598, ch. 2002-387.

1010.87 **Workers' Compensation Administration Trust Fund within the Department of Education.**---

(1) The Workers' Compensation Administration Trust Fund is created within the Department of Education, to be administered by such department. The trust fund shall be used for the purpose of providing funds for the payment of all expenses in respect to the administration of programs for the rehabilitation and reemployment of injured workers, pursuant to legislative appropriation or an approved amendment to the department's operating budget pursuant to the provisions of chapter 216.

(2) Notwithstanding the provisions of s. 216.301 and pursuant to s. 216.351, any balance in the trust fund at the end of any fiscal year shall remain in the trust fund at the end of the year and shall be available for carrying out the purposes of the trust fund.