



Senate Bill No. 996

Public Act No. 21-19

AN ACT CONCERNING FUNDRAISING BY THE FOUNDATION OF THE UNIVERSITY OF CONNECTICUT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subdivision (10) of section 4-37f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2021*):

(10) There shall be a written agreement between the state agency and the foundation that (A) addresses any use by the foundation of the agency's facilities and resources including, but not limited to, office space, storage space, office furniture and equipment, utilities, photocopying services, computer systems and the maintenance by the state agency of the books and records of the foundation, provided any such books and records maintained by the state agency shall not be deemed to be public records and shall not be subject to disclosure pursuant to the provisions of section 1-210, (B) provides that the state agency shall have no liability for the obligations, acts or omissions of the foundation, (C) requires the foundation to reimburse the state agency for expenses the agency incurs as a result of foundation operations, if the agency would not have otherwise incurred such expenses, (D) in the case of foundations established for a constituent unit of the state system of higher education or for a public institution of higher education,

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requires the foundation to establish and adhere to an investment policy and a spending policy that are consistent with sections 45a-535 to 45a-535i, inclusive, (E) on and after July 1, 2017, if the state agency is The University of Connecticut, provides that (i) the total cash compensation to be paid in a fiscal year by the state agency to the foundation shall decrease from the amount paid in the preceding fiscal year or the amount paid in the fiscal year ending June 30, 2016, whichever is greater, by (I) one million dollars when the market value of the foundation's endowment fund as of January first of the preceding fiscal year is equal to or greater than five hundred million dollars but less than seven hundred million dollars, (II) one million five hundred thousand dollars when the market value of such fund as of January first of the preceding fiscal year is equal to or greater than seven hundred million dollars but less than nine hundred million dollars, or (III) three million dollars when the market value of such fund as of January first of the preceding fiscal year is equal to or greater than nine hundred million dollars but less than one billion two hundred fifty million dollars, (ii) no cash compensation shall be paid by the state agency to the foundation when the amount in such foundation's endowment fund as of January first of the preceding fiscal year is equal to or greater than one billion two hundred fifty million dollars, [and] (iii) if the market value of the foundation's endowment fund as of January first of the preceding fiscal year decreases below any of the thresholds stated in subclause (I), (II) or (III) of clause (i) of this subparagraph, then the amount of the cash payment to the foundation shall be increased to equal the same amount that was paid to the foundation prior to exceeding the threshold in subclause (I), (II) or (III) of clause (i) of this subparagraph, until the July first following a January first on which the market value of the foundation's endowment fund again exceeds such threshold, and (iv) in any fiscal year, if the two-year average of total gifts and commitments reported by the foundation, pursuant to subparagraph (B) of subdivision (9) of this section, for the preceding two fiscal years is not less than five times the average total cash compensation paid by the state

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agency during the same period, the provisions of clauses (i) to (iii), inclusive, of this subparagraph shall not be applicable to the cash compensation paid by the state agency to the foundation in such fiscal year, (F) on and after July 1, 2017, requires the foundation to use reasonable efforts to raise gifts and commitments each fiscal year for student support, including, but not limited to, scholarships, assistantships, fellowships, awards and prizes, that equal not less than fifteen per cent of the total amount of all gifts and commitments raised by the foundation in the same fiscal year, and (G) provides that if the foundation ceases to exist or ceases to be a foundation, as defined in section 4-37e, (i) the foundation shall be prohibited from using the name of the state agency, (ii) the records of the foundation, or copies of such records, shall be made available to and may be retained by the state agency, provided any such records or copies which are retained by the state agency shall not be deemed to be public records and shall not be subject to disclosure pursuant to the provisions of section 1-210, and (iii) there are procedures for the disposition of the financial and other assets of the foundation. If the state agency is a constituent unit, the board of trustees of the constituent unit shall approve such agreement. If the state agency is a public institution of higher education, the board of trustees of the constituent unit which has jurisdiction over the institution shall approve such agreement; and

Approved May 26, 2021