



General Assembly

January Session, 2021

***Raised Bill No. 996***

LCO No. 4280



Referred to Committee on HIGHER EDUCATION AND  
EMPLOYMENT ADVANCEMENT

Introduced by:  
(HED)

***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:

1 Section 1. Subdivision (10) of section 4-37f of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
3 *2021*):

4 (10) There shall be a written agreement between the state agency and  
5 the foundation that (A) addresses any use by the foundation of the  
6 agency's facilities and resources including, but not limited to, office  
7 space, storage space, office furniture and equipment, utilities,  
8 photocopying services, computer systems and the maintenance by the  
9 state agency of the books and records of the foundation, provided any  
10 such books and records maintained by the state agency shall not be  
11 deemed to be public records and shall not be subject to disclosure  
12 pursuant to the provisions of section 1-210, (B) provides that the state  
13 agency shall have no liability for the obligations, acts or omissions of the  
14 foundation, (C) requires the foundation to reimburse the state agency

15 for expenses the agency incurs as a result of foundation operations, if  
16 the agency would not have otherwise incurred such expenses, (D) in the  
17 case of foundations established for a constituent unit of the state system  
18 of higher education or for a public institution of higher education,  
19 requires the foundation to establish and adhere to an investment policy  
20 and a spending policy that are consistent with sections 45a-535 to 45a-  
21 535i, inclusive, (E) on and after July 1, 2017, if the state agency is The  
22 University of Connecticut, provides that (i) the total cash compensation  
23 to be paid in a fiscal year by the state agency to the foundation shall  
24 decrease from the amount paid in the preceding fiscal year or the  
25 amount paid in the fiscal year ending June 30, 2016, whichever is  
26 greater, by (I) one million dollars when the market value of the  
27 foundation's endowment fund as of January first of the preceding fiscal  
28 year is equal to or greater than five hundred million dollars but less than  
29 seven hundred million dollars, (II) one million five hundred thousand  
30 dollars when the market value of such fund as of January first of the  
31 preceding fiscal year is equal to or greater than seven hundred million  
32 dollars but less than nine hundred million dollars, or (III) three million  
33 dollars when the market value of such fund as of January first of the  
34 preceding fiscal year is equal to or greater than nine hundred million  
35 dollars but less than one billion two hundred fifty million dollars, (ii) no  
36 cash compensation shall be paid by the state agency to the foundation  
37 when the amount in such foundation's endowment fund as of January  
38 first of the preceding fiscal year is equal to or greater than one billion  
39 two hundred fifty million dollars, [and] (iii) if the market value of the  
40 foundation's endowment fund as of January first of the preceding fiscal  
41 year decreases below any of the thresholds stated in subclause (I), (II) or  
42 (III) of clause (i) of this subparagraph, then the amount of the cash  
43 payment to the foundation shall be increased to equal the same amount  
44 that was paid to the foundation prior to exceeding the threshold in  
45 subclause (I), (II) or (III) of clause (i) of this subparagraph, until the July  
46 first following a January first on which the market value of the  
47 foundation's endowment fund again exceeds such threshold, and (iv) in  
48 any fiscal year, if the two-year average of total gifts and commitments  
49 reported by the foundation, pursuant to subparagraph (B) of

50 subdivision (9) of this section, for the preceding two fiscal years is not  
 51 less than five times the average total cash compensation paid by the state  
 52 agency during the same period, the provisions of clauses (i) to (iii),  
 53 inclusive, of this subparagraph shall not be applicable to the cash  
 54 compensation paid by the state agency to the foundation in such fiscal  
 55 year. (F) on and after July 1, 2017, requires the foundation to use  
 56 reasonable efforts to raise gifts and commitments each fiscal year for  
 57 student support, including, but not limited to, scholarships,  
 58 assistantships, fellowships, awards and prizes, that equal not less than  
 59 fifteen per cent of the total amount of all gifts and commitments raised  
 60 by the foundation in the same fiscal year, and (G) provides that if the  
 61 foundation ceases to exist or ceases to be a foundation, as defined in  
 62 section 4-37e, (i) the foundation shall be prohibited from using the name  
 63 of the state agency, (ii) the records of the foundation, or copies of such  
 64 records, shall be made available to and may be retained by the state  
 65 agency, provided any such records or copies which are retained by the  
 66 state agency shall not be deemed to be public records and shall not be  
 67 subject to disclosure pursuant to the provisions of section 1-210, and (iii)  
 68 there are procedures for the disposition of the financial and other assets  
 69 of the foundation. If the state agency is a constituent unit, the board of  
 70 trustees of the constituent unit shall approve such agreement. If the state  
 71 agency is a public institution of higher education, the board of trustees  
 72 of the constituent unit which has jurisdiction over the institution shall  
 73 approve such agreement; and

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2021	4-37f(10)

**Statement of Purpose:**

To allow The University of Connecticut to maintain the amount of cash compensation paid to the foundation if the two-year average of funds raised by the foundation for the preceding two fiscal years is not less than five times the average total cash compensation paid by said university to the foundation over the same period.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*