

§10006. Endowment incentives

1. Endowment Incentive Fund; nonlapsing fund. The Endowment Incentive Fund, referred to in this section as the "endowment fund," is created to provide an incentive for private donations for endowment purposes to and for the benefit of the University of Maine System, the Maine Community College System and the Maine Maritime Academy, referred to in this section as "postsecondary entities," by providing matching state funds for certain private donations for specified purposes. Any funds appropriated by the Legislature to carry out the purposes of this section may not lapse and must be carried forward for continued use in the fund.

[PL 1999, c. 511, §1 (NEW); PL 2003, c. 20, Pt. OO, §2 (AMD); PL 2003, c. 20, Pt. OO, §4 (AFF).]

2. Treasurer of State authority for deposit of state funds; interest earned on the endowment fund; disbursement of endowment funds. The Treasurer of State is responsible for the custodial care of the endowment fund and may deposit state funds pursuant to Title 5, section 135. Interest earned on the investment of the endowment fund must be credited to the respective postsecondary entity or its qualified institutionally related foundation. The Treasurer of State is responsible for disbursement of the endowment fund, upon certification by the Chancellor of the University of Maine System, the President of the Maine Community College System and the President of the Maine Maritime Academy that the criteria established in subsection 3 are met.

[RR 1999, c. 1, §26 (COR); PL 2003, c. 20, Pt. OO, §2 (AMD); PL 2003, c. 20, Pt. OO, §4 (AFF).]

3. Administration of endowment fund; boards of trustees; boards of visitors; academic purposes. The respective boards of trustees of the postsecondary entities shall adopt criteria establishing qualifications for private gifts and grants to be matched from the endowment fund. For each university in the University of Maine System, the respective university president must recommend qualifications for that institution's endowment fund criteria to the Board of Trustees of the University of Maine System. Each university president may direct that university's board of visitors to review the institution's unique fund-raising needs and advise the president on the board of visitors' final recommendations to the Board of Trustees of the University of Maine System. The endowment fund criteria must provide that only private donations for academic purposes may qualify for matching. For the administration of this endowment fund, "academic purposes" means scholarships, professorships or other endowed faculty positions. These endowment fund criteria must:

A. Set standards for those types of gifts that qualify for matching; [PL 1999, c. 511, §1 (NEW).]

B. Establish minimum and maximum amounts for gifts to be matched from the endowment fund; and [PL 1999, c. 511, §1 (NEW).]

C. Establish any other qualifications determined by the respective boards of trustees to provide the greatest incentive for encouraging private endowment gifts for academic purposes. [PL 1999, c. 511, §1 (NEW).]

[PL 1999, c. 511, §1 (NEW).]

4. Qualified recipients; institutionally related foundations; management of endowment funds. Qualified recipients of private donations eligible for matching funds are the University of Maine System and each of its universities, the Maine Community College System and each of its colleges and the Maine Maritime Academy, as well as institutionally related foundations qualified under the Internal Revenue Code, Section 501(c)(3). Qualified institutionally related foundations may receive and manage the investment of matching funds, and may, at their discretion, hold funds allocated to them. In the absence of any conditions or restrictions to the contrary made by the donor, qualified recipients of private donations eligible for matching funds may combine, pool or merge these funds with other similar gift and endowment funds.

[PL 1999, c. 511, §1 (NEW); PL 2003, c. 20, Pt. OO, §2 (AMD); PL 2003, c. 20, Pt. OO, §4 (AFF).]

5. Matching funds available to postsecondary entities. Upon determination that the criteria established in subsection 3 have been met, the State Treasurer shall provide that matching funds be available to the 3 entities as follows:

- A. For an appropriated amount of more than \$10,000,000:
 - (1) University of Maine System 70%;
 - (2) Maine Community College System 25%; and
 - (3) Maine Maritime Academy 5%; and [PL 2003, c. 688, Pt. A, §15 (AMD).]
- B. For an appropriated amount of \$10,000,000 or less:
 - (1) University of Maine System 75%;
 - (2) Maine Community College System 20%; and
 - (3) Maine Maritime Academy 5%. [PL 1999, c. 511, §1 (NEW); PL 2003, c. 20, Pt. OO, §2 (AMD); PL 2003, c. 20, Pt. OO, §4 (AFF).]

[PL 2003, c. 688, Pt. A, §15 (AMD).]

6. University of Maine System; distribution formula. The Board of Trustees of the University of Maine System shall ensure that money from the endowment fund distributed to the University of Maine System is allocated to each of the universities in proportion to the respective amounts of education funds and funds appropriated to the General Fund allocated to the various universities. [PL 1999, c. 511, §1 (NEW).]

7. Reduction prohibited. Appropriations to the fund must be in addition to any other funds appropriated to the University of Maine System, the Maine Community College System and the Maine Maritime Academy and may not be used to reduce appropriations for other purposes. [PL 1999, c. 511, §1 (NEW); PL 2003, c. 20, Pt. OO, §2 (AMD); PL 2003, c. 20, Pt. OO, §4 (AFF).]

SECTION HISTORY

RR 1999, c. 1, §26 (COR). PL 1999, c. 511, §1 (NEW). PL 2003, c. 20, §OO2 (AMD). PL 2003, c. 20, §OO4 (AFF). PL 2003, c. 688, §A15 (AMD).

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