**A** **BILL**

TO AMEND SECTION 59-48-70 OF THE 1976 CODE, RELATING TO THE SCHOOL OF SCIENCE AND MATHEMATICS’ ENDOWMENT FUND, TO PROVIDE THAT THE ENDOWMENT FUND IS SUBJECT TO THE DIRECTION OF THE SCHOOL’S BOARD, TO REQUIRE THAT THE ENDOWMENT FUND BE ORGANIZED AS A NONPROFIT ENTITY, TO PROVIDE THAT THE ENDOWMENT FUND MUST ADOPT AN ANNUAL BUDGET THAT IS UNDER THE OVERSIGHT OF THE SCHOOL, TO PROVIDE THAT THE SCHOOL’S BOARD AND THE ENDOWMENT FUND MUST ENTER INTO AN OPERATING AGREEMENT, AND TO PROVIDE THAT THE ENDOWMENT FUND MAY NOT TAKE ANY ACTION UNLESS AUTHORIZED PURSUANT TO THE OPERATING AGREEMENT APPROVED BY THE SCHOOL’S BOARD.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 59-48-70 of the 1976 Code is amended to read:

“Section 59-48-70. (A) The board shall create a Development Office for the school that will be headed by an executive director. The executive director shall be an employee of the school, be hired by the head of the school, and serve at his pleasure with a salary that shall be set by the board. The board may establish and maintain an endowment fund for the school that is subject to the direction of the executive director of the Development Office and that has the primary purpose of raising funds to support the furtherance of the school’s mission, goals, and objectives.

(B) The endowment fund must be organized on a nonprofit basis as a separate legal entity recognized under and in compliance with the laws of this State.

(C)(1) In consultation with the executive director of the Development Office, the endowment fund must adopt an annual operations and capital budget. Prior to adopting the annual budget, the head of the endowment fund must meet with the executive director of the Development Office and the head of the school to review the endowment fund’s proposed budget, and prior to any subsequent proposed material changes to the budget. The endowment fund budget and its fundraising goals must exclusively be based on the operation and capital goals of the school as provided to the foundation by the executive director of the Development Office and the head of the school.

(2) The endowment fund shall not accept any donations that are restricted in their use unless the proposed restriction is approved by the board prior to its acceptance and unless the funds are being used for a purpose that is needed by the school

(D) Prior to taking any action, including fundraising, on behalf of the school, the board and the endowment fund must enter into a written agreement detailing the corresponding rights, duties, and responsibilities of the endowment fund.”

SECTION 2. This act takes effect upon approval by the Governor.

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