

## **FINANCE**

### **(30 ILCS 769/) Private Colleges and Universities Capital Distribution Formula Act.**

(30 ILCS 769/Art. 25 heading)

Article 25.

(Source: P.A. 96-37, eff. 7-13-09.)

(30 ILCS 769/25-1)

Sec. 25-1. Short title. This Article may be cited as the Private Colleges and Universities Capital Distribution Formula Act, and references in this Article to "this Act" mean this Article.

(Source: P.A. 96-37, eff. 7-13-09.)

(30 ILCS 769/25-5)

Sec. 25-5. Definitions. In this Act:

"Independent colleges" means non-public, non-profit colleges and universities based in Illinois. The term does not include any institution that primarily or exclusively provided online education services as of the fall 2017 term.

"FTE" means full-time equivalent enrollment based on Fall 2017 Final full-time equivalent enrollment according to the Illinois Board of Higher Education.

(Source: P.A. 101-10, eff. 6-5-19.)

(30 ILCS 769/25-7)

Sec. 25-7. Capital Investment Grant Program.

(a) The Board of Higher Education, jointly with the Capital Development Board, shall establish a Capital Investment Grant Program for independent colleges. The Capital Development Board shall, subject to appropriation, and subject to direction by the Board of Higher Education, make capital improvement grants to independent colleges in Illinois. The Build Illinois Bond Fund shall be the source of funding for the program. Eligible grant recipients shall be independent colleges that offer facilities and services in a manner that supports and fulfills the mission of the Board of Higher Education. Eligible grant recipients have no entitlement to a grant under this Section.

(b) Board of Higher Education, jointly with the Capital Development Board, shall adopt rules to implement this Section and shall create an application procedure for grants to be awarded. The rules shall specify: the manner of applying for grants; grantee eligibility requirements; project eligibility requirements; restrictions on the use of grant moneys; the manner in which grantees must account for the use of grant moneys; and any other provision that the Capital Development Board or Board of Higher Education determine to be necessary or useful for the administration of this Section.

(c) No portion of an independent college capital investment program grant awarded under this Section may be used by an independent college to pay for any on-going operational costs, pay outstanding debt, or be allocated to an

endowment or other invested fund.

(Source: P.A. 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

(30 ILCS 769/25-10)

Sec. 25-10. Distribution.

(a) This Section creates a distribution formula for funds appropriated from the Build Illinois Bond Fund to the Capital Development Board for the Board of Higher Education for grants to various private colleges and universities awarded pursuant to Section 25-7.

(b) Funds appropriated for this purpose shall be distributed by the Board of Higher Education through a formula to independent colleges that have been given operational approval by the Board of Higher Education as of the Fall 2017 term. The distribution formula shall have 2 components: a base grant portion of the appropriation and an FTE grant portion of the appropriation. Each independent college shall be awarded both a base grant portion of the appropriation and an FTE grant portion of the appropriation.

(c) The Board of Higher Education shall distribute moneys appropriated for this purpose to independent colleges based on the following base grant criteria: for each independent college reporting between 1 and 200 FTE a base grant amount of \$200,000 shall be set; for each independent college reporting between 201 and 500 FTE a base grant amount of \$1,000,000 shall be set; for each independent college reporting between 501 and 4,000 FTE a base grant amount of \$2,000,000 shall be set; and for each independent college reporting 4,001 or more FTE a base grant amount of \$5,000,000 shall be set.

(d) If appropriations exceed the total aggregate amount of the base grants determined pursuant to subsection (c), then additional grant amounts may be set by the Board of Higher Education. The additional grants shall be distributed by the Board of Higher Education to each eligible independent college on a per capita basis as determined by the independent college's FTE as reported by the Board of Higher Education's most recent fall FTE report.

Each eligible independent college, after an appropriation has been enacted, must apply for a Capital Investment Grant in order to be eligible to receive funds under this Program. An independent college may apply for an amount not to exceed the distribution amount determined by the Board of Higher Education pursuant to subsections (c) and (d).

(Source: P.A. 101-10, eff. 6-5-19.)

(30 ILCS 769/25-15)

Sec. 25-15. Transfer of funds to another independent college.

(a) If an institution received a grant under this Article and subsequently fails to meet the definition of "independent college", the remaining funds shall be re-distributed as provided in Section 25-10, unless the campus or facilities for which the grant was given are operated by another institution that qualifies as an independent college under this Article.

(b) If the facilities of a former independent college are operated by another entity that qualifies as an independent college as provided in subsection (a) of this Section, then

the entire balance of the grant provided under this Article remaining on the date the former independent college ceased operations, including any amount that had been withheld after the former independent college ceased operations, shall be transferred to the successor independent college for the purpose of operating those facilities for the duration of the grant.

(c) In the event that, on or before the effective date of this amendatory Act of the 98th General Assembly, the remaining funds have been re-allocated or re-distributed to other independent colleges, or the Illinois Board of Higher Education has planned for the remaining funds to be re-allocated or re-distributed to other independent colleges, before the 5-year period provided under this Act for the utilization of funds has ended, any funds so re-allocated or re-distributed shall be deducted from future allocations to those other independent colleges and re-allocated or re-distributed to the initial institution or the successor entity operating the facilities of the original institution if: (i) the institution that failed to meet the definition of "independent college" once again meets the definition of "independent college" before the 5-year period has expired; or (ii) the facility or facilities of the former independent college are operated by another entity that qualifies as an independent college before the 5-year period has expired. (Source: P.A. 101-10, eff. 6-5-19.)