



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0613 Introduced on March 5, 2019
Author: Malloy
Subject: School of Science and Mathematics' Endowment Fund
Requestor: Senate Education
RFA Analyst(s): Wren
Impact Date: April 3, 2019

Fiscal Impact Summary

This bill will have no expenditure impact on the Governor's School for Science and Mathematics (GSSM) since the non-profit organization that will manage the endowment fund will provide funding for all personnel and operating expenses associated with the new Development Office.

The Other Funds revenue impact for public and private donations to the endowment fund is undetermined as we are unable to estimate the potential amount of donations the endowment fund may receive.

Explanation of Fiscal Impact

Introduced on March 5, 2019

State Expenditure

This bill requires the board of trustees of the GSSM to create a Development Office for the school that will be headed by an Executive Director. The Executive Director must be an employee of the school and must be hired by the head of the school. The Executive Director's salary must be set by the board.

The endowment fund is subject to the direction of the Executive Director and has the primary purpose of raising funds to support the furtherance of the school's mission, goals, and objectives. The endowment fund must be organized on a non-profit basis as a separate legal entity. 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 annual operations and capital budget. The endowment fund budget and fundraising goals must exclusively be based on the operation and capital goals of the school. The endowment fund may not accept donations that are restricted unless the proposed restriction is approved by the board prior to acceptance of the funds. Prior to taking an action, including fundraising, the board and the endowment fund must enter into a written agreement detailing the corresponding rights, duties, and responsibilities of the endowment fund.

The GSSM indicates that personnel and operating expenses associated with the new Development Office are expected to total \$222,000. However, the GSSM also indicates that the personnel and operating expenses will be funded by the non-profit organization that will manage the endowment fund. Therefore, this bill will have no expenditure impact on the GSSM.

State Revenue

While states in recent years have received donations from the federal government and private sector, we are unable to estimate the potential amount of donations the endowment fund may receive. Therefore, the Other Funds revenue impact for public and private donations to the endowment fund is undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director