

HOUSE BILL 337

By Brooks K

AN ACT to amend Tennessee Code Annotated, Title 4,
Chapter 3, relative to Volunteer Tennessee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, is amended by adding the following language as a new, appropriately designated part:

4-3-__01.

In order to maintain and enhance the purposes, programs and functions of Volunteer Tennessee, including, but not limited to, overseeing more than five million dollars (\$5 million) in federal grants and training services to support AmeriCorps, Learn and Serve America, the Governor's Volunteer Stars Awards and volunteer centers throughout the state, a nonprofit citizen support organization may be organized, and the commissioner of finance and administration, after approval of the board of directors of Volunteer Tennessee, may enter into agreements with such organizations for the purpose of providing support, financial and otherwise, to Volunteer Tennessee. The agreement shall be forwarded to the comptroller of the treasury for review and comment prior to the execution by an authorized state official. It is the legislative intent that any revenues generated by such citizen support organization be used to directly enhance Volunteer Tennessee's programs and services. To that end, it is the intent that state appropriations to Volunteer Tennessee not be reduced when revenues are generated by such an organization.

4-3-__02.

As used in this part, unless the context otherwise requires:

(1) "Citizen support organization" means an organization which:

(A) Is organized as a nonprofit corporation, or is otherwise qualified to do business in Tennessee as a nonprofit corporation, pursuant to title 48, chapter 51;

(B) Is exempt from payment of federal income taxes pursuant to § 501(c) of the Internal Revenue Code of 1986, as it may be amended from time to time;

(C) Is incorporated for purposes which are consistent with the goals, objectives, programs, responsibilities, and functions of Volunteer Tennessee as provided in executive order number 42 of 2006, as determined by the governor; and

(D) Provides equal opportunities and membership to all persons regardless of race, color, national origin, sex, religion, age, handicap or any other constitutionally protected classification;

(2) "Commissioner" means the commissioner of finance and administration or the commissioner's designee or, in the event of the commissioner's or designee's absence or vacancy in the office of the commissioner, the deputy commissioner; and

(3) "Department" means the department of finance and administration.

4-3-__03.

The commissioner, upon the approval of the board of directors of Volunteer Tennessee, may enter into an agreement with a citizen support organization for purposes consistent with this part if the commissioner determines it is in the best interest of Volunteer Tennessee.

4-3-__-04.

A citizen support organization which enters into an agreement with the commissioner may provide support, assistance, or cooperation to Volunteer Tennessee or Volunteer Tennessee events generally, including, but not limited to:

- (1) Financial support, whether through donation, gift or otherwise, for Volunteer Tennessee programs, property or other program purposes;
- (2) Volunteer personnel services or monetary contributions for adding positions for Volunteer Tennessee services;
- (3) Equipment or other goods;
- (4) The gift or donation of money to fund programs and exhibits or to procure equipment, materials, books, or services; and
- (5) Exhibits and materials for display and related equipment and material.

4-3-__05.

If the commissioner enters into an agreement with a citizen support organization, the commissioner may authorize such organization limited use, under such conditions as the commissioner may prescribe, of property or facilities of the Volunteer Tennessee program to carry out its specific support activities.

4-3-__06.

The commissioner, through the executive director of Volunteer Tennessee, may assist organizers of a citizen support organization with the creation of such organization and may provide technical assistance to the organization after its incorporation.

However, it is the responsibility of the citizen support organization to ensure that the organization is lawfully incorporated and operating.

4-3-__07.

(a) All annual reports and all books of accounts and financial records of a citizen support organization shall be subject to audit annually by the comptroller of the treasury.

With prior approval of the comptroller of the treasury, the audit may be performed by a licensed independent public accountant selected by the citizen support organization. If an independent public accountant is employed, the audit contract between the citizen support organization and the independent public accountant shall be on contract forms prescribed by the comptroller of the treasury. The cost of any audit shall be paid by the citizen support organization; provided, that in the case of any audit performed by the comptroller of the treasury of any citizen support organization having gross receipts of less than twenty-five thousand (\$25,000) for the fiscal period under audit, the cost of such audit shall be paid by the state.

(b) The comptroller of the treasury shall ensure that audits are prepared in accordance with generally accepted governmental auditing standards and determine if the audits meet minimum audit standards prescribed by the comptroller of the treasury. No audit may be accepted as meeting the requirements of this section until approved by the comptroller of the treasury.

(c) One (1) copy of each audit shall be furnished to each member of the board of the citizen support organization, the department, and the comptroller of the treasury.

(d) The department and the comptroller of the treasury, or their designated representative, shall have access to the citizen support organization's books, records, and accounts whenever deemed necessary by either office.

(e) If the comptroller of the treasury determines that due to size or insignificant financial activities by a citizen support organization the requirement of this section for an audit is unnecessary or would be burdensome on a citizen support organization, then the comptroller of the treasury may waive the required audit.

4-3-__08.

(a) Any monetary gifts, donations, or other good or service received by the department or the commissioner from a citizen support organization and designated by the citizen support organization for the benefit of a Volunteer Tennessee program, shall be deposited directly to the account for the specific program of Volunteer Tennessee or to the general account for direct support to Volunteer Tennessee, shall not revert to the general fund at the end of the fiscal year and shall be retained in the account until expended, notwithstanding the provisions of any law to the contrary.

(b) Any gifts of equipment, materials, or other personal property to Volunteer Tennessee shall be used solely at Volunteer Tennessee unless the commissioner determines such property should be used for another program.

4-3-__09.

In the event a citizen support organization dissolves, then any funds remaining after dissolution shall be donated to Volunteer Tennessee and shall be deposited, as provided in executive order number 42 of 2006, as determined by the governor, and applied for Volunteer Tennessee programs, services or facilities.

4-3-__10.

The commissioner is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 2. This act shall take effect July 1, 2011, the public welfare requiring it.