

# Advancement | UCF Foundation, Inc.

## Entertainment and Ticket Certification Policy

Policy# 7.14

Effective Date: 06/04/2020

Responsible Department: Accounting

### 1. PURPOSE

This policy provides guidance for entertainment expenses, including advance ticket purchases, at the University of Central Florida Foundation, Inc. (Foundation) or at University of Central Florida (University).

### 2. APPLICABILITY

This policy applies to all University employees requesting payment from or administering Foundation funds.

### 3. POLICY

Foundation funds may be used to reimburse individuals for entertainment expenses incurred while conducting official University business, within the guidelines of allowable expenses per IRS regulations and the Foundation policies. This policy also provides guidelines for certification when tickets to events are purchased in advance of the department finalizing the list of ticket recipients. All expenditures are reviewed based on our responsibility to the public, donor restrictions on the funds and benefit to the University.

#### **Entertainment Expenses**

All expenses must directly benefit the University and be evidenced by sufficient documentation including an itemized vendor invoice or a receipt showing proof of payment, along with other supporting documentation such as the agenda or a description outlining the specific topic(s) discussed during the meeting or event. The Foundation will **not** accept general statements such as “to discuss University business” or “to enhance or support a program”; therefore, departments need to document specific business justification when requesting payment.

All business entertainment expenses to be reimbursed to a University employee using Foundation funds must be approved by the employee’s supervisor. Authorized signers retain the right not to approve expenses if it is determined not to be in the best interest of the division or college. It is the joint responsibility of the employee and the approving officials to ensure that entertainment expenses are reasonable. Since the Foundation’s mission is to enhance relationships with alumni, friends, faculty, staff and community partners, to secure and manage charitable resources on behalf of the University, certain entertainment expenses with respect to donor cultivation may be considered

acceptable and in support of the Foundation's business purpose. The following are examples of allowable expenditures if sufficient documentation is provided:

- Special situations relating to hosting a donor(s) or potential donor(s) at an event, (sporting, concert, golf, etc.), may provide an opportunity for a development or community relations representative acting within the scope of their job responsibilities to discuss potential funding alternatives in support of the University's programs. This may include payment of a ticket for the invitee.
- Situations when the President, Provost, Vice President, a Dean, or their designee host community partners at events where the outcome of the expenditure will benefit the University.
- Entertainment at community relations or alumni relations functions including events hosted by the University on behalf of external entities or activities related to the educational, research, or public service mission of the University.

Appropriate documentation for business use of the ticket shall include the name of the individual or corporation receiving the ticket(s), their affiliation with the University, the business reason why they attended the event and the benefit to the University. A University representative must be present at the event function.

Amounts expended for entertainment should be reasonable and appropriate, and attendees should be limited to those necessary to achieve the business purpose. Requests in excess of \$50 per attendee including tips and other associated costs will be referred to one of the following for approval: President, Vice President, or Provost except for requests by a Dean, Vice President, Provost, or President as account administrators.

If a ticket or table to attend a charitable event is purchased and the charitable organization subsequently provides a tax receipt related to the payment, please ensure that a copy of the receipt is forwarded to the Associate Vice President and Chief Financial Officer (CFO) administrative assistant. The receipt may provide the allocation between the charitable contribution amount and the fair market value of benefits received and will be used for the Foundation's tax return.

### **Ticket Certification**

The Foundation understands that when purchasing tickets for events a department may not have finalized the list of individuals to whom the tickets will be provided. Therefore, it is responsibility of the requesting department to manage and apply appropriate controls and provide proper documentation of the business use of the tickets distributed. The department will have the responsibility to oversee the use of tickets and ensure that controls are in place to:

- Safeguard ticket inventory
- Maintain a system to track tickets distributed so that appropriate documentation is available for internal and external audits as well as for IRS investigations; and
- Maintain a system to ensure appropriate reporting back to the Foundation

Appropriate documentation for business use of the ticket for the tracking system shall include the following:

- Name of the individual or corporation that received the ticket(s),
- Affiliation to the University
- The business reason for attendance
- The benefit to the University
- A description of the University program or project which shall be discussed with the invitee.
- For university hosted groups at an event which showcase a university operation or program, document a description of the university operation or program activity highlighted and the general business purpose benefiting the University for hosting the group at the event.

All tickets given to employees for personal use such as gift or staff appreciation will be subject to fringe benefit reporting.

#### 4. CLARIFICATION

Requests for clarification of this policy should be sent to the Associate Vice President and Chief Financial Officer.

Certified as approved by the Executive Committee of the Foundation Board of Directors on June 4, 2020.

***Michael Morsberger*** Signed: Tuesday, June 23, 2020

Name: Michael J. Morsberger

Title: Vice President for Advancement and Chief Executive Officer

Revision History:

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