

Advancement | UCF Foundation, Inc.

Changes to a Foundation Project Including Transfers, Corrections and Project Closure

Policy# 7.22

Effective Date: 12/15/2020

Responsible Department: Accounting

1. PURPOSE

The University of Central Florida Foundation, Inc. (Foundation) establishes separate projects in the financial accounting system and donor database to accept and disburse gifts that support the University of Central Florida (University). After a Foundation project has been established, there may be changes to the name, signature authority, contacts or other information related to that project. A department may also request to transfer funds from one Foundation project to another Foundation project, transfer an expense to a different project, or request a correction on the general ledger coding of a Foundation account code. It also may be necessary to close a Foundation project due to various reasons. In such cases, the Foundation Office of Accounting and Financial Management Services (Foundation Accounting) will make the appropriate changes, transfers, or project closure, with proper authorization and supporting documentation.

2. APPLICABILITY

This policy is applicable to all University departments and employees who use, administer, or oversee Foundation projects.

3. POLICY

Changes to a Foundation Project: Name, Purpose and Signer

Information related to a Foundation project may be changed when the donor has requested a change or has agreed with a request to make a change. Information may also be changed when the internal University signature authority has changed, or University actions require a change in department. In some cases, it may be necessary to consult with legal counsel to confirm the appropriate action. All such changes must be initiated, properly documented and signed by an individual with an appropriate level of authority over the project that is being changed. See “New Project and Project Authorizer Policy.”

When changing the purpose or making a change that conflicts with a donor restriction, written approval by the donor(s) must be submitted. If the project is governed by a gift agreement, then an approved amended document must be signed and submitted. (Note: in cases where donor or donor representative are no longer available, contact the legal department). In addition, the approval of the Chief Executive Officer (CEO) or Chief Development Officer (CDO), or designee, is required if the change relates to the purpose of the project.

In order to change information related to a project, adequate documentation must be submitted to Foundation Accounting:

Project Name - Changes in the project name should be made only to clarify the identification of the project.

Project names should reflect the intended purpose of the project and any donor restrictions. The authorized signer on the project must approve of or be notified in writing of the proposed change prior to submitting the request to Foundation Accounting. Changes must not violate any specific requests or restrictions of the initial donor. Any changes which are not in agreement with the donor's original request must be approved by the donor in writing.

Authorized Signer- Changes in an authorized signer must be approved by one of the following: President, Provost, Vice President, Associate Vice President or Provost, Assistant Vice President or Provost, Dean, or a Division Director. If the authorized signer is being changed on multiple accounts, a single written request that includes the requested change, a list of the affected project numbers and names, and all required signatures may be submitted in lieu of separate forms.

Purpose - Requests to change the purpose of a project must be documented. The request must state the reason for the change and be accompanied by a gift agreement or letter of authorization from the donor(s) when applicable. For example, if the change relates to the purpose of the project, use of the project, or other criteria set forth by a donor when the project was created, then written approval of the change by the donor(s), must be submitted. This document will also be approved by the appropriate University official and the CEO or CDO, or designee, of the Foundation.

Transfers and Corrections Between Foundation Projects

A department may request to transfer funds from one Foundation project to another Foundation project, transfer of expense to a different project, or to request a correction on the general ledger coding of a Foundation account code.

A division may want to provide support to a specific department, program, or scholarship project by transferring funds in one Foundation project to another department project. This is only allowed if the restrictions associated with the "transferring from" project are in accordance with the restrictions associated with the project that would benefit from the funds. For example, the general business project could transfer funds to a business scholarship project; however, a request to transfer funds from a business scholarship project to the general business project would not be allowed since the scholarship project funds are restricted only to support scholarships.

There also may be a need to correct the account code charged to a project or a need to transfer the charge to another project. This is allowed if the charge to the new project is an allowable charge which is subject to final determination by Foundation Accounting.

Closing a Foundation Project

Under certain circumstances, a Foundation project may have fulfilled its purpose, or a donor's wishes concerning a gift may have changed and the funds need to be transferred into a new project. In such cases, the Foundation will close the project and transfer any remaining balance to either a new project or an existing project.

Closing a Foundation project may be considered if any of the following occurs:

- A. The donor has indicated a wish or agreed with a request by the University to direct the use of the remaining funds for other purposes supporting the mission of the University.
- B. When all funds in the project have been spent.
- C. The use and benefit for the University have been fulfilled. In the case when funds remain in the

project, consult with Foundation legal counsel to confirm appropriate legal restrictions or requirements for remaining funds.

- D. When the project purpose can no longer be met or continued by the University and another use of the assets is considered appropriate by the University. In this case consult with Foundation legal counsel for the appropriate legal restrictions and requirements related to transferring the funds.

Any remaining money will be transferred to another project in compliance with donor intent or alternative use agreements as approved by Foundation legal counsel. All such transactions must be initiated, properly completed and approved by an individual with an appropriate level of authority over the project that is being closed.

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 December 15, 2020.

Name: Rachel Schaefer

Title: Associate Vice President for Advancement Strategy and Chief Operating Officer

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