

Advancement | UCF Foundation, Inc.

License Plate Funds

Policy# 7.30

Effective Date: 12/15/2020

Responsible Department: Accounting

1. PURPOSE

The University of Central Florida Foundation, Inc. (Foundation) receives payments from the Florida Department of Highway Safety and Motor Vehicles (DHSMV) related to the sales of University of Central Florida (University) license plates. The DHSMV periodically remits payment to the Foundation representing \$25 for each University specialty license plate sold during the collection period. This policy is set forth to outline the guidelines related to the expenditures of the license plate funds which the Foundation collects on behalf of the University.

2. APPLICABILITY

This policy is applicable to all University departments using license plate funds received by the Foundation.

3. POLICY

It is the Foundation's policy to follow Florida statutes and regulations as well as guidelines adopted by the University of Central Florida Board of Trustees (BOT) and approved by the Board of Governors of the State University System (BOG) related to the reporting and use of license plate funds. Existing statutes and guidelines include:

Florida Single Audit Act specified in Florida Statute 215.97 related to the audit of the funds:

If an organization expended \$750,000 or more in total state assistance during the organization's fiscal year, an audit of the state assistance including the specialty license plate funds and expenditures is required by an independent auditor pursuant to the requirements of the Florida Single Audit Act. Any organization not subject to audit pursuant to 215.97 shall annually attest, under penalties of perjury, that such proceeds were used in compliance with state statutes.

Florida Statute 320.08058(3) related to the use of the funds:

State statute requires that the license plate funds may only be used for academic enhancement, scholarships, and private fundraising activities that benefit the University. The statute specifically prohibits use for "for-profit" activities or for general and administrative expenses.

BOT guidelines (as approved by the BOG):

The BOG approved license plate funds to be allocated as follows*:

- 70% for Scholarships
- 30% for Academics
- 0% for Fundraising

*Above expenditure plan allocation was formally approved by the BOG on September 16, 2020. The BOG must be notified of any deviations from the approved expenditure plan (2) and any deviations of more than 10 percent from the approved expenditure plan must be submitted to the BOG for review and approval.

4. **PROCEDURES**

To distribute the funds in a timely manner, at the beginning of each quarter the Foundation Office of Accounting and Financial Management Services (Foundation Accounting) will distribute the cash balance in the general license plate account. This distribution will be in accordance with the allocation outlined above.

The scholarship distribution will be allocated to the Office of Financial Aid. The fundraising distribution will be allocated to the Office of Development, and the academic portion will be allocated to the provost's office.

Foundation Accounting will contact the University account administrators for each of the offices listed above regarding the amount that their office will be credited for the quarter. This will allow each area to budget the funds accordingly. Funds may not be distributed to general spending accounts. Payment requests will be charged directly to the division's license plate account with appropriate approval. See the Payment Authorization Request Form. Exceptions to this process must be submitted in writing and be pre-approved by Foundation Accounting. To ensure compliance with Florida statutes, payment requests will not be processed if there is not sufficient supporting documentation to ensure the expenditure meets the required purpose of the project and is an allowable cost in accordance with Florida statutes and the rules of the Auditor General.

At the end of each fiscal year, all balances remaining in the separate license plate accounts will revert back to the general license plate account. On July 1st of the next fiscal year, the previous fiscal year's unspent balances will be redistributed as determined by Foundation management in a manner consistent with the original allocation and in accordance with state statutes and allowable costs under the license plate program.

On an annual basis, the Foundation shall submit the final single audit reporting package to the DHSMV. If a single audit was not required under 215.97, the Foundation shall complete and submit an annual affidavit as provided by the DHSMV. These submissions should be made no later than nine (9) months after year-end, or March 31.

If the Foundation receives requests for additional funding from a college or division, the Foundation staff will refer the department to the appropriate project administrator of license plate funding.

5. **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

Revision history: 2/17/2014

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