

# Advancement | UCF Foundation, Inc.

## Student Scholarship Award Processing Policy

Policy# 7.08

Effective Date: August 7, 2019

Responsible Department: Accounting

### 1. PURPOSE

Scholarship support for students is one of the primary objectives for fundraising and directly supports the University of Central Florida (“University”) and its mission. All such expenses paid from the University of Central Florida Foundation, Inc. (“UCFF”) funds must be in accordance with donor restrictions on the specific project from which they are to be paid and must comply with Internal Revenue Service (“IRS”) regulations, FERPA and UCFF policies and procedures.

### 2. APPLICABILITY

This policy applies to all university employees requesting payment from or administering foundation funds.

### 3. POLICY

UCFF funds can be used to support scholarships, fellowships, and other types of financial aid to benefit a student’s pursuit of higher education. UCFF cannot make payments directly to students because of federal reporting regulations; therefore, payments must be processed through and paid by the University, either by the financial aid office or appropriate college. In addition, graduate fellowships may be awarded through the University of Central Florida Research Foundation or the Office of Research and Commercialization.

Selection of the recipient for a student scholarship award must be in accordance with the donor’s criteria for selection, if any, and must follow the following guidelines:

- i. The foundation cannot accept scholarship funds where the donor selects the recipient or if a gift is earmarked for a specific person attending the university.
- ii. The selection should be on an objective and nondiscriminatory basis. This requires that the group from which the recipient is selected be chosen on the basis of criteria related to the donor’s purpose of the donation. The group should also be sufficiently large to constitute a charitable class.
- iii. If applicable, the specific written criteria agreed upon by the donor and UCFF must be followed in the selection process.
- iv. The individuals involved in selecting a recipient of a scholarship should not be in a position to derive a private benefit, directly or indirectly.

- v. If the donor does not designate specific criteria for selection, then the university representative or committee who selects the recipient must determine the selection criteria for the award.
- vi. If the donor does not designate specifics on the amount of an award or the number of awards to be given, then the university representative or committee who selects the recipient(s) will decide how much funding will be awarded and to how many students.
- vii. The representative or committee is given the authority to award up to and including all available spendable, if they deem it appropriate.
- viii. At no time will a spendable fund from an endowment have more than (3) three years of generated spendable available to award.
- ix. University policy on diversity and financial aid must also be followed.

Final selection requires the approval of the project authorizer or an authorized designee. Once the recipient is selected, departments must complete a Scholarship Award Form and submit the form to UCF Office of Accounting for processing, which will then be forwarded to the UCF Financial Aid office for awarding.

## 5. CLARIFICATION

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



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Name: Michael J. Morsberger

Title: Vice President Advancement and Chief Executive Officer

Revision history:

Adoption Date: 12/15/04

Revised: 02/18/14

History: 201