University of Florida Foundation, Inc.
Processing, Depositing, and Receipting Assets

Policy #: 5.05
Effective Date: June 8, 2010
Responsible Department: Finance and Accounting

1. PURPOSE

To ensure that assets are properly managed and receipted by UFF in accordance with IRS requirements.

2. APPLICABILITY

All assets held by UFF for the benefit of the University.

3. POLICY

All gifts for the benefit of the University should be sent immediately to the UFF Gift Processing Department for deposit and receipt, and must be accompanied by a completed Asset Transmittal Form. All checks of $10,000 or more and all negotiable securities should be hand-carried to expedite processing and to ensure receipt by UFF.

UFF sends a receipt to each donor upon receipt of the gift. The receipt reflects the amount or type of the gift and the value of any *quid pro quo* received by the donor. Special acknowledgements are sent to donors and families or honorees for memorial and tribute gifts (2.24) Memorial Funds. Receipts are not sent for non-gift items, such as expense refunds.

To comply with these requirements, the Asset Transmittal Form requires a statement by the fund administrator, upon transmittal of any asset to the Foundation, as to whether the donor was provided with any *quid pro quo*. The Accounting for Fundraising Event and Quid Pro Quo Form should be used whenever a *quid pro quo* is provided to the donor. There are penalties imposed by IRS for providing false written substantiation to a donor.

A "*quid pro quo*" means a payment was made partly as a contribution and partly for goods or services provided to the donor by a charity. An example of a *quid pro quo* contribution is when a donor pays a charity $100 to attend a dinner event. The market value of the food and entertainment is $40. This amount is <u>not</u> what the charity pays for the food and entertainment, but rather the market value of those items. Accordingly, $60 would be eligible as a tax deductible gift. An additional example is when a donor is promised a specific item in exchange for a gift, such as for each $100 contribution the donor will receive a $25 alumni directory; this results in a $75 gift. *Quid pro quo* amounts must be determined by the organization hosting the event.

Gifts from donor advised funds or from private foundations may not be used for ticket-related gifts, including Gator Booster priority points, or any other gift involving a *quid pro quo*. Any such gift will be returned.

4. CLARIFICATION

Requests for clarification of this policy should be sent to the Manager of Gift Processing (lraney@uff.ufl.edu).

Certified as approved by the Executive Committee of the UFF Board of Directors on: June 8, 2010.

Susan G. Goffman, Secretary

Revision history: Original version
Revised June 8, 2010