

**University of Florida Foundation, Inc.
Disbursements**

Policy #: 5.10
Effective Date: October 3, 2019
Responsible Department: Finance and Accounting

1. **PURPOSE**

To guide responsible spending of UFF Source of Funds (SOF).

2. **APPLICABILITY**

All expenditures and transfers of monies from UFF Source of Funds (SOF) for the benefit of UF. Exceptions to this policy may be granted, where appropriate, by the Executive Vice President.

3. **POLICY**

The following sets forth the responsibility and authority of the UF President, vice presidents, deans, and directors to administer UFF SOF and the guidelines for making disbursements.

Authority and Responsibilities

All expenditures from UFF SOF are subject to the Memorandum of Understanding (MOU) between the University of Florida Board of Trustees and the University of Florida Foundation, Inc. In addition to this MOU:

- Operating expenditures of UFF, or those for Advancement purposes, will be processed directly by UFF Disbursements, and are subject to UFF policies. Where no express UFF policy exists, operating expenditures are subject to UF Directives and Procedures.
- All other expenditures for and on behalf of UF and its mission are subject to UF Directives and Procedures.

The UF President and vice presidents are solely responsible for disbursements from SOF which they control. The deans or directors are responsible for approval of all disbursements from each college/unit SOF.

All disbursement and transfer requests must be authorized by the Fund Administrator or the appropriate dean, director, or vice president. In addition, a disbursement or transfer request for \$50,000 or more must also be authorized by the UFF Executive Vice President, UFF Senior Associate Vice President, or a designee of either.

Within each college/unit, the dean, director, or vice president may establish written policies to delegate approval authority to no more than two persons. An Alternate Signature Authority Designation must be submitted to record these alternates at UFF. Any change to the designation

requires a new form, with all pertinent signatures as of the date of change. All previous designations will become invalid. Payments to deans, directors, or vice presidents, or payments which benefit them, must be approved by the UF President or a vice president designated by the President.

A college/unit may develop additional control policies.

General Disbursement Policies - Applicable to all Funds

There are four basic criteria which determine the legitimate use of UFF SOF. The use must:

1. be reasonable and benefit the University;
2. fall within the donor's intent for the gift;
3. not jeopardize UFF's tax-exempt status; and
4. comply with all applicable statutes and regulations.

All disbursements must have written justification detailing the business purpose suitable for auditing purposes, and must not be for:

- Political or charitable contributions, dues to social clubs, fines, or penalties, whether direct or indirect, unless otherwise approved by the Executive Vice President;
- Personal benefit to the payee;
- First class travel; or
- Lavish or extravagant entertainment.

The Fund Administrator is responsible for ensuring that there are sufficient monies to cover disbursements. Requests from SOF with insufficient available balances are subject to being returned without processing.

Reimbursements for travel, entertainment, or other expenses paid by employees must be reported within sixty days after either the expenses were paid or the date of return from travel. This time limitation is imposed by the IRS and transactions not complying will be treated as taxable income.

Board members, independent contractors (including consultants), and volunteers are treated as employees for purposes of this policy and subject to these restrictions. If an individual is both a volunteer, board member, or independent contractor, and additionally a donor, they must be treated as an employee with regard to the restrictions of this policy if the expenditure is related to their role as a volunteer, board member, or independent contractor.

The UF Institutional Review Board (IRB) and Institutional Animal Care and Use Committee (IACUC) govern all expenditures relating to research on human or animal subjects. All Fund Administrators must be familiar with these requirements and are responsible for complying with all applicable IRB and IACUC rules and regulations.

Monies for activities identified by the Fund Administrator as requiring IRB or IACUC oversight shall be transferred and disbursed through the Division of Sponsored Programs, even though the original gift was deposited at UFF. Monies transferred to the Division of Sponsored Programs are subject to its rules and regulations.

Purchases

For information on purchasing equipment, furniture, or software, please see Policy # 3.10.

Travel

For all travel items, managers must carefully review expenditures for appropriateness.

State funds – state funds are prohibited from being used for Advancement/Foundation related travel in accordance with Florida Statutes Section 1004.28.

Rental cars – for Advancement purposes, travelers may rent vehicles in accordance with the state contract as detailed in the Guidelines for Car Rentals.

Mileage – mileage for use of a personal vehicle will be reimbursed in accordance with University Travel Directives and Procedures, and should not exceed 400 miles one-way. Rental vehicles should be utilized for longer trips.

Hotels – for Advancement purposes, travelers may stay in non-GSA rate hotels as necessary to accomplish the missions of UFF or UFAA.

Airfare – for Advancement purposes, travelers are restricted to main cabin/economy class. Flights originating from locations other than Gainesville, Jacksonville, Orlando, or Tampa require additional justification. Reimbursement for luggage is limited to carry-ons and one checked bag unless justified by the business purpose.

Personal travel – personal travel and expenditures are not considered reimbursable and should not influence business travel plans. Inclusion of personal travel may subject reimbursements to reevaluation or reduction as detailed in the Guidelines for Combined Business and Personal Travel.

International travel –any employee traveling outside the United States must comply with the University’s Travel Directive and Procedures for foreign travel, including completing an online travel registration with the University International Center.

See the Guidelines for Travel for additional information.

Meals

There are four scenarios where UFF funds may be used to provide meals and other consumables as detailed in the [UF Policy on Business Entertainment](#). Following the Summary of Meals below are additional details for each scenario.

Summary of Meals (as detailed in UF Policy on Business Entertainment)

	Travel	Business Meeting	Business Event	Entertainment
Meal Limit	\$6/ \$11/ \$19	\$25/ \$40/ \$75 ⁽¹⁾	\$60 ⁽²⁾	\$75 ⁽³⁾
Include Non-employees	N/A	No	Yes	Yes
Alcohol Permitted	N/A	No	30%	30%
Gratuity Limit ⁽⁴⁾	N/A	15%	15%	15%
Agenda Required	No	Yes	Yes (for retreat)	No
Attendee List	N/A	Yes	Yes	Yes

⁽¹⁾ Excludes tax and gratuity

⁽²⁾ \$60 maximum for food and drinks with a separate \$40 maximum for venue rental and other associated expenses.

⁽³⁾ Includes tax and gratuity

⁽⁴⁾ Calculate using the receipt subtotal, before tax

Travel Meals

Meals away from home are reimbursed in accordance with University Travel Directives and Procedures and Florida Statutes Section 112.061. To the extent meals are provided by a hotel or conference, the traveler will not be reimbursed for the same meal. Reimbursement for travel meals is made only when the traveler is away overnight.

Business Meetings and Meals

Business meetings are gatherings generally including only employees, where a bona fide business purpose exists. **Meetings with the purpose of camaraderie, team building, and morale are detailed in Business Events and Meals.** Business meetings should generally be conducted during normal business hours and should be located on University premises in accordance with IRS regulations. Business meetings may include non-employees, consultants, or others serving a business function. Meals of the consultants or other vendors cannot be paid from UFF funds. Business meals require a list of attendees and are reimbursed in accordance with UF Policy on Business Entertainment.

Business meals should be infrequent, not regularly provided or routine, and incidentally consumed. Business meals may only be provided to enable work outside the normal business hours.

Business meetings held on campus are generally not eligible for paid taxi services. Personal transportation, campus taxi, or RTS bus should be used.

Meals during performance appraisals, talent reviews, or other meetings where sensitive employee materials are the focus are not reimbursable.

Business Events and Meals

Business events are gatherings that promote camaraderie or build morale, and are infrequent and non-discriminatory (open to all employees in a work group). These include business retreats, retirement events, calendar year-end holiday parties, staff recognition events, and other organization-wide events. Business events should not exceed \$100 per person, including all expenses (\$60 maximum per person for food and drinks, \$40 maximum for venue rental and other associated expenses). Events generating revenue from admission or participation may use the appropriate portion of the revenue to offset the cost per person.

Business events should generally occur during normal business hours and be located in a facility accommodating to the event purpose. This generally does not include theatres, restaurants, drinking establishments, or other locations not conducive to carrying on a business purpose. Alcohol should only be consumed in accordance with the UF Policy on Alcohol and not exceed 30% of the total cost of food and drink.

UFF retirement events are to be coordinated with Campaign Events staff. UFF events requiring contracts, or signed/unsigned documents containing contract language, must be reviewed in accordance with special events procedures.

Department or individual led occasions celebrating individual department milestones, personal achievements, parties, or other celebratory purposes are not reimbursable. Also excluded are welcome breakfasts or food outside the recommended lunch by Talent Management, which should be kept modest and only for the new employee and one accompanying employee (generally the supervisor).

Entertainment and Meals

Meals with a business purpose to entertain, engage, cultivate, or steward a donor, prospect, or other business-related non-employee (guest lecturers, etc.) are reimbursed as entertainment.

All requests for reimbursement of entertainment meal expenditures must include an explanation of the business purpose, list of attendees and relationship of those attending, date, and location.

Entertainment meals for donors, prospect, and non-employees should generally not exceed \$75 per person, including all expenses such as tips and taxes. Entertainment meals exceeding the \$75 limitation require additional justification clearly explaining the necessity for exceeding the

limitation and the potential benefit to the University, such as location (large metropolitan city) or venue chosen by donor or prospect. Gratuities above 15% will not be reimbursed.

Entertainment meals may include alcoholic beverages in accordance with the UF Policy on Alcohol and should not exceed 30% of the total cost. For events with bar service, reimbursements must indicate what items were not consumed and returned.

Entertainment meals should generally be limited to donors or prospects and their direct family members who may influence charitable giving to the University.

Providing admission to sporting events or theatre performances is permitted when there is accompanying Advancement personnel to engage, steward, or cultivate. Admission without accompanying Advancement personnel to engage, steward, or cultivate is considered a gift, and is addressed below in Gifts and Accommodations for Donors and Non-employees.

Gifts and Accommodations for Donors and Non-employees

Gifts and accommodations, excluding lodging are permitted in order to cultivate and engage donors and prospects. Gifts and accommodations should be given on behalf of an Advancement or University department and not specific individuals. The two scenarios in which a donor or prospect would receive a gift or accommodation are as follows:

1. Quid Pro Quo (QPQ): Connected to or “in consideration for” a specific contribution – According to IRS, this may not exceed the lesser of \$111 or 2% of the donor’s gift. Please see the Quid pro quo Guidelines. If the value does exceed these amounts, it must be treated and reported as a quid pro quo.
Example: A contribution of \$100 for admission to a gala includes meals and accommodations with a value of \$20. The \$20 of meals and accommodations would be considered QPQ as it exceeds the lesser of \$111 or 2% of the donor’s gift. The contribution towards admission to the gala less the value of the meals and accommodations would be considered the gift (\$80).
2. Not connected to a specific contribution – All other gifts and accommodations where the donor is not expecting anything in return for making a gift should not exceed \$300 annually.
Example: Thank-you gifts where the donor was not expecting a gift, or occasional unplanned cultivation gifts such as flowers, apparel, or other items not exceeding \$300 total for any calendar year.

Gifts given to the spouse or other family members are treated as though all gifts were given to the donor.

Lodging in the process of cultivating or stewarding will not be reimbursed or paid for, instead donors or prospects needing lodging must be directed to [President Council Services and Concierge](#).

Accommodations for volunteers, such as some out of pocket and travel expenses, are not subject to this limitation when they are conducting approved business on behalf of Advancement. These expenses should be handled as employee expenses.

Candidates for employment and **other non-employees** are subject to the same policies as employees. Gifts to **vendors**, including **consultants** must be avoided.

Gifts to Employees

Cash and cash equivalents (such as gift certificates, gift cards, or checks) are always considered taxable income to the employee **when paid for by the employer** and therefore **may not be given by UF or UFF, or paid for with UF or UFF funds**. The value of non-cash gifts includes sales taxes, delivery fees, and other service charges. Individual non-cash gifts to employees may not exceed a cumulative annual value of \$75 for the calendar year. All expenditures for gifts are subject to review and approval by Finance and Accounting and must have a bona fide business purpose. Gifts should be given on behalf of an Advancement or University department and not specific individuals. Gifts deemed taxable to employees must be processed through payroll.

Examples of allowable gifts include sympathy gifts for a death or serious illness or injury of the employee or immediate family or gifts for an addition to the employee's family from a birth or adoption. Gifts to Advancement staff will be handled by or coordinated with Advancement Talent Management. Immediate family is defined as the employee's spouse, domestic partner, parents of the employee or spouse, child, step-child, step-parent, and siblings.

Gifts for retirement or resignation after five years of service are exempted from the \$75 limitation above by IRS and are restricted to a maximum value of \$400.

UFF funds may not be spent in recognition of personal events or achievements, such as birthdays, weddings, baby showers, housewarmings, or welcome gifts, nor may they be used for charitable donations in lieu of gifts.

Welcome gifts are coordinated with Talent Management and the Executive Vice President's Office. Welcome gifts beyond what is provided by those offices are not reimbursable.

Admission to sporting events or theatre performances for employee use requires a bona fide business purpose. Admission that is not supported by a business purpose must be reimbursed by the employee, surrendered back to the Foundation with adequate time for the tickets to be used appropriately, or reported as taxable income to the employee.

Gifts to employees using personal funds are not subject to these limitations.

Cell Phone and Mobile Device Expenditures

For specific information on expenditures for cell phone and mobile devices, please see Policy # 5.28.

Endowed Faculty Position Expenditures

For specific information on expenditures for endowed faculty positions, please see Policy # 5.11.

Scholarship and Fellowship Expenditures

For specific information on expenditures for Scholarships, Fellowships, and Assistantships, please see Policy # 5.12.


Spouses and Guests

For specific information on expenditures involving Spouses and Guests, please see UF Policy on Business Entertainment.

4. CLARIFICATION

Requests for clarification of this policy should be sent to financeandaccounting@uff.ufl.edu.

Approved by the UFF Executive Board on October 3, 2019.



Susan G. Goffman, Secretary

Revision history: Original version
Revised June 10, 2009
Revised March 6, 2015
Revised September 25, 2015
Revised October 5, 2018 (effective November 1, 2018)
Revised October 3, 2019
Updated January 3, 2020