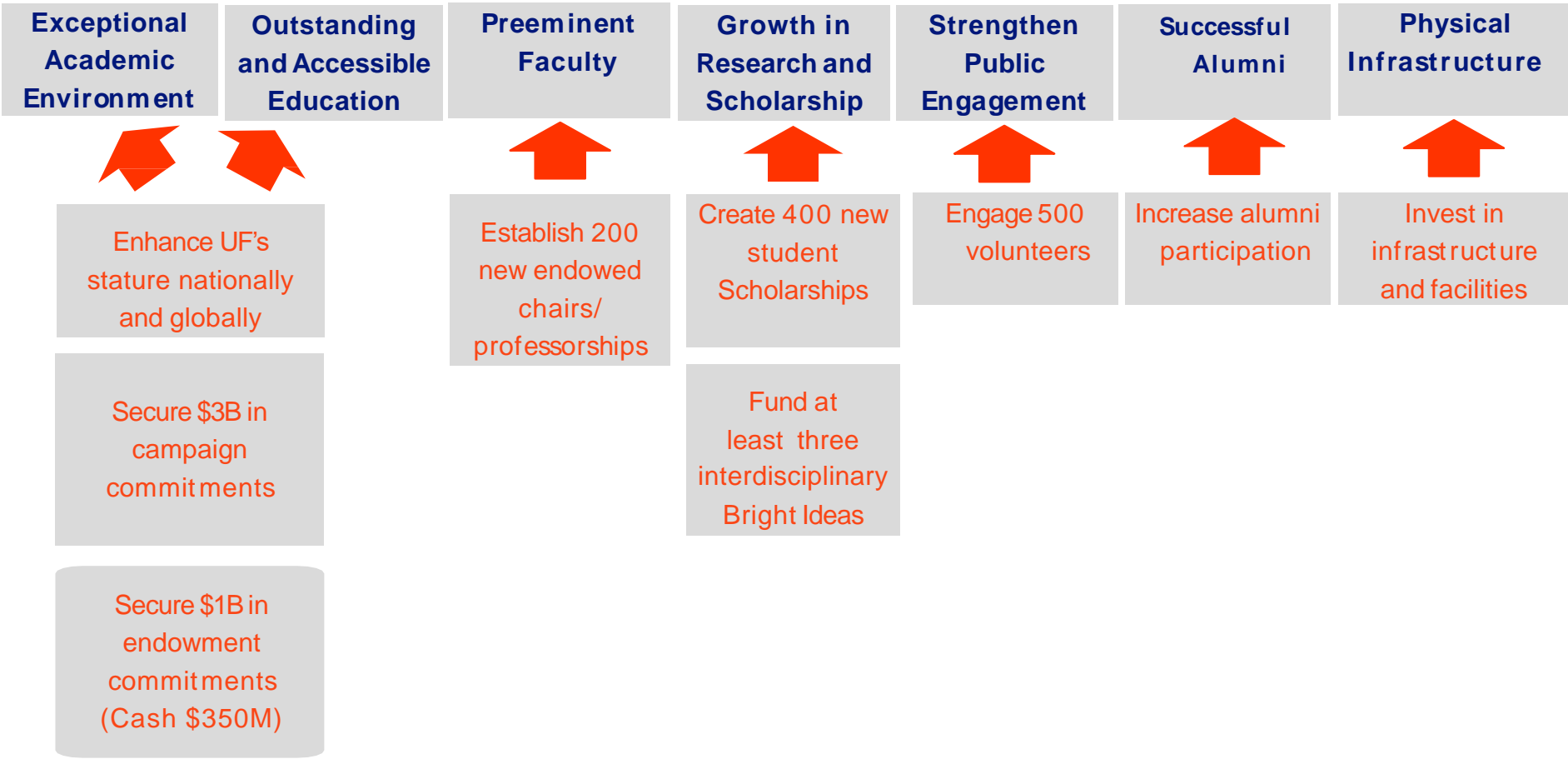




# Campaign Goals





# UF Endowment



- The UF Foundation establishes endowment funds to support donors' purposes in perpetuity
- The current UF Endowment is made up of approx. 3,600 different endowment funds
- Gifts of cash or cash generated from conversion of non-cash assets (stock or real estate) are invested with the UF Investment Corporation (UFICO)



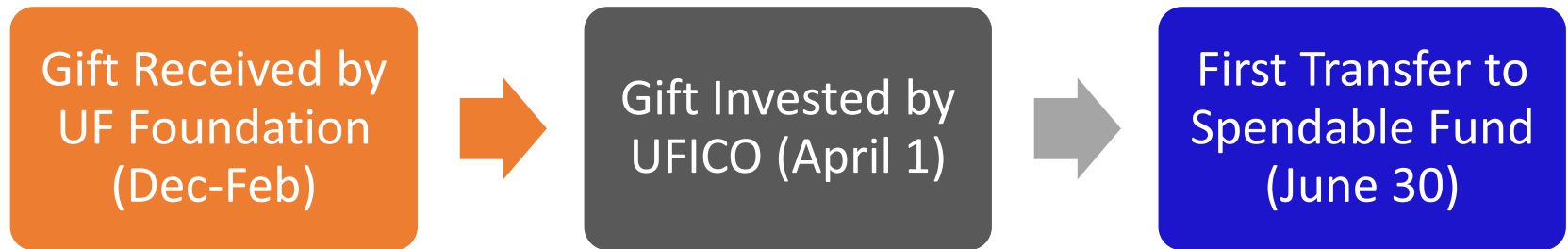
# UF Endowment



- Endowments are the surest way to safeguard a perpetual source of financial stability
- In just 10 years, UF's endowment has generated \$459 million for the purposes designated by our generous donors



# UF Endowment



- Payout rate is 4% of each endowment's spending base



# UFICO



- Management of the Endowment Pool
- UFICO is a DSO and is governed by a volunteer board of experienced investment professionals who are independent of UF and of the UF Foundation
- \$1.61 billion as of June 30, 2017



# Gifts and Funds

- The UF Foundation is responsible for the administration of all gifts
- Funds are established for endowed (minimum \$30K) and non-endowed (minimum \$2K) gifts
- Each fund has restrictions established by donors, commonly referred to as fund purpose or donor intent.
- Monies are automatically transferred to UF monthly



# Fund Administrators



- Spend from the available funds
- Ensure usage in accordance with rules, regs. and donor intent
- Fund Reporting (primarily endowment funds)
- Fund Stewardship



# Using Foundation Funds



- Payment Authorization by fund administrator required for each expenditure
- **Business purpose** - concise statement providing the level of detail needed for an independent party to easily and quickly disseminate the legitimate reason for a transaction and its benefit to the University
- Reviewed by UF Foundation Disbursements Office continuously
- Audited by UF Internal Audit annually





# Business Purpose



The business purpose should clearly establish why an expense is occurring, not restate the invoiced expense

There are four basic criteria which determine the legitimate use of Foundation Funds:

- a) Must be reasonable and benefit the University
- b) Must fall within the donor's intent for the gift
- c) Must not jeopardize the UF Foundation's tax-exempt status
- d) Must comply with all applicable laws and regulations



# Business Purpose

**Unacceptable** Business purposes:

“Purchased lab supplies”

“Dinner with John & Jane Doe (donor/prospect), spouse attendance encouraged”

“Flight to Alaska”

“Shipping charges”



# Business Purpose



## **Acceptable** Business purposes:

“Purchase of nitrogen used in the preservation of tissue samples”

“Dinner with John & Jane Doe (donor) to discuss giving opportunities in support of the campaign. My spouse attended only because the donor’s spouse attended and it was impractical to entertain the donor without the spouse present. There was no personal or social purpose”



# Business Purpose



## **Acceptable** Business purposes:

“Attended the ADAA seminar to present research on king crab migration”

“Shipping of protein samples to Scully-Castle Research for testing of river-tam microbial”