

The Florida State University Foundation, Inc. Scholarship Disbursement Policy & Procedures

Effective August 1st, 2015

I. Preface

The Florida State University Foundation (“Foundation”) has a fiduciary responsibility to donors to ensure that funds are utilized in accordance with the terms and conditions of their gifts. This standard, commonly referred to as “donative intent”, is the primary limitation on the expenditure of Foundation funds, and for the purpose here, those that are designated to be used for scholarship support. There are additional restrictions that apply universally to the expenditure of Foundation funds. Some of these represent controls intended to enhance the fiduciary function of the Foundation, while others emanate from the various legal and administrative constraints within which the Foundation operates.

In spending Foundation funds, the Foundation and University require accountable officers to exercise good judgment, display just prudence, and maintain a high sense of ethics in making expenditure decisions. Scholarship Disbursement Requests will be monitored for reasonableness, are subject to audit, and may not be awarded if proper controls are not maintained.

Funds that are comprised of gifts and bequests made for the purpose of awarding scholarships must be administered by the Responsible Party and Fund Administrator to ensure that such funds are used solely for that purpose and meet the stated criteria set forth by the donor. It is recommended that the Responsible Party and Fund Administrator maintain a record of all funds with a scholarship purpose in order to assist with compliance.

Below are policy guidelines for scholarship expenditures requested from Foundation funds. If after reading these guidelines there are still questions concerning the appropriateness of any expenditure, please contact the Foundation Scholarship Coordinator for further clarification.

II. Policy Guidelines

The Foundation maintains gift agreements and donor directives on file, so if any clarification or documentation is needed in order to administer a scholarship, please designate someone within the academic unit to be the Scholarship Coordinator and direct communication through him/her to the Foundation’s Scholarship Coordinator. Additionally, should the academic unit be made aware of any new information or obtain documentation concerning criteria changes regarding a particular scholarship, please forward it to the Foundation Scholarship Coordinator so that we can ensure our files are kept up to date.

Screening and selection committees should consist of at least three persons and, when applicable and practical, consideration should be given to recruiting committee members with expertise or knowledge in the field pertaining to the scholarship (e.g., include at least one professor in the field of architecture for an architecture scholarship or a journalism faculty member for a journalism scholarship). These committees should adhere to the Pension

Protection Act of 2006 guidelines concerning donor involvement in the selection of scholarship recipients.

The process for selecting students for scholarships should be well documented. This documentation should include how the scholarships were advertised; completed application forms and supporting documents for all students who applied; evaluation criteria used; and complete rankings of the scholarship applicants. The documentation should also include the names and titles of all persons who participated in the scholarship evaluation and ranking process, as well as their written concurrence with the list of scholarship awards and attestation of freedom from conflicts of interest. Under no circumstances should the donor be permitted to be the sole selector of the recipient(s).

The documentation outlined above should be retained for each round of scholarship awards according to the State of Florida's records retention schedule.

A. Awards and Compensation

Scholarships, prizes, fellowships and assistantships are submitted on a Scholarship Disbursement Request form and are disbursed to FSU Financial Aid or FSU Payroll for distribution to students. It is the Department's responsibility to ensure that students meet the criteria for receiving the award and random audits may be performed to ensure compliance.

1. Scholarships and Prizes

All students receiving these awards are required to write a thank you letter addressed to the donor funding the award. Department representatives may obtain the necessary donor information upon request. If there is not a specific donor who can be identified, a thank you letter to the Scholarship Committee is required. Donor thank you letters should be copied and kept by the department. The original letter should be included with the scholarship request form sent to Foundation Accounting. **This is REQUIRED documentation and no funds will be released without this letter.**

a. U.S. and Resident Alien Students

Requests for awards should be made with the payee being listed as the FSU Financial Aid Office.

b. Non-resident Alien Students

The department making the award must determine if the student is a non-resident alien. Requests for awards to non-resident aliens should be made on a separate Scholarship Disbursement Request with the payee being listed as FSU Payroll.

For each scholarship fund, one Scholarship Disbursement Request should be prepared for each semester. Multiple recipients (from the same fund) may all be included on one request. Do not include both U.S. students and Non-resident alien students on the same request, as they do not have the same payee. If awarding annual scholarships that are required to be paid in separate semesters, please submit all requests for each semester at the same time.

2. Assistantships and Fellowships

Assistantships and fellowships can be paid using Foundation funds through the establishment of a Sponsored Research project. These payments are made through the University payroll office. Once the Sponsored Research project is established, the Foundation will be billed on a monthly basis by Sponsored Research to reimburse them for expenditures that occurred during the month. For more information on establishing Sponsored Research projects using Foundation funds, please refer to the Foundation's Disbursement Policies & Procedures.

III. Procedures

A. Preparing the Scholarship Disbursement Request

Only the original request should be submitted to the Foundation Accounting Office. Failure to provide any of the following information could cause a delay in the processing of the Scholarship Disbursement Request. Handwritten changes must be accompanied by appropriate signatures.

1. Fund Information

Enter the following information to identify the scholarship fund and provide other details.

a. Date

Enter the date the request was prepared.

b. Request No.

This field is for internal department use. Some departments track Scholarship Disbursement Requests sent to the Foundation using an internal numbering system.

c. Fund Name

Include the full name of the fund project for the Scholarship Disbursement Request.

d. Fund Number

Include the number of the fund project the request is to be paid from. Please use the FOXXXX numbering format.

e. Earmarked Scholarships

If the scholarship is earmarked, please provide the donor's name.

f. Payee Name

Generally, the payee will be FSU Financial Aid; however, in the case the student is a non-resident alien for tax purposes, please use FSU Payroll. Non-resident alien students must be enrolled in the GLACIER system before any disbursements can be made through payroll.

g. Year

Enter the calendar year in which the semester falls under.

h. Term

Enter the term for which the scholarship award is being granted. A separate form is required for each term.

i. Direct Inquiries To

Enter the name of the person who can answer any questions we may have regarding this request.

j. Campus Phone

Enter the phone number where we can reach the contact person listed above regarding any questions we may have. An email address may also be provided.

2. Student Information

Enter the following student information. There is enough room for four students, but if more space is needed, please complete page 2 in its entirety and include that subtotal on page 1.

a. Student Name

Enter the full name of the student(s) receiving the request.

b. Student OMNI EMPLID

Enter the 9-digit numerical OMNI identification number associated with each student.

c. Amount Awarded

Enter the scholarship amount requested for that specific term.

3. Attestation

An attestation is required to certify that the awarded student(s) meet the fund restrictions and criteria established by the donor and that thank you letters are attached.

a. Dean, Department Chair, or Selection Committee Member

It is required that the attestation be signed by the person(s) designated with the responsibility of selecting recipients. **This certification is subject to audit to ensure compliance.**

4. Signature Approvals for Payment

In addition to the attestation, each fund has authorized signers who are individuals authorized by the Responsible Party to approve expenditures from the fund. An authorized signer may or may not be the same individual authorized to sign the attestation. The authorized signer is certifying that the funds requested can be disbursed from that fund. Requests must have approval by an authorized signer on the fund.

a. Fund Authorized Signer

This field is reserved for the person(s) designated as an Authorized Signer by the fund's Responsible Party.

i. Responsible Party

The Responsible Party of the fund is the highest level of authority in an academic unit (usually the organizational Vice President, Associate, Vice President or Dean). The Responsible Party's approval is required for any expenditure of more than \$1,000. The Responsible Party may appoint a signature designee(s) by submitting an Authorized Signer Request form to the Foundation.

b. Foundation Approval

Leave this field blank. This area is for internal Foundation approvals.

The FSU Foundation Scholarship Disbursement Policy & Procedures are intended to be used as a guideline and can be revised or changed at any time as deemed necessary. Should you have further questions, please contact the Foundation Scholarship Coordinator directly at (850) 644-1090.