



STANLEY G. TATE
FLORIDA
PREPAID
COLLEGE FOUNDATION

Private Donor

Policies and Procedures

Last Updated May 2015

Exhibit “A”

Authorized by the legislature in 1989, the Florida Prepaid College Foundation, Inc. is a partnership between state government and the private sector. The Foundation administers the scholarship program, which was designed to provide Prepaid postsecondary tuition scholarships to students to redirect their lives and enhance their career goals.

The Florida Prepaid College Foundation, Inc. is a non-profit 501(c)(3) direct support organization for the Florida Prepaid College Board.

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(1) Definitions:

- (a) **Florida Prepaid College Foundation Scholarship** - a Florida Prepaid College plan purchased by the Donor through the Florida Prepaid College Foundation.
- (b) **Memorandum of Agreement “MOA”** - Contract agreement between the Florida Prepaid College Foundation and the Donor, pursuant to the Private Donor Policies and Procedures of the Florida Prepaid College Foundation Board.
- (c) **Foundation** - the Florida Prepaid College Foundation, Inc., as established by F.S. 1009.983 and F.S. 1009.984.
- (d) **Foundation Board** - the Florida Prepaid College Foundation Board, pursuant to F.S. 1009.983(5).
- (e) **Board** - the Florida Prepaid College Board, pursuant to F.S. 1009.971.
- (f) **Donor** - A nonprofit organization described in s. 501(c)(3) of the United States IRS Code and exempt from taxation under s. 501(a) of the United States IRS Code, pursuant to F.S. 1009.984, may/that purchase(s) scholarships for a scholarship program that has been approved by the Board and is operated by the purchasing organization.
- (g) **Designated beneficiary** - means the recipient of a Florida Prepaid College Foundation scholarship selected/identified by the Donor.
- (h) **Assignment** - means a designated beneficiary’s personal information and residency documentation has been sent to the Foundation and the beneficiary’s name and information are attached to a scholarship.
- (i) **Qualified Beneficiary** - Individuals qualified to participate in the Florida Prepaid College Foundation scholarship program must meet the following criteria:
 - 1. An individual who is under the age of 21 and has not completed the 12th grade.
 - 2. A resident of Florida for 12 consecutive months prior to assignment to a Foundation Prepaid scholarship, or a non-resident who is the child of a non-custodial parent who is a resident of this state. Documentation shall be in such form as required by the Board and may include a copy of the court order. The qualified beneficiary must be either a United States citizen or a resident alien.
 - 3. Graduate from an accredited high school in this state, or meet the minimum criteria, pursuant to F.S. 1003.433(2)-K-12 Public Education Instruction, for admission to a postsecondary education institution.

(2) Donor Participation Process:

A. There is no application process for Donors wanting to purchase Florida Prepaid College Foundation Scholarships. First time Donors must send, in writing, to the

Foundation certification that they are a state or local government or an organization described in s. 501(c)(3) of the IRS Code, and 19B-5.007(2) F.A.C. Potential Donors must agree to comply with the terms of the Memorandum of Agreement, Florida Statutes and Rules governing the Florida Prepaid College Board and Foundation, pursuant to F.S. 1009.983 and 1009.984, and the Private Donor Policies and Procedures of the Florida Prepaid College Foundation.

(3) Payment/Purchase Options:

A. Once the Donor organization/individual is approved by the Board to participate in the Florida Prepaid College Foundation Scholarship Program and a fully executed MOA is on file at the Foundation office, the Donor may purchase scholarships by sending a letter indicating the number of scholarships, plan type of scholarships, age/grade level of scholarships, and a check for the total cost of the scholarships, plus a \$50.00 application fee for each scholarship purchased. Scholarships, purchased through the Florida Prepaid College Foundation, must be paid in advance by providing a lump sum payment to the foundation.

B. The information and check should be mailed to the Florida Prepaid College Foundation, P.O. Box 1117, Tallahassee, Florida, 32302. **C.** Scholarships may be purchased from October 1 through August 15 of each year.

(4) Contract Prices/Fees:

A. Florida Prepaid College contracts are established by the Florida Prepaid College Board annually in September and are based on actuarial assumptions pursuant to 19B-4.002, F. A. C. Foundation prices are valid October 1 through August 15 of each year.

B. A fifty dollar (\$50.00) nonrefundable application fee will be collected at the time of purchase of all/each Foundation scholarship(s).

C. A fee of ten dollars (\$10.00) will be assessed to any Local Fee Plan, Tuition Differential Fee or Dormitory Plan that is subsequently added to an existing Tuition Plan purchased prior to August 30, 2010, or to a Dormitory Plan that is added subsequently to a Prepaid Plan purchased after September 1, 2010.

(5) Contract Plan Types:

A. The Foundation offers 5 separate plan types that prepay the tuition, registration fees, the tuition differential fee and local fees at a state university or Florida College.

4-Year Florida University Plan - The 4-Year Florida University Plan prepays tuition, registration fees, the tuition differential fee and local fees for 120 undergraduate semester credit hours at a state university in Florida.

1-Year Florida University Plan - The 4-Year Florida University Plan prepays tuition, registration fees, the tuition differential fee and local fees for 30 undergraduate semester credit hours at a state university in Florida.

2 + 2 Florida Plan - The 2 + 2 Florida Plan prepays tuition, registration fees and local fees for 60 lower division semester hours at a Florida College and tuition, registration fees, the tuition differential fee and local fees for 60 semester credit hours at a state university.

4-Year Florida College Plan - The 4-Year Florida College Plan prepays tuition, registration fees and local fees for 60 lower division semester credit hours as well as 60 upper division semester credit hours at a Florida College.

2-Year Florida College Plan - The 2-Year Florida College Plan prepays tuition, registration fees and local fees for 60 lower division semester credit hours at any of the 28 Florida Colleges.

2-Year Florida College Foundation Plan - The 2-Year Florida College Plan prepays tuition, registration fees and local fees for 72 lower division semester credit hours at any of the 28 Florida Colleges

B. The local fee plan may be added to a tuition only plan purchased prior to August 30, 2010. The Local Fee Plan covers the required activity and service, health and athletic fees charged by Florida's state universities and/or the required student activity and service and technology fees charged by Florida Colleges. Local fee contracts purchased after July 1, 1999 also cover the technology fee imposed by the universities and Florida Colleges.

Local fee plans consist of four separate plans:

4-Yr University Local Fee Plan – The 4-Yr University Local Fee Plan prepays the local fees for 120 credit hours at a state university.

2 + 2 Local Fee Plan – The 2 + 2 Local Fee Plan prepays the local fees for 60 credit hours at a Florida College and 60 credit hours at a state university.

2-Yr FL College Local Fee Plan – The 2-Yr FL College Local Fee Plan prepays local fees for 60 credit hours at a Florida College.

2-Yr FPCF Local Fee Plan – The 2-Yr FPCF Local Fee Plan prepays the local fees for 72 credit hours at a Florida College.

C. The tuition differential fee plan may be added to a tuition only plan purchased between October 1, 2007 and August 30, 2010. The Tuition Differential Fee Plan covers the tuition differential fee charged by a public university in Florida pursuant to Section 1009.24(16), Florida Statutes. All state universities in Florida charge this fee.

Tuition Differential Fee plans consist of two separate plans:

4-Yr University TDF Plan – The 4-Yr University TDF Plan prepays the tuition differential fees for 120 credit hours at a state university.

2 + 2 TDF Plan – The 2 + 2 TDF Plan prepays the tuition differential fees for 60 credit hours at a state university.

D. Florida Prepaid College plans do not cover fees and costs related to books, meals, transportation, graduate school, and institutionally-imposed fees such as laboratory fees.

Dormitory Plan

The Dormitory Plan prepays the payment for a standard, double-occupancy, air-conditioned dormitory room at a Florida state university. The Dormitory Plan may be purchased in one-year increments for up to two years (with a 2 + 2 Florida Plan or a 2+2 Tuition Plan) and up to four years (with a 4-Year Florida University Plan or a 4-Yr FL University Tuition Plan) and is offered only for a child in the eleventh grade or below. You may purchase a Dormitory Plan along with a corresponding Prepaid Plan or supplement an existing Prepaid Plan at a later date.

The state universities determine which dorms are designated for Florida Prepaid College Plan students. Not all dorms are offered. Rooms are assigned first-come first-serve, so there is no guarantee that the student will receive a room assignment. If a student applies for housing at a state university but does not receive a room assignment, the account owner may request a refund equal to the average dormitory rate for a standard, double-occupancy, air-conditioned dormitory room at the state university the student is attending. The Dormitory Plan cannot be used in summer terms.

(6) Scholarship Assignment:

A. The Florida Prepaid College Foundation and organizations operating scholarship programs that purchase Florida Prepaid College Foundation scholarships do not need to identify the qualified beneficiary at the time the scholarship is purchased, however, the beneficiary must be assigned to the scholarship by May 15 of the anticipated matriculation year for the beneficiaries to receive their identification cards in a timely manner.

B. To assign a scholarship to a qualified beneficiary, you must provide the following student information to the Foundation office prior to the beneficiary registering for classes:

1. Name
2. Florida Prepaid College Plan Account Number
3. Student's Social Security Number- No identification card will be issued to a beneficiary unless a social security number is submitted.
4. Permanent Home Address and Phone Number
5. Name of Parent/Guardian
6. Date of Birth
7. Proof of Residency- may consist of **one** of the following documents:

- a. Florida driver's license, for the student, issued at least one year ago.
- b. Transcript or report card for the student from the 11th grade;
- c. Florida driver's license, for parent or guardian, issued at least one year ago.
- d. Florida voter's registration card, for the parent/guardian, issued at least one year ago.
- e. Florida homestead exemption certificate, for the parent/ guardian for prior year.
- f. Documentation of full-time employment in Florida, for parent/guardian, from at least one year ago.
- g. Military orders, for parent/guardian, showing Florida is the home of record.

C. The Donor or beneficiary must notify the Foundation, upon assignment, if the qualified beneficiary is permitted to use their scholarship at an in-state private institution, technical institution or an out-of-state institution. If the beneficiary is going to attend an in-state private institution, technical institution or an out-of-state institution, the Donor or beneficiary must call Customer Service at 1/800/552-4723 and request a transfer authorization form or download it from the web site. The Donor or beneficiary must fill-out the authorization form and mail it back to the address provided on the form.

D. Qualified beneficiaries may begin to receive benefits during the summer semester of their scheduled matriculation year, provided they are assigned to their scholarship by February 1.

(7) Identification Cards/Contract Benefits/Exclusions:

A. When a qualified beneficiary is assigned by the Donor to a Florida Prepaid College Foundation scholarship, an Identification card may be requested.

B. The credit hours provided by a scholarship may be used during any semester of postsecondary undergraduate enrollment. The fees paid for each credit hour will depend upon the type of Prepaid Plan included in the scholarship

C. Only one qualified beneficiary is allowed per contract, and a specific beneficiary can be named in only one contract. However, if a student is awarded a Florida Prepaid College Foundation Scholarship and a Prepaid contract was purchased for them by a purchaser (parent, grandparent...), pursuant to F.S. 1009.97(3)(e), the purchaser may receive a scholarship refund, pursuant to Rule 19B-11.001(1), which states: ...moneys paid for the purchase of the advance payment contracts shall be returned to the purchaser in semester installments coinciding with the matriculation by the beneficiary in an amount not to exceed the redemption value of the advance payment contract.

D. The contract may be used within three years in advance of the selected matriculation date with no penalty or additional cost. However, to utilize a scholarship prior to the

selected matriculation date, the Donor must notify the Foundation, in writing, at the time of assignment.

E. The benefits of a scholarship may be received for up to a ten-year period after the matriculation date. This ten-year limitation may be extended upon written request, which will include an explanation/justification of why the scholarship has not been utilized, to the Foundation Board. Each extension request will be reviewed and approved/denied by Foundation staff. Any time spent by the qualified beneficiary in the military service tolls the time for receiving contract benefits under all contract plans. The matriculation date is the projected college enrollment year of the qualified beneficiary, based on the information about the qualified beneficiary's age or grade at the time the contract was purchased/assigned to the qualified beneficiary. The Prepaid Foundation reserves the right to involuntarily cancel the scholarship if the Donor is unable to utilize the scholarship within 10 years from the original matriculation year.

F. No graduate program, adult basic, or adult secondary program is available under this plan.

(8) Transferability

A. The Florida Prepaid Foundation Scholarship is designed to be flexible and allows beneficiaries to attend the postsecondary institutions of their choice regardless of the type of plan, unless otherwise indicated by the Donor at the time the beneficiary is assigned to their scholarship. The Florida Prepaid College Plan may be used at any eligible educational institution as defined in s. 529 of the Internal Revenue Code. To view a list of eligible institutions, visit www.myfloridaprepaid.com.

B. Scholarship benefits will be automatically converted upon receipt of a valid postsecondary institution invoice based upon the respective tuition rate at the time of the qualified beneficiaries' actual matriculation date. For example, if the qualified beneficiary received a 4-year university plan and will be attending a Florida College for the first two years; if the Florida College tuition rate is two-thirds of the university rate at the time of matriculation, three Florida College credit hours will be used to pay for two university credit hours.

C. Transfer to In-State Independent College or University- In the event the qualified beneficiary matriculates in an independent college or university in Florida, the Foundation will forward to the institution a value of no more than 15 credit hours per semester at the in-state public institution rate. The Donor may also select to use the unrestricted transfer option allowing Prepaid to pay the invoice in full up to the amount of available hours. Donor must make a special request to utilize the plan as unrestricted.

D.

Transfer to Out-of-State Schools- In the event the qualified beneficiary matriculates in an eligible out-of-state community college, college or university, the Foundation will forward to the out-of-state institution a value of no more than 15 credit hours per semester at the in-state public institution rate. The Donor may also select to use the

unrestricted transfer option allowing Prepaid to pay the invoice in full up to the amount of available hours. Donor must make a special request to utilize the plan as unrestricted.

E. Transfer to In-State Vocational-Technical Schools- A qualified beneficiary of the Florida Prepaid College Foundation may transfer the benefits of their scholarship to an applied technology diploma program or a vocational certificate program conducted by a Florida College listed in s.1000.21(3), F.S., or an area technical center operated by a district school board. The amount of such benefits that may be transferred shall not exceed the redemption value. For purposes of a transfer to an applied technology diploma program or vocational certificate program conducted by a Florida College, the redemption value shall be the amount of tuition and local fees, respectively, charged by the Florida College at the time of matriculation. For purposes of a transfer to an area technical center operated by a district school board, the redemption value shall be the average amount of tuition, local fees, and tuition differential fees respectively, charged by the state universities or Florida Colleges at the time of matriculation. If the cost of the fees charged by the Florida College or area technical center is less than the corresponding fees charged by a state postsecondary education institution, the amount transferred shall not exceed the actual cost of the fees charged by the state college or area technical center. The amount transferred may only cover the number of semester credit hours stipulated in the original contract.

(9) Cancellation of Contracts/Terminations:

A. If a qualified beneficiary is assigned to a Prepaid Scholarship, and does not use the plan, the Donor may remove the student's name from the scholarship and assign it to another qualified beneficiary.

B. The Donor may cancel a Private Donor scholarship at any time, upon written/signed notification to the Foundation by the Donor. The Donor may select one of two options when cancelling the contract.

1. Traditional Cancellation - The Donor will receive their portion of the remaining principal balance on the account.

2. Scholarship Reinvestment Opportunity – The Donor will receive the current redemption value for the remaining hours on the contract to be used towards purchasing a new scholarship. No funds will be transferred back to the Donor. All funds will be reinvested into new scholarships at the current contract prices. A request to cancel scholarships through the Scholarship Reinvestment Opportunity must be requested in writing and received at the Foundation office by July 31st of each calendar year. All requests received after July 31 will not be processed until October when the next year's contract prices are established.

C. The Donor may request cancellation/termination of a Florida Prepaid College Scholarship if it is determined that a qualified beneficiary has not complied with the terms/conditions of the Florida Prepaid College Foundation Board, as stated in the

Memorandum of Agreement, Private Donor Policies and Procedures, and/or by the agreement between the Beneficiary and Donor at the time of selection.

D. Involuntary Termination- The Foundation Board may involuntarily terminate a Private Donor scholarship upon a finding by the Foundation Board, of fraud in the verification of residency of a qualified beneficiary, or failure to meet the eligibility requirements, pursuant to the terms and conditions of the Private Donor Policies and Procedures of the Florida Prepaid College Foundation Board.

E. Involuntary Termination – The Foundation Board may involuntarily terminate a Private Donor scholarship if the benefits are not used within 10 years from the original matriculation year or upon other finding of the Foundation Board of non-compliance with the Private Donor Policies and Procedures.

(10) Refunds:

A. Application fees are non-refundable.

B. Within forty-five days of receipt of Donor's written cancellation/termination request to the Foundation Board office, a refund will be issued to the Donor.

C. Termination of student status after the official drop/add period eliminates the refund option for that semester.

D. Refunds may exceed the amount paid for the contract only pursuant to 19B-11.001(1), Florida Administrative Code, or s.1009.98(5)(f), Florida Statutes.

(11) External Communications:

A. As a partner in the purchasing/administration of Private Donor scholarships to children throughout Florida, the Florida Prepaid College Foundation will be given acknowledgement in all external communications with contributing organizations and the media.