



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE ACTION ITEM FF3
December 1, 2016**

SUBJECT: Allocation of License Plate Revenues

BACKGROUND INFORMATION

Revenues generated by the sale of collegiate license plates in the State of Florida, under Florida Statute 320.08058(3)(b), may be spent by each university pursuant to an expenditure plan to be submitted by the Board of Trustees to the Board of Governors for approval. Revenues may be used only for academic enhancement, including scholarships and private fundraising activities, as set forth in BOG Regulation 9.014.

The current approved plan for the University of Florida distributes funds as follows:

- 60% of the first \$2,000,000 to general scholarships;
- 40% of the first \$2,000,000 to fundraising operations; and
- 100% of the amount over \$2,000,000 to Maken Florida Opportunity Scholars ("MFOS").

A new plan ("Revised Allocation") for allocation is proposed as follows, retroactively effective July 1, 2015:

- 40% of the total received to MFOS; and
- 60% to fundraising operations to fund campaign initiatives.

Based on the revenue figures for last year, this reallocation would result in increased support to MFOS of approximately \$440,000 and to fundraising of approximately \$760,000. This reallocation will also contribute to the success of endowment growth through fundraising, which is important to advance University of Florida to top ten public university stature and will build scholarship funds.

This Revised Allocation has the approval of the Vice President for Advancement, the Provost and Senior Vice President, and the President.

UF | University of Florida FOUNDATION

June 10, 2015

Dr. W. Kent Fuchs, President
University of Florida
226 Tigert Hall
Gainesville, FL 32611

Dear Dr. Fuchs,

The University of Florida receives revenues each year from the state generated by fees for the UF license plate. Generally the amount received each year is approximately \$2,600,000; the total amount received for fiscal year 2013-14 was \$2,593,102. Florida Statute 320.08058(3)(b) provides that each university is required to submit a plan for the expenditure of such funds to the Board of Governors for approval. The statute further states that the funds may only be used for "academic enhancement, including scholarships and private fundraising activities."

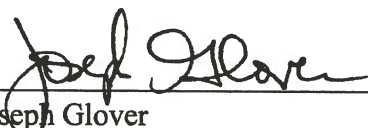
The current approved plan for the University of Florida distributes the funds as follows:

- 60% of the first \$2,000,000 to general scholarships
- 40% of the first \$2,000,000 to fundraising operations
- 100% of the amount over \$2,000,000 to Machen Florida Opportunity Scholars (MFOS)

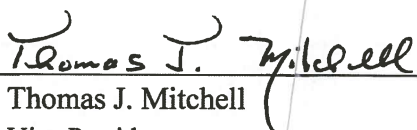
We have reviewed the current allocation in light of available funds and projected needs and would like to propose a new expenditure plan to be submitted by the Board of Trustees to the Board of Governors for approval. The new plan would allocate 40% of the total to MFOS, increasing support for that program by \$440,000, and 60% of the total to fundraising operations to fund campaign initiatives, increasing that support by \$760,000. The results can be compared, based on the approximate total of \$2,600,000, as follows:

Current plan:	General Scholarships	\$1,200,000
	Fundraising	800,000
	MFOS	600,000
Proposed plan:	MFOS	\$1,040,000
	Fundraising	1,560,000

Sincerely,



Joseph Glover
Provost and Senior Vice President
Office of the Provost and Academic Affairs



Thomas J. Mitchell
Vice President
Development and Alumni Affairs

July 7, 2016

Dr. W. Kent Fuchs, President
University of Florida
226 Tigert Hall
Gainesville, FL 32611

Dear Dr. Fuchs,

As a follow up to the attached letter of recommendation and our conversations to date regarding license plate revenues, we are respectfully requesting your consideration to approve a shift in the current revenue allocations. As evidenced by our signatures on the letter, Dr. Glover and I have consulted on this plan and are in full agreement.

There is a compelling case to be made for this change. It's beneficial for us to leverage these funds rather than just continue to allocate them as currently designated. The new expenditure plan would provide additional support to hire more fundraisers, which in turn would ultimately increase scholarship support and reduce the university's scholarship obligation over time. The plan would also enable us to further strengthen the funds needed to drive campaign initiatives. We are happy to discuss this further with you, if needed.


If you are in agreement with the proposed plan, please sign and date below and return a copy of this letter to me. The new plan would need to be submitted for approval at the next Board of Trustees meeting.

Thank you for your consideration of this request.

Sincerely,



Thomas J. Mitchell
Vice President for Advancement



W. Kent Fuchs
President

July 7, 2016

Date

Attachment

cc: Dr. Joe Glover, Provost and Senior Vice President for Academic Affairs