Project STARS Donor FAQs

How do I become a Project STARS donor?

A.) New Project STARS Donors are required to complete the Project STARS application and certify that they are a Direct Support Organization (DSO). Donors must also understand and accept the Florida Prepaid College Board Master Contract.

B.) Project STARS Donors make a financial pledge to fund scholarships for students in their communities desiring of a college degree but without the resources. The Florida Prepaid College Foundation provides a dollar-for-dollar match with the Project STARS Donor contributions to create a Project STARS scholarship.

C.) All Project STARS Donors must provide mentoring to their assigned scholarship students to ensure their journey to college will be successful.

How does the pledge process work?

The Florida Prepaid College Foundation receives pledge letters from donors in March for the next contract year. The pledges are totaled and provided to the state Legislature to request funds for the next year. Donors should send correspondence to the Florida Prepaid College Foundation with the Donor’s name and the total dollar amount of matching funds being requested. Pledges should be half of the total contract price for scholarships to be purchased. Donors are encouraged to meet the full amount of their pledge request. Future allocations may be affected by a Donor’s ability fulfill their existing allocations.

Pledge requests are due by May 27th. On or around June 5th, the Foundation will allocate out all available STARS dollars based on the pledge requests. Purchases should be finalized by June 30th to be included in the current fiscal year.
How should a Donor decide how much to pledge?

Donors should evaluate the number of students they expect to bring into the program in the coming year and the amount of funds they are able to raise and designate for scholarship purchases.

What if the school the Beneficiary wants to attend does not match the type of Florida Prepaid Plan purchased?

Another great feature of a Florida Prepaid Plan is that the value of the plan purchased may be applied toward the costs at any Eligible Educational Institution. At state institutions in Florida, we will convert college hours to university hours and vice versa to ensure that students get maximum value for their plan. As an example, benefits available under a 2-Year Florida College Plan or a 4-Year Florida College Plan can be paid to a State University. Similarly, benefits available for a 4-Year Florida University Plan or a 1-Year Florida University Plan can be paid to a Florida College. Please keep in mind, in the first example above, Florida College Plan benefits paid to a State University will deplete the plan at a faster rate because the cost per credit hour at a State University is generally higher than the cost of a credit hour at a Florida College. The student will be responsible for any difference not covered by their plan.

Can a Florida Prepaid Plan be used to pay for the cost of vocational or graduate school?

Yes. We will transfer the value of the plan purchased to pay costs at any Eligible Educational Institution – including vocational schools and graduate programs. Students planning to attend an eligible private or out-of-state institution must have a Transfer Authorization request completed by the Donor Organization before benefits will be paid. The Transfer Authorization includes additional details about how these schools are paid.

When and how can I reassign a scholarship?

A Donor may reassign scholarships at their discretion. However, the Foundation suggests that this be done earlier in the benefit window to avoid plan cancellation. Only one student may be assigned to a scholarship at any given point in time. If a student has not met his/her obligations you may contact the Florida Prepaid College Foundation and request that the student be removed from the scholarship. A new or existing qualified student may then be reassigned to...
the scholarship. Any new student assigned to a STARS scholarship must meet the criteria of a qualified beneficiary as outlined in the Florida Prepaid College Foundation’s policies and procedures.

**Will tax documents be received when a Florida Prepaid Plan is used?**

Yes. A Form 1099-Q will be provided in January of each year to beneficiaries who have used their Florida Prepaid Plan during the previous calendar year. In addition, a Form 1099-Q will be provided to a designated Account Owner who has received a scholarship refund or reimbursement during the year. For specific tax information, please consult an investment adviser or certified public accountant.