



STARS Donor FAQs

How do I become a Project STARS donor?

- A.) New Project STARS Donors are required to complete a Memorandum of Agreement and adhere to the Foundation's Policies and Procedures with the Foundation to satisfy their non-profit and financial eligibility. Upon acceptance, new Project STARS Donors may then create a match-funding relationship with the Foundation.

- 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 to make this dream come true. The Florida Prepaid College Foundation provides a dollar-for-dollar match with the private 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 Foundation receives pledge letters from approved and recurring donors in February 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 Foundation office listing the foundation/organization's name and the total dollar amount of matching funds the Donor is requesting for the next Florida Prepaid plan contract year. 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.**

May 27th is the due date for letters requesting excess funds, remaining unused matched funds from previously allocated dollars. On or around June 5th, should funds be available the Foundation reallocates the excess funds based on partner requests. No later than August of the pledge year, the Foundation will allocate out all available STARS dollars based on the pledge requests.

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 you get maximum value for your 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 one scholarship at any given point in time. If a student has not met his/her obligations you may contact the Foundation and request that the student be removed from the scholarship. A new or existing student may then be reassigned to the scholarship. If assigning a new student, the required checklist items must be sent to the Foundation office. Any new student assigned to a STARS scholarship must meet the criteria of a qualified beneficiary as outlined in the FPCF'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 students who have used their Florida Prepaid Plan during the previous calendar year. In addition, a Form 1099-Q will be provided to an 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.