



UNRELATED BUSINESS INCOME REVIEW

Please complete this form for all activities reported in the department / project under review.

1.	Fiscal Year Reviewed	
2.	Person Completing Review	
3.	Date Review Completed	
4.	OCA	
5.	OCA Description	
6.	Department / Project Number	
7.	Department / Project Description	
8.	Department Contact Name	
9.	Department Contact Phone	
10.	Department Contact E-Mail	

Activities conducted by departments may need to be reported on the University's Unrelated Business Income Tax return (IRS Form 990-T). Activities that are 1) Regularly carried on, 2) Unrelated to any purpose or function described in IRC 501(c)(3) and 3) a Trade or Business must be reported. This review will document reasons for or against including a department's activity on the University's 990-T.

11.	List the activities that generate revenue reported in the department / project. Revenue is from all sources, e.g. sales to outside customers, activity & service fee allocations, etc.

Regularly Carried On - IRC §512(a)(1); Treasury Reg. §1.513-1(c)

The activity must be regularly carried on, as distinguished from sporadic or infrequent commercial transactions. The frequency and continuity of the activity, the manner in which the activity is pursued and the continuing purpose of deriving income from the activity determine whether an activity is regularly carried on.

12.	Describe the amount of effort placed into the activity. Indicate if the activity is continuous or if the event occurs a few times per year.

**Substantially Related to any Purpose or Function described in IRC §501(c)(3) - IRC §513(a);
Treasury Reg. §1.513-1(d)**

Any activity carried on by the University that is for any of the exempt purposes listed in IRC §501(c)(3) should be excluded from the University's 990-T.

13. Describe the purpose or function of the activity.

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Trade or Business - IRC §513(a); Treasury Reg. §1.513-1(b)

Any activity carried on by an exempt organization for the production of income from the sale of goods or the performance of services constitutes a trade or business. The regulations state that the fact that a trade or business does not produce a net profit is not sufficient to exclude it from the definition of trade or business. However, the courts have held that for an activity to be considered a trade or business for this purpose, it must be carried on with a profit motive.

14. Obtain a copy of the activity's budget for the next three fiscal years. Attach those budgets to this review.

15. If applicable, obtain a copy of the activity's financial results for the prior three fiscal years. Attach those reports to this review.

16. Describe the manner in which the activity is carried on, i.e. ways in which the activity is carried on compared to outside businesses.

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17. Describe the expertise of the professionals who oversee the activity, e.g. experience in the field, are advisors used, etc.

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18. Describe the time & effort spent on the activity.

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19. List the assets used in the activity. Will the activity's assets appreciate in value over time?

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20. Are there similar activities in which UCF has been successful in implementing? If so, please describe.

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21.	If the review of the attachments in 13b show losses, document why the activity is not profitable and what has been done to improve financial performance.

22.	Document the following from the attachment requested in 13b: amount of total profit & the # of years the activity has shown profit.

23.	Does the activity receive funding from another source, e.g. the Activity & Service Fee?

24.	Are there any additional motives to engage in this activity other than profit? If so, please describe.

25.	List the types of revenue this activity will generate, e.g. rent, service fees, inventory sales, etc.

Conclusions on the above:

26.	Based on the above, comment on whether the activity should / should not be included on the University's 990-T.

Certification:

I certify that the above is true and accurate, to the best of my abilities.

Department Representative

F&A Representative

Name: _____

Name: _____

Date: _____

Date: _____

Signature: _____

Signature: _____