

**Applicable Employee Classes:**

**Reviewed Date:**

**by:**

All Florida Tech Employees

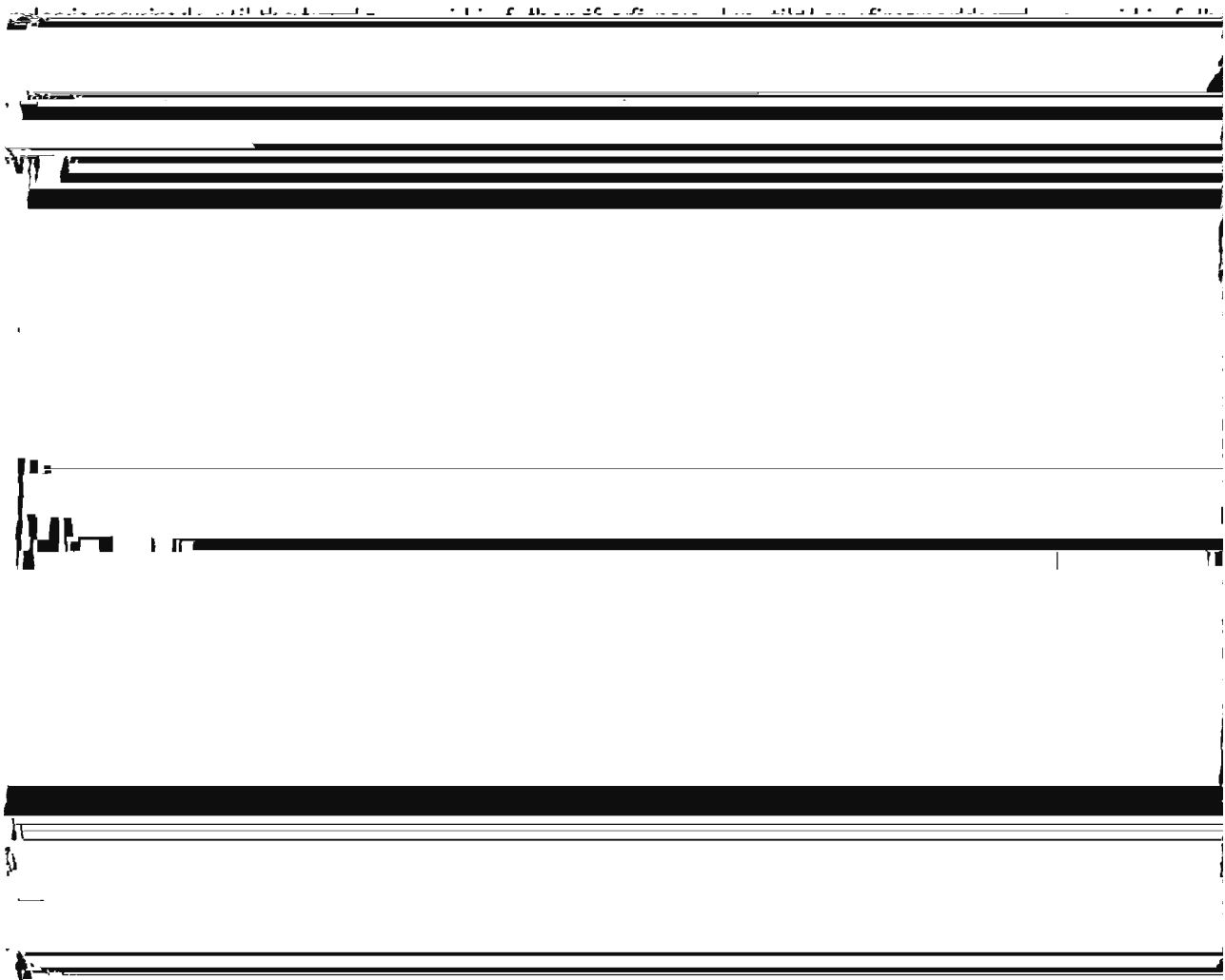
February 2017

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## **Private Use Policy and Guidelines**

Florida Institute of Technology (“the university”) has financed the acquisition, construction of, and improvements to many facilities and other capital projects through the issuance of qualified 501(c)(3) tax-exempt bonds. As the issuer of tax-exempt bonds, the University is required to comply with federal tax rules that govern the expenditure of proceeds of tax-exempt, bond-financed property; investment of proceeds in compliance with arbitrage rules; and retention of records.

The university Controller’s office requires areas receiving capital project financing to comply with these procedures in their use of tax-exempt, bond-financed property and in the allowance of external research being performed in these facilities. Failure to follow these rules may result in the loss of the tax-exempt status of the bonds, significant penalties, and other consequences. Review of and compliance with the



**Private Business Use:** Use of tax-exempt, bond-financed property in a trade or business by an external

[REDACTED]

**Tax certificate:** The agreement signed by the university at the closing of a bond issuance in which the

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

status, the tax-eligibility of the projects, and the organization's operations

[REDACTED]

office reviews this information to identify private business uses of bond-financed space and, as necessary,

to make this determination, obtains copies of relevant contracts.

In addition, the university controller's office works with the Office of Sponsored Programs (OSP) to identify any sponsored research contracts for the fiscal year in question that may give rise to private use.

The university controller's office identifies any arrangements that may be regarded as an "unrelated trade business" for the fiscal year in question. To the extent private business arrangements are

arrangement, the university controller's office gathers information necessary to identify and/or allocate