



THE UNIVERSITY AT ALBANY FOUNDATION

Frequently Asked Questions

Q: Why is University at Albany Foundation (UAF) offering to manage the Charitable Gift Annuity Program?

A: UAF has a well-established Charitable Gift Annuity program with processes in place and funds set up. UAF has been chosen by the SUNY Research Foundation to manage the program.

Q: What is Foundation's management fee to administer this program?

A: The Foundation charges a management fee for each gift annuity that is calculated quarterly based on an annual rate of 0.5% of the annuity's fair market value. The fee is calculated on an annuity by annuity basis and not for the portfolio as a whole. Fees will be paid to the Foundation by reducing the amount distributed to the campus at the conclusion of the annuity contract. This fee covers some of the cost of administrative overhead for such items as accounting, annual regulatory reporting and coordination of establishing and disbursing the contract. In the event that the campus does not receive a distribution at the conclusion of the contract, the Foundation will invoice the campus for the accumulated management fees.

Q: What happens if the individual outlives the value of the annuity and the campus does not receive a distribution at the conclusion of the contract?

A: In the event that the campus does not receive a distribution at the conclusion of the contract, the Foundation will offset the deficient against the payout of other contracts that are serviced for the campus. In the instance where no additional contracts are serviced (at the time of the deficit or in the future) the foundation will not charge the campus for the shortfall.

Q: What are the programs investment management fees?

A: The investment management fees are charged to the account as a % of the total assets of the entire portfolio, not on an individual campus location. The current investments fees are 1% on the first \$1,000,000, with a fee of 0.5% on the balance of assets.