



**MEMORANDUM OF UNDERSTANDING
THE UNIVERSITY AT ALBANY FOUNDATION'S CHARITABLE GIFT ANNUITY PROGRAM
FOR THE BENEFIT OF SUNY-WIDE CAMPUS'**

The University at Albany Foundation (the "UAFoundation") offers participation in the University at Albany charitable gift annuity program (the "Program") for those colleges and university-based foundations within the State University of New York ("SUNY") network who do not want to manage or administer their own programs. The Program offers a charitable gift annuity as a contract between The UAFoundation and the donor, with an addendum to the contract outlining the participating college and university foundation as designation of the charitable gift annuity proceeds upon its termination.

As a participant in the Program, *the [College Foundation]* agrees to the following policies and guidelines:

1. UAFoundation will make every effort to ensure the Program is conducted in compliance with applicable federal and state requirements and any noncompliance items identified are addressed in a timely manner.
2. UAFoundation will issue both immediate and deferred gift annuities. The deferred annuities may have either fixed or flexible payment-beginning dates.
3. The annuity rates offered to donors by UAFoundation will not exceed those suggested by the American Council on Gift Annuities ("ACGA"), although in any given instance a donor may agree to a rate lower than the rate offered. When a donor agrees to a lower-than-published rate, this should be documented by an addendum to the gift annuity agreement.
4. The minimum contribution accepted by UAFoundation for a gift annuity under the Program is \$10,000. The individual campus foundation may utilize a higher threshold above this minimum as per their Foundation's Gift Acceptance Policy.
5. Gift annuity payments may be made to one person for life or two persons, either concurrently or successively, for life.
6. In the case of an immediate gift annuity, the minimum age of the annuitant of a one-life annuity, or younger annuitant of a two-life annuity, is 60. There are no exceptions. The individual campus foundation may utilize a higher age threshold as per their Foundation's Gift Acceptance Policy

7. In the case of a deferred gift annuity within the Program, the minimum age of the annuitant at the time of contract is 40 and if the payment-beginning date is fixed or flexible, the minimum age of the annuitant of a one-life annuity, or the younger annuitant of a two-life annuity, at the time that payments begin is 60. There are no exceptions. The individual campus foundation may utilize a higher age threshold above these minimums as per their Foundation's Gift Acceptance Policy
8. Annuity payments are ordinarily made at the end of each calendar quarter, although at the request of the donor they may be made semi-annually or annually. There will be no monthly payments. Annuity payments may be direct-deposited or sent by check, as directed by the donor.
9. A gift annuity can only be funded with gifts of cash and liquid marketable securities. UAFoundation will not accept any other consideration to fund a charitable gift annuity.
10. UAFoundation will establish and maintain a gift annuity reserve fund. The UAFoundation shall oversee the management of the fund, including the investment of fund assets. The full amount of all gift annuity contributions shall be deposited in the fund, and all earnings on fund assets shall be credited to the fund. Disbursements from the fund may be made for the following purposes: to make annuity payments; to pay for costs associated with investing and managing fund assets and administering the gift annuity program; and to make the amount of fund assets attributed to a particular annuity obligation upon satisfaction of that obligation. Disbursements for any other purposes must be approved by the UAFoundation Board.
11. The Investment Sub-committee of the UAFoundation Board will provide oversight of the asset allocation of the gift annuity reserve fund(s) with the objectives of (1) realizing a net total return on gift annuity reserves that equals or exceeds the net-return assumption on which the ACGA suggested rates are currently based and (2) minimizing investment risk and volatility.
12. In managing the Program, UAFoundation may employ agents and advisors to assist with various aspects of operating the program. In particular, UAFoundation may delegate to other entities the administration of gift annuities and the investment of assets held in the gift annuity reserve fund(s). The UAFoundation reserves the right to change the agents and/or advisors. Currently, UAFoundation employs KeyBank National Association ("Key") for such services. Key provides a variety of services including: Tax reporting to Donor (1099's); Annuity Payments (quarterly check or ACH deposit); Gift Reserve, FASB and Market Value Reports for individual campuses upon request.

13. UAFoundation does not currently charge a management fee for each gift annuity; UAF reserves the right in the future to charge a fee that would be calculated on the annuity's quarterly fair market value based on an annual rate. Fees would be paid to UAFoundation by reducing the amount distributed to the campus at the conclusion of the annuity contract.
14. Gift annuity programs will have some annuity contracts that will 'run dry' of available funds prior to the end of the annuitant's life. (In other words, the balance in the assets to support the related payout will be fully expended and the account will reach zero before the death of the sole or surviving annuitant.) As the related payments must continue for the life of the annuitant(s) [College Foundation] will be required to fund these payments over the remaining term of the annuity contract. It is the obligation of [College Foundation] to prepay to UAFoundation the annual annuity amounts.
15. In conjunction with this MOU, [College Foundation] will provide UAFoundation with the following:
- Copy of permit approval letter or exemption letter from NYS Department of Financial Services.
 - If transferring CGA contracts to UAFoundation, copies of approved forms/contracts used by [College Foundation] for existing contracts being transferred.
 - Copy of Annual Statement of the Segregated Gift Annuity Fund of [College Foundation] submitted to NYS Department of Financial Services, if applicable.

AGREED:

I hereby agree that I understand the provisions above and I have the authorization to enter into such agreement on behalf of the [College Foundation], including the additional funding of annuity contracts for the [College Foundation] as may be required.

Printed Name and Title of Officer or Executive Director

Signature of Officer or Executive Director

Date