

The Foundation at Monroe County Community College

CHARITABLE GIFT ANNUITY POLICY

Overview

A Charitable Gift Annuity is a contract between the donor and The Foundation at Monroe County Community College. This irrevocable gift allows a donor to take advantage of a charitable contribution while at the same time receiving a guaranteed payment for the rest of his or her life.

With the assistance of an outside agency, The Foundation at Monroe County Community College will administer its Charitable Gift Annuity program under the following guidelines and criteria.

Eligibility

1. The minimum age for an annuitant is 65 years. In the case of a two-life annuity, the minimum age applies to the younger of the two annuitants.
2. The minimum amount accepted to establish an annuity is \$50,000. For purposes of recognition, the donor will receive credit for the full value of the annuity.
3. Gift assets will be limited to cash and securities for which a ready market exists.
4. The Foundation at Monroe County Community College will accept gift annuities for one life, two lives in succession, or joint and survivor annuity agreements.
5. The Foundation at Monroe County Community College will accept the following types of agreements:
 - a. immediate gift annuity (the annuitant(s) starts receiving payments at the end of the payment period immediately following the contribution),
 - b. deferred gift annuity (the annuitant(s) starts receiving payments at a future time, the date chosen by the donor, which must be more than one year after the date of the contribution), or
 - c. flexible (deferred payment) annuity (the annuitant may choose the payment starting date based on his/her retirement date or other considerations).

Annuity Payments and Rate

1. To calculate the payments for a gift annuity, The Foundation will use the rates published by the American Council on Gift Annuities.
2. Payments, charitable deductions, capital gains and other appropriate tax reporting data will be calculated by an outside consulting agency, legal counsel, or other organization with qualified software for information purposes to be shared with the donor's tax advisors.
3. Annuity payments will be made on a quarterly basis. Quarterly payments will be due to the annuitant on the last business day of each quarter.
4. The first annuity payment will be prorated based on the date the agreement takes effect and the date of the first scheduled payment.
5. Following the first annuity payment, annuity payments will be rounded upward to ensure that each payment is exactly the same.

6. If the final annuitant dies on the payment date, the payment belongs to the annuitant's estate.
7. If the final annuitant dies before the exact payment date, the payment belongs to The Foundation at Monroe County Community College, which shall have a legal right to the return of the payment from the estate of the final annuitant.

Investments and Bookkeeping

1. The Foundation at Monroe County Community College will maintain gift annuities in an investment pool that is separate from its general investment pool.
2. The Foundation at Monroe County Community College's Finance Committee shall have the responsibility and authority for determining the most appropriate investment vehicles for all annuity funds as outlined in Policy 3.03, Investment Policy.
3. The full annuity gift will be admitted to the gift annuity fund of The Foundation at Monroe County Community College and will be maintained until the demise of the last annuitant in the agreement.
4. The Foundation at Monroe County Community College will maintain separate fund records for each annuity on record.
5. All annuities in the annuity pool will share their fair portion of investment management fees.

Other Criteria and Reporting

1. The Foundation at Monroe County Community College and/or its agent will report all taxable annuity payment amounts paid in the prior calendar year by January 31 to all annuitants.
2. The Foundation at Monroe County Community College will maintain separate records for each donor/annuitant containing all information and data that has been reported for the donor/annuitant.
3. The Foundation at Monroe County Community College will provide the donor/annuitant at the time the Annuity Agreement is established, a chart depicting all appropriate tax reporting data (charitable deduction, capital gains, tax free and taxable annuity payments) for all the years of their projected life expectancy.