

SUBJECT: Valuation of Gifts of Stock and Other Securities

DATE: October 2, 1998

PURPOSE

Because it is frequently more advantageous for donors than a gift of cash, Murray State University Foundation, Inc. receives gifts. In order to ensure that these gifts are correctly valued for acknowledgment purposes, the following policy is established.

POLICY

The donor can transfer gifts of stock to the MSU Foundation in one of three ways:

1. Electronic Transfer of Stock

This presents the most secure and expedient delivery of a gift of stock. The Foundation currently has an account with the investment firm listed below, but we are not limited to this firm. (The University will establish an account with the firm of the donor's choosing.)

Company Name: Robert W. Baird & Co.
Contact: Hal N. Sullivan
Physical Address: 2929 Broadway
Paducah, KY 42002
Mailing Address: PO Box 9500, Paducah, KY 42002
Telephone: 800-267-6373
Electronic Address: DTC # 0547
Account # 58400090
Account Name: Murray State University Foundation, Inc.

2. Transferring Stock by Mail

To safely transfer a gift of stock by mail, the following two steps should be taken:

1. The donor should mail the stock certificate(s) via registered or overnight mail, as is, without endorsement to: MSU Office of Development, 200 Heritage Hall, Murray, KY 42071. The donor should be instructed to include a letter which states that he or she is transferring the stock to the Foundation; and
2. The donor should execute the endorsement on a “stock power” transfer form. The donor should then mail, in a separate envelope from the stock certificate(s), one “stock power” transfer for each stock certificate to: MSU Office of Development, 200 Heritage Hall, Murray, KY 42071.

Whichever option the donor chooses, he or she should also be instructed to alert the Director of Development at (270) 809-3001 or the President of the Foundation at (270) 809-6911 who will assure the transfer is facilitated and properly recorded and acknowledged.

Note: Donors who are interested in donating stock which has depreciated in value since it was purchased, should be advised that it may be better to sell the stock and then give the cash proceeds to the Foundation. This way the donor may be able to claim tax benefits for the capital loss as well as the charitable gift.

3. Delivering in Person

To donate stock and other securities in person, the donor should deliver the gift to the Director of Development in the MSU Office of Development, 200 Heritage Hall, Murray, KY 42071.

Determining Value of Stock:

Stock and other securities received by mail will be recorded at the fair market value (average price) on the date of the postmark.

Stock and other securities delivered in person will be recorded at the fair market value (average price) on the date of delivery.

Closely held stock which is donated to the Foundation will be recorded at the appraised value of the company's stock and in accordance with all regulations of the Internal Revenue Service.

Revised: April 28, 2000
October 21, 2005
July 28, 2015