	POLICY & PROCEDURE MANUAL *Associated Students of California State University Channel Islands, Inc.*	*Policy No.:* ASI 8.0

Policy on Accepting Donations of Securities

Policy:
It shall be the policy of the University to accept gifts of publicly traded securities for the use of the Associated Students of California State University Channel Islands, Inc.

Process:
Gift of securities may be made to CSU Channel Islands in three ways: by mail, in person or through a broker. The method of transfer will determine the date of the gift and, therefore, the value of the gift.

Definitions and Guidance:

Publicly Traded Securities & Mutual Funds
ASI shall accept securities that are traded on all major U.S. Exchanges and NASDAQ. Such securities will be sold immediately according to University and ASI policy. No employee or volunteer working on behalf of the University or ASI may commit to a donor that a particular security will be held by the University, sold through a specific broker or traded on instruction of the donor without the approval of the Director of Development and Chief Financial Officer. The value of a gift of securities is the mean of the high and low values on the date of transfer.

Closely Held Securities
Closely held non-publicly traded securities may be accepted (and may be subsequently sold) only after approval of the Director of Development and Chief Financial Officer in consultation with the ASI Board of Directors.

Restricted Securities
Restricted securities (also known as unregistered securities, investment-letter stock, control stock or private placement stock) are infrequently given as gifts because of the difficulty in transferring ownership and determining fair market value. No gift of this nature will be accepted without the approval of the Director of Development and Chief Financial Officer in consultation with the ASI Board of Directors.

Split Certificates
If a donor has a stock certificate for more shares than the donor wants to give to ASI, the donor should include in the letter of instructions how many shares are to be given to ASI and how many shares are to be returned. The return transaction might take 6-8 weeks.

Depreciated Securities
If current value is less than cost basis, it is generally advisable for the donor to sell the securities, take a tax loss, and contribute cash. Since ASI does not provide tax advice, staff will encourage the donor to consult their tax advisor under all circumstances and most importantly if we suspect this circumstance.

Short Term Appreciation

It is usually inadvisable to contribute appreciated securities held less than twelve months because they are deductible at cost basis rather than fair market value. Since ASI does not provide tax advice, staff will encourage the donor to consult their tax advisor under all circumstances and most importantly if we suspect this circumstance.

Closely Held Stock

Stocks that are not publicly traded may require special handling. Contact should be made with the Director of Development as far in advance as possible if such a gift is contemplated.

Donations of securities by mail:

Stock certificates may be sent by first class mail to:

Edward Jones
484 Mobil Ave., #16
Camarillo, CA 93010

1. The certificates should not be endorsed.
2. In a separate envelope, there should be an endorsed stock power.
3. The signature on the stock power must exactly match the name on the certificates.
4. Also included should be a notarized ownership disclaimer.
5. In addition, a letter, which states the purpose of the gift, should be included with the certificates along with a photocopy of the letter in the envelope containing the stock power.

The date of the gift is the postmark date on the envelope containing the securities. Note that if some other carrier, such as Federal Express, is used instead of the United States Postal Service, the date of actual delivery is the date of the gift.

Donations of securities made in person:

1. The same documents are required as above.
2. The date of the gift is the date of delivery to ASI. The materials should be dropped off at the Development Office located in the Administration Building.
3. The certificates of securities must be given to a member of the Development staff.
4. The Development Office must be contacted in advance (via Marti DeLaO, Director of Development) in order to arrange for the drop off and appropriate staff person to accept the gift of securities.

Donations of securities through a broker:
A stockbroker can be designated to transfer specific securities to ASI from an account. Most brokers require written instructions from their clients.

1. The owner of the securities or the broker should contact the Director of Development, CSU Channel Islands Development Office, (805) 437-8919, who will make arrangements to transfer the securities into an ASI account or provide transfer instructions for the broker.
2. The date of the gift is the date the securities are deposited in the ASI Account. This transaction often takes a few days to complete; therefore, we ask that the client work closely with the University representative to advise them of the desired transfer early in the process.
3. The Director of Development must be advised in writing of the purpose of the gift, and the letter should include a copy of the transfer instructions sent to the broker.

For additional information please contact:

Office of Advancement
Director of Development
Phone (805) 437-8919
Fax (805) 437-8459

Approved by the ASI Board on March 3, 2005:

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Melissa Mirkovich, Chair