

**MURRAY STATE UNIVERSITY FOUNDATION, INC.
POLICY**

SUBJECT: Sale of Foundation Assets that were Donated for a Particular Use by the Foundation

DATE: January 1, 1991

PURPOSE

The Murray State University Foundation, Inc. (Foundation) has received securities, land and other assets as contributions from donors. Many of these assets are contributed to the Foundation to earn a reasonable rate of return to provide for scholarships or other designated uses. The following policy will ensure that the intent of the donor is followed in providing a reasonable rate of return on donated assets:

POLICY

1. The Board of Trustees will be notified of all donated assets to the Foundation. After reviewing the intent and purpose of the contribution, the Executive Committee of the Foundation will determine if the assets are to be retained by the Foundation or transferred to the University. If retained by the Foundation, the Investment Committee will be notified and will determine how the asset is to be invested to earn the best rate of return.
2. After reviewing the intent and restrictions of the donor, the Investment Committee of the Foundation will determine if the asset should be sold or retained in its present form in order to earn the best rate of return.
3. If the Investment Committee recommends the sale of a security, the Investment Committee will determine the price at which the security should be sold and select the broker to transact the sale. *
4. If the Investment Committee recommends the sale of a donated asset, the Investment Committee will direct the President of the Foundation to follow the normal procedures of advertising and receiving bids or to auction the asset in order to obtain the best possible price for the asset.
5. The proceeds from the sale of the asset will be invested and used according to the purpose and intent of the donor.

6. Form 8282, Donee Information Return (as in Section 2.04, Exhibit 1), will be filed by the Foundation accounting staff if gifts valued at \$5,000 or more are sold within three years after date of receipt of the property. Form 8282 must be filed within 125 days after the date of disposition. A copy of the Form 8282 will also be sent to the donor by the Foundation accounting office.

* April 28, 2000 a motion to immediately sell or transfer all future stock gifts to Capital Guardian, unless that stock was restricted was passed.

Revised: July 23, 2015