

**Office of the President**

**TO MEMBERS OF THE COMMITTEE ON EDUCATIONAL POLICY:**

**ACTION ITEM**

*For Meeting of March 15, 2007*

**ADOPTION OF RESOLUTION TO PERMIT THE UNIVERSITY TO APPLY FOR  
LICENSURE TO ISSUE CHARITABLE GIFT ANNUITIES TO NEW YORK  
RESIDENTS**

**EXECUTIVE SUMMARY**

**Proposal:** The Regents and four of the Campus Foundations are licensed to issue charitable gift annuities in the State of California. It is now proposed that The Regents register in the State of New York so that the campus planned giving programs may offer charitable gift annuities to residents of that state.

### RECOMMENDATION

The President recommends that the Committee on Educational Policy recommend to The Regents that the **attached resolution** be adopted to permit the University of California to apply for licensure to the Superintendent of Insurance in the State of New York to issue charitable gift annuities.

### BACKGROUND

The attached resolution would permit the University to apply for licensure in the State of New York to issue charitable gift annuities to residents of New York.

Annuities are contracts between an issuer and an individual (the annuitant) to pay a fixed amount of money to the annuitant for life or a term of years. Charitable gift annuities are similar arrangements except that they are issued by a charity rather than an insurance company. A gift annuity is both a gift – a contribution to a charity – and the purchase of an annuity. The charitable organization guarantees the annuity contract under which the organization agrees to pay the income beneficiary(ies) a fixed income for life.

The University of California has been licensed since 1992 to issue charitable gift annuities in California. Four of the Campus Foundations are also licensed in California. These include the Foundations at Berkeley, Los Angeles, San Diego and San Francisco. The aggregate grand total for assets held in the charitable gift annuity reserve funds, to guaranty the related annuity payments, is more than \$68 million.

The University registered in California so that donors to all campuses would have gift annuities among the planned-giving options that can be offered to them. Not all states require registration; however, as the donor and campus interest has developed, the University has registered in three additional states – Florida, Washington, and Hawaii.

Due to interest from the campuses and a number of UC alumni living in New York, it is now proposed that the University register in the State of New York. The registration requirements vary from state to state. New York requires a resolution from the Board of Regents, a copy of which is attached.

(Attachment)