

## Stock Donation Policy



United Way of Greater Baytown Area & County (UWGBACC) may receive stock donations in lieu of cash. It is UWGBACC's intent to sell stock immediately upon the date received. Since the broker does not always notify UWGBACC when stock has been transferred, the CEO will contact the broker on a quarterly basis at a minimum to ensure stock transfers have been made. The CEO will give the instructions to sell as soon as a stock donation is reported.

The entry in ANDAR will record the value of the stock on the date it was donated using the average of the high and low of the date of donation. It will be recorded as a pledge and a payment. It will then be recorded as a receivable as well as campaign income for that amount.

When the proceeds are received it will be to Debit cash and Credit the receivables for the intent amount. Also, an entry will be made to record the investment fees as a Debit to Services fees and a credit to cash.

### Example of Recording Stock Donation:

- a. Date of intent stock value is \$1,000
  - i. Andar-pledge-\$1,000
  - ii. Payment-\$1,000
  - iii. DR Receivables -\$1,000
  - iv. CR Campaign Income-\$1,000
- b. Date of sale proceeds are \$950
  - i. DR Cash-\$950
  - ii. Gain/Loss on Investments-\$50
  - iii. CR Receivables-\$1,000
- c. The normal policy for acknowledging donors will then follow.

UWGBACC currently uses Amegy Wealth Advisors to handle stock transactions. The delivery instructions for donors are:

Receiving brokerage firm: LPL Financial

DTC# 0075

For Further Credit to Account Name: United Way of Greater Baytown...

For Further Credit to Account #: 3458-7687

DTC/Clearing number: 0075

Contact information: LPL Account Transfers 800.558.7567

The transaction will then show up on the account statement. For questions and to provide immediate instructions to sell the donated stock:

Bryce Holley

VP | Wealth Advisor

Ph: 888-673-3380 | Direct: 435-792-1216

488 N Main, Logan, UT 84321

bryce.holley@zionswealthadvisors.com

*Policy will be reviewed in a minimum of three years from date of Board approval.*

Finance Committee: February 21, 2023, **March 18, 2025**

Board of Directors: **March 26, 2025**

**Review By: 3/2028**