



**UC SAN DIEGO FOUNDATION
POLICY ON DISCOUNTING OF PLEDGES RECEIVABLE**

GENERAL POLICY

Beginning with fiscal year 1996-97, the cumulative amount of each pledge receivable balance of \$350,000 or more (the minimum level of an endowed chair), which is payable over one year or more from each June 30, shall be discounted to its present value at fiscal year-end.

The discount rate to be used in computing the present value at each year end shall either be the University borrowing rate or another pre-determined rate representing the cost of money payable over a period of time. Upon determination of a rate, all applicable pledges receivable shall be discounted using the rate.