# Sample Resolution Establishing a Gift Annuity Program

**WHEREAS** securing planned charitable gifts in general and charitable gift annuity contributions in particular is recognized to be of considerable importance to the future financial stability and overall operation of ABC Charity (hereinafter “ the Charity”),

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The Charity is authorized to establish a program for the issuance of immediate and deferred payment charitable gift annuities.

2. The Charity’s gift annuity program shall be conducted in compliance with all applicable requirements of federal and state law including, if relevant, the laws of states in addition to [*the state in which the Charity is domiciled*].

3. The annuity rates offered to donors by the Charity in connection with gift annuity contributions shall be those suggested from time to time by the American Council on Gift Annuities, although in any given instance a donor may agree to payment of a rate lower than the rate offered by the Charity.

4. The Charity shall establish and maintain a gift annuity reserve fund, or more than one reserve fund if such is required as a result of offering gift annuities in a state that requires a separate fund. The [*Finance Committee or other appropriate committee of the Charity’s governing board*] shall oversee the management of the fund, including the investment of fund assets. The full amount of all gift annuity contributions shall be credited to the fund, along with all earnings on assets attributable to the fund. Disbursements from the fund may be made for the following purposes: to make annuity payments; to pay for the costs associated with investing and managing fund assets and administering the gift annuity program; and to make available to the Charity for its charitable purposes (as designated by the gift annuity donor, if applicable) the amount of fund assets attributable to a particular annuity obligation upon satisfaction of that obligation. Disbursements for any other purposes must be approved by the Charity’s Board of [*Directors/Trustees*]. (**Note:** *A charity that offers gift annuities in several different states may find that some of those states will require additional governing board resolutions containing gift annuity reserve fund provisions worded differently from the reserve fund provision in this sample resolution. Nevertheless, the charity can maintain a single gift annuity reserve fund and still meet the requirements of all states where it issues gift annuities (except California)*.)

5. In managing its gift annuity program, the Charity may employ agents and advisors to assist with various aspects of operating the program. In particular, the Charity may delegate to other entities the administration of gift annuities and the investment of gift annuity reserve fund assets.

6. Further policies relating to operation of the program shall be drafted by *[specify individuals/titles or a committee]* and approved by the Finance Committee *[or other appropriate committee, or by the full Board]* . These policies shall include, but not be limited to setting minimums for ages and contribution amounts, the nature of assets that may be accepted, and acceptable payment frequency.

7. The terms of this Resolution may be amended by the Charity’s Board of [*Directors/Trustees*].

Adopted by the ABC Charity Board of [Directors/Trustees] on the \_\_\_\_ day of 20 .