

Charitable Gift Annuity to the UMD Alpha Nu Omega AA Scholarship Fund

This method of donating to the Alpha Scholarship Fund pays you back high interest while preserving a large percentage of the donation to the Fund. Typical is 85%, worst case 50%. It basically works like Social Security or a pension paying you a promised amount while you are living. There are also significant tax advantages initially and for payments when using non-qualified donations. There is also a method for a onetime donation of qualified money that negates paying taxes on the IRA withdrawal.

The following information gives more details of the CGA process:



The University of Minnesota Foundation (the foundation) invests the assets it receives under gift annuity agreements established by donors who are not California residents as an account in the general foundation endowment. Federal securities law requires the foundation to provide donors with the following description of the material terms of the account's operation. The total value of the assets of the account as of December 31, 2022 was \$45,202,425.17. The foundation maintains its non-California gift annuity assets as part of the general foundation endowment, which is managed by the University of Minnesota Foundation Investment Advisors. Management fees are determined by the endowment policy. The endowment is managed with the objective of balanced growth and income, with an income bias. The endowment investments include publicly traded stocks, corporate and government bonds, mutual funds, and money market certificates.

Gift annuity agreements represent general, unsecured liabilities of the foundation. Because payments under gift annuity agreements with the foundation do not depend on the account's investment performance, reports regarding the account will not be sent to donors who create gift annuities with the foundation or to annuitants under gift annuity agreements unless requested. The foundation will, however, send each annuitant under a gift annuity agreement an annual IRS Form 1099R.

Annuity payments are not insured by an insurance company, are not protected by any insurance guaranty association, and are not backed in any way by the state in which the annuitant lives.

The account is exempt from the registration requirements of the federal securities laws under an exemption applicable to accounts maintained by charities exclusively for the collective investment of assets of certain planned gifts to, and certain accounts of, those charities.

For assistance with this process, or for help making other gifts to the University, please contact:

University of Minnesota Foundation
200 Oak Street SE, Suite 500
Minneapolis, MN 55455-2010
612-624-3333 or 800-775-2187
plgiving@umn.edu

[Ways To Give – Charitable Gift Annuity](#)

(CTRL + Click to Open)

Make a gift and receive income - new higher payout rates!

Many donors have found a charitable gift annuity to be a great way to support the University of Minnesota Duluth, while also receiving dependable lifetime income and tax savings.

The charitable gift annuity payout rates suggested by the American Council on Gift Annuities, and offered by the U of M Foundation, increased on **January 1, 2024**.

Age	Old Rate*	Current Rate*
60	4.9%	5.2%
65	5.4%	5.7%
70	5.9%	6.3%
75	6.6%	7.0%
80	7.6%	8.1%
85	8.7%	9.1%
90+	9.7%	10.1%

**One-life immediate payment gift annuity; rates for two lives will be lower*

If you would like to make a gift, but don't need income right away, you can set up a deferred charitable gift annuity and receive a higher rate.

New: If you are 70 1/2 or older, you can make a qualified charitable distribution of up to \$53,000 from your IRA to fund a charitable gift annuity. Special rules apply.

For more information, or to receive a personalized illustration, contact the U of M Foundation Gift Planning team at [**plgiving@umn.edu**](mailto:plgiving@umn.edu)