

# About your charitable fund

**Non-advised fund policies and guidelines**



Everyone cherishes different causes, driven by faith and values. Thrivent Charitable Impact & Investing® (Thrivent Charitable) helps donors make their individual vision a reality by guiding them along the best path for their journey. We take the anxiety and complexity out of giving so anyone can experience the joy of making a difference. Whenever you have questions regarding your non-advised charitable fund or any of the policies and guidelines described in this booklet, please connect with us at [thriventcharitable@thrivent.com](mailto:thriventcharitable@thrivent.com) or 800-365-4172.

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# Establishing your non-advised charitable fund

## What is a non-advised charitable fund?

Qualified charitable distributions (QCDs) from individual retirement accounts (IRAs) are growing in popularity among eligible donors aged 70½ or older. Many donors combine this giving strategy with a Thrivent Charitable non-advised charitable fund to provide ongoing support to one or more charities over time.

Donors select charities to receive ongoing annual grant distributions from their non-advised charitable fund, either in perpetuity or for a term of years. Once the fund is established, the donor does not maintain any advisory capacity and may not add or remove charities or change any other parameters of the fund. In this way, non-advised charitable funds differ from donor-advised funds.

## Fund agreement

Your fund agreement describes your giving intentions and recommendations based on the information provided in the fund workbook and through discussion with our staff. Please review and sign your fund agreement before transferring QCD assets to your non-advised charitable fund.

## Authorizing access

You may authorize interested parties, such as family members, friends or professional advisors (e.g., financial advisor, CPA, attorney) with access to information about your non-advised charitable fund. This authorization is made as you complete the fund workbook or after your fund is established. As donor, you may change authorized individuals at any time. Contact us for instructions. Financial advisors identified in the fund workbook are provided with read-only online access to your non-advised charitable fund activity (i.e., contact information, gifts and grants). If you wish to restrict online access for your financial advisor, please contact us.

## Fund and grant disclosure options

You can give Thrivent Charitable permission to publish your non-advised charitable fund's name in Thrivent Charitable publications (e.g., annual report, newsletters, social media, website) by checking the designated box under Additional Instructions in the fund workbook. If no box is checked, we'll assume you wish to remain anonymous to the public at all times.

You also have the option to have your non-advised charitable fund's name shared with charities when grant distributions are sent. If no box is checked in this section of the fund workbook, your non-advised charitable fund's name will not be shared with benefiting charities. If you wish to have us inform recommended charities of your intended support at the time your non-advised charitable fund is created, please contact us. You may change your disclosure preferences at any time.

## Tax, legal and financial advice

Charitable giving can result in significant tax, legal and financial benefits and consequences. Because Thrivent Charitable cannot provide legal or tax advice, you are strongly encouraged to consult your personal attorney and tax advisor before making any gifts.

## Gifts to your fund

### Assets to establish your non-advised charitable fund

You may establish your non-advised charitable fund with the direct transfer of qualified charitable distributions (QCDs) from your IRA. Contact us for more information about other giving options available for donor-advised funds.

### Additional gifts

You're welcome to make additional QCD gifts to your non-advised charitable fund at any time. If you have questions about how to make additional QCD gifts, please contact us.

### Irrevocability

Charitable gifts to Thrivent Charitable are irrevocable once the transfer of gift assets is complete. With gifts made upon death, such as bequests and beneficiary proceeds, you retain control of these future gifts while living.

## Gifts of qualified IRA distributions

If you are 70½ or older, you can create a non-advised charitable fund with gifts of qualified charitable distributions (QCDs) from your IRA.

### What is a QCD?

- Donors age 70½ and older can transfer up to \$100,000 from their IRAs directly to qualifying charities, such as Thrivent Charitable, each year.
- The amount transferred can be used to meet your required minimum distributions.

### Potential tax advantages of giving QCDs

- The amount directed to Thrivent Charitable is not included in your adjusted gross income (AGI).
- Giving these assets to Thrivent Charitable versus taking required minimum distributions (RMDs) as income may enable you to avoid certain disadvantages associated with a higher adjusted gross income (AGI) (e.g., higher Medicare premiums, self-employment or Social Security taxes).
- You do not pay income tax on QCD distributions to Thrivent Charitable.
- As QCDs are not subject to percentage limitations on charitable deductions, they offer an ideal strategy to those who have either exceeded maximum charitable deductions or do not itemize deductions in annual tax filings.

### Gift acceptance and tax receipts

In accordance with procedures adopted by the Thrivent Charitable Board of Directors, a duly authorized Thrivent Charitable officer or other designated staff person accepts your gift on behalf of Thrivent Charitable. Once your gift is accepted, a tax receipt is sent to you. In cases where multiple gifts are made in one year, a final comprehensive tax receipt is sent following year-end.

### Policy for selling capital assets

Gifts of capital assets are sold by Thrivent Charitable as soon as possible. Proceeds from the sale of these assets are directed to your non-advised charitable fund and invested according to our investment policy.

### Fundraising policy

Thrivent Charitable cannot accept checks from individual supporters in response to fundraising events promoting non-advised charitable funds at Thrivent Charitable (e.g., golf tournaments, banquets, silent auctions). The exception is when Thrivent Charitable has agreed to sponsor and run an event and all conditions outlined by Thrivent Charitable are met. Gifts received at a fundraising event for a specific non-advised charitable fund should be made payable to the individual organizing the event and are not eligible for a charitable tax deduction from Thrivent Charitable.

## Grant distributions

### Distributions of grant support

Grant distributions from your non-advised charitable fund are sent directly to benefiting charities. Thrivent Charitable cannot provide grant distribution checks to the donor for personal delivery. You may designate grants for general operating support or specific projects upon establishing your non-advised charitable fund. Grants provide general operating support unless otherwise noted by the donor.

## Grant distribution policies

A non-advised charitable fund at Thrivent Charitable enables donors to support charities—either in perpetuity or for a term of years. As a reminder, once the fund is established, the donor does not maintain any advisory capacity and may not add or remove charities or change any other parameters of the fund.

- **Perpetual grant support.** Through the perpetual grants option, 5% of a non-advised charitable fund's value is distributed proportionately among recommended charities on an annual basis. This distribution rate is subject to change with the value of the fund.
- **Term-of-years grant support.** Through this grant option, 10% of the non-advised charitable fund's value is distributed annually among recommended charities for 10, 15 or 20 years, based on the donor's request. Following the term of years, any remaining assets in your non-advised charitable fund are distributed to the charities and the fund is closed.

### Optional One-time grant to specific charities.

A portion of a donor's initial gift may be granted to one or more recommended charities as a lump-sum. This option is available whether the initial gift is made upon death or while the donor is living. A minimum of \$50,000 or 20% of the gift, whichever is greater, must remain in the ongoing portion of the fund.

## When a charity no longer exists

If a recommended charity no longer exists, annual distributions are made proportionately among remaining charities. If all charities cease to exist and no other charitable recommendations are in place, remaining non-advised charitable fund assets are directed to the Thrivent Charitable Community Fund. In the case of non-advised charitable funds with term-of-years grant distributions, remaining non-advised charitable fund assets are distributed among named charities at the end of the term. If all charities cease to exist, remaining assets are distributed to Thrivent Charitable Community Fund.

## Qualifying charities and grant making due diligence

Thrivent Charitable strives to ensure grants from your non-advised charitable fund achieve your giving intentions and verifies the charitable status of all nonprofits receiving grants. Each grantee's financial and program information is reviewed. While the vast majority of grants recommended by donors are honored by Thrivent Charitable, the following types of grant requests are not permissible:

- Grants providing a more than incidental benefit to the donor or other third party. This includes: all or a portion of the cost to attend a charitable event, goods bought at charitable auctions, raffle tickets, grants to satisfy a financial obligation to any individual or entity, grants fulfilling fundraising pledges or other commitments, or grants directed to or for the benefit of specific individuals (e.g., school tuition, scholarships earmarked for individuals).
- Grants to organizations whose purpose or work is not solely charitable or when the grant is used for a non-charitable purpose (e.g., cemeteries, VFW, fraternal societies).
- Grants to private non-operating foundations.
- Grants to supporting organizations 501(c)(3)s identified in 509(a)(3) without an IRS determination letter stating they are "Type I" or "Type II."

For more information about permissible grants from your charitable fund, please contact us. Visit [thriventcharitable.com](http://thriventcharitable.com) for information on specific charities and resources for evaluating them.

Organizations receiving grants from your non-advised charitable fund are requested to reference the name of your non-advised charitable fund (example: The (insert fund name) of Thrivent Charitable Impact & Investing) in press releases, publications and other related communications (unless you requested anonymity).

## Variance power

As a public charity, Thrivent Charitable is governed by federal laws and regulations requiring it to retain “variance power.” This means by accepting donor gifts, Thrivent Charitable must have the ability to redirect charitable support under certain circumstances. This includes if a charity loses its nonprofit status, support to a charity becomes unnecessary, the charity becomes incapable of fulfilling its mission, or it's otherwise inconsistent with the charitable purposes of Thrivent Charitable.

## Fees and expenses

### Administrative fees

Once gift assets are received to your non-advised charitable fund, an annual fee equal to 1% is assessed to assets on a quarterly basis to cover program and administrative expenses. This fee is based on the fund's average daily balance for the quarter. Fund assets in excess of \$1,000,000 are assessed a reduced fee of 0.5% and additional reductions occur with assets exceeding \$5,000,000. Fees are assessed on a per fund basis and are subject to change. Contact Thrivent Charitable for additional information.

### Investment expenses

Thrivent Charitable invests gift assets in a diversified portfolio of no-load, institutional class investments. Investment advisory fees are netted out of overall investment returns.

## Investment of fund assets

### Investments overview

All investments are reviewed for approval by the Thrivent Charitable Board of Directors. Investment assets of your non-advised charitable fund may be commingled with the assets of other charitable funds Thrivent Charitable holds and administers.

## Investing your fund's assets

For non-advised charitable funds, you may choose to invest gift assets in any growth-oriented investment portfolio at the time you establish your fund. Once gift assets are invested, changes in market value may cause the value of the underlying investments of your non-advised charitable fund to be worth more or less than the value of the original gift. All dividends and capital gains are reinvested. If no investment allocation is selected in the fund workbook, assets are invested in the Thrivent Charitable Impact Fund™.

### Investment recommendations

Whenever possible, Thrivent Charitable follows donors' investment preferences. As per IRS regulations, investment recommendations are advisory and Thrivent Charitable may follow or decline donors' recommendations. Investments are administered in accordance with the financial policies of Thrivent Charitable and are subject to normal market and interest rate fluctuation risks. Any gain or loss generated by the above investments is reflected accordingly in the fund's value. Thrivent Charitable's Board of Directors reserves the right to change the investment of your non-advised charitable fund's assets. Contact us for additional information.

## Donor communications

### Fund reports and online access

At least annually, Thrivent Charitable provides updated statements to donors with non-advised charitable funds that are actively making grants. These reports detail grants to charities, administrative fees and investment gains or losses. Statements are available online at [thriventcharitable.com](http://thriventcharitable.com). Please contact us whenever you have questions regarding your non-advised charitable fund.

## Resources to support you

Thrivent Charitable provides tailored service, so you can make informed and thoughtful giving decisions. Please contact us if we can help you:

- Identify charities/nonprofit organizations matching your interests and values.
- Link your giving with Thrivent Charitable-led initiatives, joining other donors to provide support to specific charitable concerns.
- Make additional QCD gifts to your non-advised charitable fund.

Following are additional resources to help you evaluate charities and learn more about giving:

**Your plan for giving**—This questionnaire is designed to help you define your charitable interests. We encourage donors to share completed questionnaires with Thrivent Charitable. Your responses can help guide us should a recommended charity cease to exist or change its mission.

**Charity Navigator** ([CharityNavigator.org](https://www.charitynavigator.org))—Charity Navigator is America's most prominent evaluator of charities. Its rating system examines two broad areas of a charity's financial health—how responsibly it functions day-to-day as well as how well positioned it is to sustain its programs over time. Each charity is awarded an overall rating, ranging from zero to four stars.

**GuideStar** ([GuideStar.org](https://www.guidestar.org))—With free registration, you can view information on all 1.8 million nonprofits listed with GuideStar and all are formally registered with the IRS or have proven they meet all IRS criteria for exempt organizations.



# About us

Thrivent Charitable Impact & Investing® brings hope to the world by empowering people to create the change that matters most to them. We open the joy of generosity to all by making it easy for anyone to give to the causes they cherish. We take a holistic, personalized approach to help our donors create strategic charitable plans, illuminating new paths to personalized impact through visionary models, tailored service and deep expertise. Ignited by our faith, we are passionate about creating positive impact and inspiring lasting change in our communities.



Thrivent Charitable Impact & Investing® is a public charity that serves individuals, organizations and the community through charitable planning, donor-advised funds and endowments. Thrivent Charitable Impact & Investing works collaboratively with Thrivent and its financial advisors. It is a separate legal entity from Thrivent, the marketing name for Thrivent Financial for Lutherans.

Insurance products, securities and investment advisory services are provided by appropriately appointed and licensed financial advisors and professionals. Only individuals who are financial advisors are credentialed to provide investment advisory services. Visit [Thrivent.com](https://www.thrivent.com) or FINRA's BrokerCheck for more information about Thrivent's financial advisors.

While diversification can help reduce market risk, it does not eliminate it. Diversification does not ensure a profit or protect against loss in a declining market. Investing involves risks, including the possible loss of principal.

Performance results will include Thrivent Charitable administrative fees and may differ from the results of the underlying fund.

Donors/fund advisors are subject to the policies and guidelines outlined in this booklet. Thrivent Charitable Impact & Investing® reserves the right to modify these policies and guidelines at any time.

