

# Craft your giving legacy

Fulfill your charitable intentions  
beyond your lifetime  
with flexible legacy options.

# Leave a legacy of giving

Continue your philanthropy beyond your lifetime by crafting a giving legacy that reflects your charitable values. A giving legacy, laid out in a succession plan, is an effective way to ensure the assets remaining in your philanthropic account continue to fulfill your charitable mission.<sup>1</sup>

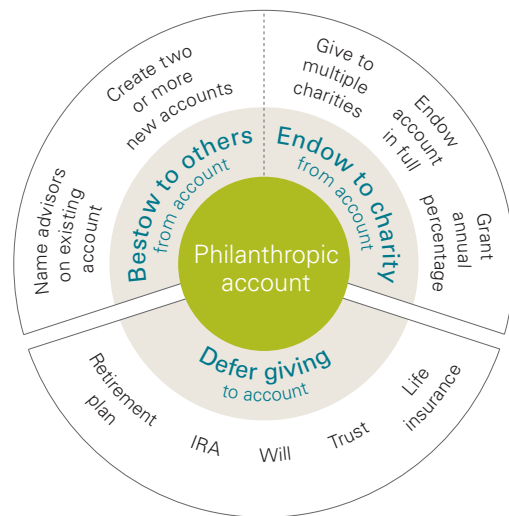
Your philanthropic account can be bestowed to loved ones or endowed to charity in a variety of ways. Mix and match different options to craft a plan that meets your philanthropic goals. Plans are set up to be flexible and can be changed or amended at any time.

## Bestow to others

Pass your philanthropic values and account privileges to loved ones and continue a tradition of giving. We encourage you to include your charitable successors early on in your philanthropy, so they are better prepared to manage your account when the time comes.

**Pass on your account.** You can appoint up to two individuals, such as your spouse and child, to assume account privileges. Any individuals can be named account advisors, which allows them to recommend grants, select investment options, and change account preferences. New account advisors may then name new successor-advisors, allowing your original account, and spirit of giving, to continue for generations.

Figure A. Legacy options



**Create new accounts.** If you wish to divide your account so more than two individuals can advise, you may request to have multiple new philanthropic accounts opened when the succession plan is enacted. Each account requires a minimum initial balance of \$25,000.

## Endow to charity

Recommend your account's remaining assets go directly to nonprofit organizations as a final testament to your charitable mission.<sup>2</sup>

### Recommend final grants to charity.

Recommend one or more charities to receive a final grant from your remaining account balance.

<sup>1</sup> Plans are enacted when account advisors are deceased or unable to manage account processes. Vanguard Charitable remains the sole owner of the assets within the account and has ultimate control and discretion over account investments and distributions.

<sup>2</sup> Charities identified as grant recipients in the succession plan will be subject to review once the plan is enacted to ensure they remain in good standing with the IRS.

**Transfer account assets to The Philanthropic Impact Fund.** The Philanthropic Impact Fund issues grants primarily to nonprofits whose work seeks to improve philanthropy by developing and delivering resources to help donors make effective giving decisions and help charitable organizations operate efficiently. The fund, which grants a minimum of 5% of its balance annually, is managed by Vanguard Charitable's trustees. If a succession plan is not selected, account assets are automatically moved to The Philanthropic Impact Fund.

**Establish recurring grants.** Recommend that one or more charities receive a recurring grant based on a percentage of your remaining account balance through an Endowed Grant Plan (EGP). Total annual distribution is a minimum 5% and can be distributed across any month except November or December, due to seasonal transaction volume. Over time, remaining account funds will continue to grow tax-free through investments.

- **Term:** Grants may continue for a specific time or as long as the account's size continues to exceed distributions. While accounts are not permanent endowments, theoretically, recurring grants could continue indefinitely if the account growth, which depends on financial markets and investment choices, outpaces the distributions. The minimum term for an endowed grant plan is five years.
- **Termination:** Remaining account assets will be distributed in a lump sum at the conclusion of

a predetermined term. If no term is indicated or the account balance can no longer support the requested distribution, remaining account assets will be distributed in a final grant.

- **Notification:** One individual may be nominated to receive statements and confirmations about EGP activity. This individual may not alter EGP parameters or recommend additional grants.

### Deferred giving

Fulfill your philanthropic intentions beyond your lifetime by establishing a plan now to gift to charity later. Deferred giving options allow you to donate your assets when you pass to Vanguard Charitable, which will then create or add to an account and grant to charity in your honor.

Vanguard Charitable can be named as a beneficiary to the assets listed in Figure A, allowing you to move assets from a taxable estate into a tax-free, philanthropic environment.<sup>3</sup>

Family, friends, heirs, professional advisors or even Vanguard Charitable may be named advisor to the account.

For more information, please see our *Policies and guidelines* booklet.

For help crafting your giving legacy, contact us at [questions@vanguardcharitable.org](mailto:questions@vanguardcharitable.org).

<sup>3</sup> Individual circumstances may vary. Consult a tax advisor for advice on how best to manage your situation.



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