The Salvation Army has been offering Charitable Gift Annuity Agreements to qualified donors for over seventy five years. During that entire period it has never failed to deliver the required payments to annuitants on a punctual basis. For a gift of cash or readily marketable securities, the Army will promise to pay to you (or another – but for no more than two lives) a fixed amount for the life or lives of the designated annuitant(s).

The Salvation Army voluntarily adheres to the rates recommended by the American Council on Gift Annuities, an association of almost 2,000 charitable institutions including the Army. The Council generally reviews gift annuity rates and changes them prospectively according to the current and projected financial market conditions. The rate of payment for each individual annuity contract is determined and permanently fixed as a function of the age(s) of the annuitant(s) on the date the irrevocable gift transfer is made.

On January 31, 1941 the Army was given a special permit to issue Charitable Gift Annuity contracts by the New York State Department of Insurance. The Department vigorously regulates the manner in which charities can issue such contracts. The Army is required to maintain a segregated gift annuity reserve account. Actuarial calculations are made annually to determine that the appropriate reserve to back our annuity obligations is maintained. The Insurance Department regulations describe and restrict the investments that may be held in the segregated reserve account; the permissible investments are conservative.

The Salvation Army’s segregated annuity reserve account is managed through a custodial relationship with State Street Global Advisors in Boston, Massachusetts. All gifts for annuities are commingled in that segregated account. The Army exercises ongoing oversight of the account and its investments. On September 30, 2017, the segregated gift annuity fund had assets of $80,804,918 from 3,110 gifts. Further, the obligation to pay the annuities is a general obligation of the Army and is backed by all of its assets.

◆ “SECURITY STATEMENT” APPROVED BY THE SALVATION ARMY BOARD OF TRUSTEES – MAY 2001
◆ ASSET VALUE OF ANNUITY FUND UPDATED THROUGH SEPTEMBER 30, 2017