



OVERVIEW OF SERVICES

APRIL 2022



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OVERVIEW

The Catholic Foundation is a service organization dedicated to *Bringing Ministry to Life* in the Diocese of St. Petersburg. Since 1997, we have served as the exclusive diocesan entity responsible for the establishment and administration of endowments and specialized legacy gifts, working with dedicated parishioners, community leaders and businesses to ensure the future and prosperity of the Catholic Church diocesan boundaries. We strive to meet the long-term funding needs of our parishes, schools and outreach ministry partners, while also working with individual donors seeking ways to establish endowments, charitable gift annuities and Bequest Funds, as well as major gift funds like Donor-Advised Funds and Life Funds. Through these types of gifts, a donor can support their parish, school, ministry and/or outreach both now and in the future.

The Catholic Foundation accepts the gift, and protects and utilizes it for the intended purposes of the donor. Our staff has extensive experience in a variety of fundraising environments, and we remain dedicated to utilizing our experience to assist the entities we serve through a variety of services and products, helping pastors, principals, ministry leaders and parishioners courageously live the Gospel.

Holdings (As of January 1, 2022)

- + 98 endowed and long-term managed funds totaling just over \$100 million, which will distribute a projected \$3.8 million in 2022-2023 to support 58 parishes, schools and diocesan ministries and services.
- + 29 Charitable Gift Annuities totaling \$1.4 million.
- + 7 active Donor-Advised funds totaling almost \$1 million, which granted more than \$300,000 last year.

Earnings & Distributions

- + Historically, our endowments have earned an average of 7% per year.
- + The current disbursement policy is 4.5% to beneficiaries, with the balance rolled back into the principal gift to strengthen the investment and increase potential disbursement perpetually.

Administrative Fee

- + The administrative fee for all funds held within the Foundation covers the costs of fund administration, governance and investment advisory services along with consultation and program services of the Catholic Foundation.
- + The fee does not include investment fees from managers.
- + Fees are reduced as the invested amount increases. The current fee schedule is below:

Investment Amount	Administrative Fee
First \$5 million	75 bps (.0075%)
Next \$5 million	50 bps (.005%)
Assets over \$10 million	20 bps (.002%)

To Learn More

From planning for today to planning for tomorrow, the Catholic Foundation is here to help. More information is available online at www.catholicfoundation.org/leave-a-legacy. Contact us by email at foundation@dosp.org or by phone at 727-374-0220 to further discuss any of the services listed or to schedule an appointment.

CAMPAIGN & MAJOR GIFT SERVICES

Parishes, schools and ministries may encounter situations due to growth or expansion of services that cannot be met through the regular annual giving of their supporters. At those times, the organization may realize a new course of action must be taken to meet the increased need.

To that end, we work with our parishes, schools and ministries as a consulting liaison to help facilitate campaigns or major gift efforts, offering assistance with the following:

- + Strategy development and committee recruitment and training;
- + Vendor vetting for items such as feasibility studies and campaign management;
- + Prospect review;
- + Cultivation and solicitation training;
- + Material development; and
- + Event planning and assistance.

The Catholic Foundation can:

- + Help identify donors who have the ability and capacity to support the mission;
- + Build strategies and communications to foster successful relationships;
- + Assist in finding grant opportunities;
- + Guide discussions on needs and how to meet them; and
- + Help with onboarding of new fundraising staff and volunteers.

PLANNED GIVING SERVICES

The Catholic Foundation recognizes the unique opportunity and blessing that planned gifts offer to a donor and their parish, favorite ministry or Catholic school. We work directly with a donor and/or their chosen entity to help structure their best last gift.

The Catholic Foundation can assist with:

- + Life planning seminars;
- + Planned giving products education and overview; and
- + Legacy Society development.

The Catholic Foundation also provides parishioners the opportunity to build and/or enhance their legacy through a variety of options including bequest, gift designation, IRA rollover and Charitable Gift Annuity, as well as a complete Wills Guide to make the estate planning process more manageable.

The Catholic Foundation will:

- + Assist in arranging life planning seminars and establishing Legacy Society materials for the host organization;
- + Offer one-on-one visits with parishioners and those who support the organization to discuss options;
- + Work directly with pastors, principals and leaders to ensure the fulfillment of their donor's charitable intentions;
- + Provide all paperwork and guidance during the process of establishing the planned gift;
- + Maintain records and provide reports to beneficiaries; and
- + Build strategies, communications and make suggestions regarding mailing and email outreach to help build an established planned gift fund or let others know of the opportunity to contribute to the previously established fund.

ENDOWMENT FUNDS

Endowed funds established through the Catholic Foundation ensure that the corpus (or original donation) is preserved, while income earned on the investment is available for use each year for the beneficiary. They are excellent vehicles for donors wishing to provide long-term support for parishes, schools and larger diocesan ministries, especially in the areas of building upkeep and future repairs, ongoing funding for major programs or outreach efforts, tuition assistance, scholarships and much more.

Benefits & Beneficiaries

- + Provides a steady source of annual income.
- + Earns a market rate of return – approximate conservative estimate of 5.25%.
- + For parish beneficiaries, distributions are assessable if used for an assessable purpose.
- + Organization leadership can work with the donor to limit restrictions, ensuring the endowment can fulfill needs perpetually.
- + Once established, any person can contribute any amount at any time to the corpus.
- + An endowment is a wonderful choice to help further the mission of a parish, ministry or school. Some examples of endowment uses are as follows:

Parish Endowment

- Building and grounds upkeep and repairs
- Staff training and resources
- Parish events
- Transportation programs
- Emergency funds
- Liturgical needs
- Art and environment

School Endowment

- Scholarships
- Books and supplies
- Library resources
- STEM upgrades
- Food programs
- Teacher and staff training and resources
- School events
- Transportation programs
- Emergency funds
- Building and grounds upkeep and repairs

Ministry Endowment

- Sacramental programs
- Faith formation
- Mission trips
- Volunteer recruitment and training
- Children's ministry
- Music ministry
- Youth and young adult ministry
- Food pantries

The Rules and Details

- + Minimum to establish a named endowed fund is \$25,000 payable over a 5-year period. If not funded in 5 years, the Board of Trustees shall have the authority to release the restriction and place it into the general endowment funds of the Foundation.
- + Distribution of earnings will not be made until the fund is invested for a period of 12 months.
- + Distribution amount is calculated based on the market value of the fund and interest earnings at the end of the preceding fiscal year and is approved by the Board of Trustees.
- + Distributions are made in two installments on or about October 31 and April 30 each fiscal year.
- + The beneficiary can elect to not receive a distribution during any cycle, and the distribution will be reinvested to grow the principal of the fund. This amount becomes part of the corpus and will not be available to the beneficiary at a later date.
- + Use must always honor donor intent (the designated use chosen at time of donation).
- + The administration fee is calculated for each fund based on invested amount and fiscal-year performance. Please see page 1 for the current fee schedule.

How We Assist

The Catholic Foundation will:

- + Work directly with pastors, principals, leaders and donors to ensure the fulfillment of their charitable intentions;
- + Help identify areas of need;
- + Provide all paperwork and guidance during the process of establishing the fund;
- + Maintain records and provide reports to donors and beneficiaries;
- + Facilitate calculation and distribution of bi-annual distribution to beneficiary; and
- + Serve as the primary point of contact for all information regarding the fund.

Endowment Illustrations

\$25,000 Donation

Year	Annual Earnings (based on 7% Current Annual Av)	4.5% Annual Distribution (Current Policy)	Adjusted Principal
1	\$ 26,750.00	\$ 1,125.00	\$ 25,625.00
2	\$ 27,418.75	\$ 1,153.13	\$ 26,265.63
3	\$ 28,104.22	\$ 1,181.95	\$ 26,922.27
4	\$ 28,806.82	\$ 1,211.50	\$ 27,595.32
5	\$ 29,526.99	\$ 1,241.79	\$ 28,285.21

\$100,000 Donation

Year	Annual Earnings (based on 7% Current Annual Av)	4.5% Annual Distribution (Current Policy)	Adjusted Principal
1	\$ 107,000.00	\$ 4,500.00	\$ 102,500.00
2	\$ 109,675.00	\$ 4,612.50	\$ 105,062.50
3	\$ 112,416.88	\$ 4,727.81	\$ 107,689.06
4	\$ 115,227.30	\$ 4,846.01	\$ 110,381.29
5	\$ 118,107.98	\$ 4,967.16	\$ 113,140.82

Illustration Notes

1. Earnings from Foundation are indicative of past performance and not guaranteed. Investments are subject to losses.
2. Illustrations above do not include the administrative fee. The administrative fee covers the costs of fund administration, governance and investment advisory services along with consultation and program services of the Catholic Foundation. Please see page 1 for the current fee schedule.

PARISH, SCHOOL & MINISTRY LIFE FUNDS

At the Foundation, we understand that the needs of the organizations comprising our diocese may vary and that placing funds into a permanent endowment may not be a one-size-fits-all solution. However, we also recognize that having a fund available for larger needs that may occur outside of budget planning would be beneficial. For these situations, we recommend a Parish, School or Ministry Life Fund.

Benefits & Beneficiaries

- + Earns a market rate of return – as of 7/31/2020 approximate conservative estimate of 5.25%.
- + Pastor, ministry leader, or principal manages the fund and can request two distributions per year.
- + Funds can be distributed until the corpus is depleted.
- + Donors can direct to one of five designated uses within the fund:

Parish Life Fund

- Sacramental
- Education & formation
- Facility
- Ministry
- General (non-designated)

School Life Fund

- Tuition assistance emergency fund
- Scholarship - need based
- Facility
- Capital needs
- General (non-designated)

Ministry Life Fund

- Program/outreach
- Ongoing education & formation
- Facility
- Capital needs
- General (non-designated)

The Rules and Details

- + \$10,000 minimum initial investment.
- + Comprised of new donations from supporters.
- + For parishes, assessment is not paid on initial donation at time of fund establishment, only on accepted distributions and total distribution if fund is dissolved.
- + Use must always honor donor intent (the designated use chosen at time of donation).
- + The administration fee is calculated for each fund based on invested amount and fiscal-year performance. Please see page 1 for the current fee schedule.

How We Assist

The Catholic Foundation will:

- + Work directly with pastors, principals, leaders and donors to ensure the fulfillment of their charitable intentions;
- + Help identify areas of need;
- + Provide all paperwork and guidance during the process of establishing the fund;
- + Maintain records and provide reports to donors and beneficiaries;
- + Facilitate calculation and distribution of bi-annual distribution to beneficiary;
- + Serve as the primary point of contact for all information regarding the fund; and
- + Build strategies, communications and make suggestions to help build the fund.

Parish Illustrations

Donation Made to Parish and Invested in S&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Donation	100,000						100,000
Investment Earnings from S&L (1.0%)	1,000	808	814	821	828		4,271
Distribution to Pay Assessment	(20,200)	(162)	(163)	(164)	(166)	-	(20,855)
Distribution Available for Parish Use						(83,146)	(83,146)
Ending Balance	80,8000	81,446	82,097	82,754	83,416	-	-

Donation Made to Parish Life Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Donation	100,000						100,000
Estimated Earnings of Foundation Portfolio (5.25%)	5,250	5,486	5,733	5,991	6,261		28,721
Foundation Administrative Fee (.0075%)	(750)	(784)	(819)	(856)	(894)		(4,103)
Distribution to Pay Assessment	-	-	-	-	-	(24,924)	(24,924)
Distribution Available for Parish Use	-	-	-	-	-	(99,694)	(99,694)
Ending Balance	104,500	109,202	114,116	119,251	124,618	-	-

Difference in Distribution for Parish Use: **\$ 16,278**
16.3%

School/Ministry Illustrations

Donation Made to School/Ministry and Invested in S&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Donation	100,000						100,000
Investment Earnings from S&L (1.0%)	1,000	1,010	1,020	1,030	1,041		5,101
Distribution Available for School/Ministry Use						(105,101)	(105,101)
Ending Balance	101,000	102,010	103,030	104,060	105,101	-	-

Donation Made to School/Ministry Life Fund

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Donation	100,000						100,000
Estimated Earnings of Foundation Portfolio (5.25%)	5,250	5,486	5,733	5,991	6,261		28,721
Foundation Administrative Fee (.0075%)	(750)	(784)	(819)	(856)	(894)		(4,103)
Distribution Available for School/Ministry Use	-	-	-	-	-	(124,618)	(124,618)
Ending Balance	104,500	109,202	114,116	119,251	124,618	-	-

Difference in Distribution for School/Ministry Use:

**\$ 19,517
19.5%**

Illustration Notes

1. Earnings from S&L are subject to change at any time by the Board of Trustees of the S&L.
2. Earnings from Foundation are indicative of past performance and not guaranteed. Investments are subject to losses.
3. Illustrations above include the first level administrative fee of .0075%. The administrative fee covers the costs of fund administration, governance and investment advisory services along with consultation and program services of the Catholic Foundation. Please see page 1 for the current fee schedule.

DONOR-ADVISED FUND

At the Foundation, we recognize that donor-advised funds (DAFs) have become one of the most requested giving options for donors worldwide. In an effort to provide the best service to our parishes and parishioners, we have created a donor-advised fund that will offer the best of both worlds: the ability to support IRS qualified 501(c)(3) organizations that share our Catholic values and beliefs while receiving an immediate tax deduction.*

Benefits & Beneficiaries

- + Donor may name the fund.
- + An initial contribution of \$5,000 or more may yield an immediate tax deduction.*
- + Grants can be made on the donor's schedule.
- + Donors do not have to fill out paper contribution forms, send letters or write checks; the process is automated through the online donor platform.
- + DAFs are investment accounts and funds are vested with portfolios representing Catholic values and beliefs.
- + Donor does not need to collect tax receipts from charities or itemize on their returns. Donors receive a tax deduction* at the time of the initial or subsequent contribution(s) into the charitable account.
- + Donors can recommend a grant to support a variety of qualified 501(c)(3) organizations.

**Please consult with a tax professional as to personal tax circumstances.*

The Rules and Details

- + The minimum contribution to establish a DAF is \$5,000.
- + The account must be active within 36 months. Active is defined as a contribution into the account or contributions out of the account to qualified organizations.
- + Once the contribution is made, the donor accepts that the gift is irrevocable.
- + The donor understands that all grant recommendations are subject to review and must be to organizations with IRS qualified 501(c)(3) status and fall within guidelines as provided by the United States Conference of Catholic Bishops (USCCB).
- + Though it is always our goal to honor donor intent, the donor understands and accepts that we can decline a recommended grant to any organization at any time for not complying with USCCB guidelines.
- + The donor understands that the Foundation must follow all IRS tax regulations as pertaining to DAFs and that these rules and details are subject to change as a result of updates to the tax law.
- + The administration fee is calculated for each fund based on invested amount and fiscal-year performance. Please see page 1 for the current fee schedule.

How We Assist

The Catholic Foundation will:

- + Offer flexibility in the timing of charitable giving;
- + Provide access to a user intuitive, state-of-the-art donor platform for making contributions into a DAF account and requesting grants out of it 24 hours a day, seven days a week;
- + Provide immediate access to account information and statements for donors; and
- + Streamline the charitable giving process for donors, their family and beneficiaries.

FOUNDATION BEQUEST PROGRAM

Our parishes and schools are comprised of generous families, many of whom wish to leave their best, last gift to benefit their spiritual home, the school that supported their academic and faith life, or the ministry that impacted their lives. Most often, this is done through a bequest in their will, or as a beneficiary designation through an insurance policy or individual retirement account (IRA). Traditionally, when a parish, ministry or school received an unrestricted bequest they did not have an immediate need for, their only option has been the Diocesan Savings and Loan (S&L) program. The Foundation is offering a new option which allows investment of these funds over time to receive a better interest rate until needed.

Benefits & Beneficiaries

- + Earns a market rate of return – as of 7/31/2020 approximate conservative estimate of 5.25%.
- + Funds can be distributed until the corpus is depleted.
- + A bequest fund could help parishes, schools or ministries in a variety of ways:

Parish Bequest Fund

- Building and grounds upkeep and repairs
- Staff training and resources
- Parish events
- Transportation programs
- Emergency funds

School Bequest Fund

- Scholarships
- Books and supplies
- Library resources
- STEM upgrades
- Food programs (including weekend provisions)
- Teacher and staff resources

Ministry Bequest Fund

- Sacramental programs
- Faith Formation
- Mission trips
- Volunteer recruitment and training
- Children's ministry
- Music ministry

The Rules and Details

- + Minimum contribution for the Bequest Program is \$10,000.
- + For bequests received in the last 11 months.
- + If a general bequest is made and the funds are not immediately needed, this investment account is designed to maximize earnings. The recommended time frame is a minimum of 5 years, and investments are subject to losses.
- + If funds must be accessed before the end of year one, earnings from that year are forfeited.
- + Distributions can be requested in year two on a fiscal-year semi-annual basis, and 100% can be distributed at the end of year five to close the account if leadership requests this.
- + The administration fee is calculated for each fund based on invested amount and fiscal-year performance. Please see page 1 for the current fee schedule.

How We Assist

The Catholic Foundation will:

- + Work directly with pastors, principals, leaders and donors to ensure the fulfillment of their charitable intentions;
- + Help identify areas of need;
- + Provide all paperwork and guidance during the process of establishing the fund;
- + Maintain records and provide reports to donors and beneficiaries;
- + Facilitate calculation and distribution of bi-annual distribution to beneficiary;
- + Serve as the primary point of contact for all information regarding the fund; and
- + Build strategies, communications and make suggestions to help build the fund.

Parish Illustrations

Bequest to Parish Placed in S&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Bequest	100,000						100,000
Investment Earnings from S&L (1.0%)	1,000	1,008	1,016	1,024	1,032		5,080
Distribution to Pay Assessment	(200)	(202)	(203)	(205)	(206)		
Distribution Available for Parish Use						(104,064)	(104,064)
Ending Balance	100,800	101,606	102,419	103,238	104,064	-	-

Bequest to Parish Placed in Foundation Bequest Program

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Donation	100,000						100,000
Estimated Earnings of Foundation Portfolio (5.25%)	5,250	5,486	5,733	5,991	6,261		28,721
Foundation Administrative Fee (.0075%)	(750)	(784)	(819)	(856)	(894)		(4,103)
Distribution Available for Parish Use	-	-	-	-	-	(124,618)	(124,618)
Ending Balance	104,500	109,202	114,116	119,251	124,618	-	-

Difference in Distribution for Parish Use:

\$ 20,554
20.6%

School/Ministry Illustrations

Bequest to School/Ministry Placed in S&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Bequest	100,000						100,000
Investment Earnings from S&L (1.0%)	1,000	1,010	1,020	1,030	1,041		5,101
Distribution Available for School/Ministry Use						(105,101)	(105,101)
Ending Balance	101,000	102,010	103,030	104,060	105,101	-	-

Bequest to School/Ministry Placed in Foundation Bequest Program

	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution on Last Day of Year 5	Total
Original Donation	100,000						100,000
Estimated Earnings of Foundation Portfolio (5.25%)	5,250	5,486	5,733	5,991	6,261		28,721
Foundation Administrative Fee (.0075%)	(750)	(784)	(819)	(856)	(894)		(4,103)
Distribution Available for School/Ministry Use	-	-	-	-	-	(124,618)	(124,618)
Ending Balance	104,500	109,202	114,116	119,251	124,618	-	-

Difference in Distribution for School/Ministry Use:

\$ 19,517
19.5%

Illustration Notes

1. Earnings from S&L are subject to change at any time by the Board of Trustees of the S&L.
2. Earnings from Foundation are indicative of past performance and not guaranteed. Investments are subject to losses.
3. Illustrations above include the first level administrative fee of .0075%. The administrative fee covers the costs of fund administration, governance and investment advisory services along with consultation and program services of the Catholic Foundation. Please see page 1 for the current fee schedule.

CHARITABLE GIFT ANNUITY

A Charitable Gift Annuity (CGA) is a type of planned gift that allows a donor to receive fixed payments from an invested principal throughout their lifetime and leave the remainder to the Catholic parish, ministry or outreach entity of their choice upon their passing.

The process for setting up a CGA is simple: after completing a contract with the Catholic Foundation, the donor transfers cash, stock or property to the Catholic Foundation, and we pay a fixed rate based on age on a fixed schedule for life. Payments may be setup for the donor alone (single life) or for the donor and one beneficiary (two life). At the time of the donor's passing, the Catholic Foundation provides the designated Catholic beneficiary the remaining value.

Benefits & Beneficiaries

- + Current interest rates for charitable gift annuities almost double that of the interest earned in CD and money market accounts.
- + Payment is fixed, and therefore, payments do not change with investment returns.
- + Depending upon gift amount, donor may receive the added benefit of mostly tax-free payments.
- + Donor will receive a charitable deduction at the time the gift is made.
- + In the past, donors have chosen a variety of beneficiaries of their Charitable Gift Annuity including:

Parish

- Non-restricted/where most needed
- Building and grounds upkeep and repairs
- Liturgical needs
- Art and environment

School

- Non-restricted/where most needed
- Scholarships
- Teacher and staff training and resources
- Emergency funds
- Building and grounds upkeep and repairs

Ministry

- Sacramental programs
- Faith formation
- Youth and young adult ministry
- Food pantries/programs
- St. Vincent de Paul

The Rules and Details

- + For optimum rates, the recommended age for donors wishing to purchase a CGA is 65.
- + The minimum contribution to establish a Charitable Gift Annuity is \$5,000.
- + Once the contribution is made, the donor accepts the gift is irrevocable.

How We Assist

The Catholic Foundation will:

- + Provide all paperwork and guidance during the process of establishing the fund;
- + Facilitate calculation and distribution of payments to donor; and
- + Serve as the primary point of contact for all information regarding the fund.



Catholic Foundation

Bringing Ministry to Life.

Courageously Living the Gospel

BY SUPPORTING THE PARISHES, SCHOOLS & MINISTRIES
OF THE DIOCESE OF ST. PETERSBURG

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