

# The Charitable Fund That You Direct



## A Fund to Serve Many Charities

A Donor Advised Fund (DAF) is established with a minimum \$5,000 donation to The Catholic Foundation. The fund immediately begins to generate a market rate of return from Foundation investments. You, the donor, then request gift distributions from the fund in amounts, and at specific times, of your choosing.

### THE GOAL

To simplify ongoing charitable giving through a central fund established by a donor.

### THE STRATEGY

Establish a Donor Advised Fund and let The Catholic Foundation do all the work. You advise when and where your funds are distributed, and the Foundation writes and delivers the checks.

### THE BENEFITS

A Donor Advised Fund allows you to make gifts without the stress of managing the funds and paperwork. We track all gifts made and send you a quarterly statement. You receive one gift acknowledgement for each donation to the DAF instead of multiple gift acknowledgements from many charities.

### WHY START A DONOR ADVISED FUND?

Once the fund is established, you simply contact us at any time to request a charitable distribution to your favorite charities. Key benefits of a Donor Advised Fund include:

- You may donate to the DAF any liquid asset, including grain, stocks or cash
- Upon your donation you are eligible for a tax deduction
- You may make additional donations to the DAF at any time
- DAF funds are invested in accordance with the United States Conference of Catholic Bishops guidelines for Socially Responsible Investments
- The Catholic Foundation manages the fund and makes distributions to preferred charities at your request
- You are not required to disperse DAF funds within any specific time period
- A great account to have for year-end tax planning and charitable giving



# Frequently Asked Questions

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## **WHAT IS THE CATHOLIC FOUNDATION OF SOUTHERN NEBRASKA?**

The Catholic Foundation is a charitable foundation established to serve the Catholic community by promoting Christian philanthropy. A community foundation, The Catholic Foundation offers donors highly effective fund vehicles for their charitable resources, professional stewardship of those funds, optimal tax benefits, and a program of generous and responsible giving to the community that creates meaningful and lasting legacies.

## **WHAT IS THE FOUNDATION'S RELATIONSHIP TO THE DIOCESE?**

The Catholic Foundation is an entirely independent entity, with its own 501(c)(3) designation, bylaws, board of directors and staff professionals. It functions, however, as an integral partner to serve the Diocese of Lincoln and the entire Catholic community. It was established in 1999 to gather and manage funds upon which the Catholic Diocese of Lincoln could depend to serve its people, parishes, schools, hospitals and social service agencies. The Bishop is a member of the Board of Directors.

## **WHO IS IN CHARGE OF INVESTING DONOR ADVISED FUND ASSETS?**

The investment of fund assets is under the control and supervision of The Catholic Foundation of Southern Nebraska. Currently, Foundation investment assets are managed by several money managers, each of which follows strict Catholic investment policies under the supervision of the Board of Directors and the Foundation's Investment Committee. Manager performance is carefully monitored and tracked on an ongoing basis, and is reviewed quarterly by the Board of Directors.

## **WHY SHOULD I HAVE A DONOR ADVISED FUND?**

A Donor Advised Fund can receive donations of cash, plus other liquid assets which include stock, mutual fund shares, or grain. For your donation, you receive a gift acknowledgment for a charitable tax deduction. Then, with a simple email or phone call, you advise us which charities should receive gifts from the fund. You effectively centralize your giving and record-keeping in one location, and we handle all the details.

## **CAN ANYONE START A DONOR ADVISED FUND?**

Yes. If you currently write multiple checks each year to various charities, a DAF will simplify your charitable giving and make things easier at tax time with one charitable donation receipt from The Catholic Foundation instead of multiple receipts from various charities. Starting a DAF requires a minimum donation of \$5,000.

## **DO I HAVE TO LIQUIDATE THE FUND EACH YEAR?**

No. You can request charitable distributions from the fund whenever you wish. There is no requirement to distribute money from the fund within any specific time frame.

## **HOW DOES THIS SIMPLIFY MY YEAR END TAX ACCOUNTING?**

If you decide at the end of the year that you need a tax deduction, you can make a charitable donation to your Donor Advised Fund at the last minute. There is no need to make gifts to your favorite charities at that time: you can delay that decision until later. If you make multiple donations to your DAF throughout the year, the last gift acknowledgment letter you receive from the Foundation will include all calendar year donations.