

The Catholic Foundation

Q&A

What is *The Catholic Foundation*?

The Catholic Foundation is an umbrella endowment fund established in 1987 by Bishop O'Neill. Parishes, schools and diocesan agencies may establish endowment accounts with *The Catholic Foundation*. This endowment fund accepts gifts whose principal (corpus) remains untouched for perpetuity, but allows for the distribution of earnings.

Why was *The Catholic Foundation* established?

Motivated by good stewardship practices, *The Catholic Foundation* provides the individual participants (accounts) the advantages of more favorable diversified investment strategies available to pooled funds, and documented accountability, while avoiding duplication of legal and administrative costs.

Where do the endowment funds come from?

The best source for endowment funds is from planned gifts. Planned gifts include: Bequests through Wills, Charitable Gift Annuities, Charitable Remainder and Lead Trusts, Life Insurance instruments, Retained Life Estates, to name a few. Because of favorable governmental regulations for these planned gifts, significant tax advantages are available to interested parishioners with charitable intentions.

Who manages *The Catholic Foundation*?

The Catholic Foundation is managed by a voluntary Board of Directors representing many professional fields of expertise and areas of the Diocese. As President of *The Catholic Foundation*, the Bishop appoints the Board of Directors. The day-to-day management team includes the Executive Director, provided by the Diocesan Stewardship Development Office, the services of the Diocesan Accounting and Data Processing Office and investment advisors for each Fund.

How are the endowment funds invested?

Participants select from three options depending upon their investment needs and objectives. The three investment options are: The Growth Fund, The Fixed Income Fund, and The Balanced Fund. The three funds cover the spectrum of long term, short term, and intermediate investment strategies for capital growth and income.

How are the earnings distributed?

All earnings may be: **1)** annually withdrawn; **2)** accumulated as retained earnings for later withdrawal; or **3)** returned in part or whole to the principal (corpus). The original principal (corpus) plus the other permanent contributions cannot be withdrawn.

Why should you become a member of *The Catholic Foundation*?

Many donors prefer to perpetuate their gifts through an endowment program, providing a long-term source of income for their most cherished intentions. Currently many donors are choosing to direct their gifts in this fashion. By being a member of *The Catholic Foundation*, the parish or diocesan agency will publicly position itself in the minds of parishioners for such gifts.