



The Catholic Foundation of Central Florida

Inspire Giving. Fund God's Work.

Donor Advised Funds Terms and Conditions

The following are the terms and conditions that govern the establishment and administration of any Donor Advised Fund ("Fund" or "DAF") through the Catholic Foundation of Central Florida, Inc. (the "Foundation"), a section 501(c)(3) public charity.

Establishing a Donor Advised Fund Account:

Funds may be established by a donation of cash or marketable securities to the Foundation. Any other gift form must be approved by the Foundation's Board of Directors. All donations to the Foundation must also satisfy the Gift Acceptance Policy of the Foundation in force at the time of the transfer. The Gift Acceptance Policy of the Foundation is available upon request.

How to open a fund:

A Fund may be opened from time to time by a Donor upon completion and execution of a Donor Advised Fund Agreement as well as any ancillary documentation that may be required by the Foundation.

How to close a fund:

A Fund may be closed by granting 100% of the balance of the Fund.

Ownership of the funds:

The assets in the Fund (donations and investment gains) are irrevocably transferred to the Foundation, which retains the exclusive control over the investment and distributions of the Fund. These Terms and Conditions governing the Funds may be modified from time to time by the Foundation's Board of Directors. The Foundation has the right to modify any condition or restriction on the distribution of Funds should the Board of Directors determine the restriction or condition is impractical, or in violation of these Terms and Conditions.

All Fund gifts to the Foundation are treated as gifts to a public charity, and are generally tax-deductible, subject to legal limitations. However, we do not provide tax or legal advice and recommend that you discuss with your advisor.

Investments in the Donor Advised Fund:

All investments are made in line with the Investment Policy Statement of the Foundation, which is available on request. In consultation with our investment consultant and Investment Committee, an asset allocation has been adopted which provides liquidity and growth appropriate to match a donor's strategy for the Fund. The pools are outlined as follows:

Donor Strategy	Time Horizon	Investment Strategy
Disburse all DAF funds to permissible organizations over shorter time frame	Up to five years	Preservation of capital and income are the primary objectives for this fund.
Disburse all DAF funds to permissible organizations over longer time frame	Over five years	Growth of capital and current income generation are the primary objectives for this fund.
Retain DAF corpus and disburse income from	Permanent	Long-term growth and retention of purchasing power are the primary objectives of this fund.

The Foundation will retain complete discretion and control over the investment of the Fund and all distributions from the Fund.

Administrative fee:

The Foundation shall receive an administrative fee, which may be taken from the Fund, for reasonable and proper compensation for services rendered to, and expenses incurred by, the Fund which shall be determined in accordance with the rules and procedures for the administration and operation of donor advised funds of the Foundation as may be in effect from time to time. The Foundation will charge the Fund the administrative fee to cover the investment management, administration, legal, and program expenses related to the Fund. This amount does not include pass-through investment management fees, which can change as investment allocations are updated. The Fund will be charged an annual administrative fee of 1% which will accrue based upon the daily balance in the Fund. The administrative fee will be withdrawn quarterly from the Fund balances, in an amount equal to the accrual for such quarter, except that the amount withdrawn will never be less than Twenty-Five Dollars (\$25.00). The Foundation intends to withdraw and pay the administrative fee within thirty (30) days following the end of each quarter.

Selection of Advisors:

The Donor may designate the following Advisors for the Fund:

- **Fund Advisor:** The Donor will designate one or more Fund Advisors, who will have advisory privileges for the Fund, subject to these Terms and Conditions. Fund Advisors must be 18 years of age or older and can include any family member of the Donor. The advisory privileges of the Fund Advisor include the ability to make grant recommendations to the Foundation and the ability to name successor Fund Advisors permitted under these Terms and Conditions. **However, the Foundation retains final authority over all distributions from the Fund.** The Fund Advisor will be contacted first for any information or inquiry regarding the Fund. Each Fund Advisor will serve until the first to occur of the following: (1) the death of such Fund Advisor, (2) the resignation (or release of privileges) of such Fund Advisor, (3) the Abandonment (as defined below) by such Fund Advisor or (4) the Incapacity (as defined below) of such Fund Advisor. If there is no Successor Fund Advisor named for a particular Fund, then a Fund Advisor may appoint a Successor Fund Advisor that qualifies to serve in that position.
- **Initial Fund Advisor:** The Donor will designate one (1) or more initial Fund Advisors, who will be deemed the Initial Fund Advisor for a particular Fund. The Donor will also decide whether the Donor or the Initial Fund Advisor will select Successor Fund Advisors.
- **Successor Fund Advisor:** The Successor Fund Advisor is one or more additional Fund Advisors that are named by either the Donor or the Initial Fund Advisor to serve after the Initial Fund Advisor. Each Successor Fund Advisor must be a family member of the Donor and must be within one (1) generation of the Initial Fund Advisor. Each Successor Fund Advisor shall have all of the privileges of a Fund Advisor.
- **Reviewer:** Each Fund Advisor may designate one (1) or more persons to serve as a Reviewer. A Reviewer does not retain the ability to make grant recommendations, but can access information regarding the account such as: balances, donation and grant history, and recent activity. This may be the Donor's CPA or financial advisor, as an example.

The Fund Advisor, Initial Fund Advisor and Successor Fund Advisor are collectively referred to as the "Advisors". All designations of Advisors shall be set forth on the Advisor Access Form (available upon request) and approved by the Foundation.

"Abandonment" means there has been no activity by a Fund Advisor as to a particular Fund for a period of three (3) years. "Incapacity" means the inability of a Fund Advisor to serve in that capacity as determined in writing addressed to the Foundation from both a Successor Fund Advisor (if so named) and the regularly attending physician of the Fund Advisor.

If there is no Fund Advisor serving on a Fund, and no valid Successor Fund Advisor named for such Fund, then the Foundation will transfer the remaining balance to that certain endowment

fund designated by the Donor in their Donor Advised Fund Agreement, but if there was no such designation, the remaining balance will be transferred to the general endowment fund of the Foundation.

Grants to Charities:

The Advisors may from time to time submit suggestions to the Foundation regarding the distributions to be made from the Fund and may consult with the Foundation's staff about the use of the Fund for the purposes set forth above. The Donor understands and agrees that the Foundation is not bound by these suggestions and the Foundation retains the ultimate authority over all distributions from the Fund.

Advisors will make grant recommendations from the assets of the Fund using the Donor Advised Fund Grant Recommendation Form (available upon request) or by some other method as prescribed by the Foundation. Grant applications submitted by the 15th of each month will generally be processed by the end of the calendar month. In the event an application requires special review or handling, the application may require additional time to process.

All grants are to be awarded to organizations as described below that are designated 501(c)(3) organizations by the Internal Revenue Service. All grants must be for charitable purposes only, as defined in IRC 170(c)(2)(B). Grants are not permitted to private non-operating foundations or non-functionally integrated Type III supporting organizations. The Foundation will not allow gifts for charitable purposes to non 501(c)(3) organizations.

All grants must be at least \$100. Grants will be sent with a letter from the Foundation indicating the name of the Fund and the Advisor unless otherwise specified in the Donor Advised Fund Agreement. Please note that a minimum fee of \$25.00 will be charged to the fund to cover the cost to the Foundation for grants that require special processing, such as wire transfers.

Grant Restrictions:

Distributions from the Fund may be made only to organizations which are (i) qualified under Section 501(c)(3) of the Code and which are (a) described in Section 509(a)(1) or 509(a)(2) of the Code, or (b) private operating foundations described in Section 4942(j)(3) of the Code AND (ii) either (a) a parish, school or other entity under the ecclesiastical authority of the Bishop of the Diocese of Orlando or (b) on a list of organizations pre-qualified by the Foundation whose work is in keeping with Catholic Social Teaching, as defined by the U.S. Conference of Catholic Bishops (the "Charitable Listing"). The Donor or Advisor may request a copy of the Charitable Listing from the Foundation.

No grants will be made to individuals, for political contributions, or to support political campaign activities. Neither the Donor nor the Advisor, or any successors, family members or other relatives of the Donor or the Advisor ("Related Individuals") can receive any benefits, goods or services in connection with a grant recommendation. Grants for galas, fundraising events (such as buying a table), items purchased at a silent auction, memberships, tuition and other like items are strictly prohibited. The nature of the grant must be 100% charitable with no

tangible benefit for the Donor, Advisor or any Related Individuals. Grants from the fund may not be used to satisfy a pledge for anyone, including the Donor, Advisor or any Related Individuals.

Some examples of unqualified 501(c)(3) organizations:

- *Planned Parenthood – abortion, contraception, collection of fetal tissue*
- *Susan G Komen – support of Planned Parenthood and embryonic stem cell research*
- *ALS Association – embryonic stem cell research*
- *Alliance for Girls – support of Planned Parenthood*
- *The Alzheimer’s Association – embryonic stem cell research*
- *The American Cancer Society – funding to planned parenthood and embryonic stem cell research*

The Foundation retains the final authority on whether an organization is a permissible grantee of any Fund distribution.

Procedure:

The Advisor may recommend to the Foundation a potential grant from the Charitable Listing, or by suggesting an organization the Advisor believe falls within the guidelines of these Terms and Conditions. If the organization has not been previously approved, the Foundation will check that the new grantee organization follows both IRS regulations as well as Catholic doctrine. The Foundation will check the organization utilizing appropriate criteria, including, but not limited to, the following, as determined by the Foundation from time to time. The Foundation retains the final authority to approve or deny any grant recommendation.

IRS Check:

- 1) Is the organization’s headquarters in the United States or a United States Territory?
 - a. IRS requirement: Yes
- 2) Is the organization a 501(c)(3) non-profit entity?
 - a. IRS requirement: Yes
- 3) Is the organization in good standing with all IRS filing (this will be checked on GuideStar, a website service for non-profit organizations)?
 - a. IRS requirement: Yes
- 4) Will the funds be used to provide benefit to an individual person or the fund holder themselves?
 - a. IRS requirement: No

Catholic Doctrine Check:

- 1) Is the organization’s mission in conflict with Catholic teaching?
 - a. General guidelines put forth by the United States Catholic Conference of Bishops (USCCB) include special attention to:

- i. Protecting human life
 - ii. Protecting human dignity
 - iii. Reducing arms production
 - iv. Pursuing economic justice
 - v. Protecting the environment
 - vi. Encourage corporate responsibility
 - b. To ensure there is no conflict with Catholic teaching, we will research the organization's website, call the organization if still unclear, and vet through the proper channels internally. Further discussion will occur with the Donor after this internal review.
- 2) Does the organization have a "Statement of Faith"?
- a. If the non-profit is affiliated with and consistent with the Catholic Church and its teaching, the grant will be approved.
 - b. Catholic parishes and schools will be verified using the most recent edition of the Kennedy Directory.
 - c. Catholic Sponsored organizations such as Catholic Charities of Central Florida will be approved.
 - d. If the organization is not affiliated in some capacity and not consistent the social teaching of the Catholic Church, it is the policy of the Foundation not to permit the grant.