

FOUNDATION BEQUEST PROGRAM

Our parishes are comprised of many generous families, many of whom wish to leave their best, last gift to benefit their spiritual home. They most often do this through a bequest.

Traditionally, when a parish received an unrestricted bequest they did not have an immediate need for, their only option has been the Diocesan Savings & Loan. The Foundation is offering a new option, which allows a parish to invest these bequest funds over a period time and receive a better interest rate until needed.

† Benefits:

- ✓ *Earns a market rate of return – as of 9/30/19 approximate conservative estimate of 5.25%.*
- ✓ *Funds can be distributed until the corpus is depleted.*
- ✓ *As with S & L, assessment not paid on the bequest, only on interest earned.*

† The Rules and Details:

- ✓ *Minimum contribution for the Bequest Program is \$10,000.*
- ✓ *For new bequests only.*
- ✓ *If a general bequest is made and the funds are not immediately needed, this investment account is designed to maximize earnings. The recommended timeframe is a minimum of 5 years, and investments are subject to losses.*
- ✓ *If funds must be accessed before the end of year 1, earnings from that year are forfeited.*
- ✓ *Distributions can be requested in year two (2) on a fiscal year-quarterly basis, and 100% can be distributed at the end of year five (5) to close the account if leadership requests this.*

† How We Assist:

- ✓ **Planned gifts:** The Catholic Foundation is proud to offer our fellow parishioners the opportunity to build and/or enhance their legacy through *planned giving*. We offer a variety of options, explanations for all of which can be found here at www.giftplanning.catholicfoundation.org.

- *Bequest*
 - *IRA Rollover*
 - *Beneficiary Designation Gifts*
 - *Charitable Gift Annuity*
 - *Charitable Remainder Unitrust*
 - *Charitable Remainder Annuity Trust*
 - *Charitable Lead Trust*
 - *Sale and Unitrust*
 - *Bargain Sale*
 - *Give It Twice Trust*
 - *Life Estate Reserved*
- ✓ *We also help you identify potential donors.*
 - ✓ *Assist you in hosting planned giving seminars.*
 - ✓ *Identify follow-up opportunities.*
 - ✓ *Offer one-on-one visits with your potential donors.*

† **Bequest Program Illustration - \$100,000 Donation:**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Bequest to Parish Placed in S&L:						
Original Bequest	100,000					100,000
Investment Earnings from S&L (1.5%)	1,500	1,518	1,536	1,555	1,573	7,682
Distribution to Pay Assessment	(300)	(304)	(307)	(311)	(315)	(1,537)
Distribution Available for Parish Use						(106,145)
Ending Balance	101,200	102,414	103,643	104,887	106,145	-

Bequest to Parish Placed in the Foundation Bequest Program:						
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 (.75%)	(750)	(784)	(819)	(856)	(894)	(4,103)
Distribution to Pay Assessment	-	-	-	-	-	(24,924)
Distribution Available for Parish Use	-	-	-	-	-	(124,618)
Ending Balance	104,500	109,202	114,116	119,251	124,618	-

**In the Catholic Foundation Bequest Program,
an additional \$18,473 is raised for parish use, representing an increase of 18.5%.**

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. The general rule of thumb for investment accounts is the longer funds remain with the Foundation the better the earnings. For best returns, the Foundation recommends the fund be invested for 3-5 years before taking distributions.
4. Foundation administrative fees are intended to cover costs of administration and investment advisory services.