

January 10, 2020

Dear Donor:

We want to bring your attention to operational changes to our Donor Advised Fund (DAF) grant process. A notice issued by the Internal Revenue Service affects two types of grants from a DAF. Based on this notice, our legal counsel has advised us to make the following changes:

First, effective April 30, 2020, we can no longer approve grants to pay for events, galas, memberships and dues where there is an economic benefit included in the cost. Previously, we approved such grants where the costs were bifurcated (split) with the charitable portion paid from your DAF and the benefit portion paid directly by you to the nonprofit organization.

Second, on a positive note, your DAF will now be able to pay a personal pledge by the DAF donor to a qualifying charitable organization. Payments from a DAF on personal pledges by donors were previously not allowed. This new beneficial rule will be effective immediately.

We understand these changes will affect you as an individual and the agencies you support. Please contact us to help you navigate any issues that this may cause.

Thanks for your support of The Catholic Foundation.

Kind regards,

A handwritten signature in blue ink that reads "Matt".

J. Matthew Kramer  
President/CEO

JMK/lis