“For my wife and I, the Church has played such an important part in our lives,” says Dennis Purdum, Catholic Foundation of Southwest Iowa (CFSWIA) Board of Directors Vice Chairman (pictured far left). “It has given us an opportunity to really provide support in the things that are important to us.”

Dennis and his wife, Connie (pictured next to Dennis), are passionate about Catholic education. With this in mind, they decided to establish a Donor Advised Fund (DAF) with the CFSWIA.

“Long-term, we knew we wanted a certain amount of our estate to be left for Catholic causes. However, we created the Donor Advised Fund in lieu of a private foundation. With a Donor Advised Fund, we avoid legal fees and financial reporting, and we don’t have to worry about the investment of the funds. All we have to worry about is where we want the funds distributed,” says Dennis.

Dennis and Connie opened their DAF three years ago and it has allowed them to set aside money for their charitable desires. Since then, their fund has grown, which gives them the opportunity to have an even greater impact on the organizations they have a desire to support financially. One of these entities is St. Malachy Catholic School in Creston, Iowa. Dennis also serves on the Finance Committee at St. Malachy.

“Another benefit of a Donor Advised Fund is that it sends a message to our family. It shows our children and grandchildren the importance of charitable giving and the causes we want to support,” says Dennis.

Dennis and Connie have two children and six grandchildren, and currently reside in Creston, Iowa.

“They Purdum’s dedication to St. Malachy and its surrounding community is unyielding. Without his support, we have students who otherwise would not have attended St. Malachy School. Our facilities have improved because of their generous givings. Their contributions aren’t always in the area of finance, but also in providing priceless advice and counsel to keep our school running in tip-top shape. Thank you!”

-Jennifer Simmons
St. Malachy School Principal
OPENING A DONOR ADVISED FUND IS AS EASY AS 1, 2, 3!

A Donor Advised Fund (DAF) with the Catholic Foundation of Southwest Iowa (CFSWIA) is a segregated account that an individual or family can utilize to conveniently grant dollars to Catholic parishes, schools, or organizations.

GIVE
A donor makes an immediate, tax-deductible donation of cash, securities, or other assets.

GROW
The donation creates a fund that can grow through professionally managed investments.

GRANT
The donor will recommend grants to any Catholic parish, school, or organization.

A DAF can easily be established with a simple, signed agreement. The minimum initial contribution of cash or appreciated assets to create a DAF is $5,000. The CFSWIA annual fee for administration and investment services is approximately 1%. The donor has the option to name the account and any successor advisors, if desired. The DAF can memorialize the name of the donor or can remain anonymous.

CFSWIA offers quarterly consulting upon donor request. Our assistance offers a donor’s passion to be linked with needs found in the Catholic parishes, schools, and organizations within the diocese. Many donors actively use a DAF during their lifetime in order to build philanthropic resources, which grow tax-free.

An online portal allows for hassle-free contributions and grant recommendations at the donor’s convenience and simplifies record keeping. A DAF is an influential route to take when teaching younger generations about philanthropy. The donor can involve his or her family to make decisions that best fit how the family desires to impact the diocese.

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BENEFITS OF CF SWIA

INVESTING

Dollars are invested in accordance with the U.S. Conference of Catholic Bishops’ (USCCB) Catholic Values Investing principles. There are three portfolio options for funds to be invested into. Investments are screened and monitored on a quarterly basis.

Donors have three investing options in terms of risk: strategic, moderate, and defensive. A donor may choose to invest in any combination of the three portfolios to diversify as they desire.

TAX BENEFITS

A DAF can be especially useful when your financial circumstances might benefit from a significant charitable tax deduction in a single year, while you might wish to distribute or grant your gifts over several years. This is referred to “bunching” or “bundling” gifts.

The donor receives an income tax deduction up front in the year of the contribution to the DAF and donated funds are immediately available for distribution with no minimum distribution requirements.

If the donor contributes cash to a DAF, the income tax deduction is limited to 60% of the donor’s adjusted gross income (AGI). If long-term appreciated assets, such as stocks, bonds, or real estate, are contributed to the DAF, the donor has an opportunity to further leverage the deduction. By donating these types of assets the donor generally will avoid capital gains tax. The charitable income tax deduction is based on the fair market value of the property and is limited to 30% of the individual’s AGI.

For more information, please contact Brooke Pulliam, Director of Planned Giving by phone at 515-237-5080, or by email at bpulliam@catholicfoundationiowa.org.