

Handbook

The Catholic Foundation

Diocese of Jackson, Mississippi, Inc.



*Blessed is the person who plants a tree
so others may sit in its shade*

2009

Catholic Foundation Beginnings

Before the Catholic Foundation was established, many trusts for the Church were scattered throughout the diocese. Legally and canonically, such funds were the responsibility of the diocese, but they were not organized in a way so as to be accountable to the diocese either investment-wise or allocation-wise.

Bishop Joseph Brunini found the solution to the dilemma in the formation of the Catholic Foundation. Upon its charter of incorporation, the funds in these trusts were brought under the responsibility and accountability of the diocese. The appointment of a lay board of directors, headed by the bishop, assured allocation of the funds in the best interest of accomplishing the intent of the donor and to assure their use for the best interest of the Diocese. Unification of the funds under a state charter and board of directors secured the public trust.

The Catholic Foundation of the Diocese of Jackson, Mississippi, Inc. is the sole foundation in this diocese established to solicit, collect and allocate gifts given in trusts to endow the good works of parishes, missions and ministries of this diocese.

The benefits of pooling the scattered funds were in accord with the intentions of the donors. That is, pooling gave the funds power to generate better rates of return. It also allowed flexibility to diversify investments, thus protecting the larger fund from serious losses due to fluctuating interest rates on the one hand and the volatility of the stock market on the other. Pooling also made the fund accessible to an independent audit and eliminated unnecessary management fees.

The Catholic Foundation makes it possible for the diocese to assume its legal and canonical responsibility over all such collection of funds. The Catholic Foundation allows the diocese to manage the funds with lay professionals in the field for financially sound results in a cost efficient manner worthy of donor trust.

Brief History of the Catholic Foundation

July 18, 1973

Bishop Joseph B. Brunini, along with 23 persons from throughout the diocese, gathered in the Chancery building for an organizational meeting to create the Catholic Foundation of Mississippi. Msgr. Bernard Law said the opening prayer.

September 27, 1973

The vision became reality in the 4th floor Directors Room of the Deposit Guaranty National Bank Building in Jackson. The 31 attendees at the 1st meeting of the membership, adopted by-laws and elected Jack Geary president, George Sliman vice-president, Emily Hall secretary, and John Grower treasurer. John A. Welsch, Jr. secured the Charter of Incorporation. Incorporators were Joel Blass, Andrew Carr and W.E. Watts, Sr.

March 1, 1977

The Diocese of Biloxi was established. Foundation assets were divided. An amended charter (9-6-78) changed the foundation's name to its present title.

February 1, 1993

The Catholic Foundation merged with the new diocesan Department of Stewardship Development.

Presidents

John H. Geary 1973-1978	Raymond J. Nalty 1990-1991
Edward L. Walsh 1979-1982	S. Griffin Norquist, Jr. 1991-1992
Earle F. Jones 1983-1985	Charles P. Adams, Jr. 1992-Present
John M. Grower 1986-1990	

Executive Directors

Father Lawrence Watts	1974-1975
Ray Converse	1978-1979
Jean G. Edwards	1980-1992
George Roman	1993-2009

Date	Assets	Total Accounts
September 1973	\$ 174,691	4
June 1977	\$ 413,658	14
June 1992	\$ 2,463,356	115
June 1998	\$ 4,400,306	152
June 2000	\$ 5,732,249	169
June 2005	\$ 7,956,411	257
June 2008	\$12,379,047	317

Table of Contents

Bylaws.....	2
Article I – Name	2
Article II – Purposes	2
Article III – Definitions.....	3
Article IV – Offices	3
Article V – Members	3
Article VI – Board of Directors.....	5
Article VII – Officers	8
Article VIII – Contracts, checks and deposits	10
Article IX – Fiscal Year.....	11
Article X – Seal	11
Article XI – Waiver, Informal Action, and Notice	11
Article XII – Amendments	12
Trust Funds.....	13
Procedures for Establishing New Trusts	
Investment Policy	17
Reserve Policy	19
Membership	20
Foundation Grants.....	22
Grant Application Guidelines.....	22
Donor Advised Trust Policy.....	23
Donor Privacy Policy.....	24
Gift Acknowledgement Policy	24
Charitable Gift Annuities	25
The Donor Bill of Rights	26

AMENDED AND RESTATED BYLAWS OF THE CATHOLIC FOUNDATION OF THE DIOCESE OF JACKSON, MISSISSIPPI, INC.

WHEREAS, this Corporation was incorporated as the Catholic Foundation of Mississippi at a time when the Catholic Diocese of Natchez-Jackson included the entire State of Mississippi within its boundaries, and

WHEREAS, subsequently the Catholic Diocese of Biloxi was formed from the Southeastern portion of the former Diocese of Natchez-Jackson and the name of the Diocese of Natchez-Jackson was changed to the Diocese of Jackson, and

WHEREAS, the assets of the Foundation were divided between the Diocese of Jackson and the Diocese of Biloxi, and

WHEREAS, the name of this Corporation was changed to the Catholic Foundation of the Diocese of Jackson, Mississippi, Inc., and

WHEREAS, certain amendments are desired in the Bylaws of the Corporation and it is proper to restate those Bylaws in order to reflect the changes resulting from the creation of the Diocese of Biloxi, the change of the name of the Diocese of Natchez-Jackson to the Diocese of Jackson and the change in the name of this Corporation. Now therefore, the following amended and restated Bylaws have been adopted by the members of this Corporation at a meeting duly called and held on the 2nd day of December, 1987, and on the 26th day of April, 2001.

ARTICLE I. NAME

The name of this corporation is The Catholic Foundation of The Diocese of Jackson, Mississippi, Inc. It is a Mississippi nonprofit corporation.

ARTICLE II. PURPOSES

The corporate purposes and powers are set out in the Charter of Incorporation, as amended.

ARTICLE III. DEFINITIONS

Section 1. The term "Bishop" as used in these Bylaws refers to the Bishop of the Roman Catholic Church whose See City is presently Jackson, Mississippi, and each successor in office.

Section 2. Upon the death or transfer of the Bishop, his powers, rights and duties as provided herein shall immediately vest in his successor. In the event of the Bishop's disability and an apostolic administrator or a coadjutor administrator is appointed, the Bishop's powers, rights and duties as provided herein shall immediately invest in said apostolic administrator or coadjutor administrator.

Section 3. The term "Diocese" as hereinafter used shall mean the Roman Catholic Diocese of Jackson.

Section 4. In the event that the Diocese of Jackson is hereafter divided into two or more Dioceses, the assets held in trust for the use of said Diocese or agencies or institutions of said Diocese shall be held in trust for the use of the new Dioceses in accordance with Canon Law and ecclesiastical authority.

ARTICLE IV. OFFICES

Section 1. The principal office of the Foundation shall be 237 East Amite Street in the City of Jackson, First Judicial District of Hinds County, Mississippi, or such place as the directors may from time to time select.

Section 2. In addition to the principal office, the Foundation may have such other offices as may be helpful or convenient to the Foundation's operations.

ARTICLE V. MEMBERS

Section 1. Members. The members of this corporation at the time these revised and Restated Bylaws as adopted are shown on the membership list which is Exhibit "A" to these Bylaws. *(The list is shown with the original Bylaws.)*

Section 2. Qualifications of Members. In order to be a member of this Foundation a person must: (1) be a member in good standing of a parish of the Catholic Diocese of Jackson or

have demonstrated an interest in furthering the aims and goals of said Diocese, and (2) have the approval of the Bishop. The required approval of the Bishop shall be presumed as to any member in good standing of a parish of the Diocese. The Bishop shall be a member of the Foundation without further election.

Section 3. Termination of Membership. Membership shall terminate:

- (a) Upon death of the member.
- (b) Upon a member who was a member of a parish of the Catholic Diocese of Jackson ceasing to be a member in good standing of a parish of said Diocese.
- (c) Upon expiration of any grace period set by the directors for payment of dues or performance of required duties. The directors may from time to time fix dues, if any, and may set duties to be required of members.
- (d) Upon the withdrawal of the approval of a member by the Bishop. Such withdrawal of approval shall be made in writing and delivered to the Foundation. Termination of membership terminates all interest of any member in the Foundation and constitutes resignation from all offices in the Foundation.

Section 4. Number of Members. The number of members shall not be less than three (3). Should the membership fall below three (3) and the directors not fill such vacancies within one (1) month or it be reasonably evident that they will be unable to do so, the Bishop may appoint sufficient members to bring the number of members to three (3).

Section 5. Annual Meeting. The annual meeting of the members shall be held on the third Thursday of April each year, beginning in 1989 or at such other date as the Executive Committee determines, but not later than April 30 for the purpose of electing officers and directors and for the transaction of such other business as may come before the meeting. If the election of officers or directors shall not be held at the time designated for any annual meeting or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon as may be convenient thereafter.

Section 6. Special Meeting. Special meetings of the members for any purpose may be called by the President or by the Board of Directors.

Section 7. Place of Meeting. The President or the Board of Directors may designate any place in the State of Mississippi for annual meetings or any place without or within the State of Mississippi as the place for any special meeting. If no designation is made, the place of meeting will be at 237 East Amite Street, Jackson, Mississippi.

Section 8. Notice of Meeting. Written or printed notice stating the time and place of the meeting and in the case of a special meeting the purpose or purposes for which the meeting was called shall be delivered not less than ten (10) nor more than fifty (50) days before the date of said meeting either personally or by mail to each member of the Foundation.

Section 9. Quorum. A majority of the members of the Foundation represented in person or by proxy shall constitute a quorum at a meeting of the members provided that the Bishop or his designee is one of the members constituting the quorum. If less than a quorum is present, a majority of those present may adjourn the meeting from time to time without further notice.

Section 10. Proxies. At any meeting of members, a member may vote by proxy executed in writing. Such proxy shall be filed with the Secretary before or at the time of the meeting.

ARTICLE VI. BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Foundation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of directors of the Foundation shall be not less than three (3) nor more than fifty (50). The number shall be fixed by the members at the Organizational Meeting or any Annual Meeting. Each director shall hold office for a term of three (3) years and until his successor shall have been elected and qualified. Regular terms of Directors begin the first day of the fiscal year following the date set for the Annual Meeting. Directors filling unexpired terms take office on their election. The terms of directors have been set so that one-third (1/3) of the directors are elected each year. Any

expansion of the Board of Directors shall be made in such manner as to preserve the staggered terms, as far as possible. The Bishop shall be a director of this corporation. Each director shall be a member of the Foundation. No nonmember of the Foundation may sit as a director. The office of any director ceasing to be a member of the Foundation shall forthwith become vacant. Two (2) unexcused absences during their term of office by a director or an executive committee member from duly scheduled meetings can create a vacancy in the effected committee or board.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately before or after and at the same place as the Annual Meeting of members. The Board of Directors may provide, by resolution, the time and place for holding additional regular meetings without other notice than such resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings may fix the place for holding any special meeting of the Board of Directors called by them.

Section 5. Notice. Notice of any special meeting shall be given at least three (3) days before such meeting.

Section 6. Quorum. A majority of the number of directors elected and serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors provided that the Bishop or his designee is one of the directors constituting the quorum. If less than such quorum is present, a majority of the directors present may adjourn the meeting from time to time without further notice. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. This same rule shall apply to committees provided for in these Bylaws or appointed on behalf of the Foundation.

Section 7. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by a vote of the members of the Foundation for the unexpired portion of the term. Unless the number of directors has been reduced below the number of three (3), no special meeting need be called to fill a vacancy in the Board but may be called at the election of the directors.

Section 8. Committees. The Board of Directors shall elect an Executive Committee, an Investment Committee and a Membership Committee. These committee members are elected to three (3) year terms. Said Board may appoint an Income Development Committee, a Budget Committee and such other committees as it may deem proper and helpful in the management of the Corporation affairs. All members elected to the Executive Committee, the Investment Committee and Membership Committee shall be members of the Foundation. Members of other committees need not be members of the Foundation and can serve one (1) or more years. The Board of Directors may assign such duties and responsibilities, in addition to those set out in these Bylaws, as it deems fit and proper.

Section 9. Executive Committee. There shall be an Executive Committee of the Board composed of the Bishop, the Officers of the Foundation, six (6) other directors and the Diocesan Director of Administration and Finance. The Executive Committee shall possess and exercise the full and complete authority of the Board of Directors in the time between meetings of the Board. The committee shall meet at least three (3) times each fiscal year. Minutes of the meetings of the Executive Committee shall be furnished the Board of Directors with reasonable promptness after each meeting.

Section 10. Investment Committee. The purpose of this committee will be to counsel with and advise the Executive Committee and the Board of Directors on financial matters of the Foundation and especially to assist in maintaining a proper portfolio of investments. The President shall be a member. The members of this committee should be knowledgeable in the fields of money management or securities. The committee shall submit a written report on the status of the Foundation's investments at every meeting of the Executive Committee and the Board. A verbal report shall be made at the annual meeting of the membership.

Section 11. Membership Committee. This committee shall review and submit to the Board of Directors for approval the names of members in the Foundation. The members of this committee should be persons of stature and influence. They should be persons with wide acquaintances throughout the Diocese or throughout an area of it. They should be selected so

that they provide representation of all areas of Catholic population in the Diocese.

Section 12. Income Development. This committee will advise and counsel with the Diocesan Director of Income Development in the preparation of prospectuses, publicity, public relations and presentations. This committee should provide representation of all areas of the State. Members of this committee from time to time may work directly with the Diocesan Director of Income Development individually and without the necessity of joint committee action.

Section 13. Budget Committee. This committee shall prepare and submit to the Board of Directors an annual budget for the operation of the Foundation. This committee should be comprised of persons knowledgeable in the fields of finance and business administration. Included as members of this committee shall be the President of the Foundation, the Treasurer, and the Director of Administration and Finance for the Diocese. The Committee shall submit its budget for Board approval at the annual meeting of the membership, or, if this is not possible, prior to the beginning of each fiscal year.

Section 14. The Bishop shall be a member of each committee of the Board of Directors or of the Members. He may attend such meetings in person or by his designee. The presence of the Bishop or his designee is not required for a quorum of a committee other than the Executive Committee.

ARTICLE VII. OFFICERS

Section 1. Number. The Officers of the Foundation shall be a President, one or more Vice-Presidents, a Secretary, and a Treasurer, each of whom shall be elected by the members. Such other officers and assistant officers as may be deemed necessary may be elected by the members. All officers must be directors of the Foundation. All officers shall be members of the Executive Committee.

Section 2. Election and Term of Office. The officers of the Foundation shall be elected by the members at the Annual Meeting. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office for three (3) years or until

his successor has been duly elected and qualified. Regular terms of office begin the first day of the fiscal year following the date set for the Annual Meeting. Any officer is subject to removal by the Board of Directors at any time for any reason or without any reason being stated. Such removal shall be without prejudice to the contractual rights (if any) of the removed officer.

Section 3. Vacancies. A vacancy in any office for any reason shall be filled by the members for the unexpired portion of the term.

Section 4. President. The President shall be the principal executive officer of the Foundation and shall in general supervise and control all the business and affairs of the Foundation. He/she shall preside at all meetings of the directors, members, and Executive Committee. The President shall be a member of the Investment and Budget Committees.

Section 5. Vice President. In the absence of the President or in the event of his/her death, inability or refusal to act, the Vice President shall perform the duties of the President and when so acting shall have all the powers and be subject to all the restrictions upon the President.

Section 6. Secretary. The Secretary shall keep the minutes of the Members', the Board of Directors' and the Executive Committee's meetings in one or more books provided for that purpose; see that all notices are fully given in accordance with the provisions in the Bylaws or as required by law; be custodian of the Foundation; and, in general, perform all duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer in coordination with the Executive Director of the Foundation shall have charge and custody and be responsible for all funds and securities of the Foundation and receive and give receipts for monies due and payable to the Foundation from any source whatsoever and deposit all such monies in the name of the Foundation in such banks, trust companies or other depositories as shall be selected by the directors; and, in general, shall perform all the duties incident to the office of the Treasurer. The Treasurer shall be a member of the Budget Committee.

Section 8. General. Each of the officers shall, in addition to the duties set out herein above, perform such other duties as

may from time to time be assigned to them by the President or Board of Directors.

Section 9. Bishop. The presence of the Ordinary of the Jackson Diocese of the Catholic Church (herein called "the Bishop") or his designee is required to constitute a quorum of the Members, of the Board of Directors and of the Executive Committee. No action may be taken by the Members, Board of Directors, Executive Committee or any other committee when the Bishop or his designee is present if the Bishop or his designee votes against the majority. The Bishop may designate in writing some person he chooses, regardless of whether he is a member or director, to act in his stead at any meeting of Members, Directors or any Committee. The designation may be general or confined to certain meetings, and it may, but need not, contain directions to the designee. The action of such designee within the limits of such designation shall have the force and effect of action by the Bishop. The presence of such designee with the required additional Members, Directors, and Committee members shall constitute a quorum as herein provided. The Bishop may appoint to the status of Emeritus Member, any long serving member who was elected to the Board, the Executive Committee or Investment Committee. The Emeritus Member shall receive Foundation information and may attend and participate in meetings without vote or effect the number needed for a quorum.

ARTICLE VIII. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The President or Vice President are authorized to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation to institute, join in, or become a party to any suite of law or in equity in which the Foundation may have an interest. The Secretary of the Foundation may attest the signature of such officers and affix the corporate seal to any such instrument; however, the presence of such attesting signature or corporate seal shall not be required for the validity of such instrument unless required by law. Other officers or employees may be empowered by the Board of Directors to execute such contracts or instruments as the Board directs.

Section 2. Loans. No loan shall be contracted on behalf of the Foundation and no evidences of indebtedness shall be

issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific incidences.

Section 3. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money issued in the name of the Foundation shall be signed by the Treasurer or such other officer or employee of the Foundation and in such manner as shall be, from time to time, determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the Foundation not otherwise employed shall be from time to time deposited to the credit of the Foundation in such banks, trust companies or other depositories as the Board of Directors may select, or may be invested in the manner determined by the Investment Committee or the Board of Directors.

ARTICLE IX. FISCAL YEAR

The fiscal year of the Foundation shall be the same as that of the Catholic Diocese of Jackson, presently July 1 through June 30.

ARTICLE X. SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Foundation and the State of Incorporation. The present seal adopted by this Foundation is impressed on these Bylaws in the margin opposite this Article. *(The seal is impressed on the original Bylaws.)*

ARTICLE XI. WAIVER, INFORMAL ACTION, AND NOTICE

Section 1. Whenever any notice is required to be given to any member, director or committee member a waiver in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of notice. Attendance of any person at a meeting of members, directors or a committee shall be deemed a waiver of notice of said meeting unless his/her appearance at such meeting is made for the sole purpose of objecting to the transaction of any business because the meeting was not lawfully called to convene.

Section 2. Informal Action. Any action required to be taken at a meeting of Members, Directors, or a Committee or any other action which may be taken at such a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the persons entitled to vote.

Section 3. Form of Notice. Any notice may be given in writing personally delivered, mailed or by telegram. Telegrams are written notice and are considered delivered on the day the telegram containing the notice is delivered to the Telegraph Company. Notice which is mailed is considered delivered on the Post Office Department's business day immediately following the day on which the notice is deposited postage prepaid in the U.S. Mail. All such notices shall be addressed to the most recent address of the person entitled to such notice as shown by the records of the Foundation. Notice may also be given by telephone to the person entitled to it for any purpose except a meeting of members.

ARTICLE XII. AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the vote of a majority of all members of this Foundation at any Annual Meeting of members or at any special meeting of members when notice of the proposed amendment has been given, provided such amendment is not inconsistent with the laws of the State of Mississippi, or the Charter of the Corporation. So long as the Foundation has control of any funds or property given to it by the Catholic Diocese of Jackson or by any person for its corporate purposes, these Bylaws shall not be amended without the prior written approval of the Bishop of Jackson.

Amended 4-23-2009

TRUST FUNDS



Procedures for Establishing New Trusts The Catholic Foundation of the Diocese of Jackson, Mississippi, Inc.

Preamble: The Catholic Foundation of the Diocese of Jackson, Mississippi, Inc., herein after referred to as The Catholic Foundation, received its initial charter of incorporation from the State of Mississippi on the 27th day of September 1973 as a non-profit corporation. As states in its charter of incorporation, the purpose of The Catholic Foundation was to establish a permanent agency in which people desiring to continue their Christian stewardship in perpetuity, could entrust their lasting support of the Church. It welcomes and encourages contributions to the endowment fund and reminds Catholics to support the work of the diocesan bishop. As a trust agency, The Catholic Foundation shall receive and administer all gifts contributed to promote, expand and strengthen, the mission of the Roman Catholic Church in the Diocese of Jackson, Mississippi.

Revised Procedures:

1. In accord with canon law, the diocesan bishop (and his successors in perpetuity) is the executor of all pious dispositions and trusts (canon 1301 §1). He is responsible for the supervision and monitoring of all gifts and bequests requiring administration to institutions under his supervision. A report of such dispositions must be included in the annual report to the Diocesan Finance Council.
2. Trusts shall be classified as undesignated or designated.
3. An undesignated gift shall be incorporated in one of the other already existing trusts of the Catholic Foundation selected in the discretion of the Executive Committee.

4. A designated trust is one that is determined by a specific purpose or end, such as a specific school, parish, education of future priests, priests retirement, Diocese of Jackson, etc. Distributions of income from designated trusts are distributed in accord with the terms of the trust document.
5. The costs of administering trusts (designated or undesignated) may be borne by the trust itself.
6. The minimum level for establishing a designated trust by a parish or school is \$1,000. Exceptions to this rule require the consent of the Executive Committee of the Foundation Board of Directors. The minimum level for establishing a memorial or named trust is \$2,000. Exceptions to this rule require the consent of the Executive Committee of the Foundation Board of Directors.
7. If the amount given for any existing trust is less than \$2,000, then the total interest accrued must be added to the principal until such time as it reaches a \$2,000 minimum. Exceptions require the consent of the Executive Committee.
8. Before granting permission to establish a designated trust, the Executive Committee of the Foundation Board of Directors should ascertain that the requisite obligations of the trust can be fulfilled and that the expected revenue corresponds to the purposes.
9. Every new trust document shall incorporate a clause which directs a set percentage of the annually earned income be added back into its corpus for reinvestment. To preserve the trusts value, the set percentage shall not be less than 10%.
10. All trust documents shall be signed by the diocesan bishop, the president of the Foundation and, whenever possible, the initiator of the trust. One original shall be placed in the chancery vault and one original shall be given to the trust's initiator.

11. The obligation of the trust fund may be reduced by the diocesan bishop because of insufficient revenue, or any other reason arising without fault on the part of the administrator.
12. If the intended purpose of a designated trust terminates or is unable to be effectuated for any reason, the remaining principal shall be disposed of according to the terms of the trust, accomplishing as far as possible the donor's objectives. If no disposition is stated, then the Executive Committee of the Foundation Board of Directors will devote the remaining principal to another designated purpose trust or will create an entirely new trust, so as to approximate as nearly as possible the donor's intent.
13. Every 25 years after the creation of a designated trust, the purposes and uses of the revenues of such trust shall be examined and, if they are impossible or undesirable in the light of the then existing conditions, the bishop, with the consent of the Executive Committee of the Foundation Board of Directors, may change the purposes of that trust so as to accomplish the donor's objectives as nearly as is then possible, provided that the name of the person or persons memorialized shall continue to be utilized in connection with that trust.
14. No new trust shall allow for the removal of any part of the principal. Trusts already established with such a clause shall take such action only in great need in accord with the purpose stated in the trust document and with the advice of the bishop.
15. The income from a trust whose purpose is for general use by the beneficiary may not be added to the corpus of another trust without the approval of the Executive Committee.
16. The beneficiary of any trust may request in writing that the Foundation add to the corpus all or any percentage of the annual net income of the trust in

any year or until further notice (UFN). All such requests must be approved by the Bishop or his designee.

17. The phrases "annual net income" and "annual distributable income" found in Catholic Foundation trust documents and commentaries refer to the pro-rata share of earnings of the principal of each trust based on the trust's average monthly balance in that fiscal year, less such reasonable reserves set by the trust document itself, by official trust procedures or by the Board of Directors established to assure the integrity and growth of the fund.

Revised November 28, 2006

Investment Policy

General Authority:

The Investment Committee of the Catholic Foundation shall have the authority to make all investment decisions regarding the liquid assets held in the various Trusts within the Foundation in accordance with the Catholic Foundation Investment Policy as approved by the Executive Committee.

All investment activity must comply with the principals of socially responsible investment, consistent with the moral, social, and ethical teachings of the Roman Catholic Church.

The following securities are hereby approved as authorized investments of the Foundation assets: U. S. Treasury obligations; U. S. Government Agency obligations; corporate bonds; secondary market certificates of deposit in United States domiciled financial institutions up to the maximum FDIC insurance limit; money market funds; mortgage backed securities issued or guaranteed by any U. S. Government Agency or backed by the full faith and credit of the U. S. Government or Treasury; preferred stock and common stock of publicly traded corporations; mutual funds, indices, and exchange traded funds (ETF's) of any otherwise approved investment.

Additional Guidelines and Restrictions:

Obligations issued or guaranteed by the U. S. Treasury and U. S. Government Agencies may be purchased without limitation.

Corporate bonds and preferred stock of corporations are considered fixed income securities. In order to be eligible for purchase, the security must be rated "A" or better by at least one recognized credit rating agency. If a security owned drops below the minimum investment grade rating of BBB- or Baa- by any recognized credit rating agency, the security no longer qualifies as an authorized investment and must be disposed of without undue delay.

Maturities of fixed income securities are to be determined by the investment committee and should not be concentrated in any maturity range without reasonable investment consideration.

The aggregate investment of fixed income and preferred stock of any one company should not exceed the lesser of \$300,000 or 5% of the Foundation's invested assets.

Foundation assets held in money market funds should be maintained in funds primarily consisting of U. S. Treasury and U. S. Government Agency securities.

Direct investments in the common stock of any publicly traded corporation should not exceed the lesser of \$100,000 or 3% of the Foundation's invested assets.

Investments in mutual funds, indices, and ETF's are to generally follow the above restrictions regarding the quality of assets within the investment vehicle. Accordingly, investments are not permitted in high yield or junk bond funds, indices, or ETF securities.

The overall investment in common stocks and mutual funds, indices, and ETF's representing common stocks, may not exceed in the aggregate more than 70% of the total assets of the Foundation under direct management by the Investment Committee.

Revised 11-12-2008

Catholic Foundation Reserve Policy

The greatest of 10% of the cost or market value, as of the end of the fiscal year, of the investment portfolio of the Foundation will be kept as a reserve to be used solely for replenishing the corpus of trusts, to the extent that investment losses cause the amount in any trust to be less than the amount contributed by the grantor initially and from time to time thereafter or making distributions, to the extent that other funds available are not sufficient to permit the minimum 5% distribution that the Foundation strives to make each year.

The distribution will be determined at the end of each fiscal year. The amount of the distribution will be based on a percentage of the average balance maintained in the corpus of each trust at the end of each fiscal year. The percentage will be determined by the executive committee with a minimum of 5% established as a goal.

Realized and unrealized earnings in excess of the amount distributed and the amount needed to replenish the reserve to 10% of the investment portfolio will be allocated to corpus of trusts based on the average balance at the end of each fiscal year.

11-27-2000

Commentary:

The Foundation must maintain a reserve equal to 10% of the greater of the cost or market value of the Investment Portfolio.

The reserve will be used solely to provide, if necessary, sufficient funds to allow the approved income distribution to be made to the Trusts (This percentage will be determined by the Executive Committee with a goal of paying a minimum of 5% annually of the average historical cost of each Trust.) and to replenish the principal of trusts to the extent that investment losses reduce the principal balance.

After the approved distributions are made to the Trusts and after the Reserve Fund is replenished, any money left over from Earnings (Income from Investments plus net realized and net unrealized gains) will be allocated to the corpus of each Trust. The allocation will be based on the average balance of the historical cost of each Trust at the end of the fiscal year. The amount so allocated to all Trusts in any one year will not exceed 10% of the

Total Earnings, realized and unrealized, of the Portfolio for that fiscal year. The balance of the Earnings will remain in the overall portfolio.

Catholic Foundation Membership

Qualification and Duties

A member must have the Bishop's approval (which is presumed if in good standing with a parish) and have demonstrated interest in furthering the mission of the diocese. A member shall contribute annual dues (tax deductible) which help cover the cost of operating the Foundation. Membership dues make 100% of all gifts and annual distributable earnings available for the purpose of each trust. Every April, members meet (or by proxy) to elect officers and directors and transact other matters that come before the meeting. Members are kept informed through committee and board participation, newsletters and an annual report.

Annual Membership Levels

Basic Dues	Level
\$25	Friend
\$25	Clergy/Religious
\$100	Sustaining
\$250	Guardian
\$500	Honorable
\$750	Compassionate
\$1,000	Majestic
\$5,000 (one time)	Lifetime

NOTE: There is a level on all membership levels called PLUS (Persons Lending Upgaded Support).

Special Membership

Lifetime Friend or Lifetime Clergy/Religious – No dues. In the year of their 65th birthday or thereafter, a member can be offered the status of Lifetime Friend or Lifetime Clergy/Religious.

Designated Membership

No dues. For their 26th year of membership, any dues paying member can be designated Lifetime at the highest level of their past membership (e.g., Lifetime - Sustaining, Guardian, Honorable, Compassionate or Majestic).

Business PLUS Sponsor

Dues (annual)

\$250

\$10,000 (one time)

Level

Business PLUS Sponsor

Lifetime Business PLUS

This support is not a membership. The dues are deposited to the Business PLUS Trust for unrestricted grants awarded through a grant committee.

The name of the Business appears in the annual report in bold as well as under the members' name (e.g., George Doe

George's Fish Shop)

General Information

Installments are possible for all dues.

For information about Foundation Membership and sponsorship, contact the Catholic Foundation at 601-960-8477 or PO Box 2248, Jackson, MS 39225-2248.

Foundation Grants from Unrestricted Funds

The Catholic Foundation provides financial grants to parishes, schools and programs that are under the auspices of the Diocese of Jackson.

Grants are selected from applications received before the first of June. Grant guidelines and application forms are available by writing to the Catholic Foundation, P. O. Box 2248, Jackson, MS 39225-2248; or by calling 601-969-1880.

Grant Application Guidelines

The Catholic Foundation of the Diocese of Jackson provides financial assistance to religious, educational and charitable works in the Diocese of Jackson. Each year earnings from investments of Foundation assets become available for distribution.

I. How to Qualify for a Grant

Determine if your organization or project qualifies.

1. Is the religious, educational or charitable organization, purpose or project compatible with the mission of the Catholic Church?
2. Is it located within the geographic area served by the Diocese of Jackson?
3. Is the organization listed in the Official Catholic Directory, or does it have tax-exempt status as a 501 © (3) organization, or is it a project operated under the auspices of the Diocese?
4. Is there a sponsor? Sponsors are priests, religious or directors of an organization or project under the auspices of the Diocese.
5. Grants **are not** ordinarily given for the following:
 1. Deficit financing
 2. Direct aid to an individual
 3. Salaries (exceptions made)
 4. Donation to a fund raising campaign
 5. Medical research
 6. Endowment funds and other foundations
 7. Ordinary operating expenses (exceptions made)

8. Requests over \$5,000
9. Grant requests made after the grant deadline of **June 1**
10. Applications for funding for more than one year
6. Grants **are** considered for the following:
 1. Christian formation and education
 2. Evangelization
 3. Ministries
 4. Human services
 5. Institutions and programs operated by or under the auspices of the Diocese
 6. Capital improvements (i.e., building repairs)

Revised 09/01/03

Donor Advised Trust

The primary purpose of establishing donor advised trusts is to benefit Roman Catholic charitable entities and programs supported by the Diocese of Jackson in Mississippi. The Foundation desires to allow donor(s) flexibility in designating Catholic entities and programs under the auspices of the diocese to receive funds from donor advised trusts.

Any person can create a donor advised trust by contributing cash, securities, or other appreciated property to The Foundation. Current gifts as well as gifts through wills and bequests may be used to establish a donor advised trust. All donor advised trusts follow The Foundation's policies for establishing trusts

The endowed donor advised trust is designed to retain the principal at all times, with only the annual distributable income available for allocation.

An endowed donor advised trust requires a minimum beginning contribution of \$15,000. Additional contributions to the trust's principal are welcome and can be made at any time.

Revised 02-05-08

For more information, contact the Catholic Foundation, PO Box 2248, Jackson, MS 39225-2248, 601-969-1880.

Donor Privacy Policy

The Catholic Foundation respects the privacy of our donors and adheres to the highest standards in gathering, using and safeguarding donor information. This includes all of the donor's personal and gift information.

The Catholic Foundation uses a donor's personal information to acknowledge their gift and send information to them regarding the Catholic Foundation.

The Catholic Foundation believes the information collected from our donors and the amounts of their donations are strictly confidential. Only with the permission of the donor will the Catholic Foundation release the name and/or amount of a gift or any other personal information.

The Catholic Foundation does comply with an auditor's written request on official company stationery for a letter of confirmation during an audit of one of our trust beneficiaries.

The names of donors to trusts and members of the Catholic Foundation are listed alphabetically in our annual report. Donors who do not wish their names printed in the annual report, at any time may request anonymity by contacting the Catholic Foundation.

The Catholic Foundation does not sell, trade, or share donor lists with any other organization.

01-08-08

Gift Acknowledgement Policy

Some donors want their gift to remain anonymous, some do not.

Therefore, it is our policy to send gift acknowledgements (receipts) to donors to confirm that their gift was deposited into the trust specified. If we receive instructions to "please send memorial/honor card to" or "send acknowledgement to" a gift card/letter is sent to inform the recipient that a gift was received in honor/in memory and from whom the donation was given - with no gift amount listed.

If no specific instructions are given, only the gift acknowledgement (receipt) is sent to the donor. All other information is considered confidential.

04/01/08

Charitable Gift Annuity

The Catholic Foundation offers Charitable Gift Annuities.

A charitable gift annuity is a contract between the donors and the Foundation. In exchange for a transfer of cash or property, the Foundation agrees to pay a fixed sum of money for a period measured by the lives of one or two annuitants. Generally, the gift annuity rates paid by the Foundation are those suggested by the American Council on Gift Annuities (ACGA). Upon the completion of the Foundation's obligation, the remainder can be designated by the donor for a new or established restricted or unrestricted Foundation endowment.

For more information, contact the Catholic Foundation, PO Box 2248, Jackson, MS 39225-2248, 601-969-1880.

The Donor Bill of Rights

The Catholic Foundation declares that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements.
- IV. To be assured their gifts will be used for the purposes for which they were given.
- V. To receive appropriate acknowledgement and recognition.
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed of whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- X. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY
American Association of Fund Raising Counsel (AAFRC)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Association of Fundraising Professionals (AFP)

ENDORSED BY
(in formation)
Independent Sector
National Catholic Development Committee (NCDC)
National Committee on Planned Giving (NCPG)
Council for Resource Development (CRD)
United Way of America

04/01/08

For more information, contact

The Catholic Foundation
PO Box 2248
Jackson, MS 39225-2248
601-969-1880