



THE DISABILITY
FOUNDATION

MEMO TO DONORS *The Dayton Foundation and The Disability Foundation*

Name of Donor: _____

Name of Individual with Disabilities: _____

As a basic principle, neither The Dayton Foundation nor The Disability Foundation (hereinafter “Foundations”) render legal, financial, or tax advice to donors. Many situations arise, however, whereby donors want to make charitable contributions that involve special circumstances. The Foundations do, however, provide information about certain hypothetical scenarios. With the Ohio Community Pooled Annuity Trust (OCPAT), for example, these scenarios can show the possible tax deduction created by a gift of a certain size, retained life interest, the donor's age, etc.

In all cases, the Foundations will not render legal, financial, or tax advice to donors. In some cases, the Foundations may require that donors obtain their own legal or tax representative as a condition of accepting the gift. This can occur when a gift is complex or when tax-reporting requirements call for such independent representation. Donors must consult with their own attorneys, tax advisors, or financial advisors concerning the legal and financial impact of any donation and the applicability of particular legal principles to the donor’s situation.

For any first-party Account established for the benefit of an Individual with Disabilities who is age 65 or older, all parties must take notice that there is some risk that the funding of such an Account could incur a Medicaid transfer penalty. The rules surrounding this issue are evolving and it is the subject of litigation in some states. This issue was previously successfully litigated in Ohio and the penalty is not being imposed. However, the Ohio Department of Medicaid has recently recommended rule changes that would prohibit funding Accounts for Individuals with Disabilities who are age 65 or older – but no final determination has yet been made. Individuals with Disabilities who are age 65 or older who receive Supplemental Security Income (SSI) should also be aware of Social Security regulations, and that transfer of resources to a pooled trust will subject the applicant to a loss of SSI benefits for up to 36 months.

The Foundations highly recommend that burial arrangements be established soon after a trust is established. After an Individual with Disabilities dies, funds in a first-party Account cannot be used to pay for burial arrangements (per SSA regulations).

The donor acknowledges that they have been advised of the current fee structure for the Account being established. The Foundation reserves the right to amend its fee structure at its discretion, but only as a part of an across-the-board fee structure change that impacts all similar Accounts.

Gregory D. Darling, Executive Director of the Disability Foundation, Inc.

DONOR CERTIFICATION

The Donor’s signature below serves as evidence that the Donor has received, reviewed and understands the information contained in this Memo to Donors. *Please retain a copy in your records.*

Date

Donor Signature