

**CATHOLIC FOUNDATION
- DIOCESE OF AUSTIN**

Financial Statements

June 30, 2024 and 2023
(With Independent Auditors' Report)

**CATHOLIC FOUNDATION
- DIOCESE OF AUSTIN**

C O N T E N T S

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	
Year Ended June 30, 2024	4
Year Ended June 30, 2023	5
Statements of Cash Flows	6
Notes to Financial Statements	7



Independent Auditors' Report

Board of Directors
Catholic Foundation - Diocese of Austin

Opinion

We have audited the accompanying financial statements of the Catholic Foundation - Diocese of Austin (the Foundation), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.



Austin, Texas

December 5, 2024

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statements of Financial Position

As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Assets:		
Cash	\$ 1,045,930	\$ 296,730
Short-term investments - money market mutual funds	210,498	1,068,532
Long-term investments	60,892,846	49,482,486
Prepaid expense	<u>2,012</u>	<u>-</u>
Total assets	<u><u>\$ 62,151,286</u></u>	<u><u>\$ 50,847,748</u></u>
Liabilities and Net Assets		
Accounts payable	\$ 80,178	\$ 231
Funds held for others - agency	<u>5,709,205</u>	<u>5,186,742</u>
Total liabilities	<u>5,789,383</u>	<u>5,186,973</u>
Net assets:		
Without donor restriction	5,956	5,956
With donor restriction	<u>56,355,947</u>	<u>45,654,819</u>
Total net assets	<u>56,361,903</u>	<u>45,660,775</u>
Total liabilities and net assets	<u><u>\$ 62,151,286</u></u>	<u><u>\$ 50,847,748</u></u>

The accompanying notes are an integral part of these financial statements.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statement of Activities

Year Ended June 30, 2024

	<u>Without donor restriction</u>	<u>With donor restriction</u>	<u>Total</u>
Revenues, gains, and other support:			
Contributions	\$ 31,458	\$ 5,722,678	\$ 5,754,136
Less: Contributions to agency funds	(31,458)	-	(31,458)
Net contributions	<u>-</u>	<u>5,722,678</u>	<u>5,722,678</u>
Investment return, net	508,892	6,696,741	7,205,633
Less: Investment return to agency funds	(687,971)	-	(687,971)
Investment return, net	<u>(179,079)</u>	<u>6,696,741</u>	<u>6,517,662</u>
Other income	23,559	-	23,559
Total revenues, gains, and other support	<u>(155,520)</u>	<u>12,419,419</u>	<u>12,263,899</u>
Net assets released from restrictions	<u>1,718,291</u>	<u>(1,718,291)</u>	<u>-</u>
Total revenues and release of restrictions	<u>1,562,771</u>	<u>10,701,128</u>	<u>12,263,899</u>
Expenses:			
Program			
Distributions to Diocese of Austin	1,401,986	-	1,401,986
Distributions to parishes	55,024	-	55,024
Distributions to schools	114,920	-	114,920
Distributions to other	90,585	-	90,585
Less: Distributions to agency funds	(173,407)	-	(173,407)
Total program	<u>1,489,108</u>	<u>-</u>	<u>1,489,108</u>
Administrative			
Professional services	69,844	-	69,844
Administrative	3,819	-	3,819
Total administrative	<u>73,663</u>	<u>-</u>	<u>73,663</u>
Total expenses	<u>1,562,771</u>	<u>-</u>	<u>1,562,771</u>
Change in net assets	-	10,701,128	10,701,128
Net assets at beginning of year	<u>5,956</u>	<u>45,654,819</u>	<u>45,660,775</u>
Net assets at end of year	<u>\$ 5,956</u>	<u>\$ 56,355,947</u>	<u>\$ 56,361,903</u>

The accompanying notes are an integral part of these financial statements

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statement of Activities

Year Ended June 30, 2023

	Without donor restriction	With donor restriction	Total
Revenues, gains, and other support:			
Contributions	\$ 271,416	\$ 3,714,871	\$ 3,986,287
Less: Contributions to agency funds	(271,416)	-	(271,416)
Net contributions	-	3,714,871	3,714,871
Investment return, net	427,788	5,056,219	5,484,007
Less: Investment return to agency funds	(573,178)	-	(573,178)
Investment return, net	(145,390)	5,056,219	4,910,829
Other income	21,699	-	21,699
Total revenues, gains, and other support	(123,691)	8,771,090	8,647,399
Net assets released from restrictions	1,624,196	(1,624,196)	-
Total revenues and release of restrictions	1,500,505	7,146,894	8,647,399
Expenses:			
Program			
Distributions to Diocese of Austin	1,350,167	-	1,350,167
Distributions to parishes	54,489	-	54,489
Distributions to schools	115,451	-	115,451
Distributions to other	86,897	-	86,897
Less: Distributions to agency funds	(171,143)	-	(171,143)
Total program	1,435,861	-	1,435,861
Administrative			
Professional services	54,975	-	54,975
Administrative	9,669	-	9,669
Total administrative	64,644	-	64,644
Total expenses	1,500,505	-	1,500,505
Change in net assets	-	7,146,894	7,146,894
Net assets at beginning of year	5,956	38,507,925	38,513,881
Net assets at end of year	\$ 5,956	\$ 45,654,819	\$ 45,660,775

The accompanying notes are an integral part of these financial statements

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 10,701,128	\$ 7,146,894
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized and unrealized (gains) losses on investments	(6,025,772)	(4,363,878)
(Increase) decrease in prepaid expense	(2,012)	1,846
Increase (decrease) in accounts payable	79,947	(4,505)
Increase (decrease) in funds held for others - agency	522,463	651,752
	5,275,754	3,432,109
Cash from investing activities:		
Proceeds from sale and maturities of investments	8,689,889	1,740,016
Purchase of investments	(14,074,477)	(5,241,645)
Net change in money market mutual funds	858,034	292,447
	(4,526,554)	(3,209,182)
Net increase (decrease) in cash	749,200	222,927
Cash and cash equivalents at beginning of year	296,730	73,803
Cash and cash equivalents at end of year	\$ 1,045,930	\$ 296,730
Supplemental Information		
Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note A - Organization

The accompanying financial statements are those of the Catholic Foundation - Diocese of Austin (Foundation). The Foundation is a separate nonprofit Texas corporation created under IRC sections 501(c)(3) and 509(a)(3) as a supporting organization and integrated auxiliary of the Catholic Church.

The Foundation was formed to promote the establishment and growth of endowment funds and planned giving to provide perpetual funding to the Central Administrative Office of the Diocese of Austin (Diocese) and to participating parishes, schools and other Catholic organizations within the Diocese.

Note B - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without restriction-- Includes net assets that are not subject to donor-imposed restrictions. An entity's governing board may establish an endowment fund. For such an endowment, all three sources: contributions, income, and gains and losses are without restriction. These net assets may be used at the discretion of the Foundation management.

Net assets with restriction-- Net assets subject to stipulations imposed by donors. Term endowments are donated assets with stipulations that they be invested for a specified period of time, or until the occurrence of a specified event, to provide income for a specified period of time. In the absence of donor stipulations to the contrary, investment income and gains and losses on donor-restricted endowments are reported as increases in net assets with donor restriction. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

The net assets of an endowment fund can result from three sources: original principal, gains and losses, or interest and dividends. Each source is without donor restriction unless its use is restricted by donor or by law. The donor may place different restrictions on each of the three sources.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and time deposits with an initial maturity of less than 90 days. Money market mutual funds are considered to be held for short-term investment and are not included in cash and cash equivalents.

Cash Concentration

The Foundation maintains cash balances at several financial institutions. A portion of such cash and cash equivalents are in excess of insurance limits provided by the Federal Deposit Insurance Corporation (FDIC) and the Securities Investor Protection Corporation (SIPC). If these financial institutions were not to honor their contractual liability, the Foundation would incur loss. Management is of the opinion there is minimal risk of loss because of the financial strength of these financial institutions.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in investment return on the statements of activities. See Note D.

Investment return includes interest and dividends on investments, the realized gains and losses on investment transactions, unrealized gains and losses from changes in the market value of investments, and investment advisory expenses. Realized gains and losses on disposition of investment securities are determined using fair market value and transactions are recorded on a trade date basis.

Funds Held For Others - Agency

The Foundation in certain cases acts as agent, trustee, or intermediary to other entities. It does not receive a contribution when it receives the assets, nor does it make a contribution when it disburses the assets to the other entity or individual. Instead, the Foundation records the cash and other financial assets held under agency transactions, as assets of the Foundation and records a liability to the specified beneficiary concurrently with its recognition of those assets received from the donor. These liabilities are reflected as funds held for others – agency on the statements of financial position.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Foundation groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The Foundation uses appropriate valuation techniques based on available inputs to measure the fair value of its investments. An asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques must maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

Common stocks, corporate bonds, and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Money market funds, mutual funds, and exchange traded funds: Valued at the net asset value (NAV) of shares held at year end.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments (Continued)

Pooled investment fund: Includes long/short basket of securities and market neutral equity securities. These investments are valued at fair value by the Investment Manager using published NAV.

Investment in closely-held entities: Includes private equity funds that are valued at the NAV derived from individual investments held.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Contributions and Bequests

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All expenses have been allocated on the basis of time and effort.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies (Continued)

Income Taxes

The Foundation is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Risks and Uncertainties

The Foundation invests in various securities including mutual funds, corporate stocks, exchange traded funds, bonds, and money market mutual funds. Investment securities, in general, are exposed to various risks, such as interest rate, credit, foreign exchange fluctuations, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and the statement of activities.

Subsequent Events

Management of the Foundation has evaluated subsequent events for disclosure through the date of the independent auditors' report, the date the financial statements were issued.

Note C - Summary of Significant Investment and Distribution Policies

Investment Return Objectives, Risk Parameters and Strategies

The Foundation Board has adopted investment and distribution policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long term. The investment process seeks to achieve an after-cost total real rate of return that exceeds the annual distribution with acceptable levels of risk. The Foundation Board expects its endowment assets over time to produce a rate of return sufficient to provide those annual distributions.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note C - Summary of Significant Investment and Distribution Policies (Continued)

Investment Return Objectives, Risk Parameters and Strategies (Continued)

The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the endowment fund, (2) the purposes of the endowment, (3) the general economic conditions, (4) the possible effects of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies (including but not limited to its policy concerning minimum balances for an endowment fund).

Under the Foundation's standard endowment contract, the Foundation does not guarantee a rate of return or that the value of the fund will appreciate, nor does it have any responsibility to replenish the funds should net depreciation occur.

Distribution Policy

Income available for distribution is determined by a total return system. The Foundation expects to make distributions to the endowment beneficiary in the amount of four percent (4%) of the net fair market value of the fund, which includes the change in market value of the fund, dividends and interest, net of expenses, all averaged over the prior three (3) years.

Funds with Deficiencies

Because the Foundation has no responsibility under the endowment contracts to replenish depreciated funds, other activity related to endowments with donor restriction into perpetuity, including investment gains and losses, distributions and administrative fees are recorded as net assets with donor restrictions for time or purpose.

Note D - Investments

Investments at June 30, 2024 and 2023, are summarized as follows:

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Short-term investments - money market mutual funds	\$ 210,498	\$ 210,498	\$ 1,068,532	\$ 1,068,532

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note D - Investments (Continued)

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Long-term investments				
Bond Funds	\$ 13,513,790	\$ 12,583,834	\$ 10,676,441	\$ 9,443,083
Equity Funds	26,585,159	33,769,722	26,072,563	29,166,288
Exchange traded funds - equities	7,431,611	11,186,552	5,907,362	8,407,347
Pooled investment funds	1,891,674	2,766,573	1,816,559	2,254,761
Total marketable securities	49,422,234	60,306,681	44,472,925	49,271,479
Investment in closely held entities	550,000	586,165	225,000	211,007
Total long-term Investments	<u>\$ 49,972,234</u>	<u>\$ 60,892,846</u>	<u>\$ 44,697,925</u>	<u>\$ 49,482,486</u>

Investment return for the years ended June 30, 2024 and 2023, is comprised of the following:

	2024	2023
Interest and dividend income	\$ 1,358,940	\$ 1,265,519
Realized gains (losses)	(110,278)	(237,950)
Unrealized gains (losses)	6,136,050	4,601,828
Advisory expenses	(179,079)	(145,390)
	<u>\$ 7,205,633</u>	<u>\$ 5,484,007</u>

Note E - Endowment Funds

Endowment funds at June 30, 2024 and 2023, consist of the following:

	2024	2023
With Donor Restriction		
Our Faith ~ Our Legacy Seminarian Endowment	\$ 7,535,942	\$ 6,925,264
EC Catholic School Endowment	5,923,452	4,740,490
Our Faith ~ Our Legacy Retired Priests Endowment	4,521,538	4,155,115
Our Faith ~ Our Legacy Catholic Charities of		
Central Texas Endowment	4,520,706	4,154,369
EC Seminarian Endowment	4,282,052	3,910,816
Bernadette and C. J. Kellerman Endowment	3,931,266	3,578
Our Faith ~ Our Legacy Youth Ministry	2,767,108	2,542,874
Our Faith ~ Our Legacy Religious Education & Formation	2,765,787	2,541,661
Bishop Louis Reicher School Endowment	2,191,380	2,015,337

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note E - Endowment Funds (Continued)

	<u>2024</u>	<u>2023</u>
Our Faith ~ Our Legacy Catholic Schools Endowment	1,560,550	1,435,172
Sacred Heart Catholic School Endowment	1,551,601	1,426,956
Our Faith ~ Our Legacy Permanent Diaconate Endowment	1,505,744	1,383,727
Our Faith ~ Our Legacy Campus Ministry Endowment	1,505,680	1,383,668
Eagle's Wings Retreat Center General Endowment	1,302,015	1,085,696
EC Advancing our Mission Endowment	1,268,889	1,164,811
Diocese of Austin Seminarian Endowment	1,134,514	1,033,196
Diocese of Austin Rural Parish Endowment	1,028,065	-
Diocese of Austin Endowment	699,883	642,763
Diocese of Austin Retired Priest Endowment	692,874	599,284
Beverly Guirard Endowment	655,603	602,943
Robert "Bob" Kasberg Endowment	623,942	573,817
Monica Therese Bailes Memorial Endowment	357,879	329,131
Bishop John E. McCarthy Endowment	345,458	317,417
Bishop Gregory M. Aymond Endowment	296,242	227,315
St. Ignatius Martyr Catholic School Endowment	253,048	229,180
Knights of Columbus #3287 Legacy Fund	225,298	199,101
David & Cynthia Bednar Endowment	224,854	202,218
Our Lady of Wisdom Endowment	206,086	189,534
St. Joseph Catholic Church Endowment	205,737	81,803
The Fr. Bob Scott, CSP, Good Stop Endowment	194,793	177,111
Msgr. Driscoll Seminarian Endowment	166,460	152,973
Victoria "Vicki" Wardlow Endowment - Waco	161,795	142,981
Dean E. Wilhelm Endowment	153,836	135,948
Deacon Alfredo Vásquez Endowment	147,451	135,473
Tracie & Kurt Chew Seminarian Endowment	136,933	121,011
St. Ignatius, Martyr Catholic Church Endowment	115,653	102,205
St. John the Evangelist Marble Falls Religious Education and Faith Formation Endowment	113,921	-
Danette Gaitros Memorial Endowment	91,314	79,308
Diocese of Austin Brown Scholarship Endowment	87,441	80,356
Erlene and Arthur Goertz Endowment	74,738	68,735
St. Dominic Savio Catholic HS Endowment	66,940	59,156
Louis Goertz Endowment	66,688	61,331
Stephen and Rita Richard Endowment	59,962	-
St. John the Baptist Catholic Church, Fayetteville Endowment	55,470	-
St. Mary, Immaculate Conception Perpetual Endowment	54,805	47,511

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note E - Endowment Funds (Continued)

	<u>2024</u>	<u>2023</u>
Dick Urbanowski Religious Education Endowment	54,421	-
Cecilia Abbott Scholarship Endowment	50,668	-
University Catholic Center Class Endowment	48,201	43,991
St. Philip Catholic Mission Endowment	48,097	21,316
Msgr. Arthur Michalka Endowment	47,885	44,040
Diocese of Austin Catholic Schools Endowment	40,849	37,539
Arturo & Louisa Casiraghi Endowment	32,651	28,759
St. John Vianney Catholic Church Endowment	31,870	17,839
Manny and Janice Flores Education Endowment	31,043	-
St. Theresa Catholic School Endowment	29,972	-
St. Theresa Catholic Church Endowment	29,972	-
Seeds of Faith Educational Endowment	27,940	-
St. Mary Catholic Church, Fayetteville Endowment	27,673	-
The Anna Maria Hernandez Endowment Fund for Catholic Counseling	12,847	-
St. Vincent de Paul Catholic Church Endowment	10,465	-
	<u>\$ 56,355,947</u>	<u>\$ 45,654,819</u>

The following is a summary of changes in endowment balances during the year ended June 30, 2024:

	<u>Time or Purpose</u>	<u>In Perpetuity</u>	<u>Total</u>
Endowment, beginning of year	\$ 9,419,392	\$ 36,235,427	\$ 45,654,819
Contributions	-	5,722,678	5,722,678
Investment return, net	6,696,741	-	6,696,741
Appropriations for expenditure	(1,718,291)	-	(1,718,291)
Endowment, end of year	<u>\$ 14,397,842</u>	<u>\$ 41,958,105</u>	<u>\$ 56,355,947</u>

The following is a summary of changes in endowment balances during the year ended June 30, 2023:

	<u>Time or Purpose</u>	<u>In Perpetuity</u>	<u>Total</u>
Endowment, beginning of year	\$ 5,987,369	\$ 32,520,556	\$ 38,507,925
Contributions	-	3,714,871	3,714,871
Investment return, net	5,056,219	-	5,056,219
Appropriations for expenditure	(1,624,196)	-	(1,624,196)
Endowment, end of year	<u>\$ 9,419,392</u>	<u>\$ 36,235,427</u>	<u>\$ 45,654,819</u>

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note F - Net Assets

Net assets with donor restrictions at June 30, 2024 and 2023, include investment gains on endowments with donor restriction into perpetuity of \$14,397,842 and \$9,419,392, respectively.

Net assets with donor restriction into perpetuity at June 30, 2024 and 2023, include:

	<u>2024</u>	<u>2023</u>
Our Faith ~ Our Legacy Seminarian Endowment	\$ 5,000,200	\$ 5,000,200
EC Catholic School Endowment	5,000,000	4,500,000
EC Seminarian Endowment	3,500,600	3,500,600
Bernadette and C. J. Kellerman Endowment	3,474,941	3,440
Our Faith ~ Our Legacy Retired Priests Endowment	3,000,770	3,000,770
Our Faith ~ Our Legacy Catholic Charities of Central Texas Endowment	3,000,000	3,000,000
Our Faith ~ Our Legacy Youth Ministry	2,001,000	2,001,000
Our Faith ~ Our Legacy Religious Education & Formation	2,000,000	2,000,000
Bishop Louis Reicher School Endowment	1,551,570	1,551,570
Eagle's Wings Retreat Center General Endowment	1,139,358	1,069,698
Sacred Heart Catholic School Endowment	1,121,874	1,121,874
Our Faith ~ Our Legacy Permanent Diaconate Endowment	1,050,000	1,050,000
Our Faith ~ Our Legacy Catholic Schools Endowment	1,000,700	1,000,700
Our Faith ~ Our Legacy Campus Ministry Endowment	1,000,000	1,000,000
EC Advancing our Mission Endowment	1,000,000	1,000,000
Diocese of Austin Rural Parish Endowment	1,000,000	-
Diocese of Austin Seminarian Endowment	851,816	847,016
Diocese of Austin Endowment	565,171	564,836
Diocese of Austin Retired Priest Endowment	511,336	473,428
Robert "Bob" Kasberg Endowment	505,193	505,193
Beverly Guirard Endowment	405,701	405,701
The Monica Therese Bailes Memorial Endowment	253,746	253,746
Bishop John E. McCarthy Endowment	233,973	233,973
Bishop Gregory M. Aymond Endowment	217,839	174,089
St. Ignatius Martyr Catholic School Endowment	199,944	199,944
St. Joseph Catholic Church Endowment	176,800	76,800
David and Cynthia Bednar Endowment	172,000	172,000
Knights of Columbus #3287 Legacy Fund	150,000	150,000
Victoria "Vicki" Wardlow Endowment - Waco	150,000	150,000

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note F - Net Assets (Continued)

	2024	2023
The Fr Bob Scott CSP Good Stop Endowment	129,694	127,757
Our Lady of Wisdom University Parish Endowment	126,102	126,102
Msgr. John Driscoll Endowment for Seminary Education	122,870	122,870
Tracie & Kurt Chew Seminarian Endowment	116,592	116,592
St. John the Evangelist Marble Falls Religious Education and Faith Formation Endowment	109,569	-
St. Ignatius, Martyr Catholic Church Endowment	100,000	100,000
Deacon Alfredo Vasquez Endowment	99,088	99,088
Rev. Dean E. Wilhelm Endowment	85,971	85,971
Diocese of Austin Brown Scholarship Endowment	61,904	61,904
The Danette Gaitros Memorial Endowment	59,657	58,157
Erlene and Arthur Goertz Endowment	55,000	55,000
Louis Goertz Endowment	54,273	54,273
Dick Urbanowski Religious Education Endowment	50,830	-
St. John the Baptist Catholic Church, Fayetteville Endowment	50,475	-
Stephen and Rita Richard Endowment	50,015	-
Cecilia Abbott Scholarship Endowment	50,000	-
St. Philip Catholic Mission Endowment	40,000	20,000
Msgr. Arthur Michalka Endowment	39,059	39,059
St. Mary Immaculate Conception Perpetual Endowment	36,054	35,029
St. Dominic Savio Catholic High School Endowment	32,891	32,891
UCC Catholic Center Class Endowment	31,358	31,060
Diocese of Austin Catholic Schools Endowment	28,986	28,986
Manny and Janice Flores Education Endowment	26,000	-
St. Mary Catholic Church, Fayetteville Endowment	25,975	-
St. John Vianney Catholic Church Endowment	25,000	15,000
St. Theresa Catholic School Endowment	25,000	-
St. Theresa Catholic Church Endowment	25,000	-
Seeds of Faith Educational Endowment	25,000	-
Arturo and Louisa Casiraghi Memorial Scholarship Endowment	19,210	19,110
The Anna Maria Hernandez Endowment Fund for Catholic Counseling	12,000	-
St. Vincent de Paul Catholic Church Endowment	10,000	-
	\$ 41,958,105	\$ 36,235,427

Net assets were released from donor restrictions for distributions and expenses of \$1,718,291 and \$1,624,196 for the years ended June 30, 2024 and 2023, respectively.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note G - Availability and Liquidity

The following represents the Foundation's financial assets at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,045,930	\$ 296,730
Investments	<u>61,103,344</u>	<u>50,551,018</u>
Total financial assets	62,149,274	50,847,748
Less amounts unavailable for general expenditures:		
Required to satisfy donor restrictions	(56,355,947)	(45,654,819)
Funds held for others - agency	(5,709,205)	(5,186,742)
Adjusted for net assets with purpose restrictions to be met in less than a year	<u>2,073,273</u>	<u>1,762,520</u>
	<u>(59,991,879)</u>	<u>(49,079,041)</u>
Financial assets available to meet general expenditures over the next year	<u>\$ 2,157,395</u>	<u>\$ 1,768,707</u>

The Foundation's endowment funds consist of donor-restricted endowments and endowments designated by management to be used for specific purposes. Income from donor-restricted endowments is restricted for specific purposes. Donor restricted endowment funds are not available for general expenditures, and thus, are subtracted from total assets available to meet general expenditures. Endowments designated by management to be used for specific purposes are also subtracted from total assets available to meet general expenditures.

All endowments are subject to an annual spending rate of 4% of the most recent 12 quarter market value average. The Foundation manages liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting liabilities and other obligations as they come due. Actual performance is reported and monitored monthly in comparison to the budgets. Adjustments are made to plan as needed to ensure adequate liquidity. As part of the liquidity management plan, cash balances are invested in short-term investments.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2024 and 2023

Note H - Fair Values of Financial Instruments

The following table sets forth by level, within the fair value hierarchy, the fair value of investments as of June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Short-term investments	<u>\$ 210,498</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 210,498</u>
<u>Long-term investments:</u>				
Bond Funds	\$ 12,583,834	\$ -	\$ -	\$ 12,583,834
Equity Funds	33,769,722	-	-	33,769,722
Exchange traded funds - equities	11,186,552	-	-	11,186,552
Pooled investment funds	-	2,766,573	-	2,766,573
Investment in closely held entities	-	-	586,165	586,165
Total long-term investments	<u>\$ 57,540,108</u>	<u>\$ 2,766,573</u>	<u>\$ 586,165</u>	<u>\$ 60,892,846</u>

The following table sets forth by level, within the fair value hierarchy, the fair value of investments as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Short-term investments	<u>\$ 1,068,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,068,532</u>
<u>Long-term investments:</u>				
Bond Funds	\$ 9,443,083	\$ -	\$ -	\$ 9,443,083
Equity Funds	29,166,288	-	-	29,166,288
Exchange traded funds - equities	8,407,347	-	-	8,407,347
Pooled investment funds	-	2,254,761	-	2,254,761
Investment in closely held entities	-	-	211,007	211,007
Total long-term investments	<u>\$ 47,016,718</u>	<u>\$ 2,254,761</u>	<u>\$ 211,007</u>	<u>\$ 49,482,486</u>