



Catholic Community Foundation in the Archdiocese of Miami, Inc.

Financial Statements Years Ended June 30, 2021 And 2020

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Catholic Community Foundation in the Archdiocese of Miami, Inc.
Miami, Florida

Opinion

We have audited the financial statements of Catholic Community Foundation in the Archdiocese of Miami, Inc. (the Foundation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's 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.

Other Matter - Prior Year Financial Statements

The financial statements of the Foundation as of and for the year ended June 30, 2020 were audited by Morrison, Brown, Argiz & Farra, LLC ("MBAF"), whose partners and professional staff joined BDO USA, LLP as of January 16, 2021, and has subsequently ceased operations. MBAF expressed an unmodified opinion on those statements in their report dated August 24, 2020.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 or available to be issued.



Auditor's Responsibilities 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 auditor's 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.

Miami, Florida
September 10, 2021

BDO USA, LLP
Certified Public Accountants

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30,

ASSETS	2021	2020
Investments	\$ 27,861,306	\$ 22,372,732
Investments - funds held in trust	<u>292,104,255</u>	<u>221,939,542</u>
TOTAL ASSETS	<u>\$ 319,965,561</u>	<u>\$ 244,312,274</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Funds held in trust - participating entities	<u>\$ 292,104,255</u>	<u>\$ 221,939,542</u>
NET ASSETS		
Without donor restrictions	73,801	73,433
With donor restrictions	<u>27,787,505</u>	<u>22,299,299</u>
TOTAL NET ASSETS	<u>27,861,306</u>	<u>22,372,732</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 319,965,561</u>	<u>\$ 244,312,274</u>

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

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	2021			2020		
	Net assets without Donor Restrictions	Net assets with Donor Restrictions	Total	Net assets without Donor Restrictions	Net assets with Donor Restrictions	Total
REVENUES						
Contributions	\$ 368	\$ 460,000	\$ 460,368	\$ -	\$ 565,868	\$ 565,868
Investment income, net	-	5,883,040	5,883,040	883	635,155	636,038
Net assets released from restrictions	854,834	(854,834)	-	844,467	(844,467)	-
TOTAL REVENUES	855,202	5,488,206	6,343,408	845,350	356,556	1,201,906
EXPENSES						
Program expenses- Payments to beneficiaries	854,834	-	854,834	844,467	-	844,467
TOTAL EXPENSES	854,834	-	854,834	844,467	-	844,467
CHANGE IN NET ASSETS	368	5,488,206	5,488,574	883	356,556	357,439
NET ASSETS - BEGINNING OF YEAR	73,433	22,299,299	22,372,732	72,550	21,942,743	22,015,293
NET ASSETS - END OF YEAR	\$ 73,801	\$ 27,787,505	\$ 27,861,306	\$ 73,433	\$ 22,299,299	\$ 22,372,732

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

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 5,488,574	\$ 357,439
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized and realized investment gains, net	(59,430,037)	(4,006,657)
Increase in operating liability:		
Increase in Funds held in trust - participating entities (liability)	70,164,713	12,228,102
TOTAL ADJUSTMENTS	10,734,676	8,221,445
NET CASH PROVIDED BY OPERATING ACTIVITIES	16,223,250	8,578,884
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(24,642,357)	(13,971,827)
Proceeds from sale of investments	8,419,107	5,392,943
NET CASH USED IN INVESTING ACTIVITIES	(16,223,250)	(8,578,884)
NET INCREASE (DECREASE) IN CASH	-	-
CASH - BEGINNING OF YEAR	-	-
CASH - END OF YEAR	\$ -	\$ -

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

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS June 30, 2021 and 2020

1. ORGANIZATION

Catholic Community Foundation in the Archdiocese of Miami, Inc. (the "Foundation") was formed in March 1998 as a not-for-profit Florida corporation whose primary purpose is to administer and invest endowed gifts for any and all of the individual parishes, schools and other agencies of the Catholic Church (the "Church"), particularly those located in South Florida. With full regard for the interests of the donors and reflecting the Church's extensive and diverse efforts to carry out the work of Our Lord, the Foundation shall serve the Archdiocese of Miami (the "Archdiocese"), the benefitting ministries, and the donors in their efforts to fulfill the two Great Commandments - that we are to love God with our whole being and to love our neighbor as ourselves for the love of God.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Financial Statement Presentation

Net assets and revenues, gains and losses are classified into two classes of net assets based on the existence or absence of donor-imposed restrictions. The two classes of net asset categories are as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where 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.

Use of Estimates

The preparation of financial statements in conformity with U.S. 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.

Cash Equivalents

Investments in cash securities have been included as a component of investments in the accompanying Statements of Financial Position.

Investments

The Foundation reports its investments at fair value in the Statements of Financial Position. Investment income, net (including realized and unrealized gains and losses on investments) is included in the accompanying Statements of Activities as increases in net assets without donor restrictions unless income is restricted by donor or law.

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS June 30, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

The fair value of the Foundation's investments is estimated based on bid prices published by financial institutions, or quotations received from securities dealers, and is reflective of the interest rate environment that existed as of the close of business. Various market factors subsequent to June 30, 2021 may affect the subsequent fair value of the Foundation's investments.

Concentration of Credit and Market Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash deposits in excess of the Federal Deposit Insurance Corporation ("FDIC") insured limits. The Foundation limits its exposure by placing its deposits with quality financial institutions. At times, such balances may be in excess of the insurance limits of the FDIC. The Foundation has not experienced losses in such accounts.

Investments are subject to both credit and market risks. Credit risk is the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is the possibility that fluctuations in the investment market will impact the value of the portfolio. The Foundation's investments in equity and fixed income securities are considered a concentration of market risk as they are approximately 58% and 38%, respectively, of total investments at June 30, 2021 and approximately 58% and 41%, respectively, of total investments at June 30, 2020. The Foundation has an investment policy, utilizes management oversight, third party consultants and regularly reviews its investment portfolio to monitor these risks.

Funds Held in Trust – Participating Entities

The Foundation accepts funds from participating Archdiocesan entities who desire to have the Foundation provide efficient investment management. A liability is recorded at the estimated fair value of the assets deposited with the Foundation. The participating entity may request a partial or total distribution at any time. Assets are invested in investment pools offered by the Foundation. U.S. GAAP requires that a recipient organization recognize the fair value of the assets as a liability.

Revenue Recognition – Contributions

Transfers of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions. Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Foundation fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations about the use of the donated assets, or if they are designated as support for future periods.

When a donor 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." Donor-restricted contributions whose restrictions are met in the same reporting period in which received are reported as net assets without donor restrictions. The Foundation receives donations from donors and other Archdiocesan entities. Donations are evaluated as to whether they qualify as exchange transactions or contributions as defined by U.S. GAAP.

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS June 30, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition – Exchange Transactions

Reciprocal transfers in which each party receives and sacrifices goods or services with approximate commensurate value are recognized as exchange transactions. The Foundation adopted Accounting Standards Codification (“ASC”) Topic 606, Revenue from Contracts with Customers (“Topic 606”) on July 1, 2019 using the modified retrospective method applied to all contracts not completed as of the date of the adoption. The core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Foundation has determined that none of its revenue qualifies as an exchange transaction.

Functional Allocation of Expenses

Functional expenses are those expenses incurred by the Foundation in the accomplishment of their mission. Expenses that can be directly identified with the program or supporting service are reported as expenses of those functional areas. Other expenses are allocated among program and supporting services based on a reasonable basis that is consistently applied. Other than investment management fees (which are recorded net of investment income) and payments to beneficiaries, no expenses were incurred by the Foundation during the years ended June 30, 2021 and 2020.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”) as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. The Foundation currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded as of June 30, 2021 and 2020.

The Foundation recognizes and measures tax positions based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other non-interest expense, respectively. No uncertain tax positions were identified by the Foundation as of June 30, 2021 and 2020.

Subsequent Events

The Foundation has evaluated subsequent events through September 10, 2021, which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to the financial statements or disclosures herein.

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

3. LIQUIDITY MANAGEMENT AND AVAILABILITY OF RESOURCES

The Foundation maintains a policy of structuring its financial assets to be available as general expenditures, liabilities and other obligations come due. The Foundation's financial assets available within one year of the Statements of Financial Position date for general expenditures as of June 30, are as follows:

	2021	2020
Investments	\$ 27,861,306	\$ 22,372,732
Investments - funds held in trust	292,104,255	221,939,542
Total financial assets	319,965,561	244,312,274
Less those unavailable for general expenditures within one year due to:		
Funds held in trust - participating entities	(292,104,255)	(221,939,542)
Net assets with donor restrictions	(27,787,505)	(22,299,299)
Total financial assets available to management for general expenditures within one year	\$ 73,801	\$ 73,433

4. INVESTMENTS

Investments are presented in the financial statements at fair market value and consist of the following at June 30:

	2021		2020	
	Cost basis	Fair Value	Cost basis	Fair Value
Cash securities	\$ 11,860,260	\$ 11,860,260	\$ 1,646,716	\$ 1,646,716
Fixed income securities	120,001,145	121,132,889	97,033,588	100,925,322
Mutual funds:				
Domestic equity	71,319,605	125,258,057	77,699,057	96,131,934
International equity	48,327,102	61,714,355	49,026,547	45,608,302
	\$ 251,508,112	\$ 319,965,561	\$ 225,405,908	\$ 244,312,274

The following schedule summarizes investment income, net, for both investments of the Foundation and Investments – funds held in trust for the years ended June 30:

	2021		2020	
	Investments	Investments- Funds held in trust	Investments	Investments- Funds held in trust
Realized gains	\$ 877,431	\$ 9,001,524	\$ 285,198	\$ 2,767,507
Unrealized gains	4,524,669	45,026,413	88,373	865,580
Interest and dividend income	540,498	5,393,369	324,427	3,142,880
Investment fees	(59,558)	(599,442)	(61,960)	(601,500)
	\$ 5,883,040	\$ 58,821,864	\$ 636,038	\$ 6,174,467

Investment income, net for investment funds held in trust are not reflected in the Statements of Activities, in accordance with agency transaction accounting.

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS June 30, 2021 and 2020

5. FUNDS HELD IN TRUST – PARTICIPATING ENTITIES

The Foundation has entered into agreements with various participating entities to invest certain assets on their behalf. These assets, and the related investment earnings and expenses, are recorded as funds held in trust in the accompanying financial statements. The transfers to Funds held in Trust, related investment income, investment fees, and distributions back to the entities are recorded as an increase or decrease to the corresponding assets and liabilities and are not included in the net assets of the Foundation.

Funds Held in Trust are stated at fair value and are comprised of the following for the year ended June 30:

	<u>2021</u>	<u>2020</u>
The Archdiocese of Miami Millennium Appeal, Inc. d/b/a Vision 2000	\$ 60,958,704	\$ 41,563,522
The Archdiocese of Miami Endowment Fund, Inc.	230,765,172	178,583,047
Other	380,379	1,792,973
Total funds held in trust	<u>\$ 292,104,255</u>	<u>\$ 221,939,542</u>

Transactions during the years ended June 30, were as follows:

	<u>2021</u>	<u>2020</u>
Funds held in trust - participating entities, beginning of year	\$ 221,939,542	\$ 209,711,440
Investment income, net of fees	58,821,865	6,174,467
Contributions received from participating entities	18,907,122	10,602,112
Distributions to entities	(7,564,274)	(4,548,477)
Funds held in trust - participating entities, end of year	<u>\$ 292,104,255</u>	<u>\$ 221,939,542</u>

6. FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board ASC 820 *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

6. FAIR VALUE MEASUREMENTS (CONTINUED)

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities measured at fair value are based on one or more of three valuation techniques:
 - Market approach - Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
 - Cost approach - Amount that would be required to replace the service capacity of an asset (i.e., replacement cost);
 - Income approach – Techniques that convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

The asset's or liability'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 used need to 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.

Cash securities are carried at cost, which approximates fair value.

Fixed income securities are carried at fair value as of the financial statement date. Fair values are based on quoted market prices on the last day of the fiscal year.

A portion of the Foundation's mutual funds are valued at quoted active market prices, which represent the net asset value of shares held by the Foundation. The majority of the Foundation's investment in mutual funds are measured at fair value using the net asset value ("NAV") per unit practical expedient and, accordingly, have not been classified in the fair value hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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. The values assigned to certain investments are based upon currently available information and do not necessarily represent amounts that may ultimately be realized.

The following table represents the Foundation's assets measured at fair value on a recurring basis at for each of the fair value hierarchy levels as of June 30, 2021:

<u>Description</u>	<u>Fair Value Measurements at Reporting Date Using:</u>			
	<u>Fair Value 6/30/2021</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Other Unobservable Inputs (Level 3)</u>
Assets:				
Cash securities	\$ 11,860,260	\$ 11,860,260	\$ -	\$ -
Fixed income securities	121,132,889	121,132,889	-	-
Mutual funds	52,426,897	52,426,897	-	-
Total assets in the fair value hierarchy	185,420,046	185,420,046	-	-
Assets measured at NAV	134,545,515	-	-	-
Total assets at fair value	\$ 319,965,561	\$ 185,420,046	\$ -	\$ -

CATHOLIC COMMUNITY FOUNDATION IN THE ARCHDIOCESE OF MIAMI, INC.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

6. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table represents the Foundation's assets measured at fair value on a recurring basis at for each of the fair value hierarchy levels as of June 30, 2020:

<u>Description</u>	<u>Fair Value</u> <u>6/30/2020</u>	<u>Fair Value Measurements at Reporting Date Using:</u>		
		<u>Quoted Prices</u> <u>In Active</u> <u>Markets for</u> <u>Identical Assets</u> <u>(Level 1)</u>	<u>Significant</u> <u>Other</u> <u>Observable</u> <u>Inputs</u> <u>(Level 2)</u>	<u>Significant</u> <u>Other</u> <u>Unobservable</u> <u>Inputs</u> <u>(Level 3)</u>
Assets:				
Investments:				
Cash securities	\$ 1,646,716	\$ 1,646,716	\$ -	\$ -
Fixed income securities	100,925,322	100,925,322	-	-
Equity securities	39,159,830	39,159,830	-	-
Total assets in the fair value hierarchy	<u>141,731,868</u>	<u>141,731,868</u>	<u>-</u>	<u>-</u>
Assets measured at NAV	102,580,406	-	-	-
Total assets at fair value	\$ 244,312,274	\$ 141,731,868	\$ -	\$ -

The mutual funds valued at net asset value consist of two State Street mutual funds (State Street MSCI ACWI Ex US IMI and State Street Russell 3000 Index) for which the strategy is managed using an indexing investment approach which attempts to approximate, before expenses, the performance of the index over the long term. There are no unfunded commitments or redemption restrictions.

7. NET ASSETS

Net assets of the Foundation are comprised of both net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions were \$73,801 and \$73,433 as of June 30, 2021 and 2020, respectively. The Foundation has the authority to direct the use of these funds in a manner which it deems appropriate.

Net assets with donor restrictions include contributions made by donors or Archdiocesan entities with a specific purpose restriction, the majority of which are for the benefit of a specified beneficiary. A participant account is established for each contribution received and in accordance with the gift agreement, the corpus is to remain intact. In accordance with the Foundation's investment policy and the participant agreement, the beneficiary of these participant accounts may receive payments of allowable distributable income.

As of June 30, 2021 and 2020, net assets with donor restrictions were \$27,787,505 and \$22,299,299, respectively. During the years ended June 30, 2021 and 2020, releases from net assets with donor restrictions were \$854,834 and \$844,467, respectively, and represents distributable income that was paid to beneficiaries.

8. RELATED PARTY TRANSACTIONS

The Foundation is sponsored by the Archdiocese and its offices are located at the headquarters of the Archdiocese. Except for a \$50,000 annual subsidy for its Executive Director, the Foundation is not charged rent, labor costs or other administrative expenses by the Archdiocese for the use of its offices, employees or other resources. The annual subsidy is recorded as an investment management fee and allocated to all accounts.

9. COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

9. COVID-19 (CONTINUED)

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Foundation is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or cash flows for future years. While the ultimate outcome of this uncertainty is unknown, it is reasonably possible the future impact may be materially adverse.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law. The CARES Act had no impact to the Foundation.