



Financial Statements

**The Catholic Foundation of The
Diocese of Colorado Springs, Inc.**
For the Year Ended June 30, 2025

**THE CATHOLIC FOUNDATION OF
THE DIOCESE OF COLORADO SPRINGS, INC.**

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
The Catholic Foundation of the Diocese of Colorado Springs, Inc.
Colorado Springs, Colorado

Opinion

We have audited the accompanying financial statements of The Catholic Foundation of the Diocese of Colorado Springs, Inc. (the Foundation) which comprise the statement of financial position as of June 30, 2025, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2025, 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. 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Foundation as of June 30, 2024 were audited by other auditors whose report dated January 28, 2025 expressed an unmodified opinion of these statements.

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, 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 available to be 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

Sorren CPAs P.C.
Colorado Springs, Colorado
February 19, 2026

**THE CATHOLIC FOUNDATION OF
THE DIOCESE OF COLORADO SPRINGS, INC.**

**STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025 (with comparative totals for 2024)**

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 390,732	\$ 19,049
Investments	737,547	1,602,717
Investments limited as to use, designated for Parish	138,063	108,762
Investments held for others	2,801,180	2,281,940
Pledges receivable	200,000	
Related party note receivable	505,747	
Other assets	20,813	60,860
Investments restricted for endowment	<u>10,250,214</u>	<u>9,343,278</u>
Total assets	<u>\$ 15,044,296</u>	<u>\$ 13,416,606</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Annuities payable	\$ 121,471	\$ 121,541
Funds held for others	<u>2,801,180</u>	<u>2,281,940</u>
Total liabilities	<u>2,922,651</u>	<u>2,403,481</u>
NET ASSETS		
Without donor restrictions:		
Board-designated for Parish	138,063	108,762
Undesignated	<u>1,533,368</u>	<u>1,489,626</u>
Total without donor restrictions	1,671,431	1,598,388
With donor restrictions:		
for Parishes and other organizations	<u>10,450,214</u>	<u>9,414,737</u>
Total net assets	<u>12,121,645</u>	<u>11,013,125</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,044,296</u>	<u>\$ 13,416,606</u>

See notes to financial statements.

**THE CATHOLIC FOUNDATION OF
THE DIOCESE OF COLORADO SPRINGS, INC.**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Investment return, net	\$ 107,236	\$ 990,331	\$ 1,097,567
Contributions	134,081	420,363	554,444
Management fee income	66,067		66,067
Net assets released from restrictions:			
Parishes and other organizations	<u>375,217</u>	<u>(375,217)</u>	<u> </u>
Total revenues, gains and other support	<u>682,601</u>	<u>1,035,477</u>	<u>1,718,078</u>
EXPENSES			
Program and affiliated distributions to Parishes and other organizations	<u>373,879</u>	<u> </u>	<u>373,879</u>
General and administrative services:			
Grant to the Diocese for administrative expenses	12,500		12,500
Professional fees	154,856		154,856
Other expenses	<u>68,323</u>	<u> </u>	<u>68,323</u>
Total general and administrative services	<u>235,679</u>	<u> </u>	<u>235,679</u>
Total expenses	<u>609,558</u>	<u> </u>	<u>609,558</u>
CHANGE IN NET ASSETS	73,043	1,035,477	1,108,520
NET ASSETS, Beginning of year	<u>1,598,388</u>	<u>9,414,737</u>	<u>11,013,125</u>
NET ASSETS, End of year	<u>\$ 1,671,431</u>	<u>\$ 10,450,214</u>	<u>\$ 12,121,645</u>

See notes to financial statements.

**THE CATHOLIC FOUNDATION OF
THE DIOCESE OF COLORADO SPRINGS, INC.**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Investment return, net	\$ 194,846	\$ 971,605	\$ 1,166,451
Contributions	143,250	377,239	520,489
Management fee income	53,486		53,486
Change in value of split- interest annuity agreements	(16,281)	4,129	(12,152)
Net assets released from restrictions — Parishes and other organizations	<u>302,138</u>	<u>(302,138)</u>	<u> </u>
Total revenues, gains and other support	<u>677,439</u>	<u>1,050,835</u>	<u>1,728,274</u>
EXPENSES			
Program and affiliated distributions to Parishes and other organizations	<u>382,745</u>	<u> </u>	<u>382,745</u>
General and administrative services:			
Grant to the Diocese for administrative expenses	160,317		160,317
Professional fees	<u>47,714</u>	<u> </u>	<u>47,714</u>
Total general and administrative services	<u>208,031</u>	<u> </u>	<u>208,031</u>
Total expenses	<u>590,776</u>	<u> </u>	<u>590,776</u>
CHANGE IN NET ASSETS	86,663	1,050,835	1,137,498
NET ASSETS, Beginning of year	<u>1,511,725</u>	<u>8,363,902</u>	<u>9,875,627</u>
NET ASSETS, End of year	<u>\$ 1,598,388</u>	<u>\$ 9,414,737</u>	<u>\$ 11,013,125</u>

See notes to financial statements.

**THE CATHOLIC FOUNDATION OF
THE DIOCESE OF COLORADO SPRINGS, INC.**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025 (with comparative totals for 2024)**

	2025	2024
OPERATING ACTIVITIES		
Change in net assets	\$ 1,108,520	\$ 1,137,498
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Change in value of split-interest annuity agreements		12,152
Contributions received restricted for long-term investment	(420,363)	(377,239)
Net realized and unrealized gain on investments	(800,324)	(1,001,876)
Change in operating assets and liabilities:		
Pledges receivable	(200,000)	
Other assets	40,047	(4,129)
Accounts payable		(95)
Annuities payable	(70)	(13,528)
Net cash used in operating activities	<u>(272,190)</u>	<u>(247,217)</u>
INVESTING ACTIVITIES		
Note receivable with related party	(505,747)	
Purchase of investments	(31,901)	(952,634)
Proceeds from sale of investments	<u>761,158</u>	<u>822,659</u>
Net cash provided by (used) in investing activities	<u>223,510</u>	<u>(129,975)</u>
FINANCING ACTIVITIES		
Net cash provided by financing activities—		
Proceeds from contributions restricted for long-term investment	<u>420,363</u>	<u>377,239</u>
Increase in cash	371,683	47
CASH, Beginning of year	<u>19,049</u>	<u>19,002</u>
CASH, End of year	<u>\$ 390,732</u>	<u>\$ 19,049</u>

See notes to financial statements.

THE CATHOLIC FOUNDATION OF THE DIOCESE OF COLORADO SPRINGS, INC.

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations — The Catholic Foundation of the Diocese of Colorado Springs, Inc. (the Foundation) was established in May 1991 for the sole and exclusive benefit of the Diocese of Colorado Springs (the Diocese), its parishes, schools and other related organizations designated by the Foundation's Board of Directors. Activity of the Foundation began in February 1992.

The primary objectives of the Foundation are to provide financial and other assistance and support to these entities; to accept, hold, invest, reinvest and administer any gifts, bequests, devises, beneficial trusts and property of any kind or nature and disburse or donate the income or principal; to acquire, own, manage, develop, rehabilitate, sell, lease, encumber or transfer real or personal property; and to participate in charitable arrangements of all kinds, which would benefit the Diocese and its related organizations.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents — The Foundation considers all liquid investments with original maturities of three months or less to be cash equivalents.

Investments and Net Investment Return — Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less external and direct internal investment expenses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method. Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the statements of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions. The Foundation maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.

Pledges Receivable — Unconditional promises to give are recognized in the period received.

Pledges receivable are recorded at net realizable value if expected to be collected within one year and at the present value of estimated future cash flows if expected to be collected in more than one year.

The discounts on these amounts are computed using a risk adjusted discount rate applicable to the year in which the pledge is received. Amortization of the discount is included in contribution revenue. Conditional pledges receivable are recognized when the conditions on which they depend are substantially met. The Foundation uses the allowance method to account for uncollectible pledges receivable. The allowance is based on historical experience and management's analysis of individual pledges. Pledges receivable are considered by management to be fully collectible and, accordingly, no allowance for uncollectible pledges are considered necessary.

Funds Held for Others — The Foundation has agreements with parishes and other related parties of the Diocese under which it holds and manages the assets on their behalf. The Foundation charges an initial setup fee and periodic management fee in accordance with the terms of the agreements.

Net Assets — Net assets, revenues, gains and losses are classified based on the existence or absence of donor restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for certain designated purposes. Net assets with donor restrictions are subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Contributions — Contributions are provided to the Foundation either with or without donor imposed restrictions. Revenues and net assets are reported separately based on the presence or absence of such restrictions. Conditional gifts, with or without restriction are not recognized until donor imposed conditions are substantially met. Unconditional contributions are recognized at fair value on the date of the gift. Gifts of property, equipment and long-lived assets are recorded at their estimated fair value.

When a donor 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. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service. Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue with donor restrictions and then released from restriction.

Management Fee Income — The Foundation assesses an annual management fee of 0.5% on endowment funds. The fee is calculated monthly and funded from the pooled investment portfolio. This fee is intended to compensate the Foundation for the various financial, regulatory and administrative requirements of the endowment portfolio.

Functional Allocation of Expenses — As the cost of supporting the programs of the Foundation are limited to the direct grants and in-kind services provided, no personnel costs or other costs have been allocated to program services. As such, separate statements of functional expenses are not presented.

Income Taxes — The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, the Foundation is subject to federal income tax on any unrelated business taxable income. There was no significant unrelated business income during 2025 and 2024.

Subsequent Events — The Foundation has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, comprise the following:

	2025	2024
Cash and cash equivalents	\$ 390,732	\$ 19,049
Pledges receivable	200,000	
Investments	<u>13,927,004</u>	<u>13,336,697</u>
	<u>14,517,736</u>	<u>13,355,746</u>
Donor, legal or other restrictions and designations:		
Board-designated for Parish	(138,063)	(108,762)
Funds held for others	(2,801,180)	(2,281,940)
Donor imposed restrictions	<u>(10,450,214)</u>	<u>(9,414,737)</u>
	<u>(13,389,457)</u>	<u>(11,805,439)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,128,279</u>	<u>\$ 1,550,307</u>

The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Foundation has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 90 days operating expenses. To achieve this target, the Foundation forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. During the years ended June 30, 2025 and 2024, the level of liquidity and reserves were managed within the policy requirements.

Financial assets available to meet cash needs for general expenditures within one year, above, includes board-designated net assets as this reserve could be drawn upon for expenditure following board resolution.

3. INVESTMENTS

Investments held at June 30 are summarized as follows:

	<u>Market Value</u>	
	2025	2024
Financial position classification:		
Investments limited as to use, designated	\$ 138,063	\$ 108,762

	<u>Market Value</u>	
	<u>2025</u>	<u>2024</u>
Investments	737,547	1,602,717
Investments restricted for endowment	<u>10,250,214</u>	<u>9,343,278</u>
Total Foundation earning investments	11,125,824	11,054,757
Investments held for others	<u>2,801,180</u>	<u>2,281,940</u>
Total investments	<u>\$ 13,927,004</u>	<u>\$ 13,336,697</u>

4. DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Recurring Measurements — The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2025:				
Assets				
Investments:				
Money market fund held by brokers	\$ 343,404	\$ 343,404		
CUIT:				
Magnus 60/40 blended fund (A)	13,438,492	13,438,492		
Mission Diocese fund (B)	<u>145,108</u>	<u>145,108</u>		
Total assets	<u>\$ 13,927,004</u>	<u>\$ 13,927,004</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities				
Funds held for others	<u>\$ 2,801,180</u>	<u>\$ —</u>	<u>\$ 2,801,180</u>	<u>\$ —</u>

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2024:				
Assets				
Investments:				
Money market fund held by brokers	\$ 328,092	\$ 328,092		
CUIT				
Magnus 60/40 blended fund (A)	12,873,786	12,873,786		
Mission Diocese fund (B)	<u>134,819</u>	<u>134,819</u>		
Total assets	<u>\$ 13,336,697</u>	<u>\$ 13,336,697</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities				
Funds held for others	<u>\$ 2,281,940</u>	<u>\$ —</u>	<u>\$ 2,281,940</u>	<u>\$ —</u>

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy.

Investments — Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. This includes money market funds and the CUIT funds.

The objective of investments in each of these classifications is:

- (A) To achieve current income and long-term capital appreciation through investment of approximately 60% in return-seeking securities and approximately 40% to risk-reducing securities with a bias towards “active” management in the equity portion of the portfolio.
- (B) To provide long-term capital appreciation through investing primarily in a broadly diversified portfolio.

Funds Held for Others — Inputs used to measure funds held for others liabilities are highly correlated with the inputs used to measure the related investments. However, given that there is not a readily available market to measure a price that would otherwise need to be paid to transfer this liability, inputs utilized are capped at Level 2. As a result, at June 30, 2025 and 2024, this liability was measured using significant other observable inputs (Level 2).

5. PLEDGES RECEIVABLE

Unconditional promises to give are as follows at June 30, 2025:

Due in less than one year	\$ 40,000
Due in two to five years	<u>160,000</u>
Total contributions receivable	<u>\$ 200,000</u>

6. ANNUITIES PAYABLE

The Foundation has been the recipient of several gift annuities which require future payments to the donor or their named beneficiaries. The assets received from the donor are recorded at fair value. The Foundation has recorded a liability at June 30, 2025 and 2024 of \$121,471 and \$121,541, respectively, which represents the present value of the future annuity obligations. The liability has been determined using a discount rate of 6%. The Foundation recognized a loss of \$12,152 on these annuities during the year ended June 30, 2024, which are recorded in the change in value of split-interest annuity agreements on the statements of activities. The Foundation did not recognize gains (losses) for the year ended June 30, 2025. Management considered that such gains (losses) were not material to the financial statements.

7. FUNDS HELD FOR OTHERS

The Foundation holds funds for others in accordance with specifications of underlying agreements consisting of the following:

	2025	2024
St. Joseph – Colorado Springs	\$ 1,085,530	\$ 870,230
Monsignor Harrington Fund – St. Paul's	439,923	399,056
St. Francis – Colorado Springs	229,638	208,306
Our Lady of Guadalupe	194,551	176,478
St. Peter	160,091	
St. Gabriel	143,599	130,259
St. Benedict	116,336	105,529
St. Mary of the Rockies	82,874	74,388
St. Michael's	72,122	65,423
St. Francis – Castle Rock	69,530	63,071
Ave Maria	50,934	46,203
Sacred Heart – Cheyenne Wells	40,897	37,097
Catholic Charities of Colorado Springs	40,560	36,792
St. Dominic	36,034	32,687
St. Augustine	29,393	26,664
Divine Redeemer Parish	9,168	8,316
Monsignor Jaeger Fund		1,441
Total	<u>\$ 2,801,180</u>	<u>\$ 2,281,940</u>

8. NET ASSETS

Board-Designated Net Assets — Net assets of \$138,063 and \$108,762 at June 30, 2025 and 2024, respectively, have been internally designated for specific parishes.

Net Assets With Donor Restrictions — Net assets with donor restrictions at June 30 are restricted for the following purposes:

	2025	2024
Subject to expenditure for specified purpose:		
Parishes and other organizations		\$ 71,459
Subject to the passage of time:		
Pledges receivable	\$ 200,000	

	2025	2024
Endowments:		
Subject to appropriation and expenditure when a specified event occurs:		
Restricted by donors for Parish and other organizations	2,167,289	1,680,716
Subject to endowment spending policy and appropriation as held in perpetuity:		
Restricted by donors for Parish and other organizations	<u>8,082,925</u>	<u>7,662,562</u>
Total endowments	<u>\$ 10,450,214</u>	<u>\$ 9,414,737</u>

Additional Net Assets Information

Net assets at June 30 consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
2025:			
Operating	\$ 1,411,897		\$ 1,411,897
Board-designated for a Parish	138,063		138,063
Gift annuities – unrestricted	121,471	\$ 6,997	128,468
Ave Maria		84,578	84,578
Camous Endowment		22,902	22,902
Carlson Endowment		14,283	14,283
Catholic Charities		15,300	15,300
Catholic Foundation		26,803	26,803
Corpus Christi		17,060	17,060
Cursillo Movement Endowment		371,083	371,083
Diocesan		501,852	501,852
Divine Redeemer		30,729	30,729
Father Tim Cronin Endowment		479,942	479,942
St. Joseph – Colorado Springs (George Madril Estate)		526,908	526,908
Fred A. Hoffman Endowment Fund		10,835	10,835
Holy Apostles		168,426	168,426
Holy Apostles Catholic Education Tuition Assistance		489,913	489,913
Holy Family – Leadville		751	751
Holy Rosary		371	371
Holy Trinity		28,650	28,650
Holy Trinity Religious Education		53,047	53,047
Immaculate Conception		697	697
James H. Ladowski Endowment Fund		23,538	23,538
James V. Varrone Endowment		120,815	120,815
John Venezia Catholic Schools Endowment Fund		289,019	289,019
Life Support Center		4,038	4,038
Mater Filius		237,022	237,022
M. Delohery School Forensic Lab Endowment		37,392	37,392
Our Lady of Guadalupe		758	758
Our Lady of Perpetual Help		371	371
Our Lady of the Pines		1,009	1,009
Our Lady of the Woods		9,631	9,631

	Without Donor Restrictions	With Donor Restrictions	Total
Our Lady of Victory Parish Endowment		31,452	31,452
Our Lady of Visitation		586	586
P. Sofia Memorial Fund (St. Mary's High School)		285,910	285,910
P. Sofia Memorial Fund (TCE - Campus)		101,362	101,362
Pax Christi		40,649	40,649
People with Disabilities Endowment Fund		47,692	47,692
Reaves Memorial School Building Fund		249,666	249,666
Sacred Heart – Cheyenne Wells		22,649	22,649
Sacred Heart – Colorado Springs		20,840	20,840
HOB Seminarian Support		902,089	902,089
Sr. Marianella Scholarship Fund		68,014	68,014
St. Andrew Kim		427	427
St. Anthony		829	829
St. Augustine		17,867	17,867
St. Benedict		1,792	1,792
St. Catherine		829	829
St. Charles		7,619	7,619
St. Dominic		12,585	12,585
St. Francis – Castle Rock		60,971	60,971
St. Francis – Colorado Springs		14,825	14,825
St. Gabriel		2,321	2,321
St. Joseph – Colorado Springs		16,348	16,348
St. Joseph – Fairplay		1,245	1,245
St. Joseph – Salida		829	829
St. Mark		646	646
St. Mary of the Rockies		18,224	18,224
St. Mary's – Colorado Springs		112,038	112,038
St. Mary's – Flagler		829	829
St. Michael's		20,501	20,501
St. Patrick's		15,875	15,875
St. Patrick's – Lemelin Endowment		112,108	112,108
St. Paul's		2,016,324	2,016,324
St. Peter – Monument		797	797
St. Rose of Lima		295,887	295,887
Stewards of the Catholic Foundation		150,000	150,000
TCE Endowment		21,860	21,860
The Veranth Family Tuition Assistance Fund		11,364	11,364
Catholic School Tuition Assistance Endowment		198,554	198,554
Suthers Family Education Fund		147,414	147,414
Vietnamese Holy Martyrs		799	799
William & Kathleen Jaeger Memorial Scholarship Fund		272,902	272,902
Ave Maria Catholic School Foundation Fund		293,296	293,296
Catholic Extension Seminarian Endowment Mission Diocese Fund		145,108	145,108
Carolyn M. Erdle Endowment		503,843	503,843
Bishop Sheridan Endowment		588,394	588,394
Orff Endowment Fund		39,335	39,335
	<u>\$ 1,671,431</u>	<u>\$ 10,450,214</u>	<u>\$ 12,121,645</u>

	Without Donor Restrictions	With Donor Restrictions	Total
2024:			
Operating	\$ 1,372,396		\$ 1,372,396
Board-designated for a Parish	108,762		108,762
Gift annuities – unrestricted	117,230	\$ 13,389	130,619
Ave Maria		137,581	137,581
Camous Endowment		20,775	20,775
Carlson Endowment		13,617	13,617
Catholic Charities		13,879	13,879
Catholic Foundation		24,313	24,313
Cloud Family Tuition Assistance		7,790	7,790
Corpus Christi		15,475	15,475
Cursillo Movement Endowment		353,239	353,239
Diocesan		477,721	477,721
Divine Redeemer		29,297	29,297
Divine Redeemer Scholarship Endowment		23,929	23,929
Father Tim Cronin Endowment		435,357	435,357
St. Joseph – Colorado Springs (George Madril Estate)		501,009	501,009
Fred A. Hoffman Endowment Fund		9,828	9,828
Holy Apostles		150,498	150,498
Holy Apostles Catholic Education Tuition Assistance		444,402	444,402
Holy Family – Leadville		681	681
Holy Rosary		337	337
Holy Trinity		27,302	27,302
Holy Trinity Religious Education		50,551	50,551
Immaculate Conception		633	633
James H. Ladowski Endowment Fund		21,351	21,351
James V. Varrone Endowment		109,592	109,592
John Venezia Catholic Schools Endowment Fund		275,122	275,122
Life Support Center		3,663	3,663
Mater Filius		58,581	58,581
Our Lady of Guadalupe		688	688
Our Lady of Perpetual Help		337	337
Our Lady of the Pines		915	915
Our Lady of the Woods		9,178	9,178
Our Lady of Visitation		532	532
P. Sofia Memorial Fund (St. Mary's High School)		259,350	259,350
P. Sofia Memorial Fund (TCE - Campus)		96,488	96,488
Pax Christi		36,873	36,873
People with Disabilities Endowment Fund		43,261	43,261
Reaves Memorial School Building Fund		212,885	212,885
Sacred Heart – Cheyenne Wells		21,583	21,583
Sacred Heart – Colorado Springs		14,144	14,144
HOB Seminarian Support		848,614	848,614
Schmitz Endowment		62,448	62,448
Sr. Marianella Scholarship Fund		61,695	61,695
St. Andrew Kim		407	407
St. Anthony		752	752
St. Augustine		17,026	17,026
St. Benedict		1,626	1,626
St. Catherine		752	752
St. Charles		6,912	6,912

	Without Donor Restrictions	With Donor Restrictions	Total
St. Dominic		11,416	11,416
St. Francis – Castle Rock		58,102	58,102
St. Francis – Colorado Springs		13,448	13,448
St. Gabriel		2,105	2,105
St. Joseph – Colorado Springs		15,878	15,878
St. Joseph – Fairplay		1,186	1,186
St. Joseph – Salida		752	752
St. Mark		586	586
St. Mary of the Rockies		16,531	16,531
St. Mary's – Colorado Springs		106,765	106,765
St. Mary's – Flagler		752	752
St. Michael's		18,597	18,597
St. Patrick's		15,128	15,128
St. Patrick's – Lemelin Endowment		106,832	106,832
St. Paul's		1,829,016	1,829,016
St. Peter – Monument		760	760
St. Rose of Lima		281,962	281,962
TCE Endowment		19,829	19,829
Catholic School Tuition			
Assistance Endowment		180,109	180,109
Suthers Family Education Fund		111,123	111,123
Vietnamese Holy Martyrs		725	725
William & Kathleen Jaeger			
Memorial Scholarship Fund		260,059	260,059
Ave Maria Catholic			
School Foundation Fund		256,243	256,243
Catholic Extension Seminarian			
Endowment Mission Diocese Fund		134,819	134,819
Carolyn M. Erdle Endowment		459,854	459,854
Bishop Sheridan Endowment		560,101	560,101
Orff Endowment Fund		35,681	35,681
	<u>\$ 1,598,388</u>	<u>\$ 9,414,737</u>	<u>\$ 11,013,125</u>

Net Assets Released from Restrictions — Net assets were released from donor restrictions during the years ended June 30 by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors are as follows.

	2025	2024
Restricted purpose spending-rate distributions and appropriations:		
Restricted by donors for Parish and other organizations	<u>\$ 375,217</u>	<u>\$ 302,138</u>

Additional Net Assets Released from Restrictions Information — Net assets released from restriction during the years ended June 30 consist of the following:

	2025	2024
Charitable remainder trusts	\$ 60,860	
Honoring Our Bishops Seminarian Support Fund	42,431	
St. Joseph, Colorado Springs Capital Fund	40,000	
Bishop Sheridan Endowment	28,005	\$ 26,351
Madril Endowment Fund	25,050	23,571
Divine Redemmer School	24,617	1,126

	2025	2024
Diocese of Colorado Springs Endowment	23,886	
Cursillo Movement Endowment	17,662	
St. Rose of Lima	14,098	1,121
John Venezia Catholic Schools Endowment Fund	13,756	12,943
William & Kathleen Jaeger Scholarship Fund	13,003	
John and Julie Hartnett Annuity	10,951	
Reaves Memorial School Building Fund	10,644	9,530
Holy Apostles	7,525	7,080
Seminary Burse	6,741	39,926
St. Patrick's Parish – Lemelin	5,342	5,026
St. Mary's Cathedral Parish Endowment	5,338	
Paul	4,825	85,000
P. Sofia Memorial Fund (TCE - Campus)	4,824	4,539
Holy Trinity Religious Education	3,893	3,662
Carolyn M. Erdle Endowment	2,927	454
St. Francis Castle Rock Parish Endowment	2,905	
Divine Redemmer	1,465	1,378
Sacred Heart Parish	1,079	1,015
St. Augustine	851	801
St. Patrick	757	712
A&B Carlson Endowment	681	641
John Ross Annuity	525	525
Our Lady of the Woods Parish Endowment	459	
St. Joseph	59	56
St. Peter Parish Endowment	38	
St. Andrew Kim	20	19
Diocesan		22,475
Tuition Assistance		20,907
Seminarian Mission Endowment		12,545
P. Sofia Memorial Fund (St. Mary's High School)		12,201
Ave Maria Parish		3,609
Sr. Marianella Tuition Assistance		2,000
Suthers Family Education Fund		1,031
Camous Endowment Fund		977
St. Dominic		537
Mary O'Hayes		380
Total	<u>\$ 375,217</u>	<u>\$ 302,138</u>

9. ENDOWMENT

The Foundation's governing body is subject to the State of Colorado Prudent Management of Institutional Funds Act (UPMIFA). As a result, the Foundation classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the governing body appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before being reclassified as net assets without donor restrictions.

Additionally, in accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund.
2. Purposes of the Foundation and the fund.
3. General economic conditions.
4. Possible effect of inflation and deflation.
5. Expected total return from investment income and appreciation or depreciation of investments.
6. Other resources of the Foundation.
7. Investment policies of the Foundation.

The Foundation's endowment consists of approximately 80 individual funds established for a variety of purposes. The endowment includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The composition of net assets by type of endowment fund at June 30:

	With Donor Restrictions
2025:	
Donor-restricted endowment funds:	
Original donor-restricted gift amount and amounts required to be maintained in perpetuity	\$ 8,082,925
Accumulated investment gains	<u>2,167,289</u>
Total	<u>\$ 10,250,214</u>
2024:	
Donor-restricted endowment funds:	
Original donor-restricted gift amount and amounts required to be maintained in perpetuity	\$ 7,662,562
Accumulated investment gains	<u>1,680,716</u>
Total	<u>\$ 9,343,278</u>

Changes in donor-restricted endowment funds for the years ended June 30:

	With Donor Restrictions
2025:	
Endowment funds, beginning of year	\$ 9,343,278
Investment return, net	861,790
Contributions and deposits	420,363
Appropriation for expenditure	<u>(375,217)</u>
Endowment funds, end of year	<u>\$ 10,250,214</u>

	With Donor Restrictions
2024:	
Endowment funds, beginning of year	\$ 8,296,978
Investment return, net	971,199
Contributions and deposits	377,239
Appropriation for expenditure	<u>(302,138)</u>
Endowment funds, end of year	<u>\$ 9,343,278</u>

Investment and Spending Policies — The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Foundation must hold in perpetuity or for donor-specified periods. Under the Foundation’s policies, endowment assets are invested in a manner that is intended to produce an average rate of return of approximately 7% annually while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount. To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Foundation has a spending policy of appropriating for expenditure each year 5% of its endowment fund’s fair value on June 30 preceding the year in which the expenditure is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 2% annually. This is consistent with the Foundation’s objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Underwater Endowments — The governing body of the Foundation has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of:

- (A) the original value of initial and subsequent gift amounts donated to the fund and
- (B) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument

The Foundation has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

At June 30, 2025, none of the funds are considered underwater. At June 30, 2024, the HOB Seminarian Support fund with an original gift value of \$865,595, fair value of \$848,614, and deficiencies of \$16,981, was reported in net assets with donor restrictions. These deficiencies resulted from continued appropriation for certain purposes that was deemed prudent by the governing body. The Foundation has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor stipulations or laws and regulations.

10. RELATED-PARTY TRANSACTIONS

The Foundation made grant payments to the Diocese of \$12,500 and \$241,317 during 2025 and 2024, respectively. Amounts remitted were to reimburse the Diocese for various administrative services received. These costs are recorded in grant to the Diocese for administrative expenses on the statements of activities.

The Foundation made payments to a related party of \$133,856 during 2025. Amounts remitted were for consulting fees. These costs are recorded in professional fees on the statement of activities.

During the year ended June 30, 2025, the Diocese entered into a \$500,000 loan agreement with the Foundation, principal and interest payable at the completion of one year due in April 2026 at a fixed rate equal to 5.5%, secured by the Diocese of Colorado Springs Endowment. As of June 30, 2025, the related party note receivable is comprised of the principal balance of \$500,000 and accrued interest of \$5,747.

11. SIGNIFICANT ESTIMATES AND CONCENTRATIONS

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Pledges receivable: Approximately 100% of *pledges receivables* were received from two donors in 2025.

Contributions: Approximately 64% of all contributions were received from four donors in 2025, and approximately 70% of all contributions were received from two donors in 2024.

Investments: The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least 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 accompanying statements of financial position.

Cash: The Foundation maintains its cash and cash equivalents in bank deposit accounts in which the deposits are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Foundation has not experienced any losses in such accounts