

Financial Statements and Report of
Independent Certified Public
Accountants

**The Catholic Community Foundation of the
Archdiocese of Baltimore, Inc.**

June 30, 2024 and 2023

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

Opinion

We have audited the financial statements of The Catholic Community Foundation of the Archdiocese of Baltimore, Inc. ("CCF, Inc."), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years 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 CCF, Inc. as of June 30, 2024 and 2023, and the changes in its net assets 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 CCF, Inc. 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 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 CCF, Inc.'s ability to continue as a going concern for one year after the date the financial statements are 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 US 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 US 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 CCF Inc.'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 CCF Inc.'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.

Grant Thornton LLP

Iselin, New Jersey
December 20, 2024

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

STATEMENTS OF FINANCIAL POSITION

June 30,

	2024	2023
ASSETS		
Cash	\$ 7,370,804	\$ 666,630
Investments	115,861,352	112,418,318
Split interest agreements and other assets	589,463	626,106
Amounts held on behalf of others	2,140,768	2,017,965
Contributions receivable, net of allowance and discount of \$298,000 at June 30, 2024 and 2023	-	-
Total assets	\$ 125,962,387	\$ 115,729,019
LIABILITIES AND NET ASSETS		
Liabilities		
Accrued grant liabilities	\$ 4,972,025	\$ 4,515,942
Accrued expenses	272,598	243,999
Amounts held on behalf of others	2,140,768	2,017,965
Total liabilities	7,385,391	6,777,906
Net assets		
Without donor restrictions	12,677,609	11,224,208
With donor restrictions	105,899,387	97,726,905
Total net assets	118,576,996	108,951,113
Total liabilities and net assets	\$ 125,962,387	\$ 115,729,019

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

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

STATEMENT OF ACTIVITIES

Year ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, gains and other support			
Contributions	\$ 1,170,671	\$ 2,888,841	\$ 4,059,512
Change in value of split-interest agreements	659	(63,475)	(62,816)
Investment earnings, net	949,876	10,849,230	11,799,106
Net assets released from restrictions	<u>5,502,114</u>	<u>(5,502,114)</u>	<u>-</u>
Total revenue, gains and other support	<u>7,623,320</u>	<u>8,172,482</u>	<u>15,795,802</u>
Expenses			
Management and professional fees	977,271	-	977,271
Grant expense	<u>5,192,648</u>	<u>-</u>	<u>5,192,648</u>
Total expenses	<u>6,169,919</u>	<u>-</u>	<u>6,169,919</u>
CHANGES IN NET ASSETS	1,453,401	8,172,482	9,625,883
Net assets beginning of year	<u>11,224,208</u>	<u>97,726,905</u>	<u>108,951,113</u>
Net assets end of year	<u>\$ 12,677,609</u>	<u>\$ 105,899,387</u>	<u>\$ 118,576,996</u>

The accompanying notes are an integral part of this financial statement.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

STATEMENT OF ACTIVITIES

Year ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, gains and other support			
Contributions	\$ 51,725	\$ 2,015,146	\$ 2,066,871
Change in value of split-interest agreements	873	11,482	12,355
Investment earnings, net	536,628	6,528,970	7,065,598
Net assets released from restrictions	<u>4,947,280</u>	<u>(4,947,280)</u>	<u>-</u>
Total revenue, gains and other support	<u>5,536,506</u>	<u>3,608,318</u>	<u>9,144,824</u>
Expenses			
Management and professional fees	1,201,274	-	1,201,274
Grant expense	<u>4,214,712</u>	<u>-</u>	<u>4,214,712</u>
Total expenses	<u>5,415,986</u>	<u>-</u>	<u>5,415,986</u>
CHANGES IN NET ASSETS	120,520	3,608,318	3,728,838
Net assets beginning of year	<u>11,103,688</u>	<u>94,118,587</u>	<u>105,222,275</u>
Net assets end of year	<u>\$ 11,224,208</u>	<u>\$ 97,726,905</u>	<u>\$ 108,951,113</u>

The accompanying notes are an integral part of this financial statement.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended June 30,

	2024		
	Program Services	Management and General	Total Expenses
Grant expense	\$ 5,192,648	\$ -	\$ 5,192,648
Management fees	-	943,700	943,700
Marketing expenses	33,571	-	33,571
	<u>\$ 5,226,219</u>	<u>\$ 943,700</u>	<u>\$ 6,169,919</u>
	2023		
	Program Services	Management and General	Total Expenses
Grant expense	\$ 4,214,712	\$ -	\$ 4,214,712
Management fees	-	1,126,747	1,126,747
Marketing expenses	74,527	-	74,527
	<u>\$ 4,289,239</u>	<u>\$ 1,126,747</u>	<u>\$ 5,415,986</u>

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

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

STATEMENTS OF CASH FLOWS

Years ended June 30,

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 9,625,883	\$ 3,728,838
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Reinvested dividend income	(1,704,360)	(1,469,430)
Unrealized gain on investments	(10,094,746)	(5,596,168)
Change in operating assets and liabilities		
Decrease in amounts held on behalf of others	(122,803)	(19,047)
Decrease in contributions receivable	-	167,206
Decrease (Increase) in split interest agreements and other assets	36,643	(27,355)
Increase (decrease) in accrued grant liabilities	456,083	(315,581)
Increase (decrease) in accrued expenses	28,599	(605,447)
Increase in amounts held on behalf of others	122,803	19,047
	<u>(1,651,898)</u>	<u>(4,117,937)</u>
Net cash used in operating activities		
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	75,740,255	31,608,294
Purchases of investments	<u>(67,384,183)</u>	<u>(27,679,281)</u>
	<u>8,356,072</u>	<u>3,929,013</u>
Net cash provided by investing activities		
NET INCREASE (DECREASE) IN CASH	6,704,174	(188,924)
Cash, beginning of year	<u>666,630</u>	<u>855,554</u>
Cash, end of year	<u>\$ 7,370,804</u>	<u>\$ 666,630</u>

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

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE A - ORGANIZATION

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc. ("CCF, Inc.") was established in 1998. The mission of CCF, Inc. is to financially support the spiritual, educational and social needs of the Catholic community within the Archdiocese of Baltimore. CCF, Inc. fulfills this mission by establishing fund agreements providing ongoing support to fund the mission and ministries of parishes, schools and programs of the Archdiocese of Baltimore and other Catholic institutions located therein.

CCF, Inc. is incorporated in the state of Maryland. The Board of Trustees is authorized to provide all rules, policies and procedures necessary to establish and administer investment funds. CCF, Inc. currently engages the Central Services of the Roman Catholic Archbishop of Baltimore, a corporation sole of the state of Maryland ("Corporation Sole" or "Archdiocese"), to provide certain administration and development functions in exchange for administrative fees. There were 560 separate fund agreements in CCF, Inc. as of June 30, 2024. These funds generally fall in one of four categories.

- *Field of Interest Funds* established to support a particular area of need such as Catholic Education or Vocations.
- *Organizational Funds* established for individual parishes, schools and affiliated organizations of the Archdiocese for the general purposes of the specific organization.
- *Individual Community Funds* established by individual donors. These donor-restricted funds may have several beneficiaries that will receive ongoing financial support. These funds require 50% of the income and assets of a fund be restricted for the use of the Archdiocese of Baltimore and/or Catholic institutions located therein.
- *Donor Advised Funds* established by individuals who wish to remain active in their philanthropy and have access to CCF, Inc.'s professional advice and management. Donors may suggest charitable distributions from funds they have established, although CCF, Inc.'s Board of Trustees is required to make final decisions on all grants.

Investment proceeds are distributed annually, based on the distribution parameters approved by CCF, Inc.'s Board of Trustees, consistent with donor gift agreements.

Investments are managed by an external investment management firm.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Classifications of Net Assets

Resources are reported for accounting purposes in separate classes of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into the following categories:

Net Assets Without Donor Restrictions

Net assets that are not considered restricted through time or purpose or donor-restricted are classified as without donor restrictions. Revenues are reported as increases in net assets without donor restrictions unless they are limited by express donor-imposed restrictions. Expirations of time and purpose restrictions recognized on net assets (i.e., the donor-stipulated purposes have been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from time and purpose restricted net assets to without donor restricted net assets. At June 30, 2024 and 2023, the Board of Trustees had designated \$485,413 and \$443,600, respectively, to fund certain projects in furtherance of CCF's general charitable purposes.

Net Assets With Donor Restrictions – net assets subject to the following donor-imposed stipulations:

- *Restricted for Time or Purpose* - Net assets subject to donor-imposed stipulations that may or will be met by the passage of time or by actions of CCF, Inc. pursuant to those stipulations are classified as time and purpose restricted. Most of the Organizational and Individual Community investment funds are classified as with donor restrictions due to time or purpose.
- *Restricted in Perpetuity* - Net assets subject to donor-imposed stipulations that they be maintained in perpetuity are classified as with donor restrictions. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for general or specific purposes.

Cash and Cash Equivalents

Cash and cash equivalents held in the investment portfolio include highly liquid investments with original maturities of three months or less at the time of purchase.

Fair Value Measurement

CCF, Inc. follows guidance which establishes a framework for measuring fair value, expands disclosures about fair value measurements, and provides a consistent definition of fair value which focuses on an exit price between market participants in an orderly transaction. The guidance also prioritizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability, based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability, based on the best information available in the circumstances. The hierarchy is broken down into three levels, based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Fair value is based on pricing inputs other than quoted prices in active markets and which are either directly or indirectly observable as of the reporting date. The nature of these securities includes investments for which quoted prices are available but traded less frequently than securities traded on what are deemed active markets.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Level 3 - Pricing of securities are unobservable as of the reporting date. The inputs used to determine fair value are not observable and require significant management judgment or estimation.

CCF, Inc. endeavors to utilize the best available information in measuring fair value. All investments are held and managed by Strategic Solutions of Commonfund. These investments include private capital, global hedged instruments, natural resources and real estate and generally have an illiquid status of five years or more.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the reporting entity. CCF, Inc. consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to CCF, Inc.'s perceived risk of that instrument.

CCF, Inc. follow guidance on measuring the fair value of alternative investments, which offers investors a practical expedient for measuring the fair value of investments in certain entities that calculate net asset value ("NAV"). Under this practical expedient, entities are permitted to use NAV without adjustment for certain investments which: (a) do not have a readily determinable fair value; and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Additionally, CCF, Inc. follow guidance that removes the requirement to categorize, within the fair value hierarchy, all investments for which the fair value is measured using NAV.

Investments

CCF, Inc.'s investments are stated at fair value. CCF, Inc. maintains master investment accounts. Realized and unrealized gains and losses are allocated monthly to the accounts. The master investments are managed by an independent professional investment management firm and are diversified among a variety of investment products. The estimated fair value of investments is based on quoted market prices, except for certain investments for which quoted market prices are not available. The estimated fair value of these investments is based on valuations provided by the investment management firm as of the measurement date. Because alternative investments are not readily available, their estimated fair value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed.

Investment Income

Investment income is presented net of investment advisory/management fees in the accompanying statements of activities. Dividends and interest are recognized as earned. Income from investments are included in investment income without donor restrictions unless the income is restricted by the donor.

Contributions and Contributions Receivable

CCF, Inc. recognizes revenue from contributions in accordance with guidance requiring CCF, Inc. to evaluate whether (1) transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions, and (2) determining whether a contribution is conditional.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Contributions, including unconditional promises to give, are reported as revenues at fair value in the period received as net assets without donor restrictions and net assets with donor restrictions depending on the existence or absence of donor-imposed stipulations. Unconditional promises to give that are expected to be collected in future periods in excess of 12 months are recorded at the present value of the estimated future cash flows, discounted using a risk-adjusted discount rate applicable to the years in which the promises were received. As of June 30, 2024 and 2023, the contributions receivable, net balance was \$0 and therefore no unamortized discount was calculated.

Split-Interest Agreements

CCF, Inc is the beneficiary of planned gifts under certain split interest agreements. CCF is not the trustee of the associated assets and accordingly records their interest in the trust assets. Contribution revenue is recorded for CCF's interest at the date these split interested agreements are established. Changes in the CCF's interest in the trust assets are recorded as change in value of split interest agreements on the accompanying statements of activities.

Grant Expense

Upon making grants, CCF, Inc. evaluates whether the transfer of assets is (1) a grant or (2) an exchange transaction in which CCF, Inc. is receiving commensurate value in return for the resources transferred. If the transfer of assets is determined to be a grant, CCF, Inc. evaluates whether the grant is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the recipient is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of CCF, Inc.'s obligation to transfer assets.

The grant expense is calculated annually applying the spending rate to each eligible endowment fund balance as of December 31. An individual endowment fund must meet certain criteria to be eligible. In general, no expense will be calculated if a fund's corpus exceeds its fair value, or has been in CCF, Inc.'s portfolio for less than 12 months.

The spending formula is derived utilizing the weighing of two economic factors. The first component of the spending rate is equal to 70% of the allowable spending rate of the previous year, increased by the rate of inflation, as measured by the Consumer Price Index. The second component of the spending rate is 30% of the long-term spending rate of 4% applied to the change in fair value of the fund measured by a trailing market average over the past 12 quarters. The spending rate shall never be less than 3% or higher than 5%.

The spending rate calculated and applied to applicable fund balances was 4.41% and 4.44% for years ended June 30, 2024 and 2023, respectively.

Amounts Held on Behalf of Others

CCF, Inc. acts as custodian to certain funds transferred to the foundation by other not-for-profit organizations of which the other not-for-profit organizations are themselves the beneficiary. CCF, Inc. does not have any variance power in terms of the use of these investments or any economic interest. CCF Inc., in accordance with *Transfers of Assets to Not-for-Profit Organizations or Charitable Trust that Raises or Holds Contributions for Others* guidance, records a liability for the transferred funds. The transferred funds are invested consistent with the investment policy of CCF, Inc., including the spending formula following by CCF's other funds. Any change in value is related to changes in the fair values and transactions in the normal course of operations. There were distributions totaling \$86,826 and \$99,932 from amounts held on behalf of others for the years ended June 30, 2024 and 2023, respectively.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and revenues and expenses recognized during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments which potentially subject CCF, Inc. to concentrations of credit risk consist of cash and investments in securities. CCF, Inc. places its cash and investments with credit-worthy, high-quality financial institutions. Though the fair value of investments is subject to fluctuations on a year-to-year basis, CCF, Inc. believes that its investment policies are prudent for the long-term welfare of the organization.

CCF, Inc.'s cash management policies limit its exposure to a concentration of credit risk by maintaining cash accounts at financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation ("FDIC"). Cash is maintained at one financial institution and at times, the total value of deposits maintained may exceed the FDIC insurable limit and, therefore, bears some risk. CCF, Inc. has not experienced any losses as a result of exceeding insured amounts.

Income Taxes

CCF, Inc. is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3), except for those activities which constitute unrelated business income, through its inclusion in United States Conference of Catholic Bishops group ruling and listing in the Official Catholic Directory. Contributions to CCF, Inc. qualify as a charitable tax deduction by the contributor.

CCF, Inc. follows the accounting guidance for uncertainties in income tax positions which requires that a tax position be recognized or not recognized, based on a "more likely than not" threshold. This applies to positions taken or expected to be taken in a tax return. CCF, Inc. does not believe its financial statements include any uncertain tax positions.

CCF, Inc. has processes presently in place 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. CCF, Inc. has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE C - REVISION OF PRIOR PERIOD BALANCES

CCF, Inc. revised its June 30, 2023 financial statements to adjust amounts which were incorrectly recorded as accrued grant liabilities. Upon further review of donor advised fund agreements, it was determined that an unconditional commitment related to disbursing these donor advised funds did not exist and as such the recognition of a liability was not appropriate. This adjustment resulted in an increase in opening net assets without donor restrictions and a decrease to accrued grant liabilities. Management has concluded that based on qualitative and quantitative factors considered, this correction of these errors is not material to the previously issued financial statements. The accompanying fiscal 2023 statement of financial position and statement of activities reflect this change, as follows:

	June 30, 2023 <u>(as presented)</u>	<u>Adjustment</u>	June 30, 2023 <u>(as adjusted)</u>
Accrued grant liabilities	\$ 7,405,152	\$ (2,889,210)	\$ 4,515,942
Total liabilities	9,667,116	(2,889,210)	6,777,906
Net assets without donor restrictions	8,334,998	2,889,210	11,224,208
Total net assets	106,061,903	2,889,210	108,951,113
Net assets without donor restrictions beginning of year	8,214,478	2,889,210	11,103,688
Total net assets beginning of year	102,333,065	2,889,210	105,222,275
Net assets without donor restrictions end of year	8,334,998	2,889,210	11,224,208
Total net assets end of year	106,061,903	2,889,210	108,951,113

NOTE D - LIQUIDITY AND AVAILABILITY

As of June 30, 2024 and 2023, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, follow:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash	\$ 7,370,804	\$ 666,630
Investments and amounts held on behalf of others	118,002,120	114,436,283
Less: donor advised funds	(2,563,236)	(2,255,932)
Less: amounts held on behalf of others	(2,140,768)	(2,017,965)
Less: board designated net assets	(485,413)	(443,600)
Less: assets with donor restrictions	<u>(105,899,387)</u>	<u>(97,726,905)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 14,284,120</u>	<u>\$ 12,658,511</u>

The purpose of the Catholic Community Foundation is to hold all investments in perpetuity to financially support the spiritual, educational and social needs of the Catholic community within the Archdiocese of Baltimore. A suitable proportion of CCF, Inc.'s investment balances are held in Board approved instruments that can be converted to cash if needed.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE E - INVESTMENTS

The fair values of the master investment accounts held as of June 30, 2024 and 2023 are:

	2024	2023
Cash equivalents	\$ 1,367,547	\$ 5,858,923
Fixed income funds	16,729,271	14,543,284
Private equity funds	63,097,869	62,854,671
Alternative funds	34,666,665	29,161,440
	<u>\$ 115,861,352</u>	<u>\$ 112,418,318</u>

The following table presents CCF, Inc.'s investments by level within the fair value hierarchy as of June 30, 2024 and 2023:

	Fair Value Measurements		Total Fair Value
	Level 1	NAV	
June 30, 2024			
Cash equivalents	\$ 1,367,547	\$ -	\$ 1,367,547
Fixed income funds*	-	16,729,271	16,729,271
Private equity funds*	-	63,097,869	63,097,869
Alternative funds*	-	34,666,665	34,666,665
Total investments	1,367,547	114,493,805	115,861,352
Amounts held on behalf of others*	-	2,140,768	2,140,768
Total investments and amounts held on behalf of others	<u>\$ 1,367,547</u>	<u>\$ 116,634,573</u>	<u>\$ 118,002,120</u>
June 30, 2023			
Cash equivalents	\$ 5,858,923	\$ -	\$ 5,858,923
Fixed income funds*	-	14,543,284	14,543,284
Private equity funds*	-	62,854,671	62,854,671
Alternative funds*	-	29,161,440	29,161,440
Total investments	5,858,923	106,559,395	112,418,318
Amounts held on behalf of others*	-	2,017,965	2,017,965
Total investments and amounts held on behalf of others	<u>\$ 5,858,923</u>	<u>\$ 108,577,360</u>	<u>\$ 114,436,283</u>

* Investments measured at fair value using NAV per share as a practical expedient have not been categorized in the fair value hierarchy.

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

CCF, Inc. uses the net asset value (“NAV”) to determine the fair value of all underlying investments, which (1) do not have a readily determinable fair value and (2) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following tables summarize the valuation of CCF, Inc.’s financial instruments by authoritative pricing levels as of June 30, 2024 and 2023:

The following tables list investments valued using the NAV as a practical expedient for fair value reporting by major category:

2024								
Type	Strategy	Fair Value	# of Funds	Unfunded Commitments	Remaining Life	Redemption Terms	Redemption Restrictions	Redemption Notice Period
Private equity funds	These funds invest in global venture capital and private equity securities	\$ 64,277,652	14	\$ 9,821,103	3 funds are scheduled to terminate in 2 years; 1 in 4 years; 1 in 5 years; 2 in 7 years; 2 in 9 years; 2 in 11 years; 1 fund to terminate 10 years after final closing 2 funds open ended	No liquidity until end of term for 12 funds; monthly for 2 funds	No liquidity for 12 funds until end of term; 2 fund no partial redemption if remaining value is less than \$100,000	No liquidity for 12 funds until end of term; 2 fund 5 business days prior written notice
Fixed income fund	This fund invests in a variety of U.S. corporate, U.S. treasury and global debt securities	17,042,070	3	-	1 monthly; 1 weekly, 1 daily	1 monthly; 1 weekly, 1 daily	1 fund no partial redemption if remaining value is less than \$1,000,000; no minimum for 2 funds	5 business days for 1 fund; 90 calendar days for 1 fund with 15% investors interest allowed to be withdrawn on last day of month with 5 days' notice, daily for 1 fund
Commingled funds	These funds invest in a portfolio of underlying hedge funds which use a variety of investment strategies	27,803,828	12	7,971,930	2 funds are scheduled to terminate in 2 years; 1 in 3 years; 2 in 6 years; 2 in 8 years; 1 in 10 years; 4 remaining funds open ended	No liquidity until end of term for 8 funds; 1 fund quarterly; 1 fund monthly; 2 funds daily	No liquidity until end of term for 8 funds; 1 fund maximum withdrawal up to 25% of shares; 1 fund no partial redemption if remaining value is less than \$100,000 2 fund no restrictions	No liquidity until end of term for 8 funds; 1 fund 95 days' prior written notice; 1 fund 5 business days prior written notice 2 funds no restrictions
Real estate funds	These funds invest in non-traded REITs	7,511,023	5	8,725,818	1 fund to terminate in 19 years, 1 in 12 years; 3 funds open ended	No liquidity until end of term for 4 funds; 1 fund quarterly	No liquidity until end of term for 4 funds; 1 fund quarterly	No liquidity until end of term for 4 funds; 1 fund 45 to 90 days' notice
Total		<u>\$116,634,573</u>	<u>34</u>	<u>\$ 26,518,851</u>				

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Type	Strategy	Fair Value	# of Funds	2023		Remaining Life	Redemption Terms	Redemption Restrictions	Redemption Notice Period
				Unfunded Commitments					
Private equity funds	These funds invest in global venture capital and private equity securities	\$ 64,044,979	13	\$ 6,344,228		2 fund is scheduled to terminate in 2 years; 2 in 5 years; 1 in 6 years; 1 in 7 years; 2 in 8 years; 1 in 11 years; 4 funds open ended	No liquidity until end of term for 10 funds; daily for 1 fund; monthly for 2 funds	No liquidity for 10 funds until end of term; 1 fund no partial redemption if remaining value is less than \$100,000; 2 funds no restrictions	No liquidity for 10 funds until end of term; 1 fund 5 business days prior written notice, 2 remaining funds monthly
Fixed income fund	This fund invests in a variety of U.S. corporate, U.S. treasury and global debt securities	14,818,698	3	-		1 monthly; 1 quarterly, 1 daily	1 monthly; 1 quarterly, 1 daily	Minimum withdrawal of \$100,000 for 1 fund; no minimum for 2 funds	5 business days for 1 fund; 60 days for 1 fund, daily for 1 fund
Commingled funds	These funds invest in a portfolio of underlying hedge funds which use a variety of investment strategies	22,467,295	9	3,358,892		1 fund is scheduled to terminate in 5 years; 1 in 8 years; 1 in 9 years; 1 in 10 years; 1 in 12 years; 4 remaining funds open ended	No liquidity until end of term for 5 funds; 2 funds quarterly; 2 funds daily	No liquidity until end of term for 5 funds; 1 fund maximum withdrawal up to 25% of shares; 3 fund no restrictions	No liquidity until end of term for 5 funds; 1 fund 65 days prior written notice; 3 funds no restrictions
Real estate funds	These funds invest in non-traded REITs	7,246,388	5	3,878,231		1 fund to terminate in 12 years, 4 funds open ended	No liquidity until end of term for 4 funds; 1 fund quarterly	No liquidity until end of term for 4 funds; 1 fund quarterly	No liquidity until end of term for 4 funds; 1 fund 90 days
Total		\$108,577,360	30	\$ 13,581,351					

CCF, Inc. uses investment advisors to assist in managing its investment portfolio. This full discretionary investment account is guided by a Board approved investment policy statement. CCF, Inc.'s Investment Committee of the Board of Trustees meets regularly with advisors to discuss operations and performances of the investment portfolio.

NOTE F - CONTRIBUTIONS REVENUE AND RECEIVABLE

Contributions receivable are summarized as follows as of June 30, 2024 and 2023:

	2024	2023
Unconditional promises expected to be collected:		
Less than one year	\$ 25,000	\$ 25,000
One to five years	-	-
Over five years	24,000	24,000
	49,000	49,000
Less:		
Unamortized discount	-	-
Allowance for uncollectible receivables	(49,000)	(49,000)
Net contributions receivable	\$ -	\$ -

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE G - SPLIT INTEREST AGREEMENTS

The following tables summarize the changes in CCF, Inc.'s beneficial interest under split-interest agreements for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 514,304	\$ 501,949
Change in value of split-interest agreements	<u>(62,816)</u>	<u>12,355</u>
Balance, end of year	<u>\$ 451,488</u>	<u>\$ 514,304</u>

NOTE H - NET ASSETS

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

	<u>2024</u>	<u>2023</u>
Purpose restrictions:		
Catholic school scholarships	\$ 64,031,446	\$ 58,823,782
Educational excellence	2,112,442	1,983,279
Priest and seminarian programs	4,647,195	4,413,718
Outreach to the poor and those in need	5,346,342	4,941,078
Parish support	27,108,796	25,307,584
Donor designated	1,869,613	1,713,391
Hispanic Ministries	275,566	261,582
Administration	443,359	217,863
Restricted in perpetuity	<u>64,628</u>	<u>64,628</u>
Total net assets with donor restrictions	<u>\$ 105,899,387</u>	<u>\$ 97,726,905</u>

Net assets were released from restrictions by incurring expenses satisfying the following donor-stipulated purpose or time restrictions for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Purpose restrictions:		
Catholic school scholarships	\$ 2,847,609	\$ 2,291,111
Educational excellence	69,008	66,283
Priest and seminarian programs	197,540	163,398
Outreach to the poor and those in need	203,908	189,052
Parish support	1,287,739	830,739
Donor designated	151,508	326,605
Hispanic Ministries	12,277	11,529
Administration	<u>732,525</u>	<u>1,068,563</u>
Total net assets released from restrictions	<u>\$ 5,502,114</u>	<u>\$ 4,947,280</u>

The Catholic Community Foundation of the Archdiocese of Baltimore, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE I - RELATED-PARTY TRANSACTIONS

In exchange for administrative services, CCF, Inc. provides a management fee that is calculated monthly on investment values and paid to the Archdiocese. Management fees for the years ended June 30, 2024 and 2023 totaled \$873,144, and \$843,404, respectively, and are recorded in management fees on the statements of activities. Included in grant expense in the statements of activities is \$2,038,721 and \$1,930,417 of grants awarded to the Corporation Sole for the years ended June 30, 2024 and 2023, respectively.

During the years ended June 30, 2024 and 2023, CCF received contributions of \$37,226 and \$1,000, respectively, from board members in the normal course of business.

NOTE J - LITIGATION

CCF, Inc. is not a party to any litigation or threatened litigation that is expected to have an adverse material impact on the accompanying financial statements. CCF, Inc. is a separately incorporated, Maryland no-stock 501(c)(3) corporation. It is in good standing in the state of Maryland and the majority of its assets are subject to donor-imposed restrictions regarding their use.

NOTE K - SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 20, 2024, which is the date the financial statements were available to be issued.

CCF, Inc. is not aware of any subsequent events which would require additional recognition or disclosure in the accompanying financial statements.