

**CATHOLIC FOUNDATION  
- DIOCESE OF AUSTIN**

**Financial Statements**

**June 30, 2015 and 2014**  
(With Independent Auditors' Report)

**CATHOLIC FOUNDATION  
- DIOCESE OF AUSTIN**

C O N T E N T S

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	
Year Ended June 30, 2015	4
Year Ended June 30, 2014	5
Statements of Cash Flows	6
Notes to Financial Statements	7



## **Independent Auditors' Report**

Board of Directors  
Catholic Foundation - Diocese of Austin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Catholic Foundation - Diocese of Austin (the Foundation) which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Catholic Foundation - Diocese of Austin as of June 30, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Atchley & Associates, LLP*

Austin, Texas

November 6, 2015

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Statements of Financial Position

As of June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Assets:		
Cash	\$ 26,911	\$ 37,686
Investments	<u>30,139,793</u>	<u>28,293,818</u>
Total Assets	<u>\$ 30,166,704</u>	<u>\$ 28,331,504</u>
<b>Liabilities and Net Assets</b>		
Accounts Payable	<u>\$ 44,576</u>	<u>\$ 38,197</u>
Total liabilities	<u>44,576</u>	<u>38,197</u>
Net assets:		
Unrestricted	24,338,366	25,748,598
Temporarily restricted	416,785	480,449
Permanently restricted	<u>5,366,977</u>	<u>2,064,260</u>
Total net assets	<u>30,122,128</u>	<u>28,293,307</u>
Total Liabilities and Net Assets	<u>\$ 30,166,704</u>	<u>\$ 28,331,504</u>

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

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Statement of Activities  
Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions	\$ -	\$ -	\$ 3,302,717	\$ 3,302,717
Investment Income (loss)	(330,283)	6,037	-	(324,246)
Other	914	-	-	914
Total revenues, gains, and other support	(329,369)	6,037	3,302,717	2,979,385
Net assets released from restrictions	69,701	(69,701)	-	-
Total revenues and release of restrictions	(259,668)	(63,664)	3,302,717	2,979,385
Expenses and losses:				
Administration	42,890	-	-	42,890
Investment Fees	105,737	-	-	105,737
Distributions to Diocese of Austin	947,601	-	-	947,601
Distributions to Parishes	51,049	-	-	51,049
Distributions to Schools	3,287	-	-	3,287
Total expenses and losses	1,150,564	-	-	1,150,564
Change in net assets	(1,410,232)	(63,664)	3,302,717	1,828,821
Net assets at beginning of year	25,748,598	480,449	2,064,260	28,293,307
Net assets at end of year	<u>\$ 24,338,366</u>	<u>\$ 416,785</u>	<u>\$ 5,366,977</u>	<u>\$ 30,122,128</u>

The accompanying notes are an integral part of these financial statements

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Statement of Activities  
Year Ended June 30, 2014

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions	\$ 3,000	\$ -	\$ 516,317	\$ 519,317
Investment Income	3,556,974	319,975	-	3,876,949
Other	-	-	-	-
Total revenues, gains, and other support	<u>3,559,974</u>	<u>319,975</u>	<u>516,317</u>	<u>4,396,266</u>
Net assets released from restrictions	<u>62,200</u>	<u>(62,200)</u>	<u>-</u>	<u>-</u>
Total revenues and release of restrictions	<u>3,622,174</u>	<u>257,775</u>	<u>516,317</u>	<u>4,396,266</u>
Expenses and losses:				
Administration	24,014	-	-	24,014
Investment Fees	106,269	-	-	106,269
Distributions to Diocese of Austin	825,494	-	-	825,494
Distributions to Parishes	26,037	-	-	26,037
Distributions to Schools	3,934	-	-	3,934
Total expenses and losses	<u>985,748</u>	<u>-</u>	<u>-</u>	<u>985,748</u>
Change in net assets	2,636,426	257,775	516,317	3,410,518
Net assets at beginning of year	<u>23,112,172</u>	<u>222,674</u>	<u>1,547,943</u>	<u>24,882,789</u>
Net assets at end of year	<u><u>\$ 25,748,598</u></u>	<u><u>\$ 480,449</u></u>	<u><u>\$ 2,064,260</u></u>	<u><u>\$ 28,293,307</u></u>

The accompanying notes are an integral part of these financial statements

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Statements of Cash Flows  
Years Ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Change in net assets	\$ 1,828,821	\$ 3,410,518
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Contributed income	(3,302,717)	(529,899)
Net unrealized (gains) losses on investments	3,031,019	(2,833,374)
Increase (decrease) in accounts payable	6,379	(15,550)
Net cash provided (used in) operating activities	1,563,502	31,695
Cash from investing activities:		
Proceeds from sale and maturities of investments	14,181,157	3,836,784
Purchase of investments	(13,032,880)	(3,297,376)
Reinvested net realized gains (losses) on investments	(1,908,428)	(349,923)
Proceeds from interest and dividend income	(798,345)	(693,652)
Net change in money market funds	(15,781)	462,531
Net cash provided by (used in) investing activities	(1,574,277)	(41,636)
Net increase (decrease) in cash	(10,775)	(9,941)
Cash and cash equivalents at beginning of year	37,686	47,627
Cash and cash equivalents at end of year	\$ 26,911	\$ 37,686
Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

## CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2015 and 2014

### **Note A - Organization**

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

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

### **Note B - Summary of Significant Investment and Distribution Policies**

#### ***1. Investment Return Objectives, Risk Parameters and Strategies***

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

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

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

#### ***2. Distribution Policy***

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

## CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2015 and 2014

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

#### 3. *Classification of Net Assets*

The Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to permanent endowments, and (b) the original value of subsequent gifts to permanent endowments. The remaining portion of donor-restricted endowment funds that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by state law (Chapter 117, Property Code). Unrestricted and temporarily restricted net assets are considered appropriated for expenditure when distributions are made to the recipient beneficiary.

#### 4. *Funds with Deficiencies*

Because the Foundation has no responsibility under the endowment contracts to replenish depreciated funds, other activity related to permanently restricted endowments, including investment gains and losses, distributions and administrative fees are recorded as temporarily restricted net assets.

### Note C - Summary of Significant Accounting Policies

#### 1. *Method of Accounting*

The financial statements of the Foundation are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America applicable to nonprofit organizations.

#### 2. *Basis of Presentation*

The financial statements of the Foundation are presented in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, *Not-for-Profit Entities*. The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

The net assets of an endowment fund can result from three sources: original principal, gains and losses, or interest and dividends. Each source is unrestricted unless its use is restricted, temporarily or permanently, by donor or by law. The donor may place different restrictions on each of the three sources.

*Unrestricted net assets*--Includes net assets that are not subject to donor-imposed restrictions. An entity's governing board may establish an endowment fund. For such an endowment, all three sources: contributions, income, and gains and losses are unrestricted.

# CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2015 and 2014

## Note C - Summary of Significant Accounting Policies (Continued)

*Temporarily restricted net assets*-- Includes gifts for which donor-imposed restrictions have not been met. Term endowments are donated assets with stipulations that they be invested for a specified period of time, or until the occurrence of a specified event, to provide income for a specified period of time. In the absence of donor stipulations to the contrary, investment income and gains and losses on donor-restricted endowments are reported as temporarily restricted net assets.

*Permanently restricted net assets*-- Includes gifts that require, by donor restriction, that the corpus be invested in perpetuity to provide a permanent source of income.

### 3. Significant Accounting Policies

#### *Cash and Cash Equivalents*

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

#### *Investments*

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

Investment income includes interest and dividends on investments, as well as both (1) the realized gains and losses on investment transactions and (2) unrealized gains and losses from changes in the market value of investments.

Realized gains and losses on disposition of investment securities are determined using average cost and transactions are recorded on a trade date basis. Net realized gains on disposition of investments for the years ended June 30, 2015 and 2014, were \$1,908,428 and \$349,923, respectively.

#### *Fair Value of Financial Instruments*

FASB ASC 820-10, *Fair Value Measurements*, requires disclosure of fair value information about financial instruments, whether or not recognized in the statements of financial position. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, could not be realized in immediate settlement of the instruments. FASB ASC 820-10 excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Foundation.

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Notes to Financial Statements

June 30, 2015 and 2014

**Note C - Summary of Significant Accounting Policies (Continued)**

Fair values for investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments.

The Foundation has implemented FASB ASC 820-10 which 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 under FASB-ASC 820-10 are described below:

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

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

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

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

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

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

**Money market funds, mutual funds, and Exchange Traded Funds:** Valued at the net asset value (NAV) of shares held at year end.

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

## CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2015 and 2014

### **Note C - Summary of Significant Accounting Policies (Continued)**

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

#### ***Contributions and Bequests***

Contributions and bequests are recognized as revenue when they are received or unconditionally pledged. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions.

#### ***Income Taxes***

The Foundation is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. However, the Foundation is subject to tax under Section 511(a) to the extent it has unrelated business taxable income. The Foundation had no material unrelated business taxable income during the fiscal years ended June 30, 2015 or 2014.

#### ***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 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.

#### ***Risks and Uncertainties***

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

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Notes to Financial Statements

June 30, 2015 and 2014

**Note C - Summary of Significant Accounting Policies (Continued)**

***Reclassifications***

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

***Subsequent Events***

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

**Note D - Investments**

Investments at June 30, 2015 and 2014, are summarized as follows:

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
Marketable securities				
Money market funds	\$ 889,930	\$ 889,930	\$ 874,149	\$ 874,149
Mutual funds - bond	6,077,500	5,954,187	6,014,670	6,132,288
Mutual funds - equity	13,109,032	15,474,298	9,471,787	13,132,514
Exchange traded funds - commodities	1,263,169	927,720	835,649	1,030,813
Exchange traded funds - equities	1,200,195	1,111,157	988,809	964,828
Corporate stocks	4,141,921	4,831,981	4,574,296	6,159,226
Pooled Investment Fund	951,655	950,520	-	-
Total Investments	\$ 27,633,402	\$ 30,139,793	\$ 22,759,360	\$ 28,293,818

Investment income (loss) for the years ended June 30, 2015 and 2014, is comprised of the following:

	2015	2014
Interest and dividend income	\$ 798,345	\$ 693,652
Realized gains	1,908,428	349,923
Unrealized gains (losses)	(3,031,019)	2,833,374
	\$ (324,246)	\$ 3,876,949

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Notes to Financial Statements

June 30, 2015 and 2014

**Note E - Endowment Funds**

Endowment funds at June 30, 2015 and 2014, consist of the following:

	<u>2015</u>	<u>2014</u>
Unrestricted		
Our Faith ~ Our Legacy Seminarian Endowment	\$ 6,057,298	\$ 6,402,409
Our Faith ~ Our Legacy Catholic Charities of Central Texas Endowment	3,641,400	3,843,894
Our Faith ~ Our Legacy Retired Priests Endowment	3,641,400	3,843,894
Our Faith ~ Our Legacy Youth Ministry	2,218,161	2,331,520
Our Faith ~ Our Legacy Religious Education & Formation	2,217,143	2,330,483
Bishop Louis Reicher School Endowment	1,703,161	1,801,647
Sacred Heart Catholic School Endowment	1,259,659	1,383,119
Our Faith ~ Our Legacy Permanent Diaconate Endowment	1,213,401	1,280,965
Our Faith ~ Our Legacy Campus Ministry Endowment	1,213,350	1,280,913
Our Faith ~ Our Legacy Catholic Schools Endowment	1,212,669	1,282,619
	<u>24,377,642</u>	<u>25,781,463</u>
Permanently and Temporarily Restricted		
St Joseph Catholic School Trust Fund	1,887,865	-
Mount Calvary Cemetery Perpetual Care Fund	1,321,425	-
Beverly Guirard Endowment	534,964	554,081
Diocese of Austin Retired Priest Endowment	362,358	347,138
Bishop John E. McCarthy Endowment	250,705	264,772
Bishop Gregory M. Aymond Endowment	199,089	199,353
Monica Therese Bailes Memorial	164,337	119,586
Our Lady of Wisdom Endowment	153,832	156,729
Monsignor John Driscoll Endowment	133,411	139,597
Diocese of Austin Seminarian Endowment	121,349	112,113
The Fr. Bob Scott, CSP, Good Stop Endowment	119,382	115,977
Deacon Alfredo Vásquez Endowment	115,420	121,908
St. Ignatius, Martyr, Catholic School Endowment	110,874	116,288
Dean E. Wilhelm Endowment	83,923	85,540
Erlene and Arthur Goertz Endowment	61,240	64,711
David & Cynthia Bednar Endowment	54,464	41,327
St. Dominic Savio Catholic HS Endowment	38,462	36,484
Danette Gaitros Memorial Endowment	27,124	26,731
University Catholic Center Endowment	26,079	24,356
Arturo & Louisa Casiraghi Endowment	11,687	12,019
Diocese of Austin Catholic Schools Endowment	5,772	5,999
	<u>5,783,762</u>	<u>2,544,709</u>
	<u>\$ 30,161,404</u>	<u>\$ 28,326,172</u>

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Notes to Financial Statements

June 30, 2015 and 2014

**Note F - Restricted Net Assets**

Contributions, income, and gains and losses that are restricted by the donor are recognized as temporarily or permanently restricted revenues (See Note C, Basis of Presentation). Temporary donor restrictions are released when the purpose set forth by the donor has been substantially achieved, generally when distributions are made to the recipient beneficiary.

Temporarily restricted net assets at June 30, 2015 and 2014, include investment gains on permanently restricted endowments of \$416,785 and \$480,449, respectively.

Permanently restricted net assets at June 30, 2015 and 2014, include:

	<u>2015</u>	<u>2014</u>
St. Joseph Catholic School Trust Fund	\$ 1,867,294	\$ -
Mount Calvary Cemetery Perpetual Care Fund	1,307,025	-
Beverly Guirard Endowment	398,557	396,557
Diocese of Austin Retired Priest Endowment	333,988	312,329
Bishop John E. McCarthy Endowment	207,064	207,064
Bishop Gregory M. Aymond Endowment	174,089	164,089
Monica Therese Bailes Memorial	153,746	103,746
Our Lady of Wisdom Endowment	126,102	126,102
Monsignor Driscoll Seminararian Endowment	122,870	122,870
Diocese of Austin Seminararian Endowment	105,314	90,998
St. Ignatius, Martyr, Catholic School Endowment	99,106	99,106
Deacon Alfredo Vásquez Endowment	94,988	94,988
The Fr. Bob Scott, CSP, Good Stop Endowment	94,203	84,768
Dean Wilhelm Endowment	80,000	80,000
Erlene and Arthur Goertz Endowment	55,000	55,000
David & Cynthia Bednar Endowment	50,000	35,000
St. Dominic Savio Catholic HS Endowment	32,716	30,000
Danette Gaitros Memorial Endowment	26,000	25,000
University Catholic Center Class Endowment	23,140	20,868
Arturo & Louisa Casiraghi Endowment	10,000	10,000
Diocese of Austin Catholic Schools Endowment	5,775	5,775
	<u>\$ 5,366,977</u>	<u>\$ 2,064,260</u>

Net assets were released from donor restrictions for distributions and expenses of \$69,701 and \$62,200 for the years ended June 30, 2015 and 2014, respectively.

**CATHOLIC FOUNDATION - DIOCESE OF AUSTIN**

Notes to Financial Statements

June 30, 2015 and 2014

**Note G - Fair Values of Financial Instruments**

The following table sets forth by level, within the fair value hierarchy, the fair value of assets as of June 30, 2015:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 889,930	\$ -	\$ -	\$ 889,930
Mutual funds - bonds	5,954,187	-	-	5,954,187
Mutual funds - equity	15,474,298	-	-	15,474,298
Exchange traded funds - commodities	927,720	-	-	927,720
Exchange traded funds - equities	1,111,157	-	-	1,111,157
Corporate stocks	4,831,981	-	-	4,831,981
Pooled investment fund	-	950,520	-	950,520
	<u>\$ 29,189,273</u>	<u>\$ 950,520</u>	<u>\$ -</u>	<u>\$ 30,139,793</u>

The following table sets forth by level, within the fair value hierarchy, the fair value of assets as of June 30, 2014:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 874,149	\$ -	\$ -	\$ 874,149
Mutual funds - bonds	6,132,288	-	-	6,132,288
Mutual funds - equity	13,132,514	-	-	13,132,514
Exchange traded funds - commodities	1,030,813	-	-	1,030,813
Exchange traded funds - equities	964,828	-	-	964,828
Corporate stocks	6,159,226	-	-	6,159,226
	<u>\$ 28,293,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,293,818</u>