

The Roman Catholic Diocese of Salina

**Consolidated Financial Statements
As of June 30, 2025 and 2024
and For the Years Then Ended**

With Report by Independent Auditors



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Most Reverend Bishop Gerald Vincke
The Roman Catholic Diocese of Salina
103 North Ninth Street
Salina, KS 67401

December 2, 2025

Independent Auditor's Report

Opinion

We have audited the accompanying consolidated financial statements of The Roman Catholic Diocese of Salina (the Diocese), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively "the financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Diocese as of June 30, 2025 and 2024, 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 in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are required to be independent of the Diocese 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, which raise substantial doubt about the ability of the Diocese to continue as a going concern within one year after the date that 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 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, including omissions, 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 internal control at the Diocese. 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 ability of the Diocese 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kuntz & Penick, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 4,043,304	\$ 2,027,142
Accounts receivable	121,581	313,512
Other receivables	390,950	43,696
Total Current Assets	<u>4,555,835</u>	<u>2,384,350</u>
Noncurrent Assets		
Investments (at fair value)	32,335,611	32,708,915
Investments (at cost)	871,702	871,702
Beneficial interest in Catholic Foundation	6,575,618	5,984,663
Beneficial interest in Mission Diocese Fund	1,610,486	1,484,140
Notes receivable from related organizations	5,676,069	5,119,742
Property and equipment, net	1,552,370	1,266,446
Total Noncurrent Assets	<u>48,621,856</u>	<u>47,435,608</u>
Total Assets	<u><u>\$ 53,177,691</u></u>	<u><u>\$ 49,819,958</u></u>
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Accounts payable	\$ 10,887	\$ 101,688
Collections payable	269,625	133,259
Due to related organizations	1,395,605	1,342,546
Accrued interest payable	103,268	73,523
Total Current Liabilities	<u>1,779,385</u>	<u>1,651,016</u>
Noncurrent Liabilities		
Funds on deposit due to related organizations	<u>19,739,226</u>	<u>19,774,094</u>
Total Liabilities	<u><u>21,518,611</u></u>	<u><u>21,425,110</u></u>
Net Assets		
Net Assets Without Donor Restrictions		
Undesignated	12,337,569	10,480,504
Investment in property and equipment	1,552,370	1,266,446
Total Net Assets Without Donor Restrictions	<u>13,889,939</u>	<u>11,746,950</u>
Net Assets With Donor Restrictions		
Spendable for a specified purpose	2,096,971	1,951,872
Endowments	15,672,170	14,696,026
Total Net Assets With Donor Restrictions	<u>17,769,141</u>	<u>16,647,898</u>
Total Net Assets	<u><u>31,659,080</u></u>	<u><u>28,394,848</u></u>
Total Liabilities and Net Assets	<u><u>\$ 53,177,691</u></u>	<u><u>\$ 49,819,958</u></u>

	Without Donor Restriction	With Donor Restriction	Total
Operating Revenue			
Public Support			
Financial Contributions – Spendable			
Annual appeal	\$ 2,445,834	\$ -	\$ 2,445,834
Legacies, bequests and donations	1,573,593	-	1,573,593
Cathedraticum assessment	868,236	-	868,236
Grants	610,819	-	610,819
Seminarian collections and events	523,784	-	523,784
Release of donor restrictions	171,345	(171,345)	-
Total Public Support	<u>6,193,611</u>	<u>(171,345)</u>	<u>6,022,266</u>
Income			
Program service collections	482,487	-	482,487
Shared administrative services	200,000	-	200,000
Miscellaneous income	571,649	-	571,649
Total Income	<u>1,254,136</u>	<u>-</u>	<u>1,254,136</u>
Total Operating Revenue	<u>7,447,747</u>	<u>(171,345)</u>	<u>7,276,402</u>
Operating Expense			
Program services	4,846,604	-	4,846,604
Supporting services	2,394,533	-	2,394,533
Total Operating Expense	<u>7,241,137</u>	<u>-</u>	<u>7,241,137</u>
Net Operating Revenue (Expense)	<u>206,610</u>	<u>(171,345)</u>	<u>35,265</u>
Other Changes in Net Assets			
Net investment return	1,936,379	602,922	2,539,301
Change in beneficial interest in Catholic Foundation	-	505,898	505,898
Change in beneficial interest in Mission Diocese Fund	-	183,768	183,768
Total Other Changes in Net Assets	<u>1,936,379</u>	<u>1,292,588</u>	<u>3,228,967</u>
Total Changes in Net Assets	<u>2,142,989</u>	<u>1,121,243</u>	<u>3,264,232</u>
Net Assets – Beginning	<u>11,746,950</u>	<u>16,647,898</u>	<u>28,394,848</u>
Net Assets – Ending	<u>\$ 13,889,939</u>	<u>\$ 17,769,141</u>	<u>\$ 31,659,080</u>

	Without Donor Restriction	With Donor Restriction	Total
Operating Revenue			
Public Support			
Financial Contributions – Spendable			
Annual appeal	\$ 2,193,271	\$ -	\$ 2,193,271
Legacies, bequests and donations	516,268	-	516,268
Cathedralicum assessment	816,622	-	816,622
Grants	413,673	-	413,673
Seminarian collections and events	753,211	-	753,211
Release of donor restrictions	698,721	(698,721)	-
Total Public Support	<u>5,391,766</u>	<u>(698,721)</u>	<u>4,693,045</u>
Income			
Program service collections	502,029	-	502,029
Shared administrative services	400,000	-	400,000
Miscellaneous income	255,733	-	255,733
Total Income	<u>1,157,762</u>	<u>-</u>	<u>1,157,762</u>
Total Operating Revenue	<u>6,549,528</u>	<u>(698,721)</u>	<u>5,850,807</u>
Operating Expense			
Program services	4,411,617	-	4,411,617
Supporting services	1,812,426	-	1,812,426
Total Operating Expense	<u>6,224,043</u>	<u>-</u>	<u>6,224,043</u>
Net Operating Revenue (Expense)	<u>325,485</u>	<u>(698,721)</u>	<u>(373,236)</u>
Other Changes in Net Assets			
Net investment return	1,958,530	813,279	2,771,809
Change in beneficial interest in Catholic Foundation	-	295,898	295,898
Change in beneficial interest in Mission Diocese Fund	-	171,908	171,908
Total Other Changes in Net Assets	<u>1,958,530</u>	<u>1,281,085</u>	<u>3,239,615</u>
Total Changes in Net Assets	<u>2,284,015</u>	<u>582,364</u>	<u>2,866,379</u>
Net Assets – Beginning	<u>9,462,935</u>	<u>16,065,534</u>	<u>25,528,469</u>
Net Assets – Ending	<u>\$ 11,746,950</u>	<u>\$ 16,647,898</u>	<u>\$ 28,394,848</u>

	**	Supporting Services			Total Operating Expenses
		Program Services	Management and General	Fundraising	
Grants, scholarships and assistance given		\$ 1,416,560	\$ -	\$ -	\$ 1,416,560
Formation and seminarian education		653,255	-	-	653,255
Personnel expenses: salaries, benefits, etc.	*	1,115,442	778,555	455,303	2,349,300
Professional fees, accounting and legal	*	145,659	154,826	126,181	426,666
Accreditation and licensing		32,003	-	-	32,003
Continuing education		28,501	286	-	28,787
Conferences, dues and assessments	*	310,075	12,284	-	322,359
Printing, postage and office supplies	*	153,566	29,696	-	183,262
Religious supplies		86,191	-	-	86,191
Resource and education materials		3,952	6,660	-	10,612
Meals and entertainment	*	10,634	3,409	-	14,043
Building and equipment expenses	*	20,541	73,629	-	94,170
Rent	*	-	48,000	-	48,000
Telephone, technology and utilities	*	64,844	52,736	10,250	127,830
Religious gatherings and youth events		128,290	6,968	-	135,258
Travel	*	23,575	13,520	-	37,095
Interest		593,339	29,109	-	622,448
Insurance		9,736	40,674	-	50,410
Property taxes		1,222	61,105	-	62,327
Depreciation	*	89	70,832	-	70,921
Miscellaneous		49,130	420,510	-	469,640
Total Operating Expenses		\$ 4,846,604	\$ 1,802,799	\$ 591,734	\$ 2,394,533
					\$ 7,241,137

* Each of these expense lines contains joint costs that are attributed to more than one program or supporting service and these joint costs have been allocated to the services on the basis of estimates of time and effort.

** See the supplementary *Consolidated Schedule of Functional Expenses – Program Services* on page 29 for further detail of expense by major program.

	**	Supporting Services			Total Operating Expenses
		Program Services	Management and General	Fundraising	
Grants, scholarships and assistance given	\$ 816,549	\$ -	\$ -	\$ -	\$ 816,549
Formation and seminarian education	489,809	-	-	-	489,809
Personnel expenses: salaries, benefits, etc.	* 1,122,349	1,042,350	-	1,042,350	2,164,699
Professional fees, accounting and legal	* 199,583	286,611	50,415	337,026	536,609
Accreditation and licensing	11,819	-	-	-	11,819
Continuing education	9,693	1,098	-	1,098	10,791
Conferences, dues and assessments	* 546,051	10,280	-	10,280	556,331
Printing, postage and office supplies	* 155,686	24,782	-	24,782	180,468
Religious supplies	35,868	472	-	472	36,340
Resource and education materials	11,668	22	-	22	11,690
Meals and entertainment	* 5,623	4,773	-	4,773	10,396
Building and equipment expenses	* 39,477	54,779	-	54,779	94,256
Rent	-	48,000	-	48,000	48,000
Telephone, technology and utilities	* 67,624	52,574	-	52,574	120,198
Religious gatherings and youth events	126,050	3,094	-	3,094	129,144
Travel	* 23,896	7,142	-	7,142	31,038
Interest	635,445	12,780	-	12,780	648,225
Insurance	9,825	34,195	-	34,195	44,020
Property taxes	2,775	72,127	-	72,127	74,902
Depreciation	* 89	77,631	-	77,631	77,720
Miscellaneous	101,738	29,301	-	29,301	131,039
Total Operating Expenses	\$ 4,411,617	\$ 1,762,011	\$ 50,415	\$ 1,812,426	\$ 6,224,043

* Each of these expense lines contains joint costs that are attributed to more than one program or supporting service and these joint costs have been allocated to the services on the basis of estimates of time and effort.

** See the supplementary *Consolidated Schedule of Functional Expenses – Program Services* on page 30 for further detail of expense by major program.

	2025	2024
Cash Flows from Operating Activities		
Total changes in net assets	\$ 3,264,232	\$ 2,866,379
Adjustments to Reconcile to Net Operating Cash Flow		
Depreciation	70,921	77,720
Net investment return	(2,539,301)	(2,771,809)
Change in beneficial interest in Catholic Foundation	(505,898)	(295,898)
Change in beneficial interest in Mission Diocese Fund	(183,768)	(171,908)
Net Changes in Operating Assets and Liabilities		
Accounts receivable	191,931	(115,041)
Contributions receivable, net	-	172,234
Other receivables	(347,254)	174,509
Accounts payable	(90,801)	78,366
Collections payable	136,366	(31,954)
Due to related organizations	53,059	371,988
Accrued interest payable	29,745	(46,102)
Net Cash Provided by Operating Activities	<hr/> 79,232	<hr/> 308,484
Cash Flows from Investing Activities		
Sale of investments	33,846,964	14,290,237
Purchase of investments	(30,934,359)	(6,821,370)
Addition to beneficial interest in Catholic Foundation	(3,782,489)	(3,596,446)
Withdrawal from beneficial interest in Catholic Foundation	3,754,854	2,508,470
Principal repayments on notes receivable	1,999,932	850,803
Principal issued on notes receivable	(2,556,259)	(2,448,766)
Purchase of property and equipment	(356,845)	(308,469)
Net Cash Provided by Investing Activities	<hr/> 1,971,798	<hr/> 4,474,459
Cash Flows from Financing Activities		
Net payments on deposits held for others	<hr/> (34,868)	<hr/> (4,936,388)
Net Change in Cash and Cash Equivalents	2,016,162	(153,445)
Cash and Cash Equivalents – Beginning	2,027,142	2,180,587
Cash and Cash Equivalents – Ending	<hr/> \$ 4,043,304	<hr/> \$ 2,027,142
Supplementary Disclosure of Cash Flow Information		
Cash paid for interest expense	<hr/> \$ 592,703	<hr/> \$ 694,327

Note 1: Summary of Significant Accounting Policies**Organization and Mission**

The Roman Catholic Diocese of Salina (the Diocese), formerly the Catholic Diocese of Concordia, was established on August 2, 1887. The Episcopal See was moved from Concordia to Salina on December 23, 1944. The Diocese was legally established in 1966 through a declaration of trust which was recorded in the Register of Deeds' office in Saline County, Kansas.

The counties included in the Diocese are Cheyenne, Sherman, Wallace, Logan, Thomas, Rawlins, Decatur, Sheridan, Gove, Trego, Graham, Norton, Phillips, Rooks, Ellis, Russell, Osborne, Smith, Jewell, Mitchell, Lincoln, Ellsworth, Saline, Ottawa, Cloud, Republic, Washington, Clay, Dickinson, Geary, and Riley. It covers 26,685 square miles and has a Catholic population of 36,288. The Diocese is organized under the governance of the Bishop of the Diocese, and those who assist the Bishop, and fulfills its mission by serving parishes, schools, and other Diocesan organizations in the following ways:

- Providing assistance in the administration of pastoral, education, and vocational services
- Providing funding for religious education and vocation development, community and human development, Diocesan schools, and charitable activities
- Providing administrative support in areas of finance, legal matters, human resources, facilities management, and technology.

Financial Reporting Entity

The consolidated financial statements present the financial position, changes in net assets, and cash flows for the *General Fund* and *Seminary and Education Fund*, which are each under direct operational control of the Diocese. In addition to these funds, the following separate, legal Kansas not-for-profit corporations have been included in these consolidated financial statements as each is under direct control by the Bishop of the Diocese:

- The Register of the Roman Catholic Diocese of Salina, Inc. (The Register)
- The Roman Catholic Diocese of Salina Deposit and Loan, Inc. (Deposit and Loan)
- Salina Catholic Diocese Seminary Burses, Inc. (Seminary Burses)

The assets of these separate, legal corporations are not available to meet the general obligations of the Diocese. To ensure observance of limitations and restrictions placed on the use of resources available to the Diocese, the accounts of each fund and entity noted above are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting into funds established according to their nature and purposes. All significant interfund and intercompany balances and transactions have been eliminated in the totals presented in the accompanying consolidated financial statements.

Related Organizations

Institutions operating in the name of the Catholic Church within the Diocese consist of approximately 86 parishes, 15 Catholic schools, the Catholic Charities of Northern Kansas, Inc., the Catholic Foundation for Diocese of Salina (Catholic Foundation), and the Salina Diocesan Clergy Health and Retirement Association, Inc. (Clergy Health and Retirement). Each of these activities, as well as other Diocesan activities such as cemeteries or campus centers, are an operating entity distinct from the Diocese under the administration of the one who immediately governs them (CIC 1279). These institutions and organizations are not included in these consolidated financial statements. Each of these entities maintains separate financial records and carries out its own services and programs.

Note 1: Summary of Significant Accounting Policies (Continued)**Basis of Accounting and Financial Reporting**

The Diocesan policy is to prepare these consolidated financial statements on the accrual basis of accounting in accordance with financial reporting provisions prescribed by the Financial Accounting Standards Board. This basis of accounting is commonly known as U.S. Generally Accepted Accounting Principles (U.S. GAAP).

Subsequent Events

The Diocese has evaluated subsequent events through December 2, 2025 which is the date the financial statements were available to be issued.

Cash and Cash Equivalents

The Diocese considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

The Diocese manages deposit concentration risk by placing banking deposits with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds.

Investments and Financial Institution Risk

The Diocese records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position if a readily determinable market value is available. If a market value is not readily determinable, the investment is carried at its originally recorded value. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Investments are made by diversified investment managers whose performance is monitored by the Diocese and the investment committee of the Diocese. Although the fair values of investments are subject to interest rate, market and credit risks on an ongoing basis, the Diocese and the finance council believe that the investment policies and guidelines are prudent for the long-term welfare of the Diocese. A significant portion of investment securities are held by brokers with balances in excess of the \$500,000 Securities Investor Protection Corporation (SIPC) limitation. However, the brokers provide additional coverage above the SIPC limits up to a firm aggregate limit of \$1 billion, of which \$1,900,000 may be in cash.

Property and Equipment, Net

The Diocese records property and equipment additions over \$5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Diocese reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent the carrying value exceeds the fair value of the asset. The Diocese did not recognize any such impairment losses for the years ended June 30, 2025 and 2024.

Note 1: Summary of Significant Accounting Policies (Continued)**Notes Receivable From Related Organizations**

As part of its mission, the Diocese issues through the Deposit and Loan Fund loans primarily for capital projects to related organizations. These loans are issued with terms that required periodic payments of interest as follows for the years ended June 30, 2025 and 2024:

From	To	Interest Rate
July 1, 2023	June 30, 2024	4.25%
July 1, 2024	June 30, 2025	4.25%

Due to the missional nature of the loans and the relationship of the related organizations to the Diocese, no allowance for credit losses has been established at June 30, 2025 and 2024.

Funds on Deposit Due to Related Organizations

Diocesan parishes, schools and other related organizations have placed funds on deposit with the Deposit and Loan Fund of the Diocese. In turn, the Diocese pools these funds for investment purposes to generate net investment return which is then able to provide (1) a return of interest to the depositors and (2) to provide funding which may be used to support other mission-related activities of the Diocese. The approved rates of return on deposited funds are as follows:

From	To	Interest Rate
July 1, 2023	June 30, 2024	3.00%
July 1, 2024	June 30, 2025	3.00%

These rates are monitored by the Diocesan Investment Committee, reviewed by the Diocesan Finance Council, and then recommended to the Bishop of the Diocese, and are determined based on assessment of economic conditions and the needs of Diocesan related organizations. Based on experience of managing deposited funds, the Diocese classifies the liability for funds on deposit due to related organizations as a noncurrent liability.

Net Assets

The Diocese holds financial resources which are operated with both custody and decision-making ability and are reported as part of its net assets. The decision-making ability with respect to these financial resources ranges from unlimited to limited based upon the imposition of donor and grantor restrictions to which the Diocese is legally bound. Accordingly, the Diocese reports the changes in its financial position according to two classes of net assets as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed 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 donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Note 1: Summary of Significant Accounting Policies (Continued)**Net Assets (Continued)**

The Diocese honors donor intent as prescribed in civil law and the Code of Canon (Catholic Church) law, "The offerings given by the faithful for a definite purpose can be applied only for that same purpose." CIC 1267 §3 Both canon and civil law recognize that over time, unique or changing events or circumstances may occur that make it not possible to fulfill a donor restriction. In this situation, the Diocese recognizes that as an organization that receives public support, in accordance with United States Treasury Regulations, the Diocese possesses variance power. Variance power is the right to remove donor-imposed restrictions upon a gift in response to changed circumstances.

The Diocese interprets this variance power to apply to endowment restrictions as well as purpose restrictions. This power is exercisable only in narrowly defined circumstances. "If, through no fault of the administrator, the fulfillment of the obligations becomes impossible...the ordinary can diminish them ...with due regard for the will of the founder as much as possible..." CIC 1320 §2. Since this variance power is incorporated by reference in most gift instruments, the Diocese views its variance power as an explicit expression of donor intent. Based on this provision, except as noted above in the section describing Net Assets With Donor Restrictions, the Diocese classifies donations and gifts received without explicit restriction as without donor restriction for financial statement presentation.

Revenue Recognition - Contributions

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Functional Allocation of Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

The preparation of these financial statements in conformity with generally accepted accounting principles requires the Diocese to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates, and those differences could be material.

Income Taxes

The Diocese has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(c)(3) as part of group exemption 0928 which is issued by the IRS to the *United States Conference of Catholic Bishops*. Further, the Diocese qualifies for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and is not a private foundation under IRC Sections 509(a)(1). The Diocese is exempt from the requirement to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. However, the Diocese is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes.

For the years ended June 30, 2025 and 2024, the Diocese has determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS. Returns filed by the Diocese are subject to IRS examination, generally for three years after each return is filed.

No taxing authorities have commenced income tax examinations for open tax years.

Note 2: Liquidity and Availability

The Diocese regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Diocese has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities, accounts and contributions receivable and a beneficial interest in a related organization.

The Diocese manages its cash available to meet general expenditures following three guiding principles:

1. Operating within a prudent range of financial soundness and stability.
2. Maintaining adequate liquid assets to fund near-term operating needs; and
3. Maintaining sufficient reserves to provide reasonable assurance that long-term obligations will continue to be met.

The table below presents liquid financial assets as of June 30, 2025 which are available for general expenditures during the year ended June 30, 2026:

	Liquid	Not Available	Liquid and Available
Cash and cash equivalents	\$ 4,043,304	\$ -	\$ 4,043,304
Accounts receivable	121,581	-	121,581
Investments (at fair value)	32,335,611	29,453,608	2,882,003
Beneficial interest in Catholic Foundation	6,575,618	6,575,618	-
Beneficial interest in Mission Diocese Fund	1,610,486	1,610,486	-
	\$ 44,686,600	\$ 37,639,712	\$ 7,046,888

As part of the Diocesan liquidity management plan, liquid, and available cash in excess of daily requirements and near-term operating needs is maintained on deposit with interest bearing bank deposits and invested in marketable securities.

Amounts which are not available are attributable to donor restrictions (see Notes 5 and 6).

Note 3: Property and Equipment, Net

Property and equipment assets are presented net of accumulated depreciation on the consolidated statements of financial position as follows at June 30,:

	2025	2024
Land and buildings	\$ 2,316,251	\$ 1,969,843
Office furnishings and equipment	550,602	559,513
Vehicles	121,206	115,206
Cost Basis of Property and Equipment	2,988,059	2,644,562
Accumulated depreciation	(1,435,689)	(1,378,116)
Property and Equipment, Net	\$ 1,552,370	\$ 1,266,446

Note 4: Fair Value Measurements and Disclosures

The Diocese reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Diocese can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.
- Level 3 – Unobservable inputs for the asset or liability. In these situations, the Diocese develops inputs using the best information available in the circumstances.

The Diocese uses net asset value (NAV) per share as a practical expedient to estimate the fair values of beneficial interest assets which do not have readily determinable fair values. Assets that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

In some cases, the inputs used to measure the fair value of an asset, or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Diocesan assessment of the quality, risk, or liquidity profile of the asset or liability.

The following table presents assets measured at fair value on a recurring basis at June 30,:

	Fair Value Level	2025	2024
Assets Measured at Fair Value			
Investments (at Fair Value)			
Cash and cash equivalents	Level 1	\$ 5,298,724	\$ 1,315,897
Certificates of deposit	Level 1	-	534,006
Stocks	Level 1	9,787,325	7,005,008
Bonds	Level 1	15,883,498	12,977,999
Mutual funds	Level 1	974,169	10,876,005
Alternatives	Level 1	391,895	-
Total Investments (at Fair Value)		<u>32,335,611</u>	<u>32,708,915</u>
Beneficial interest in Catholic Foundation	NAV	6,575,618	5,984,663
Beneficial interest in Mission Diocese Fund	NAV	1,610,486	1,484,140
Total Assets Measured at Fair Value		<u>\$ 40,521,715</u>	<u>\$ 40,177,718</u>

Note 4: Fair Value Measurements and Disclosures (Continued)

Beneficial interest assets measured at fair value using NAV per share as a practical expedient are as follows at June 30, 2025:

	Number of Assets	Fair Value	Unfunded Commitments	Redemption Frequency
Beneficial interests	2	\$ 7,468,803	Not Applicable	Liquid on Demand

The beneficial interest assets are maintained within a pool of assets managed by legally separate charitable organizations and are redeemable on demand.

Note 5: Net Assets with Donor Restrictions

Net assets with donor restrictions are composed of the following as of June 30,:

	2025	2024
Fully Spendable for a Specified Purpose		
General Fund	\$ 1,019,430	\$ 920,786
Seminary and Education Fund	1,077,541	1,031,086
Total of Fully Spendable for a Specified Purpose	2,096,971	1,951,872
Endowments		
General Fund	2,833,179	2,801,539
Seminary and Education Fund	4,627,628	4,242,780
The Register	3,354,876	3,186,422
Seminary Burses	4,856,487	4,465,285
Total Endowments	15,672,170	14,696,026
Total Net Assets With Donor Restrictions	\$ 17,769,141	\$ 16,647,898

Net assets were released from donor restrictions as follows during the years ended June 30,:

	2025	2024
Satisfaction of Purpose Restrictions		
General Fund	\$ 40,000	\$ 391,353
Satisfaction of time restrictions		
Contributions receivable, net	-	172,234
Endowment Appropriations		
The Register	131,345	135,134
Total Net Assets Released from Donor Restrictions	\$ 171,345	\$ 698,721

Note 6: Endowments

The Diocesan endowment (the Endowment) consists of individual funds established by donors to provide annual funding for purposes which support ongoing mission-type activities.

The Diocese has interpreted the Kansas Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2025 and 2024, there were no such donor stipulations.

As a result of this interpretation, the Diocese retains in perpetuity (a) the original value of initial and subsequent gift amounts and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Diocese in a manner consistent with the standard of prudence prescribed by UPMIFA. The Diocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Diocese and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Diocese
- The investment policies of the Diocese

Investing and Spending Policies

The Diocese has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target minimum rate of return is the Consumer Price Index plus 5 percent on an annual basis. Actual returns in any given year may vary from this amount.

To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

Changes in donor restricted endowments for the years ended June 30, 2025 and 2024 are as follows:

Donor Restricted Endowments			
	Nonspendable Principal	Accumulated Earnings	Total
Balance at June 30, 2023	\$ 7,446,036	\$ 6,235,653	\$ 13,681,689
Net investment return	-	1,149,471	1,149,471
Expenditure appropriations	-	(135,134)	(135,134)
Balance at June 30, 2024	<u>7,446,036</u>	<u>7,249,990</u>	<u>14,696,026</u>
Net investment return	-	1,107,489	1,107,489
Expenditure appropriations	-	(131,345)	(131,345)
Balance at June 30, 2025	<u>\$ 7,446,036</u>	<u>\$ 8,226,134</u>	<u>\$ 15,672,170</u>

Note 7: Related Organization Balances and Transactions

Significant related organization assets and (liabilities) are as follows at June 30,:

	2025	2024
Loans receivable from Diocesan schools and parishes	\$ 5,676,069	\$ 5,119,742
Beneficial interest in Catholic Foundation	6,575,618	5,984,663
Due from Clergy Health and Retirement	388,762	-
Funds on deposit due to Diocesan schools and parishes	(19,739,226)	(19,774,094)
Due to Clergy Health and Retirement	(841,651)	(520,929)
Due to Catholic Charities of Northern Kansas, Inc.	(294,645)	(294,523)
Due to Catholic Foundation	(230,717)	(228,510)
Due to other Diocesan organizations	(28,592)	(298,584)
Net Liability Due to Related Organizations	<u>\$ (8,500,278)</u>	<u>\$ (10,012,235)</u>

Significant revenue and (expense) transactions with related organizations are as follows for each of the years ended June 30,:

	2025	2024
Cathedraticum assessment collected from Diocesan parishes	\$ 868,236	\$ 816,622
Grants, Scholarships and Other Financial Assistance Given		
From the General Fund to Clergy Health and Retirement	(560,000)	(400,000)
From the Seminary and Education Fund to Diocesan schools	(551,575)	(328,140)
Total Grants, Scholarships and Other Financial Assistance Given	<u>(1,111,575)</u>	<u>(728,140)</u>
Interest paid on deposits held for Diocesan schools and parishes	(622,448)	(648,225)
Net Expense Transactions with Related Organizations	<u>\$ (865,787)</u>	<u>\$ (559,743)</u>

Note 8: Defined Benefit Pension Plan

Plan Description

The Diocese historically participated in the Christian Brothers Employee Retirement Plan (the Plan), a cost-sharing multiple-employer defined benefit pension plan within the meaning of Section 414(e) of the Internal Revenue Code, during the year ended June 30, 2024. The Plan is sponsored by Christian Brothers Major Superiors and has elected its option of not complying with the provisions of ERISA and thus IRS Form 5500 is not required to be filed.

During the year ended June 30, 2025, the Diocese terminated its participation in the plan effective as of June 30, 2024 by remitting a withdrawal liability payment of \$723,681 to the Plan in December of 2024. The following information presents additional disclosure of the Diocesan participation in the Plan for the year ended June 30, 2024.

Withdrawal Liability

In the event that Diocesan participation in the Plan is terminated, the Diocese is liable for its share of the Plan's unfunded liability in addition to an amount representing the Plan's reasonable estimate of future plan expenses relating to benefits for the Diocesan participants and pensioners. The withdrawal liability is recognized when a signed agreement is executed, and collectability is determined. For the year ended June 30, 2024, there were six Plan employers (exclusive of the Diocese) which were assessed a withdrawal liability totaling \$5,618,382.

Note 8: Defined Benefit Pension Plan (Continued)**Contributions**

The Diocese contributed on behalf of its eligible employees, as defined by the Plan, at the rate of 6.5% of compensation for the year ended June 30, 2024.

Benefits

Participants are entitled to annual pension benefits beginning at normal retirement age (65) based on a formula which takes into account the years of service and compensation. The Plan permits early retirement at ages 55 to 64. Effective July 1, 2021 the normal retirement age changed to social security normal retirement age for all participants who are 64 and younger as of June 30, 2021, and a participant has the option of receiving a lump sum benefit equal to the actuarial equivalent of the life annuity benefit otherwise payable at normal retirement times the funded ratio of the Plan as of the prior evaluation date.

If participants terminate employment before completing four years and nine months of service, they forfeit the right to receive a portion of their accumulated plan benefits attributable to employer contributions. Retiring participants will receive benefits as a life annuity or joint and survivor annuity payable monthly upon retirement. Participants terminating employment for reasons other than retirement may elect to receive benefits either in lump or life annuity or joint and survivor annuity payable monthly upon normal retirement age. Participants have similar elections available for death benefits.

Funded Ratio and Proportion of Diocese Participation

The following summary information is based on the financial statements and corresponding note disclosures of the Plan as of June 30, 2024 and for the year then ended:

	2024
Net assets available for Plan benefits	\$ 1,552,135,828
Actuarial present value of accumulated Plan benefits	<u>÷ 2,351,083,248</u>
Funded ratio	<u>66.02%</u>
Contributions by the Diocese to the Plan	\$ 98,454
Contributions received by the Plan from all participants	<u>÷ 65,889,195</u>
Proportion of Diocese to Plan Contributions	<u>0.15%</u>

Note 9: Defined Contribution Retirement Plan

During the year ended June 30, 2025, the Diocese entered into a defined contribution retirement plan to benefit its employees. Under the terms of the plan, employees have the option to make tax-deferred contributions in addition to the Diocesan contribution of 4.0% of compensation.

Note 10: Custodial Credit Risk – Cash Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Organization's cash deposits may not be returned to it. Cash deposits which were subject to custodial credit risk are as follows at June 30,:

	2025	2024
Book balance of cash deposits	\$ 4,039,174	\$ 2,017,617
Add: outstanding checks	851,777	376,078
Subtract: deposits in transit	<u>(142,898)</u>	<u>(12,847)</u>
Bank balance of cash deposits	<u>4,748,053</u>	<u>2,380,848</u>
Subtract: FDIC coverage	(634,102)	(789,779)
Bank balance subject to custodial credit risk	<u>\$ 4,113,951</u>	<u>\$ 1,591,069</u>

For each of the years ended June 30, 2025 and 2024, the Diocese did not incur any losses related to custodial credit risk.

SUPPLEMENTARY INFORMATION

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,982,125	\$ 1,539,976
Accounts receivable	14,099	83,292
Other receivables	379,764	13,479
Due from other Diocesan funds	740,221	354,917
Total Current Assets	<u>3,116,209</u>	<u>1,991,664</u>
Noncurrent Assets		
Investments (at fair value)	1,269,142	1,162,214
Investments (at cost)	775,342	775,342
Beneficial interest in Catholic Foundation	6,355,233	5,888,316
Beneficial interest in Mission Diocese Fund	644,129	593,596
Property and equipment, net	1,552,370	1,266,446
Total Noncurrent Assets	<u>10,596,216</u>	<u>9,685,914</u>
Total Assets	<u>\$ 13,712,425</u>	<u>\$ 11,677,578</u>
Liabilities and Net Assets		
Liabilities (each of which is current)		
Accounts payable	\$ 14,305	\$ 101,688
Collections payable	269,625	133,259
Due to related organizations	1,392,605	1,340,546
Due to other Diocesan funds	-	282,493
Total Liabilities	<u>1,676,535</u>	<u>1,857,986</u>
Net Assets		
Net Assets Without Donor Restrictions		
Undesignated	6,630,911	4,830,801
Investment in property and equipment	1,552,370	1,266,466
Total Net Assets Without Donor Restrictions	<u>8,183,281</u>	<u>6,097,267</u>
Net Assets With Donor Restrictions		
Spendable for a specified purpose	1,019,430	920,786
Endowments	2,833,179	2,801,539
Total Net Assets With Donor Restrictions	<u>3,852,609</u>	<u>3,722,325</u>
Total Net Assets	<u>12,035,890</u>	<u>9,819,592</u>
Total Liabilities and Net Assets	<u>\$ 13,712,425</u>	<u>\$ 11,677,578</u>

	2025	2024
Operating Revenue		
Public Support		
Financial Contributions – Spendable		
Annual appeal	\$ 1,837,441	\$ 1,225,271
Legacies, bequests and donations	1,307,725	289,999
Cathedraticum assessment	868,236	816,622
Grants	204,869	122,740
Total Public Support	<u>4,218,271</u>	<u>2,454,632</u>
Income		
Program service collections	70,803	87,403
Shared administrative services	392,000	935,000
Miscellaneous income	537,197	49,169
Total Income	<u>1,000,000</u>	<u>1,071,572</u>
Total Operating Revenue	<u>5,218,271</u>	<u>3,526,204</u>
Operating Expense		
Grants, scholarships and assistance given	727,985	488,409
Formation and seminarian education	64,792	77,563
Personnel expenses: salaries, benefits, etc.	1,660,868	1,456,700
Professional fees, accounting and legal	281,509	344,159
Accreditation and licensing	73	-
Continuing education	1,944	2,698
Conferences, dues and assessments	43,601	96,765
Printing, postage and office supplies	101,947	96,598
Religious supplies	7,686	10,365
Resource and education materials	6,862	1,351
Meals and entertainment	3,589	6,149
Building and equipment expenses	94,520	91,152
Rent	48,000	48,000
Telephone, technology and utilities	127,830	104,922
Religious gatherings and youth events	50,455	84,188
Travel	20,592	17,361
Interest	29,109	12,780
Depreciation	70,921	77,720
Insurance	50,410	42,945
Property taxes	61,105	72,127
Miscellaneous	231,664	149,815
Total Operating Expense	<u>3,685,462</u>	<u>3,281,767</u>
Net Operating Revenue	<u>1,532,809</u>	<u>244,437</u>
Other Changes in Net Assets		
Net investment return	109,104	170,818
Change in beneficial interest in Catholic Foundation	500,885	254,569
Change in beneficial interest in Mission Diocese Fund	73,500	68,749
Interfund transfers received	-	775,342
Total Other Changes in Net Assets	<u>683,489</u>	<u>1,269,478</u>
Total Changes in Net Assets	<u>2,216,298</u>	<u>1,513,915</u>
Net Assets – Beginning	<u>9,819,592</u>	<u>8,305,677</u>
Net Assets – Ending	<u>\$ 12,035,890</u>	<u>\$ 9,819,592</u>

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 559,501	\$ 292,153
Accounts receivable	106,323	230,220
Prepaid expenses and other current assets	4,050	-
Due from other Diocesan funds	-	333,899
Total Current Assets	<u>669,874</u>	<u>856,272</u>
Noncurrent Assets		
Investments (at fair value)	7,403,405	6,845,608
Investments (at cost)	96,360	96,360
Beneficial interest in Catholic Foundation	220,385	96,347
Beneficial interest in Mission Diocese Fund	966,357	890,544
Total Noncurrent Assets	<u>8,686,507</u>	<u>7,928,859</u>
Total Assets	<u><u>\$ 9,356,381</u></u>	<u><u>\$ 8,785,131</u></u>
Liabilities and Net Assets		
Liabilities (Each is Current)		
Due to other Diocesan funds	\$ 468,911	\$ 256,951
Due to related Diocesan organizations	3,000	2,000
Total Liabilities	<u>471,911</u>	<u>258,951</u>
Net Assets		
Net Assets Without Donor Restrictions		
Undesignated	3,179,301	3,252,314
Net Assets With Donor Restrictions		
Spendable for a specified purpose	1,077,541	1,031,086
Endowments	4,627,628	4,242,780
Total Net Assets With Donor Restrictions	<u>5,705,169</u>	<u>5,273,866</u>
Total Net Assets	<u>8,884,470</u>	<u>8,526,180</u>
Total Liabilities and Net Assets	<u><u>\$ 9,356,381</u></u>	<u><u>\$ 8,785,131</u></u>

	2025	2024
Operating Revenue		
Public Support		
Financial Contributions – Spendable		
Legacies, bequests and donations	\$ 265,828	\$ 226,269
Seminarian collections and events	523,784	753,211
Grants	405,950	290,933
Total Public Support	<u>1,195,562</u>	<u>1,270,413</u>
Income		
Program service collections	411,684	414,626
Miscellaneous income	5,121	181,172
Total Income	<u>416,805</u>	<u>595,798</u>
Total Operating Revenue	<u>1,612,367</u>	<u>1,866,211</u>
Operating Expense		
Grants, scholarships and assistance given	551,575	328,140
Formation and seminarian education	588,463	412,246
Personnel expenses: salaries, benefits, etc.	636,067	651,251
Professional fees, accounting and legal	103,536	110,883
Accreditation and licensing	31,930	11,819
Continuing education	26,843	8,093
Conferences, dues and assessments	278,758	458,905
Printing, postage and office supplies	-	1,995
Religious supply	78,505	25,975
Resource and education materials	3,750	10,339
Meals and entertainment	10,454	4,247
Building and equipment	(350)	1,182
Telephone, technology and utilities	-	15,276
Religious gatherings and youth events	84,803	44,956
Travel	14,623	9,374
Insurance	-	958
Property taxes	-	1,456
Miscellaneous	155,096	96,000
Shared administrative services	160,000	500,000
Total Operating Expense	<u>2,724,053</u>	<u>2,693,095</u>
Net Operating Expense	<u>(1,111,686)</u>	<u>(826,884)</u>
Other Changes in Net Assets		
Net investment return	769,695	683,155
Change in beneficial interest in Catholic Foundation	5,013	41,329
Change in beneficial interest in Mission Diocese Fund	110,268	103,159
Interfund transfers received	585,000	2,027,322
Total Other Changes in Net Assets	<u>1,469,976</u>	<u>2,854,965</u>
Total Changes in Net Assets	<u>358,290</u>	<u>2,028,081</u>
Net Assets – Beginning	<u>8,526,180</u>	<u>6,498,099</u>
Net Assets – Ending	<u>\$ 8,884,470</u>	<u>\$ 8,526,180</u>

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 43,024	\$ 20,478
Accounts receivable	4,577	-
Due from other Diocesan funds	-	4,144
Total Current Assets	<u>47,601</u>	<u>24,622</u>
Noncurrent Assets		
Investments (at fair value)	3,356,405	3,191,253
Total Assets	<u>\$ 3,404,006</u>	<u>\$ 3,215,875</u>
Liabilities and Net Assets		
Liabilities (Current)		
Due to other funds	\$ 49,130	\$ 32,456
Net Assets (With Donor Restrictions)		
Endowments	3,354,876	3,183,419
Total Liabilities and Net Assets	<u>\$ 3,404,006</u>	<u>\$ 3,215,875</u>

	2025	2024
Operating Revenue		
Public Support		
Financial Contributions – Spendable		
Annual appeal	\$ 23,393	\$ 33,000
Legacies, bequests and donations	40	-
Total Financial Contributions – Spendable	<u>23,433</u>	<u>33,000</u>
Income		
Miscellaneous	29,331	25,392
Total Operating Revenue	<u>52,764</u>	<u>58,392</u>
Operating Expense		
Personnel expenses: salaries, benefits, etc.	52,365	56,865
Professional fees, accounting and legal	13,522	15,701
Conferences, dues and assessments	-	660
Printing, postage and office supplies	81,315	81,875
Building and equipment	-	1,922
Travel	1,880	4,303
Miscellaneous	24	203
Shared administrative services	32,000	35,000
Total Operating Expense	<u>181,106</u>	<u>196,529</u>
Net Operating Expense	<u>(128,342)</u>	<u>(138,137)</u>
Other Changes in Net Assets		
Net investment return	<u>299,799</u>	<u>302,290</u>
Total Changes in Net Assets	<u>171,457</u>	<u>164,153</u>
Net Assets – Beginning	<u>3,183,419</u>	<u>3,019,266</u>
Net Assets – Ending	<u>\$ 3,354,876</u>	<u>\$ 3,183,419</u>

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,458,654	\$ 174,535
Other receivables	7,136	30,217
Total Current Assets	<u>1,465,790</u>	<u>204,752</u>
Noncurrent Assets		
Investments (at fair value)	15,155,466	16,646,867
Notes receivable from related organizations	5,676,069	5,119,742
Total Noncurrent Assets	<u>20,831,535</u>	<u>21,766,609</u>
Total Assets	<u><u>\$ 22,297,325</u></u>	<u><u>\$ 21,971,361</u></u>
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Due to other funds	\$ 222,180	\$ 121,060
Accrued interest payable	103,268	73,523
Total Current Liabilities	<u>325,448</u>	<u>194,583</u>
Noncurrent Liabilities		
Funds on deposit due to related organizations	19,739,226	19,774,094
Total Liabilities	<u>20,064,674</u>	<u>19,968,677</u>
Net Assets (Without Donor Restrictions)		
Undesignated	2,232,651	2,002,684
Total Liabilities and Net Assets	<u><u>\$ 22,297,325</u></u>	<u><u>\$ 21,971,361</u></u>

	2025	2024
Operating Revenues		
Public Support		
Financial Contributions – Spendable		
Legacies, bequests and donations	\$ -	\$ -
Operating Expenses		
Professional fees, accounting and legal expense	28,098	65,865
Interest expense	593,339	520,468
Property taxes	1,222	1,319
Miscellaneous	82,857	-
Total Operating Expenses	<u>705,516</u>	<u>587,652</u>
Net Operating Expense	<u>(705,516)</u>	<u>(587,652)</u>
Other Changes in Net Assets		
Net investment return	935,483	1,194,079
Interfund transfers sent	-	(1,867,664)
Total of Other Changes in Net Assets	<u>935,483</u>	<u>(673,585)</u>
Total Changes in Net Assets	<u>229,967</u>	<u>(1,261,237)</u>
Net Assets – Beginning	<u>2,002,684</u>	<u>3,263,921</u>
Net Assets – Ending	<u>\$ 2,232,651</u>	<u>\$ 2,002,684</u>

	2025	2024
Assets		
Noncurrent Assets		
Investments (at fair value)	<u>\$ 5,151,193</u>	<u>\$ 4,862,973</u>
Liabilities and Net Assets		
Liabilities		
Due to other funds	<u>\$ -</u>	<u>\$ -</u>
Net Assets		
Net Assets Without Donor Restrictions		
Undesignated	<u>255,181</u>	<u>397,688</u>
Net Assets With Donor Restrictions		
Endowments	<u>4,896,012</u>	<u>4,465,285</u>
Total Net Assets	<u>5,151,193</u>	<u>4,862,973</u>
Total Liabilities and Net Assets	<u>\$ 5,151,193</u>	<u>\$ 4,862,973</u>

	2025	2024
Operating Revenues		
Income		
Miscellaneous	\$ -	\$ -
Operating Expenses		
Grants, scholarships and assistance given	137,000	-
Professional fees, accounting and legal	-	-
Total Operating Expenses	<u>137,000</u>	<u>-</u>
Net Operating Expense	<u>(137,000)</u>	<u>-</u>
Other Changes in Net Assets		
Net investment return	425,220	421,467
Total Changes in Net Assets	288,220	421,467
Net Assets – Beginning	4,862,973	4,441,506
Net Assets – Ending	<u>\$ 5,151,193</u>	<u>\$ 4,862,973</u>

	Evangelization and Ministries	Clergy Development and Support	Religious Education	Parish and School Support	Supporting Other Religious Organizations	Total Program Service Expenses
Grants, scholarships and assistance given	\$ 5,500	\$ 713,800	\$ 565,285	\$ -	\$ 131,975	\$ 1,416,560
Formation and seminarian education	-	653,255	-	-	-	653,255
Personnel expenses: salaries, benefits, etc.	* 461,479	265,287	246,554	142,122	-	1,115,442
Professional fees, accounting and legal	* 14,460	66,686	35,912	28,601	-	145,659
Accreditation and licensing	73	-	31,930	-	-	32,003
Continuing education	250	3,862	23,831	558	-	28,501
Conferences, dues and assessments	* 240,708	10,108	52,541	1,981	4,737	310,075
Printing, postage and office supplies	* 153,566	-	-	-	-	153,566
Religious supplies	42,674	-	43,517	-	-	86,191
Resource and education materials	202	2,662	1,088	-	-	3,952
Meals and entertainment	* 180	10,454	-	-	-	10,634
Building and equipment expenses	* -	-	(350)	-	20,891	20,541
Telephone, technology and utilities	* 13,078	-	-	-	51,766	64,844
Religious gatherings and youth events	73,875	54,415	-	-	-	128,290
Travel	* 8,521	13,206	1,417	431	-	23,575
Interest	-	-	-	593,339	-	593,339
Insurance	-	-	-	-	9,736	9,736
Property taxes	-	-	-	1,222	-	1,222
Depreciation	* 89	-	-	-	-	89
Miscellaneous	36,480	6,545	7,009	(904)	-	49,130
Total Program Service Expenses	\$ 1,051,135	\$ 1,800,280	\$ 1,008,734	\$ 767,350	\$ 219,105	\$ 4,846,604

* These expense lines contain joint costs that are attributed to more than one program (as listed above) or supporting service (as listed on the consolidated statement of functional expense) and these joint costs have been allocated to the services on the basis of estimates of time and effort.

	Evangelization and Ministries	Clergy Development and Support	Religious Education	Parish and School Support	Supporting Other Religious Organizations	Total Program Service Expenses
Grants, scholarships and assistance given	\$ 28,377	\$ 402,595	\$ 349,340	\$ -	\$ 36,237	\$ 816,549
Formation and seminarian education	-	489,809	-	-	-	489,809
Personnel expenses: salaries, benefits, etc.	*	413,182	226,523	328,761	153,883	1,122,349
Professional fees, accounting and legal	*	21,669	36,540	72,580	67,034	199,583
Accreditation and licensing	-	-	11,819	-	-	11,819
Continuing education	2,275	4,329	3,089	-	-	9,693
Conferences, dues and assessments	*	497,963	26,717	3,158	1,262	546,051
Printing, postage and office supplies	*	153,691	1,651	344	-	155,686
Religious supplies	30,268	-	5,600	-	-	35,868
Resource and education materials	1,329	-	10,339	-	-	11,668
Meals and entertainment	*	1,376	4,247	-	-	5,623
Building and equipment expenses	*	-	-	1,182	-	39,477
Telephone, technology and utilities	*	9,757	-	15,276	-	42,591
Religious gatherings and youth events	117,545	8,469	36	-	-	126,050
Travel	*	13,790	2,854	6,520	732	23,896
Interest	-	-	-	635,445	-	635,445
Insurance	-	-	1,075	-	8,750	9,825
Property taxes	-	1,456	-	1,319	-	2,775
Depreciation	*	89	-	-	-	89
Miscellaneous	8,287	6,089	84,844	2,518	-	101,738
Total Program Service Expenses	\$ 1,299,598	\$ 1,211,279	\$ 893,963	\$ 862,193	\$ 144,584	\$ 4,411,617

* These expense lines contain joint costs that are attributed to more than one program (as listed above) or supporting service (as listed on the consolidated statement of functional expense) and these joint costs have been allocated to the services on the basis of estimates of time and effort.