

**ROMAN CATHOLIC FOUNDATION OF  
EASTERN MISSOURI**

**FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2025 AND 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI  
TABLE OF CONTENTS  
YEARS ENDED DECEMBER 31, 2025 AND 2024**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENTS OF ACTIVITIES</b>	<b>4</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>6</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>7</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Roman Catholic Foundation of Eastern Missouri  
St. Louis, Missouri

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Roman Catholic Foundation of Eastern Missouri, which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, 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 Roman Catholic Foundation of Eastern Missouri as of December 31, 2025 and 2024, and the change in 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Roman Catholic Foundation of Eastern Missouri, 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 Roman Catholic Foundation of Eastern Missouri's ability to continue as a going concern within one year after the date that financial statements are available to be issued.

***Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Roman Catholic Foundation of Eastern Missouri'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 Roman Catholic Foundation of Eastern Missouri'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.



**CliftonLarsonAllen LLP**

St. Louis, Missouri  
March 12, 2026

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2025 AND 2024**

	2025	2024
<b>ASSETS</b>		
Cash	\$ 1,817,210	\$ 1,171,117
Investments	44,597,619	36,303,881
Prepaid Expenses	27,176	30,979
Promises to Give - With Donor Restriction, Net	7,500	7,500
Other Receivables	4,285	-
Right-of-Use Asset	93,849	156,004
Other Long-Term Assets	214,770	221,289
Investments With Donor Restriction in Perpetuity	42,910,706	41,735,848
Total Assets	\$ 89,673,115	\$ 79,626,618
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 38,436	\$ 4,485
Amounts Due to Beneficiaries of Split Interest Agreements	1,452,409	1,489,802
Lease Liability	102,814	169,311
Grants Payable	3,333,234	3,434,245
Beneficiary Funds	5,857,970	4,794,895
Agency Advised Funds	3,303,619	2,926,742
Total Liabilities	14,088,482	12,819,480
<b>NET ASSETS</b>		
Without Donor Restriction	1,752,110	1,577,406
With Donor Restriction	73,832,523	65,229,732
Total Net Assets	75,584,633	66,807,138
Total Liabilities and Net Assets	\$ 89,673,115	\$ 79,626,618

See accompanying Notes to Financial Statements.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2025**

	Without Donor Restriction	With Donor Restriction	Total
<b>PUBLIC SUPPORT AND REVENUE</b>			
Total Contributions	\$ 43,727	\$ 7,759,694	\$ 7,803,421
Less:			
Amounts Received for Beneficiary Endowments	-	454,479	454,479
Net Contributions	43,727	7,305,215	7,348,942
Planned Giving Services Fee	168,750	-	168,750
Foundation Management Fees	99,837	-	99,837
Miscellaneous Income	1,310	-	1,310
Interest and Dividends	64,369	1,634,957	1,699,326
Net Assets Released from Restrictions	8,589,264	(8,589,264)	-
Total Public Support and Revenue	8,967,257	350,908	9,318,165
<b>PROGRAM GRANTS</b>			
Education	927,815	-	927,815
Social Services	3,165,105	-	3,165,105
Parish Life	846,219	-	846,219
Vocations	1,022,537	-	1,022,537
Designated	179,348	-	179,348
Scholarship Grants	1,520,406	-	1,520,406
Total Grants	7,661,430	-	7,661,430
Less: Grants Made from Beneficiary Funds	102,468	-	102,468
Total Program Grants	7,558,962	-	7,558,962
<b>OPERATING EXPENSES</b>			
Salaries	738,425	-	738,425
Employee Benefits	78,876	-	78,876
Payroll Taxes	57,883	-	57,883
Occupancy Expense	70,015	-	70,015
Office Expenses	89,712	-	89,712
Professional Fees	165,032	-	165,032
Insurance Premiums	15,131	-	15,131
Travel and Other Expenses	26,570	-	26,570
Total Operating Expenses	1,241,644	-	1,241,644
Total Program Grants and Expenses	8,800,606	-	8,800,606
<b>INCREASE IN NET ASSETS BEFORE NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b>			
	166,651	350,908	517,559
<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b>			
	8,053	8,251,883	8,259,936
<b>CHANGE IN NET ASSETS</b>			
	174,704	8,602,791	8,777,495
Net Assets - Beginning of Year	1,577,406	65,229,732	66,807,138
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 1,752,110</b>	<b>\$ 73,832,523</b>	<b>\$ 75,584,633</b>

See accompanying Notes to Financial Statements.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restriction	With Donor Restriction	Total
<b>PUBLIC SUPPORT AND REVENUE</b>			
Total Contributions	\$ 272,235	\$ 8,282,020	\$ 8,554,255
Less:			
Amounts Received for Beneficiary Endowments	-	335,316	335,316
Net Contributions	272,235	7,946,704	8,218,939
Planned Giving Services Fee	93,750	-	93,750
Foundation Management Fees	77,274	-	77,274
Miscellaneous Income	1,834	-	1,834
Interest and Dividends	62,437	1,394,704	1,457,141
Net Assets Released from Restrictions	6,555,977	(6,555,977)	-
Total Public Support and Revenue	7,063,507	2,785,431	9,848,938
<b>PROGRAM GRANTS</b>			
Education	2,926,211	-	2,926,211
Social Services	1,833,574	-	1,833,574
Parish Life	770,263	-	770,263
Vocations	255,713	-	255,713
Designated	23,572	-	23,572
Total Grants	5,809,333	-	5,809,333
Less: Grants Made from Beneficiary Funds	94,467	-	94,467
Total Program Grants	5,714,866	-	5,714,866
<b>OPERATING EXPENSES</b>			
Salaries	647,501	-	647,501
Employee Benefits	107,885	-	107,885
Payroll Taxes	51,209	-	51,209
Occupancy Expense	84,691	-	84,691
Office Expenses	85,941	-	85,941
Professional Fees	132,900	-	132,900
Insurance Premiums	12,206	-	12,206
Travel and Other Expenses	20,797	-	20,797
Total Operating Expenses	1,143,130	-	1,143,130
Total Program Grants and Expenses	6,857,996	-	6,857,996
<b>INCREASE IN NET ASSETS BEFORE NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b>			
	205,511	2,785,431	2,990,942
<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b>			
	7,929	5,044,750	5,052,679
<b>CHANGE IN NET ASSETS</b>			
	213,440	7,830,181	8,043,621
Net Assets - Beginning of Year	1,363,966	57,399,551	58,763,517
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 1,577,406</b>	<b>\$ 65,229,732</b>	<b>\$ 66,807,138</b>

See accompanying Notes to Financial Statements.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 8,777,495	\$ 8,043,621
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Contributions with Donor Restrictions in Perpetuity for Endowment	(937,452)	(1,414,779)
Net Realized and Unrealized Gain on Investments	(8,259,936)	(5,052,679)
(Increase) Decrease in Assets:		
Promises to Give	-	36,314
Other Receivable	(4,285)	3,560
Prepaid Expenses	3,803	4,759
Other Long-Term Assets	6,519	3,747
Right-of-Use Asset	62,155	61,834
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Liabilities	33,951	(6,267)
Amounts Due to Beneficiaries of Split Interest Agreements	(37,393)	68,087
Agency Liabilities	-	(16,699)
Grants Payable	(101,011)	134,281
Beneficiary Endowments	1,063,075	667,628
Agency Advised Funds	376,877	2,926,742
Right-of-Use Lease	(66,497)	(64,778)
Net Cash Provided by Operating Activities	917,301	5,395,371
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(34,140,617)	(41,325,577)
Proceeds from Sales of Investments	32,607,063	36,687,631
Net Cash Used by Investing Activities	(1,533,554)	(4,637,946)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Collections of Contributions With Donor Restrictions in Perpetuity for Endowment	937,452	1,370,965
Net Cash Provided by Financing Activities	937,452	1,370,965
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	321,199	2,128,390
Cash and Cash Equivalents - Beginning of Year	9,236,024	7,107,634
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 9,557,223	\$ 9,236,024
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash	\$ 1,817,210	\$ 1,171,117
Cash Within Investment Balance	\$ 7,740,013	\$ 8,064,907

See accompanying Notes to Financial Statements.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 1 ORGANIZATION**

The Roman Catholic Foundation of Eastern Missouri (the Foundation) was organized on June 5, 2013. The mission of the Foundation is to connect donors and their philanthropic goals with the local Catholic Church. Parishes, schools, agencies, and charities throughout eastern Missouri will benefit from increased giving through the establishment of endowment funds. The Foundation has been organized to support these organizations in perpetuity.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting.

**Basis of Presentation**

Financial statement presentation follows guidance set forth by accounting principles generally accepted for nonprofit organizations, which requires the Foundation to report information regarding its financial position and activities according to two classes of net assets: without donor restriction and with donor restriction.

**Estimates and Assumptions**

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**Investments**

Investments are typically reported at fair value. Gains and losses on sales of investments are generally determined on a specific cost identification basis. Unrealized gains and losses are determined based on year-end fair value fluctuations.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of financial position.

**Property and Equipment**

The Foundation records property and equipment additions over \$10,000 at cost, or if donated, at fair value on the date of donation. Property and equipment are carried at cost, less accumulated depreciation and amortization computed using the straight-line method. The assets are depreciated and amortized over the following periods:

Computer Equipment	3 to 5 Years
Software	3 to 5 Years
Furniture and Fixtures	5 to 10 Years
Website Development	3 to 5 Years

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

The Foundation leases office space. The Foundation determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position. Finance leases are included in property and equipment and finance lease liability on the statements of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Foundation uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Foundation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statements of financial position.

**Promises to Give**

Promises to give, including those which are stipulated by the donor restrictions, are recognized as support in the period the promises are received and are recorded at the present value of estimated future cash flows. The Foundation provides an allowance for doubtful accounts equal to the estimated collection losses that will be incurred in the collection of all promises to give. The estimated losses are based on its assessment of the current status of individual promises to give and historical collection rates. Balances that are still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance and a credit to promises to give. Promises to give expected to be collected after one year are discounted.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Amounts Due to Beneficiaries of Split Interest Agreements**

During 2015, the Foundation was named the trustee, but not a beneficiary, of a charitable remainder trust. The trust assets held by the Foundation are included with investments at December 31, 2025 and 2024, and an equivalent liability is included with amounts due to beneficiaries of split interest agreements. The trust assets and equivalent liability are valued at fair value. The fair value of the assets and the related liability at December 31, 2025 and 2024 is \$654,512 and \$612,141, respectively.

During 2018, the Foundation entered into a net income makeup charitable remainder unitrust agreement with a donor for an irrevocable trust whereby a liability is recorded for present value of payments due to the beneficiaries. The excess of contributed assets over the trust liability is recorded as a contribution with donor restrictions. The liability for this agreement at December 31, 2025 and 2024 is \$278,746 and \$263,102, respectively.

The Foundation enters into charitable gift annuity agreements with donors, whereby a specified annuity amount is paid to the donors from the Foundation for the remainder of the donor's life. Upon termination of this annuity agreement, the remaining balance is transferred to various funds within the Foundation. The amounts received from the donors are invested with the Foundation's investments. The gift annuity payable represents the present value of the future contractual payments to the donors of \$519,151, and \$614,559 at December 31, 2025 and 2024, respectively. Included in this amount are agency funds of \$321,732 and \$288,959 at December 31, 2025 and 2024, respectively, which the Foundation holds and invests as an agent for parishes, schools, and other Catholic organizations.

**Beneficiary Funds**

Beneficiary funds are donor-restricted funds for the contributing Catholic organization, who is also the sole beneficiary. Although the Foundation retains legal ownership of beneficiary endowments through the irrevocable gifts contributed to the Foundation, because this is a reciprocal transfer, the Foundation must account for the fair value of these funds as both assets and liabilities on the statements of financial position in accordance with accounting principles generally accepted in the United States of America.

**Agency Advised Funds**

Agency advised funds are donor-restricted funds held by the Foundation on behalf of and for the contributing agency. The Foundation offers the agency advised funds as an investment fund to allow other charitable organizations to pool their funds with the funds of the Foundation and/or as a platform to support agencies in their charitable support of ministries in alignment with the Catholic Church. The contributed gifts and investment returns are the property of the agency and the Foundation does not have variance power with respect to the assets.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Assets and Contributions**

Net Assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net Assets available for use in general operations and not subject to donor restrictions.

*Net Assets With Donor Restrictions* – Net Assets subject to donor-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 that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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. The Foundation considers donor-advised funds as contributions with donor restrictions.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Foundation has adopted the policy of reporting net assets released from restrictions upon completion of the donor purpose restriction, regardless of whether the related cash has been received.

**Description of Program Services and Supporting Activities**

The following program services and supporting activities are included in the accompanying financial statements:

Programs – The program component of the Foundation consists of all aspects of the Foundation's administration of scholarships, grant programs, and planned giving education.

General and Administrative – Includes the functions necessary to: maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Foundation's program strategy; secure proper administrative functioning of the board of trustees; and manage the financial and budgetary responsibilities of the Foundation.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and organizations.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Expense Allocation**

Expenses are charged to program services and supporting activities on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation. The expenses that are allocated primarily involve allocations based on estimates of time and effort and square footage.

**Income Tax Status**

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is, therefore, exempt from federal income taxes on related, exempt income. The Foundation follows the accounting standards for contingencies in evaluating uncertain tax positions. Management believes all positions taken would be upheld when examined. The Foundation's federal tax returns are subject to examination by taxing authorities.

**Subsequent Events**

Management has evaluated subsequent events through March 12, 2026, the date that the financial statements were available for issue.

**NOTE 3 CASH AND CASH EQUIVALENTS**

The Foundation places its cash and cash equivalents, not included in investments, with an original maturity date of three months or less in accounts with banking institutions with strong credit ratings that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2025 and 2024, bank statement balances in excess of federally insured limits totaled \$121,360 and \$2,394,992, respectively.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 4 INVESTMENTS**

Investments consist of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Cash and Cash Equivalents	\$ 7,740,013	\$ 8,064,907
Equity Securities	53,021,888	42,990,802
Exchange-Traded Fund	2,886,246	2,632,738
Mutual Funds	6,983,247	5,877,899
Bonds	16,876,931	18,473,383
Total	<u>\$ 87,508,325</u>	<u>\$ 78,039,729</u>

These amounts are reported in the financial statements as follows as of December 31:

	<u>2025</u>	<u>2024</u>
Investments	\$ 44,597,619	\$ 36,303,881
Investments With Donor Restriction in Perpetuity	42,910,706	41,735,848
Total	<u>\$ 87,508,325</u>	<u>\$ 78,039,729</u>

Net realized and unrealized gains on investments for the years ended December 31 are comprised of the following:

	<u>2025</u>	<u>2024</u>
Unrealized Gains	\$ 5,958,213	\$ 4,734,503
Realized Gains	2,301,723	318,176
Total	<u>\$ 8,259,936</u>	<u>\$ 5,052,679</u>

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 5 FAIR VALUE MEASUREMENTS**

The Foundation accounts for certain assets at fair value as required by generally accepted accounting principles. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The valuation techniques are required to maximize the use of observable inputs and minimize the use of unobservable inputs.

There are three general valuation techniques that may be used to measure fair value, as described below:

Market Approach – Uses prices and other relevant information generated by market transactions involving identical or comparable asset or liabilities.

Cost Approach – Based on the amount that currently would be required to replace the service capacity of an asset.

Income Approach – Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts.

Assets measured and reported at fair value are classified and disclosed in one of the following three categories:

*Level 1* – Quoted prices that are readily available in active markets/exchanges for identical assets. Money market funds, equity securities, exchange-traded and mutual funds are typically considered Level 1.

*Level 2* – Pricing inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Federal agency and corporate bonds are typically considered Level 2.

*Level 3* – Significant pricing inputs that are unobservable for the asset and includes assets for which there is little, if any, market activity for the asset.

During 2025 and 2024, there were no changes in the methods and/or assumptions utilized to derive the fair value of the Foundation's assets.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following are major categories of assets measured at fair value on a recurring basis during the years ended December 31:

	2025			Total
	Level 1	Level 2	Level 3	
Money Market Funds	\$ 4,998,900	\$ -	\$ -	\$ 4,998,900
Equity Securities:				
Basic Materials	1,345,268	-	-	1,345,268
Consumer Discretionary	5,762,771	-	-	5,762,771
Consumer Staples	1,913,557	-	-	1,913,557
Financial	8,529,761	-	-	8,529,761
Health care	3,302,877	-	-	3,302,877
Industrial Goods	7,190,431	-	-	7,190,431
Technology	15,837,924	-	-	15,837,924
Utilities	1,323,968	-	-	1,323,968
Comm Services	5,028,755	-	-	5,028,755
Energy	1,055,581	-	-	1,055,581
Real Estate	841,294	-	-	841,294
Unclassified	889,701	-	-	889,701
Exchange-Traded Fund	2,886,246	-	-	2,886,246
Mutual Funds:				
Commodities	2,363,597	-	-	2,363,597
Global Real Estate	9,326	-	-	9,326
Infrastructure	3,890,426	-	-	3,890,426
Fixed Income	636,760	-	-	636,760
Other Mutual Funds	83,138	-	-	83,138
Bonds:				
US Treasury Securities	10,673,712	-	-	10,673,712
Corporate Bonds	-	4,783,853	-	4,783,853
Federal Agencies	-	1,281,814	-	1,281,814
Municipal Bonds	-	137,552	-	137,552
Total Assets	<u>\$ 78,563,993</u>	<u>\$ 6,203,219</u>	<u>\$ -</u>	<u>\$ 84,767,212</u>

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)**

	2024			Total
	Level 1	Level 2	Level 3	
Money Market Funds	\$ 3,696,880	\$ -	\$ -	\$ 3,696,880
Equity Securities:				
Basic Materials	1,249,464	-	-	1,249,464
Consumer Discretionary	6,741,048	-	-	6,741,048
Consumer Staples	1,555,729	-	-	1,555,729
Financial	6,398,331	-	-	6,398,331
Health care	2,872,878	-	-	2,872,878
Industrial Goods	4,762,564	-	-	4,762,564
Technology	12,653,303	-	-	12,653,303
Utilities	926,579	-	-	926,579
Comm Services	3,114,028	-	-	3,114,028
Energy	1,081,558	-	-	1,081,558
Real Estate	770,677	-	-	770,677
Unclassified	864,643	-	-	864,643
Exchange-Traded Fund	2,632,738	-	-	2,632,738
Mutual Funds:				
Commodities	1,980,033	-	-	1,980,033
Global Real Estate	9,982	-	-	9,982
Infrastructure	3,127,486	-	-	3,127,486
Fixed Income	724,711	-	-	724,711
Other Mutual Funds	35,687	-	-	35,687
Bonds:				
US Treasury Securities	11,660,484	-	-	11,660,484
Corporate Bonds	-	5,367,899	-	5,367,899
Federal Agencies	-	1,324,376	-	1,324,376
Municipal Bonds	-	120,624	-	120,624
Total Assets	<u>\$ 66,858,803</u>	<u>\$ 6,812,899</u>	<u>\$ -</u>	<u>\$ 73,671,702</u>

**NOTE 6 LIQUIDITY AND AVAILABILITY**

Financial assets available for grants and other expenses within one year of the statement of financial position date comprise the following at December 31:

	2025	2024
Cash and Cash Equivalents	\$ 1,817,210	\$ 1,171,117
Investments - Short-Term	13,675,802	12,817,496
Total	<u>\$ 15,493,012</u>	<u>\$ 13,988,613</u>

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2025 AND 2024**

**NOTE 6 LIQUIDITY AND AVAILABILITY (CONTINUED)**

In addition to these funds available for general expenditures, the Foundation's board of trustees has chosen to charge a management fee to all funds based on monthly market value to cover general expenditures required to operate the Foundation. The majority of the funds are calculated at a 1.25% annual rate. Exceptions to this fee schedule are for agency funds, charitable remainder annuity trusts, charitable remainder annuity trusts, charitable remainder unitrusts, and charitable lead trusts which are calculated at a flat 1% annual rate, and charitable gift annuity funds are calculated at an annual 1.5% rate. Agency advised funds are assessed a fee of at least 1% based on a sliding scale determined by assets under management. Donor advised funds follow a similar fee structure. Fees are assessed on a monthly basis. Such management fee income and management fee expense are netted in the presentation of the statements of activities.

In addition to a management fee, the board of trustees has also approved a scholarship administration fee for all scholarships granted from the Beyond Sunday Educational Fund and SOAR! to cover expenditures incurred to administer the application and award process. The fee is \$50 per award per semester.

The investment balances making up the liquidity totals above as of December 31, 2025 and 2024 have been reduced by \$15,380,742 and \$13,556,591 in donor-advised funds, respectively. The Foundation generally uses these assets for grant making based on donor recommendations and considers the majority of these as with donor restrictions, thus removed, along with the other restricted net assets to arrive at the total.

Endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments that is restricted for specific purposes is not available for general expenditure. As described in Note 9, the Foundation's donor-restricted endowments are subject to an annual spending rate of 4.5%, which is approved annually by the Board of Trustees.

The Foundation invests cash in excess of daily requirements in short-term investments and money market funds. These short-term funds are accumulated and invested for operating expenditures and funding scholarships and school grants.

**NOTE 7 PROMISES TO GIVE**

Promises to give are expected to be collected as follows at December 31, 2025 and 2024:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Less Than One Year	\$ -	\$ 7,500	\$ 7,500
Total	<u>\$ -</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 8 NET ASSETS**

Net assets consist of the following at December 31:

	2025		
	Without Donor Restriction	With Donor Restriction	Total
Donor-Advised Funds	\$ -	\$ 15,380,742	\$ 15,380,742
Parishes, Schools, Agencies, and Charities	-	15,267,060	15,267,060
Beyond Sunday Campaign	-	43,184,721	43,184,721
Operating Funds	1,752,110	-	1,752,110
Total	\$ 1,752,110	\$ 73,832,523	\$ 75,584,633

  

	2024		
	Without Donor Restriction	With Donor Restriction	Total
Donor-Advised Funds	\$ -	\$ 13,556,591	\$ 13,556,591
Parishes, Schools, Agencies, and Charities	-	12,733,792	12,733,792
Beyond Sunday Campaign	-	38,939,349	38,939,349
Operating Funds	1,577,406	-	1,577,406
Total	\$ 1,577,406	\$ 65,229,732	\$ 66,807,138

Net assets were released from restrictions as follows:

	2025	2024
Donor-Advised Funds	\$ 5,555,989	\$ 3,386,576
Parishes, Schools, Agencies, and Charities	1,453,392	432,460
Beyond Sunday Campaign and Other Funds	1,579,883	2,736,941
Total	\$ 8,589,264	\$ 6,555,977

**NOTE 9 ENDOWMENT**

The Foundation's endowment as of December 31, 2025 and 2024 consists of 127 and 104 funds, respectively, established for parishes, schools, and ministries in Eastern Missouri. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2025 AND 2024**

**NOTE 9 ENDOWMENT (CONTINUED)**

**Interpretation of Relevant Law**

The board of trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies net assets with donor restrictions at (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund not retained in perpetuity is subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation 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 Foundation 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 Foundation; and
- The investment policies of the Foundation.

Endowment net asset composition as of December 31:

	2025		
	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity	\$ -	\$ 42,910,706	\$ 42,910,706
Accumulated Investment Gain	-	10,818,936	10,818,936
Total Investment Return	<u>\$ -</u>	<u>\$ 53,729,642</u>	<u>\$ 53,729,642</u>
	2024		
	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity	\$ -	\$ 41,735,848	\$ 41,735,848
Accumulated Investment Gain	-	5,689,690	5,689,690
Total Investment Return	<u>\$ -</u>	<u>\$ 47,425,538</u>	<u>\$ 47,425,538</u>

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 9 ENDOWMENT (CONTINUED)**

**Interpretation of Relevant Law (Continued)**

Changes in endowment net assets for the years ended December 31:

	Without Donor Restriction	With Donor Restriction	Total
Endowment Assets -			
December 31, 2024	\$ -	\$ 47,425,538	\$ 47,425,538
Investment Return:			
Net Realized and Unrealized Gain	-	6,458,466	6,458,466
Interest and Dividends	-	1,161,775	1,161,775
Total Investment Return	-	7,620,241	7,620,241
Contributions	-	937,452	937,452
Transfer from Charitable Gift Annuities	-	237,162	237,162
Amounts Appropriated for Spending	-	(2,490,751)	(2,490,751)
Endowment Assets -			
December 31, 2025	\$ -	\$ 53,729,642	\$ 53,729,642
	Without Donor Restriction	With Donor Restriction	Total
Endowment Assets -			
December 31, 2023	\$ -	\$ 42,789,131	\$ 42,789,131
Investment Return:			
Net Realized and Unrealized Gain	-	4,247,550	4,247,550
Interest and Dividends	-	1,021,325	1,021,325
Total Investment Return	-	5,268,875	5,268,875
Contributions	-	1,370,965	1,370,965
Amounts Appropriated for Spending	-	(2,003,433)	(2,003,433)
Endowment Assets -			
December 31, 2024	\$ -	\$ 47,425,538	\$ 47,425,538

**Funds With Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

There were no material underwater endowment funds at December 31, 2025 and 2024, respectively.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 9 ENDOWMENT (CONTINUED)**

**Return Objectives and Risk Parameters**

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to seek long-term capital appreciation and current income while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide an average rate of return that exceeds inflation by approximately 5.5% annually. Actual returns in any given year may vary from this goal.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that uses equity-based and fixed-income investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Foundation has a policy of appropriating for distribution each year a set percentage of an endowment fund's twelve quarter trailing average market value, ranging from 2.25% to 4.5%. In establishing this policy, the Foundation considered the long-term expected return on its endowments. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowments to continue to grow. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in, as well as to provide additional real growth through new gifts and investment return.

**NOTE 10 RELATED PARTY TRANSACTIONS**

During the years ended December 31, 2025 and 2024, related parties contributed approximately \$851,583 and \$902,472, respectively, to the Foundation. These contributions represent approximately 12% and 8% of total contributions for the years ending December 31, 2025 and 2024, respectively.

**NOTE 11 RETIREMENT PLAN**

Effective July 2018, the Foundation established a 401(k) plan covering all employees meeting certain eligibility criteria. Contributions paid by the Foundation for this retirement plan totaled \$31,105 and \$24,642 for the years ended December 31, 2025 and 2024, respectively, which are included in employee benefits.

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 12 LEASES – ASC 842**

The Foundation leases certain operating and office facilities for a term under long-term, non-cancelable lease agreements which expires in June 2027.

The Foundation entered into a lease for office space beginning in 2020 from \$5,073 to \$5,773, with payments escalating annually through 2027.

The following table provides quantitative information concerning the Foundation's lease:

	<u>2025</u>	<u>2024</u>
Lease Cost:		
Operating Lease Costs	\$ 62,833	\$ 62,833
Total Building Lease Cost	<u>\$ 62,833</u>	<u>\$ 62,833</u>
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	\$ 67,176	\$ 65,776
Weighted-Average Remaining Lease Term - Operating Lease	1.4 Years	2.4 Years
Weighted-Average Discount Rate - Operating Leases	0.488%	0.488%

The Foundation classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2025, is as follows:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2026	\$ 68,575
2027	34,638
Total Lease Payments	103,213
Less: Interest	(399)
Present Value of Lease Liabilities	<u>\$ 102,814</u>

**ROMAN CATHOLIC FOUNDATION OF EASTERN MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**NOTE 13 FUNCTIONAL EXPENSES**

The following is a detail of expenses by functional classification for the years ended December 31:

	2025			
	Programs	General and Administrative	Fundraising	Total
Grants	\$ 7,558,962	\$ -	\$ -	\$ 7,558,962
Salaries	233,673	283,246	221,506	738,425
Employee Benefits	24,176	27,657	27,043	78,876
Payroll Taxes	18,260	22,074	17,549	57,883
Occupancy Expenses	24,140	28,052	17,823	70,015
Office Expenses	21,554	46,536	21,622	89,712
Professional Fees	66,697	73,698	24,637	165,032
Insurance Premiums	9,238	3,551	2,342	15,131
Travel and Other Expense	6,155	12,062	8,353	26,570
Total	\$ 7,962,855	\$ 496,876	\$ 340,875	\$ 8,800,606
	2024			
	Programs	General and Administrative	Fundraising	Total
Grants	\$ 5,714,866	\$ -	\$ -	\$ 5,714,866
Salaries	202,697	268,508	176,296	647,501
Employee Benefits	35,205	37,027	35,653	107,885
Payroll Taxes	15,982	21,219	14,008	51,209
Occupancy Expenses	29,201	33,932	21,558	84,691
Office Expenses	47,150	25,450	13,341	85,941
Professional Fees	60,390	57,067	15,443	132,900
Insurance Premiums	8,229	2,405	1,572	12,206
Travel and Other Expense	5,387	9,073	6,337	20,797
Total	\$ 6,119,107	\$ 454,681	\$ 284,208	\$ 6,857,996

**NOTE 14 TRANSACTIONS WITH THE ARCHDIOCESE**

In November 2024, the Foundation entered into a Planned Giving Services Agreement with the Archdiocese, who is a related party of the Foundation, for an annual amount of \$275,000 which began July 2025 and goes through June 2032. The agreement replaced one which began June 2019 and expired in June 2025. During 2025 and 2024, \$168,750 and \$93,750, respectively, was received and included in planned giving services revenue in the statements of activities.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.