The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)

Independent Auditor’s Report, Financial Statements, and Supplementary Information

June 30, 2022 and 2021
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Independent Auditor’s Report

Finance Council and Management
The Administrative Offices of the
Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Evansville, Indiana

Qualified Opinion

We have audited the accompanying financial statements of The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion” section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations) as of June 30, 2022 and 2021, 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 Qualified Opinion

As discussed in Notes 1 and 5, The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations) expenses fixed asset additions and capital improvements. Additionally, as discussed in Note 11, The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations) has not recorded a liability for its commitment to pay for clergy medical expenses that it provides after retirement. The practice of both of these, in our opinion, is not in accordance with accounting principles generally accepted in the United States of America. The effects on the financial statements of the aforementioned practices cannot be reasonably obtained.

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 “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are required to be independent of The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations) 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 qualified audit opinion.

Emphasis of Matter

As discussed in Note 1, certain operations of The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations) are not included in these financial statements. Our opinion is not modified with respect to this matter.
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 The Administrative Offices of the Catholic Diocese of Evansville’s (Chancery and Certain Diocesan Operations) ability to continue as a going concern within one year after the date that these 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 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 The Administrative Offices of the Catholic Diocese of Evansville’s (Chancery and Certain Diocesan Operations) internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Administrative Offices of the Catholic Diocese of Evansville’s (Chancery and Certain Diocesan Operations) 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.

**Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes 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 audit 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*FORVIS, LLP*

Evansville, Indiana
January 10, 2023
The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations)

Statements of Financial Position
June 30, 2022 and 2021

<table>
<thead>
<tr>
<th>Assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td>$11,107,266</td>
<td>$10,420,980</td>
</tr>
<tr>
<td><strong>Receivables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stewards of God’s Grace contributions receivable, net</td>
<td>-</td>
<td>22,405</td>
</tr>
<tr>
<td>Catholic Parishes Campaign</td>
<td>403,567</td>
<td>490,519</td>
</tr>
<tr>
<td>Parishes and institutions, net of allowance; 2022 and 2021 – $2,060</td>
<td>1,095,748</td>
<td>790,875</td>
</tr>
<tr>
<td>Loans – parishes and institutions, net of allowance; 2022 and 2021 – $0</td>
<td>1,112,461</td>
<td>1,323,298</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>20,061</td>
<td>21,066</td>
</tr>
<tr>
<td>Insurance services receivable</td>
<td>296,976</td>
<td>417,628</td>
</tr>
<tr>
<td>Other Diocesan operations</td>
<td>43,640</td>
<td>22,678</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td>2,972,453</td>
<td>3,088,469</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>51,784,113</td>
<td>58,539,085</td>
</tr>
<tr>
<td><strong>Beneficial interests in Foundation</strong></td>
<td>15,155,438</td>
<td>17,329,630</td>
</tr>
<tr>
<td><strong>Prepaid expenses and other assets</strong></td>
<td>1,893,252</td>
<td>1,649,666</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$82,912,522</strong></td>
<td><strong>$91,027,830</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$177,639</td>
<td>$203,194</td>
</tr>
<tr>
<td>Deposits held for parishes and other Diocesan operations</td>
<td>42,527,034</td>
<td>37,296,421</td>
</tr>
<tr>
<td>Due to related parties, net</td>
<td>23,220</td>
<td>391,974</td>
</tr>
<tr>
<td>Other accrued expenses and liabilities</td>
<td>1,987,997</td>
<td>2,171,162</td>
</tr>
<tr>
<td>Unearned service revenue</td>
<td>15,799</td>
<td>15,799</td>
</tr>
<tr>
<td>Payables to named beneficiaries</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>70,723,836</strong></td>
<td><strong>71,608,402</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions – undesignated</td>
<td>(28,216,725)</td>
<td>(21,611,631)</td>
</tr>
<tr>
<td>Without donor restrictions – designated</td>
<td>32,443,992</td>
<td>31,956,265</td>
</tr>
<tr>
<td><strong>Total net assets without donor restrictions</strong></td>
<td>4,227,267</td>
<td>10,344,634</td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>7,961,419</td>
<td>9,074,794</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>12,188,686</strong></td>
<td><strong>19,419,428</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$82,912,522</strong></td>
<td><strong>$91,027,830</strong></td>
</tr>
</tbody>
</table>

See Notes to Financial Statements
The Administrative Offices of the Catholic Diocese of Evansville  
(Chancery and Certain Diocesan Operations)  
Statement of Activities  
Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue, Gains (Losses) and Other Support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic Parishes Campaign</td>
<td>$ 6,285,911</td>
<td>$ -</td>
</tr>
<tr>
<td>Contributions and other community support</td>
<td>80,924</td>
<td>286,209</td>
</tr>
<tr>
<td>Insurance and medical fees</td>
<td>14,724,957</td>
<td>-</td>
</tr>
<tr>
<td>Service fees</td>
<td>188,948</td>
<td>-</td>
</tr>
<tr>
<td>Net investment return</td>
<td>$ (8,641,327)</td>
<td>63,720</td>
</tr>
<tr>
<td>Change in beneficial interests in Foundation</td>
<td>-</td>
<td>(829,234)</td>
</tr>
<tr>
<td>Change in beneficial interests in Foundation – designated</td>
<td>(1,686,794)</td>
<td>-</td>
</tr>
<tr>
<td>Distributions from Foundation and other revenue</td>
<td>678,330</td>
<td>-</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>634,070</td>
<td>(634,070)</td>
</tr>
<tr>
<td><strong>Total revenues, gains (losses) and other support</strong></td>
<td>$ 12,265,019</td>
<td>(1,113,375)</td>
</tr>
</tbody>
</table>

| **Expenses** |
| Adult formation | 196,821 | - | 196,821 |
| Catholic Center and other operations | 75,103 | - | 75,103 |
| Chancery | 696,254 | - | 696,254 |
| Education | 876,629 | - | 876,629 |
| Insurance and medical programs | 13,981,776 | - | 13,981,776 |
| Spanish-speaking ministry | 95,274 | - | 95,274 |
| Ministry to priests and clergy assistance | 372,724 | - | 372,724 |
| Newspaper and communications | 374,872 | - | 374,872 |
| Office of Worship | 109,694 | - | 109,694 |
| Permanent deaconate | 57,625 | - | 57,625 |
| Subsidies | 732,870 | - | 732,870 |
| Tribune | 187,396 | - | 187,396 |
| Vocation Office and House of Discernment | 585,774 | - | 585,774 |
| Safe Environment | 39,244 | - | 39,244 |
| Youth ministries, including Newman Centers | 371,477 | - | 371,477 |
| Lay employee retirement plan | (15,680) | - | (15,680) |
| Employee 403(b) benefits | 1,000,926 | - | 1,000,926 |
| Office of Family and Life | 79,229 | - | 79,229 |
| **Total program services** | 19,818,008 | - | 19,818,008 |
| Management and general | 2,283,737 | - | 2,283,737 |
| Fundraising | 241,806 | - | 241,806 |
| **Total support services** | 2,525,543 | - | 2,525,543 |
| **Total expenses** | 22,343,551 | - | 22,343,551 |

| **Change in Net Assets from Operating and Investing Activities** |
| (10,078,532) | (1,113,375) | (11,191,907) |
| **Change in Minimum Pension Liability** | 3,961,165 | - | 3,961,165 |
| **Change in Net Assets** | (6,117,367) | (1,113,375) | (7,230,742) |
| **Net Assets, Beginning of Year** | 10,344,634 | 9,074,794 | 19,419,428 |
| **Net Assets, End of Year** | $ 4,227,267 | $ 7,961,419 | $ 12,188,686 |

See Notes to Financial Statements
The Administrative Offices of the
Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Statement of Activities
Year Ended June 30, 2021

<table>
<thead>
<tr>
<th>Revenue, Gains and Other Support</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catholic Parishes Campaign</td>
<td>$6,223,674</td>
<td>$</td>
<td>$6,223,674</td>
</tr>
<tr>
<td>Contributions and other community support</td>
<td>937,417</td>
<td>83,977</td>
<td>1,021,394</td>
</tr>
<tr>
<td>Insurance and medical fees</td>
<td>14,331,089</td>
<td></td>
<td>14,331,089</td>
</tr>
<tr>
<td>Service fees</td>
<td>110,424</td>
<td></td>
<td>110,424</td>
</tr>
<tr>
<td>Net investment return</td>
<td>9,584,368</td>
<td>81,004</td>
<td>9,665,372</td>
</tr>
<tr>
<td>Change in beneficial interests in Foundation</td>
<td>-</td>
<td>1,202,164</td>
<td>1,202,164</td>
</tr>
<tr>
<td>Change in beneficial interests in Foundation – designated</td>
<td>2,904,801</td>
<td></td>
<td>2,904,801</td>
</tr>
<tr>
<td>Distributions from Foundation and other revenue</td>
<td>206,424</td>
<td></td>
<td>206,424</td>
</tr>
<tr>
<td>Paycheck Protection Program income</td>
<td>850,000</td>
<td></td>
<td>850,000</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>1,247,028</td>
<td></td>
<td>1,247,028</td>
</tr>
<tr>
<td><strong>Total revenues, gains and other support</strong></td>
<td><strong>36,395,225</strong></td>
<td><strong>120,117</strong></td>
<td><strong>36,515,342</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult formation</td>
<td>173,158</td>
<td></td>
<td>173,158</td>
</tr>
<tr>
<td>Catholic Center and other operations</td>
<td>544,594</td>
<td></td>
<td>544,594</td>
</tr>
<tr>
<td>Chancery</td>
<td>702,255</td>
<td></td>
<td>702,255</td>
</tr>
<tr>
<td>Education</td>
<td>545,786</td>
<td></td>
<td>545,786</td>
</tr>
<tr>
<td>Insurance and medical programs</td>
<td>12,854,912</td>
<td></td>
<td>12,854,912</td>
</tr>
<tr>
<td>Spanish-speaking ministry</td>
<td>82,396</td>
<td></td>
<td>82,396</td>
</tr>
<tr>
<td>Ministry to priests and clergy assistance</td>
<td>278,756</td>
<td></td>
<td>278,756</td>
</tr>
<tr>
<td>Newspaper and communications</td>
<td>387,108</td>
<td></td>
<td>387,108</td>
</tr>
<tr>
<td>Office of Worship</td>
<td>96,876</td>
<td></td>
<td>96,876</td>
</tr>
<tr>
<td>Permanent deaconate</td>
<td>44,193</td>
<td></td>
<td>44,193</td>
</tr>
<tr>
<td>Subsidies</td>
<td>718,500</td>
<td></td>
<td>718,500</td>
</tr>
<tr>
<td>Tribunal</td>
<td>183,729</td>
<td></td>
<td>183,729</td>
</tr>
<tr>
<td>Vocation Office and House of Discernment</td>
<td>576,452</td>
<td></td>
<td>576,452</td>
</tr>
<tr>
<td>Safe Environment</td>
<td>24,897</td>
<td></td>
<td>24,897</td>
</tr>
<tr>
<td>Youth ministries, including Newman Centers</td>
<td>298,493</td>
<td></td>
<td>298,493</td>
</tr>
<tr>
<td>Lay employee retirement plan</td>
<td>1,657,050</td>
<td></td>
<td>1,657,050</td>
</tr>
<tr>
<td>Employee 403(b) benefits</td>
<td>927,503</td>
<td></td>
<td>927,503</td>
</tr>
<tr>
<td>Office of Family and Life</td>
<td>67,468</td>
<td></td>
<td>67,468</td>
</tr>
<tr>
<td>Bad debt recoveries</td>
<td>(28,169)</td>
<td></td>
<td>(28,169)</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td><strong>20,135,957</strong></td>
<td><strong>-</strong></td>
<td><strong>20,135,957</strong></td>
</tr>
<tr>
<td>Management and general</td>
<td>2,091,644</td>
<td></td>
<td>2,091,644</td>
</tr>
<tr>
<td>Fundraising</td>
<td>212,035</td>
<td></td>
<td>212,035</td>
</tr>
<tr>
<td><strong>Total support services</strong></td>
<td><strong>2,303,679</strong></td>
<td><strong>-</strong></td>
<td><strong>2,303,679</strong></td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>22,439,636</strong></td>
<td><strong>-</strong></td>
<td><strong>22,439,636</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Net Assets from Operating and Investing Activities</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,955,589</td>
<td>120,117</td>
<td>14,075,706</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Minimum Pension Liability</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,453,477</td>
<td></td>
<td>8,453,477</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Net Assets</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>22,409,066</td>
<td>120,117</td>
<td>22,529,183</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets (Deficit), Beginning of Period</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(12,064,432)</td>
<td>8,954,677</td>
<td>(3,109,755)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets, End of Period</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,344,634</td>
<td>$9,074,794</td>
<td>$19,419,428</td>
<td></td>
</tr>
</tbody>
</table>

See Notes to Financial Statements
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)

Statement of Functional Expenses
Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Support Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formaion &amp; Sacramental</td>
<td>Management and General</td>
</tr>
<tr>
<td>Education &amp; Ministerial</td>
<td>Fundraising</td>
</tr>
<tr>
<td>Social Support</td>
<td>Total Support</td>
</tr>
<tr>
<td>Outreach</td>
<td>Services</td>
</tr>
<tr>
<td>Wages, taxes, and benefits</td>
<td>$ 780,866</td>
</tr>
<tr>
<td>Lay pension and 403(b) Plan</td>
<td>-</td>
</tr>
<tr>
<td>Property and liability claims</td>
<td>-</td>
</tr>
<tr>
<td>Clergy assistance</td>
<td>-</td>
</tr>
<tr>
<td>Seminary and theology tuition</td>
<td>-</td>
</tr>
<tr>
<td>Programs</td>
<td>667,399</td>
</tr>
<tr>
<td>Insurance premiums, fees and claims</td>
<td>-</td>
</tr>
<tr>
<td>Professional fees and services</td>
<td>16,520</td>
</tr>
<tr>
<td>Utilities</td>
<td>12,986</td>
</tr>
<tr>
<td>Technology</td>
<td>-</td>
</tr>
<tr>
<td>Travel, meals, and entertainment</td>
<td>13,168</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>3,427</td>
</tr>
<tr>
<td>Other occupancy expense</td>
<td>9,662</td>
</tr>
<tr>
<td>Training and development</td>
<td>18,067</td>
</tr>
<tr>
<td>Print production</td>
<td>91</td>
</tr>
<tr>
<td>Postage</td>
<td>1,137</td>
</tr>
<tr>
<td>Supplies and other</td>
<td>16,878</td>
</tr>
<tr>
<td>Interest expense</td>
<td>-</td>
</tr>
<tr>
<td>Capital improvements</td>
<td>-</td>
</tr>
</tbody>
</table>

Total expenses included in the expense section on the statement of activities

$ 1,540,201 $ 1,326,633 $ 732,870 $ 16,218,304 $ 19,818,008 $ 2,283,737 $ 241,806 $ 2,525,543 $ 22,343,551
The Administrative Offices of the
Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)

Statement of Functional Expenses
Year Ended June 30, 2021

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Support Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Formation &amp; Education</strong></td>
<td><strong>Sacramental &amp; Ministerial Support</strong></td>
</tr>
<tr>
<td>Wages, taxes, and benefits</td>
<td>$771,280</td>
</tr>
<tr>
<td>Lay pension and 403(b) Plan</td>
<td>32,241</td>
</tr>
<tr>
<td>Property and liability claims</td>
<td>-</td>
</tr>
<tr>
<td>Clergy assistance</td>
<td>-</td>
</tr>
<tr>
<td>Seminary and theology tuition</td>
<td>-</td>
</tr>
<tr>
<td>Programs</td>
<td>241,319</td>
</tr>
<tr>
<td>Insurance premiums, fees and claims</td>
<td>-</td>
</tr>
<tr>
<td>Professional fees and services</td>
<td>6,330</td>
</tr>
<tr>
<td>Utilities</td>
<td>11,485</td>
</tr>
<tr>
<td>Technology</td>
<td>-</td>
</tr>
<tr>
<td>Travel, meals, and entertainment</td>
<td>4,320</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>1,356</td>
</tr>
<tr>
<td>Other occupancy expense</td>
<td>10,262</td>
</tr>
<tr>
<td>Training and development</td>
<td>6,514</td>
</tr>
<tr>
<td>Print production</td>
<td>114</td>
</tr>
<tr>
<td>Postage</td>
<td>1,051</td>
</tr>
<tr>
<td>Supplies and other</td>
<td>13,561</td>
</tr>
<tr>
<td>Interest expense</td>
<td>-</td>
</tr>
<tr>
<td>Bad debts recoveries</td>
<td>-</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
</tr>
<tr>
<td>Capital improvements</td>
<td>-</td>
</tr>
</tbody>
</table>

Total expenses included in the expense section on the statement of activities:

| **Total Expenses** | **$1,099,833** | **$1,124,336** | **$1,105,329** | **$16,806,459** | **$20,135,957** | **$2,091,644** | **$212,035** | **$2,303,679** | **$22,439,636** |
The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations)  
Statements of Cash Flows  
Years Ended June 30, 2022 and 2021

<table>
<thead>
<tr>
<th>Description</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$ (7,230,742)</td>
<td>$ 22,529,183</td>
</tr>
<tr>
<td>Items not requiring (providing) operating activities cash flows</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net realized and unrealized (gains) losses on investments</td>
<td>8,744,192</td>
<td>(9,504,236)</td>
</tr>
<tr>
<td>Net investment return on beneficial interests in Foundation</td>
<td>829,234</td>
<td>(1,202,164)</td>
</tr>
<tr>
<td>Net investment return on beneficial interests in Foundation – designated</td>
<td>1,686,794</td>
<td>(2,904,801)</td>
</tr>
<tr>
<td>Contribution of beneficial interest to Foundation on behalf of the Diocese</td>
<td>-</td>
<td>166,998</td>
</tr>
<tr>
<td>Contributions restricted for long-term investment</td>
<td>(165,325)</td>
<td>-</td>
</tr>
<tr>
<td>Recoveries of bad debt</td>
<td>-</td>
<td>28,169</td>
</tr>
<tr>
<td>Paycheck Protection Program income</td>
<td>-</td>
<td>850,000</td>
</tr>
<tr>
<td>Change in minimum pension liability</td>
<td>(3,961,165)</td>
<td>(8,453,477)</td>
</tr>
<tr>
<td>Changes in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables, other than loans</td>
<td>(117,226)</td>
<td>525,095</td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>22,405</td>
<td>877,249</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(243,586)</td>
<td>(204,871)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(25,555)</td>
<td>(575,221)</td>
</tr>
<tr>
<td>Due to related parties</td>
<td>(368,754)</td>
<td>(662,942)</td>
</tr>
<tr>
<td>Payable to named beneficiary</td>
<td>(5,000)</td>
<td>-</td>
</tr>
<tr>
<td>Accrued expenses and other liabilities</td>
<td>(1,754,705)</td>
<td>377,068</td>
</tr>
<tr>
<td>Unearned service revenue – Catholic Parishes Campaign</td>
<td>-</td>
<td>146</td>
</tr>
<tr>
<td>Change in minimum pension liability</td>
<td>(3,961,165)</td>
<td>(8,453,477)</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>(2,120,219)</td>
<td>(563,687)</td>
</tr>
<tr>
<td>Investing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(8,352,677)</td>
<td>(21,488,856)</td>
</tr>
<tr>
<td>Proceeds from disposition of investments</td>
<td>6,363,457</td>
<td>21,370,200</td>
</tr>
<tr>
<td>Contributions to beneficial interests in Foundation</td>
<td>(341,836)</td>
<td>(648,542)</td>
</tr>
<tr>
<td>Repayments from loans to parishes and institutions</td>
<td>223,862</td>
<td>363,511</td>
</tr>
<tr>
<td>Issuance of loans to parishes and institutions</td>
<td>(13,025)</td>
<td>(160,000)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(2,120,219)</td>
<td>(563,687)</td>
</tr>
<tr>
<td>Financing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from deposits held for parishes and institutions</td>
<td>12,345,818</td>
<td>12,390,895</td>
</tr>
<tr>
<td>Payments on deposits held for parishes and institutions</td>
<td>(7,115,205)</td>
<td>(3,403,437)</td>
</tr>
<tr>
<td>Proceeds from contributions restricted for endowment</td>
<td>165,325</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>5,395,938</td>
<td>8,987,458</td>
</tr>
<tr>
<td>Increase in Cash</td>
<td>686,286</td>
<td>7,129,443</td>
</tr>
<tr>
<td>Cash, Beginning of Year</td>
<td>10,420,980</td>
<td>3,291,537</td>
</tr>
<tr>
<td>Cash, End of Year</td>
<td>$ 11,107,266</td>
<td>$ 10,420,980</td>
</tr>
</tbody>
</table>

Supplemental Cash Flows Information

<table>
<thead>
<tr>
<th>Description</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid to parishes and institutions</td>
<td>$ 915,094</td>
<td>$ 1,116,273</td>
</tr>
</tbody>
</table>

See Notes to Financial Statements
Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations) (Diocese) is a not-for-profit organization the mission and principal activity of which is to provide administrative services to the parishes and various other institutions and operations within the Diocese of Southwestern Indiana. The primary sources of revenue for the Diocese are: (1) fees from Diocesan operations for Diocesan-wide programs sponsored and/or administered by The Administrative Offices, including property and liability insurance, clergy medical and lay medical, (2) investment income, (3) amounts received from the Catholic Parishes Campaign (Campaign) and (4) other bequests and donations.

Use of Estimates

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

Description of Chancery and Certain Diocesan Operations

The financial statements include the accounts of the following operations of the Diocese of Evansville, which are under the supervision of the Bishop of Evansville:

- Chancery offices’ operations
- Catholic Center operations (grounds, facilities, Sarto, chapel)
- Adult formation
- Administrative support
- Youth ministry
- Education
- Office of Hispanic Ministry
- Newspaper/communications
- Office of Worship
- Vocation Office and House of Discernment
- Ministry to priests
- Development
- Finance office operations
- Office of Family and Life
- Various other operations

All significant transactions and account balances between operations included in the financial statements have been eliminated.
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Notes to Financial Statements
June 30, 2022 and 2021

The financial statements do not include operations of the parishes, schools and certain other Diocesan operations, including subsidized operations and certain Diocesan-related foundations. Under canon law, these operations operate, in many ways, autonomously. Additionally, many of the operations do not have formalized accounting and record-keeping that would allow them to be combined in a cost-efficient manner.

Net Assets

The Diocese reports its financial position and activities according to the following net asset classifications, based on the existence or absence of donor or grantor restrictions:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Diocese. These net assets may be used at the discretion of the Diocese’s management and the Diocesan finance council.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Diocese or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents

The Diocese considers all liquid investments with original maturities of three months or less to be cash equivalents. Uninvested cash included in investment accounts are not considered to be cash and cash equivalents. At June 30, 2022 and 2021, the Diocese had no cash equivalents.

At June 30, 2022, the Diocese’s cash accounts exceeded federally insured limits by approximately $11,239,000.

Receivables

Receivables are stated at the amount of consideration from others (primarily related parties), of which the Diocese has an unconditional right to receive, plus any accrued or unpaid interest. The Diocese provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Delinquent receivables expected to be uncollected have been written off. Catholic Parishes Campaign receivables are unrestricted and due within one year.
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Notes to Financial Statements
June 30, 2022 and 2021

Contributions Receivable and Amounts Due to Related Parties

The Diocese received certain contributions as a part of the Stewards of God’s Grace: *Providing for the Needs of the Church in Southwest Indiana* (SOGG) campaign, which concluded in 2022. These contribution receivables were recorded as revenues with donor restrictions based on the intent of the donor. The amounts were recorded at fair value, which represents the gross contribution, less allowances for an estimate of amounts that may be uncollectible and a discount based on a risk-adjusted interest rate applicable to the year in which the contribution was made.

In conjunction with administering the SOGG campaign, the Diocese received campaign payments directly from donors. Unless otherwise specified by the donor, the original pledge agreements provided that 50% of contributions, up to the respective organization’s goal, were due directly to the parishes and other institutions named in the campaign pledge agreements. Donations between 101% and 125% of the organization’s goal were to be allocated 80/20 to the respective organization/Diocese. Donations exceeding 125% of the organization’s goal were to be allocated entirely to the respective organization. The amounts due directly to the parishes and other institutions do not represent revenue to the Diocese; therefore, the Diocese recorded amounts due to related parties for cash received on behalf of the parishes and other institutions not yet distributed.

Investments and Net Investment Return

Investments in equity securities having readily determinable fair values and all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less external and direct internal investment expenses.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the statements of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

The Diocese maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investments accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.
Property and Equipment

Fixed asset additions and capital improvements are expensed when purchased rather than capitalized and depreciated over their estimated useful lives. Accordingly, no depreciation expense is recognized by the Diocese. This practice is not in accordance with accounting principles generally accepted in the United States of America.

Paycheck Protection Program (PPP) Loan

The Diocese received $850,000 of PPP loans established by the Coronavirus, Aid, Relief, and Economic Security Act (CARES Act), and elected to account for the funding as a loan in accordance with Accounting Standards Codification (ASC) Topic 470, Debt. Interest was accrued in accordance with the loan agreement. Any forgiveness of the loan was recognized as a gain in the financial statements in the period the debt was legally released. PPP loans are subject to audit and acceptance by the U.S. Department of Treasury, Small Business Administration or lender; as a result of such audit, adjustments could be required to the recognition of revenue. During the year ended June 30, 2021, the loan forgiveness criteria was met, and the loan was recorded into income.

Contributions

Contributions are provided to the Diocese either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts—with or without donor restrictions. The value recorded for each contribution is recognized as follows:

<table>
<thead>
<tr>
<th>Nature of the Gift</th>
<th>Value Recognized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conditional gifts, with or without restriction</td>
<td></td>
</tr>
<tr>
<td>Gifts that depend on the Diocese overcoming a</td>
<td>Not recognized until the gift becomes unconditional, i.e., the donor-imposed barrier is met</td>
</tr>
<tr>
<td>donor-imposed barrier to be entitled to the funds</td>
<td></td>
</tr>
<tr>
<td>Unconditional gifts, with or without restriction</td>
<td></td>
</tr>
<tr>
<td>Received at date of gift – cash and other assets</td>
<td>Fair value</td>
</tr>
<tr>
<td>Received at date of gift – property, equipment</td>
<td>Estimated fair value</td>
</tr>
<tr>
<td>and long-lived assets</td>
<td></td>
</tr>
<tr>
<td>Expected to be collected within one year</td>
<td>Net realizable value</td>
</tr>
<tr>
<td>Collected in future years</td>
<td>Initially reported at fair value determined using the discounted present value of estimated future cash flows technique</td>
</tr>
</tbody>
</table>

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.
When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

Conditional contributions having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

**In-Kind Contributions**

In addition to receiving cash contributions, the Diocese receives in-kind contributions from various donors, which may consist of supplies or long-lived assets, such as equipment. It is the policy of the Diocese to record the estimated fair value of certain in-kind donations as an expense in its financial statements and similarly increase contribution revenue by a like amount, unless explicit donor stipulations specify how such assets are to be used, in which case, they are reported as with donor restrictions revenue. For the years ended June 30, 2022 and 2021, these contributions were minimal and, therefore, no amounts have been reflected in the financial statements for in-kind contributions.

**Contributed Services**

Contributions of services are recognized as revenue at their estimated fair values only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. Contributions of services also include services received from personnel of an affiliate. The Diocese pays for most services requiring specific expertise; therefore, no amounts have been reflected in the financial statements for donated services.

**Unearned Service Revenue**

The Catholic Parishes Campaign is the method used to fund the annual assessment on each parish, which occurs in the fall. The funds are used for the operations of the Chancery, Diocesan programs and other Diocesan operations for the succeeding fiscal year. No campaign funds are included within unearned service revenue in the financial statements at June 30, 2022 and 2021. Additionally, the Diocese recognizes other revenues as unearned relating to other religious education programs.
Income Taxes

The Diocese is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Diocese is subject to federal income tax on any unrelated business taxable income.

Functional Allocation of Expenses

The costs of supporting the various programs and other 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. Certain costs have been allocated among the program, management and general, and fundraising categories based on actual direct expenditures.

Note 2: Revenue Recognition

Catholic Parishes Campaign

Catholic Parishes Campaign represents the annual assessment allocated to respective parishes in exchange for Diocesan operational services, support and ministries provided. Revenue for these performance obligations is satisfied over time and recognized ratably over the period based on time elapsed. Performance obligations are determined based on the nature of services provided by the Diocese. The Diocese believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

Insurance, Medical and Service Fees

The Diocese provides property and liability insurance, medical, dental, vision and pharmacy benefits programs for parishes, clergy and lay employees who provide services across the Diocese. Premiums are charged monthly to the participants and/or parishes in exchange for coverage and services provided. Revenue for these performance obligations is satisfied over time and recognized ratably over the period based on time elapsed. The Diocese believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

Significant Judgments

The Diocese determines the transaction prices based on standard and budgeted charges for services provided.
Note 3: Contributions Receivable

Contributions receivable at June 30, 2021, consisted of the following:

<table>
<thead>
<tr>
<th>Due within one year</th>
<th>Due in one to five years</th>
</tr>
</thead>
<tbody>
<tr>
<td>$22,405</td>
<td>-</td>
</tr>
</tbody>
</table>

There was no discount calculated for 2021 as the entire amount was due within one year, and no allowance for uncollectible contributions was recorded as of June 30, 2021.

As of June 30, 2021, all contributions receivable were designated for the Stewards of God’s Grace campaign, intended to support seminarians and priests, Catholic education and faith formation, social outreach, facility improvements, campaign costs and parishes.

Note 4: Beneficial Interests in the Catholic Foundation of Southwest Indiana (Foundation)

The Diocese has transferred assets to the Foundation and retained a beneficial interest in those assets. The Diocese is to receive earnings as determined by the Foundation board annually, but none of the principal. The Diocese named itself as beneficiary of all future earnings. The cumulative amount of retained beneficial interests included in the statements of financial position was $15,155,438 and $17,329,630 at June 30, 2022 and 2021, respectively. Amounts within these beneficial interests with donor restrictions were $4,935,015 and $5,560,971 at June 30, 2022 and 2021, respectively.

Note 5: Property and Equipment

The Diocese owns properties that were purchased, constructed or donated. As is a common practice with religious organizations, these properties are not recorded in the financial statements. The Diocese believes many of these properties are single use, religious facilities with limited value, except to the Catholic community, and the cost related to these facilities is more a measure of contributions and general architectural styles at the time of construction, which may be significantly different from current styles or trends.
The replacement value of the buildings and equipment of all Diocesan operations for insurance purposes at June 30, 2022 and 2021, was approximately $827,400,000 and $725,200,000, respectively, of which approximately $13,160,000 and $12,169,000 as of June 30, 2022 and 2021, respectively, was attributable to properties of operations included in these financial statements.

Financial Accounting Standards Board (FASB) guidance requires capitalization of land, buildings and equipment and recognition of depreciation expense thereon. The Diocese currently does not intend to adopt this particular FASB guidance in its financial reporting and no attempt has been made by management to determine the impact of not adopting this standard.

**Note 6: Note Payable**

During 2020, the Diocese received an $850,000 PPP note payable from Old National Bank. The note was due in April 2022 with monthly payments of $47,835 beginning in November 2020, including a 1% interest rate. The note was unsecured.

In October 2020, the Paycheck Protection Program Flexibility Act was issued which extended the deferral period for borrower payments of principal and interest to the date that the Small Business Administration (SBA) remits the borrower’s loan forgiveness amount to the lender, or 10 months after the end of the borrower’s loan forgiveness period.

During the year ended June 30, 2021, the Diocese received loan forgiveness from the SBA and lender, and the loan was recorded into income.

**Note 7: Loans and Deposits – Related Parties**

The Administrative Offices operate a centralized financing program. Diocesan operations remit funds in excess of immediate operating needs to the Diocese throughout the year. Other Diocesan operations may borrow from the fund at rates below the prevailing commercial rates (5.00% and 6.00% for fiscal periods 2022 and 2021, respectively), for operational needs or construction projects. This program gives operations with excess funds the opportunity to assist other operations. Interest is paid on funds on deposit between 1.75% and 3.50% for fiscal year 2022 and at 3.50% for fiscal year 2021, respectively. The interest rate differential covers administrative costs. The deposits are payable on demand. The loans are payable based upon the terms of the note agreements, which typically range from on demand to seven years from substantial completion of the financed project. One loan has been extended beyond its original due date to be amortized on a straight-line method over 15 years.
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Notes to Financial Statements
June 30, 2022 and 2021

The loans outstanding and deposits on hand from operations at June 30, 2022 and 2021, are summarized below:

<table>
<thead>
<tr>
<th></th>
<th>Loans</th>
<th>Deposits</th>
<th>Loans</th>
<th>Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parishes</td>
<td>$1,112,461</td>
<td>$34,076,854</td>
<td>$1,323,298</td>
<td>$28,556,699</td>
</tr>
<tr>
<td>Institutions</td>
<td>-</td>
<td>8,450,180</td>
<td>-</td>
<td>8,739,722</td>
</tr>
<tr>
<td>Less allowance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parishes</td>
<td>$1,112,461</td>
<td>$1,323,298</td>
</tr>
<tr>
<td>Institutions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less allowance</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Interest expense relative to the deposits on hand for the years ended June 30, 2022 and 2021, was $915,094 and $1,116,273, respectively.

As of June 30, 2022 and 2021, no loans were past due under the Diocese’s loan program.

Note 8: Net Assets

Without Donor Restrictions – Designated

Net assets without donor restrictions at June 30, 2022 and 2021, are restricted for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster relief</td>
<td>$3,584</td>
<td>$3,584</td>
</tr>
<tr>
<td>Plant funds</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Office machine operations</td>
<td>63,603</td>
<td>63,603</td>
</tr>
<tr>
<td>Evansville Catholic schools</td>
<td>108,510</td>
<td>108,510</td>
</tr>
<tr>
<td>Religious education</td>
<td>272,550</td>
<td>272,550</td>
</tr>
<tr>
<td>Property acquisition</td>
<td>158,058</td>
<td>158,058</td>
</tr>
<tr>
<td>Insurance reserve</td>
<td>21,779,658</td>
<td>19,800,508</td>
</tr>
<tr>
<td>Stewards of God’s Grace campaign held in beneficial interest in Foundation various endowments</td>
<td>10,008,029</td>
<td>11,499,452</td>
</tr>
<tr>
<td></td>
<td>$32,443,992</td>
<td>$31,956,265</td>
</tr>
</tbody>
</table>
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Notes to Financial Statements
June 30, 2022 and 2021

**Net Assets with Donor Restrictions**

Net assets with donor restrictions at June 30, 2022 and 2021, are restricted for the following purposes:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject expenditure for specified purpose</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human development</td>
<td>$54,873</td>
<td>$52,749</td>
</tr>
<tr>
<td>Evansville Catholic high schools</td>
<td>166,300</td>
<td>166,300</td>
</tr>
<tr>
<td>Religious education and pooled income funds</td>
<td>718,960</td>
<td>681,593</td>
</tr>
<tr>
<td>Communications</td>
<td>118,905</td>
<td>115,775</td>
</tr>
<tr>
<td>Discernment</td>
<td>80,564</td>
<td>-</td>
</tr>
<tr>
<td>Stewards of God’s Grace campaign (1)</td>
<td>306,276</td>
<td>841,777</td>
</tr>
<tr>
<td><strong>Total subject to expenditure for specified purpose</strong></td>
<td>1,445,878</td>
<td>1,858,194</td>
</tr>
<tr>
<td>Subject to passage of time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promises to give that are not restricted by donors, but which are unavailable for expenditure until due</td>
<td>-</td>
<td>22,405</td>
</tr>
<tr>
<td><strong>Endowments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment in perpetuity, the income of which is expendable to support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diocesan general operations (life income)</td>
<td>61,936</td>
<td>61,936</td>
</tr>
<tr>
<td>Religious education</td>
<td>946,775</td>
<td>942,660</td>
</tr>
<tr>
<td>Religious education of Diocesan seminarians</td>
<td>192,196</td>
<td>192,196</td>
</tr>
<tr>
<td>Stewards of God’s Grace campaign (1)</td>
<td>167,225</td>
<td>167,225</td>
</tr>
<tr>
<td>Stewards of God’s Grace campaign held in beneficial interest in Foundation various endowments</td>
<td>212,394</td>
<td>269,207</td>
</tr>
<tr>
<td>Beneficial interests in Foundation various endowments, primarily religious education</td>
<td>4,935,015</td>
<td>5,560,971</td>
</tr>
<tr>
<td><strong>Total endowments</strong></td>
<td>6,515,541</td>
<td>7,194,195</td>
</tr>
<tr>
<td><strong>Total net assets with donor restrictions</strong></td>
<td>$7,961,419</td>
<td>$9,074,794</td>
</tr>
</tbody>
</table>

(1) The SOGG campaign is intended to support seminarians and priests, Catholic education and faith formation, social outreach, facility improvements, campaign costs and parishes.
Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

<table>
<thead>
<tr>
<th>Purpose restrictions accomplished</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>$2,909</td>
<td>$1,188</td>
</tr>
<tr>
<td>Other</td>
<td>11,737</td>
<td>4,500</td>
</tr>
<tr>
<td>Religious education</td>
<td>37,239</td>
<td>184,593</td>
</tr>
<tr>
<td>Stewards of God’s Grace campaign</td>
<td>582,185</td>
<td>1,056,747</td>
</tr>
<tr>
<td>Total</td>
<td>$634,070</td>
<td>$1,247,028</td>
</tr>
</tbody>
</table>

Note 9: Endowment

The Diocese’s endowment consists of 22 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Diocese’s governing body is subject to the State of Indiana Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of original gifts as of the gift date of donor restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of the interpretation, the Diocese classifies as net assets with donor restriction (a) the original value of gifts donated to the endowment and (b) any accumulations to the fund that are required to be maintained in the perpetuity in accordance with the direction of the applicable donor gift instrument. In accordance with SPMIFA, the Diocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Diocese and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments

6. Other resources of the Diocese

7. Investment policies of the Diocese

The composition of net assets by type of endowment fund at June 30, 2022 and 2021, was:

<table>
<thead>
<tr>
<th>2022</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor-restricted endowment funds</td>
<td>$272,550</td>
<td>$2,345,357</td>
<td>$2,617,907</td>
</tr>
<tr>
<td>Designated endowment funds</td>
<td>$272,550</td>
<td>$2,345,357</td>
<td>$2,617,907</td>
</tr>
<tr>
<td>Total endowment funds</td>
<td>$272,550</td>
<td>$2,345,357</td>
<td>$2,617,907</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2021</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor-restricted endowment funds</td>
<td>$272,550</td>
<td>$2,353,116</td>
<td>$2,625,666</td>
</tr>
<tr>
<td>Designated endowment funds</td>
<td>$272,550</td>
<td>$2,353,116</td>
<td>$2,625,666</td>
</tr>
<tr>
<td>Total endowment funds</td>
<td>$272,550</td>
<td>$2,353,116</td>
<td>$2,625,666</td>
</tr>
</tbody>
</table>
Changes in endowment net assets for the years ended June 30, 2022 and 2021, were:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, beginning of year</td>
<td>$272,550</td>
<td>$2,353,116</td>
<td>$2,625,666</td>
</tr>
<tr>
<td>Investment return, net</td>
<td>-</td>
<td>61,542</td>
<td>61,542</td>
</tr>
<tr>
<td>Transfers</td>
<td>-</td>
<td>7,036</td>
<td>7,036</td>
</tr>
<tr>
<td>Change in beneficial interest in trust</td>
<td>-</td>
<td>(37,948)</td>
<td>(37,948)</td>
</tr>
<tr>
<td>Appropriation of endowment assets for expenditure</td>
<td>-</td>
<td>(16,602)</td>
<td>(16,602)</td>
</tr>
<tr>
<td>Other changes</td>
<td>-</td>
<td>(21,787)</td>
<td>(21,787)</td>
</tr>
<tr>
<td>Endowment net assets, end of year</td>
<td>$272,550</td>
<td>$2,345,357</td>
<td>$2,617,907</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, beginning of year</td>
<td>$272,550</td>
<td>$2,236,859</td>
<td>$2,509,409</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>55,165</td>
<td>55,165</td>
</tr>
<tr>
<td>Change in beneficial interest in trust</td>
<td>-</td>
<td>28,678</td>
<td>28,678</td>
</tr>
<tr>
<td>Appropriation of endowment assets for expenditure</td>
<td>-</td>
<td>62,276</td>
<td>62,276</td>
</tr>
<tr>
<td>Other changes</td>
<td>-</td>
<td>(29,862)</td>
<td>(29,862)</td>
</tr>
<tr>
<td>Endowment net assets, end of year</td>
<td>$272,550</td>
<td>$2,353,116</td>
<td>$2,625,666</td>
</tr>
</tbody>
</table>
The Diocese has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment, while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Diocese must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowment funds. Under the Diocese’s policies, endowment assets are invested in a manner that is intended to produce favorable results while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

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

Annually, the Diocese evaluates designated endowments and determines any changes and appropriations.

Underwater Endowment

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Diocese is required to retain as a fund of perpetual duration pursuant to donor stipulation of SPMIFA. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature, if any, are reported in net assets with donor restrictions and such amounts were $0 for 2022 and 2021. Deficiencies, if any, may result from unfavorable market fluctuations that occur after investment of new contributions with donor restrictions and continued appropriation for certain purposes deemed prudent by the governing body.

The practice of the Diocese does not permit distributions from endowments to invade the corpus of the endowment. If earnings are not sufficient to fully fund the calculated annual distribution from the endowment, only the amount of available earnings is distributed for spending. This practice does not preclude the Diocese from permitting spending from underwater endowments in accordance with SPMIFA if deemed prudent by the governing body, if necessary. The Diocese has interpreted SPMIFA to permit spending from underwater endowment funds in accordance with the prudent measures required by law.
Note 10: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2022 and 2021, comprise the following:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$11,107,266</td>
<td>$10,420,980</td>
</tr>
<tr>
<td>Other receivables</td>
<td>2,972,453</td>
<td>3,066,064</td>
</tr>
<tr>
<td>Investments</td>
<td>51,784,113</td>
<td>58,539,085</td>
</tr>
<tr>
<td>Contributions receivable, net</td>
<td>-</td>
<td>22,405</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td><strong>65,863,832</strong></td>
<td><strong>72,048,534</strong></td>
</tr>
</tbody>
</table>

Less

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor-imposed restrictions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds</td>
<td>1,445,878</td>
<td>1,858,194</td>
</tr>
<tr>
<td>Endowments</td>
<td>6,515,541</td>
<td>7,194,195</td>
</tr>
<tr>
<td>Deposits held for parishes and other Diocesan operations</td>
<td>42,527,034</td>
<td>37,296,421</td>
</tr>
<tr>
<td>Loans receivable due in one to five years</td>
<td>919,097</td>
<td>1,215,107</td>
</tr>
<tr>
<td><strong>Less</strong></td>
<td><strong>51,407,550</strong></td>
<td><strong>47,563,917</strong></td>
</tr>
<tr>
<td><strong>Financial assets available to meet cash needs for general expenditures within one year</strong></td>
<td><strong>$14,456,282</strong></td>
<td><strong>$24,484,617</strong></td>
</tr>
</tbody>
</table>

The Diocese’s endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowment is subject to an annual spending policy of appropriating for expenditure as the board deems prudent each year. Although the Diocese does not intend to spend from this board-designated endowment, these amounts could be made available if necessary.

The Diocese manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.
Note 11: Medical Plans

Lay Employees

The medical plan for benefits for lay employees at the various parishes and schools throughout the entire Diocese of Evansville, including the lay employees at The Administrative Offices, is partially self-funded and is administered by a third-party administrator. The plan is funded by direct billings to the operations of the various parishes and schools based upon the number of employees participating in the program at rates determined by The Administrative Offices on an annual basis. Coverage for The Administrative Offices’ employees is provided at no charge to the employee for single-covered employees. An employee can elect to pay an additional amount for family coverage. Losses in excess of $150,000 per participant are insured with a general insurance carrier for the years ended June 30, 2022 and 2021. Lay medical and healthcare expense (including actual claims paid, insurance premiums paid for the stop loss coverage and accruals for the estimate of claims incurred but not paid) for the years ended June 30, 2022 and 2021, was approximately $10,900,000 and $10,100,000, respectively. The Chancery, through action of the Bishop, funds any shortfall in this Diocesan-wide plan.

Clergy

The medical plan for clergy (Clergy Medical Plan) is administered by a third-party administrator. The plan is partially self-funded with losses in excess of $150,000 per participant insured with a general insurance carrier. The Clergy Medical Plan provides medical and health benefits to all current and retired clergy in the entire Diocese of Evansville (approximately 79), including priests assigned to The Administrative Offices.

The plan is funded by direct billings to each parish, school or other entity within the entire Diocese. Each operation pays a predetermined amount to the plan for clergy assigned to it at rates determined by The Administrative Offices on an annual basis. Clergy medical and healthcare expense (including actual claims paid, insurance premiums paid for the stop loss coverage and an accrual for the estimate of claims incurred but not paid) for the years ended June 30, 2022 and 2021, was approximately $996,000 and $825,000, respectively. The Chancery, through action of the Bishop, funds any shortfall in this Diocesan-wide plan.

The Diocese has an unwritten commitment to provide and pay for clergy’s medical expenses after retirement. As of June 30, 2022, there are approximately 33 retired clergy covered under this commitment. Accounting principles generally accepted in the United States of America require that a liability be recorded for the present value of that commitment. The Diocese has elected not to determine the extent of that liability or record it with the understanding that, through action of the Bishop, the Chancery will fund any future shortfalls in this plan. For the years ended June 30, 2022 and 2021, there were overages of approximately $576,000 and $700,000, respectively, relating to premiums collected in excess of claims paid.
Note 12: Pension Plan

The Diocese has a noncontributory defined benefit pension plan, which covered substantially all full-time lay employees throughout the Diocese, including those at the administrative offices, through July 1, 2013. During 2013, the Diocese amended its pension plan to remove all plan participants under the age of 40 and freeze the plan to new participants as of July 1, 2013.

Although this plan covers employees from related Diocesan operations, which operations are not included in these financial statements, the Diocese would fund any shortfall or retain any overfunding of this plan in the event the plan is terminated. The Catholic Diocese of Evansville Retirement Income Plan provides benefits based on years of credited service multiplied by 1.125% of the participant’s average compensation, as defined, over the preceding five years. The Diocese makes annual contributions to fund the plan. The most recent actuarial valuation report, which was prepared as of June 30, 2022, indicates the Diocese is expected to contribute $3,240,000 to the plan in fiscal year 2023.

The Diocese uses a June 30 measurement date for the plan. Information about the plan’s funded status follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit obligation</td>
<td>$(68,115,012)</td>
<td>$(80,140,335)</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>42,122,865</td>
<td>48,615,483</td>
</tr>
<tr>
<td>Funded status</td>
<td>$(25,992,147)</td>
<td>$(31,524,852)</td>
</tr>
</tbody>
</table>

Amounts recognized in the statements of financial position as of June 30, 2022 and 2021, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued pension liability</td>
<td>$(25,992,147)</td>
<td>$(31,524,852)</td>
</tr>
</tbody>
</table>

Amounts recognized in net assets without donor restrictions not yet recognized as components of net periodic benefit position costs as of June 30, 2022 and 2021, consist of:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss</td>
<td>$ 12,151,586</td>
<td>$ 16,000,353</td>
</tr>
<tr>
<td>Prior service cost</td>
<td>399,021</td>
<td>511,419</td>
</tr>
<tr>
<td></td>
<td>$ 12,550,607</td>
<td>$ 16,511,772</td>
</tr>
</tbody>
</table>

The accumulated benefit obligation for the defined benefit pension plan was $63,134,050 and $73,658,939 at June 30, 2022 and 2021, respectively.
Components of net periodic benefit costs for the years ended June 30, 2022 and 2021, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service cost</td>
<td>$1,461,987</td>
<td>$1,608,511</td>
</tr>
<tr>
<td>Interest cost</td>
<td>2,355,750</td>
<td>2,338,761</td>
</tr>
<tr>
<td>Expected return on assets</td>
<td>(3,402,578)</td>
<td>(2,747,080)</td>
</tr>
<tr>
<td>Amortization of prior service costs</td>
<td>112,398</td>
<td>112,398</td>
</tr>
<tr>
<td>Recognition of net loss</td>
<td>1,140,903</td>
<td>2,048,359</td>
</tr>
<tr>
<td><strong>Net periodic benefit costs</strong></td>
<td><strong>$1,668,460</strong></td>
<td><strong>$3,360,949</strong></td>
</tr>
</tbody>
</table>

Other significant balances and costs are:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net benefit costs</td>
<td>$1,668,460</td>
<td>$3,360,949</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>$3,240,000</td>
<td>$3,422,000</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>$3,109,152</td>
<td>$3,184,119</td>
</tr>
</tbody>
</table>

The following amounts have been recognized in the statements of activities for the years ended June 30, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts arising during the period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss</td>
<td>$(2,707,864)</td>
<td>$(6,292,720)</td>
</tr>
<tr>
<td>Net prior service cost</td>
<td>$798,042</td>
<td>$(1,022,838)</td>
</tr>
</tbody>
</table>

Amounts reclassified as components of net periodic benefit costs during the period:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss</td>
<td>$1,140,903</td>
<td>$2,048,359</td>
</tr>
<tr>
<td>Prior service cost</td>
<td>$112,398</td>
<td>$112,398</td>
</tr>
</tbody>
</table>

The estimated net loss and prior service cost for the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit costs over the next fiscal year is $762,869 and $112,398, respectively.
Significant assumptions include:

Weighted-average assumptions used to determine benefit obligations:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>4.50%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Rate of compensation increase</td>
<td>3.00%</td>
<td>3.00%</td>
</tr>
</tbody>
</table>

Weighted-average assumptions used to determine benefit costs:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>3.00%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>7.00%</td>
<td>7.00%</td>
</tr>
<tr>
<td>Rate of compensation increase</td>
<td>3.00%</td>
<td>3.00%</td>
</tr>
</tbody>
</table>

The Diocese has estimated the long-term return on plan assets based primarily on review of target asset allocation, an underlying inflation rate assumption and the effects of asset diversification and periodic fund rebalancing.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of June 30, 2022:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$3,319,430</td>
</tr>
<tr>
<td>2024</td>
<td>$3,880,045</td>
</tr>
<tr>
<td>2025</td>
<td>$3,449,657</td>
</tr>
<tr>
<td>2026</td>
<td>$4,337,659</td>
</tr>
<tr>
<td>2027</td>
<td>$4,181,306</td>
</tr>
<tr>
<td>2028–2032</td>
<td>$22,620,034</td>
</tr>
</tbody>
</table>

$41,788,131

Plan assets are administered by Prudential Retirement, which invests the plan assets in accordance with the provisions of the plan agreement. The plan’s asset allocation is designed using modern portfolio theory, which quantifies the impact of diversification among various asset classes. Current target allocation percentages are 40%–60% invested in equities and 40%–60% invested in fixed income assets and 5% invested in other. No additional asset categories are included beyond equity securities, debt securities and other.
At June 30, 2022 and 2021, plan assets by category are as follows:

<table>
<thead>
<tr>
<th>Weighted-average asset allocation</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity securities</td>
<td>52%</td>
<td>57%</td>
</tr>
<tr>
<td>Debt securities</td>
<td>47</td>
<td>41</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Pension Plan Assets**

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

Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. Level 1 plan assets include cash and mutual funds invested in U.S. stocks, international stocks, U.S. bonds and stable value funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of plan assets with similar characteristics or discounted cash flows. In certain cases where Level 1 or Level 2 inputs are not available, plan assets are classified within Level 3 of the hierarchy. The plan did not have any Level 2 or Level 3 assets.
The fair values of the Diocese’s pension plan assets at June 30, 2022 and 2021, by asset class, are as follows:

<table>
<thead>
<tr>
<th>Fair Value Measurements Using</th>
<th>Quoted Prices in Active Markets for Identical Assets (Level 1)</th>
<th>Significant Other Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>June 30, 2022</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large cap</td>
<td>$ 9,655,029</td>
<td>$ 9,655,029</td>
<td>$</td>
</tr>
<tr>
<td>Mid cap</td>
<td>1,181,515</td>
<td>1,181,515</td>
<td>-</td>
</tr>
<tr>
<td>Small cap</td>
<td>3,372,327</td>
<td>3,372,327</td>
<td>-</td>
</tr>
<tr>
<td>T. Rowe Price</td>
<td>3,310,205</td>
<td>3,310,205</td>
<td>-</td>
</tr>
<tr>
<td>International stocks</td>
<td>4,212,174</td>
<td>4,212,174</td>
<td>-</td>
</tr>
<tr>
<td>U.S. bonds</td>
<td>14,789,736</td>
<td>14,789,736</td>
<td>-</td>
</tr>
<tr>
<td>Stable value</td>
<td>4,844,832</td>
<td>4,844,832</td>
<td>-</td>
</tr>
<tr>
<td>Cash</td>
<td>757,047</td>
<td>757,047</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$ 42,122,865</td>
<td>$ 42,122,865</td>
<td>$</td>
</tr>
<tr>
<td>June 30, 2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large cap</td>
<td>$ 11,053,231</td>
<td>$ 11,053,231</td>
<td>$</td>
</tr>
<tr>
<td>Mid cap</td>
<td>1,591,293</td>
<td>1,591,293</td>
<td>-</td>
</tr>
<tr>
<td>Small cap</td>
<td>4,506,279</td>
<td>4,506,279</td>
<td>-</td>
</tr>
<tr>
<td>T. Rowe Price</td>
<td>5,416,492</td>
<td>5,416,492</td>
<td>-</td>
</tr>
<tr>
<td>International stocks</td>
<td>5,282,440</td>
<td>5,282,440</td>
<td>-</td>
</tr>
<tr>
<td>U.S. bonds</td>
<td>15,310,910</td>
<td>15,310,910</td>
<td>-</td>
</tr>
<tr>
<td>Stable value</td>
<td>4,741,575</td>
<td>4,741,575</td>
<td>-</td>
</tr>
<tr>
<td>Cash</td>
<td>713,263</td>
<td>713,263</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$ 48,615,483</td>
<td>$ 48,615,483</td>
<td>$</td>
</tr>
</tbody>
</table>
403(b) Plan

The Diocese has a 403(b) plan, which covers substantially all eligible full-time employees throughout the Diocese, including those at The Administrative Offices. Effective July 1, 2013, the Diocese amended its defined contribution 403(b) plan to allow the Diocese to make matching contributions of 50% of employee deferral amounts up to 5% of employees’ eligible compensation. During 2022 and 2021, the Diocese has also elected a 2.5% discretionary contribution for eligible participants. The Diocese’s 2022 employer contribution to the plan consisted of approximately $450,000 of matching contribution and approximately $553,000 of discretionary contributions. The Diocese’s 2021 employer contribution to the plan consisted of approximately $400,000 of matching contribution and approximately $525,000 of discretionary contributions.

Note 13: Property and Liability Insurance

A partially self-insured property and liability insurance program is administered by the Chancery for all Diocesan facilities. For property coverage, the Diocese’s initial deductible is $225,000 with total coverage of $70,000,000. The additional liability program is funded by assessments billed to all Diocesan operations and it pays the initial $695,000 of certain claims with insurance coverage of $750,000 in excess of these claims. Claims in excess of these limits are insured with various general insurance carriers through an overall risk manager who charges a fee for providing insurance management services. Property and liability insurance expense for the years ended June 30, 2022 and 2021, was approximately $2,545,000 and $2,350,000, respectively, comprised of $1,892,000 and $1,630,000, respectively, for premiums to general insurance carriers; $102,000 and $95,000, respectively, for fees to an overall risk manager; $551,000 and $628,000, respectively, for claims incurred; and $0, respectively, for rebates of excess reserves.

Provisions for losses expected under these programs are recorded based upon the Diocese’s estimates of the aggregate liability for claims incurred and totaled approximately $200,000 and $530,000 for the years ended June 30, 2022 and 2021, respectively. The amount of actual losses incurred could differ materially from the estimates reflected in these financial statements. The Diocese has provided letters of credit totaling $750,000 in connection with these insurance programs, which renews automatically on an annual basis. These letters of credit are collateralized by certificates of deposit totaling $750,000.

Note 14: Disclosures About Fair Value of Financial Instruments

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

Level 1 Quoted prices in active markets for identical assets or liabilities
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Notes to Financial Statements
June 30, 2022 and 2021

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

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

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022 and 2021.

<table>
<thead>
<tr>
<th>Fair Value Measurements Using</th>
<th>Fair Value</th>
<th>Quoted Prices in Active Markets for Identical Assets (Level 1)</th>
<th>Significant Other Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>June 30, 2022</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money market mutual funds</td>
<td>$ 2,388,449</td>
<td>$ 2,388,449</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Certificates of deposit (1)</td>
<td>908,804</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Government securities</td>
<td>13,851</td>
<td>-</td>
<td>13,851</td>
<td>-</td>
</tr>
<tr>
<td>Corporate debt securities</td>
<td>883,483</td>
<td>-</td>
<td>883,483</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Treasury securities</td>
<td>2,596,599</td>
<td>-</td>
<td>2,596,599</td>
<td>-</td>
</tr>
<tr>
<td>Common stocks</td>
<td>179,894</td>
<td>179,894</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>21,600,171</td>
<td>21,600,171</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Small cap</td>
<td>3,893,714</td>
<td>3,893,714</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short term</td>
<td>6,954,192</td>
<td>6,954,192</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Intermediate term</td>
<td>4,684,673</td>
<td>4,684,673</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Large growth</td>
<td>7,680,283</td>
<td>7,680,283</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$ 51,784,113</td>
<td>$ 47,381,376</td>
<td>$ 3,493,933</td>
<td>$ -</td>
</tr>
<tr>
<td>Beneficial interests in</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundation</td>
<td>$ 15,155,438</td>
<td>-</td>
<td>-</td>
<td>$ 15,155,438</td>
</tr>
</tbody>
</table>
Fair Value Measurements Using

<table>
<thead>
<tr>
<th>Quoted Prices in Active Markets for Identical Assets (Level 1)</th>
<th>Significant Other Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair Value</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>June 30, 2021</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money market mutual funds</td>
<td>$2,496,196</td>
<td>$-</td>
</tr>
<tr>
<td>Certificates of deposit (1)</td>
<td>907,440</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Government securities</td>
<td>20,158</td>
<td>20,158</td>
</tr>
<tr>
<td>Corporate debt securities</td>
<td>1,109,364</td>
<td>1,109,364</td>
</tr>
<tr>
<td>U.S. Treasury securities</td>
<td>2,934,771</td>
<td>2,934,771</td>
</tr>
<tr>
<td>Common stocks</td>
<td>349,497</td>
<td>-</td>
</tr>
<tr>
<td>Mutual funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>24,470,151</td>
<td>-</td>
</tr>
<tr>
<td>Small cap</td>
<td>4,251,784</td>
<td>-</td>
</tr>
<tr>
<td>Short term</td>
<td>7,971,778</td>
<td>-</td>
</tr>
<tr>
<td>Intermediate term</td>
<td>5,335,935</td>
<td>-</td>
</tr>
<tr>
<td>Large growth</td>
<td>8,692,011</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$58,539,085</strong></td>
<td><strong>$4,064,293</strong></td>
</tr>
<tr>
<td>Beneficial interests in Foundation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundation</td>
<td><strong>$17,329,630</strong></td>
<td><strong>$-</strong></td>
</tr>
</tbody>
</table>

(1) Nonbrokered certificates – no leveling

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2022. For assets classified within Level 1, 2 and 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.
Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. See the table below for inputs and valuation techniques used for Level 3 securities.

Beneficial Interests in Foundation

Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy.

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the statements of financial position using significant observable (Level 3) inputs:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, July 1</td>
<td>$ 17,329,630</td>
<td>$ 12,407,125</td>
</tr>
<tr>
<td>Total realized and unrealized gains (losses) included in change in beneficial interests in Foundation</td>
<td>(2,122,410)</td>
<td>4,291,398</td>
</tr>
<tr>
<td>Purchases</td>
<td>341,836</td>
<td>815,725</td>
</tr>
<tr>
<td>Distributions</td>
<td>(393,618)</td>
<td>(184,618)</td>
</tr>
<tr>
<td>Balance, June 30</td>
<td>$ 15,155,438</td>
<td>$ 17,329,630</td>
</tr>
</tbody>
</table>
The Administrative Offices of the Catholic Diocese of Evansville (Chancery and Certain Diocesan Operations)

Notes to Financial Statements
June 30, 2022 and 2021

Realized and unrealized gains and losses included in net investment return on beneficial interests in Foundation for the years ended June 30, 2022 and 2021, are reported in the statements of activities as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gains (losses)</td>
<td>$(2,122,410)</td>
<td>$4,291,398</td>
</tr>
<tr>
<td>Change in unrealized gains and losses relating to assets still held at the statements of financial position date</td>
<td>$(2,122,410)</td>
<td>$4,291,398</td>
</tr>
</tbody>
</table>

Unobservable (Level 3) Inputs

<table>
<thead>
<tr>
<th>Date</th>
<th>Beneficial interests in Foundation</th>
<th>Fair Value</th>
<th>Valuation Technique</th>
<th>Unobservable Inputs</th>
<th>Range (Weighted Average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2022</td>
<td>Discounted cash flows</td>
<td>$15,155,438</td>
<td>Discount rates</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>June 30, 2021</td>
<td>Discounted cash flows</td>
<td>$17,329,630</td>
<td>Discount rates</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

The following schedule summarizes investment return for the years ended June 30:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>$102,865</td>
<td>$80,132</td>
</tr>
<tr>
<td>Net realized gains and reinvestments</td>
<td>2,197,002</td>
<td>4,527,473</td>
</tr>
<tr>
<td>Net unrealized gains (losses) on investments</td>
<td>$(10,941,194)</td>
<td>4,976,763</td>
</tr>
<tr>
<td>Other changes</td>
<td>63,720</td>
<td>81,004</td>
</tr>
<tr>
<td></td>
<td>$(8,577,607)</td>
<td>$9,665,372</td>
</tr>
</tbody>
</table>
Note 15: Significant Estimates and Concentrations

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

Litigation

The Diocese is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the Diocese. However, events could occur that would change this estimate materially in the near term.

Pension Plan

The Diocese has recorded certain liabilities as more fully described in Note 12. Certain assumptions and estimates made by the Diocese in calculating these liabilities may be different in the future.

Note 16: Commitments and Contingent Liabilities

Diocesan operations, separate from The Administrative Offices, have entered into various agreements and activities that could, by action of the Bishop, become liabilities of The Administrative Offices.

The Diocese of Evansville clergy are provided with a defined benefit retirement plan. Donations were received to fund the initial cost of the plan. The most recent actuarial valuation report, which was prepared as of July 1, 2022, indicates that the fair value of plan assets exceeds the present value of the accumulated benefits by approximately $979,000 for 80 participants. This is not a receivable of The Administrative Offices. However, The Administrative Offices could, by action of the Bishop, incur expenses in subsequent years in connection with the funding of this plan. The Bishop has not determined how a plan deficiency will be funded.
Note 17: Risks and Uncertainties

*Investments*

The Diocese invests in various investment securities, has beneficial interests held at the Foundation and funds its defined benefit pension plan with investment securities. Investment securities and beneficial interests are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and beneficial interests, it is at least reasonably possible that changes in the values of investment securities and beneficial interests will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

*Loans – Parishes and Institutions*

The Diocese has unsecured loans to its various parishes and institutions, which are exposed to the risks that the cash flows of these entities may not be adequate to provide for full payment of principal and interest due to the level of risk associated with these loans. It is at least reasonably possible that changes in values may occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

*Management’s Future Plans*

There are several economic factors and uncertainties that affect the financial health of the Diocese. The ongoing deficit within its unrestricted, undesignated net assets, is primarily the result of the impact of its noncontributory defined benefit pension plan, which covers a significant number of the full-time employees throughout the Diocese. The Diocese contributes annually to the plan through assessments to its parishes and various other institutions. The liability associated with this plan is largely computed based on discount rates, which fluctuate with market conditions, expected mortalities of the participants and the investments held by the plan to fund this liability.

Note 18: Subsequent Events

Subsequent events have been evaluated through January 10, 2023, which is the date the financial statements were available to be issued.
Supplementary Information
The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)
Statement of Activities for Net Assets Without Donor Restrictions
Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>Revenues, Gains (Losses) and Other Support</th>
<th>Operating Fund</th>
<th>Insurance Fund</th>
<th>Interfund Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catholic community support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic Parishes Campaign</td>
<td>$ 6,285,911</td>
<td>-</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Bequests and donations</td>
<td>80,924</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>6,366,835</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Insurance and medical fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and liability insurance</td>
<td>-</td>
<td>3,285,114</td>
<td>104,535</td>
<td>-</td>
</tr>
<tr>
<td>Clergy medical plan</td>
<td>-</td>
<td>1,571,690</td>
<td>678,125</td>
<td>-</td>
</tr>
<tr>
<td>Lay medical plan</td>
<td>-</td>
<td>11,116,474</td>
<td>465,661</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>15,973,278</td>
<td>1,248,321</td>
<td>-</td>
</tr>
<tr>
<td>Service fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newspaper and communications</td>
<td>95,782</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Catholic Center</td>
<td>93,166</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>188,948</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>31,487</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Parishes</td>
<td>71,378</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>102,865</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net realized and unrealized investment gains</td>
<td>(8,744,192)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change in beneficial interests in Foundation – designated</td>
<td>(1,686,794)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Distributions from Foundation and other</td>
<td>678,330</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>634,070</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues, gains (losses) and other support</td>
<td>(2,459,938)</td>
<td>15,973,278</td>
<td>1,248,321</td>
<td>-</td>
</tr>
</tbody>
</table>
### The Administrative Offices of the Catholic Diocese of Evansville
(Chancery and Certain Diocesan Operations)

Statement of Activities for Net Assets Without Donor Restrictions (Continued)

Year Ended June 30, 2022

<table>
<thead>
<tr>
<th>Operating Fund</th>
<th>Insurance Fund</th>
<th>Interfund Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Debit</td>
<td>Credit</td>
<td></td>
</tr>
</tbody>
</table>

#### Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Operating Fund</th>
<th>Insurance Fund</th>
<th>Debit</th>
<th>Credit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult formation</td>
<td>$240,501</td>
<td>-</td>
<td>-</td>
<td>$43,680</td>
<td>$196,821</td>
</tr>
<tr>
<td>Catholic Center and other operations</td>
<td>$257,397</td>
<td>-</td>
<td>-</td>
<td>182,294</td>
<td>75,103</td>
</tr>
<tr>
<td>Chancery</td>
<td>$824,187</td>
<td>-</td>
<td>-</td>
<td>127,933</td>
<td>696,254</td>
</tr>
<tr>
<td>Education</td>
<td>$943,205</td>
<td>-</td>
<td>-</td>
<td>66,576</td>
<td>876,629</td>
</tr>
<tr>
<td>Lay employee retirement plan</td>
<td>$(121,237)</td>
<td>-</td>
<td>-</td>
<td>(105,557)</td>
<td>(15,680)</td>
</tr>
<tr>
<td>Employee 403(b) benefits</td>
<td>$1,000,926</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000,926</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$260,298</td>
<td>-</td>
<td>-</td>
<td>18,492</td>
<td>241,806</td>
</tr>
<tr>
<td>General and administrative</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parishes</td>
<td>$745,801</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>745,801</td>
</tr>
<tr>
<td>Institutions</td>
<td>$169,293</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>169,293</td>
</tr>
<tr>
<td></td>
<td>$915,094</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>915,094</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$1,944,537</td>
<td>-</td>
<td>-</td>
<td>575,894</td>
<td>1,368,643</td>
</tr>
<tr>
<td></td>
<td>$2,859,631</td>
<td>-</td>
<td>-</td>
<td>575,894</td>
<td>2,283,737</td>
</tr>
<tr>
<td>Insurance and medical programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and liability insurance</td>
<td>-</td>
<td>2,544,866</td>
<td>-</td>
<td>-</td>
<td>2,544,866</td>
</tr>
<tr>
<td>Clergy medical plan</td>
<td>-</td>
<td>824,138</td>
<td>-</td>
<td>-</td>
<td>824,138</td>
</tr>
<tr>
<td>Lay medical plan</td>
<td>-</td>
<td>10,625,124</td>
<td>-</td>
<td>12,352</td>
<td>10,612,772</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>13,994,128</td>
<td>-</td>
<td>12,352</td>
<td>13,981,776</td>
</tr>
<tr>
<td>Spanish speaking ministry</td>
<td>$110,178</td>
<td>-</td>
<td>-</td>
<td>14,904</td>
<td>95,274</td>
</tr>
<tr>
<td>Ministry to priests</td>
<td>$422,949</td>
<td>-</td>
<td>-</td>
<td>50,225</td>
<td>372,724</td>
</tr>
<tr>
<td>Newspaper and communications</td>
<td>$425,817</td>
<td>-</td>
<td>-</td>
<td>50,945</td>
<td>374,872</td>
</tr>
<tr>
<td>Office of Worship</td>
<td>$125,758</td>
<td>-</td>
<td>-</td>
<td>16,064</td>
<td>109,694</td>
</tr>
<tr>
<td>Permanent deaconate</td>
<td>$57,625</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>57,625</td>
</tr>
<tr>
<td>Subsidies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic Charities</td>
<td>$624,240</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>624,240</td>
</tr>
<tr>
<td>Christian sharing</td>
<td>$108,630</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>108,630</td>
</tr>
<tr>
<td></td>
<td>$732,870</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>732,870</td>
</tr>
<tr>
<td>Tribunal</td>
<td>$218,341</td>
<td>-</td>
<td>-</td>
<td>30,945</td>
<td>187,396</td>
</tr>
<tr>
<td>Vocation Office and House of Discernment</td>
<td>$683,087</td>
<td>-</td>
<td>-</td>
<td>97,313</td>
<td>585,774</td>
</tr>
<tr>
<td>Safe Environment</td>
<td>$39,244</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>39,244</td>
</tr>
<tr>
<td>Youth ministries, including</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newman Centers</td>
<td>$422,836</td>
<td>-</td>
<td>-</td>
<td>51,359</td>
<td>371,477</td>
</tr>
<tr>
<td>Office of Family and Life</td>
<td>$94,131</td>
<td>-</td>
<td>-</td>
<td>14,902</td>
<td>79,229</td>
</tr>
<tr>
<td></td>
<td>$9,597,744</td>
<td>13,994,128</td>
<td>-</td>
<td>1,248,321</td>
<td>22,343,551</td>
</tr>
</tbody>
</table>

#### Change in Net Assets from Operating and Investing Activities

| Change in Net Assets from Operating and Investing Activities | $ (12,057,682) | $ 1,979,150 | $1,248,321 | $1,248,321 | $(10,078,532) |