



The Catholic Foundation
ARCHDIOCESE OF SANTA FE

EXECUTIVE COMMITTEE MEETING
February 28, 2018

Minutes

Members Present: John Heer (call-in), Scott Lardner, Dennis Garcia, Sheila Brown, Jim Higdon, Don Rigali, Stan Sluder, Tony Strati

Members Absent: Greg Edwards

Staff Present: Ed Larrañaga, Dorothy Sheehi, Lori Nemeth

I. Opening Prayer

Ed Larrañaga opened the February 28, 2018 meeting of the Executive Committee with a prayer at 8:33 a.m.

II. Review of December 20, 2017 Meeting Minutes

The Committee reviewed the December 20, 2017 meeting minutes (attached). Minutes were approved by the Committee as presented.

III. President's Report

- A. Dorothy Sheehi reported on the distribution rate for 2018. For the Grant Projects (attached), an additional \$34,637.84 was allocated from the CRT/GA (Charitable Remainder Trust/Gift Annuity) Fund surplus. Note that for Foundation and Agency Projects (attached), there are some funds with special instructions for distributions.

Motion: Jim Higdon moved to approve the 4% distribution rate, Tony Strati seconded, and the motion passed unanimously.

- B. Dorothy presented a suggested update to the Distribution Policies (attached). Under Pass-Through Contributions 1. B., change to: "At the discretion of The Catholic Foundation, contributions may be held for thirty (30) days before disbursements are made."

Motion: Scott Lardner moved to approve the change to the Distribution Policies, Sheila Brown seconded, and the motion passed unanimously.

- C. Ed Larrañaga reported on plans for the upcoming Catholic Foundation Symposium we are hosting on May 1-3 at La Fonda in Santa Fe. Trustees are encouraged to attend the cocktail reception on Tuesday, May 1 from 5:30 – 6:30 p.m. at La Fonda. We are asking for the Board to help sponsor the reception. Trustees are also invited to attend Mass on Wednesday, May 2 11:00 a.m. at the Cathedral. The agenda for the Symposium is posted on our website under Upcoming Events if anyone is interested in joining discussion sessions.

IV. Budget & Audit Committee

Dennis Garcia reported on the January financial statements (attached). On the Comparative Operating Income Statement, administrative fees revenue is higher due to new endowment funds. Unfavorable

variance under software is due to Blackbaud database software upgrade. On the Balance Sheet, \$700K of the endowment cash assets is pass-through money being held until the donor makes a decision.

V. Investment Committee

Jim Higdon reported on the Investment Summary (attached). The Investment Committee approved a new policy for allocating a percentage of the surplus from the CRT/GA fund to grants. The Committee reviewed the screening results for USCCB (U.S. Conference of Catholic Bishops) Catholic values in our equity funds. The target for funds not in alignment with these values was set at less than 5%, which we are currently meeting at 4.3%. CBIS (Christian Brothers Investment Services) is moving away from the role of investment advisor, concentrating on portfolio implementation rather than portfolio design. Jim also presented graphs on margin debt, with past trends indicating a large drop is likely to occur soon. See the Combined Investment Report (attached) for current performance of our investments.

VI. Real Estate Committee

Ed Larrañaga gave an update on the Hager Property. He met recently with the Los Sueños Trail Extension group – Judy Ross, Steve Goates, and Nick Miller – who each have very different perspectives and priorities. Judy still would like a road to be built at an estimated additional cost per lot of \$200K. The other group members are unsure about the economic viability of this proposal.

VII. Board Engagement Committee

Scott Lardner and Ed Larrañaga reported on Board Engagement. Ed stated that his one-on-one meetings with Trustees are going well, and he is gathering feedback on preferred choices for training topics to be presented at Board meetings.

VIII. Grant Committee

Sheila Brown reported that Michele is finishing up grant workshops this week. The application deadline for large grant pre-proposals and matching grants is March 16; the deadline for regular grants is April 18. The Grant Committee is hoping to be able to award more large grants this year.

IX. Chairman's Report

No chairman's report.

X. Other Business

No other business.

XI. Closing Prayer

Ed Larrañaga closed the meeting with prayer at 9:43 a.m.

The next Executive Committee Meeting will be held March 21, 2018 at 8:30 a.m.



The Catholic Foundation
ARCHDIOCESE OF SANTA FE

EXECUTIVE COMMITTEE MEETING

February 28, 2018

8:30am – 10:00am

Agenda

- I. Opening Prayer
- II. Review and Approval of December 20, 2017 Meeting Minutes – no action required
- III. President's Report
 - A. Rate of Distribution for 2018 – Action Required
 - B. Distribution Policy update – Action Required
 - C. Catholic Symposium update
- IV. Budget & Audit Committee
 - A. Financial Report
- V. Investment Committee
- VI. Real Estate Committee
 - A. Hager update
- VII. Board Engagement Committee
- VIII. Grant Committee
- IX. Chairman's Report
- X. Other Business
- XI. Closing Prayer



The Catholic Foundation
ARCHDIOCESE OF SANTA FE

EXECUTIVE COMMITTEE MEETING
December 20, 2017

Minutes

Members Present: John Heer, Dennis Garcia, Sheila Brown, Greg Edwards, Jim Higdon, Don Rigali, Tony Strati

Members Absent: Scott Lardner, Stan Sluder

Staff Present: Ed Larrañaga, Dorothy Sheehi, Lori Nemeth

I. Opening Prayer

Ed Larrañaga opened the December 20, 2017 meeting of the Executive Committee with a prayer at 8:31 a.m.

II. Review of September 27, 2017 Meeting Minutes

The Committee reviewed the September 27, 2017 meeting minutes (attached). Minutes were approved by the Committee as presented.

III. President's Report

- A. Ed Larrañaga reported on new money received. \$64K was donated to endowments and \$17K was donated to operations. One of these donations was \$10K for the St. Charles Catholic School from a new donor. We also received \$55K in pass-through money, sent to the St. John Bosco Seminary in Nigeria.

Ed commented that other Catholic Foundations have donor advised funds that function like pass-through accounts. Benefits to the donor include donating stock without paying capital gains, and the ability to give money before the recipients have been chosen. A minimum fee is charged for funds of this nature. We may want to consider establishing these types of funds.

The Committee discussed how The Catholic Foundation can better help Catholic schools that are struggling.

- B. Edits to the draft Strategic Plan (attached) were discussed. In order to meet the goal to increase grant distributions by \$200K, we would need to increase unrestricted endowments by \$5 million. The Strategic Plan will be presented at the January Board Meeting.

IV. Budget & Audit Committee

Dennis Garcia reported on the November financial statements (attached). Variances are mainly due to timing. Dennis suggested that we separate operations cash from endowment cash on the balance sheet. The Grant Awards Luncheon was very successful, netting \$5K more than budgeted.

V. Investment Committee

Jim Higdon reported that he and Dorothy Sheehi met with the Retired Priests Committee on October 10. They would like to invest \$500K of their existing money in a 100% equity fund with CBIS, which has

lower fees than AndCo. Jim will draft a policy to cover this type of investment. The Investment Committee will discuss whether to keep the \$675K balance of the Steve Hillerman CRTs invested in the CRT portfolio or move into the Endowment portfolio. Tony Strati mentioned that this was discussed a few years ago, with a motion not to move the money. Dorothy will attempt to find the appropriate meeting minutes.

Jim reported on the Investment Summary (attached). Oil is up 10%, gas is down in New Mexico. He also presented a graph on the delay for real interest rates to follow the effective federal funds rate.

VI. Board Engagement Committee

Ed reported in Scott Lardner's absence that Father Graham is approved as a new board trustee. The next Board Meeting is at Immaculate Conception in downtown Albuquerque on January 24. The Legacy League mass is February 15 at Nativity of the Blessed Virgin Mary.

VII. Grant Committee

Sheila Brown reported that site visits are completed. Planning is underway for the spring grant schedule. Martha Medina began work as Regional Council Coordinator in October.

VIII. Chairman's Report

No report.

IX. Other Business

Dorothy Sheehi reported that we will moving our Blackbaud Raiser's Edge and Financial Edge software to the cloud in January or February of 2018

X. Closing Prayer

Ed Larrañaga closed the meeting with prayer at 10:09 a.m.

The next Board Meeting will be held on January 24, 2018 at 10:00 a.m. at Immaculate Conception in downtown Albuquerque. The next Executive Committee Meeting will be held February 28, 2018 at 8:30 a.m.

**The Catholic Foundation
Grant Projects 2018
4.0 % Distribution**

Project ID	Principal	Earnings Net of Fees and Distributions	Total Fund Balance at 12/31/2017	4% Distribution (Note 1)
1063	\$155,271.61	\$24,746.70	\$180,018.31	\$6,745.57
2065	\$30,000.00	\$5,493.31	\$35,493.31	\$1,039.74
1067	\$5,000.00	\$444.30	\$5,444.30	\$204.01
2092	\$24,475.00	\$1,995.50	\$26,470.50	\$399.81
1073	\$10,000.00	\$658.82	\$10,658.82	\$399.40
2077	\$85,329.93	\$9,177.42	\$94,507.35	\$3,483.00
1024	\$15,000.00	\$1,895.63	\$16,895.63	\$633.10
1025	\$20,000.00	\$2,064.36	\$22,064.36	\$826.79
2060	\$9,450.00	\$3,018.24	\$12,468.24	\$406.29
2075	\$213,472.38	\$20,828.56	\$234,300.94	\$8,797.79
1026	\$6,000.00	\$567.04	\$6,567.04	\$246.08
1043	\$400,000.00	\$61,428.06	\$461,428.06	\$17,282.89
2013	\$465,786.12	\$72,667.46	\$538,453.58	\$20,161.31
1036	\$20,000.00	\$1,344.23	\$21,344.23	\$799.80
1071	\$10,000.00	\$1,728.87	\$11,728.87	\$439.50
1029	\$22,970.00	\$3,119.43	\$26,089.43	\$977.56
1016	\$1,692,736.67	\$22,564.28	\$1,715,300.95	\$64,275.06
1038	\$10,000.00	\$1,774.92	\$11,774.92	\$441.23
1040	\$50,000.00	\$17,717.66	\$67,717.66	\$2,537.46
1057	\$10,100.00	\$1,214.00	\$11,314.00	\$420.25
1030	\$40,000.00	\$13,451.60	\$53,451.60	\$2,002.92
2103	\$102,058.13	\$8,943.12	\$111,001.25	\$3,734.09
2105	\$1,238,322.75	\$208,094.01	\$1,446,416.76	\$40,966.27
1027	\$108,777.37	\$13,352.26	\$122,129.63	\$4,569.99
2069	\$5,525.00	\$1,137.95	\$6,662.95	\$249.50
1007	\$9,390.26	\$1,993.14	\$11,383.40	\$426.55
1011	\$341,386.85	(\$41,213.54)	\$300,173.31	\$11,247.97
2085	\$294,529.00	\$49,053.68	\$343,582.68	\$12,744.36
2090	\$416,000.00	\$43,289.43	\$459,289.43	\$12,725.59
2089	\$417,329.73	\$42,708.19	\$460,037.92	\$16,976.14
1066	\$11,717.64	\$1,063.26	\$12,780.90	\$478.92
1059	\$963,239.84	\$582,512.76	\$1,545,752.60	\$59,895.45
1009	\$1,764,651.58	\$204,782.62	\$1,969,434.20	\$73,761.72
1064	\$15,000.00	\$1,669.18	\$16,669.18	\$624.62
1041	\$25,000.00	\$1,473.74	\$26,473.74	\$992.01
1005	\$404,319.37	\$47,564.50	\$451,883.87	\$16,775.59
1014	\$658,285.58	\$24,836.66	\$683,122.24	\$25,597.68
	\$10,071,124.81	\$1,459,161.35	\$11,530,286.16	\$414,286.01
				34,637.84
				\$448,923.85

Transfer from CRT/GA Fund (Note 3)

Total Grant Distributions - 2018

Note 1: Distribution calculated using three-year average daily balance.

Note 2: Distribution net of 15% amount contributed to APR and 10% reinvested in principal

Note 3: Beginning in 2018, 4% of the 12/31 overfunded balance in the CRT/GA Fund is tran

Grant Payout History:	Year	Amount	Percentage
	2017	\$400,437	4.00%
	2016	\$359,394	3.75%
	2015	\$354,626	4.00%

**The Catholic Foundation
Foundation and Agency Projects 2018
4.0% Distribution**

Project ID	Principal	Net Change	12/31/2017	4% Distribution		2018		Foundation Distribution	Agency Distribution	Donor Advised	Competitive Scholarship Distribution	CAT Award
			Ending Balance	(Note 1)	Adjustments	Distribution	Notes					
2101	\$9,130.34	\$1,906.07	\$11,036.41	\$220.40	(220.40)	-	reinvest per donor request					
2110	250,000.00	47,430.69	297,430.69	7,129.90		7,129.90		7,129.90				
2045	1,000,000.00	170,660.52	1,170,660.52	43,830.60		43,830.60				43,830.60		
1162	\$200,000.00	\$40,197.33	\$240,197.33	\$8,923.94		8,923.94			8,923.94			
1186	220,000.00	45,292.42	265,292.42	9,856.29		9,856.29			9,856.29			
1166	\$20,892.42	\$4,202.74	\$25,095.16	\$920.24		920.24			920.24			
1061	50,205.21	15,085.98	65,291.19	2,446.41		2,446.41				2,446.41		
1081	151,761.49	25,449.20	177,210.69	6,604.83		6,604.83		6,604.83				
2064	19,099.99	4,096.76	23,196.75	812.77	(812.77)	-	fund bal. > \$26k before distrib.					
2119	187,222.41	14,105.14	201,327.55	1,657.67		1,657.67					1,657.67	
2058	863,871.37	92,247.21	956,118.58	35,393.67		35,393.67				35,393.67		
2080	\$10,000.00	\$2,297.55	\$12,297.55	\$458.12		458.12			458.12			
1069	132,158.82	16,855.68	149,014.50	5,517.89		5,517.89				5,517.89		
1095	\$2,288,285.28	(\$119,453.27)	\$2,168,832.01	\$82,779.89		82,779.89			82,779.89			
2016	177,702.66	44,435.32	222,137.98	8,189.86		8,189.86		8,189.86				
1105	\$2,514,830.62	\$845,807.90	\$3,360,638.52	\$124,330.13		124,330.13			124,330.13			
2000	161,219.19	44,929.73	206,148.92	7,617.02		7,617.02		7,617.02				
1222	\$1,000,000.00	\$181,529.02	\$1,181,529.02	\$43,711.96		43,711.96			43,711.96			
2020	\$2,000,000.00	\$120,571.45	\$2,120,571.45	\$78,452.89		78,452.89			78,452.89			
1072	280,143.47	79,165.26	359,308.73	13,404.95		13,404.95		13,404.95				
1028	100,000.00	3,749.37	103,749.37	3,857.33		3,857.33				3,857.33		
1082	40,000.00	14,703.89	54,703.89	2,049.77		2,049.77				2,049.77		
1080	33,456.14	6,938.92	40,395.06	1,507.16		1,507.16		1,507.16				
1032	49,862.59	5,455.88	55,318.47	2,068.96		2,068.96				2,068.96		
1089	\$10,000.00	(\$2,500.75)	\$7,499.25	\$278.62		278.62			278.62			
2001	27,325.00	5,453.43	32,778.43	1,222.78		1,222.78		1,222.78				
1218	\$23,891.06	\$7,573.35	\$31,464.41	\$1,106.63		1,106.63			1,106.63			
1062	168,017.50	46,680.72	214,698.22	7,832.07		7,832.07						7,832.07
1154	\$138,555.20	(\$89,442.33)	\$49,112.87	\$1,765.09		1,765.09			1,765.09			
1090	92,734.54	10,153.71	102,888.25	3,838.88		3,838.88		3,838.88				
1214	13,000.00	12,525.68	25,525.68	894.06	(894.06)	-	reinvest per donor request					
1170	\$553,003.00	(\$33,242.83)	\$519,760.17	\$19,315.20		19,315.20			19,315.20			
2050	\$1,706,447.44	\$126,768.82	\$1,833,216.26	\$68,107.72		68,107.72			68,107.72			
1033	232,060.39	(4,410.77)	227,649.62	7,941.17		7,941.17				7,941.17		
1172	\$93,647.77	(\$45,875.43)	\$47,772.34	\$1,589.45		1,589.45			1,589.45			
1100	74,500.00	9,813.74	84,313.74	3,059.33		3,059.33		3,059.33				
2082	82,050.63	13,230.79	95,281.42	3,572.11		3,572.11				3,572.11		
1021	9,050.00	4,202.31	13,252.31	494.28		494.28		494.28				
2002	99,158.28	13,222.89	112,381.17	4,193.04		4,193.04		4,193.04				
1193	\$50,000.00	\$11,834.45	\$61,834.45	\$2,297.31		2,297.31			2,297.31			

**The Catholic Foundation
Foundation and Agency Projects 2018
4.0% Distribution**

Project ID	Principal	Net Change	12/31/2017	4% Distribution		2018		Notes	Foundation	Agency	Donor	Competitive	CAT
			Ending Balance	(Note 1)	Adjustments	Distribution	Distribution		Distribution	Distribution	Advised	Scholarship Distribution	Award
1086	76,237.00	12,270.16	88,507.16	3,302.28			3,302.28						
2116	46,032.72	8,242.96	54,275.68	981.14			981.14					981.14	
1205	\$169,998.90	\$14,247.95	\$184,246.85	\$6,722.33			6,722.33		6,722.33				
2038	5,000.00	420.73	5,420.73	202.25			202.25						
2096	15,000.00	1,069.22	16,069.22	592.26	107.74		700.00	minimum of \$700	700.00				
1088	\$5,000.00	\$1,317.01	\$6,317.01	\$234.69			234.69			234.69			
2003	50,000.00	11,034.10	61,034.10	2,277.23			2,277.23						
1228	548,222.67	120,730.57	668,953.24	18,205.50	(18,205.50)		-	reinvest per donor request					
2117	20,000.00	2,573.50	22,573.50	281.78			281.78					281.78	
1084	14,007.64	6,550.21	20,557.85	767.03			767.03						
2004	91,789.62	18,690.54	110,480.16	3,798.88			3,798.88						
1074	14,978.84	1,557.86	16,536.70	617.00			617.00						
1120	\$5,100.00	\$1,020.95	\$6,120.95	\$227.41			227.41			227.41			
1022	100,344.70	(56,161.28)	44,183.42	1,851.46			1,851.46			1,851.46			
1085	104,142.80	44,362.14	148,504.94	5,540.85			5,540.85		5,540.85				
1087	16,042.95	7,747.60	23,790.55	887.65			887.65						
1083	16,749.78	4,542.48	21,292.26	744.90			744.90						
2120	143,000.00	15,529.87	158,529.87	1,672.15			1,672.15						
2108	200.00	25.69	225.69	3.79	(3.79)		-	>\$100					
2022	\$500.00	\$113.76	\$613.76	\$22.12	(22.12)		-	>\$100					
1113	33,407.53	6,902.75	40,310.28	1,319.99			1,319.99						
2111	13,435.35	2,519.44	15,954.79	370.87			370.87						
1188	\$8,701.49	\$678.35	\$9,379.84	\$348.49			348.49			348.49			
1187	19,500.00	3,616.24	23,116.24	862.21			862.21						
2014	151,977.60	50,841.00	202,818.60	7,566.86			7,566.86						
1039	115,423.21	18,274.23	133,697.44	4,918.01			4,918.01				4,918.01		
2093	17,500.00	1,959.09	19,459.09	653.12			653.12						
2068	62,000.00	14,364.01	76,364.01	2,860.88			2,860.88				2,860.88		
1174	\$379,443.18	(\$30,191.50)	\$349,251.68	\$13,058.55	(1,458.55)		11,600.00	\$2,900 distributed quarterly		11,600.00			
2066	30,976.59	6,947.46	37,924.05	1,334.28			1,334.28						
1101	67,450.00	11,054.15	78,504.15	2,831.12			2,831.12						
1118	\$38,119.00	\$11,396.61	\$49,515.61	\$1,839.63			1,839.63			1,839.63			
1070	26,400.00	(3,617.56)	22,782.44	850.85			850.85	add'l \$ usually added by donor	850.85				
1023	104,011.32	16,259.88	120,271.20	4,468.09			4,468.09				4,468.09		
2034	26,085.00	3,903.46	29,988.46	1,122.73			1,122.73						
1115	52,487.20	(5,069.13)	47,418.07	1,754.14			1,754.14	add'l \$ usually added by donor	1,754.14				
1226	\$35,000.00	\$6,505.64	\$41,505.64	\$1,542.04			1,542.04			1,542.04			
2017	5,000.00	812.52	5,812.52	216.80			216.80		216.80				
1201	\$10,000.00	\$1,774.17	\$11,774.17	\$436.96			436.96			436.96			
1203	\$8,000.00	\$1,861.42	\$9,861.42	\$366.38			366.38			366.38			

**The Catholic Foundation
Foundation and Agency Projects 2018
4.0% Distribution**

Project ID	Principal	Net Change	12/31/2017	4% Distribution		2018		Foundation Distribution	Agency Distribution	Donor Advised	Competitive Scholarship Distribution	CAT Award
			Ending Balance	(Note 1)	Adjustments	Distribution	Notes					
1075	15,232.00	13,693.61	28,925.61	1,079.24			1,079.24	1,079.24				
1076	25,000.00	12,848.84	37,848.84	1,360.89			1,360.89	1,360.89				
1152	6,000.00	4,092.50	10,092.50	355.86	(355.86)		-					
2059	500.00	103.02	603.02	15.99	(15.99)		-					
1144	\$19,753.07	\$12,589.97	\$32,343.04	\$1,201.63			1,201.63		1,201.63			
1091	65,702.89	24,528.45	90,231.34	3,353.94			3,353.94	3,353.94				
1093	5,000.00	1,245.10	6,245.10	233.01			233.01	233.01				
2109	100,000.00	16,366.69	116,366.69	3,018.55			3,018.55	3,018.55				
2114	54,043.34	8,822.18	62,865.52	951.69	(951.69)		-					
1107	32,506.16	2,996.89	35,503.05	1,323.43			1,323.43	1,323.43				
1049	1,432,730.91	(356,999.87)	1,075,731.04	41,055.88	8,944.12		50,000.00				50,000.00	
2121	6,229.00	277.03	6,506.03	32.93	(32.93)		-					
2005	\$266.50	\$49.70	\$316.20	\$11.37	(11.37)		-					
1092	27,499.65	6,495.84	33,995.49	1,268.40			1,268.40	1,268.40				
1108	43,690.73	33,838.20	77,528.93	2,725.33			2,725.33	2,725.33				
2006	17,715.91	10,803.04	28,518.95	998.81			998.81	998.81	998.81			
1230	\$50,000.00	\$9,339.53	\$59,339.53	\$2,204.61			2,204.61		2,204.61			
2052	54,500.00	12,878.29	67,378.29	2,291.41			2,291.41	2,291.41				
2087	448,603.90	106,439.58	555,043.48	20,531.13			20,531.13	20,531.13				
2098												
2048	15,220.00	2,572.62	17,792.62	605.41			605.41	605.41				
2090	416,000.00	43,289.43	459,289.43	\$4,241.86			4,241.86	4,241.86				
1097	86,000.00	17,282.81	103,282.81	3,432.41			3,432.41	3,432.41				
2031	750,100.00	70,770.70	820,870.70	30,625.76			30,625.76	30,625.76				
1077	35,500.00	6,954.91	42,454.91	1,584.03			1,584.03	1,584.03				
1056	49,879.28	(806.93)	49,072.35	1,838.83			1,838.83			1,838.83		
1110	\$38,800.00	\$9,556.51	\$48,356.51	\$1,796.57			1,796.57		1,796.57			
2007	11,905.20	4,911.76	16,816.96	627.46			627.46	627.46				
1098	\$63,143.12	\$18,284.12	\$81,427.24	\$3,025.23			3,025.23		3,025.23			
2018	\$100,000.00	\$14,649.98	\$114,649.98	\$4,259.54			4,259.54		4,259.54			
1114	7,000.00	1,667.55	8,667.55	323.39			323.39	323.39				
2008	700.00	136.77	836.77	28.76	(28.76)		-					
2030	120,518.00	28,427.60	148,945.60	5,557.18			5,557.18	5,557.18				
1112	\$63,507.57	(\$55,751.55)	\$7,756.02	\$288.05			288.05		288.05			
2009	18,750.00	3,106.95	21,856.95	762.57			762.57	762.57				
1034	50,000.00	16,675.97	66,675.97	2,416.47			2,416.47			2,416.47		
1104	16,956.04	1,525.94	18,481.98	262.23			262.23	262.23				
2062	\$6,000.00	\$4,068.02	\$10,068.02	\$374.05			374.05		374.05			
1122	\$2,071,947.38	(\$526,196.52)	\$1,545,750.86	\$70,025.31			70,025.31		70,025.31			
2028	109,000.00	7,732.17	116,732.17	3,914.39			3,914.39	3,914.39				

**The Catholic Foundation
Foundation and Agency Projects 2018
4.0% Distribution**

Project ID	Principal	Net Change	12/31/2017 Ending Balance	4% Distribution (Note 1)	Adjustments	2018 Distribution	Notes	Foundation Distribution	Agency Distribution	Donor Advised	Competitive Scholarship Distribution	CAT Award
1191	\$101,000.00	\$20,582.68	\$121,582.68	\$4,517.10		4,517.10			4,517.10			
1078	7,300.00	732.79	8,032.79	299.71		299.71		299.71				
2081	100.00	43.98	143.98	1.87	(1.87)	-	fund bal. > \$5k before distrib.	-				
1099	2,052.92	523.38	2,576.30	51.83	(51.83)	-	fund bal. > \$5k before distrib.	-				
1103	7,495.00	1,234.78	8,729.78	324.34		324.34		324.34				
1111	100,785.00	23,648.48	124,433.48	4,324.56	(4,324.56)	-	reinvest per donor request	-				
2099	37,203.80	(22,738.65)	14,465.15	506.37	(506.37)	-	reinvest per donor request	-				
1106	\$19,715.00	\$5,641.53	\$25,356.53	\$942.06		942.06			942.06			
2011	19,208.54	3,586.65	22,795.19	845.91		845.91		845.91				
1079	50,000.00	11,467.22	61,467.22	2,293.40		2,293.40		2,293.40				
2046	10,250.00	528.66	10,778.66	402.16		402.16		402.16				
2122	3,626,695.95	115,910.14	3,742,606.09	13,524.20		13,524.20				13,524.20		
2086	76,861.94	7,715.08	84,577.02	3,201.51	448.49	3,650.00	\$912.50 distributed quarterly	3,650.00				
1031	75,000.87	10,567.57	85,568.44	3,206.38		3,206.38				3,206.38		
	\$28,350,117.57	\$1,899,038.48	\$30,249,156.05	\$971,350.09	(\$18,398.07)	\$952,952.02		\$193,592.76	\$556,844.37	\$141,762.23	\$52,920.59	\$7,832.07

Note 1: Distribution calculated using three-year average daily balance.

Note 2: Distribution net of 15% amount contributed to APR and 10% reinvested in principal

**THE CATHOLIC FOUNDATION
ARCHDIOCESE OF SANTA FE**

DISTRIBUTION POLICIES

Grants and Other Distributions from Endowment Funds

1. Generally, donors who fund endowments at the Foundation expect the Foundation to use modern investment strategies and prudent spending policies to generate enough funds to distribute annually while maintaining the long-term viability of the endowments.

The Foundation is committed to preserving the principal in the endowments by maintaining the purchasing power of contributions. In determining the prudent amount to distribute in a given year, the Foundation will consider the donor's intent that the fund continue in perpetuity, the purpose of the fund as stated in the fund agreement, and relevant economic factors.

2. The Executive Committee will determine the prudent amount to distribute each year in consultation with the Finance and Investment Committees or their representatives. To facilitate the grant planning process, the annual calculation of distributable amounts will be based on the three-year rolling average of fund balances on December 31. To ensure a reasonable balance between prudence and predictability in spending practices, the following policy, with related safeguards, will be followed:

a) Policy Guideline:

The distributable amount is not to exceed 4% of total fund balances without the specific approval of the Executive Committee and the Board of Trustees.

b) 4% Limitation Tests:

The Policy Guideline of a 4% distributable amount must meet the following tests:

- i) The investment income, realized and unrealized gains/losses (total return concept) for the previous three quarters will equal or exceed the 4% distributable calculation amount.
 - ii) If (i) test fails, the prior two years' total return plus the current year's total return must equal or exceed the 4% distributable calculation amount after subtracting the amounts distributed in the prior two years.
 - iii) If (i) and (ii) are not met, the Executive Committee will make a judgmental determination of the amount distributable, however in no instance when this test is necessary will the amount exceed the 4% distributable calculation amount.
3. As stated in section 2.a) above, an amount distributable in any given year is not to exceed 4% without the specific approval of the Executive Committee and the Board of Trustees. Notwithstanding this limitation, a distribution in any year of an

amount greater than 7% of the fair market value of an endowment fund, calculated on a three-year rolling average, will create a rebuttable presumption of imprudence under the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and will not be allowed.

4. Distributions from endowments are customarily made within the Archdiocese of Santa Fe. Requests for exceptions will be considered on a fund-by-fund basis, and are subject to approval by the Executive Committee.
5. For donor-advised funds established under multi-year pledges, distributions may be made prior to reaching the minimum contribution level upon request by the donor. The minimum distribution from any donor-advised fund will be \$500.
6. The minimum distribution from all other endowment funds will be \$100.

Pass-Through Contributions

1. Contributions may be accepted for pass-through to another organization under the following conditions:
 - A. The recipient organization is tax-exempt under §501(c)(3) of the Internal Revenue Code, and maintains its §501(c)(3) exemption during the period pass-through contributions are held on its behalf;
 - B. All contributions are held for a minimum of thirty (30) days before any disbursements are made;
 - C. Disbursements are made in minimum amounts of \$500 each; and
 - D. If the recipient organization ceases to exist or fails to maintain its tax-exempt status, or if any of its activities become inconsistent with Catholic social teaching and values, any remaining contributions held on its behalf become the property of the Foundation, subject to review by the Executive Committee.

Distributions from the Operating Fund

1. Gifts, donations, underwritings and similar contributions to others will not be made from the operating fund.

THE CATHOLIC FOUNDATION
COMPARATIVE OPERATING INCOME STATEMENT
January 31, 2018

	Annual Budget	Budget YTD	Actual YTD	Variance Fav/(Unfav)	
REVENUE					
Administrative Fees	500,000	291,650	308,125	16,475	(a)
Contributions - Cash	32,000	18,600	20,716	2,116	(b)
Grant Awards Luncheon (net)	41,735	41,735	46,739	5,004	(c)
Other Income	-	-	-	-	
Total Revenue	573,735	351,985	375,580	23,595	
EXPENSES					
Salaries	347,760	203,520	202,568	952	
Payroll Taxes	24,860	13,830	13,966	(136)	
Employee Benefits	40,725	24,825	24,494	331	
Marketing/Advertising	26,680	18,330	17,745	585	
Community Awareness and Cultivation	5,600	2,100	1,500	600	
Board Engagement Events	2,500	800	51	749	
Conferences and Seminars	3,500	700	776	(76)	
Development	9,250	5,400	5,769	(369)	
Equipment Maintenance/Repair	1,500	1,150	1,092	58	
General Office Supplies	3,000	1,750	1,861	(111)	
Banking Fees	600	350	88	262	
Miscellaneous	750	615	458	157	
Office Equipment	500	290	852	(562)	
Office Lease	33,850	19,658	19,658	-	
Postage and Handling	2,700	1,575	760	815	
Professional Affiliations/Memberships	2,500	1,460	100	1,360	(b)
Professional Fees	22,050	20,825	20,717	108	
Program Expense	2,920	1,300	1,404	(104)	
Software Maintenance/Upgrades	17,940	13,940	15,774	(1,834)	(d)
Telephone/Fax	5,100	2,975	2,990	(15)	
Travel/Entertainment	3,000	1,750	2,211	(461)	
Total Expenses	557,285	337,143	334,834	2,309	
Capital Expenses	11,000	11,000	3,093	7,907	(b) (d)
NET INCOME (DEFICIT)	5,450	3,842	37,653	33,811	

(a) Variance due to fees from new endowment funds and 0.5% increase in CRT/GA fees effective November 2017.

(b) Variance due to timing.

(c) Favorable variance due to reduced costs, notably printing, mailing, decorations and photography.

(d) Software unfavorable variance due to switching to Blackbaud NXT software (cloud computing), offset by favorable variance in capital expenditures because a less expensive new server will be needed.

The Catholic Foundation

Balance Sheet as of January 2018

with Comparative Totals for Prior Year

	<u>Current Year</u>	<u>Prior Year</u>
Assets		
Assets		
Cash and cash equivalents - operations	\$501,744.88	\$482,702.84
Cash and cash equivalents - endowment	\$744,571.82	\$99,992.02
Unconditional promises to give	\$0.00	\$33,342.01
Furniture and equipment, less accumulated depreciation	\$20,901.15	\$18,238.03
Other Assets	\$8,453.56	\$8,418.51
Total Assets	<u>\$1,275,671.41</u>	<u>\$642,693.41</u>
Investments		
Real estate	\$2,521,590.06	\$2,541,702.20
Marketable securities	\$46,554,676.31	\$41,544,384.75
Total Investments	<u>\$49,076,266.37</u>	<u>\$44,086,086.95</u>
Total Assets	<u>\$50,351,937.78</u>	<u>\$44,728,780.36</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$46,286.91	\$40,316.52
Grants distributable	\$26,476.70	\$4,122,363.82
Charitable remainder annuity trusts and gift annuities	\$2,483,343.25	\$3,481,321.91
Agency obligations	\$17,820,375.34	\$15,195,217.49
Total Liabilities	<u>\$20,376,482.20</u>	<u>\$22,839,219.74</u>
Net assets:		
Unrestricted	\$9,409,475.79	\$6,958,760.09
Temporarily restricted	\$2,233,566.40	\$653,785.89
Permanently restricted	\$18,332,413.39	\$14,277,014.64
Total Net assets	<u>\$29,975,455.58</u>	<u>\$21,889,560.62</u>
Total Liabilities and Net Assets	<u>\$50,351,937.78</u>	<u>\$44,728,780.36</u>

The Catholic Foundation
Income Statement for July 1, 2017 - January 31, 2018
with Comparative Totals for Prior Year

	Unrestricted	Temporarily Restricted	Permanently Restricted	Agency	Split Interest	Total	Prior Year
Public support and revenues							
Contributions	694,259	0	3,774,484	1,478,177	0	5,946,921	219,044
Investment income	502,194	446,701	0	536,811	0	1,485,706	1,006,808
Realized gain (loss) on investments	117,373	28,885	0	155,802	0	302,060	(364,332)
Unrealized gain (loss) on investments	852,497	952,217	0	1,046,790	0	2,851,504	1,559,486
Administrative fees	226,449	0	0	0	0	226,449	208,563
Administrative fees on agency obligations	81,676	0	0	0	0	81,676	81,181
Other income	77,075	0	0	0	0	77,075	74,190
Total Public support and revenues	2,551,523	1,427,803	3,774,484	3,217,581	0	10,971,391	2,784,940
Expenses							
Grants and distributions	17,848	10,550	0	676,393	0	704,791	46,875
Salaries	202,568	0	0	0	0	202,568	193,591
Professional fees	30,915	13,570	0	91,674	0	136,159	134,520
Rent and office lease	19,658	0	0	0	0	19,658	19,294
Employee benefits and payroll taxes	38,460	0	0	0	0	38,460	34,471
Printed materials	17,745	0	0	0	0	17,745	28,591
Promotion and public relations	37,656	0	0	0	0	37,656	36,232
Office expense	21,988	0	0	0	0	21,988	18,957
Telephone/fax	2,990	0	0	0	0	2,990	2,788
Postage	760	0	0	0	0	760	2,559
Conventions and seminars	776	0	0	0	0	776	275
Insurance	261	0	0	0	0	261	267
Administrative fee expense	0	226,449	0	0	0	226,449	208,773
Total Expenses	391,624	250,569	0	768,068	0	1,410,261	727,194
NET SURPLUS/(DEFICIT)	2,159,899	1,177,233	3,774,484	2,449,513	0	9,561,130	2,057,746

THE CATHOLIC FOUNDATION
of **THE ARCHDIOCESE OF SANTA FE**

INVESTMENT SUMMARY February 28, 2018

Return on Foundation's Portfolio

Total investment portfolio at January 31, 2018 (excluding land) was \$47.4M.

Endowment Fund (AndCo \$37.3M): +18.2% 12mos—1.9% above index, +8.1% annualized prior 5 yrs—0.4%pts below index.

(CBIS \$5.9M): +5.3% 3mos—0.2% above index.

CRT/GA Fund (\$3.5M): +21.4% 12mos—3.1%pts above index, +8.8% annualized prior 5 yrs—0.3% above index.

Intermediate Fund (\$0.7M): +16.4% 12mos—2.5%pts above index, +6.8% annualized prior 5 yrs—0.4%pts below index.

CFASF returns about 1% above average for similar sized foundations in fiscal 2017 and about on average over 5 years. (NABUCO)

Actions of Investment Committee

Approved new policy for allocating grant funding out of CRT/GA Fund.

Reallocated \$1.3M from Harbor International to CBIS International Equity due to weak Harbor performance.

Reviewed MSCI screening of all equity funds for Catholic values. 4.3% of total Endowment Fund not in alignment with USCCB; mainly pharmaceutical companies held by managers of international funds. Committee set target at less than 5%.

CBIS strategy is changing away from advisor role.

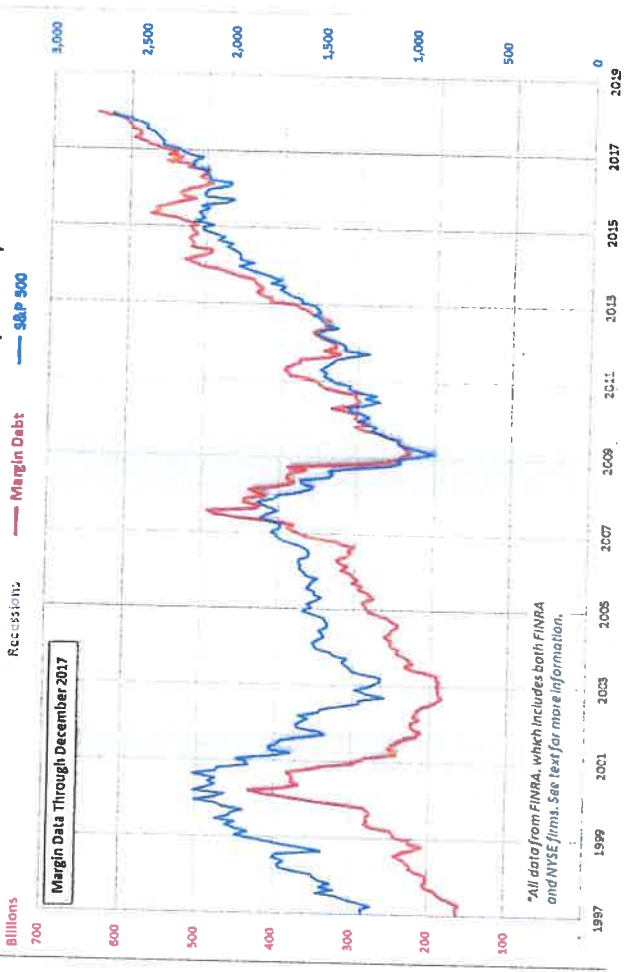
Investment Environment

Domestic equity market down 5% from Jan high; up about 8% for fiscal '18.

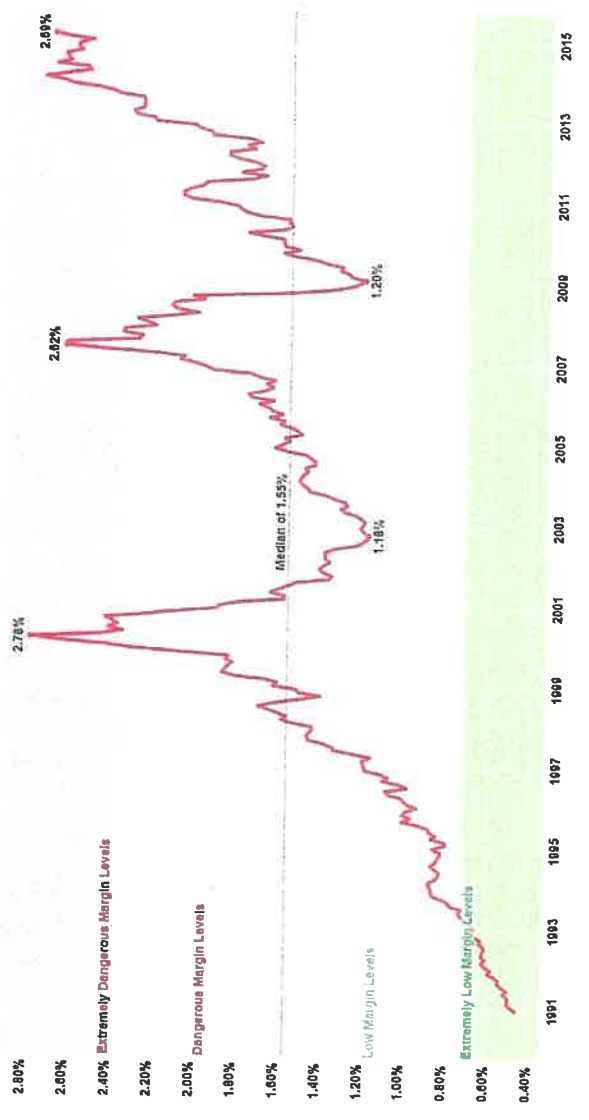
International equity markets, also, down 5% from Jan high and up 12-15% for fiscal '18.

FINRA Margin Debt and the S&P 500 Real Values (Adjusted to Present-Day Dollars)

dsshort.com
February 2018



NYSE Margin Debt as a % of US GDP



The Catholic Foundation Archdiocese of Santa Fe
Endowment Fund - Combined Investment Report
January 31, 2018

Fund		\$	%	Target %
Total Fund		43,150,660	100.00%	100.00%
Total International Equity		8,659,025	20.07%	20.0%
Total Emerging Market Equity		2,092,048	4.85%	
DFA Emerging Mkts Social Core Equity	DFESX	991,055	2.30%	
American Century Emerging Markets	AMKIX	1,100,993	2.55%	
Total Developed International Market Equity		6,566,977	15.22%	
Victory Trivalent International Small Cap	MYSIX	1,230,496	2.85%	
Invesco International Growth	AIYX	1,433,379	3.32%	
Harbor International	HAINX	1,350,206	3.13%	
Dodge & Cox International Stock	DODFX	1,585,773	3.68%	
CUIT International Equity Class A	CBIS	967,123	2.24%	
Total Domestic Equity		17,050,326	39.51%	37.5%
Brown Capital Mgmt Small Capital	BCSIX	1,033,113	2.39%	
American Beacon Small Cap Value	ABSYX	875,538	2.03%	
State Street Inst. Small-Cap Equity	SIVIX	837,653	1.94%	
Vanguard Mid Cap Growth	VMGRX	1,497,832	3.47%	
Vanguard Selected Value	VASVX	1,409,282	3.27%	
T Rowe Price New America Growth	PRWAX	1,450,199	3.36%	
Vanguard US Growth	VWUAX	2,358,716	5.47%	
TIAA-CREF Social Choice Equity	TISCX	3,113,100	7.21%	
Principal Equity Income	PEIIX	1,568,775	3.64%	
CUIT Core Equity Index Class A	CBIS	2,351,320	5.45%	
CUIT Small Cap Equity Index Class A	CBIS	554,798	1.29%	
Total Real Estate		1,844,232	4.27%	5.0%
American Core Realty (as of 12/31/17)		1,569,471	3.63%	
Cohen & Steers Realty Shares	CSRSX	274,761	0.64%	
Total Alternative		3,508,266	8.13%	10.0%
GCM Grosvenor		1,847,567	4.28%	
Principal Real Asset Fund	PDRDX	1,660,699	3.85%	
Total Fixed Income		10,974,499	25.43%	25.0%
Principal High Yield	PHYTX	1,833,499	4.25%	
Loomis Sayles Global Bond	LSGBX	1,439,582	3.34%	
Western Asset Core Bond	WACSX	2,879,499	6.67%	
Dodge & Cox Income Fund	DODIX	2,830,307	6.56%	
CUIT Intermediate Diversified Bond Class A	CBIS	995,181	2.31%	
CUIT Opportunistic Bond Class A	CBIS	996,431	2.31%	
Total Cash		1,114,312	2.58%	2.5%
Cash and Schwab Government Money Market	SWGXX	357,939	0.83%	
Wells Fargo Checking		756,373	1.75%	

Investment Advisor		\$	%	QTR Return	1 Yr Return
Total Fund		43,150,660	100.00%		
AndCo Consulting		37,285,807	86.41%	5.70%	18.17%
Christian Brothers Investment Services	CBIS	5,864,853	13.59%	5.33%	N/A