

**CATHOLIC FOUNDATION FOR
THE PEOPLE OF THE DIOCESE OF BISMARCK
BISMARCK, NORTH DAKOTA**

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position, June 30, 2017	3
Statement of Financial Position, June 30, 2016	5
Statement of Activities, June 30, 2017	7
Statement of Activities, June 30, 2016	12
Statements of Cash Flows	17
Notes to Financial Statements	18



CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Catholic Foundation for the People of the Diocese of Bismarck
Bismarck, North Dakota

We have audited the accompanying financial statements of Catholic Foundation for the People of the Diocese of Bismarck (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Catholic Foundation for the People of the Diocese of Bismarck as of June 30, 2017 and 2016, 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.

A handwritten signature in black ink that reads "Brady Martz". The signature is written in a cursive, flowing style.

**BRADY, MARTZ & ASSOCIATES, P.C.
BISMARCK, NORTH DAKOTA**

November 20, 2017

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2017

	Clearing Account	Catholic School and Education Endowment Fund	Priests' Care Fund	Seminarian Scholarship Major Fund	Seminarian Scholarship Minor Fund	Bishop Zipfel and Other Small Endowment Funds	Family Named Endowment Funds	Home on the Range Endowment Funds	Catholic Educational Institutional Endowment Funds	Parish Endowment Funds	Donor Advised Fund
ASSETS											
Cash and cash equivalents	\$ (95,274)	\$ 40,828	\$ 45,611	\$ (74,884)	\$ 26,163	\$ 2,894	\$ 39,814	\$ 12,365	\$ 18,858	\$ 50,127	\$ 318
Accounts/pledges receivable, net of allowance for doubtful accounts	97,459	2,187	2,147	2,069	-	-	-	-	-	54,238	-
Interest receivable	-	5,366	5,932	14,279	3,490	347	4,778	1,484	2,263	12,523	38
Annuity receivable	-	1,708	1,677	314,139	-	-	-	-	-	-	-
Investments	-	2,206,339	2,438,850	5,903,214	1,722,189	142,816	1,964,355	610,083	930,338	5,149,075	15,702
Total assets	\$ 2,185	\$ 2,256,428	\$ 2,494,217	\$ 6,158,817	\$ 1,751,842	\$ 146,057	\$ 2,008,947	\$ 623,932	\$ 951,459	\$ 5,265,963	\$ 16,058
LIABILITIES AND NET ASSETS											
LIABILITIES											
Accounts payable and accrued expenses	\$ 2,185	\$ 2,510	\$ 2,772	\$ 161,390	\$ 1,946	\$ 162	\$ 2,231	\$ 693	\$ 1,057	\$ 5,849	\$ 18
Funds held for others	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	2,185	2,510	2,772	161,390	1,946	162	2,231	693	1,057	5,849	18
NET ASSETS											
Temporarily restricted											
Catholic School and Education Endowment Fund	-	431,220	-	-	-	-	-	-	-	-	-
Priests' Care Fund	-	-	504,556	-	-	-	-	-	-	-	-
Seminarian Scholarship Major Fund	-	-	-	3,824,312	-	-	-	-	-	-	-
Seminarian Scholarship Minor Fund	-	-	-	-	151,988	-	-	-	-	-	-
Bishop Zipfel Endowment Fund	-	-	-	-	-	16,979	-	-	-	-	-
Family Named Endowment Funds	-	-	-	-	-	-	130,421	-	-	-	-
Home on the Range Endowment Funds	-	-	-	-	-	-	-	47,378	-	-	-
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	73,029	-	-
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	411,178	-
Donor Advised Fund	-	-	-	-	-	-	-	-	-	-	16,040
Other	-	-	-	-	-	-	-	-	-	-	-
East Africa Mission	-	-	-	-	-	-	-	-	-	-	-
Brady Trust Fund	-	-	-	-	-	-	-	-	-	-	-
Hacker Trust Fund	-	-	-	-	-	-	-	-	-	-	-
Kuhn Trust Fund	-	-	-	-	-	-	-	-	-	-	-
Catholic Relief Fund	-	-	-	-	-	-	-	-	-	-	-
Total temporarily restricted	-	431,220	504,556	3,824,312	151,988	16,979	130,421	47,378	73,029	411,178	16,040
Permanently restricted											
Catholic School and Education Endowment Fund	-	1,822,698	-	-	-	-	-	-	-	-	-
Priests' Care Fund	-	-	1,986,889	-	-	-	-	-	-	-	-
Seminarian Scholarship Major Fund	-	-	-	2,173,115	-	-	-	-	-	-	-
Seminarian Scholarship Minor Fund	-	-	-	-	1,597,908	-	-	-	-	-	-
Bishop Zipfel Endowment Fund	-	-	-	-	-	128,916	-	-	-	-	-
Family Named Endowment Funds	-	-	-	-	-	-	1,876,295	-	-	-	-
Home on the Range Endowment Funds	-	-	-	-	-	-	-	575,861	-	-	-
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	877,373	-	-
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	4,848,936	-
Total permanently restricted	-	1,822,698	1,986,889	2,173,115	1,597,908	128,916	1,876,295	575,861	877,373	4,848,936	-
Total net assets	-	2,253,918	2,491,445	5,997,427	1,749,896	145,895	2,006,716	623,239	950,402	5,260,114	16,040
Total liabilities and net assets	\$ 2,185	\$ 2,256,428	\$ 2,494,217	\$ 6,158,817	\$ 1,751,842	\$ 146,057	\$ 2,008,947	\$ 623,932	\$ 951,459	\$ 5,265,963	\$ 16,058

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF FINANCIAL POSITION - CONTINUED
JUNE 30, 2017

	Other	East Africa Mission	Brady Trust Fund	Hacker Trust Fund	Kuhn Trust Fund	Catholic Relief Fund	Bishop Ryan Catholic School Mission Trip Scholarship	Diocese of Bismarck Agency Fund	Home on the Range Agency Funds	Parish Agency Funds	Elmer Rapp Fund	Total
ASSETS												
Cash and cash equivalents	\$ 893	\$ 27,108	\$ -	\$ (1,191)	\$ -	\$ (30,999)	\$ 649	\$ 4,097	\$ 43,415	\$ 38,606	\$ 1,237	\$ 150,635
Accounts/pledges receivable, net of allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-	-	158,100
Interest receivable	107	3,253	-	-	-	457	78	492	5,209	4,632	149	64,877
Annuity receivable	-	-	-	-	-	100,000	-	-	-	-	-	417,524
Investments	44,004	1,337,401	27,363	72,369	125,000	187,828	32,015	202,142	2,141,907	1,904,647	61,078	27,218,715
Total assets	\$ 45,004	\$ 1,367,762	\$ 27,363	\$ 71,178	\$ 125,000	\$ 257,286	\$ 32,742	\$ 206,731	\$ 2,190,531	\$ 1,947,885	\$ 62,464	\$ 28,009,851
LIABILITIES AND NET ASSETS												
LIABILITIES												
Accounts payable and accrued expenses	\$ 50	\$ 1,519	\$ 8,363	\$ 79	\$ -	\$ 65,406	\$ 36	\$ 230	\$ 2,433	\$ 2,164	\$ 69	\$ 261,162
Funds held for others	-	-	-	-	-	-	32,706	206,501	2,188,098	1,945,721	62,395	4,435,421
Total liabilities	50	1,519	8,363	79	-	65,406	32,742	206,731	2,190,531	1,947,885	62,464	4,696,583
NET ASSETS												
Temporarily restricted												
Catholic School and Education Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	431,220
Priests' Care Fund	-	-	-	-	-	-	-	-	-	-	-	504,556
Seminarian Scholarship Major Fund	-	-	-	-	-	-	-	-	-	-	-	3,824,312
Seminarian Scholarship Minor Fund	-	-	-	-	-	-	-	-	-	-	-	151,988
Bishop Zipfel Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	16,979
Family Named Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	130,421
Home on the Range Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	47,378
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	73,029
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	411,178
Donor Advised Fund	-	-	-	-	-	-	-	-	-	-	-	16,040
Other	44,954	-	-	-	-	-	-	-	-	-	-	44,954
East Africa Mission	-	1,366,243	-	-	-	-	-	-	-	-	-	1,366,243
Brady Trust Fund	-	-	19,000	-	-	-	-	-	-	-	-	19,000
Hacker Trust Fund	-	-	-	71,099	-	-	-	-	-	-	-	71,099
Kuhn Trust Fund	-	-	-	-	125,000	-	-	-	-	-	-	125,000
Catholic Relief Fund	-	-	-	-	-	191,880	-	-	-	-	-	191,880
Total temporarily restricted	44,954	1,366,243	19,000	71,099	125,000	191,880	-	-	-	-	-	7,425,277
Permanently restricted												
Catholic School and Education Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	1,822,698
Priests' Care Fund	-	-	-	-	-	-	-	-	-	-	-	1,986,889
Seminarian Scholarship Major Fund	-	-	-	-	-	-	-	-	-	-	-	2,173,115
Seminarian Scholarship Minor Fund	-	-	-	-	-	-	-	-	-	-	-	1,597,908
Bishop Zipfel Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	128,916
Family Named Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	1,876,295
Home on the Range Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	575,861
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	877,373
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	4,848,936
Total permanently restricted	-	-	-	-	-	-	-	-	-	-	-	15,887,991
Total net assets	44,954	1,366,243	19,000	71,099	125,000	191,880	-	-	-	-	-	23,313,268
Total liabilities and net assets	\$ 45,004	\$ 1,367,762	\$ 27,363	\$ 71,178	\$ 125,000	\$ 257,286	\$ 32,742	\$ 206,731	\$ 2,190,531	\$ 1,947,885	\$ 62,464	\$ 28,009,851

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016

	Clearing Account	Catholic School and Education Endowment Fund	Priests' Care Fund	Seminarian Scholarship Major Fund	Seminarian Scholarship Minor Fund	Bishop Zipfel and Other Small Endowment Funds	Family Named Endowment Funds	Home on the Range Endowment Funds	Catholic Educational Institutional Endowment Funds	Parish Endowment Funds
ASSETS										
Cash and cash equivalents	\$ 8,227	\$ 64,207	\$ 71,322	\$ 4,902	\$ 31,642	\$ 4,199	\$ 25,481	\$ 17,700	\$ 27,499	\$ 87,545
Accounts/pledges receivable, net of allowance for doubtful accounts	90	2,187	2,147	2,069	-	-	-	-	-	52,583
Interest receivable	-	5,668	6,222	14,850	2,622	334	2,025	1,407	2,186	11,139
Annuity receivable	-	4,911	4,822	303,623	-	-	-	-	-	-
Investments	-	2,120,252	2,327,828	5,586,277	1,233,085	124,855	757,700	526,327	817,719	4,166,962
Total assets	\$ 8,317	\$ 2,197,225	\$ 2,412,341	\$ 5,911,721	\$ 1,267,349	\$ 129,388	\$ 785,206	\$ 545,434	\$ 847,404	\$ 4,318,229
LIABILITIES AND NET ASSETS										
LIABILITIES										
Accounts payable and accrued expenses	\$ 8,317	\$ 2,410	\$ 2,650	\$ 161,047	\$ 1,388	\$ 142	\$ 860	\$ 597	\$ 928	\$ 4,728
Funds held for others	-	-	-	-	-	-	-	-	-	-
Total liabilities	8,317	2,410	2,650	161,047	1,388	142	860	597	928	4,728
NET ASSETS										
Temporarily restricted										
Catholic School and Education Endowment Fund	-	372,197	-	-	-	-	-	-	-	-
Priests' Care Fund	-	-	429,215	-	-	-	-	-	-	-
Seminarian Scholarship Major Fund	-	-	-	3,628,636	-	-	-	-	-	-
Seminarian Scholarship Minor Fund	-	-	-	-	19,937	-	-	-	-	-
Bishop Zipfel Endowment Fund	-	-	-	-	-	5,353	-	-	-	-
Family Named Endowment Funds	-	-	-	-	-	-	16,061	-	-	-
Home on the Range Endowment Funds	-	-	-	-	-	-	-	10,256	-	-
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	14,239	-
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	59,333
Donor Advised Fund	-	-	-	-	-	-	-	-	-	-
East Africa Mission	-	-	-	-	-	-	-	-	-	-
Brady Trust Fund	-	-	-	-	-	-	-	-	-	-
Hacker Trust Fund	-	-	-	-	-	-	-	-	-	-
Kuhn Trust Fund	-	-	-	-	-	-	-	-	-	-
Catholic Relief Fund	-	-	-	-	-	-	-	-	-	-
Total temporarily restricted	-	372,197	429,215	3,628,636	19,937	5,353	16,061	10,256	14,239	59,333
Permanently restricted										
Catholic School and Education Endowment Fund	-	1,822,618	-	-	-	-	-	-	-	-
Priests' Care Fund	-	-	1,980,476	-	-	-	-	-	-	-
Seminarian Scholarship Major Fund	-	-	-	2,122,038	-	-	-	-	-	-
Seminarian Scholarship Minor Fund	-	-	-	-	1,246,024	-	-	-	-	-
Bishop Zipfel Endowment Fund	-	-	-	-	-	123,893	-	-	-	-
Family Named Endowment Funds	-	-	-	-	-	-	768,285	-	-	-
Home on the Range Endowment Funds	-	-	-	-	-	-	-	534,581	-	-
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	832,237	-
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	4,254,168
Total permanently restricted	-	1,822,618	1,980,476	2,122,038	1,246,024	123,893	768,285	534,581	832,237	4,254,168
Total net assets	-	2,194,815	2,409,691	5,750,674	1,265,961	129,246	784,346	544,837	846,476	4,313,501
Total liabilities and net assets	\$ 8,317	\$ 2,197,225	\$ 2,412,341	\$ 5,911,721	\$ 1,267,349	\$ 129,388	\$ 785,206	\$ 545,434	\$ 847,404	\$ 4,318,229

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF FINANCIAL POSITION - CONTINUED
JUNE 30, 2016

	Other	East Africa Mission	Brady Trust Fund	Hacker Trust Fund	Kuhn Trust Fund	Catholic Relief Fund	Bishop Ryan Catholic School Mission Trip Scholarship	Diocese of Bismarck Agency Fund	Home on the Range Agency Funds	Parish Agency Funds	Elmer Rapp Fund	Total
ASSETS												
Cash and cash equivalents	\$ 885	\$ 44,922	\$ -	\$ (794)	\$ -	\$ 4,938	\$ 1,130	\$ 6,348	\$ 66,570	\$ 56,434	\$ 1,871	\$ 525,028
Accounts/pledges receivable, net of allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-	-	59,076
Interest receivable	70	3,571	-	-	-	392	78	492	5,292	4,486	149	60,983
Annuity receivable	-	-	-	-	-	-	-	-	-	-	-	313,356
Investments	26,297	1,335,842	19,000	65,359	125,000	146,802	29,176	184,215	1,979,589	1,678,159	55,662	23,306,106
Total assets	\$ 27,252	\$ 1,384,335	\$ 19,000	\$ 64,565	\$ 125,000	\$ 152,132	\$ 30,384	\$ 191,055	\$ 2,051,451	\$ 1,739,079	\$ 57,682	\$ 24,264,549
LIABILITIES AND NET ASSETS												
LIABILITIES												
Accounts payable and accrued expenses	\$ 30	\$ 227,344	\$ -	\$ 71	\$ -	\$ 167	\$ 182	\$ 209	\$ 2,246	\$ 1,904	\$ 63	\$ 415,283
Funds held for others	-	-	-	-	-	-	30,202	190,846	2,049,205	1,737,175	57,619	4,065,047
Total liabilities	30	227,344	-	71	-	167	30,384	191,055	2,051,451	1,739,079	57,682	4,480,330
NET ASSETS												
Temporarily restricted												
Catholic School and Education Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	372,197
Priests' Care Fund	-	-	-	-	-	-	-	-	-	-	-	429,215
Seminarian Scholarship Major Fund	-	-	-	-	-	-	-	-	-	-	-	3,628,636
Seminarian Scholarship Minor Fund	-	-	-	-	-	-	-	-	-	-	-	19,937
Bishop Zipfel Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	5,353
Home on the Range Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	10,256
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	14,239
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	59,333
Other	27,222	-	-	-	-	-	-	-	-	-	-	27,222
East Africa Mission	-	1,156,991	-	-	-	-	-	-	-	-	-	1,156,991
Brady Trust Fund	-	-	19,000	-	-	-	-	-	-	-	-	19,000
Hacker Trust Fund	-	-	-	64,494	-	-	-	-	-	-	-	64,494
Kuhn Trust Fund	-	-	-	-	125,000	-	-	-	-	-	-	125,000
Catholic Relief Fund	-	-	-	-	-	151,965	-	-	-	-	-	151,965
Total temporarily restricted	27,222	1,156,991	19,000	64,494	125,000	151,965	-	-	-	-	-	6,099,899
Permanently restricted												
Catholic School and Education Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	1,822,618
Priests' Care Fund	-	-	-	-	-	-	-	-	-	-	-	1,980,476
Seminarian Scholarship Major Fund	-	-	-	-	-	-	-	-	-	-	-	2,122,038
Seminarian Scholarship Minor Fund	-	-	-	-	-	-	-	-	-	-	-	1,246,024
Bishop Zipfel Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	123,893
Home on the Range Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	534,581
Catholic Educational Institutional Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	832,237
Parish Endowment Funds	-	-	-	-	-	-	-	-	-	-	-	4,254,168
Total permanently restricted	-	-	-	-	-	-	-	-	-	-	-	13,684,320
Total net assets	27,222	1,156,991	19,000	64,494	125,000	151,965	-	-	-	-	-	19,784,219
Total liabilities and net assets	\$ 27,252	\$ 1,384,335	\$ 19,000	\$ 64,565	\$ 125,000	\$ 152,132	\$ 30,384	\$ 191,055	\$ 2,051,451	\$ 1,739,079	\$ 57,682	\$ 24,264,549

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Catholic School and Education Endowment Fund			Priests' Care Fund			Seminarian Scholarship Major Fund		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
SUPPORT AND REVENUE									
Contributions and bequests									
Other contributions	\$ -	\$ -	\$ 80	\$ -	\$ -	\$ 6,413	\$ -	\$ -	\$ 51,077
Annuity contributions	-	-	-	-	-	-	-	11,941	-
Investment and interest income	-	44,190	-	-	48,697	-	-	116,580	-
Realized and unrealized gain (loss) on investments	-	152,242	-	-	167,839	-	-	402,368	-
Funds released from restrictions	137,409	(137,409)	-	141,195	(141,195)	-	335,213	(335,213)	-
Total support and revenue	137,409	59,023	80	141,195	75,341	6,413	335,213	195,676	51,077
EXPENSES									
Administrative expenses	21,746	-	-	23,943	-	-	57,364	-	-
Annuity expenses	3,203	-	-	1,489	-	-	-	-	-
Funds released to programs	112,460	-	-	115,763	-	-	277,849	-	-
Total expenses	137,409	-	-	141,195	-	-	335,213	-	-
(DECREASE) INCREASE IN NET ASSETS	-	59,023	80	-	75,341	6,413	-	195,676	51,077
NET ASSETS, BEGINNING OF YEAR	-	372,197	1,822,618	-	429,215	1,980,476	-	3,628,636	2,122,038
NET ASSETS, END OF YEAR									
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 431,220	\$ -	\$ -	\$ 504,556	\$ -	\$ -	\$ 3,824,312	\$ -
Permanently restricted	\$ -	\$ -	\$ 1,822,698	\$ -	\$ -	\$ 1,986,889	\$ -	\$ -	\$ 2,173,115

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2017

	Seminarian Scholarship Minor Fund			Bishop Zipfel and Other Small Endowment Funds			Family Named Endowment Funds		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
	SUPPORT AND REVENUE								
Contributions and bequests									
Other contributions	\$ -	\$ -	\$ 351,884	\$ -	\$ -	\$ 5,023	\$ -	\$ -	\$ 1,108,010
Annuity contributions	-	-	-	-	-	-	-	-	-
Investment and interest income	-	25,643	-	-	2,739	-	-	34,616	-
Realized and unrealized gain (loss) on investments	-	128,072	-	-	9,582	-	-	110,658	-
Funds released from restrictions	21,664	(21,664)	-	695	(695)	-	30,914	(30,914)	-
Total support and revenue	21,664	132,051	351,884	695	11,626	5,023	30,914	114,360	1,108,010
EXPENSES									
Administrative expenses	14,085	-	-	695	-	-	15,806	-	-
Annuity expenses	-	-	-	-	-	-	-	-	-
Funds released to programs	7,579	-	-	-	-	-	15,108	-	-
Total expenses	21,664	-	-	695	-	-	30,914	-	-
(DECREASE) INCREASE IN NET ASSETS	-	132,051	351,884	-	11,626	5,023	-	114,360	1,108,010
NET ASSETS, BEGINNING OF YEAR	-	19,937	1,246,024	-	5,353	123,893	-	16,061	768,285
NET ASSETS, END OF YEAR									
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 151,988	\$ -	\$ -	\$ 16,979	\$ -	\$ -	\$ 130,421	\$ -
Permanently restricted	\$ -	\$ -	\$ 1,597,908	\$ -	\$ -	\$ 128,916	\$ -	\$ -	\$ 1,876,295

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2017

	Catholic Educational Institutional								
	Home on the Range Endowment Funds			Endowment Funds			Parish Endowment Funds		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
SUPPORT AND REVENUE									
Contributions and bequests									
Other contributions	\$ -	\$ -	\$ 41,280	\$ -	\$ -	\$ 45,136	\$ -	\$ -	\$ 594,768
Annuity contributions	-	-	-	-	-	-	-	-	-
Investment and interest income	-	11,705	-	-	18,039	-	-	94,702	-
Realized and unrealized gain (loss) on investments	-	41,378	-	-	63,310	-	-	334,065	-
Funds released from restrictions	15,961	(15,961)	-	22,559	(22,559)	-	76,922	(76,922)	-
Total support and revenue	<u>15,961</u>	<u>37,122</u>	<u>41,280</u>	<u>22,559</u>	<u>58,790</u>	<u>45,136</u>	<u>76,922</u>	<u>351,845</u>	<u>594,768</u>
EXPENSES									
Administrative expenses	5,710	-	-	8,855	-	-	46,316	-	-
Annuity expenses	-	-	-	-	-	-	-	-	-
Funds released to programs	10,251	-	-	13,704	-	-	30,606	-	-
Total expenses	<u>15,961</u>	<u>-</u>	<u>-</u>	<u>22,559</u>	<u>-</u>	<u>-</u>	<u>76,922</u>	<u>-</u>	<u>-</u>
(DECREASE) INCREASE IN NET ASSETS	-	37,122	41,280	-	58,790	45,136	-	351,845	594,768
NET ASSETS, BEGINNING OF YEAR	-	10,256	534,581	-	14,239	832,237	-	59,333	4,254,168
NET ASSETS, END OF YEAR									
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Temporarily restricted	<u>\$ -</u>	<u>\$ 47,378</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,029</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 411,178</u>	<u>\$ -</u>
Permanently restricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,861</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 877,373</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,848,936</u>

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2017

	Donor Advised Fund		Other		East Africa Mission		Brady Trust Fund	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
SUPPORT AND REVENUE								
Contributions and bequests								
Other contributions	\$ -	\$ 15,488	\$ -	\$ 36,895	\$ -	\$ 224,603	\$ -	\$ 8,363
Annuity contributions	-	-	-	-	-	-	-	-
Investment and interest income	-	120	-	668	-	23,577	-	-
Realized and unrealized gain (loss) on investments	-	476	-	1,727	-	81,188	-	-
Funds released from restrictions	44	(44)	21,558	(21,558)	120,116	(120,116)	8,363	(8,363)
Total support and revenue	44	16,040	21,558	17,732	120,116	209,252	8,363	-
EXPENSES								
Administrative expenses	44	-	21,558	-	11,804	-	-	-
Annuity expenses	-	-	-	-	-	-	-	-
Funds released to programs	-	-	-	-	108,312	-	8,363	-
Total expenses	44	-	21,558	-	120,116	-	8,363	-
(DECREASE) INCREASE IN NET ASSETS	-	16,040	-	17,732	-	209,252	-	-
NET ASSETS, BEGINNING OF YEAR	-	-	-	27,222	-	1,156,991	-	19,000
NET ASSETS, END OF YEAR								
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 16,040	\$ -	\$ 44,954	\$ -	\$ 1,366,243	\$ -	\$ 19,000
Permanently restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2017

	Hacker Trust Fund		Kuhn Trust Fund		Catholic Relief Fund		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	
SUPPORT AND REVENUE							
Contributions and bequests							
Other contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2,489,022
Annuity contributions	-	-	-	-	-	34,769	46,710
Investment and interest income	-	1,633	-	-	-	3,071	425,980
Realized and unrealized gain (loss) on investments	-	6,052	-	-	-	10,586	1,509,543
Funds released from restrictions	1,080	(1,080)	-	-	8,513	(8,513)	-
Total support and revenue	1,080	6,605	-	-	8,513	39,915	4,471,255
EXPENSES							
Administrative expenses	1,080	-	-	-	1,513	-	230,519
Annuity expenses	-	-	-	-	-	-	4,692
Funds released to programs	-	-	-	-	7,000	-	706,995
Total expenses	1,080	-	-	-	8,513	-	942,206
(DECREASE) INCREASE IN NET ASSETS	-	6,605	-	-	-	39,915	3,529,049
NET ASSETS, BEGINNING OF YEAR	-	64,494	-	125,000	-	151,965	19,784,219
NET ASSETS, END OF YEAR							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 71,099	\$ -	\$ 125,000	\$ -	\$ 191,880	\$ 7,425,277
Permanently restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,887,991

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

	Catholic School and Education Endowment Fund			Priests' Care Fund			Seminarian Scholarship Major Fund		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
	SUPPORT AND REVENUE								
Contributions and bequests									
Other contributions	\$ -	\$ -	\$ 22,945	\$ -	\$ -	\$ 77,305	\$ -	\$ -	\$ 219,619
Annuity contributions	-	-	-	-	-	-	-	13,909	-
Investment and interest income	-	46,535	-	-	50,776	-	-	119,395	-
Realized and unrealized gain (loss) on investments	-	7,097	-	-	10,078	-	-	21,124	-
Funds released from restrictions	137,386	(137,386)	-	142,553	(142,553)	-	340,775	(340,775)	-
Total support and revenue	137,386	(83,754)	22,945	142,553	(81,699)	77,305	340,775	(186,347)	219,619
EXPENSES									
Administrative expenses	22,031	-	-	24,069	-	-	56,624	-	-
Annuity expenses	3,677	-	-	7,875	-	-	22,381	-	-
Funds released to programs	111,678	-	-	110,609	-	-	261,770	-	-
Total expenses	137,386	-	-	142,553	-	-	340,775	-	-
(DECREASE) INCREASE IN NET ASSETS	-	(83,754)	22,945	-	(81,699)	77,305	-	(186,347)	219,619
NET ASSETS, BEGINNING OF YEAR	-	455,951	1,799,673	-	510,914	1,903,171	-	3,814,983	1,902,419
NET ASSETS, END OF YEAR									
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 372,197	\$ -	\$ -	\$ 429,215	\$ -	\$ -	\$ 3,628,636	\$ -
Permanently restricted	\$ -	\$ -	\$ 1,822,618	\$ -	\$ -	\$ 1,980,476	\$ -	\$ -	\$ 2,122,038

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2016

	Seminarian Scholarship Minor Fund			Bishop Zipfel and Other Small Endowment Funds			Family Named Endowment Funds		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
SUPPORT AND REVENUE									
Contributions and bequests									
Other contributions	\$ -	\$ -	\$ 526,001	\$ -	\$ -	\$ 150	\$ -	\$ -	\$ 123,403
Annuity contributions	-	-	-	-	-	-	-	-	-
Investment and interest income	-	18,567	-	-	2,676	-	-	15,280	-
Realized and unrealized gain (loss) on investments	-	6,568	-	-	568	-	-	6,264	-
Funds released from restrictions	20,959	(20,959)	-	970	(970)	-	23,156	(23,156)	-
Total support and revenue	20,959	4,176	526,001	970	2,274	150	23,156	(1,612)	123,403
EXPENSES									
Administrative expenses	9,709	-	-	970	-	-	7,206	-	-
Annuity expenses	-	-	-	-	-	-	-	-	-
Funds released to programs	11,250	-	-	-	-	-	15,950	-	-
Total expenses	20,959	-	-	970	-	-	23,156	-	-
(DECREASE) INCREASE IN NET ASSETS	-	4,176	526,001	-	2,274	150	-	(1,612)	123,403
NET ASSETS, BEGINNING OF YEAR	-	15,761	720,023	-	3,079	123,743	-	17,673	644,882
NET ASSETS, END OF YEAR									
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 19,937	\$ -	\$ -	\$ 5,353	\$ -	\$ -	\$ 16,061	\$ -
Permanently restricted	\$ -	\$ -	\$ 1,246,024	\$ -	\$ -	\$ 123,893	\$ -	\$ -	\$ 768,285

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2016

	Home on the Range Endowment Funds			Catholic Educational Institutional Endowment Funds			Parish Endowment Funds		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
SUPPORT AND REVENUE									
Contributions and bequests									
Other contributions	\$ -	\$ -	\$ 26,690	\$ -	\$ -	\$ 183,440	\$ -	\$ -	\$ 3,056,099
Annuity contributions	-	-	-	-	-	-	-	-	-
Investment and interest income	-	11,246	-	-	15,101	-	-	35,720	-
Realized and unrealized gain (loss) on investments	-	2,247	-	-	7,592	-	-	30,157	-
Funds released from restrictions	18,950	(18,950)	-	15,446	(15,446)	-	34,430	(34,430)	-
Total support and revenue	18,950	(5,457)	26,690	15,446	7,247	183,440	34,430	31,447	3,056,099
EXPENSES									
Administrative expenses	5,342	-	-	7,265	-	-	18,154	-	-
Annuity expenses	-	-	-	-	-	-	-	-	-
Funds released to programs	13,608	-	-	8,181	-	-	16,276	-	-
Total expenses	18,950	-	-	15,446	-	-	34,430	-	-
(DECREASE) INCREASE IN NET ASSETS	-	(5,457)	26,690	-	7,247	183,440	-	31,447	3,056,099
NET ASSETS, BEGINNING OF YEAR	-	15,713	507,891	-	6,992	648,797	-	27,886	1,198,069
NET ASSETS, END OF YEAR									
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 10,256	\$ -	\$ -	\$ 14,239	\$ -	\$ -	\$ 59,333	\$ -
Permanently restricted	\$ -	\$ -	\$ 534,581	\$ -	\$ -	\$ 832,237	\$ -	\$ -	\$ 4,254,168

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2016

	Other		East Africa Mission		Brady Trust Fund	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
SUPPORT AND REVENUE						
Contributions and bequests						
Other contributions	\$ -	\$ 24,879	\$ -	\$ 418,033	\$ -	\$ -
Annuity contributions	-	-	-	-	-	-
Investment and interest income	-	274	-	21,709	-	-
Realized and unrealized gain (loss) on investments	-	405	-	10,379	-	-
Funds released from restrictions	13,000	(13,000)	235,966	(235,966)	-	-
Total support and revenue	<u>13,000</u>	<u>12,558</u>	<u>235,966</u>	<u>214,155</u>	<u>-</u>	<u>-</u>
EXPENSES						
Administrative expenses	13,000	-	10,138	-	-	-
Annuity expenses	-	-	-	-	-	-
Funds released to programs	-	-	225,828	-	-	-
Total expenses	<u>13,000</u>	<u>-</u>	<u>235,966</u>	<u>-</u>	<u>-</u>	<u>-</u>
(DECREASE) INCREASE IN NET ASSETS	<u>-</u>	<u>12,558</u>	<u>-</u>	<u>214,155</u>	<u>-</u>	<u>-</u>
NET ASSETS, BEGINNING OF YEAR	<u>-</u>	<u>14,664</u>	<u>-</u>	<u>942,836</u>	<u>-</u>	<u>19,000</u>
NET ASSETS, END OF YEAR						
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Temporarily restricted	<u>\$ -</u>	<u>\$ 27,222</u>	<u>\$ -</u>	<u>\$ 1,156,991</u>	<u>\$ -</u>	<u>\$ 19,000</u>
Permanently restricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2016

	Hacker Trust Fund		Kuhn Trust Fund		Catholic Relief Fund		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	
SUPPORT AND REVENUE							
Contributions and bequests							
Other contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,137	\$ 4,682,701
Annuity contributions	-	-	-	-	-	-	13,909
Investment and interest income	-	5,466	-	-	-	3,165	345,910
Realized and unrealized gain (loss) on investments	-	(7,096)	-	-	-	647	96,030
Funds released from restrictions	1,374	(1,374)	-	-	8,500	(8,500)	-
Total support and revenue	1,374	(3,004)	-	-	8,500	(551)	5,138,550
EXPENSES							
Administrative expenses	876	-	-	-	1,500	-	176,884
Annuity expenses	-	-	-	-	-	-	33,933
Funds released to programs	498	-	-	-	7,000	-	782,648
Total expenses	1,374	-	-	-	8,500	-	993,465
(DECREASE) INCREASE IN NET ASSETS	-	(3,004)	-	-	-	(551)	4,145,085
NET ASSETS, BEGINNING OF YEAR	-	67,498	-	125,000	-	152,516	15,639,134
NET ASSETS, END OF YEAR							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ 64,494	\$ -	\$ 125,000	\$ -	\$ 151,965	\$ 6,099,899
Permanently restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,684,320

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,529,049	\$ 4,145,085
Adjustments to reconcile changes in net assets to net cash provided (used) for operating activities:		
Realized and unrealized (gain) loss on investments	(1,509,543)	(96,030)
Effects on operating cash flow due to changes in:		
Accounts/pledges receivable	(99,024)	4,191
Interest receivable	(3,894)	2,047
Annuity receivable	(104,168)	(332)
Accounts payable and accrued expenses	(154,121)	(29,617)
Funds held for others	370,374	384,727
	2,028,673	4,410,071
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(10,207,936)	(9,115,831)
Proceeds from sale of investments	7,804,870	5,024,188
	(2,403,066)	(4,091,643)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(374,393)	318,428
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	525,028	206,600
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 150,635	\$ 525,028

See Notes to Financial Statements

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Catholic Foundation for the People of the Diocese of Bismarck (the Foundation) was incorporated January 1, 2004 as the Provision for the Future. The Foundation restated its articles of incorporation as the Catholic Foundation for the People of the Diocese of Bismarck effective July 1, 2013. The purpose of the Foundation is to receive and administer funds to be used for Roman Catholic charitable purposes.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Accounting Standards Codification Topic 958, Accounting for Not-for-Profit Entities. The codification requires the Foundation to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The Foundation has unrestricted, temporarily restricted, and permanently restricted net assets.

Method of Accounting and Revenue Recognition

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America, ("GAAP"), as codified by the Financial Accounting Standards Board. As a result, the Foundation recognizes revenue in the period earned.

Funds Held for Others

Elmer Rapp Fund – This trust fund was established by a gift from Elmer Rapp. The annual income may be used to provide post-secondary education to Hidatsa, Arikara, or Mandan Indian students who have graduated from high schools in the surrounding areas with preference for the Fort Berthold Reservation high schools.

Other Agency Funds – These funds represent deposits from various entities throughout the Diocese of Bismarck to be held by the Foundation for a period of five years or longer. This fund affords the opportunity to pool funds in a balanced portfolio with a proportionate share of valuation increases and decreases of investment activity net of associated expenses. The account holder of the individual agency fund maintains full control of the disposition of the principal and earnings, however early withdrawal penalties may apply on principal withdrawals within the five year holding period. Individual funds currently held include: Bishop Ryan Catholic School Mission Trip Scholarship Fund, Diocese of Bismarck Agency Fund, Home on the Range Agency Funds and various Parish Agency Funds.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

Temporarily Restricted Net Assets

Kathleen Brady Trust Fund – This trust was established by a gift from Sister Kathleen Brady. The annual income is to be used to provide subsidies to Catholic Schools in the Diocese.

Catholic Relief Fund – This fund was established in September 2003 through a bequest to the Diocese of Bismarck. The Last Will and Testament required that the funds be distributed to charity. The Last Will and Testament further states that the Bishop of the Roman Catholic Diocese of Bismarck is the trustee and has the discretion to utilize the principal of the fund for catholic relief services for which the trust was established.

Seminarian Scholarship Funds – These net assets consist of contributions for seminarian scholarships.

East Africa Mission Fund – These net assets consist of contributions for the East African Mission.

Hacker Trust Fund – This fund, established by a gift from Bishop Hacker, provides that the annual earnings be paid to Christ the King School, Mandan, North Dakota so long as it is maintained as an eight-grade elementary school. If it should cease to operate as such, the fund is to be paid over to the Diocese of Bismarck.

John Kuhn Trust Fund – This trust fund was established by a gift from Reverend John Kuhn. The annual income is to be paid to Christ the King School, Mandan, North Dakota for its operation. If the school ceases to operate as a parish school, the remainder of the trust shall be distributed to the Diocese of Bismarck and the trust terminated.

Various Endowment Fund Earnings Funds – Undistributed earnings realized from various endowment funds are individually held in Temporarily Restricted Assets. Net earnings on Endowments principals held under Permanently Restricted Assets are individually tracked through these funds and released for distribution to unrestricted net assets in accord with the distribution agreements of the Endowed Funds. Additionally, these Temporarily Restricted Funds will accept contributions from individuals and entities.

Permanently Restricted Net Assets

The Catholic Foundation for the People of the Diocese of Bismarck has expanded its presence in the area with an added emphasis to further establish qualified endowment funds for future benefit of the entities of the Diocese of Bismarck. The principal amounts of each endowment fund are held in perpetuity with established guidelines distribution of net annual earnings.

Each parish, school and other entity under the jurisdiction of the Diocese of Bismarck has an established endowment fund for the benefit of the entity's operation. Additionally, previously established endowment funds such as Catholic Schools and Religious Education Fund, Priests' Care Fund, and Seminarian Scholarship Fund (previously held for the benefit of diocesan seminarians in the major seminaries) continue to exist. The previously held Seminarian Scholarship Fund has been renamed Seminarian Scholarship-Major Fund with the establishment of the Seminarian Scholarship-Minor Fund.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

Currently held endowment funds include: Bishop Zipfel Endowment Fund which provides benefit for seminarian scholarships for major seminaries and priests' care; Catholic Schools and Religious Educations Fund which provides assistance for religious education in the Diocese' catholic schools and parish religious education programs; Home on the Range Endowment Funds which provide benefits for the operational needs of Home on the Range; Catholic Educational Institutional Endowment Funds which provide operational support for the entities; Priests' Care Endowment Fund which provides support for the care of the retired priests of the Diocese; Seminarian Scholarship-Major fund which benefits our seminarians in major seminary; Seminarian Scholarship-Minor which provides scholarships available to seminarians in minor seminaries; various parish endowment funds with established benefit guidelines for each endowment; various family named endowments with established benefit guidelines for each endowment.

The Foundation takes advantage of matching grant programs to grow the endowment funds as well as hosting various fundraising events. Each of the endowed funds accepts funds from individuals and entities.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

Permanently restricted net assets are to be held in perpetuity in accordance with the donor's restrictions. Earnings from the investment of these net assets are recorded as temporarily restricted net assets in accordance with the donor's restrictions as to use and in accordance with accounting principles generally accepted in the United States of America.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets.

The Foundation recognizes gains and losses on an investment in the designation or restriction owning the investment using the historical cost for that specific investment. Ordinary income from an investment is recorded in the designation or restriction owning the investment.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets whose use is limited or restricted.

Receivables and Allowance for Uncollectible Receivables

Accounts receivables are uncollateralized obligations due under normal trade terms requiring payment within 30 days from the invoice date. The receivables are non-interest bearing. Payments on accounts receivables are applied to the earliest unpaid amounts. The carrying amount of the accounts receivables is reduced by an amount that reflects management's best estimate of the amounts that will not be collected.

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Bad debts are charged against the allowance when management believes the uncollectibility of an accounts receivable is confirmed. Subsequent recoveries, if any, are recognized as revenue.

The allowance for doubtful accounts is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the accounts receivable in light of historical experience, the nature and volume of the portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available.

An accounts receivable is considered impaired when, based on current information and events, it is probable that the Foundation will be unable to collect the scheduled payments of principal when due according to the contractual terms of the pledge agreement. Factors considered by management in determining impairment include payment status, and the probability of collecting scheduled principal payments when due. Accounts receivable that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the accounts receivable and the prior payment record, and the amount of the shortfall in relation to the principal owed.

Annuities Receivable

This is the amount of charitable gift annuities receivable held on behalf of another organization to be paid out to the Foundation as of June 30, 2017 and 2016.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

Fair Value Measurements

The Foundation follows Accounting Standards Codification Topic 820, Fair Value Measurements. This standard applies to all assets and liabilities that are being measured and reported on a fair value basis. It defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosure about fair value measurements.

When fair value measurements are required, various data is used in determining those values. This statement requires that assets and liabilities that are carried at fair value must be classified and disclosed in the following levels based on the nature of the data used.

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The application of valuation techniques applied to similar assets and liabilities has been consistently applied. The following is a description of the valuation methodologies used for instruments measured at fair value:

Investments

The fair value of investments is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

Income Taxes

The Foundation is exempt from federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. The Foundation is deemed to be a church related organization and as such is not required to file an annual informational tax return to the Internal Revenue Service.

The Foundation's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

NOTE 2 CONCENTRATIONS OF CREDIT RISK

The Foundation's cash balances are maintained in various bank deposit accounts. The amounts on deposit are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution. At June 30, 2017, Foundation had deposits of \$144,425 not insured by FDIC. These deposits consist of short term investments in commercial paper that are considered to be cash equivalents. FDIC does not insure commercial paper.

Accounts/Pledges receivable as of June 30, 2017 and 2016 are due from Catholic parishes and associated individuals located in western North Dakota.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

NOTE 3 ACCOUNTS/PLEDGES RECEIVABLE

Pledges receivable as of June 30, 2017 and 2016 consist of amounts pledged as payable upon death of the donor as a result of the "A Vision for the Future Capital Campaign". The receivable is shown net of discounts and allowance of \$40,288 at June 30, 2017 and 2016.

NOTE 4 INVESTMENTS

Investments are stated at fair value and are summarized as follows as of June 30, 2017 and 2016:

June 30, 2017

	Cost	Fair Value
Money market funds	\$ 887,752	\$ 887,752
Certificates of deposit	152,363	152,363
Equities:		
U.S. large cap	6,316,277	8,929,931
U.S. mid cap	3,880,800	4,843,074
U.S. small cap	1,614,061	2,055,143
International developed/emerging markets	918,764	1,274,195
Fixed Income:		
Investment grade taxable	8,408,647	8,420,502
Investment grade tax exempt	73,834	73,638
International developed bonds	236,289	238,715
Fixed income - mutual funds	23,940	23,614
Life insurance and other	282,392	319,788
	\$ 22,795,119	\$ 27,218,715

The Foundation had a net realized gain of \$107,836 for the year ended June 30, 2017. For the same period, the Foundation had an unrealized gain on investments of \$1,401,707.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

June 30, 2016

	Cost	Fair Value
Money market funds	\$ 939,285	\$ 939,285
Certificates of deposit	144,000	144,000
Equities:		
U.S. large cap	5,277,537	6,697,316
U.S. mid cap	3,718,408	4,775,257
U.S. small cap	1,324,182	1,253,102
International developed/emerging markets	865,379	1,007,697
Fixed Income:		
Investment grade taxable	7,454,227	7,638,672
Investment grade tax exempt	216,954	223,929
Fixed income - mutual funds	23,060	22,977
Public REITs	336,837	320,790
Life insurance and other	280,967	283,081
	\$ 20,580,836	\$ 23,306,106

The Foundation had a net realized loss of \$86,309 for the year ended June 30, 2016. For the same period, the Foundation had an unrealized gain on investments of \$182,339.

NOTE 5 FAIR VALUE MEASUREMENTS

Assets measured at fair value on a recurring basis as of June 30, 2017 are summarized as follows:

Description	Total Carrying Amount	Quoted Prices		
		in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 887,752	\$ 887,752	\$ -	\$ -
Equities:				
U.S. large cap	8,929,931	8,929,931	-	-
U.S. mid cap	4,843,074	4,843,074	-	-
U.S. small cap	2,055,143	2,055,143	-	-
International developed/emerging markets	1,274,195	1,274,195	-	-
Fixed Income:				
Investment grade taxable	8,420,502	-	8,420,502	-
Investment grade tax exempt	73,638	-	73,638	-
International developed bonds	238,715	-	238,715	-
Fixed income - mutual funds	23,614	23,614	-	-
Other	287,396	-	287,396	-
	\$27,033,960	\$ 18,013,709	\$9,020,251	\$ -

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

Assets measured at fair value on a recurring basis as of June 30, 2016 are summarized as follows:

Description	Total Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 939,285	\$ 939,285	\$ -	\$ -
Equities:				
U.S. large cap	6,697,316	6,697,316	-	-
U.S. mid cap	4,775,257	4,775,257	-	-
U.S. small cap	1,253,102	1,253,102	-	-
International developed/emerging markets	1,007,697	1,007,697	-	-
Fixed Income:				
Investment grade taxable	7,638,672	-	7,638,672	-
Investment grade tax exempt	223,929	-	223,929	-
Fixed income - mutual funds	22,977	22,977	-	-
Public REITs	320,790	320,790	-	-
Other	252,114	-	252,114	-
	<u>\$23,131,139</u>	<u>\$ 15,016,424</u>	<u>\$8,114,715</u>	<u>\$ -</u>

NOTE 6 INCOME TAXES

It is the opinion of management that the Foundation has no significant uncertain tax positions that would be subject to change upon examination.

NOTE 7 ENDOWMENT FUNDS

Donor-designated:

The Foundation's endowments consist of 115 individual funds established for a variety of purposes. Its endowments include donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Investment Return Objectives, Risk Parameters and Strategies:

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return.

Spending Policy: The Foundation does not have a spending policy.

Endowment Net Asset Composition by Type of Fund as of June 30, 2017 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor restricted endowment funds	\$ -	\$ 2,604,961	\$ 15,887,991	\$ 18,492,952
Board designated endowment funds	-	-	-	-
Total funds	<u>\$ -</u>	<u>\$ 2,604,961</u>	<u>\$ 15,887,991</u>	<u>\$ 18,492,952</u>

Endowment Net Asset Composition by Type of Fund as of June 30, 2016 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor restricted endowment funds	\$ -	\$ 1,719,658	\$ 13,684,320	\$ 15,403,978
Board designated endowment funds	-	-	-	-
Total funds	<u>\$ -</u>	<u>\$ 1,719,658</u>	<u>\$ 13,684,320</u>	<u>\$ 15,403,978</u>

CATHOLIC FOUNDATION FOR THE PEOPLE OF THE DIOCESE OF BISMARCK
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2017 AND 2016

Changes in endowment net assets as of June 30, 2017 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ -	\$ 1,719,658	\$ 13,684,320	\$ 15,403,978
Contributions	-	2,755	2,203,671	2,206,426
Investment income	-	307,230	-	307,230
Net appreciation	-	1,099,985	-	1,099,985
Amounts appropriated for expenditures	-	(524,668)	-	(524,668)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 2,604,961</u>	<u>\$ 15,887,991</u>	<u>\$ 18,492,952</u>

Changes in endowment net assets as of June 30, 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ -	\$ 1,890,031	\$ 9,448,668	\$ 11,338,699
Contributions	-	3,209	4,235,652	4,238,861
Investment income	-	223,450	-	223,450
Net appreciation	-	75,448	-	75,448
Amounts appropriated for expenditures	-	(472,480)	-	(472,480)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,719,658</u>	<u>\$ 13,684,320</u>	<u>\$ 15,403,978</u>

NOTE 8 SUBSEQUENT EVENTS

No significant events occurred subsequent to the Foundation's year end. Subsequent events have been evaluated through November 20, 2017, which is the date these financial statements were available to be issued.