

Foundation
for the
People
of the
Roman Catholic
Diocese of
Springfield
in Illinois



Annual Report 2008



Mission

The purpose of the *Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois* is to further the religious, charitable, educational and social ministries of the Church in the Diocese of Springfield in Illinois and to receive and administer funds for the above stated purpose.

*As each one has received a gift,
use it to serve one another
as good stewards of God's varied grace.
— 1 Peter 4:10*

Letter of Introduction



Dear Foundation Members,

We have just completed our 16th year of operation as the Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois. In 1992 the Foundation started with five endowments. Today the Foundation has 68 endowed funds in its care. While this report covers the fiscal year ending June 30, 2008, we had already begun to see the early effects of the economic downturn on Foundation investments.

Endowments represent good stewardship of our assets over time as they renew themselves through responsible investing, while protecting the original investment. An endowment honors past sacrifice and looks forward to a future filled with hope. We wish to assure you that we will continue to follow sound investment policies, while exercising financial responsibility and transparency.

We thank you for your confidence in the Foundation and its vital mission and we invite your continuing support through your gifts of prayer and financial resources. We pledge to work faithfully to ensure a secure future for our fund members and their beneficiaries.

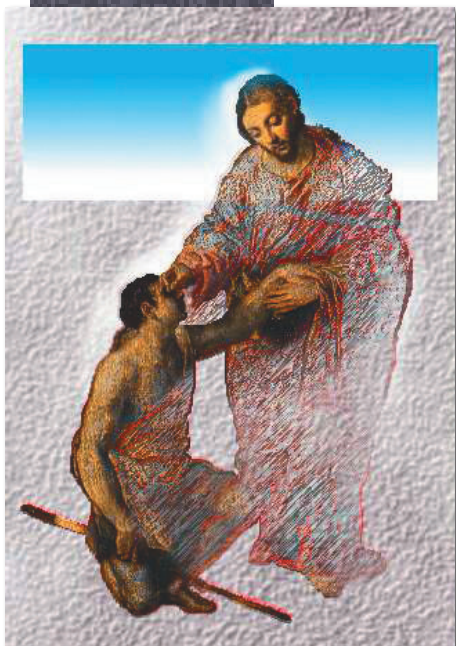
We also invite and encourage those of you who have not yet joined us as members to review this report and to consider investing in the Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois.

May God bless you.

Sincerely in Christ,

+ *George J. Lucas*

Most Reverend George J. Lucas
Bishop of Springfield in Illinois
President of the Foundation for the People
of the Roman Catholic Diocese of Springfield in Illinois



Leadership

**Most Reverend
George J. Lucas**
President

**Reverend Monsignor
Carl A. Kemme, V.G.**
Vice President

Mr. John J. Maxwell
Treasurer

Mr. Shaun A. Riedell
Secretary

Mrs. Jean L. Johnson
Member

Advisory Board (as of January 2008)

Mr. John Gibbons
Edwardsville, Illinois

Deacon Ronald Hesson
Highland, Illinois

Mr. David Knepper
Barry, Illinois

Mr. Frank Maynerich
Virden, Illinois

Ms. Clare McCulla
Charleston, Illinois

Mr. Thomas Pavlik, Jr.
Springfield, Illinois

Mr. Charles Scholz
Quincy, Illinois

Mr. Jeff Stauffer
Springfield, Illinois

**Very Reverend
Kenneth Venvertloh, V.F.**
Jacksonville, Illinois

Investment Managers

NWQ Investment Management Company, LLC
NFJ Investment Group LP
Clearbridge

Auditors

Eck, Schafer & Punke CPA, Springfield



Profile

The Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois is a **not-for-profit corporation** of the state of Illinois, legally separate from the Diocese of Springfield in Illinois. It was incorporated on October 14, 1992. Its purposes are to further the ministries of and to receive funds for the religious, charitable, educational and social purposes of the diocese within the meaning of section 501 (c) (3) of the internal revenue code.

In practice the Foundation will manage **endowed monies** on behalf of parishes, parish schools, diocesan entities and purposes.

The members of the Board of Directors of the Foundation are diocesan officials: the diocesan bishop (its president), the Vicar General/Moderator of the Curia (its vice-president), the Diocesan Finance Officer (its treasurer), the director of the Office for Stewardship and Development (its secretary) and the Superintendent of Catholic Schools.

The bylaws of the Foundation require that the President of the Board of Directors appoint an advisory board to offer advice on any matter handled by the Foundation. Each member of the advisory board serves for a three-year term, which is renewable. It is required to meet annually, though in practice it meets more frequently.



Criteria, Policies and Guidelines

The following are the criteria and guidelines governing participation in the Foundation:

- Any diocesan entity may establish an endowment in the *Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois* with a contribution of \$1,000 or more.
- Donors may add any amount to an existing endowment within the Foundation at any time throughout the year.
- The beneficiaries of the Foundation shall be the parishes and parish schools of the Roman Catholic Diocese of Springfield in Illinois and those diocesan entities or purposes specifically designated as the beneficiaries of the Foundation by the diocesan bishop (e.g., the formation of the seminarians, the continued formation of priests, the health care of priests, the pension of priests, etc.).
- The “representatives” for any execution of forms or for any decisions to be made by beneficiaries shall be the pastors (or their equivalents in canon law) of the parishes and parish schools which are beneficiaries, and the diocesan bishop of the diocesan entities and purposes which are beneficiaries.
- Each beneficiary shall have a local advisory board whose bylaws are approved by the Board of Directors. This advisory board will advise the representatives of the beneficiary on the disbursement of earnings. Parishes may choose to select an existing group to fulfill this role.
- Distributions from the Foundation are made annually. Beneficiaries have the option of taking full payment of any earnings, reinvesting those earnings, placing those funds in a deferred account for later disbursement or any combination of the above.
- The Foundation is audited once a year in accordance with standard accounting practices.

Financial Highlights

Statements of Financial Position

	June 30 2008	June 30 2007
Assets		
Investments	\$ 28,384,396	\$ 31,800,379
Contributions receivable	\$ —	\$ —
Interest in temporarily restricted net assets of the Diocese of Springfield in Illinois	\$ —	\$ 20,546
Total Assets	\$ 28,384,396	\$ 31,820,925
Liabilities and Net Assets		
Liabilities	\$ —	\$ —
Net Assets		
Temporarily Restricted	\$ 4,167,924	\$ 7,808,011
Permanently Restricted	\$ 24,216,472	\$ 24,012,914
Total Net Assets	\$ 28,384,396	\$ 31,820,925
Total Liabilities and Net Assets	\$ 28,384,396	\$ 31,820,925

Statements of Activities and Change in Net Assets

Support and Revenue

Contributions		
Jubilee Campaign, net	\$ —	\$ 161,338
Other	\$ 249,602	\$ 1,588,494
Investment income	\$ 836,762	\$ 810,775
Net gain on sale of investments	\$ 901,412	\$ 1,474,714
Change in unrealized gain on investments—net	\$ (4,007,552)	\$ 1,785,332
	\$ (2,019,776)	\$ 5,820,653

Expenses

Supporting services		
Investment management fees	\$ 349,887	\$ 332,914
Program Services		
Distribution to beneficiaries	\$ 1,066,866	\$ 916,804
	\$ 1,416,753	\$ 1,249,718

Change to net assets	\$ (3,436,529)	\$ 4,570,935
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Net assets at year's beginning	\$ 31,820,925	\$ 27,249,990
Net assets at year's end	\$ 28,384,396	\$ 31,820,925



Funding our Educators' Continuing Education

Catholic schools are an important part of the teaching mission of the Church and therefore an important part of the teaching mission of our diocese. Our goal in the ministry of education is to give "form to the vision" as expressed in the bishops' pastoral on Catholic education, *To Teach as Jesus Did*. (USCCB)

Our Catholic school educators work in our schools at a great personal financial sacrifice. We feel it is very important for our teachers to continue their education, maintain state certification and participate in the diocesan catechist formation program. Fortunately, teachers can now apply for partial financial reimbursement of their continuing education expenses through the Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois. Funds available at each school are based on individual student enrollment.

In 2008, a total of \$77,604 was available for continuing education expenses through the Foundation. By investing in our educators, we improve the quality of our children's education and we all benefit from that.



Beneficiaries

Listed alphabetically by city

St. Mary Parish, Alton
 St. Augustine Parish, Ashland
 Holy Redeemer Chapel, Barry
 Ss. Peter & Paul School, Collinsville
 Holy Family School, Decatur
 Our Lady of Lourdes School, Decatur
 St. Patrick Parish, Decatur
 Sacred Heart Parish, Effingham
 St. Martin Cemetery, Farmersville
 St. Ambrose School, Godfrey
 St. Elizabeth Parish, Granite City
 St. Joseph Cemetery, Highland
 Our Saviour Parish, Jacksonville
 Holy Family Parish, Litchfield
 St. Maurice School, Morrisonville
 St. Bartholomew Cemetery, Murrayville
 St. Mary School, Paris
 Blessed Sacrament Parish, Quincy
 St. Dominic School, Quincy
 Blessed Sacrament School, Springfield
 Little Flower School, Springfield
 St. Aloysius Parish, Springfield
 St. Michael School, Staunton

Marquette Catholic High School, Alton
 St. Mary Cemetery, Assumption
 St. Charles Borromeo Parish, Charleston
 Holy Family Parish, Decatur
 Our Lady of Lourdes Parish, Decatur
 Our Lady of Lourdes Parish-St. Teresa H.S.
 St. Mary School, Edwardsville
 Sacred Heart School, Effingham
 St. Cecilia Parish, Glen Carbon
 Holy Family School, Granite City
 St. Paul Parish, Highland
 Routt Catholic High School, Jacksonville
 Our Saviour School, Jacksonville
 St. Ubaldus Cemetery, Livingston
 St. Francis DeSales Parish, Moweaqua
 St. Louis School, Nokomis
 St. Nicholas Parish, Pocahontas
 St. Anthony of Padua Parish, Quincy
 St. Peter Parish, Quincy
 St. Frances Cabrini Parish, Springfield
 St. Agnes School, Springfield
 St. Joseph School, Springfield
 Forty Martyrs Parish, Tuscola

Diocesan Endowments

St. Joseph Home, Springfield
 St. Patrick School, Springfield
 Seminarian Fund
 Educators Endowment
 Ordained Ministers Endowment
 Bishop's Stewardship Endowment

Care for Infirm and Retired Priests
 Priests' Retirement and Healthcare
 Westhoff Priestly Vocation Endowment
 Catechist Formation Endowment
 Catholic Charities Endowment
 Tuition Assistance Endowment

(List current as of January 2009)



Ways to Give

Giving During Your Lifetime

Outright gifts of cash and securities are welcomed by the Foundation. Donors who make gifts during their lifetime also enjoy the benefit of witnessing the immediate results of their generosity.

Giving In The Future

Many gifts to the Foundation can be made through legacy arrangements.

Bequests may be cash or property. Provisions for gifts to the Foundation from an estate may be for a specified amount or a percentage of the remainder after all other bequests and obligations have been satisfied.

Life insurance gifts can be made naming the Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois as beneficiary.

Retirement plans are valuable gifts to consider. By naming the Foundation as beneficiary of these assets, one can avoid taxation and possibly pass on larger estates to loved ones.

The Foundation for the People of the Roman Catholic Diocese of Springfield in Illinois does not provide legal advice for estate planning purposes. It is recommended that an estate planning professional be contacted for assistance before entering into any charitable giving plan.

How To Establish A Fund With The Foundation

Parishes, schools, individuals, families or organizations can create an endowment. Specific details can be found on page 5 of this report. Gifts may also be made to existing endowments that support the causes most meaningful to donors. The funds are invested and generate ongoing revenue for the parishes, schools, programs and organizations of the Diocese of Springfield in Illinois. Donors may name endowments in memory of or in honor of their family, friends or loved ones. Anonymity is also available.