2016
THE YEAR IN REVIEW

THE CATHOLIC COMMUNITY FOUNDATION
FOR THE ROMAN CATHOLIC CHURCH OF THE ARCHDIOCESE OF SAN ANTONIO
AN AUTONOMOUS PIOUS FOUNDATION
DEAR FRIENDS,

As we bring you this 2016 Year In Review, we would like to thank all of our generous donors and those who have gone before us. On behalf of the Board of Trustees, Committee members, and staff of the Catholic Community Foundation, we sincerely appreciate your confidence in allowing us to serve you in fulfilling your charitable intentions. Thank you for being in solidarity with Catholic philanthropists who through morally responsible investing, share in your passion to support the spiritual, educational and social needs of Catholic communities within our Archdiocese of San Antonio. Your trust in us has yielded a very positive and promising 2016 report. Endowed accounts grew by 30% and yielded $2M in grant distributions to Catholic organizations.

During the summer of 2016, through the leadership of a group of visionary Catholic priests, business and community leaders and financial experts who comprise our Investment Committee, the Foundation restructured its Investment Strategy. Its focus was to provide competitive returns only through Catholic socially responsible investing. This new strategy simplified the investment fund offerings while providing daily account balances, and user friendly web access and monthly statements. The new strategy was overwhelmingly successful and has delivered significant investment returns aligned with benchmarks for the industry.

The operations of the Foundation has also been streamlined to concentrate on serving Catholic parishes, religious orders and organizations within the 19 counties of our Archdiocese. This focus has vastly improved financial results and provided substantial contributions to our Archdiocese.

The cornerstones of our Foundation’s ministry are: Confidence, Competence and Confidentiality. These cornerstones keep us focused on our vision, mission, and service goals. Through God’s grace, together we will continue to work toward the mission of the Church.

May God bless you and your loved ones.

Sincerely yours,

Stephen M. Dufilho  
Chair, Board of Trustees

Steve Oswald
CEO/President

OUR SERVICES
Endowment Funds
Investment Funds
Donor Advised Funds
Estate & Planned Giving Consultations

OUR MISSION
Receive, manage, safeguard and grow investments; supporting organizations and donors aligned with the tenets of our Catholic faith

OUR GOALS
Give competitive returns with Catholic Socially Responsible Investing

OUR RESULTS
Investment returns are in-line with benchmark index returns; $2M Endowment Grants distributed in 2016
The Board of Trustees

Board of Directors

Chairman
Stephen M. Dufilho
Investments

Vice Chairman
Ray E. Berend
Certified Public Accountant

Secretary
George J. Person
Attorney at Law, Person, Whitworth, Borchers & Morales, LLP

Treasurer
Eric C. Opiela
Attorney at Law

Ex-Officio
Most Rev. Gustavo Garcia-Siller, M.Sp.S.
Metropolitan Archbishop of San Antonio, Roman Catholic Archdiocese of San Antonio

Ex-Officio
Rev. Martin J. Leopold
Moderator of the Curia, Archdiocese of San Antonio, Pastor, Our Lady of Grace, and St. Peter the Apostle Parishes

Trustees

Ex-Officio
Very Rev. Lawrence J. Christian
Vicar General
Archdiocese of San Antonio, Pastor, St. Ann Parish

Rev. Anthony O. Cummins
Retired Pastor, Archdiocese of San Antonio

Deacon
Harry M. Flavin
Principal, Matterhorn Capital Management, LLC

Frank M. Kudia, Jr.
President & COO, FNK Ventures, LLC

Martha D. Leiper
Chair, Investment Committee
Catholic Community Foundation, Senior VP, Corporate Finance & Enterprise Money Movement, USAA

Mona C. Mengler
Community Volunteer

Rick Molina
Business Owner, Mesquite Country Enterprises

Vivian M. Vance
Catholic Community Volunteer

Our History

The Catholic Community Foundation was established by Episcopal Decree as an autonomous pious foundation on September 21, 2006 at San Fernando Cathedral and incorporated as a non-profit organization in the State of Texas. The Foundation primarily serves Catholic parishes and organizations within the San Antonio Archdiocese.

Staff & Advisors

Steve Oswald
CEO/President
steve.oswald@ccftx.org
office: 210.732.2153

Helene B. Deuley
Executive Assistant
helene.deuley@ccftx.org
office: 210.732.2157

Sendero Wealth Management
Financial Advisor
Fisher, Herbst & Kemble, CPA
Auditor
The Investment Committee

The Heart of our Ministry

Under the leaderships of Investment Committee Chair Martha Leiper and past Chair Deacon Harry Flavin, the Investment Committee is dedicated to do its mission of advising the Foundation on its investments, assuring our compliance to the tenets of our Catholic faith through Socially Responsible Investing and preserving and growing our member’s assets.

With the support of Sendero Wealth Management Elizabeth Crawford, Chief Investment Advisor, the Investment Committee is committed to our objective of long-term perpetual growth of assets and protection of capital, which sometimes means having a willingness to temporarily accept lower returns in times of market uncertainties and risk.

Socially Responsible Investing

“[There is] a profound human crisis: the denial of the primacy of the human person! We have created new idols. The worship of the ancient golden calf (cf. Ex 32:1-35) has returned in a new and ruthless guise in the idolatry of money and the dictatorship of an impersonal economy lacking a truly human purpose.” – HIS HOLINESS POPE FRANCIS

We are focused on providing competitive returns while being guided by the United States Conference of Catholic Bishops (USCCB) Statement on Socially Responsible Investment Guidelines (SRI).

It is vitally important that our management of investments adhere to the teachings of our faith. Members of the Catholic Community Foundation and Catholic Fraternity Fund are assured that their funds are managed in strict accordance with our Catholic faith achieving a well over 99% SRI compliance rate.
The Good Shepherd Legacy Society
Salt of the Earth & A Light to Our Nation

The Good Shepherd Legacy Society serves to promote thoughtful and effective Catholic Philanthropy.

The Legacy Society recognizes those who have designated the Catholic Community Foundation as their giving vehicle in their stewardship and/or in their Estate Plan as a reflection of their commitment to their Catholic faith and values.

Legacy Society Members are exemplary witnesses and participants in our Catholic faith as they fulfill the Baptismal call to be Leaven in the World, Salt of the Earth and a Light to our Nation.

Thank You to our 2016 Good Shepherd Legacy Society Members

Dorothy & Ray Berend
Clifton J. Bolner
Adele & Stephen M. Dufilho
Leticia R. & Norman D. Elder
Dr. M.C. Flores-Feist & John Feist
Raymond Hannigan
Cynthia & Mark Hoffmann
Kathy Hurst
Margaret A. & William R. Klesse
Rosemary Kowalski
Rev. Msgr. Lawrence Stuebben
Vivian & Louis Vance
C. Clark Welder
Three Diversified Investment Funds
NEW AS OF AUGUST 2016 WITH MINOR UPDATES IN APRIL 2017

**Catholic Community Foundation Endowment and Catholic Fraternity Fund**
**EQUITY EMPHASIS FUND**
AGGRESSIVE RISK

- Competitive returns with Catholic Socially Responsible Investing
- Based on Desired Return/Risk Levels
- Based on Investment Time Horizons
- The Minimum Amount to Start a Fund is $25,000
- Daily Liquidity – Deposits/Withdrawals
- Withdrawals settle within 3-6 business days
- Website with read only access to account:
  - Yesterday’s closed market values
  - History of statements, performance and transactions

**Catholic Fraternity Fund**
**BALANCED FUND**
MEDIUM RISK

**Catholic Fraternity Fund**
**INCOME EMPHASIS FUND**
MODERATE RISK

- Competitive returns with Catholic Socially Responsible Investing
- Based on Desired Return/Risk Levels
- Based on Investment Time Horizons
- The Minimum Amount to Start a Fund is $25,000
- Daily Liquidity – Deposits/Withdrawals
- Withdrawals settle within 3-6 business days
- Website with read only access to account:
  - Yesterday’s closed market values
  - History of statements, performance and transactions
INVEST WITH PURPOSE
When you entrust your funds to CCF, they grow through socially responsible investments managed by financial experts—and are reinvested by you for the good of the Catholic community.

OUR PATRON
ST. MATTHEW
The Episcopal Decree that created the Catholic Community Foundation for the Roman Catholic Church of the Archdiocese of San Antonio as an Autonomous Pious Foundation was signed on September 21, 2006 at San Fernando Cathedral, on the Feast of our patron – St. Matthew, the patron saint of bankers and accountants.

INVESTMENT OBJECTIVES
Competitive Returns with Catholic Socially Responsible Investing

- Sophisticated Local Investment Advisors: Sendero Wealth Management
- Top Notch Investment Committee
- Equities – Christian Brothers Investment Services (CBIS) - 100% Catholic SRI Compliant
- Passive Investments: 43% of the Endowment/Equity Emphasis Fund Index Funds: US Large Cap, US Small Cap, and REITS
- Active Managed Investments
  - PIMCO Total Return
  - AQR Market Neutral
  - Abbey Capital Futures Strategy
  - CBIS International Equity
- Annual Re-balancing of Accounts
- Investment Strategy and Tactics Monitored and Periodically Updated

THE CROSS
The Catholic Community Foundation’s logo was inspired by the iron cross believed to have topped the original dome of the 18th century San Fernando Cathedral in San Antonio. It is the oldest cathedral sanctuary in North America. Construction began in 1738 and was completed in 1750. The cross was inherited and preserved by members of the Herrera family and it remains on display at the museum located adjacent to the cathedral.
Annual Fees - Overall Average 1.65%

Money Manager Fees
Netted into returns
- 0.63% Endowment/Equity Emphasis Fund
- 0.66% Balanced Fund
- 0.71% Income Emphasis Fund

Administrative Fees
CCF/CFF and Sendero Wealth Management combined
- 1.25% on the first $1,250,000
- 1.10% on the next $1,250,000
- 0.95% on the next $2,500,000
- 0.70% on the balance

Transaction Fees
$37/$47 transaction fee is applied to each deposit
$10,000 and over, withdrawal and annual re-balance

HIS HOLINESS POPE FRANCIS & SAINT MATTHEW

The disciples must have been shocked when Jesus called Matthew, the unworthy tax collector, to follow him. The unique Latin phrase used by the English monk, the Venerable Bede (673-735), to describe the calling of Matthew was “miserando atque eligendo” - roughly translated: “Jesus had mercy on him and chose him.”

Our beloved Pope Francis said he discovered his priestly calling when he was seventeen years old after going to confession on the feast day of Saint Matthew. As Pope Francis, his Episcopal coat of arms bears the very words attributed to the unworthy tax collector.

MISERANDO ATQUE ELIGENDO
Jesus had mercy on him and chose him.

Assumption Seminary Seminarian Formation Endowment
Archbishop Gustavo García-Siller, M.Sp.S. with Seminarians
2016 - BY THE NUMBERS

**Historic Growth - Assets Under Management**

<table>
<thead>
<tr>
<th>Year</th>
<th>Managed Funds</th>
<th>Assets Under Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/31/17</td>
<td>91</td>
<td>$73,720,612</td>
</tr>
<tr>
<td>12/31/16</td>
<td>85</td>
<td>$68,440,843</td>
</tr>
<tr>
<td>12/31/15</td>
<td>85</td>
<td>$72,465,481</td>
</tr>
<tr>
<td>12/31/14</td>
<td>80</td>
<td>$73,349,936</td>
</tr>
<tr>
<td>12/31/13</td>
<td>68</td>
<td>$61,530,578</td>
</tr>
<tr>
<td>6/30/13</td>
<td>50</td>
<td>$46,980,285</td>
</tr>
<tr>
<td>6/30/12</td>
<td>43</td>
<td>$31,612,912</td>
</tr>
<tr>
<td>6/30/11</td>
<td>38</td>
<td>$31,492,505</td>
</tr>
</tbody>
</table>

**Annual Net Returns on Investments**

- **2012**: 13.1%
- **2013**: 11.7%
- **2014**: 2.6%
- **2015**: -3.6%
- **2016**: 3.6%
- **May 2017**: 6.3%
OUR VISION

To offer a vehicle for Catholic parishes, schools, universities, religious orders, agencies and philanthropists to invest funds that are professionally managed to achieve desired risk adjusted returns in strict accordance with our faith, and to strengthen the Catholic community.

Managed Endowment Funds

Ackermann Family Endowment Fund for St. Joan of Arc Catholic Church
Antonian College Preparatory High School Endowment
Archbishop José H. Gomez Ministry Endowment Fund
Archbishop Patricio F. Flores Endowment for Formation and Continuing Education of Priests
Archdiocese of San Antonio Poor Parishes Endowment Fund
Assumption Seminary Endowment Fund
Assumption Seminary Facilities Endowment Fund
Assumption Seminary Formation Endowment Fund
Catholic Cemeteries of San Antonio Endowment Fund
Catholic Charities of San Antonio Endowment Fund
Catholic Religious Women Education Endowment Fund
Church of the Holy Spirit Endowment Fund
Emery John Opiela Assumption Seminary Endowment Fund
Flores-Feist Acolyte Scholarship Endowment Fund, Brownsville, Texas
Friends of St. Peter-St. Joseph Children’s Home Endowment Fund
Hope for the Future Catholic Schools Endowment Fund
Immaculate Conception of the Blessed Virgin Mary Catholic Church Endowment Fund - Panna Maria, Texas
Notre Dame Catholic Church Endowment Fund, Kerrville, Texas
Notre Dame School, Kerrville, Texas Endowment Fund, Inc.
Old Spanish Missions Endowment Fund
Our Lady of Grace Church Endowment Fund
Sacred Heart Catholic School Endowment Fund – Uvalde, Texas
Sacred Heart School Endowment Fund – Floresville, Texas
San Fernando Cathedral Endowment Fund
St. Francis of Assisi Catholic Church Endowment Fund
St. James Catholic School Endowment for Student Scholarships in Memory of Henry and Josephine Glenewinkel Fund – Seguin, Texas
St. Joseph Catholic Church (Downtown) Endowment Fund
St. Mark the Evangelist Catholic Church Endowment Fund
St. Mary Catholic Church Endowment Fund – Stockdale, Texas
St. Peter Prince of the Apostle Catholic Church Endowment Fund
St. Pius X Catholic Church Endowment Fund
The Archives of the Archdiocese of San Antonio Endowment Fund
The Catholic Community Foundation Unrestricted General Fund
The Catholic Television of San Antonio (CTSA) Endowment Fund
“We believe we receive with one hand and give out with the other hand. Ultimately, it is Christ within who is the giver.”

- LETICIA R. ELDER
DONOR ADVISED MEMBER

LIKE THE PARABLE OF THE TALENTS,
the Catholic Community Foundation’s commitments to Service, Accountability and Results. Our Faith precedes policy and practice and calls us to a higher level of Stewardship.

Endowment Funds
The Gift that Keeps on Giving

- Catholic Community Foundation Endowment accounts are permanently restricted funds managed by the Foundation in perpetuity.

- The Endowment, which can be named for an organization, can be established in any amount over $10,000 and is permanently endowed in order to ensure the sustainability of the Endowment’s stated purpose. Endowment agreements cannot be undone by future administrations.

- Individuals may establish Endowment accounts to benefit a parish, Catholic institution, school, ministry or agency of their choice.

- Endowments provide for future income streams – i.e. with a 4 to 5% annual distribution of a 3-year average market value of the account, or all dividend and interest income, etc.

- Endowments can help raise and provide a steady path for a predictable and growing source of funds each year.

- Endowments assist with legal protection from creditors.

- Endowment Fund uses:
  - Operations
  - Ministry support
  - Facilities/Buildings
  - Scholarships
  - Cemetery
  - To be determined extra funds
Donor Advised Funds

Giving Generously and Effectively
Throughout Your Lifetime & Beyond

Create a legacy today for your parish or Catholic organization which provided financial resources for generations to come through a professionally managed Catholic Community Foundation Donor Advised Fund. A Donor Advised Fund provides turnkey solutions in fulfilling giving goals. Donors are assured their funds are managed in strict accordance with Catholic faith.

All investments are guided by the United States Conference of Catholic Bishops’ Statement on Socially Responsible Investment Guidelines. Funds provide competitive returns while being over 99% compliant with Catholic Socially Responsible Investing.

Parishioners can create a permanent legacy of faith, family & future through the establishment of a Donor Advised Fund. The minimum amount to start a fund is $25,000 and will receive immediate charitable tax deductions for each contribution to the account.

Donor Advised Fundholders recommend annual charitable gift distributions from their account to Catholic parishes, schools, seminaries, apostolates or other nonprofit organizations of their choice. The Catholic Community Foundation provides cost efficient account administration and can assist with evaluating giving opportunities.

Estate/Planned Giving

Creating A Lasting Impact

The Catholic Community Foundation encourages every Catholic to remember the Church in their planned giving through their Last Will and Testament or through other vehicles such as a gift of 401K, 403b, SEP, IRA beneficiary designations, Life Insurance, Beneficiary designations, Charitable Unitrusts, and Charitable Gift Annuities. Establish a planned giving gift that meets your goals - whether you would like to put your donation to work today or benefit a Catholic organization or ministry after your lifetime, the Foundation can assist you in finding a charitable plan that allows you to provide for your family and support the Catholic Community Foundation or any other Catholic ministry of your choice. Remember to consult with an estate planning attorney.

The Foundation offers you Planned Giving vehicles: Bequest, Charitable Gift Annuity (CGA), Charitable Remainder Trust (CRT), Charitable Unitrust, Donor Advised Fund, and Endowment Fund. There are many types of Planned Giving instruments available to you and your family depending on your philanthropic and estate goals. Let us assist you in finding the one that best serves your Planned Giving purpose.
Managed Investment Funds

ACTS Missions
Air Force Village II Catholic Congregation
Archdiocese of San Antonio
Archdiocese of San Antonio, Antonian College Preparatory School
- Paul Baltos, Jr. Scholarship
Carmelite Fathers of Marylake Trust, Little Rock, Arkansas
Catholic Cemetery of San Antonio
Catholic Charities of the Archdiocese of San Antonio
Children's Hospital of San Antonio Foundation
Church of the Holy Spirit
Discalced Carmelites of San Antonio
Gonzales Catholic Cemetery, Gonzales, Texas
Holy Family Church
Immaculate Conception of the Blessed Virgin Mary Catholic Church, Panna Maria, Texas
Immaculate Heart of Mary Catholic Church
Mary, Queen of the Universe Catholic Church, Comstock, Texas
Mexican American Catholic College Scholarships
Mission San Francisco de la Espada
Old Spanish Missions
Our Lady of Perpetual Help Catholic Church, Saspamco, Texas
Sacred Heart Catholic Church and School, Del Rio, Texas
Sacred Heart Catholic Church and School, Floresville, Texas
Seton Home
St. Andrew Catholic Church/St. Vincent de Paul
St. Ann Catholic Church
St. Bonaventure Catholic Church
St. Brigid Catholic Church
St. Gerard Catholic Church
St. Helena Catholic Church
St. James Cemetery, Seguin, Texas
St. Mary's University
St. Michael Catholic Church
St. Peter Prince of the Apostles Catholic Church and School
St. Peter-St. Joseph Children's Home
St. Timothy Catholic Church
AN AUTONOMOUS PIOUS FOUNDATION

All funds are managed and invested in accordance with the tenets of our Catholic faith

STEVE OSWALD, CEO/PRESIDENT

8122 Datapoint Drive, Suite 804, San Antonio, Texas 78229

Email: Steve.Oswald@ccftx.org

Telephone: 210.732.2153 • Fax: 210.732-2159

www.ccftx.org • www.catholicfund.us

STATEMENT OF DISCLAIMER

Any information contained in this communication and/or its attachments is not intended to be tax advice. The Catholic Community Foundation (CCF) and the Catholic Fraternity Fund (CFF) strongly suggest that you consult with a tax professional concerning any tax matter. Potential investors are advised to review the Catholic Fraternity Fund’s Disclosure Statement at: http://catholicfund.us/wp-content/uploads/2017/04/CFF_Disclosure_Statement_4-4-2017.pdf

• Neither Catholic Community Foundation, Catholic Fraternity Fund, nor the funds are registered as an investment company under the Investment Company Act of 1940 or as an investment adviser under the Investment Advisers Act of 1940.

• Participation in the funds is subject to certain risk factors described in the disclosure statement located at our website www.catholicfund.us

• Investments in the funds are not insured by the federal deposit insurance corporation (the “FDIC”) or any other governmental agency.

• No guarantee or representation is made that the funds will be successful, and investment results may vary substantially over time.

• Note: May not be available in all states.