



Audited Financial Statements

The Adopt-A-Student Foundation

June 30, 2025

# The Adopt-A-Student Foundation

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## Audited Financial Statements

June 30, 2025

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## **Independent Auditors' Report**

To the Board of Trustees of  
The Adopt-A-Student Foundation

### **Opinion**

We have audited the accompanying financial statements of The Adopt-A-Student Foundation, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Adopt-A-Student Foundation as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Adopt-A-Student Foundation, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Adopt-A-Student Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

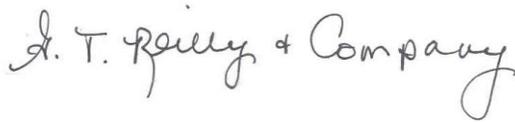
### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Adopt-A-Student Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability of The Adopt-A-Student Foundation to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in cursive script that reads "G.T. Reilly & Company". The signature is written in dark ink and is positioned above the printed name of the firm.

G.T. Reilly & Company

Milton, Massachusetts  
December 16, 2025

# The Adopt-A-Student Foundation

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## Statements of Financial Position

June 30

<b><u>Assets</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>
CURRENT ASSETS		
Cash and cash equivalents	\$ 182,691	\$ 317,536
Promises to give within one year (Note 5)	1,262,008	1,260,666
Due from affiliate (Note 8)	121,617	1,000
TOTAL CURRENT ASSETS	<u>1,566,316</u>	<u>1,579,202</u>
OTHER ASSETS		
Investments at fair value (Note 4)	70,450,307	59,611,060
Promises to give after one year (Note 5)	1,728,524	1,009,177
	<u>72,178,831</u>	<u>60,620,237</u>
	<u>\$ 73,745,147</u>	<u>\$ 62,199,439</u>
<b><u>Liabilities and Net Assets</u></b>		
CURRENT LIABILITIES		
Accrued expenses	\$ 111,883	\$ 109,348
NET ASSETS		
Donor restricted for benefit of Cathedral High School, Inc. (Note 6)	73,633,264	62,090,091
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 73,745,147</u>	<u>\$ 62,199,439</u>

## The Adopt-A-Student Foundation

### Statements of Activities and Changes in Net Assets

For the Years Ended June 30

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUES AND INVESTMENT INCOME						
Contributions of cash and other financial assets (Note 8)	\$ -	\$ 9,633,447	\$ 9,633,447	\$ -	\$ 11,657,885	\$ 11,657,885
Contributed services (Note 3)	83,700	-	83,700	35,440	-	35,440
Special event revenues	-	1,546,782	1,546,782	-	1,486,179	1,486,179
Less: write-downs and provisions for uncollectable promises to give	-	(200,000)	(200,000)	-	-	-
Support and revenues	83,700	10,980,229	11,063,929	35,440	13,144,064	13,179,504
Dividend and interest income	-	1,316,524	1,316,524	-	545,613	545,613
Realized and unrealized net gains on investments, net of investment fees	-	4,580,068	4,580,068	-	4,993,843	4,993,843
Net assets released from restriction (Note 6)	5,333,648	(5,333,648)	-	4,515,932	(4,515,932)	-
Total support, revenues and income	5,417,348	11,543,173	16,960,521	4,551,372	14,167,588	18,718,960
GRANTS AND EXPENSES						
Program:						
Grants to Cathedral High School (Note 8)	5,018,773	-	5,018,773	4,062,590	-	4,062,590
General and Administrative:						
Contributed services (Note 3)	32,900	-	32,900	21,040	-	21,040
Professional services	20,125	-	20,125	80,000	-	80,000
Total general and administrative	53,025	-	53,025	101,040	-	101,040
Fundraising:						
Contributed services (Note 3)	50,800	-	50,800	14,400	-	14,400
Professional event planning and fundraising	88,180	-	88,180	204,143	-	204,143
Special event expenses	200,903	-	200,903	166,378	-	166,378
Other expenses	5,667	-	5,667	2,821	-	2,821
Total fundraising	345,550	-	345,550	387,742	-	387,742
Total grants and expenses	5,417,348	-	5,417,348	4,551,372	-	4,551,372
CHANGE IN NET ASSETS	-	11,543,173	11,543,173	-	14,167,588	14,167,588
NET ASSETS AT BEGINNING OF YEAR	-	62,090,091	62,090,091	-	47,922,503	47,922,503
NET ASSETS AT END OF YEAR	\$ -	\$ 73,633,264	\$ 73,633,264	\$ -	\$ 62,090,091	\$ 62,090,091

# The Adopt-A-Student Foundation

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## Statements of Cash Flows

For the Years Ended June 30

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<b>\$ 11,543,173</b>	\$ 14,167,588
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Realized and unrealized net gains on investments	<b>(4,580,068)</b>	(4,993,843)
Contributions restricted for endowment	<b>(350,000)</b>	(300,000)
Changes in operating assets and liabilities:		
Promises to give	<b>(720,689)</b>	3,289,190
Due to/from affiliate	<b>(120,617)</b>	(1,000)
Accrued expenses	<b>2,535</b>	68,200
	<b><u>5,774,334</u></b>	<u>12,230,135</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	<b>(10,022,952)</b>	(15,388,252)
Sales of investments	<b>3,763,773</b>	2,875,590
	<b><u>(6,259,179)</u></b>	<u>(12,512,662)</u>
NET CASH USED IN INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions restricted for endowment	<b>350,000</b>	300,000
	<b><u>350,000</u></b>	<u>300,000</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<b>(134,845)</b>	17,473
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<b>317,536</b>	300,063
	<b><u>317,536</u></b>	<u>300,063</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<b><u>\$ 182,691</u></b>	<b><u>\$ 317,536</u></b>

# The Adopt-A-Student Foundation

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## Notes to Financial Statements

June 30, 2025

### Note 1 – Nature of Organization

The Adopt-A-Student Foundation (the "Foundation") was established in 1990 as a Massachusetts charitable trust. Under its current Trust agreement, the purpose of the Foundation and its distributions are to further educational purposes by providing financial assistance to Cathedral High School for the School's general education mission including, but not limited to, scholarships, educational programs, professional development of teachers, extracurricular activities, services for students, and facility maintenance and improvements.

### Note 2 – Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation – The accompanying financial statements of the Foundation are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as they apply to not-for-profit organizations. The Foundation presents in its statement of financial position and its statement of activities and changes in net assets two classes of net assets based on the existence or absence of donor-imposed restrictions as discussed below.

Accounting 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 amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue, support and expenses. Actual results could differ from those estimates. Estimates are involved in the process of allocating certain expenses to program services and supporting functions as further discussed below.

Net Assets Without Donor Restrictions – These are net assets available for use in general operations and not subject to donor restrictions. At its discretion, the Board of Trustees may designate net assets without restrictions for specific purposes.

Net Assets With Donor Restrictions – These net assets are subject to donor-imposed restrictions for the sole purpose of providing financial assistance to Cathedral High School. Some donor-imposed restrictions are temporary in nature, such as those that will be met with the passage of time, the occurrence of events or by the use of the funds for the benefit of Cathedral High School for use as specified by the donor. Other donor-imposed restrictions may be perpetual in nature where the donor stipulates that the funds be maintained in perpetuity, such as endowments.

Donor-restricted support is recorded as "net assets with donor restrictions" when received or pledged. When a temporary donor-imposed restriction expires, either by the use of the funds for the benefit of Cathedral High School for the specified purpose, or by the expiration of a time restriction, related amounts of "net assets with donor restrictions" are reclassified to "net assets without donor restrictions" and reported in the statement of activities as "net assets released from restrictions".

Contributions made with donor-imposed restrictions to maintain the principal in perpetuity, while allowing the use of income generated therefrom, are also classified as "net assets with donor restrictions". Income derived from the investment of these perpetual net assets is reported as an increase in "net assets without donor restrictions" or "net assets with donor restrictions", depending on the terms of the donor instrument. Unrealized gains or losses on perpetual net assets are reported as increases or decreases in "net assets with donor restrictions" unless the donor explicitly states otherwise. See Note 6 regarding restrictions on net assets.

## **Note 2 – Summary of Significant Accounting Policies (Cont.)**

Contributions – Nonreciprocal transactions where the Foundation receives cash, other assets or resources are treated as contributions for accounting purposes if the grantor or donor does not receive a benefit of commensurate value in return. If the resource provider receives something or a benefit of commensurate or significant value in return for the resources provided, the transaction, or part of it, is recognized as an exchange transaction.

Distinguishing between contributions and exchange transactions determines the appropriate accounting and reporting for a transaction. Transactions determined to be contributions are reported as revenue or support with or without donor restrictions as described above, Basis of Accounting and Financial Statement Presentation.

Conditional Grants and Contributions – Conditional grants and contributions are not recognized as revenue or support until they become unconditional, that is, at the time when the conditions on which they depend are substantially met (see Note 11).

Promises to Give – Promises to give to the Foundation that are in effect “unconditional”, are recorded at the present value of future cash flows. Promises to give that are to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional support in accordance with donor-imposed restrictions, if any, on the contributions and grants. Unless otherwise stated by the donor, promises to give to be paid over a period of years are considered “time restricted” to the period in which the payments are pledged to be made. Promises to give are stated net of an allowance for doubtful collection, when considered necessary, which would be reported on the face of the statement of financial position. The allowance is established via a provision for bad debts charged to operations. On a periodic basis, management evaluates recorded promises to give to the Foundation and establishes or adjusts its allowance to an amount it believes will be adequate to absorb possible losses on amounts that may become uncollectible, based on evaluations of the collectability of individual accounts, history of prior loss experience, and on current economic conditions. The accompanying statements of financial position do not include allowances for doubtful collection of promises at June 30, 2025 and 2024, as one was not considered necessary by management.

Contributed Services and Other Nonfinancial Assets – Contributed services to the Foundation are recognized as support with an equal amount recognized as expense at their estimated fair values if they create or enhance nonfinancial assets or if they require specialized skills that would need to be purchased if they were not donated (see Note 3).

Other contributed nonfinancial assets, such as property and equipment, are also recorded and reported as contributed support. The Foundation did not receive any contributed nonfinancial assets during the year ended June 30, 2025 or 2024. However, the Foundation did receive certain items to be sold at auction in connection with its annual events in 2025 and 2024. Contributed auction items are valued at the gross auction price ultimately received, which is included in “special event revenues” in the statement of activities.

Special Events Revenues and Expenses – Revenues from special events are recognized when the events take place, and they are reported gross in the statement of activities. Related event expenses are reported separately in the expense section of the statement.

Grants – Grants by the Foundation to Cathedral High School are recorded when cash is disbursed or when the funds are committed and promised before the end of a fiscal year (see Note 8).

Expenses by Nature and Function – The statement of activities and changes in net assets reports the Foundation’s expenses by natural classification and by function, either program or supporting functions. Certain expenses are charged directly to the program (support to Cathedral High School) or to supporting functions consisting of general and administrative services and fundraising. Occasionally, certain expenses may require allocation between program and/or supporting functions, which is made on a reasonable basis that is consistently applied. For the years ended June 30, 2025 and 2024, contributed services provided to the Foundation were allocated on the basis of estimated efforts.

## **Note 2 – Summary of Significant Accounting Policies (Cont.)**

Fair Value Measurements – Accounting standards for fair value measurement apply to assets and liabilities that are required to be reported at fair value on a recurring basis. The standards define fair value, establish a framework for measuring fair value and require disclosures about fair value measurements. The fair value measurement standards apply solely to the reporting of the Organization’s investments (see below and Note 3).

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Foundation considers highly-liquid investments with maturities of three months or less at purchase to be cash equivalents. The Foundation’s policy is to report cash equivalents maintained with its investment advisor as part of its investments (see Note 4).

Investments – The Foundation’s investments are reported at fair value. Realized and unrealized gains and losses are reflected in the statement of activities. Investments established from donor restricted funds are reported as non-current assets. (See Note 4)

Income Tax Status – The Foundation is recognized as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, whereby only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to income tax.

Evaluation of Subsequent Events – In accordance with generally accepted accounting principles, management has evaluated subsequent events involving the Foundation for potential recognition or disclosure in the accompanying financial statements. Subsequent events are events or transactions that occurred after June 30, 2025 through December 16, 2025, the date these financial statements were available to be issued.

## **Note 3 – Contributed Services**

During the course of any year, certain services may be provided to the Foundation, including administration, accounting and other professional services, at no charge. During the years ended June 30, 2025 and 2024, the Foundation received and recorded as support in its statement of activities contributed services provided by certain employees of Cathedral High School in the amount of \$83,700 and \$35,440, respectively, which were allocated between general and administrative and fundraising expenses as reported in the statements of activities. The value of the contributed services was based on the estimated personnel costs of the donor.

## **Note 4 – Investments**

The Foundation’s investments are reported in the statement of financial position at estimated fair values. Valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value accounting standards include a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The three tiers are defined as:

Level 1 – Observable inputs such as quoted prices in active markets.

Level 2 – Inputs other than Level 1 inputs that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions which are significant to the fair value measurement.

#### Note 4 – Investments (Cont.)

The Foundation's investments are primarily valued based on Level 1 inputs within the fair value hierarchy, with the exception of private equity, real estate and other funds, which are valued using Level 3 inputs. A summary of the original cost and current fair values of the investments is as follows:

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
U.S government money market & other funds	\$ 10,761,155	\$ 10,761,155	\$ 11,887,848	\$ 11,887,848
Fixed income funds	15,840,668	16,004,142	10,233,745	10,190,755
Equity securities and funds	30,708,779	39,483,824	29,130,342	33,652,536
Private equity & other	2,720,188	3,748,316	2,934,146	3,446,972
Private real estate funds	444,727	452,870	422,555	432,949
	<u>\$ 60,475,517</u>	<u>\$ 70,450,307</u>	<u>\$ 54,608,636</u>	<u>\$ 59,611,060</u>

Investments represent the following at June 30:

	<u>2025</u>	<u>2024</u>
Investments - donor restricted (Note 6):		
Restriction temporary in nature	67,650,307	57,511,060
Restriction in perpetuity	2,800,000	2,100,000
	<u>\$ 70,450,307</u>	<u>\$ 59,611,060</u>

Investment fees for the years ended June 30, 2025 and 2024 were \$140,543 and \$124,436, respectively, and have been netted against realized and unrealized gains and losses in the accompanying statements of activities.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain marketable securities, it is reasonably possible that changes in the values of marketable securities will occur in the near term, and that such changes could materially affect the amounts reported in the Foundation's statements of financial position.

#### Note 5 – Unconditional Promises to Give to the Foundation

Unconditional promises to give to the Foundation that are restricted for the support of Cathedral High School and its students have been recorded and are summarized as follows at June 30:

	<u>2025</u>	<u>2024</u>
Amounts due in:		
One year	\$ 1,262,008	\$ 1,260,666
One to five years	1,851,342	1,120,000
	<u>3,113,350</u>	<u>2,380,666</u>
Less unamortized discount	(122,818)	(110,823)
	<u>\$ 2,990,532</u>	<u>\$ 2,269,843</u>

Promises to give are recorded at the net present value of estimated future cash flows. The present values of promises made to be given after one year have been measured using a risk adjusted rate of 3% for both 2025 and 2024.

See Note 11 with regard to unrecorded conditional promises to give to the Foundation that existed at June 30, 2024.

## Note 6 – Net Assets with Donor Restrictions

The following is a summary of the Foundation’s net assets that are donor-restricted for the benefit and support of Cathedral High School and its students at June 30:

	<u>2025</u>	<u>2024</u>
Temporary in nature	\$ 70,783,264	\$ 59,590,091
Permanent in nature	<u>2,850,000</u>	<u>2,500,000</u>
	<u>\$ 73,633,264</u>	<u>\$ 62,090,091</u>

Net assets with donor restrictions that are permanent in nature total \$2,850,000 and \$2,500,000 at June 30, 2025 and 2024, respectively, and consist of endowment funds to be maintained in perpetuity, the income and gains from which are restricted for the support of Cathedral High School and its students.

Net assets with donor restrictions which are temporary in nature consist of amounts that are restricted for the following purposes at June 30:

	<u>2025</u>	<u>2024</u>
Cathedral High School support, scholarships & financial aid	\$ 2,007,214	\$ 1,947,472
Cathedral High School, quasi-endowment	63,811,775	54,379,714
Cathedral High School, campus ministry	4,541,180	3,008,669
Capital campaign expenses	-	10,170
Accumulated gains and income on endowment funds	<u>423,095</u>	<u>244,066</u>
	<u>\$ 70,783,264</u>	<u>\$ 59,590,091</u>

Net assets with donor restrictions that were temporary in nature were released from their restrictions and expended during the years ended June 30 as follows:

	<u>2025</u>	<u>2024</u>
Grants to Cathedral High School, Inc.	\$ 5,018,773	\$ 4,062,590
Capital campaign related expenses	10,170	188,643
Fundraising and operating expenses	<u>304,705</u>	<u>264,699</u>
	<u>\$ 5,333,648</u>	<u>\$ 4,515,932</u>

## Note 7 – Endowments and Quasi-Endowments

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation’s policies relating to endowments are summarized herein.

Interpretation of Relevant Law – Management views the Massachusetts Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the Foundation to preserve the fair value of donor-restricted endowment funds as of the gift date, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated as a permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. This is regarded as the “historic dollar value” of the endowment fund. Also included in net assets with donor restrictions is the accumulated appreciation on donor restricted endowment funds, which are available for expenditure in a manner consistent with donor intentions and the standard of prudence prescribed by UPMIFA.

## Note 7 – Endowments and Quasi-Endowments (Cont.)

Endowment Investment Policy – The Foundation has adopted an investment philosophy which, combined with the spending rate, attempts to provide a predictable stream of returns, thereby making funds available to programs that are supported by its endowment and quasi-endowment, while at the same time seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods.

Under the investment policy and spending rate, both of which are approved by the Board of Trustees, the endowment and quasi-endowment assets are invested in a manner that is intended to produce an inflation-adjusted return in excess of the spending rate over a long period of time. Actual returns in any given year may vary. The Foundation does not have an explicit targeted rate of return as part of its investment objectives.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate-of-return objectives, the endowments and quasi-endowments are invested with Brown Brothers Harriman (see Note 4). The Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized), and current yield (interest and dividends).

Changes in Endowment Net Assets – Endowment net assets and changes therein as of and for the years ended June 30 are as follows:

	Quasi-Endowment			Endowments With Donor Restrictions		
	Board Designated Quasi-Endowment	Donor Restricted Quasi-Endowment	Total	Temporary in Nature	Perpetual in Nature	Total
<u>For the year ended June 30, 2025:</u>						
Endowment net assets at beginning of year	\$ -	\$ 54,379,714	\$ 54,379,714	\$ 244,066	\$ 2,500,000	\$ 2,744,066
Contributions	-	7,785,910	7,785,910	-	350,000	350,000
Realized and unrealized gains on investments	-	5,140,656	5,140,656	275,203	-	275,203
Appropriation of endowment assets for expenditure	-	(3,494,505)	(3,494,505)	(96,174)	-	(96,174)
Endowment net assets at end of year	\$ -	\$ 63,811,775	\$ 63,811,775	\$ 423,095	\$ 2,850,000	\$ 3,273,095

	Quasi-Endowment			Endowments With Donor Restrictions		
	Board Designated Quasi-Endowment	Donor Restricted Quasi-Endowment	Total	Temporary in Nature	Perpetual in Nature	Total
<u>For the year ended June 30, 2024:</u>						
Endowment net assets at beginning of year	\$ -	\$ 41,415,061	\$ 41,415,061	\$ 89,657	\$ 2,200,000	\$ 2,289,657
Contributions	-	10,716,519	10,716,519	-	300,000	300,000
Realized and unrealized gains on investments	-	4,890,180	4,890,180	226,834	-	226,834
Appropriation of endowment assets for expenditure	-	(2,642,046)	(2,642,046)	(72,425)	-	(72,425)
Endowment net assets at end of year	\$ -	\$ 54,379,714	\$ 54,379,714	\$ 244,066	\$ 2,500,000	\$ 2,744,066

## Note 8 – Related Party Transactions

Cathedral High School has been the sole beneficiary of the Foundation. The Foundation and the School have some common members of their Boards of Directors/Trustees. The Foundation provided grants to the School totaling \$5,018,773 and \$4,062,590 during the years ended June 30, 2025 and 2024, respectively, which have been reflected in the accompanying statements of activities and changes in net assets.

During the years ended June 30, 2025 and 2024, the Foundation recorded revenue from trustees of the Foundation of \$5.8 million and \$10.5 million, respectively, representing approximately 52% and 80% of total support and revenues during fiscal year 2025 and 2024, respectively.

At June 30, 2025 and 2024, \$460,000 and \$205,000, respectively, of promises to give were due from trustees of the Foundation.

At June 30, 2025 and 2024, \$121,617 and \$1,000, respectively, was due from Cathedral High School to the Foundation.

## Note 9 – Financial Instruments, Credit Risk and Concentration Risk

The Foundation’s financial instruments that may be subject to concentrations of credit risk consist of cash, cash equivalents, investments and promises to give. A summary of financial instrument and other concentrations follows.

*Cash* – The Foundation’s cash and cash equivalents are maintained in a high-quality financial institution. At June 30, 2025, based on financial institution balances, the Foundation had no deposit balances in excess of the federal-insured limits.

*Investments* – The Foundation’s investments, valued at \$70,405,307 at June 30, 2025, are managed by one independent investment advisor. See Note 4 for a summary of the composition of investments.

*Support* – The Foundation receives its support and revenues from individuals, corporations, charitable organizations and other foundations located primarily within Massachusetts. During the years ended June 30, 2025 and 2024, approximately \$5,225,000 (47%) and \$10,272,000 (78%) of total support and revenues, respectively, was received from one individual donor (see Notes 8 and 11). Additionally, during the year ended June 30, 2025, the Foundation received \$2,000,000 of support from an unrelated foundation, which represented approximately 18% of total support and revenues.

*Promises to Give* – At June 30, 2025, \$1,800,000 of recorded promises to give to the Foundation is from four donors representing 58% of total recorded promises to give.

## Note 10 – Liquidity and Availability of Resources

The Foundation’s financial assets available within one year of June 30 for general expenditures are as follows:

	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash	\$ 182,691	\$ 317,536
Promises to give	2,990,532	2,269,843
Investments	70,450,307	59,611,060
Due from affiliate	121,617	1,000
Total financial assets	<u>73,745,147</u>	<u>62,199,439</u>
Less: permanently restricted net assets	(2,850,000)	(2,500,000)
Less: quasi-endowment	(63,811,775)	(54,379,714)
Less: net assets restricted for campus ministry	<u>(4,541,180)</u>	<u>(3,008,669)</u>
Financial assets available for general expenditure within one year	<u>\$ 2,542,192</u>	<u>\$ 2,311,056</u>

The Foundation is substantially supported by contributions which are primarily donor-restricted for the support of Cathedral High School and its students. The Foundation has a policy to structure its financial assets to be available and liquid as donor restrictions and other obligations come due. The majority of its operating expenses relate to special events held during the year, which coincides with when the related revenues and contributions are being received. The grants that are paid to Cathedral High School at the discretion of the Board of Trustees are on an as-needed basis and depend on the Foundation’s liquid position throughout the year. The amount of Board designated quasi-endowment funds has been deducted from the amount of financial assets considered available for general expenditure in the above schedule; however, the Board of Trustees reserves the right to remove its designation as quasi-endowment funds at its discretion. The Board’s intent is to withdraw from the quasi-endowment assets in accordance with the demonstrated operational financial needs of the School, or on an “as needed basis”. The Board’s goal is to maintain the purchasing power of the quasi-endowment assets held in perpetuity, as well as provide additional real growth through investment return.

**Note 11 – Cathedral Now, Cathedral Forever Campaign**

During Fiscal year 2025, the Foundation completed its 3-year campaign to provide for the long-term funding of Cathedral High School through a "board-designated quasi-endowment" for tuition scholarships and overall support of the School's operations in perpetuity, including maintenance of the facilities of the School. During the years ended June 30, 2025 and 2024, the Foundation recognized approximately \$9.6 million and \$11.5 million, respectively, in contribution revenue related to the campaign, approximately 87% of its total support and revenues for both years. Cumulatively, the Foundation has recognized support of \$53 million, through either receipt of cash or recording a satisfied conditional promise to give to the campaign. An additional \$7 million of conditional pledges to the campaign as part of each donor's respective estate planning are not reflected in the accompanying financial statements. Included in the \$53 million of cumulative recognized support related to the campaign is a satisfied conditional pledge by a donor at the start of the campaign in fiscal year 2022. The satisfaction of the conditional pledge was completed during fiscal year 2025 with a final cash contribution of \$5 million (\$10 million was contributed in 2024 under the conditional pledge).