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# Diocese of Lansing

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**Financial Report  
with Additional Information  
June 30, 2022**

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## Independent Auditor's Report

To the Most Reverend Earl A. Boyea  
Diocese of Lansing

### **Opinion**

We have audited the financial statements of the Diocese of Lansing (the "Diocese"), which comprise the balance sheet as of June 30, 2022 and 2021 and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Diocese as of June 30, 2022 and 2021 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 (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the Diocese and to meet our 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.

### **Emphasis of Matter**

As described in Note 1 to the financial statements, the financial statements being presented are only for funds for which the Diocese of Lansing retains operational control and do not reflect the assets, liabilities, and results of operations of parishes, schools, and other diocesan organizations. Accordingly, the accompanying financial statements are not intended to present the financial position of the parishes, schools, and other diocesan organizations as of June 30, 2022 and 2021 or the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **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 Diocese's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### **Auditor's Responsibilities for the Audits 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 auditor's 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 audits conducted in accordance with GAAS 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 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.

To the Most Reverend Earl A. Boyea  
Diocese of Lansing

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Diocese'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 Diocese's ability 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

*Plante & Moran, PLLC*

December 21, 2022

**Balance Sheet**

**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 4,127,451	\$ 7,176,761
Michigan no-fault self-insurance loss reserve	39,619	35,101
Investments (Note 3)	12,883,377	8,925,019
Accounts receivable - Net of allowance	1,450,305	1,307,360
Cemetery inventory	61,413	77,514
Unrecovered cost of crypts and niches	1,313,688	1,341,751
Undeveloped burial ground	85,000	85,000
Deposited in Parish Savings and Loan Trust	5,552,084	5,505,318
Invested in Catholic Foundation Agency Fund (Note 3)	4,296,495	4,572,642
Prepaid expenses and other current assets	281,692	259,703
Interest in net assets of Catholic Foundation of the Diocese of Lansing (Note 6)	11,392,119	12,111,585
Property and equipment:		
Land and buildings	12,814,393	12,775,042
Future sites	265,391	370,635
Equipment	987,274	974,414
Accumulated depreciation	<u>(7,602,034)</u>	<u>(7,427,486)</u>
Total property and equipment	<u>6,465,024</u>	<u>6,692,605</u>
Total assets	<b><u>\$ 47,948,267</u></b>	<b><u>\$ 48,090,359</u></b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,068,227	\$ 1,129,436
Unremitted collections	166,963	172,143
Related party accounts payable	-	123
Cemetery preneed deferred revenue	<u>3,696,374</u>	<u>3,416,321</u>
Total liabilities	4,931,564	4,718,023
<b>Net Assets</b>		
Without donor restrictions:		
Undesignated	3,949,802	3,758,928
Designated (Note 5)	21,084,364	20,199,460
With donor restrictions (Note 5)	<u>17,982,537</u>	<u>19,413,948</u>
Total net assets	<u>43,016,703</u>	<u>43,372,336</u>
Total liabilities and net assets	<b><u>\$ 47,948,267</u></b>	<b><u>\$ 48,090,359</u></b>

## Diocese of Lansing

# Statement of Activities and Changes in Net Assets

Years Ended June 30, 2022 and 2021

	2022	2021
<b>Changes in Net Assets without Donor Restrictions</b>		
Revenue, gains, and other support:		
Assessment receipts	\$ 2,712,327	\$ 2,768,394
Cemetery general receipts	1,729,561	1,813,236
Protected loss activities	785,330	765,836
Dividends	85,362	37,021
Bequests and donations	325,504	110,845
School assessment receipts	226,740	300,108
Program and project receipts	1,024,036	832,030
Net realized and unrealized losses on investments	(481,025)	(27,782)
Interest income	163,327	80,341
Gain (loss) on sale of fixed assets	135,294	(225,330)
Distribution from related entity	1,468,000	1,160,000
Paycheck Protection Program loan forgiveness (Note 13)	-	937,443
Net assets released from restrictions	7,127,208	6,293,684
	<u>15,301,664</u>	<u>14,845,826</u>
Total revenue, gains, and other support		
Expenses:		
Salaries and benefits	5,424,625	5,343,719
Tuition expense	870,645	785,051
Assessments	124,204	123,290
Subsidies - Grants	3,185,714	2,299,986
Offices expenses	1,699,871	1,052,686
Property and equipment	1,352,943	866,891
Cemetery cost of goods sold	265,267	321,795
Ministerial programming	927,957	582,716
Depreciation	386,940	423,404
Treasury Management Fund interest expense	44,547	30,730
	<u>14,282,713</u>	<u>11,830,268</u>
Total expenses		
<b>Increase in Net Assets without Donor Restrictions</b> - Before other changes in net assets without donor restrictions	1,018,951	3,015,558
<b>Other Changes in Net Assets without Donor Restrictions</b> - Recovery of loans and receivables (Note 1)	56,827	850
	<u>1,075,778</u>	<u>3,016,408</u>
<b>Increase in Net Assets without Donor Restrictions</b>		
<b>Changes in Net Assets with Donor Restrictions</b>		
Contributions	25,809	-
Bequests and donations	247,318	12,417
Investment (expense) income	(216,221)	313,323
DSA and Seminarian campaign release from restrictions	(6,129,447)	(5,526,929)
Other release from restrictions	(997,761)	(766,755)
Change in interest in net assets of Catholic Foundation of the Diocese of Lansing (Note 6)	5,638,891	9,286,543
Transfers - With donor restrictions (Note 7)	-	3,694,055
	<u>(1,431,411)</u>	<u>7,012,654</u>
<b>(Decrease) Increase in Net Assets with Donor Restrictions</b>		
<b>(Decrease) Increase in Net Assets</b>	(355,633)	10,029,062
<b>Net Assets</b> - Beginning of year	43,372,336	33,343,274
<b>Net Assets</b> - End of year	<u><u>\$ 43,016,703</u></u>	<u><u>\$ 43,372,336</u></u>

**Statement of Cash Flows**

**Years Ended June 30, 2022 and 2021**

	2022	2021
<b>Cash Flows from Operating Activities</b>		
(Decrease) increase in net assets	\$ (355,633)	\$ 10,029,062
Adjustments to reconcile (decrease) increase in net assets to net cash and cash equivalents from operating activities:		
Depreciation	386,940	423,404
Net loss on investments	481,025	27,782
Impairment (recovery) on loans and receivables - Net of change in allowance	56,827	(850)
Interest in net assets of Catholic Foundation of the Diocese of Lansing	(5,638,891)	(8,645,240)
(Gain) loss on sale of fixed assets	(135,294)	225,330
Forgiveness of debt	-	(937,443)
Changes in operating assets and liabilities that (used) provided cash and cash equivalents:		
Accounts receivable	(199,772)	116,164
Cemetery inventory	16,101	6,189
Unrecovered cost of crypts and niches	28,063	10,827
Prepaid expenses and other current assets	(21,989)	(51,685)
Accounts payable and accrued liabilities	(61,209)	274,327
Cemetery preneed deferred revenue	280,053	624,919
Deposits	(123)	(734)
Amount due to beneficiaries	-	(2,628)
Unremitted collections	(5,180)	53,231
	(5,169,082)	2,152,655
Net cash and cash equivalents (used in) provided by operating activities		
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant, and equipment	(516,285)	(168,611)
Proceeds from sale property, plant, and equipment	492,220	-
Proceeds from sale of investments	1,359,386	343,805
Purchases of investments	(5,798,769)	(4,138,581)
Net change in Parish Savings and Loan Trust and Catholic Foundation Agency Fund	229,381	(3,771,361)
	(4,234,067)	(7,734,748)
Net cash and cash equivalents used in investing activities		
<b>Cash Flows Provided by Financing Activities</b> - Distribution from beneficial interest in net assets of Catholic Foundation of the Diocese of Lansing	6,358,357	5,126,929
	(3,044,792)	(455,164)
<b>Net Decrease in Cash and Cash Equivalents</b>		
<b>Cash and Cash Equivalents</b> - Beginning of year	7,211,862	7,667,026
<b>Cash and Cash Equivalents</b> - End of year	<b>\$ 4,167,070</b>	<b>\$ 7,211,862</b>
<b>Balance Sheet Classification of Cash and Cash Equivalents</b>		
Cash and cash equivalents	\$ 4,127,451	\$ 7,176,761
Michigan no-fault self-insurance loss reserve	39,619	35,101
	<b>\$ 4,167,070</b>	<b>\$ 7,211,862</b>
Total cash and cash equivalents		

**June 30, 2022 and 2021**

**Note 1 - Nature of Business**

***Principles of Reporting***

The accompanying financial statements include only those funds for which the Diocese of Lansing (the "Diocese") retains operational control. The financial statements do not reflect the assets, liabilities, and results of operations of parishes, schools, and other diocesan organizations. The excluded organizations receive financial support from other sources, and their activities are accounted for separately. All interfund balances and activity with each other have been eliminated.

The Diocese of Lansing provides various services primarily in the central area of lower Michigan. A description of these services and the funds maintained by the Diocese is as follows:

***Central Services***

Central Services accounts for the operations of the central administrative offices of the Diocese. The main sources of income are the Diocesan Services Appeal (DSA) campaign held annually by the Catholic Foundation of the Diocese of Lansing and diocesan assessments levied on each parish.

***Cemetery***

Diocesan cemeteries account for the activities of St. Joseph Catholic Cemetery in Lansing, New and Old Calvary Cemeteries in Flint, St. Patrick Cemetery in Clinton County, St. Michael Byzantine Cemetery in Flint, All Saints Cemetery in Flint, and the central administrative and preneed offices. Diocese of Lansing Cemeteries, Inc. was established on July 1, 2022 to hold all diocesan cemeteries assets. Monetary cemeteries assets and most real property have since been transferred to the new corporation, while certain real property is in the process of being transferred. The impact of the transfer was a reduction in assets of approximately \$9.4 million, liabilities of \$3.8 million, and net assets of \$5.6 million.

***Protected Loss Activities***

The Michigan Catholic Conference (MCC) forwards a part of the participant contributions to the Diocese to cover costs of loss prevention-type activities that the Diocese conducts directly.

***Plant***

Plant activities include purchase, renovation, or rehabilitation of land, buildings, and equipment. Equipment is recorded at cost. Land and future parish sites are recorded at cost. Contributed assets are recorded at fair value at the date of the gift. Plant activities include costs associated with property and equipment used in the operations included in these financial statements. Costs of operating and maintaining land, buildings, and equipment of parishes, schools, and other diocesan institutions are excluded.

***Treasury Management***

This fund maintains cash and investments for the various funds of the Diocese.

***Designated & Restricted Gift***

Gift funds are limited for special purposes. Restrictions of net assets are donor-imposed limitations, and designations of net assets are management imposed.

**Note 2 - Significant Accounting Policies**

***Cash Equivalents***

The Diocese considers all investments with an original maturity of three months or less when purchased to be cash and cash equivalents. However, this excludes any cash that is included in the Diocese's investment portfolio.



**June 30, 2022 and 2021**

**Note 2 - Significant Accounting Policies (Continued)**

***Concentration of Credit Risk***

Custodial credit risk is the risk that, in the event of a bank failure, the Diocese's deposits may not be returned to it. At year end, a significant portion of the Diocese's cash balance was held at one financial institution and exceeds the Federal Deposit Insurance Corporation (FDIC) insurance limits. Management believes that, due to the dollar amounts of cash deposits and the type of accounts held, it is impractical to insure all deposits.

***Parish Savings and Loan Trust***

The Designated & Restricted Gift and Cemetery funds are participants in the Parish Savings and Loan Trust (the "Trust"). The Designated & Restricted Gift and Cemetery funds deposit excess funds into this program and earn interest. Interest was received at a rate of 2.0 percent during the years ended June 30, 2022 and 2021. Withdrawals are made by redeeming shares. Redemptions from the Savings and Loan Program can be made on a regular basis.

***Catholic Foundation Agency Fund***

The Designated & Restricted Gift Fund is a participant in the Catholic Foundation of the Diocese of Lansing Agency Fund. The Diocese deposits donor-restricted funds into this fund and earns market gains and losses. Withdrawals are made by requesting distribution. Withdrawals from the Catholic Foundation of the Diocese of Lansing Agency Fund can be made as needed.

***Accounts Receivable***

Accounts receivable are stated at invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal payment periods. All amounts deemed uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The allowance for doubtful accounts as of June 30, 2022 and 2021 was \$119,547 and \$175,658, respectively.

Amounts received from cemetery trusts, included in investments, receivables, and liabilities, represent a portion of the proceeds from the sale of preneed merchandise and services, deposited in accordance with state trusting laws with various financial institutions, together with accrued earnings. The Diocese will recognize and generally receive these amounts when the merchandise is delivered or the service is performed.

***Investments***

Investments are stated at fair value. Gifts of investment securities are initially recorded at fair value at the date of receipt. Investment income is recorded when earned.

***Unrecovered Cost of Crypts and Niches***

It is the policy of the Diocese to capitalize all land, drainage, landscaping costs, and costs of mausoleum crypts and columbarium niches. The costs of crypts and niches are charged to cost of sales as the entombment and interment rights are sold.

***Undeveloped Burial Ground***

Undeveloped burial ground represents cost of land not developed or available-for-sale burial rights at year end.

**Note 2 - Significant Accounting Policies (Continued)**

***Property and Equipment***

The Diocese maintains historical financial records of the cost of land, buildings, and certain equipment when purchased or at fair value at the date of gift, if contributed. Depreciation is calculated on the straight-line basis over the estimated useful lives of the various assets. The Diocese calculates depreciation on a straight-line basis over the estimated useful life of 3-10 years for equipment and 15-50 years for buildings.

Gifts of long-lived assets, such as land, buildings, or equipment, are reported as support without donor restrictions unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets must be maintained, and expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

***Contributions and Assessments***

The Diocese records revenue such as contributions and promises to give at fair value when received unconditionally. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met. Parish assessments are calculated on an annual basis and are recognized into revenue as received.

Distribution from related entity includes revenue received from Michigan Catholic Conference related to multiple programs administered by MCC. Each participating diocese pays premiums toward these programs, and excess funds are made available periodically to the Diocese.

***Revenue Recognition***

The Diocese generates its revenue from multiple sources, including program and project events, cemetery at-need conversions and sales, cemetery burial rights, and management fees. The related contract accounts receivable associated with these revenue streams totaled \$980,625, \$946,197, and \$709,064 as of June 30, 2022; June 30, 2021; and July 1, 2020, respectively.

For program and project events, the Diocese has performance obligations for a promise to deliver specific content on a specific date, time, and location to a customer. This is a distinct service and has the same pattern of transfer to the customer. The customer can benefit from the service on its own, and it is separately identifiable.

Under the typical payment terms, the customer purchases a ticket to the event based on published prices, explicitly stated. Revenue is recognized upon occurrence of the scheduled program or project event at a point in time.

For cemetery at-need conversions, the Diocese has a performance obligation for interment services at a specific time and location. For cemetery at-need sales, the Diocese has performance obligations for specific goods requested of the customer, which may include containers, memorial markers, and grave accessories.

Under the typical payment terms, the customer purchases at-need conversion services or merchandise based on stated rates per the contract or price list. The price allocated to each performance obligation is the stand-alone selling price of the service/good purchased. Any discounts are applied based on the established program and are applied to the applicable performance obligation. At-need conversion services are provided within a few hours; therefore, as a practical expedient, revenue is recognized at a point in time. Additionally, the customer takes control of the merchandise at the time of delivery, and installation work is generally short in nature; therefore, as a practical expedient, revenue is recognized at a point in time.

For cemetery burial rights, the Diocese has performance obligations for the right of the customer to be buried in a specific location upon death.

**Note 2 - Significant Accounting Policies (Continued)**

Under the typical payment terms, the customer purchases the right to be interred at a specific location upon death in the future. The Diocese bills customers and collects cash prior to the satisfaction of the performance obligation as required by state law, which results in the Diocese recognizing contract liabilities recorded as cemetery preneed deferred revenue on the balance sheet totaling \$3,696,374, \$3,416,321, and \$2,791,402 as of June 30, 2022; June 30, 2021; and July 1, 2020, respectively.

For management fees, the Diocese has performance obligations for services provided, including, but not limited to, accounting, human resources, legal, information technology, and administrative services.

Under the typical payment terms, the customer is billed based on the rate structure of the service provided, as stated per the contract. The Diocese recognizes revenue over time, using an output method of time elapsed over the contract period, as the Diocese stands ready to provide the promised services throughout the contract period.

***Functional Allocation of Expenses***

Costs of providing the program and support services have been reported on a functional basis in Note 9. Costs have been allocated between the various program and support services on several bases and estimates. Salaries and benefits are allocated based on the underlying job role, depreciation is allocated based on square footage dedicated to program or administrative purposes, and certain office expenses are allocated based on salaries and benefits expense. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

***Classification of Net Assets***

Net assets of the Diocese are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Diocese.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Diocese or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are released to net assets without donor restrictions.

***Tax Status***

The Diocese is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and the Diocese is a religious entity that is exempt from tax filings; therefore, a provision for income taxes has not been included in the financial statements.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2 - Significant Accounting Policies (Continued)**

***Risks and Uncertainties***

The Diocese invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the balance sheet.

***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including December 21, 2022, which is the date the financial statements were available to be issued.

**Note 3 - Investments**

A summary of investments held by the Diocese at June 30, 2022 and 2021 is as follows:

	2022	2021
National Catholic Investment Pool	\$ 9,882,275	\$ 6,180,873
Catholic Foundation Agency Fund - Underlying investments held in National Catholic Investment Pool	4,296,495	4,572,642
Certificates of deposit	101,492	105,529
Cemetery preneed escrow trust account	2,899,610	2,638,617
Total	\$ 17,179,872	\$ 13,497,661

**Note 4 - Fair Value Measurements**

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Diocese's assets measured at fair value on a recurring basis at June 30, 2022 and 2021 and the valuation techniques used by the Diocese to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Diocese has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Diocese's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

June 30, 2022 and 2021

**Note 4 - Fair Value Measurements (Continued)**

At June 30, 2022 and 2021, there was \$3,001,102 and \$2,744,146, respectively, in escrow trust cash accounts and certificates of deposit, which is not reflected within the fair value table below.

	Significant Other Observable Inputs (Level 2)	
	Assets Measured at Fair Value on a Recurring Basis at June 30, 2022	Assets Measured at Fair Value on a Recurring Basis at June 30, 2021
<b>Investments</b>		
National Catholic Investment Pool	\$ 9,882,275	\$ 6,180,873
Invested in Catholic Foundation Agency Fund - Assets held in the National Catholic Investment Pool	<u>4,296,495</u>	<u>4,572,642</u>
Total investments	<u>\$ 14,178,770</u>	<u>\$ 10,753,515</u>

The Diocese holds an interest in investments held in the National Catholic Investment Pool administered by the Michigan Catholic Conference at year end where the fair value of the investment held is estimated based on the underlying invested assets. The assets held by the National Catholic Investment Pool consist of investments in mutual funds, equity securities, fixed-income securities, and money markets for which an active market exists.

**Note 5 - Net Assets**

Net assets with donor restrictions and net assets without donor restrictions designated by the board are described as follows:

Central Services Fund - Net assets with time restrictions related to interest in net assets of the Catholic Foundation of the Diocese of Lansing

Cemetery Fund - Net assets restricted for purposes specified by the donors

Designated & Restricted Gift Fund - Net assets restricted related to interest in the net assets of the Catholic Foundation of the Diocese of Lansing and net assets restricted for purposes specified by the donors

Net assets with donor restrictions and net assets without donor restrictions designated by the board consist of the following amounts:

	<u>2022</u>	<u>2021</u>
Net assets without donor restrictions:		
Cemetery Fund	\$ 5,580,197	\$ 5,293,191
Protected Loss Activities Fund	132,918	97,881
Plant Fund	5,875,143	6,146,781
Designated & Restricted Gift Fund	<u>9,496,106</u>	<u>8,661,607</u>
Total net assets without donor restrictions	<u>\$ 21,084,364</u>	<u>\$ 20,199,460</u>

**June 30, 2022 and 2021**

**Note 5 - Net Assets (Continued)**

	2022	2021
Net assets with donor restrictions:		
Central Services Fund - Interest in net assets of the Catholic Foundation of the Diocese of Lansing	\$ 6,522,358	\$ 6,387,487
Designated & Restricted Gift Fund - Interest in net assets of the Catholic Foundation of the Diocese of Lansing	4,869,761	5,724,098
Designated & Restricted Gift Fund - Other donor-restricted net assets	6,581,555	7,293,500
Cemetery Fund - Donor-restricted net assets	8,863	8,863
Total designated net assets with donor restrictions	\$ 17,982,537	\$ 19,413,948

**Note 6 - Beneficial Interest in Assets Held by Third Parties**

The Diocese is named as a sole beneficiary to the Diocesan Services Appeal campaign administered by the Catholic Foundation of the Diocese of Lansing. The Catholic Foundation of the Diocese of Lansing has solicited contributions from donors for the benefit of the Diocese. The Diocese's interest in the Catholic Foundation of the Diocese of Lansing was \$6,522,358 and \$6,387,487 related to the DSA annual campaigns at June 30, 2022 and 2021, respectively.

The Diocese is named sole beneficiary to certain endowments transferred to the Catholic Foundation of the Diocese of Lansing during the years ended June 30, 2022 and 2021. At June 30, 2022 and 2021, the Diocese's interest in the Catholic Foundation of the Diocese of Lansing was \$4,869,761 and \$5,724,098, respectively, related to endowments in which the Diocese is the specified beneficiary. The change in corpus and accumulated earnings above corpus of these endowments are reflected in donor-restricted net assets.

**Note 7 - Net Asset Transfers**

During 2021, the Catholic Foundation of the Diocese of Lansing, a related party of the Diocese, transferred net assets consisting of investments of \$3,694,055 to the Diocese. This transfer was related to donor-restricted assets that will be managed by the Diocese.

**Note 8 - Self-insurance**

The Diocese participates in a self-insurance plan (the "Insurance Plan") with other Michigan dioceses for workers' compensation, liability, and property coverage. The Insurance Plan is managed by the Michigan Catholic Conference, and claims are administered by a third-party administrator. Initial losses of up to \$1,000,000 for workers' compensation, \$1,000,000 for liability, and \$1,000,000 for property per occurrence are the direct responsibility of the Insurance Plan. Premiums paid to the Insurance Plan by the Diocese are recorded in the expenses of the Protected Loss Activities Fund.

The Insurance Plan's specific reinsurance carrier is responsible for all claims in excess of \$1,000,000 for workers' compensation, \$1,000,000 for liability, and \$1,000,000 for property per occurrence, as well as property losses up to a limit of \$100,000,000 per occurrence for workers' compensation, \$100,000,000 per occurrence for liability, and \$260,000,000 per occurrence for property. As of June 30, 2022, the Insurance Plan was responsible for aggregate losses of up to \$8,963,822 annually. The Diocese, along with the other dioceses included in the Insurance Plan, is contingently liable for claims in excess of these amounts. The Diocese has not recorded any contingencies on its balance sheet related to the MCC insurance plan, as there are sufficient funds held by MCC to cover any expected losses.

**Note 8 - Self-insurance (Continued)**

The Diocese is authorized by the Michigan Department of Insurance and Financial Services to self-insure no-fault risk for certain vehicles for the 12-month certification periods ended June 30, 2022 and 2021. An authorized self-insurer is required to establish a fully funded loss reserve to pay claims that are anticipated in or submitted for payment during the certification period to pay claims that have been incurred and submitted before then but have not yet been paid. The loss reserve for the Diocese has been determined by a qualified actuary and fully funded as of the commencement of the current certification period.

**Note 9 - Functional Expenses**

The Diocese provides various services to its members. Expenses related to providing these services are as follows for the year ended June 30, 2022:

	Program Services	Management and General	Total
Salaries and benefits	\$ 4,319,645	\$ 1,104,980	\$ 5,424,625
Tuition expense	870,645	-	870,645
Assessments	124,204	-	124,204
Subsidies - Grants	3,185,714	-	3,185,714
Office expenses	1,459,060	240,811	1,699,871
Property and equipment	890,771	462,172	1,352,943
Cemetery cost of goods sold	265,267	-	265,267
Ministerial programming	748,651	179,306	927,957
Depreciation	310,155	76,785	386,940
Treasury management interest expense	44,547	-	44,547
<b>Total</b>	<b>\$ 12,218,659</b>	<b>\$ 2,064,054</b>	<b>\$ 14,282,713</b>

Expenses related to providing services are as follows for the year ended June 30, 2021:

	Program Services	Management and General	Total
Salaries and benefits	\$ 4,198,478	\$ 1,145,241	\$ 5,343,719
Tuition expense	785,051	-	785,051
Assessments	123,290	-	123,290
Subsidies - Grants	2,299,986	-	2,299,986
Office expenses	861,086	191,600	1,052,686
Property and equipment	557,384	309,507	866,891
Cemetery cost of goods sold	321,795	-	321,795
Ministerial programming	387,328	195,388	582,716
Depreciation	312,301	111,103	423,404
Treasury management interest expense	30,730	-	30,730
<b>Total</b>	<b>\$ 9,877,429</b>	<b>\$ 1,952,839</b>	<b>\$ 11,830,268</b>

**Note 10 - Multiemployer Pension Plans**

The Diocese participates in the Michigan Catholic Conference Lay Employees Retirement Plan (the "Plan"), a multiemployer defined benefit pension plan that covers substantially all lay employees. The plan number and employer identification number of the Plan is 20-1769136.



**Note 10 - Multiemployer Pension Plans (Continued)**

Contributions to the Plan were approximately \$333,000 and \$332,000 for the years ended June 30, 2022 and 2021, respectively. Contributions to the Plan are based on a percentage (8.6 percent for June 30, 2022 and 2021) of covered employees' wages. Based on information as of June 30, 2022, the year end of the Plan, and June 30, 2021, the Diocese's contributions to the Plan did not represent more than 5 percent of the total contributions received by the Plan.

The financial risks of participating in multiemployer plans are different from single-employer defined benefit pension plans in the following respects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer discontinues contributions to a plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If a participating employer chooses to stop participating in a plan, a withdrawal liability may be created based on the unfunded vested benefits for all employees in the plan.

Specific plan information for the Diocese is not available from the Plan's administrator. If the Diocese withdraws its participation in the Plan, the Diocese would be responsible for making a contribution for its proportional share of any unfunded liability. The withdrawal liability would be calculated by the actuaries, as outlined in the plan document at the time of withdrawal. The following information is based on the financial statements of the Plan as of June 30, 2022:

	Michigan Catholic Conference Lay Employees <u>Retirement Plan</u>
Total plan assets	\$ 1,324,306,837
Actuarial present value of accumulated plan benefits as of July 1, 2021	\$ 1,487,030,595
Total contributions received by the Plan	\$ 27,860,394
Indicated level of funding	89.06 %

**Note 11 - Contingent Liabilities**

The Diocese is contingently liable in respect to litigation and claims incidental to the ordinary course of its operations. In the opinion of management, based on its consultation with legal counsel, the amount of loss, if any, is unknown at this time. Therefore, no provision has been made in the accompanying financial statements for losses that might result from the ultimate disposition of these matters.



June 30, 2022 and 2021

**Note 12 - Liquidity and Availability of Resources**

The following reflects the Diocese's financial assets as of June 30, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

	2022	2021
Cash and cash equivalents	\$ 4,127,451	\$ 7,176,761
Michigan no-fault self-insurance loss reserve	39,619	35,101
Accounts receivable - Net of allowances	1,450,305	1,307,360
Investments	12,883,377	8,925,019
Deposited in Parish Savings and Loan Trust	5,552,084	5,505,318
Invested in Catholic Foundation Agency Fund	4,296,495	4,572,642
Interest in net assets of Catholic Foundation of the Diocese of Lansing	11,392,119	12,111,585
Financial assets - At year end	39,741,450	39,633,786
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Donor-restricted corpus associated with interest in net assets of the Catholic Foundation of the Diocese of Lansing	4,706,726	4,703,951
Restricted by donor with time or purpose restrictions	6,962,850	6,884,905
Contractually restricted Michigan no-fault self-insurance loss reserve	39,619	35,101
Long-term portion of cemetery accounts receivable	648,143	510,208
Contractually restricted cemetery escrow investment	2,899,610	2,638,617
Earnings on donor-restricted beneficial interest not appropriated by the board for expenditure within one year	-	762,562
Board designations	3,220,329	3,220,329
Financial assets available to meet cash needs for general expenditures within one year	\$ 21,264,173	\$ 20,878,113

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

The Diocese has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet six months of normal operating expenses, which are, on average, approximately \$6,900,000 and \$5,500,000 at June 30, 2022 and 2021, respectively. The Diocese has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Diocese invests cash in excess of daily requirements in various short-term investments, including money market and short-term treasury instruments.

The Diocese also realizes there could be unanticipated liquidity needs.

**Note 13 - Paycheck Protection Program Loan Forgiveness**

During the year ended June 30, 2020, the Diocese received a loan of \$928,800 from a bank, pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act's Paycheck Protection Program. The note structure required diocesan officials to certify certain statements that permitted the Diocese to qualify for the loan. The structure also provides for up to 100 percent of the borrowed amount to be forgiven if the loans' proceeds are used for permitted purposes described in the agreement.

During the year ended June 30, 2021, the SBA approved the loan for forgiveness on March 17, 2021; as a result, the \$928,800 loan and associated interest was recognized as Paycheck Protection Program loan forgiveness revenue within the statement of activities and changes in net assets.

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## Additional Information

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### Independent Auditor's Report on Additional Information

To the Most Reverend Earl A. Boyea  
Diocese of Lansing

We have audited the financial statements of the Diocese of Lansing as of and for the years ended June 30, 2022 and 2021 and have issued our report thereon dated December 21, 2022, which contained an unmodified opinion on those financial statements.

Our audits were performed for the purpose of forming an opinion on the 2022 financial statements as a whole. The schedules on pages 18 through 29 are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the 2022 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2022 financial statements as a whole.

#### ***Emphasis of Matter***

As described in Note 1 to the financial statements, the financial statements being presented are only for funds for which the Diocese of Lansing retains operational control and do not reflect the assets, liabilities, and results of operations of parishes, schools, and other diocesan organizations.

*Plante & Moran, PLLC*

December 21, 2022

**Central Services Fund  
Balance Sheet**

**June 30, 2022 and 2021**

	2022	2021
<b>Assets</b>		
Invested in Treasury Management Fund	3,761,903	3,514,848
Accounts receivable - Net of allowance	401,490	499,243
Prepaid expenses	243,080	219,692
Interest in net assets of the Catholic Foundation of the Diocese of Lansing	6,522,358	6,387,487
Total assets	<b>\$ 10,928,831</b>	<b>\$ 10,621,270</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	443,305	469,730
Unremitted collections	13,366	5,125
Total liabilities	456,671	474,855
<b>Net Assets</b>		
Without Donor Restriction - Undesignated	3,949,802	3,758,928
With Donor Restriction	6,522,358	6,387,487
Total net assets	10,472,160	10,146,415
Total liabilities and net assets	<b>\$ 10,928,831</b>	<b>\$ 10,621,270</b>

**Central Services Fund**  
**Statement of Activities and Changes in Net Assets**

**June 30, 2022 and 2021**

	2022	2021
<b>Changes in Net Assets without Donor Restriction</b>		
Revenue:		
Diocesan assessments	\$ 2,712,327	\$ 2,768,394
Interest	-	44,092
Bequests and donations	248,784	104,203
Program and project receipts:		
Charities	10,000	20,000
Finance	542,171	652,262
Formation	7,891	2,198
New evangelization	135,777	145
Chancery	280	-
Vocations	156,605	104,342
Curia	200	200
Communications	-	27,750
Education and catechesis	112,804	15,904
Grants, assessments, and other	33,043	33
Total revenue	3,959,882	3,739,523
Net assets released from restriction - DSA and Seminarian campaigns released from restriction	6,129,447	5,526,929
Total revenue and net assets released from restriction	10,089,329	9,266,452
Expenses:		
Chancery services	1,089,646	1,266,943
Charities	728,073	641,965
Human resources	327,546	286,850
Formation	531,358	556,095
Communications	428,765	447,328
Education and catechesis	663,368	385,678
Finance	1,582,833	1,365,325
New evangelization	576,151	196,582
Vocations	1,503,012	1,458,413
Grants, assessments, and other ministries	1,893,982	1,685,829
Total expenses	9,324,734	8,291,008
<b>Increase in Net Assets without Donor Restriction - Before other changes</b>	764,595	975,444
<b>Other Changes in Net Assets without Donor Restriction</b>		
Bad debt recovery	138,599	-
Transfers between funds	(712,320)	(863,629)
<b>Increase in Net Assets without Donor Restriction</b>	190,874	111,815
<b>Changes in Net Assets with Donor Restriction</b>		
Change in interest in net assets of the Catholic Foundation of the Diocese of Lansing	6,264,318	8,169,357
DSA and Seminarian campaigns release from restriction	(6,129,447)	(5,526,929)
<b>Increase in Net Assets with Donor Restriction</b>	134,871	2,642,428
<b>Increase in Net Assets</b>	325,745	2,754,243
<b>Net Assets - Beginning of year</b>	10,146,415	7,392,172
<b>Net Assets - End of year</b>	<b>\$ 10,472,160</b>	<b>\$ 10,146,415</b>

**Cemetery Fund  
Balance Sheet**

**June 30, 2022 and 2021**

	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 294,367	\$ 358,231
Invested in Parish Savings and Loan Trust	3,220,329	3,220,329
Accounts receivable - Net of allowance	980,625	946,197
Cemetery inventory	61,413	77,514
Prepaid expenses	(18,658)	(284)
Unrecovered cost of crypts and niches	1,313,688	1,341,751
Undeveloped burial ground	85,000	85,000
Investments	2,899,610	2,638,617
Equipment and real estate:		
Equipment	461,845	424,569
Real estate:		
Land and buildings	1,618,257	1,539,850
Accumulated depreciation	(1,490,221)	(1,418,595)
Net equipment and real estate	589,881	545,824
Total assets	<b>\$ 9,426,255</b>	<b>\$ 9,213,179</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 140,821	\$ 344,804
Loan from Treasury Management Fund	-	150,000
Cemetery pre-need deferred revenue	3,696,374	3,416,321
Total liabilities	3,837,195	3,911,125
<b>Net Assets</b>		
Without Donor Restriction - Designated	5,580,197	5,293,191
With Donor Restriction	8,863	8,863
Total net assets	5,589,060	5,302,054
Total liabilities and net assets	<b>\$ 9,426,255</b>	<b>\$ 9,213,179</b>

**Cemetery Fund**  
**Statement of Activities and Changes in Net Assets**

**June 30, 2022 and 2021**

	2022	2021
<b>Changes in Net Assets without Donor Restriction</b>		
Revenue:		
General receipts	\$ (19,962)	\$ 148,735
Products and services	1,651,319	1,599,027
Investment and other income	98,204	65,474
Total revenue	1,729,561	1,813,236
Expenses:		
Product costs	265,267	321,795
Operational costs	1,391,076	1,258,352
Total expenses	1,656,343	1,580,147
<b>Increase in Net Assets without Donor Restriction - Before other changes</b>	73,218	233,089
<b>Other Changes in Net Assets without Donor Restriction-</b>		
Transfers between funds	221,710	152,772
Loan forgiveness	75,000	425,000
Bad debt expense	(82,922)	-
<b>Increase in Net Assets without Donor Restriction</b>	287,006	810,861
<b>Net Assets - Beginning of year</b>	5,302,054	4,491,193
<b>Net Assets - End of year</b>	<b>\$ 5,589,060</b>	<b>\$ 5,302,054</b>

Protected Loss Activities Fund  
Balance Sheet

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Invested in Treasury Management Fund	\$ 79,608	\$ -
Accounts receivable - Net of allowance	78,805	72,631
Prepaid expenses	57,270	40,135
Michigan no-fault self-insurance loss reserve	<u>39,619</u>	<u>35,101</u>
Total assets	<u><b>\$ 255,302</b></u>	<u><b>\$ 147,867</b></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b> - Accounts payable	\$ 122,384	\$ 49,986
<b>Net Assets without Donor Restriction</b> - Designated	<u>132,918</u>	<u>97,881</u>
Total liabilities and net assets	<u><b>\$ 255,302</b></u>	<u><b>\$ 147,867</b></u>



**Protected Loss Activities Fund**  
**Statement of Activities and Changes in Net Assets**

**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Revenue</b>		
Participant premiums	\$ 653,926	\$ 668,125
Other income	131,404	97,711
Distribution from related entity	<u>1,468,000</u>	<u>1,160,000</u>
Total revenue	2,253,330	1,925,836
<b>Expenses - Insurance service fees and other</b>	<u>1,274,417</u>	<u>777,567</u>
<b>Increase in Net Assets - Before other changes</b>	978,913	1,148,269
<b>Other Changes in Net Assets</b>		
Transfer between funds	<u>(943,876)</u>	<u>(1,129,633)</u>
<b>Increase in Net Assets</b>	35,037	18,636
<b>Net Assets - Beginning of year</b>	<u>97,881</u>	<u>79,245</u>
<b>Net Assets - End of year</b>	<u><b>\$ 132,918</b></u>	<u><b>\$ 97,881</b></u>

**Plant Fund  
Balance Sheet**

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**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Equipment and real estate:		
Equipment	525,429	549,845
Real estate:		
Land and buildings	11,196,136	11,235,192
Future sites	265,391	370,635
Accumulated depreciation	<u>(6,111,813)</u>	<u>(6,008,891)</u>
Net equipment and real estate	<u>5,875,143</u>	<u>6,146,781</u>
Total assets	<u><b>\$ 5,875,143</b></u>	<u><b>\$ 6,146,781</b></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b> - Accounts payable	\$ -	\$ -
<b>Net Assets without Donor Restriction</b> - Designated	<u>5,875,143</u>	<u>6,146,781</u>
Total liabilities and net assets	<u><b>\$ 5,875,143</b></u>	<u><b>\$ 6,146,781</b></u>

Plant Fund

Statement of Activities and Changes in Net Assets

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Revenue</b>		
Gain (loss) on dispositions	\$ 135,294	(225,330)
Net revenue	135,294	(225,330)
<b>Expenses</b>		
Depreciation	328,470	363,435
Repairs and maintenance	3,205	12,582
Equipment	1,959	5,627
Total expenses	<u>333,634</u>	<u>381,644</u>
<b>Decrease in Net Assets - Before other changes</b>	(198,340)	(606,974)
<b>Other Changes in Net Assets</b>		
Transfer between funds	<u>(73,298)</u>	115,149
<b>Decrease in Net Assets</b>	(271,638)	(491,825)
<b>Net Assets - Beginning of year</b>	<u>6,146,781</u>	<u>6,638,606</u>
<b>Net Assets - End of year</b>	<u><b>\$ 5,875,143</b></u>	<u><b>\$ 6,146,781</b></u>

**Treasury Management Fund  
Balance Sheet**

**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 3,833,084	\$ 6,818,530
Investments	9,983,767	6,286,402
Prepaid expenses and other assets	-	25
Loans:		
Other diocesan funds included in these financial statements	-	205,291
Allowance for doubtful loans	-	(55,416)
Net loans	<u>-</u>	<u>149,875</u>
Total assets	<u><b>\$ 13,816,851</b></u>	<u><b>\$ 13,254,832</b></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 369,519	\$ 472,392
Deposits	<u>13,447,332</u>	<u>12,782,440</u>
Total liabilities	13,816,851	13,254,832
<b>Net Assets without Donor Restriction - Designated</b>	<u>-</u>	<u>-</u>
Total liabilities and net assets	<u><b>\$ 13,816,851</b></u>	<u><b>\$ 13,254,832</b></u>

Treasury Management Fund  
Statement of Activities and Changes in Net Assets

June 30, 2022 and 2021

	2022	2021
<b>Revenue</b>		
Interest	\$ 163,251	\$ 131,689
Dividends	85,362	37,021
Net realized and unrealized loss on investments	(481,025)	(27,782)
Total revenue	(232,412)	140,928
<b>Expenses</b>		
Distributions to depositors	(263,924)	119,691
Designated and self-supporting activity	107,662	447,087
Total expenses	(156,262)	566,778
<b>Decrease in Net Assets without Donor Restrictions - Before other changes</b>	(76,150)	(425,850)
<b>Other Changes in Net Assets without Donor Restrictions-</b>		
Transfers between funds	75,000	(512,443)
Loan forgiveness	-	937,443
Bad debt recovery	1,150	850
<b>Decrease in Net Assets</b>	-	-
<b>Net Assets - Beginning of year</b>	-	-
<b>Net Assets - End of year</b>	\$ -	\$ -

**Designated & Restricted Gift Fund  
Balance Sheet**

**June 30, 2022 and 2021**

	2022	2021
<b>Assets</b>		
Invested in Treasury Management Fund	\$ 9,605,821	\$ 9,267,593
Deposited in Parish Savings and Loan Trust	2,331,755	2,284,990
Invested in Catholic Foundation Agency Fund	4,296,495	4,572,642
Interest in net assets of the Catholic Foundation of the Diocese of Lansing	4,869,761	5,724,098
Prepaid expenses	-	135
Total assets	<b>\$ 21,103,832</b>	<b>\$ 21,849,458</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 2,813	\$ 3,235
Unremitted collections	7,038	6,764
Amounts due beneficiaries	146,559	160,254
Total liabilities	156,410	170,253
<b>Net Assets</b>		
Without Donor Restrictions	9,496,106	8,661,607
With Donor Restrictions	11,451,316	13,017,598
Total net assets	20,947,422	21,679,205
Total liabilities and net assets	<b>\$ 21,103,832</b>	<b>\$ 21,849,458</b>

**Designated & Restricted Gift Fund  
Statement of Activities and Changes in Net Assets**

**June 30, 2022 and 2021**

	2022	2021
<b>Changes in Net Assets without Donor Restrictions</b>		
Revenue:		
Interest	\$ 76	\$ 57,483
Bequests and donations	76,720	6,642
School assessment receipts	226,740	300,108
Program and project receipts	25,265	9,196
Total revenue	328,801	373,429
Net assets released from restrictions - Satisfaction of restriction	997,761	766,755
Total revenue and net assets released from restrictions	1,326,562	1,140,184
Expenses:		
Grants	1,640,417	702,607
Administrative expenses	284,430	108,440
Total expenses	1,924,847	811,047
<b>(Decrease) Increase in Net Assets without Donor Restrictions -</b>		
Before other changes	(598,285)	329,137
<b>Other Changes in Net Assets without Donor Restrictions -</b>		
Transfers between funds	1,432,784	2,237,784
<b>Increase in Net Assets without Donor Restrictions</b>	834,499	2,566,921
<b>Changes in Net Assets with Donor Restrictions</b>		
Bequests and donations	247,318	2,297,407
Grant Income	25,809	-
Investment (loss) income	(216,221)	313,323
Transfer from the Catholic Foundation of the Diocese of Lansing	-	1,409,065
Change in interest in net assets of the Catholic Foundation of the Diocese of Lansing	(625,427)	1,117,186
Net assets released from restrictions	(997,761)	(766,755)
<b>(Decrease) Increase in Net Assets with Donor Restrictions</b>	(1,566,282)	4,370,226
<b>(Decrease) Increase in Net Assets</b>	(731,783)	6,937,147
<b>Net Assets - Beginning of year</b>	21,679,205	14,742,058
<b>Net Assets - End of year</b>	<b>\$ 20,947,422</b>	<b>\$ 21,679,205</b>