

MISSION STATEMENT

Carl Koch's belief that he was "just a steward of the finances given by God to use on His behalf" inspired the commitment he and his wife, Paula, made to founding the Koch Foundation in 1979. The Foundation's goals are to strengthen and to propagate the Roman Catholic faith by providing grant support for a wide variety of evangelization efforts. In considering applications, major emphasis is placed on sound but financially needy evangelical programs. The Koch Foundation is international in scope with no geographical preference.



Carl and Paula Koch

Letter From The EXECUTIVE DIRECTOR

The Holy Father has called for a *Year of Faith* from 11 October 2012 until 24 November 2013, the Solemnity of Christ the King. This *Year of Faith* coincides with two important anniversaries of our Church: the 50th anniversary of the opening of Vatican Council II, called by Blessed Pope John XXIII on 11 October 1962 and the 20th anniversary of the promulgation of the *Catechism of the Catholic Church* by Blessed Pope John Paul II on 11 October 1992.

Pope Benedict XVI encourages each of us to familiarize ourselves with some of the basic documents that followed the council. He suggests we begin with *Gaudium Et Spec* and include some of the encyclicals of John Paul II, such as *Laboren Exercents* and *Sollicitude Rei Socialis*. Participation in these components of the *Year of Faith* will provide us, as Disciples of Christ, with the means to enhance our understanding of the foundations of our faith.

Becoming familiar with the *Catechism of the Catholic Church* during the *Year of Faith* will lead us naturally to be more effective witnesses to the Gospel of Jesus Christ. The catechism speaks of the tradition of the Church but its language responds to contemporary issues. As we gain more confidence in our understanding of our faith, we may feel more comfortable in sharing the faith with others. We can also witness our faith by committing ourselves to daily recitation of the Rosary, wearing a crucifix or attending a Bible study offered at our parish.

The *Year of Faith* should, as Pope Benedict XVI states, "...contribute to a renewed conversion to the Lord Jesus, so that the members of the Church will be joy-filled witnesses to the Risen Lord..." The *Year of Faith* itself is a witness to the new evangelization which is at the core of the Koch Foundation.

We do not have to wait until the start of the celebration of the Year of Faith to begin witnessing to the world our love of Christ. We can begin by participating more frequently in the Eucharist and giving assistance to our brothers and sisters in need. All we have to do is to follow the Holy Father's call to renew our friendship with Christ and let Him strengthen our faith. Only then can we share our joy in Him with confidence and proclaim the new evangelization to the world.

In Christ's Name,

Carolyn Young

Year of the Faith Annual Report Introduction

Pope Benedict XVI has declared October 2012 through November of 2013 "the Year of Faith," a special celebration for all Catholics to renew their conversion to the Lord and reaffirm their faith in Christ. During this special year, His Holiness is hoping to see an increased focus on the liturgy, especially the Eucharist and the celebration of the mystery of the faith as the source of the new evangelization.

This special observance also coincides with the anniversaries of two major events in the life of the Church: the fiftieth anniversary of the Second Vatican Council opened by Blessed Pope John XXIII in 1962 and the twentieth anniversary of the first publication of the Catechism of the Catholic Church in 1992. The Holy Father wants the Year of the Faith to focus on a better understanding of the Council and the Catechism of the Church, "making it more widely and deeply known" throughout the Church. The Year of the Faith will target the need to not only study the Catechism of the Church but also for us to gain a better understanding of the Creed, Liturgy, and Catholic way of life and prayer so that we may see the face of Christ in everyone we encounter. Knowing that Christ is our Savior is a basic tenet of our Faith and, through a thorough knowledge and understanding of our beliefs, we become more confident in inviting others to join and experience His love.

Unfortunately, many Catholics are unaware of what the Catholic Church actually teaches. Some practice "cafeteria style" Catholicism, choosing which parts of the faith they wish to follow, while others profess the Creed but live their faith only through attendance at Mass. Both of these practices confirm what the Second Vatican Council warned of—separation of faith and life. During this period we are invited to deepen and further our relationship with God as part of our daily lives. We are called to reflect on our individual responsibility to authentically receive God so that, by becoming beacons of His light, we may collectively brighten an increasingly dim path to His love.

In his apostolic letter explaining the Year of Faith, Pope Benedict XVI states, "The Door of Faith is always open." It starts with our Baptism and continues to usher us into our faith through the reception of the Sacraments. We live in a new missionary age and our faith is a gift to rediscover, cultivate, and witness to a new generation. As the Holy Father explains, "faith and charity require each other" and thus our hearts, minds, and actions must be unified if we are to open the Door of Faith to others.

As we join His Holiness in reviewing the Catechism of the Catholic Church, may its words reignite and fortify the flames of faith within us. A facsimile of this fire, however beautiful, can never spread the same light or warmth. During this year, let us choose always the wonders of grace over "saving face" and answer by both action and word to all those who inquire "Are you Christ's companion?" with a firm and resounding "Yes!"

"Peter replied, 'Repent and be baptized, every one of you, in the name of Jesus Christ for the forgiveness of your sins. And you will receive the gift of the Holy Spirit.""

Acts 2:38

The Year of the Faith is meant to be a time of personal renewal through rediscovery of the tenets of the Church. Faith invites us to open ourselves fully to God's love, the Holy Father reminds us, but this gift can only be accepted through intimate knowledge of Christ's creed. Only through this knowledge can we become truly effective catechists and live according to His word. Once cleansed anew by the power of the Holy Spirit, we may then, together, reflect the light of His glory to those searching in darkness and evangelize the world.

The Koch Foundation funds Direct Evangelization programs and religious activities that directly support, strengthen, and spread the Catholic proclamation of Christ's Gospel.



Kim Ngoc Parish - Binh Thuan, Viet Nam



Adoration Sisters of the Holy Face of Jesus -Mabolo, Philippines



Dominican Sisters, Congregation of Blessed Imelda - Bratislava, Slovakia

Talitha Kum Children's Home	
Sacred Heart of Jesus Missionary Sisters	. New York, New York, USA \$11,500.00
Congregation of the Sisters of the Eucharistic Jesus	. Kaunas, Lithuania \$10,000.00
Beaumont Diocese	
Los Angeles Archdiocese	
St. Joseph Church	
Life Experience & Faith Sharing Association	
St. William Catholic Church	. Keystone Heights, Florida, USA \$11,000.00
Healy-Murphy Center	. San Antonio, Texas, USA \$15,000.00
Baker Diocese	
Don Bosco Mission Complex	3
Order of Friars Minor, Venetian Province of St. Anthony of Padua	•
Franciscan Spiritual Center	_
Chanda Diocese	. Maharashtra, India \$10,000.00
Kurnool Diocese	. Andhra Pradesh, India \$10,000.00
Missionary Sisters of Therese of the Child Jesus	Iringa, Tanzania
St. John's Secondary School	
Przemysl Archdiocese	
Guest House, Inc.	
Dismas Ministry, Inc.	. Milwaukee, Wisconsin, USA \$25,000.00
Sisters of the Holy Faith	. Downey, California, USA \$19,400.00
Catholic Rural Ministry II, Oil City Deanery	. Oil City, Pennsylvania, USA \$15,000.00
Redemptoristine Nuns (Order of the Most Holy Redeemer), Cebu Archdiocese	
Holy Trinity Church	
Holy Child Senior High School	
All Hallows College	
Union of Sisters of the Presentation of the Blessed Virgin Mary	. Co. Kildare, Ireland \$15,000.00
Dindigul Catholic Diocesan Society	. Tamil Nadu, India \$9,000.00
St. Francis of Assisi Catholic Church	
Diocese of St. Augustine	
Vicariato Apostolico de Camiri	
St. Felix of Cantalice Sisters, Mother of God Queen of Poland Province .	
St. Francis of Assisi Church	
Mary Immaculate Church, Pacoima	. Pacoima, California, USA \$15,000.00
Reno Diocese	. Reno, Nevada, USA \$20,000.00
Glenmary Home Missioners	
Daughters of St. Mary of Providence	
The Evangelical Catholic	
Catholic Rural Ministry	. Port Allegany, Pennsylvania, USA \$8,000.00
Guntur Diocese	. Andhra Pradesh, India \$10,000.00
Dibrugarh Diocese	. Assam, India \$15,000.00
St. Peter Claver Socio-Cultural Center	
Santa Rosa Diocese	
Franciscan Center for Reflection	
Our Lady of Guadalupe Parish	
Sisters of Mercy, U.S. Province	
Sisters of the Cross and Passion	. Middleton, Manchester, England \$15,000.00

(CONTINUED)

	0.1
	Orissa, India
	St. Louis, Missouri, USA \$10,000.00
	Tucson, Arizona, USA \$15,000.00
	use Citrus Heights, California, USA \$11,000.00
	Asuncion, Paraguay \$10,000.00
,	Milwaukee, Wisconsin, USA \$10,000.00
	Siauliai, Lithuania \$5,000.00
	Chicago, Illinois, USA \$15,000.00
	Springfield, Missouri, USA \$15,000.00
	Albuquerque, New Mexico, United States \$15,000.00
	Towson, Maryland, USA \$15,000.00
	Oakland, California, USA \$15,000.00
	Kerala, India \$10,000.00
	St. Louis, Missouri, USA \$8,000.00
	Washington, District of Columbia, USA \$20,000.00
Benedictine Sisters, Benet Hill Monastery, Inc	Colorado Springs, Colorado, USA \$20,000.00
El Paso Diocese	El Paso, Texas, USA \$20,000.00
Sekondi-Takoradi Diocese	
Claretian Missionaries, Chennai Province	Tamil Nadu, India \$9,678.00
St. Mary's Catholic Center	College Station, Texas, USA \$15,000.00
Vincentians on Mission Ember Team	Dublin, Ireland \$15,000.00
Our Lady of Loreto Catholic Church	Foxfield, Colorado, USA \$5,000.00
Christ the King Catholic Church	Fulton, Mississippi, USA \$8,500.00
Charis Ministries	Chicago, Illinois, USA \$12,840.00
St. Luigi Scrosoppi Sorgsentrum	Oudtshoorn, Western Cape, South Africa \$15,000.00
Carmelite Communities Associated	Baltimore, Maryland, USA \$15,000.00
	Fargo, North Dakota, USA \$20,000.00
Griffin Center	St. Louis, Illinois, USA \$1,600.00
Lay Mission-Helpers Association	Los Angeles, California, USA \$15,000.00
Mother Bentivoglio Federation of Poor Clare Monasterie	s Minneapolis, Minnesota, USA \$15,000.00
	e Baltimore, Maryland, USA \$15,000.00
St. Thomas Aguinas Catholic Center	Boulder, Colorado, USA \$15,000.00
Comboni Missionary Sisters, Korogocho Health Centre	Nairobi, Kenya \$15,000.00
	Moorhead, Minnesota, USA \$15,000.00
Franciscan Renewal Center	Scottsdale, Arizona, USA \$20,000.00
	Accra, Ghana \$15,000.00
	Cali-Valle del Cauca, Colombia \$20,000.00
	Lombard, Illinois, USA \$10,000.00
	New York, New York, USA \$40,000.00
	New Orleans, Louisianna, USA \$20,000.00
	Brong Ahafo Region, Ghana \$12,500.00
	Hawthorne, Florida, USA \$9,000.00
	Rancho Palos Verdes, California, USA \$30,000.00
	ration Lviv, Ukraine
9	ration Lviv, Ukraine
	Tororo, Uganda
	Oakland, California, USA \$20,000.00

(CONTINUED)

St. Mary, Mother of the Redeemer Church		
Our Divine Saviour Catholic Church		
St. Luke Institute		
Pathanamthitta Diocese		
Mount Tabor Center		
Belleville Diocese		
Franciscan Missionary Brothers, St. John de Britto Southeast Region		
Kadapa Diocese		
Irinjalakuda Diocese		
Muvattupuzha Diocese		
LAMP Ministries, Inc		
Springfield Diocese in Illinois		
Passionist Community, Holy Cross Province		
Lafayette Diocese		
Dominican Sisters of Peace		
Dominican Sisters of Peace	. Columbus, Ohio, USA	\$20,000.00
Dodge City Diocese	. Dodge City, Kansas, USA	\$15,000.00
St. Lawrence Catholic Campus Center	. Lawrence, Kansas, USA	\$10,000.00
New Ulm Diocese	. New Ulm, Minnesota, USA	\$15,000.00
Amate House	. Chicago, Illinois, USA	\$10,000.00
St. Matthew Catholic Church	. Winter Haven, Florida, USA	\$15,000.00
Franciscan Sisters of St. Aloysius Gonzaga	. Tamil Nadu, India	. \$9,977.41
Aquinas High School	. Augusta, Georgia, USA	\$10,000.00
Dominican Sisters, Congregation of Blessed Imelda	. Bratislava, Slovakia	\$20,000.00
Maronite Servants of Christ the Light	. Dartmouth, Massachusetts, USA	\$15,000.00
Immaculate Heart Retreat Center	. Spokane, Washington, USA	\$10,000.00
Washington Jesuit Academy	. Washington, District of Columbia, USA .	.\$15,000.00
Benedictine Academy	. Elizabeth, New Jersey, USA	\$10,000.00
St. Augustine Church and Catholic Student Center	. Gainesville, Florida, ÚSA	\$15,000.00
Sacred Heart Church of St. Paul	. St. Paul, Minnesota, USA	. \$7,850.00
Order of Friars Minor	. Rome, Italy	\$15,000.00
Jesuit Refugee Service USA	. Washington, District of Columbia, USA	\$15,000.00
Jesuit High School		
Catholic Volunteer Network		
Catholic Charities, Diocese of Palm Beach	. Palm Beach Gardens, Florida, USA	. \$8,000.00
Rapid City Diocese		
Stockton Diocese		
Paulist Evangelization Ministries		
Our Lady of Victory Catholic Church		
St. Joseph Sisters of St. Augustine		
Congregation of the Holy Family, Kripajyothi Province		
Dominican Sisters of Peace		
Ursuline Sisters of Cleveland		
Our Lady of Hope Catholic Parish		
St. Pius X Church		
Servants of St. Camillus Disaster Relief Services, Inc		
Sion Catholic Community for Evangelism, Brentwood Diocese .		
St. Gabriel the Archangel Parish		
5	,	,

(CONTINUED)

Mary & Joseph Retreat Center St. Thomas Catholic Church Bishop Ward High School Maria High School Catholic Charities of La Crosse Diocese. St. Vincent de Paul Society of San Mateo County Church of the Resurrection Heart's Home USA L'Arche USA Sisters of the Adoration of the Blessed Sacrament, Jyothirgamaya Franciscan Friars of the Atonement Winona Diocese Chinese Lay Missionaries Fairbanks Diocese Our Lady of the Lake Catholic Community Christ the King Jesuit College Preparatory School Santa Cruz Catholic Church Kottayam Diocese Society of Jesus South Poland Province	. Kerala, India \$6,000.00 . Kansas City, Kansas, USA \$15,000.00 . Chicago, Illinois, USA \$15,000.00 . La Crosse, Wisconsin, USA \$12,000.00 . San Mateo, California, USA \$15,000.00 . Lakeland, Florida, USA \$15,000.00 . Woodbourne, New York, USA \$15,000.00 . Portland, Oregon, USA \$15,000.00 . Kerala, India \$9,500.00 . Garrison, New York, USA \$15,000.00 . Winona, Minnesota, USA \$15,000.00 . Hsingchung, Taipei Hsien, Taiwan \$20,000.00 . Fairbanks, Alabama, USA \$15,000.00 . Ashland, Wisconsin, USA \$15,000.00 . Chicago, Illinois, USA \$15,000.00 . Tucson, Arizona, USA \$20,000.00 . Kerala, India \$10,000.00
Kottayam Diocese	. Kerala, India \$10,000.00
Society of Jesus, South Poland Province	. Jacksonville, Florida, USA \$15,000.00 . South River, New Jersey, USA \$10,000.00

TOTAL \$2,475,224.78

PREPARATION OF EVANGELISTS

"Jesus appeared to the disciples and said to them: Go into the whole world and proclaim the Good News to all creation."

Mark 16:15

The Holy Father stresses that belief is never a private act. For those who hear God's call to commit their life to spreading His Word, this statement is especially true. By refusing to hide their light, laity and religious together brighten the Pentecostal flame in their efforts towards conversion worldwide. To support vocations to the Church and reflect their examples of faith is to publicly heed Christ's call to action and present ourselves in solidarity as disciples to all of His creation.

The Koch Foundation funds Preparation of Evangelists formation programs and religious activities that prepare individuals and groups to proclaim the Good News of salvation through the Catholic faith.



Living Stones Catholic Community - Kaunas, Lithuania



Kasana-Luweero Diocese - Luweero, Uganda



Parish Visitors of Mary Immaculate -Monroe, New York

Jesuit School of Theology of Santa Clara University	. Berkeley, California, USA	\$15,000.00
Marianist Brothers, US Province	St. Louis, Missouri, USA	\$11,400,00
Intercongregational Institute of Philosophic Formation of Mexico		
John Paul II Newman Center		
Society of the Divine Word, Chicago Province	. Techny, Illinois, USA	\$20,000.00
Zamora en Ecuador Vicariate		
Lumen Christi Institute		
International Theological Institute for Studies on Marriage and the Family .	. Trumau, Austria	\$15,000.00
Order of Friars Minor	. Rome, Italy	\$20,000.00
Cagayan de Oro Archdiocese		
Our Lady of Victories Parish		
Franciscan Sisters of Little Falls, Minnesota	. Little Falls, Minnesota, USA	\$15,000.00
Panevezys Diocese	. Panevezvs, Lithuania	\$10,000.00
Yauyos Prelature		
Brooklyn Diocese	· ·	
Catholic Charismatic Renewal, Ghana		
Society of Jesus, Peruvian Province	. Lima, Peru	. \$8,000.00
Instituto Fe y Vida	. Stockton, California, USA	\$10,000.00
Franciscan School of Theology, Franciscan Friars, St. Barbara Province		
Bhopal Archdiocese		
Nha Trang Diocese		
Panevezys Diocese	. Panevezys, Lithuania	\$15,000.00
Sisters of St. Agnes	. Fond du Lac, Wisconsin, USA	\$15,000.00
Holy Child Jesus Society, American Province		
	· ·	
Catholic Student Center & St. Mary's Chapel	_	
Samoa-Pago Pago Diocese		
Thomas More College of Liberal Arts	. Merrimack, New Hampshire, USA	\$10,000.00
Catholic Christian Outreach Canada, Inc	Ottowa, Ontario, Canada	\$15,000,00
RENEW International		
Dominican Sisters of Peace		
St. Augustine College of South Africa		
Boise Diocese	. Boise, Idaho, USA	\$15,000.00
Diphu Diocese		
Ternopil - Zboriv Eparchy		
Volunteer Missionary Movement		
Holy Cross Hospital, Inc	. Fort Lauderdale, Florida, USA	\$20,000.00
Sinsinawa Dominicans	. Bowling Green, Kentucky, USA	\$15,000.00
Society of Mary, New Zealand		
Jesuit Volunteer Corps		
Society of Jesus, South Poland Province		
Kabankalan Diocese	. Kabankalan City, Negros Occidental, Philippines .	\$10,000.00
Cabrini Mission Corps	. Radnor, Pennsylvania, USA	\$15,000.00
Damongo Diocese	the state of the s	
St. Paul's Outreach, Inc.		
School Sisters of St. Francis		
Chaithanya Pastoral Center	. Kerala, India	\$10,927.08
Montfort Missionaries, U.S. Province	. Ozone Park, New York, USA	\$10,000.00
,	, , , , , , , , , , , , , , , , , , , ,	

(CONTINUED)

Our Lady of the Lake University of Can Antonia	Can Antonio Toyas LICA	¢15,000,00
Our Lady of the Lake University of San Antonio		
Melipilla Diocese		
Servants of the Plan of God		
Servants of the Plan of God		
Lasallian Volunteers of Cameroon	· ·	
St. Jean Baptiste Parish, Sassier		
Puerto Plata Diocese		
Huancavelica Diocese		
Sioux Spiritual Center		
Gregorio de Laferrere Diocese	, 3	
Puerto Plata Diocese		
St. Albert's College, Ranchi		
Amarillo Diocese		
Boston Archdiocese		
Missionaries of the Sacred Heart		
Yauyos Prelature		
Dominican Order of the Catholic Church, Mexican Province		
Military Services, USA Archdiocese		
Redemptoris Mater Archdiocesan Missionary Seminary		
Community of St. Paul, Inc.		
Redemptoris Mater Diocesan Seminary		
Purwokerto Diocese		
Purwokerto Diocese		
Benedictine Monks of Chicago	9 1	
Carmelite Missions		
Carmelite Missions		
Order of Friars Minor of Umbria, St. Francis' Friary Monteluco		
Las Cruces Diocese		
Congregation of St. Therese of Lisieux		
Redemptorist Fathers, Northern Brazil		
Mahenge Diocese		
Franciscan Province of Blessed Junipero, Baja California		
Sacred Heart Major Seminary		
Augustinian Order, Our Mother of Good Counsel Province		
Congregation of the Resurrection	Chicago, Illinois, USA	\$15,000.00
Order of Friars Minor, Seraphic Province of St. Francis	Santa Maria degli Angeli (PG), Italy	\$20,000.00
Las Cruces Diocese	Las Cruces, New Mexico, USA	\$20,000.00
Little Flower Congregation	Kerala, India	\$18,889.00
Gregorian University Foundation	New York, New York, USA	\$20,000.00
St. Ephrem's Theological College	Madhya Pradesh, India	\$13,334.00
Order of Friars Minor, Seraphic Province of St. Francis	Santa Maria degli Angeli (PG), Italy	\$20,000.00
Bureau of Catholic Indian Missions	Washington, District of Columbia, USA	\$20,000.00
Franciscan Missionary Brothers, St. Joseph's Province	Kerala, India	\$20,000.00
Franciscan Missionaries of the Eternal Word	Irondale, Alabama, USA	\$20,000.00
Oblates of the Virgin Mary, St. Ignatius Province		
Schoenstatt Fathers, Secular Institute	Waukesha, Wisconsin, USA	\$20,000.00
Montfort Missionaries, U.S. Province	Ozone Park, New York, USA	\$20,000.00

(CONTINUED)

Discolard Courselite Frienc Celifernia Asiana Bussiana	Dadlarda California IICA	\$20,000,00
Discalced Carmelite Friars, California-Arizona Province		
Franciscan Friars, St. Francis of Assisi Province		
University of St. Mary of the Lake/Mundelein Seminary		
Belleville Diocese		
Notre Dame Seminary Graduate School of Theology		
Holy Cross Congregation, Indiana Province		
Sioux Falls Diocese		
Archdiocesan Missionary Redemptoris Mater Seminary		
Congregation of the Sacred Heart of Jesus, Hue		
Marianist Brothers, US Province		
Eparchy of Our Lady of Lebanon of Los Angeles		
Order of Friars Minor	•	
Order of Friars Minor		
Order of Friars Minor, Umbrian Province	•	
Order of Friars Minor	•	
Order of Friars Minor	•	
Order of Friars Minor		
Order of Friars Minor		
Order of Friars Minor		
Jesuits of the New Orleans Province		
Clerics Regular of St. Paul, Manila		
Casa Jesus	9	
Holy Cross Congregation, Eastern Province, Inc		
Gaylord Diocese		
Catholic Near East Welfare Association		
Franciscan Friars, Vice Province of St. Benedict of the Amazon		
Santarem Diocese		
Missionaries of the Sacred Hearts of Jesus and Mary		
Society for the Propagation of the Faith, US National Office		
Caguas Diocese		
Society of the Precious Blood, Vicariate of Tanzania	Dar-es-Salaam, Tanzania	. \$20,000.00
St. Ann Sisters	Londrina CEP, Parana, Brazil	. \$15,000.00
Bernardine Franciscan Sisters		
Institute Servants of the Lord and the Virgin of Matara, Immaculate Conception Province	New York, New York, USA	. \$15,000.00
Missionary Sisters of the Immaculate Heart of Mary	St. Croix, US Virgin Islands, USA	. \$25,000.00
Poor Clares of Perpetual Adoration	Andhra Pradesh, India	. \$20,000.00
Poor Clare Sisters	Lome, Togo	. \$10,000.00
Daughters of Mary Immaculate Congregation	San Antonio, Texas, USA	. \$11,764.00
St. Ann Sisters	Bamenda, Cameroon	. \$20,000.00
Poor Clares of Nigeria	Ijebu-Ode, Ogun State, Nigeria	. \$20,000.00
Monastery of the Holy Family	San Ysidro, California, USA	. \$15,000.00
Daughters of Mary Help of Christians, Sacred Heart of Jesus Province	Karnataka, India	. \$20,000.00
Bikira Maria Association of Poor Clares	Kokstad, South Africa	. \$20,000.00
School Sisters of Notre Dame, District of Africa	St. Louis, Missouri, USA	. \$20,000.00
Lovers of the Holy Cross Sisters, Los Angeles	Gardena, California, USA	. \$20,000.00
Carmelite Missions		
Carmelite Missions	Darien, Illinois,USA	. \$12,000.00
Carmelite Missions	Darien, Illinois,USA	. \$10,000.00

(CONTINUED)

TOTAL \$3,126,834.08

CATHOLIC SCHOOLS

"Hear, O children, a father's instruction; be attentive, that you may gain understanding! Yes, excellent advice I give you; my teaching do not forsake."

Proverbs 4:1, 2

Faith, His Holiness notes, begins with a willingness to listen, learn, and obey God's teachings. Through Catholic schools across the globe, children, like Christ's Apostles, learn to open their hearts to the Lord and receive His holy instruction. Today, many Catholic schools struggle to survive in the face of economic hardship, but remain dedicated to the spiritual needs of all children. To ensure the faith and wisdom of the next generation, teachers and parents understand that God's teachings cannot be discarded.

The Koch Foundation supports funding for schools in poor areas where Catholic Schools are the primary means of evangelization. The Foundation also funds innovative programs that have the potential for providing future Church leaders.



Holy Angels' Girls School of Hope - Kalutara, Sri Lanka



Kim Ngoc Parish - Binh Thuan, Viet Nam

CATHOLIC SCHOOLS

	C	÷20,000,00
St. Gerard Catholic High School		
Marist Brothers of the Schools		
Carmelite Sisters of St Teresa of San Jose		
Divine Providence Congregation		
Sisters of St. Joseph	. Brentwood, New York, USA	\$10,000.00
Seton Academy	. South Holland, Illinois, USA	\$15,000.00
Holy Cross Sisters, Inc		
St. Augustine Indian Mission		
Erie Diocese		
Carmelite Missions	•	
Corpus Christi School.		
Sekondi-Takoradi Diocese		
Diocese of Lafayette in Indiana		
Our Lady of Guadalupe School		
Gallup Diocese		
St. Catherine Academy		
St. Patrick Catholic School		
Walla Walla Catholic Schools		
Catholic Institute of Education		
Missionary Franciscan Sisters, Immaculate Conception Province.		
Regina Luminis Academy		
Redemptorist Fathers and Brothers, Denver Province	. Denver, Colorado, USA	\$14,886.00
Sisters of the Adoration of the Blessed Sacrament		
St. Martha's Congregation	. Kerala, India	. \$4,156.00
Daughters of Divine Love Congregation, La Croix Community	. Port-de-Paix, Haiti	\$20,000.00
St. Ann's Church & School	. Carthage, Missouri, USA	\$15,000.00
St. Gabriel Catholic School	. Kansas Clty, Missouri, USA	\$11,000.00
Daughters of Mary Immaculate Congregation	. San Antonio, Texas, USA	. \$8,025.00
Seton Academy		
St. Mary's Academy		
Sacred Heart Catholic School		
Sisters of the Adoration of the Blessed Sacrament, Sneha Sadan Convent		
St. James Catholic School		
Stratford Catholic Regional School System	9	
Sacred Heart Elementary and High School		
St. Francis Catholic High School		
Saint Joseph School		
Nativity Miguel Network of Schools	5 5 1	
Guardian Catholic Schools		
Don Bosco Cristo Rey High School		
St. Martin de Porres School		
Congregation of Sisters of St. Thomas of Villanova		
O'Connell College Preparatory School		
Holy Savior Catholic Academy		
St. Joseph Mission School		
Good Shepherd Nativity Mission School, Inc		
Maryknoll Mission Association of the Faithful	. Maryknoll, New York, USA	\$15,000.00

CATHOLIC SCHOOLS

(CONTINUED)

TOTAL \$917,255.00



Lovers of the Holy Cross of Go Vap - Hochi Minh City, Viet Nam

MASS MEDIA

"Faith comes from hearing the message, and the message is heard through the word of Christ."

Romans 10:17

Since the beginning of his papacy, the Holy Father has prompted the Church to use technology and mass media as new mediums of evangelization. In our increasingly digital society, the Internet and other innovations can be utilized to proclaim our faith globally and connect disparate Catholic communities under the one roof of the Church. Following the example of St. Paul, the Catholic community can use the "miracle" of mass media to reach new territories in order to teach the true miracle of Christ, our Lord and Savior.

The Koch Foundation supports Mass Media efforts which carry the Word of God to all parts of the world in various forms.



Major Seminary of the Prelature of Yauyos - Canete, Peru



Living Stones Catholic Community
- Kaunas, Lithuania

MASS MEDIA

Beaumont Diocese Benedictine Monks, Assumption Abbey Mother of God at Moscow Metropolitan Archdiocese Pontifical Mission Societies Zambia Prison Outreach Ministry. Hartford Archdiocese. Vicariate Apostolic of the Galapagos Radio Juventus Don Bosco Immaculater Heart Radio (IHR)	. Richardton, North Dakota, USA \$1 . Moscow, Russia \$1 . Lusaka, Zambia \$1 . Washington, District of Columbia, USA \$1 . Hartford, Conneticut, USA \$1 . San Cristobal, Galapagos, Ecuador \$1 . Santo Domingo, Dominican Republic \$1	10,000.00 15,000.00 10,000.00 15,000.00 15,000.00 15,000.00
Immaculater Heart Radio (IHR)		

TOTAL \$140,000.00



Fathima Matha Mission Parish, Balemla - Nalgonda District, India

"And so I say to you, you are Peter, and upon this rock I will build my church, and the gates of the netherworld shall not prevail against it."

Matthew 16:18

No matter how vivid its light, a flame will extinguish when left exposed. Chapels, shrines, monasteries, seminaries, and many other structures are essential shelters to the hearts of the faithful. Stone by stone and brick by brick, the expansion of the Church renews Christ's covenant with St. Peter, the original architect of grace. This year and beyond, our Holy Father asks us to use the tools of our faith to continue this tradition and build firm foundations for the Church in communities worldwide.

The Koch Foundation provides support for Capital Expenditures which include the construction or repair of church buildings, convents, monasteries, and religious formation centers worldwide.



Missionaries of the Blessed Sacrament Congregation - Kerala, India



St. Gabriel Co-Cathedral Parish - Konongo, Asante-Akim, Ghana

Mauldia Diagona	Navida Francis Ctata Nigaria (25 000 00
Nsukka Diocese	
Holy Family Catholic Church	
Sisters, Servants of the Immaculate Heart of Mary	
Benedictine Sisters of Virginia	
Daughters of St. Francis de Sales	- · · · · · · · · · · · · · · · · · · ·
Our Lady of the Valleys	
St. George Romanian Byzantine Catholic Cathedral	
Immaculate Conception - St. Joseph Parish	
Sisters of Mercy of the Holy Cross, Namugongo	
Sekondi-Takoradi Diocese	
Our Lady of Zarvanycia Catholic Church	9
St. Edward Catholic Parish	
Loyola High School, Kirikera Post	
Living Waters International, Inc	
Living Waters International, Inc	
Sisters of the Holy Angels	
Mahenge Diocese	
Good Shepherd Major Seminary	
St. Francis de Sales Missionaries, Nagpur Province	
Sisters of St. Joseph of Carondelet, Albany Province	
Society of Jesus, Central African Province	
Capuchin Franciscan Friars, Province of the Sacred Stigmata of St. Francis	
Cabrini High School	
Sisters of Christ Congregation	
St. Louis Sisters, Nigerian Province	
Passionist Community, Holy Cross Province	. Chicago, Illinois, USA \$20,000.00
Daughters of Divine Love Congregation	
Daughters of Divine Love Congregation	. Highwood, Illinois, USA \$15,000.00
St. Monica's Church	
Sisters of St. Joseph of Cluny	. Igunga, Tabora, Tanzania \$25,000.00
Tabora Archdiocese	
Blessed Virgin Mary's Parish/Sanctuary, Sefwi Adabokrom	. Berekum, Brong Ahafo, Ghana \$15,000.00
Holy Cross Brothers, Midwest Province	
Tabora Archdiocese	
Gerard Place HDFC, Inc	. Buffalo, New York, USA \$20,000.00
Marshall Islands Apostolic Prefecture	. Majuro, MH, Marshall Islands \$15,000.00
Marshall Islands Apostolic Prefecture	. Majuro, MH, Marshall Islands \$10,000.00
Immaculate Heart of Mary, Mother of Christ Sisters	. Onitsha, Anambra State, Nigeria \$15,000.00
St. Andrew Parish, Aboduam	. Sefwi-Wiawso, Ghana \$15,000.00
St. Joseph Catholic Church, Ankwawso	. Takoradi, Western Region, Ghana \$15,000.00
St. Alfred Parish, Jema	. Elubo, Western Region, Ghana \$15,000.00
Franciscan Sisters of Allegany, NY	. St. Bonaventure, New York, USA \$15,000.00
Xavier Society for the Blind	
St. Margaret Mary Alacoque Parish	
Saint Augustine Catholic Church	
St. Joseph Sisters of Northwestern Pennsylvania	
•	

(CONTINUED)

St. Francis Sisters of the Neumann Communities		
Hoima Diocese		
Holy Cross Mission Center		
Missionaries of Little Flower Congregation		
St. Hedwig Catholic Church		
Dominican Fathers, Province of St. Albert the Great		
Congregation of the Mission, Hungary Province	. Szob, Hungary	. \$15,000.00
Co-Cathedral of St. Thomas More	. Tallahassee, Florida, USA	. \$15,000.00
Eparchy of St. Maron of Brooklyn	. Brooklyn, New York, USA	. \$15,000.00
St. Louise de Marillac Parish & School	. Bellevue, Washington, USA	.\$175,000.00
St. Cecilia Cathedral	. Omaha, Nebraska, USA	. \$15,000.00
Immaculate Heart of Mary, Mother of Christ Sisters		
St. Augustine's Church		
Corpus Christi Roman Catholic Church		
Sisters of Our Lady Queen of Africa		
St. Peter and Paul Catholic School		
Our Lady of Guadalupe Parish & School		
Society of Jesus, South Poland Province		
Communauté du Chemin Neuf Cote d'Ivoire		
Camillus House, Inc		
Cross in the Woods National Shrine		
Missionary Servants of the Most Holy Trinity		
Community of Holy Rosary and St. John the Evangelist		
Missionary Sisters of St. Ann		
Congregation of the Mother of Carmel		
Mary Health of the Sick Convalescent and Nursing Hospital, Inc.		
Claretian Missionary Sisters of Florida, Inc		
Living Waters International, Inc		
Gregorio de Laferrere Diocese		
Order of the Daughters of the Sacred Heart of Jesus Christ		
Sisters of Mercy of the Americas		
St. Joseph's Health Center		
St. Alphonsus Catholic Church		
Society of Jesus, Chicago-Detroit Province		
Nazareth Convent & Academy Corporation	. Concordia, Kansas, USA	. \$25,000.00
San Juan Catholic Mission	. Branford, Florida, USA	. \$10,500.00
Kiyinda-Mityana Diocese	. Mityana, Uganda	. \$15,000.00
Toledo Diocese	. Toledo, Ohio, USA	. \$12,875.00
Bannakaroli Brothers, Hurlinghum Community	. Nairobi, Kenya	\$9,850.00
ArchCare		
Cincinnati Archdiocese		
Malabar Missionary Brothers		
Sisters of the Sacred Heart		
Franciscan Clarist Congregation, Alphonsa Province		
Evangelizing Sisters of Mary Missionary Congregation		
School Sisters of Notre Dame, Atlantic-Midwest Province		
Marshall Islands Apostolic Prefecture		
Little Sisters of St. Francis, Kasarani Region House		
Ettic Sisters of St. Harrers, Nasarani Negron House	. Nanobi, Ncriya	. 713,000.00

(CONTINUED)

Baraga Broadcasting Media . El Paso Diocese. Sisters of St. Francis St. Alphonsa Syro-Malabar Catholic Church St. Mary College St. Thomas Malankara Catholic Church Colorado Springs Diocese Church of the Immaculate Heart of Mary All Souls Catholic Church Trenton Diocese De La Salle Blackfeet Middle School. Spalding Academy Franciscan Friars of the Atonement St. Jerome's Catholic Church, Boise Diocese. Puerto Plata Diocese Benedictine Sisters, St. Placid Priory	El Paso, Texas, USA \$25,000.00 Oldenburg, Indiana, USA \$20,000.00 Coppell, Texas, USA \$20,000.00 Omaha, Nebraska, USA \$15,000.00 Kerala, India \$8,000.00 Colorado Springs, CO, USA \$5,000.00 Tamil Nadu, India \$4,255.00 Sanford, Florida, USA \$11,000.00 Lawrenceville, New Jersey, USA \$12,851.00 Browning, Montana, USA \$15,000.00 Spalding, Nebraska, USA \$20,000.00 Garrison, New York, USA \$15,000.00 Jerome, Idaho, USA \$15,000.00 Puerto Plata, Dominican Republic \$11,800.00
	. Lacey, Washington, USA \$10,000.00

TOTAL \$1,932,354.28



Adoration Sisters of the Blessed Sacrament - Kurnool Dt, India

KOCH FOUNDATION, INC. FINANCIAL STATEMENTS

MARCH 31, 2012 AND 2011

JAMES MOORE & CO., P.L. CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors, Koch Foundation, Inc.:

We have audited the accompanying statements of assets, liabilities and net assets – modified cash basis of Koch Foundation, Inc. (the Foundation), as of March 31, 2012 and 2011, and the related statements of cash receipts and disbursements and changes in net assets – modified cash basis and cash flows – modified cash basis for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Koch Foundation, Inc. as of March 31, 2012 and 2011, and its receipts and disbursements and changes in net assets and cash flows for the years then ended, on the modified cash basis of accounting described in Note 2.

James Mare + Co. , P.L.

Gainesville, Florida August 2, 2012

KOCH FOUNDATION, INC. STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS MARCH 31, 2012 AND 2011

	2012	2011
<u>ASSETS</u>		
Cash and cash equivalents Cash Money market fund Total cash and cash equivalents	\$ 74,325 4,207,880 4,282,205	\$ 58,709 2,563,461 2,622,170
Investments, note 2(c): Common stock and exchange traded funds net of \$281,240 and \$2,093,666 stock options sold as of March 31, 2012 and 2011, respectively U.S. Treasury exchange-traded fund U.S. corporate bond exchange traded funds Foreign bond mutual fund Private equity investments Total investments	88,502,337 1,022,500 2,641,635 6,289,059 3,328,425 101,783,956	100,701,378 1,872,000 2,542,600 6,072,598 3,032,063 114,220,639
Property and equipment, net	299,432	294,534
Total assets	\$ 106,365,593	\$ 117,137,343
<u>LIABILITIES AND NET ASSETS</u>		
Accrued expenses	\$ 34,932	\$ 22,010
Net assets	106,330,661	117,115,333
Total liabilities and net assets	\$ 106,365,593	\$ 117,137,343

The accompanying notes to the financial statements are an integral part of these statements.

KOCH FOUNDATION, INC. STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS FOR THE YEARS ENDED MARCH 31, 2012 AND 2011

	2012	2011
Receipts		
Interest	\$ 1,747	\$ 26,324
Dividends	2,451,743	2,305,831
Tax refund	-	31,279
Return of charitable distributions	139,011	143,081
Total receipts	2,592,501	2,506,515
Disbursements		
Charitable distributions	8,591,668	10,091,774
Management and general	499,963	481,921
Investment expense	326,861	463,623
Foreign tax	59,114	49,943
Federal excise tax	31,912	20,025
Total disbursements	9,509,518	11,107,286
Deficiency of receipts under disbursements before gain on sale of investments and unrealized appreciation		
(depreciation) of investments	(6,917,017)	(8,600,771)
Gain on sale of investments	1,333,472	1,905,231
Unrealized appreciation (depreciation) of investments	(5,201,127)	7,385,929
Total excess (deficiency) of receipts over disbursements after gain on sale of investments and unrealized appreciation		
(depreciation) of investments	(10,784,672)	690,389
Net assets, beginning of year	117,115,333	116,424,944
Net assets, end of year	\$ 106,330,661	\$ 117,115,333

The accompanying notes to the financial statements are an integral part of these statements.

KOCH FOUNDATION, INC. STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS FOR THE YEARS ENDED MARCH 31, 2012 AND 2011

	2012	2011
Cash flows from operating activities Excess (deficiency) of receipts over disbursements after gain on sale of investments and unrealized appreciation of investments Adjustments to reconcile excess (deficiency) of receipts over disbursements after gain on sale of investments and unrealized appreciation of investments to net cash provided by (used in) operating activities:	\$ (10,784,672)	\$ 690,389
Depreciation	16,219	23,920
Increase (decrease) in accrued expenses	12,922	(404)
Gain on sale of investments	(1,333,472)	(1,905,231)
Unrealized depreciation (appreciation) of investments	5,201,127	(7,385,929)
Proceeds from sale of investments	13,833,965	18,633,937
Purchases of investments	(5,264,937)	(12,094,225)
Net cash provided by (used in) operating activities	1,681,152	(2,037,543)
Cash flows from investing activities		
Purchase of property and equipment	(21,117)	(2,310)
Net increase (decrease) in cash and cash equivalents	1,660,035	(2,039,853)
Cash and cash equivalents, beginning of year	2,622,170	4,662,023
Cash and cash equivalents, end of year	\$ 4,282,205	\$ 2,622,170

The accompanying notes to the financial statements are an integral part of these statements.

(1) **Business Organization:**

The Koch Foundation, Inc. (the Foundation), a Florida not-for-profit corporation, was established in February 1979 as a private Florida foundation through a grant from Carl and Paula Koch. The primary purpose of the Foundation is to invest funds for the generation of investment income, which is to be used to provide grants for Roman Catholic activities that propagate the faith. Carl and Paula Koch were the principal donors of the Foundation. The distribution of these donations is subject to the Board of Directors' (the Board) approval. All funds of the Foundation are unrestricted as they are used for the primary purpose of the Foundation.

(2) **Summary of Significant Accounting Principles:**

(a) **Basis of presentation**—The Foundation prepares its financial statements on the modified cash receipts and disbursements basis of accounting. All transactions are recognized as cash is received or paid. Therefore, revenue and expenses are recognized as cash is received or paid, and the related receivables, payables and accrued expenses are not reflected in the accompanying financial statements, with the exception of the following:

Unrealized gains or losses on investments, which are recognized based on fair market value.

Accrued interest receivable is recorded for interest due but not paid as of year-end for investments in debt securities.

An accrued vacation liability has been accrued for the amount of each employee's unpaid (unused) vacation balance.

Expenditures having an economic life of more than one year are capitalized as assets and depreciated over their estimated useful lives.

- (b) **Cash and cash equivalents**—For the purposes of reporting cash flows, the Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.
- (c) **Investments**—Investments in equity securities with readily determinable fair values and all investments in private equity and debt securities are reflected in the accounts of the Foundation at fair value. For information on how the Foundation determines fair value, see Note 12.

Unrealized appreciation and depreciation is based on the market value of investments as of March 31 and recognized currently in the statements of receipts and disbursements and changes in net assets - modified cash basis.

(d) **Derivatives**—In the normal course of business, the Foundation uses derivative financial instruments in an effort to manage exposure on long-term investments. Specifically, to manage price and interest rate risk associated with investing activities, the Foundation uses forward contracts. Under these contracts, the Foundation agrees to the future delivery of a security, on an agreed-upon date, and at an agreed-upon price. These contracts are entered into with the intention to minimize the Foundation's economic exposure to adverse fluctuations in financial markets and to reduce interest rate risk. The Foundation's forward contracts (stock options sold) are presented at fair value and are based on quotes from brokers.

(2) <u>Summary of Significant Accounting Principles</u>: (Continued)

- (e) **Use of estimates** The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets, net assets, receipts and disbursements during the reporting period and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.
- (f) **Depreciation**—Property and equipment is stated at cost. The Foundation computes depreciation using the straight-line method over the following estimated useful lives:

	Years
Office building and improvements	40
Furniture and fixtures	5
Computer equipment	3

(g) **Tax status**—The Internal Revenue Service has determined that the Foundation is exempt from federal income tax under Section 501(c)(3) of the Code. The Code imposes an excise tax of 2% (reduced to 1% if certain requirements are met) on net investment income of private foundations.

The Foundation files income tax returns in the U.S. federal jurisdiction. With few exceptions, the Foundation is no longer subject to U.S. federal, state or local income tax examinations by tax authorities for years before 2008.

The Foundation has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Foundation.

(h) **Subsequent events**—The Company has evaluated events and transactions for potential recognition or disclosure in the financial statements through August 2, 2012 the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(3) Concentration of Credit Risk:

At March 31, 2012 and 2011, the Foundation has demand deposits and money market accounts with local and national banks amounting to \$4,541,625 and \$2,986,117, respectively. The Foundation has no policy requiring collateral to support these deposits, although amounts are federally insured up to FDIC limits.

(4) **Federal Excise Tax**:

In accordance with the applicable provisions of the Tax Reform Act of 1969 (the Act), the Foundation is subject to an excise tax on net investment income, including realized gains, as defined in the Act.

In addition, the Act requires that certain minimum distributions be made in accordance with a specified formula. As of March 31, 2012 and 2011, the Foundation had distributions in excess of the required minimum for the current year.

(5) **Property and Equipment:**

The following is a summary of the components of property and equipment as of March 31:

	2012			2011		
Office building and improvements	\$	356,322	\$	349,800		
Furniture and fixtures		144,293		142,686		
Computer equipment		94,596		86,051		
		595,211		578,537		
Less: Accumulated depreciation		(295,779)		(284,003)		
	\$	299,432	\$	294,534		

Depreciation expense was \$16,219 and \$23,920 for the years ended March 31, 2012 and 2011, respectively.

(6) **Related Parties:**

Directors and officers have made significant contributions of their time and services to assist the Foundation in its investment activities. The estimated fair market value of these contributions was approximately \$320,000 and \$335,000 during the years ended March 31, 2012 and 2011, respectively. As the Foundation records its financial statements on the modified cash basis, these contributions have not been recognized in the financial statements.

(7) **Employment Contracts:**

As required by a terminated employment contract, a former officer began receiving retirement benefits from the Foundation of approximately \$8,000 per year during January 1995. The benefit payments continue throughout the life of the officer and the officer's spouse. Payments of \$8,256 and \$8,945 were made during the years ended March 31, 2012 and 2011, respectively, and are included in management and general disbursements.

The Foundation has an employment contract with an Executive Director, which automatically renews from year to year for successive one year terms unless terminated by either party. The contract can be prematurely terminated if the employee voluntary terminates the contract (must give 60 days notice) or the employee is involuntarily terminated with cause. The contract provides, among other things, a stipulated salary and annual retirement benefits.

(8) **Employee Benefit Plan:**

The Foundation sponsors a Simplified Employee Pension Plan (the SEP Plan) and a \$403(b) Tax Deferred Annuity Plan (the \$403(b) Plan) to provide for retirement benefits for the employees of the Foundation. Under the SEP Plan, each eligible employee maintains an individual retirement account into which the Foundation makes contributions. The Foundation has committed to contribute eight percent of all participating employees' annual compensation to the SEP Plan each year. The \$403(b) Plan provides for participating employees to voluntarily deduct tax-deferred amounts from their gross wages to purchase tax-deferred annuities. The Foundation has no obligations related to the \$403(b) Plan. Benefits in both plans are fully vested immediately upon contribution. Contributions of \$17,201 and \$17,370 were made during the years ended March 31, 2012 and 2011, respectively, and are included in management and general disbursements.

(9) Risks and Uncertainties:

The Foundation 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 investment account balances and the amounts reported in the statements of assets, liabilities, and net assets – modified cash basis.

(10) **Investments:**

The Foundation's investments consist of the following at March 31:

	2012				2011			
		Cost		Fair Value	Cost	Fair Value		
Common stock and exchange traded funds	\$	68,842,768	\$	88,502,337	\$ 76,059,965	\$ 100,701,378		
U.S. Treasury exchange traded fund		1,966,015		1,022,500	1,966,015	1,872,000		
U.S. corporate bond exchange traded funds Foreign bond mutual fund		2,528,063 6,098,000		2,641,635 6,289,059	2,528,063 6,098,000	2,542,600 6,072,598		
Private equity investments Total Investments	\$	2,498,089 81,932,935	\$	3,328,425 101,783,956	2,516,449 \$ 89,168,492	3,032,063 \$ 114,220,639		

(11) **Derivatives:**

The notional and fair values of the forward contracts as of March 31, 2012 and 2011 are as follows:

	20	12	2011		
	Notional Value	Fair Value	Notional Value	l Fair Value	
Forward contracts (stock options)	\$ 24,266,550	\$ (281,240)	\$ 45,526,300	\$ (2,093,666)	

The effect of derivative instruments not designated as hedging instruments on the statement of activities as of March 31, 2012 and 2011 consist of the following:

		Amount of gain or (loss) recognized in change in net assets			2011
	Location of gain or (loss) recognized in change in net assets			ed in (loss) recognized in (loss) recognize	
Forward contracts (stock options)	Gain (loss) on sale of investments	\$	886,933	\$	130,748
Forward contracts (stock options)	Unrealized appreciation (depreciation) of investments		1,331,163		(464,235)
Total		\$	2,218,096	\$	(333,487)

(12) Fair Value Measurements:

The fair value measurement accounting literature provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access as of the measurement date.

Level 2 – Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs are those that reflect the Foundation's own assumptions about the assumptions that market participants would use in pricing the asset developed based on the best information available. These types of amounts due from externally managed private equity investments are determined based on information provided by the private equity firm.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to the methodologies used at March 31, 2012 and 2011.

Exchange-traded funds, common stock, and stock options – Valued at quoted market prices.

Mutual funds – Valued at the net asset value of shares held by the Foundation at year-end.

Private equity investments – Valued at the net asset value of the units held by the Foundation at year end, as reported by the investment manager.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

(12) Fair Value Measurements: (Continued)

The following table summarizes the assets of the Foundation for which fair values are determined on a recurring basis as of March 31, 2012 and 2011, respectively:

Investment Assets	at Fair Value
as of March 3	31, 2012

	as of March 31, 2012								
		Level 1		Level 1 Level 2		Level 3			Total
Exchange-traded funds									
U.S. Treasury notes	\$	1,022,500	\$	-	\$	-	\$	1,022,500	
U.S. corporate bonds		2,641,635		-		-		2,641,635	
Domestic stock index		7,446,547		-		-		7,446,547	
Domestic small cap		12,135,255		-		-		12,135,255	
International		23,528,013		-		-		23,528,013	
Common stock									
Domestic large cap		42,801,287		-		-		42,801,287	
International		2,872,475		-		-		2,872,475	
Stock options		(281,240)		-		-		(281,240)	
Foreign bond mutual fund		-		6,289,059		-		6,289,059	
Private equity investments		-		-		3,328,425		3,328,425	
Total assets at fair value	\$	92,166,472	\$	6,289,059	\$	3,328,425	\$	101,783,956	

Investment Assets at Fair Value as of March 31, 2011

		as of March 31, 2011									
		Level 1		Level 2		Level 3		Total			
Exchange-traded funds											
U.S. Treasury notes	\$	1,872,000	\$	-	\$	-	\$	1,872,000			
U.S. corporate bonds		2,542,600		-		-		2,542,600			
Domestic stock index		7,463,914		-		-		7,463,914			
Domestic small cap		12,635,627		-		-		12,635,627			
International		28,384,181		-		-		28,384,181			
Common stock											
Domestic large cap		45,865,310		-		-		45,865,310			
International		8,446,012		-		-		8,446,012			
Stock options		(2,093,666)		-		-		(2,093,666)			
Foreign bond mutual fund		-		6,072,598		-		6,072,598			
Private equity investments		-		-		3,032,063		3,032,063			
Total assets at fair value	\$ 1	105,115,978	\$	6,072,598	\$	3,032,063	\$	114,220,639			

(12) Fair Value Measurements: (Continued)

Following is a description of the significant investment strategies of each major category of investments that calculate net asset value per share and are not in an active market (Level 2 and Level 3 measurements):

Foreign bond mutual fund – The investment seeks maximum real return by investing mainly in fixed income instruments that are economically tied to foreign countries, which may be represented by forwards or derivatives such as options, future contracts or swap agreements. It may invest in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset-backed securities. The fund normally limits its foreign currency exposure to 20% of total assets. It is non-diversified.

Private equity investments – To provide long-term capital appreciation and current income through investments in limited partnerships, which invest in diversified portfolios ranging from short-term to long-term instruments, as described below.

Level 3 assets were 3.27% and 2.70% of total investment assets at fair value at March 31, 2012 and 2011, respectively. The following table presents changes in the Foundation's Level 3 investment assets measured at fair value on a recurring basis for the years ended March 31, 2012 and 2011:

	Private Equity Investments			
Balance, March 31, 2010	\$	2,202,653		
Realized gains		31,916		
Unrealized gains relating to instruments still held at the reporting date		558,378		
Purchases, sales, issuances and settlements (net)		239,116		
Balance, March 31, 2011		3,032,063		
Realized gains		210,471		
Unrealized gains relating to instruments still held at the reporting date Purchases, sales, issuances and settlements (net)		314,722 (228,831)		
Balance, March 31, 2012	\$	3,328,425		

The realized gains and losses and unrealized gains relating to instruments still held at the reporting date in the schedule above are reported in the statement of cash receipts and disbursements and changes in net assets-modified cash basis under the line items gain on sale of investments and unrealized appreciation of investments.

(12) Fair Value Measurements: (Continued)

The following table discloses certain additional information as of March 31, 2012, related to the Foundation's investments in private equity investments:

Description		air Value	Unfunded Commitments	
Commonfund Capital Private Equity Partners VI, LP ^(a)	\$	1,344,690	\$	228,675
Commonfund Capital International Partners V, LP ^(b)		1,422,203		137,156
Commonfund Capital Venture Partners VII, LP(c)		502,981		79,000
Commonfund Realty Investors, LLC ^(d)		58,551		-
Total	\$	3,328,425	\$	444,831

- (a)—This category includes private equity funds that offer the investor the opportunity to invest in private equity transactions, such as growth equity financing, leverages buyouts, acquisitions and/or industry consolidations, recapitalizations and restructurings. Traditionally, private equity investments seek to earn returns substantially above those on publicly traded stocks over a long term (7 to 10 years) investment horizon and to further diversify the equity component of an investment portfolio. This fund is invested 88% in the United States. Redemptions do not apply; these are closed ended limited partnership investments.
- (b)—This category includes private equity funds that seek to generate higher returns over the long term than those generally available on the foreign listed securities exchanges through investments in a diversified portfolio of international private capital funds and to further diversify the equity component of a nonprofit institution's investment portfolio. This fund is invested 51% in Europe. Redemptions do not apply; these are closed ended limited partnership investments.
- This category includes private equity funds that aim to give investors the opportunity to earn long term capital appreciation by investing in early stage, high growth private companies, principally in the information technology and life sciences/healthcare fields. Traditionally, venture capital investments seek to earn returns above those in publicly traded stocks over a long-term investment horizon, and to further diversify the equity component of an investments portfolio. This fund is invested 82% in the United States. Redemptions do not apply; these are closed ended limited partnership investments.
- This category includes a portfolio of real estate properties which are bought and sold as well as held out for rent with the aim of returning optimal returns on capital to investors. The portfolio is managed with investors in mind and the decisions to sell any asset include property-specific considerations (leasing activity and capital improvements), while concurrently examining capital market activity to identify the optimal timing of assets sales. The portfolio consists of fourteen properties all located in the United States.