

# Sing Joyfully to the Lord

2020  
ANNUAL  
REPORT

K&CH  
Foundation Inc.



# 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 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 & Paula Koch*

# LETTER FROM THE EXECUTIVE DIRECTOR

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For some Catholics, the use of music determines which Mass or even which parish they attend. Some are more interested in attending a traditional Mass with a full choir singing well known hymns, others may be drawn to parishes which incorporate Gregorian Chants in their services, while still others prefer a ‘contemporary’ Mass with praise and worship music.

As a person from New Orleans, the birthplace of jazz and a city that heavily identifies as Catholic, music has always been part of my family’s worship experience. Attending Catholic schools in New Orleans in the early 1960s, learning hymns in Latin, French, and English was considered part of our religious education, and we sang many of these hymns in Mass. I remember as a young teen what was considered one of the highlights of the year in the Archdiocese of New Orleans: Midnight Mass at St. Jude’s Church near the French Quarter. An hour before the service, local jazz artists would provide a beautiful musical program of religious Christmas Carols accompanied by a choir singing in English, French and Latin. People would arrive four hours in advance to get a seat so they could attend.

Music is often seen as a universal way of communicating and expressing our deepest feelings. The use of Sacred Music in the Catholic Church offers a way for us to praise God and participate in the Mass. We begin Mass with an entrance hymn, continue with the Gloria, Sanctus, the Lord’s Prayer, Angus Dei, Communion psalms and antiphons, and finish with a recessional hymn. Music is important in the Church’s worship and as such, must be mindful of both the cultural and universal implications of its message.

Some refrain from singing out because they lack a beautiful or trained voice, but it is not necessary to be a member of the choir to sing the Praises of our Lord. However quietly a person sings, even if he or she is only comfortable humming along with the hymn, so long as a person participates in the sacred music that is evidence of the Spirit filling his or her life and heart, and of him or her showing appreciation for the beauty and majesty of God in a way that words alone often fall short. Music is one of God’s most precious gifts to His people, and it is a language by which we may worship God in spirit and in truth. It leads us to having a deeper faith, a faith that is in rhythm with God. Just as we are told in Psalm 59:17, “I will lift my voice to sing Your praise, O my Strength for You came to my defense. O God, You have shown me Your loving mercy.”

*Carolyn Young*



# INTRODUCTION TO SING JOYFULLY TO THE LORD

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Throughout history, music has been a medium through which mankind can express feelings, relate personal and cultural stories, and commemorate special events. In the Catholic Church, sacred music has also played an important role in praising God through its use in liturgical services, events and prayer.

There are many references in the Bible to songs of praise which were used to explain God's expectations and His love for humanity. This practice has continued and helps unite us as a family of faith. Ephesians 5:19 admonishes us to "[address] one another in psalms and hymns and spiritual songs, singing and making melody to the Lord with [our] hearts." Sacred music has been one of the most important ways we can offer Him praise as we celebrate daily Mass or participate in and acknowledge liturgical seasons. One of the oldest Catholic forms of sacred music is Gregorian chants. Typically sung in Latin, these medieval songs have in recent years seen a renaissance among modern choirs as they appeal to both young and old audiences. The Benedictine Monks of Santo Domingo de Silos becoming international recording stars in 1994 with an album of Gregorian chants is proof enough.

Sacred Music is defined by the Church as special and not for common use, existing solely for use within the Church and Her Sacred Liturgies. In 2003 Pope John Paul II stated that sacred music was "...to maintain and promote the decorum of the House of God" and he provided practical guidelines in that vital sector of the Liturgy, presenting them, as it were, as a "juridical code of sacred music." He went on to state that "the Church has encouraged song at liturgical celebrations throughout her history, providing wonderful examples of melodic comment to the sacred texts in accordance with the creativity of every culture, in the rites of both West and East."

Music is important in how we celebrate and participate in the Mass; and the Church must follow clear guidelines on the types of music that should be used. This ensures that music used during the liturgy is appropriate and thus remains sacred. As we praise God either singing in the church choir, playing instruments in church or simply joining in song during Mass or other liturgical services, it is important to remember our voices are meant to praise God just as we are called to do within our daily lives through our actions. Music is often said to be a way of "praying twice," so let us rejoice and sing joyfully unto the Lord!



# DIRECT EVANGELIZATION & MASS MEDIA

*“Addressing one another in psalms and hymns and spiritual songs, singing and making melody to the Lord with your heart,”  
(Ephesians 5:19)*



*Andean Pastoral  
Institute, Ayaviri,  
Peru*



*Ukrainian Greek  
Catholic Archeparchy of  
Ivano-Frankivsk, Ivano-  
Frankivsk, Ukraine*



*St John the Baptist of  
La Estrada Cathedral  
Church, Engativa,  
Colombia*

Pope Francis has called upon all Catholics to spread the faith and carry the Word of God to those who are unchurched as well as those who are alienated from the Church. As catechists and missionaries teach of God's Grace and Mercy, they are able to help bring others to know Him. Using the various means of communication available to us in this era of social media, we are able to reach even more people. We can share the message of salvation through the Catholic faith and how His mercy is to be shared with others so we become one with the Church.

The Koch Foundation funds Direct Evangelization programs and religious activities that directly support, strengthen and spread the Catholic proclamation of Christ's Gospel. Mass Media is supported to provide assistance in spreading the Word of God through various means of media.



# DIRECT EVANGELIZATION & MASS MEDIA

Fellowship of St. Alban, Rochester, NY .....	\$15,000.00
Armenian Catholic Eparchy of Our Lady of Nareg in United States and Canada, Various Parishes in the US ....	\$15,000.00
Society of Mary, Auckland, New Zealand.....	\$10,000.00
Centro Comunitario Teresiano, A.C., Leon, Mexico .....	\$10,000.00
Maronite Servants of Christ the Light, Dartmouth, MA .....	\$10,000.00
Our Lady of Verdun School, Minas, Uruguay .....	\$10,000.00
Christ the King Passionist Retreat Center, Citrus Heights, CA .....	\$4,000.00
Missionary Sisters of the Cross of Chavanod, Province of East Africa, Dar es Salaam, Tanzania ...	\$10,000.00
Eparchy of Our Lady of Lebanon of Los Angeles, North Jackson, OH .....	\$10,000.00
Kateri Northwest Ministry Institute, Spokane, WA .....	\$10,000.00
Lithuanian Youth Pastoral Centre, Siauliai, Lithuania .....	\$10,000.00
St. Therese Parish, Tabora, Tabora, Tanzania .....	\$10,000.00
Camp Veritas, Inc., Salt Point, NY .....	\$10,000.00
Missionary Sisters of the Very Holy Sacrament, Jbeil, Lebanon .....	\$15,000.00
Diocese of Beaumont, Beaumont, TX .....	\$15,000.00
Newman Center, Amherst, MA .....	\$10,000.00
From Mission to Mission, St. Paul, MN .....	\$10,000.00
Our Mother of Perpetual Help Retreat Center, Oconomowoc, WI .....	\$17,000.00
St. Anne Parish, Wichita, KS .....	\$10,000.00
Friendship Home Fr. Luis Amigo, Malate, Philippines .....	\$10,000.00
Minim Brothers of Saltillo, Saltillo, Mexico .....	\$10,000.00
Holy Spirit Life Learning Center, Chicago, IL .....	\$10,000.00
Missionary Sisters of the Immaculate Conception of Ivrea, Suna-Migori, Kenya .....	\$10,000.00
Saint John Paul II Newman Center, Chicago, IL .....	\$10,000.00
St. Lucy Catholic Church, Houma, LA .....	\$20,000.00
St. Paul's Parish, Sefwi-Wiawso, Ghana .....	\$10,000.00
Congregation of the Sisters of St. Joseph, Spouse of the Blessed Virgin Mary, Siberia, Prokopivsk, Russian Federation ....	\$7,500.00
Cristo Rey Jesuit College Preparatory School of Houston, Houston, TX .....	\$10,000.00
Monastery of the Holy Cross, Chicago, IL .....	\$10,000.00
Basilica of the National Shrine of the Little Flower, San Antonio, TX .....	\$10,000.00
Kybartai Youth Center, Vilkauskio, Lithuania .....	\$10,000.00
Diocese of Santa Rosa, Santa Rosa, CA .....	\$15,000.00
Oblate Youth Center, Lubliniec, Poland .....	\$10,000.00
Liguori Publications, Liguori, MO .....	\$11,000.00
Diocese of Bridgetown, Bridgetown, Barbados .....	\$10,000.00
Glenmary Home Missioners, Savannah, GA .....	\$50,000.00
Diocese of Houma-Thibodaux, Schriever, LA .....	\$20,000.00
Diocese of Vinh, Nghe An, Viet Nam .....	\$10,000.00



# DIRECT EVANGELIZATION & MASS MEDIA

Diocese of Marquette, Marquette, MI .....	\$10,000.00
The Grail Sisters, Monduli, Monduli, Tanzania .....	\$9,000.00
St. Francis Chapel, Boston, MA .....	\$10,000.00
Sisters of Charity of St. Augustine, Lakewood, OH .....	\$2,000.00
Carmelite Institute of North America, Washington, D.C. ....	\$10,000.00
Diocese of Kigoma, Kigoma, Tanzania .....	\$10,000.00
St. Charles Lwanga Parish, Limuru, Kenya .....	\$10,000.00
St. Anne's Catholic Parish, Auckland, New Zealand .....	\$10,000.00
St. Andrew Catholic Church, Asemkrom-Enchi, Asemkrom-Enchi, Ghana.....	\$10,000.00
Logos Project, Inc., Auckland, New Zealand .....	\$15,000.00
St. Paul's Catholic Church of Sauk Centre, St. Cloud, MN .....	\$8,000.00
LAMP Ministries, Inc., New York, NY .....	\$15,000.00
Donnelly College, Kansas City, KS .....	\$15,000.00
Missionary Servants of the Most Blessed Trinity, Philadelphia, PA .....	\$10,000.00
St. Stephen Protomartyr Parish, Des Plaines, IL .....	\$15,000.00
Diocese of Saint John, New Brunswick, Canada .....	\$10,000.00
Light of Hearts Villa, Bedford, OH .....	\$10,000.00
Eparchy of St. Josaphat in Parma, Parma, OH .....	\$10,000.00
Bernardinai Youth Center, Vilnius, Lithuania .....	\$10,000.00
Diocese of Superior, Superior, WI .....	\$15,000.00
Catholic Charities of Southwestern Ohio, Cincinnati, OH.....	\$10,000.00
St. James Parish, Carthage, NY .....	\$15,000.00
Diocese of Fort Worth, Fort Worth, TX .....	\$8,000.00
Don Bosco Cristo Rey High School, Washington, DC .....	\$10,000.00
St. Mary's Catholic Campus Ministry, Tyler, TX .....	\$10,000.00
Archdiocese of Kyiv, Kyiv, Ukraine .....	\$10,000.00
Order of Friars Minor General Curia, Various Countries Worldwide .....	\$200,000.00
Blessed Trinity Parish, Missoula, MT .....	\$10,000.00
Carmel of Jesus Mary and Joseph, Kensington CA., Kensington, CA .....	\$10,000.00
Archdiocese of Baltimore, Baltimore, MD .....	\$10,000.00
University of St. Francis, Sucre, Bolivia .....	\$10,000.00
Catholic Media Productions, Inc., Nashville, TN .....	\$10,000.00
Sacred Heart Church, Omaha, NE .....	\$6,000.00
Immaculate Heart Sisters of Africa, Baraki Farm and Catechetical Centre, Musoma, Tanzania ..	\$10,000.00
St. Matthew Catholic Church, Longview, TX .....	\$12,000.00
Diocese of Bunda, Bunda, Tanzania .....	\$10,000.00
National Office of the Apostleship of Prayer, Krakow, Poland \$.....	15,000.00
St. John Vianney Theological Seminary, Denver, CO .....	\$10,000.00

# DIRECT EVANGELIZATION & MASS MEDIA

Jesuits of Haiti, Port au Prince, Haiti .....	\$8,438.00
Archdiocese of Kyiv, Kyiv, Ukraine .....	\$10,000.00
Archdiocese of Tabora, Tabora, Tanzania .....	\$10,000.00
Diocesan Telecommunications Corporation, Corpus Christi, TX .....	\$9,000.00
Ukrainian Greek Catholic Church Patriarchal Curia, Lviv, Ukraine .....	\$10,000.00
Salesians of Don Bosco, Guadalajara Province, Antequera, Oaxaca, Mexico .....	\$10,000.00
Diocese of Gaylord, Gaylord, MI .....	\$10,000.00
Mercy Home for Boys & Girls, Chicago, IL .....	\$10,000.00
Diocese of St. Thomas, St. Thomas, VI .....	\$15,000.00
Radio Habari Njema, Mbulu, Tanzania .....	\$10,000.00

**TOTAL \$1,156,938.00**



# PREPARATION OF EVANGELISTS

*"I will sing to the Lord as long as I live; I will sing praise to my  
God while I have being."  
(Psalm 104:33)*



*Sisters of Charity of  
Seton Hill, Gwangju,  
South Korea*

Many of the men and women religious, who have dedicated their lives to serving the Lord, are spreading the Good News of God's Grace and Mercy. They bring the message of salvation to the four corners of the earth, often facing the most challenging of situations to strengthen us in our faith and devotion to God.



*Archdiocese of Londia,  
Londrina, Brazil*

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



*Carmelites Sisters,  
Santo Domingo,  
Dominican Republic*



# PREPARATION OF EVANGELISTS

Poor Clares, St. Clare Monastery, Lome, Togo .....	\$10,000.00
Lovers of the Holy Cross Sisters, Inc., Gardena, CA.....	\$10,000.00
Oblates of Mary Immaculate, US Province, San Antonio, TX.....	\$10,000.00
Vicariate Apostolic of Tripoli, Benghazi, Libya.....	\$8,000.00
Fondazione CESAR, Rumbek, South Sudan .....	\$12,000.00
Dominican Friars, Province of the Most Holy Name of Jesus, Oakland, CA.....	\$15,000.00
Claretian Missionaries, St. Charles Lwanga Independent Delegation, Nyamiongo, Tanzania .....	\$10,000.00
St. Francis de Sales Parish, Kalamira, Jinja, Uganda.....	\$9,500.00
Young Hope Vicariate, Santiago, Chile .....	\$10,000.00
Poor Clares, Manastiri Sh. Kijara Scutari, Shkoder, Albania .....	\$8,000.00
Brotherhood of Hope, Inc., Pensacola, FL .....	\$10,000.00
Marian Spiritual Center - Zarvanytsya, Zarvanytsya, Ukraine .....	\$10,000.00
Byzantine Eparchy of Parma, Independence, OH.....	\$15,000.00
Redemptorist Vice Province of West Africa, Ouagadougou, Burkina Faso.....	\$10,000.00
Archdiocese of Mwanza, Mwanza, Tanzania .....	\$9,000.00
Our Lady of Lebanon Maronite Seminary, Washington, DC .....	\$10,000.00
Ndala Catechetical Centre, Tabora, Tanzania .....	\$10,000.00
Uinjilishaji FM Radio, Arusha, Tanzania .....	\$10,000.00
Diocese of Austin, Austin, TX .....	\$15,000.00
Prelature of El Salto, El Salto, Mexico .....	\$15,000.00
Carmelite Province of Australia and East Timor, Dili, Timor-Leste.....	\$10,000.00
Benedictine Camaldolese Nuns, Karatu, Tanzania .....	\$10,000.00
Mother Teresa's Pastoral Center, Shkoder, Albania .....	\$7,000.00
Franciscans of St. Mary of the Angels, Michungwani, Tanzania.....	\$10,000.00
Salesians of Don Bosco Novitiate House, Sunyani, Ghana .....	\$10,000.00
Clerics Regular of St. Paul, Manila, Manila, Philippines.....	\$15,000.00
Claretian Missionaries, St. Charles Lwanga Independent Delegation, Jinja, Uganda.....	\$10,000.00
St. Mark's College, BC, Canada .....	\$10,000.00
Eparchy of Saint Vladimir Le Grand De Paris, Vincennes, France.....	\$10,000.00
Diocese of Callao, Callao, Peru .....	\$10,000.00
St. Peter's Church and Friary, Chicago, IL.....	\$15,000.00
Sion Catholic Community for Evangelism, Brentwood Diocese, England, UK.....	\$10,000.00
Sisters of Holy Cross, Tacna, Peru.....	\$15,000.00
Apostolic Vicariate of Kontagora, Kontagora, Nigeria.....	\$10,000.00
Catholic Health Care System, New York, NY.....	\$10,000.00
Our Lady of Deliverance Syriac Catholic Diocese, Bayonne, New Jersey .....	\$10,000.00
Pallottine Fathers, Arusha, Arusha, Tanzania.....	\$10,000.00
Diocese of Tyler, Tyler, TX.....	\$10,000.00



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Sisters of Our Lady of Kilimanjaro, Arusha, Tanzania .....	\$10,000.00
Minim Nuns of St. Francis of Paula, Saltillo, Mexico .....	\$15,000.00
Poor Clares, Monastero Santa Chiara, Camerino, Italy .....	\$15,000.00
Society for the Propagation of the Faith, US National Office, Various Dioceses in Africa .....	\$300,000.00
St. Jude Parish Church, Osia, Osia, Uganda .....	\$9,000.00
Redemptoris Mater Diocesan Seminary, Vienna, Austria .....	\$50,000.00
Nativity of the Blessed Virgin Mary Greek Catholic Parish, Lublin, Poland .....	\$10,000.00
Daughters of the Holy Spirit Sisters, Modakeke Ile-Ife, Nigeria.....	\$10,000.00
Missionary Sisters of St. Ann of Luzern, East Africa Region, Morogoro, Tanzania.....	\$10,000.00
Eparchy of Kamyanets-Podilskyj, Ternopil, Ukraine.....	\$10,000.00
Carmelite Communities Associated, Baltimore, MD .....	\$10,000.00
St. Karoli Lwanga Nakamwa Parish, Bunda, Tanzania.....	\$10,000.00
Saints Peter and Paul Cathedral Parish, Sokal, Ukraine.....	\$10,000.00
Diocese of Rapid City, Rapid City, ND.....	\$10,000.00
Crosier Fathers and Brothers Province, Phoenix, AZ .....	\$15,000.00
St. Clare Novitiate, Lusaka, Zambia .....	\$10,000.00
Immaculate Conception Parish, Oboama, Ahiazu, Nigeria .....	\$10,000.00
Archdiocese of Tabora, Tabora, Tanzania .....	\$10,000.00
Christian Life Movement, Denver, CO .....	\$10,000.00
St. Michael's Seminary, Kingston, Jamaica.....	\$10,000.00
Dominican University, River Forest, IL .....	\$10,000.00
Lovers of the Holy Cross of Go Vap, Seattle, WA.....	\$10,000.00
Diocese of San Angelo, San Angelo, TX .....	\$10,000.00
Cursillo Movement, Diocese of Birmingham, Culman, AL .....	\$10,000.00
Missionary Servants of the Most Holy Trinity, Medellin, Colombia.....	\$10,000.00
Sisters of Mercy of the Holy Cross, Kampala, Uganda .....	\$15,000.00
Diocese of Minna, Minna, Nigeria.....	\$10,000.00
Sisters of St. Dominic, Gusau, Nigeria .....	\$8,000.00
Diocese of Kigoma, Kigoma, Tanzania.....	\$10,000.00
Archdiocese of New Orleans, New Orleans, LA .....	\$10,000.00
Tanzania Catholic Association of Sisters, Dar es Salaam, Tanzania.....	\$12,000.00
School Sisters of Notre Dame, Central Pacific Province, St. Louis, MO.....	\$15,000.00
Sisters of St. Francis of Penance and Christian Charity, St. Francis Province, Palenque, Mexico....	\$10,000.00
Franciscan Friars, Province of St. Barbara, Oakland, CA .....	\$10,000.00
St. Clare of Assisi Federation of the Poor Clare Sisters of Central America, Penonome, Panama....	\$10,000.00
Brooklyn Oratory of St. Philip Neri, Brooklyn, NY.....	\$10,000.00
Daughters of Charity of St. Vincent de Paul, Province of Nigeria, Nchia-Elleme, Nigeria.....	\$10,000.00
Society of Ursulines of Mary Immaculate, Songea, Tanzania.....	\$10,000.00



# PREPARATION OF EVANGELISTS

Manresa Jesuit Retreat House, Bloomfield Hills, MI.....	\$15,000.00
Congregation of the Sisters of St. Ann, Formation House, Bamenda, Cameroon .....	\$15,000.00
Sisters of St. Francis of the Neumann Communities, Syracuse, NY .....	\$15,000.00
Lovers of the Holy Cross of Hung Hoa, Ha Noi, Viet Nam.....	\$10,000.00
St. Francis de Sales Parish, Kashishi, Kashishi, Tanzania.....	\$10,000.00
Society of St. Vincent de Paul, District Council of Cincinnati, Cincinnati, OH.....	\$10,000.00
Sisters of Our Lady Queen of Africa, Motherhouse, Sumbawanga, Tanzania .....	\$10,000.00
Franciscan Sisters of the Immaculate Heart of Mary, Nyeri, Nyeri, Kenya.....	\$11,000.00
Congregation of Holy Cross, District of West Africa, Cape Coast, Ghana.....	\$10,000.00
Guest House, Inc., Detroit, MI .....	\$10,000.00
Poor Clares Colettines, Our Lady of Fatima Monastery, Malindi, Kenya.....	\$10,000.00
Missionary Sisters of the Blessed Sacrament, Ughelli, Nigeria .....	\$10,000.00
Diocese of Baker, Redmond, Oregon.....	\$15,000.00
Society of Our Lady of the Most Holy Trinity, Kansas City, MO.....	\$10,000.00
Franciscan Sisters of St. Bernadette, Rulenge Generalate House, Rulenge, Tanzania .....	\$8,000.00
Queen of All Saints Parish, Michigan City, IN.....	\$10,000.00
Poor Clares, Monasterio S. Chiara, Cortona, Italy.....	\$10,000.00
Vincentian Family Office, Philadelphia, PA.....	\$10,000.00
Order of Friars Minor General Curia, Various Dioceses Worldwide .....	\$200,000.00
Benedictine Sisters, St. Placid Priory, Lacey, WA.....	\$15,000.00
Claretian Missionaries, St. Charles Lwanga Independent Delegation, Moshi, Tanzania .....	\$10,000.00
Catholic Theological Union, Chicago, IL .....	\$15,000.00
Poor Clares, Monastery of Our Lady of Light, Bungoma, Kenya.....	\$10,000.00
Congregation of Mother of Carmel, Musoma, Tanzania .....	\$10,000.00
Sisters of St. Charles Borromeo, Morogoro, Tanzania.....	\$10,000.00
Franciscans of the Eucharist of Chicago, Chicago, IL .....	\$10,000.00
Haydom Catholic Parish, Manyara, Tanzania.....	\$10,000.00
Calvary Hospital, Bronx, New York .....	\$15,000.00
Oblates of Mary Immaculate, US Province, Belleville, IL.....	\$10,000.00
Gonzaga-Gonza Jesuit Novitiate, Arusha, Tanzania .....	\$10,000.00
Catholic University College of Ghana, Sunyani, Ghana .....	\$10,000.00
Murusagamba Parish, Kagera, Tanzania.....	\$10,000.00
Poor Clares of Ampasipotsy, Madagascar, Ampasipotsy, Madagascar .....	\$10,000.00
Claretian Missionaries, St. Charles Lwanga Independent Delegation, Nairobi, Kenya .....	\$10,000.00
Our Lady of Fatima Parish - Muliquela, Muliquela, Mozambique .....	\$10,000.00
Catholic Near East Welfare Association, Various Dioceses in Eritrea .....	\$70,000.00
Poor Clares, Monasterio S Chiara, Salerno, Italy.....	\$10,000.00
Montfort Brothers of St. Gabriel Scholasticate, Nairobi, Kenya .....	\$10,000.00



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Diocese of Northampton, Northampton, United Kindgom .....	\$15,000.00
Dominican Sisters of Peace, Inc., Columbus, OH.....	\$20,000.00
Servants of the Lord and the Virgin of Matara, Immaculate Conception Province, Washington, DC ..	\$10,000.00
Order of Discalced Carmelites, Burundi-Rwanda Regional Vicariate, Bujumbura, Burundi .....	\$10,000.00
Vicariate Apostolic of the Galapagos, Galapagos Islands, Ecuador .....	\$15,000.00
Carmelite Sisters of the Divine Heart of Jesus, Wauwatosa, WI .....	\$15,000.00
Legionaires of Christ, Mexico, Monterrey, Mexico .....	\$10,000.00
Prelature of El Salto, El Salto, Mexico .....	\$10,000.00
Diocese of Minna, Minna, Nigeria .....	\$10,000.00
Society of Jesus, South Poland Province, Krakow, Poland.....	\$10,000.00
Daughters of the Sacred Heart, Bataan, Philippines .....	\$15,000.00
Franciscan Missionary Sisters of Assisi, Ndola, Zambia .....	\$10,000.00
St. Paul's Parish, Chipata, Zambia .....	\$7,000.00
Order of Poor Clares, Monastery of Santa Clara, Ambato, Ecuador .....	\$10,000.00
St. Joseph's Abbey, Various Dioceses .....	\$10,000.00
Bernardine Franciscan Sisters, Porto Alegre, Brazil .....	\$10,000.00
Montserrat Retreat House, Lake Dallas, TX .....	\$10,000.00
Diocese of Engativa, Bogota, Colombia .....	\$10,000.00
Congregation of the Mother of Carmel, Pretoria, Pretoria, South Africa .....	\$10,000.00
Sisters of Mercy of the Holy Cross, Busunju, Busunju, Uganda .....	\$10,000.00
Raul Rodriguez and Carlos Antonio di Pietro International House of Theology, Buenos Aires, Argentina.....	\$10,000.00
Notre Dame Seminary Graduate School of Theology, New Orleans, LA.....	\$10,000.00
Archeparchy of Philadelphia, Philadelphia, PA.....	\$10,000.00
Diocese of Orlu, Orlu, Nigeria.....	\$10,000.00
Sisters of the Order of St. Basil the Great, Blessed Trinity Province, Lviv, Ukraine.....	\$10,000.00
Missionary Fraternity of Mary, Ltd., Guatemala City, Guatemala .....	\$15,000.00
Sisters of Our Lady of Kilimanjaro, Dar-es-Salaam, Tanzania .....	\$10,000.00
Focolare Movement, Cairo, Egypt .....	\$5,000.00
Christian Brothers Conference, Lasallian Region of North America, Washington, DC.....	\$10,000.00
Mother of the Redeemer Sisters, Mbulu, Tanzania .....	\$10,000.00
Poor Clares, S. M. Maddalena Monastery, St. Agata, Italy .....	\$10,000.00
Archdiocese of Denver, Denver, CO .....	\$10,000.00
Casa Romero Renewal Center, Milwaukee, WI.....	\$10,000.00
Monastero Santa Chiara, Rome, Italy .....	\$10,000.00
Poor Clares, Monastery of San Damiano, Mexicali, Mexico .....	\$10,000.00
Diocese of Babahoyo, Babahoyo, Ecuador.....	\$10,000.00
Magiri Parish, Upuge, Tanzania.....	\$10,000.00
Jesuits of the USA Central and Southern Province, Grand Coteau, LA.....	\$10,000.00



# PREPARATION OF EVANGELISTS

The National Catholic Men's Ministry (NCMM) of Trinidad & Tobago, Port of Spain, Trinidad and Tobago ..	\$10,000.00
Archeparchy of Ternopil - Zboriv, Ternopil, Ukraine.....	\$10,000.00
Dominican Sisters of Mary, Mother of the Eucharist, Ann Arbor, MI.....	\$10,000.00
St. Anne's Missionary Hospital, Tabora, Tanzania.....	\$10,000.00
Diocese of Sioux Falls, Sioux Falls, ND .....	\$15,000.00
North American Theology Residence, San Antonio, TX.....	\$10,000.00
Franciscan Youth Ministry of Kretinga, Telsiai, Lithuania.....	\$10,000.00
Little Servants of Mary Immaculate, Nkhotakota, Malawi.....	\$4,000.00
Minim Nuns of Grottaferrata, Grottaferrata, Italy.....	\$10,000.00
Franciscan Clarist Congregation, Morogoro, Morogoro, Tanzania, .....	\$10,000.00
Franciscan Mission Service of North America, Washington, DC.....	\$10,000.00
Augustinian Sisters of St. Victor, Manyara, Tanzania .....	\$10,000.00
Mission Helpers of the Sacred Heart, Barquisimeto, Venezuela .....	\$8,500.00
Salesians of Don Bosco, Assam, India.....	\$10,000.00
Catholic Near East Welfare Association, Various Dioceses .....	\$100,000.00
Vicariate Apostolic of Tripoli, Tripoli, Libya.....	\$10,000.00
Dong Thanh Tam Hue, Hue, Viet Nam .....	\$15,000.00
Mercy Volunteer Corps, Inc., Savannah, GA.....	\$10,000.00
Amate House, Chicago, IL .....	\$10,000.00
Archdiocese of New Orleans, New Orleans, LA .....	\$10,000.00
St. Vincent Charity Medical Center, Cleveland, OH .....	\$7,500.00
Providence Rest, Bronx, NY.....	\$10,000.00
Archdiocese of New Orleans, New Orleans, LA .....	\$10,000.00
Our Lady of Victories Cathedral Parish, Kigoma, Tanzania .....	\$10,000.00
Saint Andrew's Abbey, Inc., Los Angeles, CA.....	\$10,000.00
Poor Clares of Bomadi, Nigeria, Ogiagbene, Nigeria.....	\$10,000.00
Congregation of the Mother of Carmel, Chavara Region, Dar-es-Salaam, Tanzania .....	\$10,000.00
Franciscan Missionaries of Hope, Nairobi, Kenya.....	\$10,000.00

**TOTAL \$2,583,500.00**



# CATHOLIC SCHOOLS

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*“Let the word of Christ dwell in you richly, teaching and admonishing one another in all wisdom, singing psalms and hymns and spiritual songs, with thankfulness in your hearts to God.”  
(Colossians 3:16)*



*Sisters of the  
Adoration of the  
Blessed Sacrament,  
Balasore, India*

Catholic Schools in many remote areas are the primary evangelization tool for communities to learn of God's Mercy and Grace. Children, as the future of the church are able to obtain not only a quality education, but learn about the Catholic faith in a safe environment.



*Our lady of Carmen,  
Palmira, Colombia*

The Koch Foundation provides 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.



*Compagnes de Jesus,  
Port au Prince, Haiti*



# CATHOLIC SCHOOLS

Nativity Christian Primary School, Litomerice, Czech Republic .....	\$10,000.00
Ursuline Primary School, Songea, Tanzania .....	\$10,000.00
St. Ignatius School, New York, NY .....	\$10,000.00
Omaha Catholic School Consortium, Omaha, NE .....	\$10,000.00
Daughters of St. Francis de Sales, Arusha, Tanzania .....	\$10,000.00
Our Lady of Lourdes Catholic Church, Acul des Pins, Haiti.....	\$15,000.00
Diocese of St. Thomas, St. Thomas, VI.....	\$150,000.00
Missionary Congregation of the Evangelizing Sisters of Mary, Zanzibar Zone, Bagamoyo, Tanzania ....	\$10,000.00
Holy Family Catholic School, Austin, TX .....	\$10,000.00
Loyola University Chicago, Chicago, IL .....	\$15,000.00
Presentation Academy, Louisville, KY.....	\$10,000.00
St. Mary School, Lake Leelanau, MI .....	\$10,000.00
Carmel Pathutshedzo Special School, Louis Trichardt, South Africa .....	\$10,000.00
Notre Dame High School, Belmont, CA.....	\$10,000.00
St. Mathias Mulumba Secondary School, Janda, Tanzania .....	\$10,000.00
Archdiocese of Omaha, Omaha, NE .....	\$10,000.00
St. Anthony School Programs, Wexford, PA.....	\$15,000.00
Our Lady Of Mercy School, Daly City, CA.....	\$10,000.00
Diocese of San Diego, San Diego, CA.....	\$10,000.00
Daughters of Mary, Kibara Convent, Kibara-Bunda, Tanzania.....	\$10,000.00
Cristo Rey Jesuit High School, Chicago, IL.....	\$10,000.00
Order of Saint Augustine, Rome, Italy.....	\$15,000.00
Shambu Catholic Kindergarten, Shambu, Ethiopia .....	\$10,000.00
Sisters, Servants of the Good News Motherhouse, Manyara, Tanzania.....	\$10,000.00
Daughters of Charity of St. Vincent de Paul, Tay Minh, Viet Nam .....	\$10,000.00
Enyorrata E. Ngai Girls' Secondary School, Arusha, Tanzania .....	\$10,000.00
Mother Kevin English Medium Primary School, Same, Tanzania.....	\$10,000.00
St. Mary of the Assumption Catholic School, Taylor, TX .....	\$10,000.00
Shenango Valley Catholic School System, Hermitage, PA.....	\$10,000.00
Today and Tomorrow Educational Foundation, St. Louis, MO .....	\$10,000.00
CMC Primary School, Rukanga, Kenya .....	\$10,000.00
DeMatha Catholic High School, Hyattsville, MD .....	\$15,000.00
Immaculate Heart of Mary Sisters of Morogoro, Morogoro, Tanzania .....	\$10,000.00
St. Joseph Notre Dame High School, Alameda, CA .....	\$10,000.00
Mount Carmel High School, Chicago, IL.....	\$10,000.00
St. David's Marist Inanda Foundation, Johannesburg, South Africa .....	\$10,000.00
CUES School System, Omaha, NE .....	\$10,000.00
Judge Memorial Catholic High School, Salt Lake City, UT .....	\$10,000.00
Cardinal Ritter College Preparatory High School, St. Louis, MO .....	\$10,000.00
Daughters of St. Francis de Sales, Kiurunyembe, Tanzania .....	\$10,000.00
Diocese of Oakland, Oakland, CA.....	\$15,000.00
St. Mary's Catholic School, Temple, TX .....	\$10,000.00
St. Rita's School, San Diego, CA.....	\$10,000.00
Alespi Center, Orocovis, PR.....	\$15,000.00



# CATHOLIC SCHOOLS

St. Alphonsa School, Chalinze, Tanzania.....	\$10,000.00
Everest Academy, Inc, Detroit, MI.....	\$10,000.00
Fr Vermeer Centre for the Disabled, Enkare, Kenya.....	\$10,000.00
Lumen Christi Catechetical Center, Quezon City, Philippines .....	\$15,000.00
St. Francis de Sales High School, Chicago, IL.....	\$15,000.00
St. Jude Thaddeus Catholic School, Havre, MT .....	\$10,000.00
Diocese of Erie, Erie, PA.....	\$15,000.00
Mother Kevina Feeding Program-Centre, Arusha, Tanzania.....	\$10,000.00
St. Joseph English Medium Pre & Primary School, Moshi, Tanzania .....	\$10,000.00
Good Shepherd School, San Francisco, CA .....	\$15,000.00
Queen of Peace Girl's Secondary School, Tabora, Tanzania .....	\$10,000.00
St. Joseph Parish, Fort Mitchell, AL .....	\$10,000.00
Fatima Primary and Nursery School, Ongata Rongai, Kenya.....	\$10,000.00
St. Augustine Catholic School, Washington, DC .....	\$15,000.00
Sarnelli House, Nongkhai, Thailand.....	\$13,000.00
St. Mary Catholic School, West, TX.....	\$10,000.00
Missionary Sisters of St. Ann of Luzern, East Africa Region, Kahama, Tanzania .....	\$10,000.00
Holy Cross Primary School, Mikuli-Malolo, Tanzania.....	\$10,000.00
Cristo Rey Brooklyn High School, Brooklyn, NY.....	\$10,000.00
Sister Thea Bowman Catholic School, East St. Louis, IL.....	\$10,000.00
Immaculate Heart Central School, Watertown, NY.....	\$10,000.00
Sacred Heart Elementary, Gallup, NM.....	\$10,000.00
Intercongregational Institute of Philosophic Formation of Mexico, Tlaquepaque, Mexico .....	\$10,000.00
Bright Futures Fund, Kansas City, MO .....	\$15,000.00
St. Michael School, Kontagora, Nigeria.....	\$10,000.00
Caritas Diocese of Kigoma, Kigoma, Tanzania.....	\$9,500.00
Morning Star Primary and Secondary School, Mwanza, Tanzania.....	\$10,000.00
Diocese of Minna, Minna, Nigeria.....	\$15,000.00
Aquinas High School, Augusta, GA.....	\$10,000.00
Missionaries of St. Francis de Sales, Mozambique Mission, Tet, Mozambique .....	\$10,000.00
Daughters of St. Francis de Sales, St. Joseph Convent, Kakamas, South Africa .....	\$15,000.00
St. Ann Gichocho Girls Secondary School, Nairobi, Kenya .....	\$10,000.00
Pastoral Social Caritas Santa Rosa de Lima, Santa Rosa, Guatemala .....	\$10,000.00
San Miguel Febres Cordero School, Inc., Chicago, IL.....	\$10,000.00
St. Theresa Catholic School, Austin, TX.....	\$10,000.00
Regina Luminis Academy, Berwyn, PA.....	\$10,000.00
Saint Columbkille School, Boston, MA.....	\$10,000.00
Anwarite Girls' Secondary School, Moshi, Tanzania .....	\$10,000.00
Bishop Dunne Catholic School, Dallas, TX .....	\$10,000.00
Congregation of Mother of Carmel, Lilongwe, Malawi.....	\$10,000.00

**TOTAL \$1,145,600.00**



# CAPITAL EXPENDITURES

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*“And when the builders laid the foundation of the temple of the Lord, the priests in their vestments came forward with trumpets, and the Levites, the sons of Asaph, with cymbals, to praise the Lord, according to the directions of David king of Israel.”  
(Ezra 3:10)*



*St. John the Baptist,  
Jermie, Haiti*

Primarily the people of God are the Church, they gather for religious activities, services, meetings, and liturgical celebrations in churches, religious houses and parish centers to ask for God's Mercy and to seek salvation. Often these buildings are located in remote places that offer safety from the weather or a place for the community to gather.



*Christ the King Church,  
Port au Prince, Haiti*

The Koch Foundation provides financial resources to construct or repair religious structures, convents, monasteries and formation centers within the United States and its territories.



*Little Sisters of St.  
Francis of Assisi, Same,  
Tanzania*



# CAPITAL EXPENDITURES

St. Bernard's School, Saranac Lake, NY.....	\$20,000.00
Cardinal Stritch Retreat House, Chicago, IL.....	\$15,000.00
St. Joseph Catholic Parish - Spokane, Spokane, WA.....	\$25,000.00
Conventual Franciscan Friars of Marytown, Marytown, IL.....	\$25,000.00
Didde Catholic Campus Center, Emporia, KS.....	\$10,000.00
St. Agatha-St. James Parish and Newman Center, Philadelphia, PA.....	\$10,000.00
Cistercians of the Strict Observance in Massachusetts, Inc., Wrentham, MA.....	\$19,000.00

**TOTAL \$124,000.00**

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**GRAND TOTAL  
\$4,921,938.00**



The background of the page is a light cream color with faint, artistic musical notation. It includes several staves with notes, a large treble clef in the bottom left, and various musical notes and beams scattered across the page in a soft, golden-brown hue.

# KOCH FOUNDATION FINANCIAL STATEMENTS

MARCH 31, 2019 -  
MARCH 31, 2020



September 17, 2020

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

We have audited the financial statements of Koch Foundation, Inc. (the Foundation) as of and for the year ended March 31, 2020, and have issued our report thereon dated September 17, 2020. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 1, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight and approval are presented fairly, in all material respects, in accordance with the modified cash basis of accounting. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Koch Foundation, Inc. solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team and our firm have complied with all relevant ethical requirements regarding independence.

121 Executive Circle  
Daytona Beach, FL 32114-1180  
Telephone: 386-257-4100

133 East Indiana Avenue  
DeLand, FL 32724-4329  
Telephone: 386-738-3300

5931 NW 1st Place  
Gainesville, FL 32607-2063  
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200  
Tallahassee, FL 32308-4386  
Telephone: 850-386-6184



## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Koch Foundation, Inc. is included in Note 2 to the financial statements. There has been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended March 31, 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

**Investments** – Alternative investments for which quoted market prices are not available include private equity investments. The estimated fair value of alternative investments is based on the net asset value of the fund or other valuation methods. The Foundation reviews and evaluates the values and assesses the valuation methods and assumptions used in determining the fair value of the alternative investments. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a readily available market for such investments existed and differences could be material. We evaluated the key factors and assumptions used to develop the valuation methods and assumptions used in determining the fair value of the alternative investments and determined that they are reasonable in relation to the financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the Foundation's financial statements is:

The disclosure in Note 9 to the financial statements regarding risk and uncertainties provides a summary of the risks related to investments.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.



### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. No uncorrected misstatements were noted as part of the audit process.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We identified no such misstatements as a result of our audit procedures.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Foundation's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which were included in a management representation letter that they signed and provided to us, dated September 17, 2020.

### **Management's Consultations with Other Accountants**

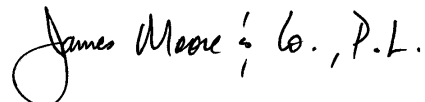
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings or Issues**

In the normal course of our professional association with the Foundation, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Foundation's auditors.

This report is intended solely for the information and use of the board of directors and management of Koch Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

JAMES MOORE & CO., P.L.



**KOCH FOUNDATION, INC.**  
**STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS**  
**MARCH 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b><u>ASSETS</u></b>		
<b>Cash and cash equivalents</b>		
Cash	\$ 27,624	\$ 97,111
Money market fund	16,214,506	20,015,323
Total cash and cash equivalents	<u>16,242,130</u>	<u>20,112,434</u>
<b>Investments</b>		
Common stock and exchange traded funds	71,621,149	84,960,668
Private equity investments	4,204,803	2,820,330
Total investments	<u>75,825,952</u>	<u>87,780,998</u>
<b>Property and equipment, net</b>	253,176	246,639
<b>Total assets</b>	<u><u>\$ 92,321,258</u></u>	<u><u>\$ 108,140,071</u></u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Accrued expenses</b>	\$ 31,777	\$ 55,519
<b>Net assets without donor restrictions</b>	92,289,481	108,084,552
<b>Total liabilities and net assets</b>	<u><u>\$ 92,321,258</u></u>	<u><u>\$ 108,140,071</u></u>

The accompanying notes to 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, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Receipts</b>		
Interest and dividends, net of investment expense	\$ 2,807,440	\$ 2,492,815
Return of charitable distributions	55,218	33,354
Total receipts	<u>2,862,658</u>	<u>2,526,169</u>
<b>Disbursements</b>		
Charitable distributions	4,961,938	4,667,100
Compensation and benefits	454,819	455,726
Other support and administrative expenses	158,896	155,056
Federal excise tax	908	250,025
Total disbursements	<u>5,576,561</u>	<u>5,527,907</u>
<b>Deficiency of receipts to disbursements before net depreciation in fair value of investments</b>	<u>(2,713,903)</u>	<u>(3,001,738)</u>
<b>Net depreciation in fair value of investments</b>	(13,081,168)	(517,087)
<b>Deficiency of receipts to disbursements after net depreciation in fair value of investments</b>	<u>(15,795,071)</u>	<u>(3,518,825)</u>
<b>Net assets without donor restrictions, beginning of year</b>	108,084,552	111,603,377
<b>Net assets without donor restrictions, end of year</b>	<u><u>\$ 92,289,481</u></u>	<u><u>\$ 108,084,552</u></u>

The accompanying notes to 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, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities</b>		
Deficiency of receipts to disbursements after net depreciation in fair value of investments	\$ (15,795,071)	\$ (3,518,825)
Adjustments to reconcile deficiency of receipts to disbursements after net depreciation in fair value of investments to net cash used in operating activities:		
Depreciation	24,589	26,512
Gain on sale of investments	(115,646)	(2,231,995)
Change in fair value of investments held	13,196,814	2,749,082
Increase (decrease) in accrued expenses	(23,742)	12,815
Net cash used in operating activities	<u>(2,713,056)</u>	<u>(2,962,411)</u>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(31,126)	(1,220)
Purchases of investments	(1,268,224)	(7,664,967)
Proceeds from sales and maturities of investments	142,102	2,474,027
Net cash used in investing activities	<u>(1,157,248)</u>	<u>(5,192,160)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(3,870,304)</u>	<u>(8,154,571)</u>
<b>Cash and cash equivalents, beginning of year</b>	20,112,434	28,267,005
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 16,242,130</u></u>	<u><u>\$ 20,112,434</u></u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for taxes	<u><u>\$ 908</u></u>	<u><u>\$ 250,025</u></u>

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

**KOCH FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2020 AND 2019**

(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 without donor restrictions 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:

Appreciation and depreciation in fair value of investments, which is recognized based on fair market value of investments bought and sold, as well as held, during the year.

An accrued vacation liability has been recorded 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.

Net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions—Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions can be temporary in nature, such as those that will be met either by actions of the Foundation and/or passage of time. Other donor-imposed restrictions can be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by laws. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. As of March 31, 2020 and 2019, there were no donor imposed restrictions on net assets.



**KOCH FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2020 AND 2019**

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

(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 are reflected in the accounts of the Foundation at fair value. For information on how the Foundation determines fair value, see Note 11. Interest and dividend income is recorded when paid. Net depreciation in fair value of investments includes gains and losses on investments bought and sold as well as held during the year.

(d) **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.

(e) **Depreciation**—Property and equipment is stated at cost. The Foundation computes depreciation using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Office building and improvements	40
Furniture and fixtures	5
Computer equipment	3

(f) **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. The Foundation's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination.

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.

(g) **Subsequent events**—The Foundation has evaluated events and transactions for potential recognition or disclosure in the financial statements through September 17, 2020, the date the financial statements were available to be issued. In June 2020, the Foundation committed \$1,000,000 to a private equity fund. As of September 17, 2020, \$680,000 was unfunded. See Note 9 for uncertainties surrounding the COVID-19 pandemic during and after the fiscal year. No additional subsequent events have been recognized or disclosed.

**KOCH FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2020 AND 2019**

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

(h) **Recent accounting pronouncements**—In June 2018, the FASB issued Accounting Standards Update 2018-08: *Not-for-Profit Entities (Topic 958)*: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, to clarify whether a transaction should be considered a contribution or an exchange transaction and to determine whether a contribution is conditional. As a resource provider, the new standard is effective for fiscal years beginning after December 15, 2019, and may be adopted early. The Foundation is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

In August 2018, the FASB issued Accounting Standards Update 2018-13: *Fair Value Measurement (Topic 820)*: Changes to the Disclosure Requirements for Fair Value Measurement, to improve the effectiveness of disclosures in the notes to financial statements. The new standard is effective for fiscal years beginning after December 15, 2019, and may be adopted early. The Foundation is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

(3) **Concentration of Credit Risk:**

At March 31, 2020 and 2019, the Foundation had demand deposits and money market accounts with a national bank with bank balances amounting to \$16,799,603 and \$20,328,630, 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, 2020 and 2019, the Foundation had distributions in excess of the required minimum for both years.

(5) **Property and Equipment:**

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

	<b>2020</b>	<b>2019</b>
Office building and improvements	\$ 376,428	\$ 356,322
Furniture and fixtures	107,877	107,876
Computer equipment	78,725	75,174
Software	42,300	42,300
	<hr/> 605,330	<hr/> 581,672
Less: Accumulated depreciation	352,154	335,033
	<hr/> <hr/> \$ 253,176	<hr/> <hr/> \$ 246,639

Depreciation expense was \$24,589 and \$26,512 for the years ended March 31, 2020 and 2019, respectively.



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**(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 values of these contributions were approximately \$300,000 and \$329,000 during the years ended March 31, 2020 and 2019, 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 per year were made during the years ended March 31, 2020 and 2019, and were 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 voluntarily 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:**

Prior to April 1, 2018, Foundation sponsored a Simplified Employee Pension Plan (the SEP Plan) and a §403(b) Tax Deferred Annuity Plan (the TDA Plan) to provide for retirement benefits for the employees of the Foundation. Beginning April 1, 2018, the Foundation adopted a §403(b) Thrift Plan (the §403(b) Plan) that completely replaced the previous plans. Under the §403(b) 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 §403(b) 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 future obligations related to the §403(b) Plan and was charged \$1,408 and \$1,364 in 2020 and 2019, respectively, to maintain the plan option for employees. Benefits in the plan are fully vested immediately upon contribution. Contributions of \$20,787 and \$20,064 were made during the years ended March 31, 2020 and 2019, respectively, and were 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.

In early 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are

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(9) **Risks and Uncertainties:** (Continued)

experiencing disruption to business operations and the impact of reduced consumer spending and investment markets have been substantially impacted. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Foundation as of September 17, 2020, management believes that a material impact on Foundation's financial position and results of future operations is reasonably possible.

(10) **Investments:**

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

	<b>2020</b>		<b>2019</b>	
	<b>Cost</b>	<b>Fair Value</b>	<b>Cost</b>	<b>Fair Value</b>
Common stock and exchange traded funds	\$ 63,394,469	\$ 71,621,149	\$ 63,417,380	\$ 84,960,668
Private equity investments	3,555,363	4,204,803	2,313,595	2,820,330
Total investments	<u>\$ 66,949,832</u>	<u>\$ 75,825,952</u>	<u>\$ 65,730,975</u>	<u>\$ 87,780,998</u>

Net depreciation in fair value of investments comprises the following for the years ended March 31, 2020 and 2019:

	<b>2020</b>	<b>2019</b>
Change in fair value of investments held at March 31	\$ (13,196,814)	\$ (2,749,082)
Realized gain on sale of investments	115,646	2,231,995
Net depreciation in fair value of investments	<u>\$ (13,081,168)</u>	<u>\$ (517,087)</u>

Interest and dividends, net of investment expense, is comprised of the following for the years ended March 31, 2020 and 2019.

	<b>2020</b>	<b>2019</b>
Interest income	\$ 231,200	\$ 260,944
Dividend income	2,634,302	2,290,594
Investment expense	(58,062)	(58,723)
Total interest and dividends, net of investment expense	<u>\$ 2,807,440</u>	<u>\$ 2,492,815</u>



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**(11) 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, 2020 and 2019.

*Common stock and exchange-traded funds* – Valued at quoted market prices.

*Private equity investments* – Valued at the net asset value (NAV) 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.

The following table summarizes the assets of the Foundation for which fair values are determined on a recurring basis as of March 31, 2020 and 2019, respectively:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>March 31, 2020</b>				
Exchange-traded funds	\$ 51,670,607	\$ -	\$ -	\$ 51,670,607
Common stock	19,950,542	-	-	19,950,542
Private equity investments measured at NAV <sup>1</sup>	-	-	-	4,204,803
Total assets at fair value	<u>\$ 71,621,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,825,952</u>

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(11) **Fair Value Measurements:** (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>March 31, 2019</b>				
Exchange-traded funds	\$ 61,976,491	\$ -	\$ -	\$ 61,976,491
Common stock	22,984,177	-	-	22,984,177
Private equity investments measured at NAV <sup>1</sup>	-	-	-	2,820,330
Total assets at fair value	<u>\$ 84,960,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,780,998</u>

<sup>1</sup> In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of assets, liabilities and net assets – modified cash basis.

Following is a description of the significant investment strategies of each major category of investments for which fair value has been estimated using the NAV per share of the investments as a practical expedient as of March 31, 2020 and 2019:

*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.

The following tables disclose certain additional information as of March 31, 2020 and 2019, related to the Foundation's investments in private equity investments:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>
<b>March 31, 2020</b>		
Commonfund Capital Private Equity Partners VI, LP <sup>(a)</sup>	\$ 177,970	\$ 67,425
Commonfund Capital International Partners V, LP <sup>(b)</sup>	201,633	47,156
Commonfund Capital Venture Partners VII, LP <sup>(c)</sup>	171,071	7,500
Commonfund Capital Venture Partners XII, LP <sup>(d)</sup>	705,798	1,305,000
Commonfund Capital Secondary Partners II, LP <sup>(e)</sup>	1,017,037	1,280,004
Commonfund Capital Co-Investment Opportunities Fund II, LP <sup>(f)</sup>	978,562	42,500
Commonfund Capital Global Private Equity Partners II, LP <sup>(g)</sup>	952,732	2,170,500
Total	<u>\$ 4,204,803</u>	<u>\$ 4,920,085</u>

	<u>Fair Value</u>	<u>Unfunded Commitments</u>
<b>March 31, 2019</b>		
Commonfund Capital Private Equity Partners VI, LP <sup>(a)</sup>	\$ 275,907	\$ 74,925
Commonfund Capital International Partners V, LP <sup>(b)</sup>	269,206	47,156
Commonfund Capital Venture Partners VII, LP <sup>(c)</sup>	193,494	9,000
Commonfund Capital Venture Partners XII, LP <sup>(d)</sup>	273,940	1,720,000
Commonfund Capital Secondary Partners II, LP <sup>(e)</sup>	641,733	1,580,004
Commonfund Capital Co-Investment Opportunities Fund II, LP <sup>(f)</sup>	538,395	472,500
Commonfund Capital Global Private Equity Partners II, LP <sup>(g)</sup>	627,655	2,479,500
Total	<u>\$ 2,820,330</u>	<u>\$ 6,383,085</u>



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**(11) Fair Value Measurements:** (Continued)

<sup>(a)</sup>—This category includes private equity funds that are organized for the purpose of providing endowment funds and non-profit organizations the opportunity to invest in private investment funds, which in turn, make investments in equity securities, warrants or other options that are generally not actively traded at the time of investment. Redemptions do not apply; these are closed ended limited partnership investments.

<sup>(b)</sup>—This category includes private equity funds that are organized for the purpose of providing endowment funds and nonprofit organizations the opportunity to invest in investment funds, which in turn, make international private equity investments with the objective of obtaining long-term capital growth. Redemptions do not apply; these are closed ended limited partnership investments.

<sup>(c)</sup>—This category includes private equity funds that are organized for the purpose of providing endowment funds and nonprofit organizations the opportunity to invest in investment funds, which in turn, make venture capital investments primarily in emerging growth companies with the objective of obtaining long term capital growth. Redemptions do not apply; these are closed ended limited partnership investments.

<sup>(d)</sup>—This category includes private equity funds that primarily seek to achieve long-term capital appreciation and invest globally in venture capital investments and target investments on either a primary or secondary basis. The partnership may also make a limited number of investments directly in operating companies. Redemptions do not apply; these are closed ended limited partnership investments.

<sup>(e)</sup>—This partnership seeks to acquire investments principally in secondary market transactions in leveraged buyout, growth equity, distressed securities, mezzanine financing, natural resources, and venture capital investment funds on a global basis. The partnership may also invest directly in pooled investment vehicles or fund of funds. Redemptions do not apply; these are closed ended limited partnership investments.

<sup>(f)</sup>—This partnership seeks to principally acquire direct private equity investments in leveraged buyout, growth equity, distressed mezzanine financing on a global basis. In addition, the partnership may invest in natural resources, venture capital, and mezzanine type investments. Investments may be acquired directly by the partnership or indirectly via special purpose vehicles. Redemptions do not apply; these are closed ended limited partnership investments.

<sup>(g)</sup>—This partnership was established primarily for the purpose of providing endowment funds and nonprofit organizations the opportunity to invest in three affiliated limited partnerships which in turn invest in investment funds that make equity capital investments primarily in emerging growth companies, domestic and international private equity investments with the objective of obtaining long-term capital growth and in equity securities, warrants or other options that are generally not actively traded at the time of investment. Redemptions do not apply; these are closed ended limited partnership investments.

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**(12) Liquidity and Availability:**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of assets, liabilities and net assets - modified cash basis, comprise the following as of March 31, 2020 and 2019:

	<b>2020</b>	<b>2019</b>
Financial assets available within one year, at year end:		
Cash	\$ 27,624	\$ 97,111
Money market fund	16,214,506	20,015,323
Common stock and exchange traded funds	71,621,149	84,960,668
Financial assets available to meet cash needs for general expenditures within one year	<u>\$87,863,279</u>	<u>\$105,073,102</u>

The Foundation structures its financial assets to be available and liquid as its general expenditures, liabilities, and other obligations come due. Although the Foundation does not intend to liquidate assets other than for amounts needed for general expenditures budgeted during the year, these amounts could be made available if necessary. The Foundation's available financial assets exclude certain assets that the Foundation would not be able to liquidate within one year of the date of the statement of assets, liabilities and net position - modified cash basis.

**(13) Functional Expenses:**

The Foundation's functional expenses, displayed by natural expense classification, for the years ended March 31, 2020 and 2019, are summarized in the tables below.

	<b>Charitable Programs</b>	<b>Management and General</b>	<b>Total Expense</b>
<b>March 31, 2020</b>			
Charitable distributions	\$ 4,961,938	\$ -	\$ 4,961,938
Compensation and benefits	339,740	115,079	454,819
Other support and administrative expenses	119,057	39,839	158,896
Federal excise tax	453	455	908
Total expenses	<u>\$ 5,421,188</u>	<u>\$ 155,373</u>	<u>\$ 5,576,561</u>

	<b>Charitable Programs</b>	<b>Management and General</b>	<b>Total Expense</b>
<b>March 31, 2019</b>			
Charitable distributions	\$ 4,667,100	\$ -	\$ 4,667,100
Compensation and benefits	340,019	115,707	455,726
Other support and administrative expenses	115,395	39,661	155,056
Federal excise tax	125,013	125,012	250,025
Total expenses	<u>\$ 5,247,527</u>	<u>\$ 280,380</u>	<u>\$ 5,527,907</u>

**(13) Functional Expenses: (Continued)**

The costs of providing the program and supporting services are summarized on a functional basis in the schedules above. Charitable distributions are charitable costs expended for the benefit of others. Other support and administrative expenses relate to activities that support the grant-making process as well as administrative operational costs. Certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic basis.



The background of the entire page is a dark, textured surface with a warm, golden-brown glow. It features several musical staves and notes. Some notes are white, while others are a darker, more muted gold. The staves are also in various shades of gold and brown. The overall effect is artistic and musical.

# Sung

# KØCH

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