

**CATHOLIC FOUNDATION
- DIOCESE OF AUSTIN**

Financial Statements

June 30, 2013 and 2012
(With Independent Auditors' Report)

**CATHOLIC FOUNDATION
- DIOCESE OF AUSTIN**

C O N T E N T S

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	
Year Ended June 30, 2013	4
Year Ended June 30, 2012	5
Statements of Cash Flows	6
Notes to Financial Statements	7



Independent Auditors' Report

Board of Directors
Catholic Foundation - Diocese of Austin

Report on the Financial Statements

We have audited the accompanying financial statements of the Catholic Foundation - Diocese of Austin (the Foundation) which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Catholic Foundation - Diocese of Austin as of June 30, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Ackley & Associates, LLP

Austin, Texas
December 12, 2013

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statements of Financial Position

As of June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets		
Assets:		
Cash	\$ 47,627	\$ 5,259
Investments	24,888,909	19,473,919
Total Assets	<u>\$ 24,936,536</u>	<u>\$ 19,479,178</u>
Liabilities and Net Assets		
Accounts Payable	<u>\$ 53,747</u>	<u>\$ 45,504</u>
Total liabilities	<u>53,747</u>	<u>45,504</u>
Net assets:		
Unrestricted	23,112,172	18,005,245
Temporarily restricted	222,674	109,148
Permanently restricted	<u>1,547,943</u>	<u>1,319,281</u>
Total net assets	<u>24,882,789</u>	<u>19,433,674</u>
Total Liabilities and Net Assets	<u>\$ 24,936,536</u>	<u>\$ 19,479,178</u>

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

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statement of Activities
Year Ended June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions	\$ 3,671,445	\$ -	\$ 228,662	\$ 3,900,107
Investment Income (Loss)	2,258,339	167,695	-	2,426,034
Other	2,640	-	-	2,640
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues, gains, and other support	5,932,424	167,695	228,662	6,328,781
Net assets released from restrictions	<hr/>	<hr/>	<hr/>	<hr/>
	54,169	(54,169)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and release of restrictions	5,986,593	113,526	228,662	6,328,781
Expenses and losses:				
Administration	27,103	-	-	27,103
Investment Fees	91,757	-	-	91,757
Distributions to Diocese of Austin	734,350	-	-	734,350
Distributions to Parishes	23,366	-	-	23,366
Distributions to Schools	3,090	-	-	3,090
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses and losses	879,666	-	-	879,666
Change in net assets	<hr/>	<hr/>	<hr/>	<hr/>
	5,106,927	113,526	228,662	5,449,115
Net assets at beginning of year	<hr/>	<hr/>	<hr/>	<hr/>
	18,005,245	109,148	1,319,281	19,433,674
Net assets at end of year	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 23,112,172	\$ 222,674	\$ 1,547,943	\$ 24,882,789

The accompanying notes are an integral part of these financial statements

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statement of Activities
Year Ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions	\$ 3,000,000	\$ -	\$ 128,620	\$ 3,128,620
Investment Income (Loss)	(210,765)	(9,547)	-	(220,312)
Other	1,800	-	-	1,800
Total revenues, gains, and other support	2,791,035	(9,547)	128,620	2,910,108
Net assets released from restrictions	41,576	(41,576)	-	-
Total revenues and release of restrictions	2,832,611	(51,123)	128,620	2,910,108
Expenses and losses:				
Administration	29,367	-	-	29,367
Investment Fees	85,011	-	-	85,011
Distributions to Diocese of Austin	609,489	-	-	609,489
Distributions to Parishes	10,499	-	-	10,499
Distributions to Schools	2,461	-	-	2,461
Total expenses and losses	736,827	-	-	736,827
Change in net assets	2,095,784	(51,123)	128,620	2,173,281
Net assets at beginning of year	15,909,461	160,271	1,190,661	17,260,393
Net assets at end of year	<u>\$ 18,005,245</u>	<u>\$ 109,148</u>	<u>\$ 1,319,281</u>	<u>\$ 19,433,674</u>

The accompanying notes are an integral part of these financial statements

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Statements of Cash Flows
Years Ended June 30, 2013 and 2012

	2013	2012
Cash flows from operating activities and non-operating gains:		
Change in net assets	\$ 5,449,115	\$ 2,173,281
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Non-cash Contributed Investments	(316,432)	(252,258)
Net unrealized and realized (gains) losses on investments	(1,723,061)	696,199
Increase (decrease) in accounts payable	8,243	23,617
	3,417,865	2,640,839
 Cash from investing activities:		
Proceeds from sale and maturities of investments	1,883,673	179,765
Purchase of investments	(4,869,563)	(6,017,850)
Net change in money market funds	(389,607)	3,199,848
	(3,375,497)	(2,638,237)
 Net increase in cash	42,368	2,602
 Cash and cash equivalents at beginning of year	5,259	2,657
 Cash and cash equivalents at end of year	\$ 47,627	\$ 5,259
 Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note A - Organization

The accompanying financial statements are those of the Catholic Foundation - Diocese of Austin (Foundation). The Foundation is a separate nonprofit Texas corporation created under IRC sections 501(c)(3) and 509(a)(3) as a supporting organization and integrated auxiliary of the Catholic Church.

The Foundation was formed to promote the establishment and growth of endowment funds and planned giving to provide perpetual funding to the Central Administrative Office of the Diocese of Austin (Diocese) and to participating parishes, schools and other Catholic organizations within the Diocese.

Note B - Summary of Significant Investment and Spending Policies

1. Investment Return Objectives, Risk Parameters and Strategies

The Foundation Board has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long term. The investment process seeks to achieve an after-cost total real rate of return that exceeds the annual distribution with acceptable levels of risk. The Foundation Board expects its endowment assets over time to produce a rate of return sufficient to provide those annual distributions.

The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the endowment fund, (2) the purposes of the endowment, (3) the general economic conditions, (4) the possible effects of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies (including but not limited to its policy concerning minimum balances for an endowment fund).

Under the Foundation's standard endowment contract, the Foundation does not guarantee a rate of return or that the value of the fund will appreciate, nor does it have any responsibility to replenish the funds should net depreciation occur.

2. Spending Policy

Income available for spending is determined by a total return system. The Foundation expects to make distributions to the endowment beneficiary in the amount of four percent (4%) of the net fair market value of the fund, which includes the change in market value of the Fund, dividends and interest, net of expenses, all averaged over the prior three (3) years.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note B - Summary of Significant Investment and Spending Policies (Continued)

3. Classification of Net Assets

The Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to permanent endowments, and (b) the original value of subsequent gifts to permanent endowments. The remaining portion of donor-restricted endowment funds that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by state law (Chapter 117, Property Code). Unrestricted and temporarily restricted net assets are considered appropriated for expenditure when distributions are made to the recipient beneficiary.

4. Funds with Deficiencies

Because the Foundation has no responsibility under the endowment contracts to replenish depreciated funds, other activity related to permanently restricted endowments, including investment gains and losses, distributions and administrative fees are recorded as temporarily restricted net assets.

Note C - Summary of Significant Accounting Policies

1. Method of Accounting

The financial statements of the Foundation are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America applicable to nonprofit organizations.

2. Basis of Presentation

The financial statements of the Foundation are presented in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, *Not-for-Profit Entities*. The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

The net assets of an endowment fund can result from three sources: original principal, gains and losses, or interest and dividends. Each source is unrestricted unless its use is restricted, temporarily or permanently, by donor or by law. The donor may place different restrictions on each of the three sources.

Unrestricted net assets--Includes net assets that are not subject to donor-imposed restrictions. An entity's governing board may establish an endowment fund. For such an endowment, all three sources: contributions, income and gains and losses are unrestricted.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note C - Summary of Significant Accounting Policies (Continued)

2. Basis of Presentation (Continued)

Temporarily restricted net assets-- Includes gifts for which donor-imposed restrictions have not been met. Term endowments are donated assets with stipulations that they be invested for a specified period of time, or until the occurrence of a specified event, to provide income for a specified period of time. In the absence of donor stipulations to the contrary, investment income and gains and losses on donor-restricted endowments are reported as temporarily restricted net assets.

Permanently restricted net assets-- Includes gifts that require, by donor restriction, that the corpus be invested in perpetuity to provide a permanent source of income.

3. Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and time deposits with an initial maturity of less than 90 days. Money market funds are considered to be held for investment and are not included in cash and cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the statements of activities. See Note D.

Investment income includes interest and dividends on investments, as well as both (1) the realized gains and losses on investment transactions and (2) unrealized gains and losses from changes in the market value of investments.

Realized gains and losses on disposition of investment securities are determined using average cost and transactions are recorded on a trade date basis. Net realized gains (losses) on disposition of investments for the years ended June 30, 2013 and 2012 were \$239,470 and (\$92,812), respectively.

Fair Value of Financial Instruments

The fair value of investments are estimated based on valuations provided by the third party custodians. See Note G.

Contributions and Bequests

Contributions and bequests are recognized as revenue when they are received or unconditionally pledged. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note C- Summary of Significant Accounting Policies (Continued)

3. Significant Accounting Policies (Continued)

Income Taxes

The Foundation is exempt from Federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code. However, the Foundation is subject to tax under Section 511(a) to the extent it has unrelated business taxable income. The Foundation had no material unrelated business taxable income during the fiscal years ended June 30, 2013 or 2012.

The Foundation has adopted FASB ASC 740-10, which prescribed a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that an organization has taken or expects to take on a tax return.

Use of Estimates

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

Risks and Uncertainties

The Foundation invests in various securities including mutual funds, corporate stocks, exchange traded funds, bonds and money market funds. Investment securities, in general, are exposed to various risks, such as interest rate, credit, foreign exchange fluctuations, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and the statement of activities.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

Management of the Foundation has evaluated subsequent events for disclosure through the date of the independent auditors' report, the date the financial statements were issued.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note D - Investments

Investments at June 30, 2013 and 2012 are summarized as follows:

	2013		2012	
	Cost	Fair Value	Cost	Fair Value
Marketable securities				
Money market funds	\$ 1,336,680	\$ 1,336,680	\$ 947,073	\$ 947,073
Mutual funds - Bond	6,738,835	6,717,314	6,198,026	6,369,614
Mutual funds - Equity	8,717,506	10,595,884	7,213,958	7,991,657
Exchange Traded Funds - Commodities	561,895	506,897	-	-
Exchange Traded Funds - Equities	577,001	669,165	-	-
Corporate stocks	4,255,059	5,062,969	3,896,521	4,165,575
Total Investments	<u>\$ 22,186,976</u>	<u>\$ 24,888,909</u>	<u>\$ 18,255,578</u>	<u>\$ 19,473,919</u>

Investment income (loss) for the years ended June 30, 2013 and 2012 is comprised of the following:

	2013	2012
Interest and dividend income	\$ 702,973	\$ 475,887
Realized gains (losses)	239,470	(92,812)
Unrealized gains (losses)	1,483,591	(603,387)
	<u>\$ 2,426,034</u>	<u>\$ (220,312)</u>

Note E - Endowment Funds

Endowment funds at June 30, 2013 and 2012 consist of the following:

	2013	2012
Unrestricted		
Our Faith ~ Our Legacy Seminarian Endowment	\$ 5,733,205	\$ 5,402,682
Our Faith ~ Our Legacy Catholic Charities of Central Texas Endowment	3,463,009	3,241,513
Our Faith ~ Our Legacy Retired Priests Endowment	3,463,009	3,241,513
Our Faith ~ Our Legacy Religious Education & Formation	2,082,084	1,459,375
Our Faith ~ Our Legacy Youth Ministry	2,082,084	1,459,375
Our Faith ~ Our Legacy Catholic Schools Endowment	1,154,073	1,080,344
Our Faith ~ Our Legacy Campus Ministry Endowment	1,154,073	1,080,344
Our Faith ~ Our Legacy Permanent Diaconate Endowment	1,154,073	1,080,344
Bishop Louis Reicher School Endowment	1,622,849	-
Sacred Heart Catholic School Endowment	1,209,833	-
	<u>23,118,292</u>	<u>18,045,490</u>

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note E - Endowment Funds (Continued)

	<u>2013</u>	<u>2012</u>
Permanently and Temporarily Restricted		
Beverly Guirard Endowment	493,119	457,218
Bishop John E. McCarthy Endowment	238,653	223,509
Bishop Gregory M. Aymond Endowment	178,781	159,428
Our Lady of Wisdom Endowment	136,296	122,839
Deacon Alfredo Vásquez Endowment	109,866	100,999
St. Ignatius, Martyr, Catholic School Endowment	103,680	72,537
The Fr. Bob Scott, CSP, Good Stop Endowment	102,510	92,354
Monsignor John Driscoll Endowment	97,952	-
Diocese of Austin Seminarian Endowment	88,701	68,447
Erlene and Arthur Goertz Endowment	58,470	54,758
Monica Therese Bailes Memorial	52,986	-
St. Dominic Savio Catholic HS Endowment	33,008	30,417
David & Cynthia Bednar Endowment	27,793	25,588
University Catholic Center Endowment	15,384	-
Diocese of Austin Retired Priest Endowment	15,173	12,841
Arturo & Louisa Casiraghi Endowment	10,558	2,559
Diocese of Austin Catholic Schools Endowment	7,687	4,935
	<u>1,770,617</u>	<u>1,428,429</u>
	<u>\$ 24,888,909</u>	<u>\$ 19,473,919</u>

Note F - Restricted Net Assets

Contributions, income and gains and losses that are restricted by the donor are recognized as temporarily or permanently restricted revenues. See Note C, Basis of Presentation. Temporary donor restrictions are released when the purpose set forth by the donor has been substantially achieved, generally when distributions are made to the recipient beneficiary.

Temporarily restricted net assets at June 30, 2013 and 2012 include:

	<u>2013</u>	<u>2012</u>
Investment gain (loss) on permanently restricted endowments	<u>\$ 222,674</u>	<u>\$ 109,148</u>

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note F - Restricted Net Assets (Continued)

Permanently restricted net assets at June 30, 2013 and 2012 include:

	<u>2013</u>	<u>2012</u>
Beverly Guirard Endowment	\$ 394,556	\$ 391,336
Bishop John E. McCarthy Endowment	207,064	207,064
Bishop Gregory M. Aymond Endowment	163,989	156,339
Our Lady of Wisdom Endowment	126,102	126,102
St. Ignatius, Martyr, Catholic School Endowment	99,106	72,893
Monsignor Driscoll Seminarian Endowment	97,870	-
Deacon Alfredo Vásquez Endowment	94,938	92,938
The Fr. Bob Scott, CSP, Good Stop Endowment	82,700	79,185
Diocese of Austin Seminarian Endowment	78,900	64,380
Erlene and Arthur Goertz Endowment	55,000	55,000
Monica Therese Bailes Memorial	50,000	-
St. Dominic Savio Catholic HS Endowment	30,000	30,000
David & Cynthia Bednar Endowment	25,000	25,000
University Catholic Center Class Endowment	14,474	-
Diocese of Austin Retired Priest Endowment	12,644	11,644
Arturo & Louisa Casiraghi Endowment	10,000	2,500
Diocese of Austin Catholic Schools Endowment	5,600	4,900
	<u>\$ 1,547,943</u>	<u>\$ 1,319,281</u>

Net assets were released from donor restrictions by satisfying the purpose specified by donors as follows:

	<u>2013</u>	<u>2012</u>
Release of temporarily restricted investment revenue for distributions and expenses	<u>\$ 54,169</u>	<u>\$ 41,576</u>

Note G - Fair Values of Financial Instruments

FASB ASC 820-10, *Fair Value Measurements*, requires disclosure of fair value information about financial instruments, whether or not recognized in the statements of financial position. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, could not be realized in immediate settlement of the instruments. FASB ASC 820-10 excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Foundation.

Fair values for investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note G - Fair Values of Financial Instruments (Continued)

The Foundation has implemented FASB ASC 820-10 which establishes a 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 under FASB-ASC 820-10 are described below:

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The Foundation uses appropriate valuation techniques based on available inputs to measure the fair value of its investments. An 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 must 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:

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Money market funds, Mutual funds, and Exchange Traded Funds: Valued at the net asset value (NAV) of shares held at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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.

CATHOLIC FOUNDATION - DIOCESE OF AUSTIN

Notes to Financial Statements

June 30, 2013 and 2012

Note G - Fair Values of Financial Instruments (Continued)

The following table sets forth by level, within the fair value hierarchy, the fair value of assets as of June 30, 2013:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 1,336,680	\$ -	\$ -	\$ 1,336,680
Mutual funds - Bonds	6,717,314	-	-	6,717,314
Mutual funds - Equity	10,595,884			10,595,884
Exchange Traded Funds - Commodities	506,897	-	-	506,897
Exchange Traded Funds - Equities	669,165	-	-	669,165
Corporate stocks	5,062,969	-	-	5,062,969
	<u>\$ 24,888,909</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,888,909</u>

The following table sets forth by level, within the fair value hierarchy, the fair value of assets as of June 30, 2012:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 947,073	\$ -	\$ -	\$ 947,073
Mutual funds - Bonds	6,369,614	-	-	6,369,614
Mutual funds - Equity	7,991,657	-	-	7,991,657
Corporate stocks	4,165,575	-	-	4,165,575
	<u>\$ 19,473,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,473,919</u>