

THE INDEPENDENT CATHOLIC FOUNDATION

For The Diocese of Altoona-Johnstown

VOL. 12 NO. 2

Fall 2012

Foundation offers \$500.00 grants to Diocesan Parishes

At its June meeting the Foundation Board of Trustees approved an initiative recommended by the marketing committee. Beginning immediately the Foundation will provide \$500.00 to any parish who matches (or exceeds) that amount to start a new parish (or parish school) endowment. In addition to the matching funds, the parish must agree to promote their new endowment in parish bulletins and newsletters. The new endowment will be permanently restricted with a portion of the earnings being returned to the parish annually; these payments back to the parish will last forever. With this year's distribution, the Foundation made available almost \$325,000 to parishes who have existing endowments.



There were 38 parishes (over 40%) that were not offered any funding because of the absence of a parish endowment. The existing parish endowments support the parish, parish education, a parish school or its cemetery. One Diocesan parish received over \$57,000.00 from their existing endowments. "This does not take money away from the collection basket, it puts it in!" commented one pastor. At least one parish periodically uses a second collection to add to their existing endowment. Trustee Rita Halverson, Chair of the Marketing Committee, commented "Your first \$500.00 becomes \$1,000.00 immediately... how's that for performance?" The Foundation staff and Trustees will make themselves available to talk to

groups at the parish. Executive Director, Bill Hiergeist is also available to talk to individuals about funding the endowment or remembering the parish in their estate planning. The funds for this are limited and will be available on a first-come, first-serve basis.

A MESSAGE FROM **THE PRESIDENT OF THE BOARD OF TRUSTEES** *and the Executive Director*

We welcome you to our periodic update from the Independent Catholic Foundation. As we greet the early days of fall, we wanted to provide information and perhaps some "thought starters"; information on recent success and accomplishments and some ideas on how you may help your favorite ministry or catholic school. It has been a busy six months since we last visited via our newsletter. Among other things, we welcomed a new trustee, worked to distribute almost \$450,000, benefited from the help of our first intern and closed the books on another successful fiscal year. Despite the volatility in the stock market, we are happy to report a positive investment return in the portfolio of over 6% since January 1. We continue to apply an asset management approach that is designed to grow Foundation funds, while at the same time minimize the risk of loss.

Additionally, we have benefited from over \$440,000 in contributions to new and existing endowments with three new endowments being established this fiscal year. We are very proud that this has been a year of records: largest distribution available, largest single check to a beneficiary and the greatest number of endowments.

We are especially excited about our "Parish matching grant" initiative. This is designed to establish endowments in parishes where there are none. The parish's share of the funding can come from parish funds or from an individual parishioner. (See article above).

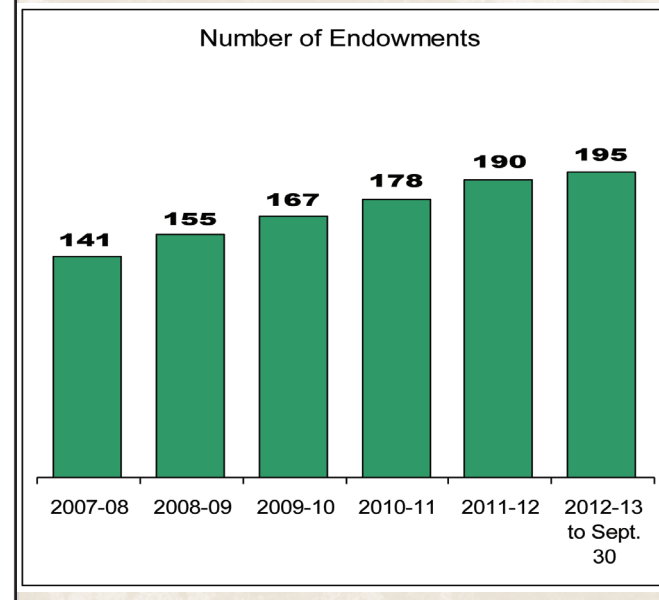
If you have any questions, or would like to explore ways the Foundation may assist you, please contact the Foundation or any Trustee. We hope you enjoy this edition of FOCUS.

Vincent J. Barbera, Esq., President

Bill Hiergeist, Executive Director

Number of endowments continues to grow

During the past 6 years the number of endowments held by the Foundation has enjoyed steady growth. So far this fiscal year the Foundation has added 3 new endowments which bring the total number to 195. The new endowments benefit parishes and Diocesan elementary schools. Information on how to establish a new endowment is available on our website or at the Foundation office.



\$102,000.00 CHECK DELIVERY *Sets Record*

Recently Bishop McCort Catholic High School received the largest single distribution check in the history of the Foundation. A check for over \$102,000.00 was hand-delivered to the school by Executive Director, Bill Hiergeist. He used the opportunity to say thanks to the high school's administration and development staff for the continued support of the Foundation. "We are flattered that we are chosen to administer these scholarship endowments" Hiergeist related to Principal Ken Salem during the check delivery. The Bishop McCort development department is responsible for the creation of eight scholarship endowments just in the last two years. This check represents the funds made available from 25 different scholarships, some originating over 20 years ago. The purpose of the scholarships, of course, is to aid with tuition, but additionally they were created to honor a teacher by former students, celebrate the anniversary of graduation or honor parents or family.

In the photo Executive Director Bill Hiergeist is shown delivering the record setting check to students representing the many scholarship recipients and Principal Ken Salem



From left to right: Bill Hiergeist, Sophomore Dakota McCurdy, Junior Brianna Stewart and Principal Salem

Welge Scholarships Awarded

The Foundation announced the winners for the 2012 Welge scholarship. This year's winners are: Kera Gornick and Eric Harteis, members of St. Michael's parish in Hollidaysburg and Stephanie Lynch a parishioner of Sacred Heart in Altoona. Kera and Eric are seniors at Penn State, while Stephanie is a senior at Clarion University. The Welge Endowment Scholarship was established in 1995 to honor Adelaide G. (Heverly) Welge. This annual scholarship provides financial assistance to worthy parishioners of catholic churches in Blair County. The applicant must be entering their junior or senior year at any accredited college. The Foundation Trustees are responsible for the awarding of the Welge Scholarships each year. This year Trustees who live in Blair County were

asked to serve as a sub-committee for the review and selection process. The committee was impressed with both the quantity and quality of this year's applicants. A \$450.00 check will be sent to the respective colleges on behalf of the winners to aid in their tuition. An additional eight endowments are held by the Foundation that benefit worthy college students from parishes throughout the Diocese of Altoona-Johnstown. The application process for these varies, with most being administered by the individual parish or high-school. During the current academic year, the Foundation distributed over \$43,000.00 under the guidelines of these additional endowments. Information on how to establish a college or high-school scholarship is available at the Foundation office.

PENN STATE CATHOLIC *Campus Ministry*

Last year a new endowment was funded with the Foundation; the Penn State Catholic Campus Ministry Endowment. This permanent, restricted endowment was created at the behest of the Diocese of Altoona-Johnstown and the Catholic Campus Ministry at Penn State. It is designated a "permanent" endowment because the principal, and all additions to it, can never be touched and the annual distributions must benefit the students. The annual distributions from the endowment will be used for the benefit of Catholic students at the Penn State University Park campus and will support student activities, Catholic religious education and the evangelization of students. Some of these activities will take place at the recently dedicated Suzanne Pohland Paterno Catholic Student Faith Center. The center is overseen by Benedictine Father Matthew T. Laffey, director of Catholic Campus Ministry at Penn State. The Foundation is accepting donations to support this endowment; information can be found at the Foundation office or on its web-site.

Please note that this endowment is not affiliated with, nor administered by Penn State University.

ENDOWMENT ESTABLISHED FOR DIOCESAN *Elementary Schools*

A new endowment that will benefit all Diocesan Elementary schools was endowed earlier this year. The endowment created to honor the donor's parents was funded by their son who wishes to remain anonymous. The endowment will be used to provide financial assistance to all elementary schools. Because of the way this endowment was created, funding will begin next year and be offered every year there after. The donor, who currently lives in Connecticut, felt this was a great way to honor his parents. He has been a long time friend of catholic schools and catholic education in our Diocese. Information on how to create an endowment for a favorite ministry is available at the Foundation office.

On-Line Giving

You may contribute a one-time donation or recurring monthly donations to any endowment or directly to the Foundation through our web-site. We partner with Network for Good for the on-line giving process. Their secure web-site is a safe and easy way to process your donation any time of the day or night. Visit our web-site at www.icfdaj.org for a list of all endowments and for a link to on-line giving.

The great truth that is too often forgotten is that it is the nature of people to do good to one another.

ACHIEVING SUCCESS IN A SLOW GROWTH, RAPID-FIRE CHANGE *Environment*

Slow economic expansion and rapid changes are inevitable in this decade. Yet, many investment plans are unprepared for either, let alone both. To succeed, planning strategies must acknowledge the new pace of the financial world and anticipate the growth obstacles of the world at large.

The New DNA of Growth

During the last three decades, economic growth was led by consumer spending and fueled by debt. This leveraged growth was unsustainable – a fact the financial crisis made alarmingly clear.

Today, confidence is dwindling as job market uncertainty looms. So it may take some time before historic consumer spending patterns return.

Expect the Unexpected: Rapid-Fire Change

Unremitting change and market extremes have become the new norm, with upswings feeling more like up-and-down-swings. Take, for example, this year's daily S&P fluctuations as the market slid from the expectation of a strong recovery toward the fear surrounding sovereign debt in Europe.

Over \$650,000 available to Diocesan Ministries

Acting on the recommendation of the Finance Committee, the Board of Trustees of the Foundation announced a 4 % distribution of funds for the fiscal year that ended June 30. The distribution available, based on a percentage of the monies in the investment portfolio, totaled \$654,109.00. This amount is calculated as a percentage of the total value of 195 individual funds that comprise the Foundation's endowment assets. This distribution represents over \$37,000 or over a 6% increase over last year's available funds. The valuation for this calculation was over \$16.7 million, also a similar increase. Once again the independent catholic and diocesan schools and their students were the main recipients of the funding. Bishop Guilfoyle Catholic High School, Bishop McCort Catholic High School and Bishop Carroll Catholic High School together with the various parish grade and middle schools were eligible for almost one-half of this

Investor hypersensitivity is only amplifying such shifts. And near-term policy changes, deflation concerns and the growing U.S. deficit threaten to exacerbate the situation.

So how do you plan for success in this slow growth, fast change world? With a new mindset.

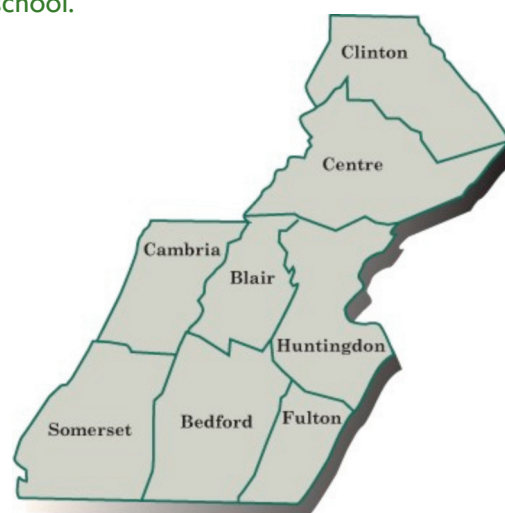


BNY MELLON WEALTH MANAGEMENT

Nimble, Real-Time Diversification

Asset classes and global markets are no longer performing according to traditional norms. Therefore, diversification strategies need to become more nimble and opportunistic. While a long-term view of asset allocation remains at the heart of any plan, strategies must also anticipate and act on market swings. And they need to quickly identify market opportunities—and risks—across and within asset classes.

total. St. Joseph Catholic Academy in Boalsburg received no funding, as there are no endowments established for that school.



Like Us On Facebook!

The Independent Catholic Foundation is pleased to announce the unveiling of its new Facebook page. With the Facebook page, we hope to deliver a new type of experience with our Foundation. The new page can provide the latest news on Foundation happenings.

Do you want to know the different ways you can give to the Independent Catholic Foundation? Well, you're in luck! Click on our "Ways to Give" tab and learn about all the ways you can contribute.

If you want to get to know us a little bit better, then check out the page's "Meet the Director" tab, or if you want to contact us directly through Facebook, visit the "Contact Us" tab. There, you can access the Foundation's website, email the Director, or locate us on a map! Need a few extra prayers your way? No worries, request a prayer and we'll post it on the wall. In addition, you can also donate to the Independent Catholic Foundation directly through Facebook.

Like us on Facebook today and see for yourself.

By Kayla Johnston

Intelligence Trumps Information

An overabundance of information and the erratic behavior of markets will require a greater level of market intelligence. Knowledge alone is not enough. Market insights—and the ability to evaluate and act on them—are key. So are due diligence and rigorous oversight in order to ensure that investments remain true to their intent.

Not Just "What" but "Why"

Investors also need to consider why they own each investment and what its purpose is within an asset class. In fact, individual sub-asset classes can contribute to a portfolio in very different ways and must be assessed more closely.

Understanding an investment's role in offsetting or exploiting economic and market events can help a portfolio perform better in volatile markets while assuring alignment with specific investment goals.

Getting a Handle on Your Portfolio

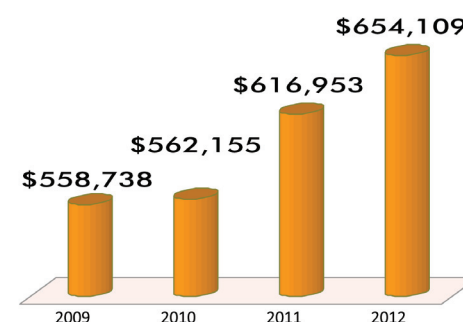
Know what you have, why you have it, and how it might impact other investment decisions. It seems simple, yet many investors have a tenuous grasp of the investments they hold. As investment decisions grow in complexity, a complete, transparent portfolio view—involving all aspects of an investor's wealth is a must.

This article provided by BNY Mellon Wealth Management

Available funds increase

The beneficiaries of Foundation endowments have benefited from the steady growth of available funds. Over the past four years, the funds available for the various ministries have increased 17%. This equates to over \$95,000 more support to the Diocesan ministries. This increase comes from investment growth, the addition of new endowments, and contributions to existing endowments.. Some of the new beneficiaries include students receiving scholarship assistance, pro-life activities within the Diocese, increased seminarian and diaconate support and increased monies being returned to the parishes and parish cemeteries.

4 Year Distribution Availability



Welcome Trustee

At the June meeting the Foundation welcomed **Marty Marasco** to its Board of Trustees. Marty is well known in the Blair County business community and beyond as the Executive Director of Altoona Blair County Development Corporation. He is a member of Our Lady of Mt. Carmel parish in Altoona where he is a past member of the parish council.

The Trustees also offered their thanks to two Trustees who were leaving the board because their terms had expired. Outgoing President Tom Kristofco and incoming President Vince Barbera both offered thanks and best wishes to **Michael Fiore** (Altoona) and **Joe Scialabba** (Huntingdon) for their years of service.

Some of the Trustees were photographed at the September Trustee meeting held in State College; other Trustees joined the meeting via teleconference.



First Row: Rita Halverson, Vince Barbera, Laura Zimmerman, Angie Thompson (BNY-Mellon)

Second Row: Pete Delricco, Shawn Sullivan (solicitor), Hap Durbin, Jack Anderson, Jim Carrieri, Tom Kristofco, Tom Taricani, Bill Hiergeist

Please Note

In all instances it is advisable to speak with legal counsel, a Financial advisor and/or a tax consultant. No information contained in this newsletter or on the Foundation website should be considered legal advice.

Board of Trustees - July 1, 2012 to June 30, 2013

John H. "Jack" Anderson (Term Expires 2014)
Our Lady of Mercy Chapel, Cresson

Vincent J. Barbera, Esq. (Term Expires 2013)
St. Peter, Somerset
President

James R. Carrieri (Term Expires 2014)
St. Therese, Altoona

Peter Delricco (Term Expires 2014)
Church of the Good Shepherd, St. College

Hampton H. "Hap" Durbin (Term Expires 2014)
St. Therese of the Child Jesus, Altoona

Monica M. Garver (Term Expires 2013)
Resurrection, Johnstown

Rocco D. Gillott (Term Expires 2013)
Saint Kateri Tekakwitha, Spring Mills

Rita Halverson (Term Expires 2014)
St. Peter, Somerset

William M. Hiergeist (Ex-Officio)
St. Matthew, Tyrone

If you have questions about remembering a parish in your gift planning, please consult your attorney or financial planner. Of course, this planning is best accomplished when it includes family members and your Pastor. Additionally, one of the Foundation Trustees may be a resource also. Our Trustees include Attorneys, Certified Financial Planners, CPAs, Realtors, Bankers and successful business owners.

Anthony J. Kamnikar (Term Expires 2013)
St. John Gaulbert, Johnstown
Treasurer

Thomas J. Kristofco (Term Expires 2013)
St. Michael, Hollidaysburg
Immediate Past President

Marty Marasco (Term Expires 2015)
Our Lady of Mount Carmel, Altoona

Dino Persio, Esq. (Term Expires 2015)
Holy Name, Ebensburg
Vice-President

Serena Stevens (Term Expires 2015)
St. John the Evangelist, Lakemont
Secretary

Thomas J. Taricani (Term Expires 2014)
Our Lady of Victory, State College

John J. Wolf (Term Expires 2013)
Cathedral of the Blessed Sacrament, Altoona

Laura Zimmerman (Term Expires 2013)
Our Lady of Victory, State College

Separate from, but committed to, the Diocesan Church

The Foundation is an independent entity – legally separate from the Diocese of Altoona-Johnstown – committed to the long-term strength and viability of Catholic institutions within the eight-county diocese. The Foundation is overseen by a board of trustees comprised of 17 lay men and women. The Diocese (as a legal entity) and the Diocesan Bishop have no role in the management of the Foundation, which is a 501(c)(3) nonprofit organization [a public charity]. Endowment funds are owned by the Foundation can not be attached for the Diocesan operating funds or any needs of the Diocese.

For more information:

Individuals, businesses, organizations or parishes are welcome to inquire about the Independent Catholic Foundation by contacting any Trustee or our office. Executive Director, Bill Hiergeist can be reached at the Foundation office. All inquiries are held in the strictest confidence.

Bill Hiergeist, Executive Director (814) 201-2080 (814) 201-2092 (fax)
(E-mail address) Director@icfdaj.org

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