

THE INDEPENDENT CATHOLIC FOUNDATION

VOL. 16 NO. 2

Fall 2016

“Separate from, but committed to, the Diocesan Church”

The Independent Catholic Foundation is an independent entity – legally separate from the Diocese of Altoona-Johnstown – committed to the long-term strength and viability of local Catholic institutions. The Foundation is overseen by a board of trustees comprised

of 13 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 held by the Foundation cannot be attached for

the Diocesan operating funds or any needs of the Diocese, but must be utilized for the intended purpose of the person(s) or parish that created an endowment fund that is administered based upon an irrevocable legal agreement.

Among its overall goals and objectives, the Independent Catholic Foundation is to:

- † Provide a source through which donors can make living and testamentary gifts to benefit their charitable objectives and sustain the works of parishes, schools, agencies, ministries and outreach programs of the diocese and other Catholic ministries supported by its donors.
- † Serve as a depository for charitable funds, mainly in the form of permanent restricted endowments. Additionally, unrestricted gifts are encouraged for use as needed by the Foundation.
- † Invest according to a prudent policy that closely balances risk versus reward with safety and provides an adequate mix of investments to generate both consistent growth and income. Importantly, invest according to our Catholic Values
- † Provide a resource and vehicle to administer Donor Advised Funds

A MESSAGE FROM THE PRESIDENT *and the Executive Director*

We welcome you to the fall edition of our newsletter FOCUS. We want to provide some news about what we're working on, what we've accomplished and our hopes for new and exciting things to come. As we begin to work on a new edition of FOCUS, we have a habit of reviewing past issues so as to present new and useful articles without being redundant. We are pleased with how far we've come. In the spring of 2012 we reported in the FOCUS that we had offered almost \$508,000 in distributions to various ministries; this year we offered over \$1 million. In that same newsletter we reported having 190 individual endowments; as this letter is written we now have 243. An increase of almost 28% in 4 years! We are presently working our way through a strategic planning process. We made a "listening tour", meeting with many different constituents. We were excited to hear what we are doing right

and learned of a need for different services and offerings. We are now working on an expanded set of offerings. While the investment returns for fiscal year 2015-2016 (ending 6/30/2016) were rather flat, the investment growth for both fiscal year 2016-2017 and calendar year 2016 are showing a positive returns with calendar year 2016 growing 5.57% as of September 30. Through the generosity of our donors we have received over \$400,000 as of September 30; some of that being estate gifts from individuals who wanted to create their family legacy. We continue to be encouraged by many positive comments regarding our investment portfolio being aligned with our Catholic faith because of Christian Brothers Investment Services. We are humbled by our success and pray that God continues to smile on our efforts. We hope you enjoy this edition of the newsletter and trust it provides insight on how you can remember your parish or favorite Catholic ministry in your estate planning. Please feel free to contact our office or any Trustee to discuss how we may be of service.



(L-R) Bill Hiergeist, Executive Director
Jim Carrieri, President

“You are not here merely to make a living. You are here in order to enable the world to live more amply, with greater vision, with a finer spirit of hope and achievement. You are here to enrich the world, and you impoverish yourself if you forget the errand.”

*– Woodrow Wilson,
28th United States President*

WELGE SCHOLARSHIPS AWARDED

The Independent Catholic Foundation announced the winners for the 2016 Welge Scholarship. This year's winners are: Veronica Compton, a member of Sacred Heart in Altoona who will continue her studies at Penn State Altoona; Ben Kasun, a member of St. Therese who also attends Penn State Altoona and Lynnea Burr a member of St. Joseph Parish, Bellwood who attends Lock Haven 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 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. Trustees who live in Blair County are 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 \$500 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 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 last school year, the Foundation distributed over \$50,000 under the guidelines of these additional college endowments. Information on how to establish a college or high-school scholarship is available at the Foundation office or at www.icfdaj.org










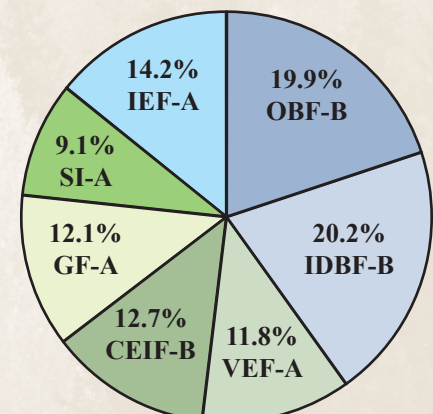
FAMILY LEGACY'S THROUGH COLLEGE SCHOLARSHIPS

In June 2015 Pope Francis wrote in his encyclical *Laudato Si'* "What kind of world do we want to leave to those who come after us?" Some families thought that question was answered by educating the next generation and thus created named college scholarships: Bertha & Leonard Zanghi, Charles J. & Mildred A. Morningred, Suzanne (Sickler) Ohl. These scholarships are offered through a process designed by St. Matthew (Tyrone) Parish leadership and awarded to members of the parish. During the 2016 selection process these three scholarships awarded over \$41,000 to 22 different students. Other families have created the Ron J. Fiochetta, the Kayla Nicodemus and the Adelaide G. (Heverly) Welge scholarships that benefited eight additional students offering \$7,300 more in tuition aid. These students are not members of a particular parish and are offered the scholarships through a different selection process. In 2014 the John G. Kurey Scholarship Endowment for St. Catherine of Siena (Mt. Union) was created through an estate gift and offers an additional \$7,100 in scholarships. As noted, the above are college scholarships, an additional 58 scholarships offering a total of almost \$200,000 benefit the Diocesan affiliated High Schools. These figures do not include the Knights of Columbus Seminarian Endowment fund that provided \$6,000 of seminarian support. Pope Francis would be proud of these families! Information on how to create your legacy is available at the Foundation office.

ASSET ALLOCATION

All funds are invested according to the Foundation's Investment Policy. The current policy and allocations were refined in the months following the Foundation's choice of Christian Brothers Investment Services (CBIS) as portfolio manager in July 2014. The Foundation Trustees and donors have been pleased with the investment performance and service provided by CBIS. Everyone is pleased and proud that all funds are invested according to our Catholic values. Most investors would consider our allocation of 60% equities and 40% fixed income as a "moderate" allocation. Cornerstone Advisors Asset Managers, Bethlehem, PA provides additional consulting. The current allocations are shown on this chart.

-  CUIT Opportunistic Bond Fund Class B (OBF-B) \$5,139,489
-  CUIT Value Equity Fund Class A (VEF-A) \$3,030,225
-  CUIT Growth Fund Class A (GF-A) \$3,118,130
-  CUIT International Equity Fund Class A (IEF-A) \$3,660,450
-  CUIT Intern. Diversified Bond Fund Class B (IDBF-B) \$5,201,639
-  CUIT Core Equity Index Fund Class B (CEIF-B) \$3,287,460
-  CUIT Small Cap Equity Index Fund Class A (SI-A) \$2,351,704

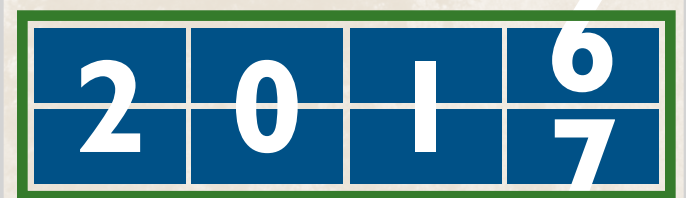


FOUNDATION HONOR SOCIETY

The Foundation is continuing to promote an honor society within the Foundation named the Saint Simon Society. This society will recognize an individual for whom a contribution to the Foundation has been made in the amount of \$1,000.00. This contribution can be made by an individual, their family or a group of friends or employees. Membership can be funded over two years with membership beginning when fully funded. The honoree can be living or deceased, and of course someone can join in their own name. Named after Saint Simon of Cyrene who helped Christ carry his cross on the way to Calvary, membership will help the Foundation in two ways. One half of the contribution will be put into the general fund for current use, with the second half being put into an endowment that will support the Foundation forever. Recognition will include a member listing on a separate page on the Foundation web-site and a mass will be offered annually for members' intentions or for their remembrance, in the case of a deceased member. The mass will be offered annually in May, in which the feast day of Saint Simon is celebrated.

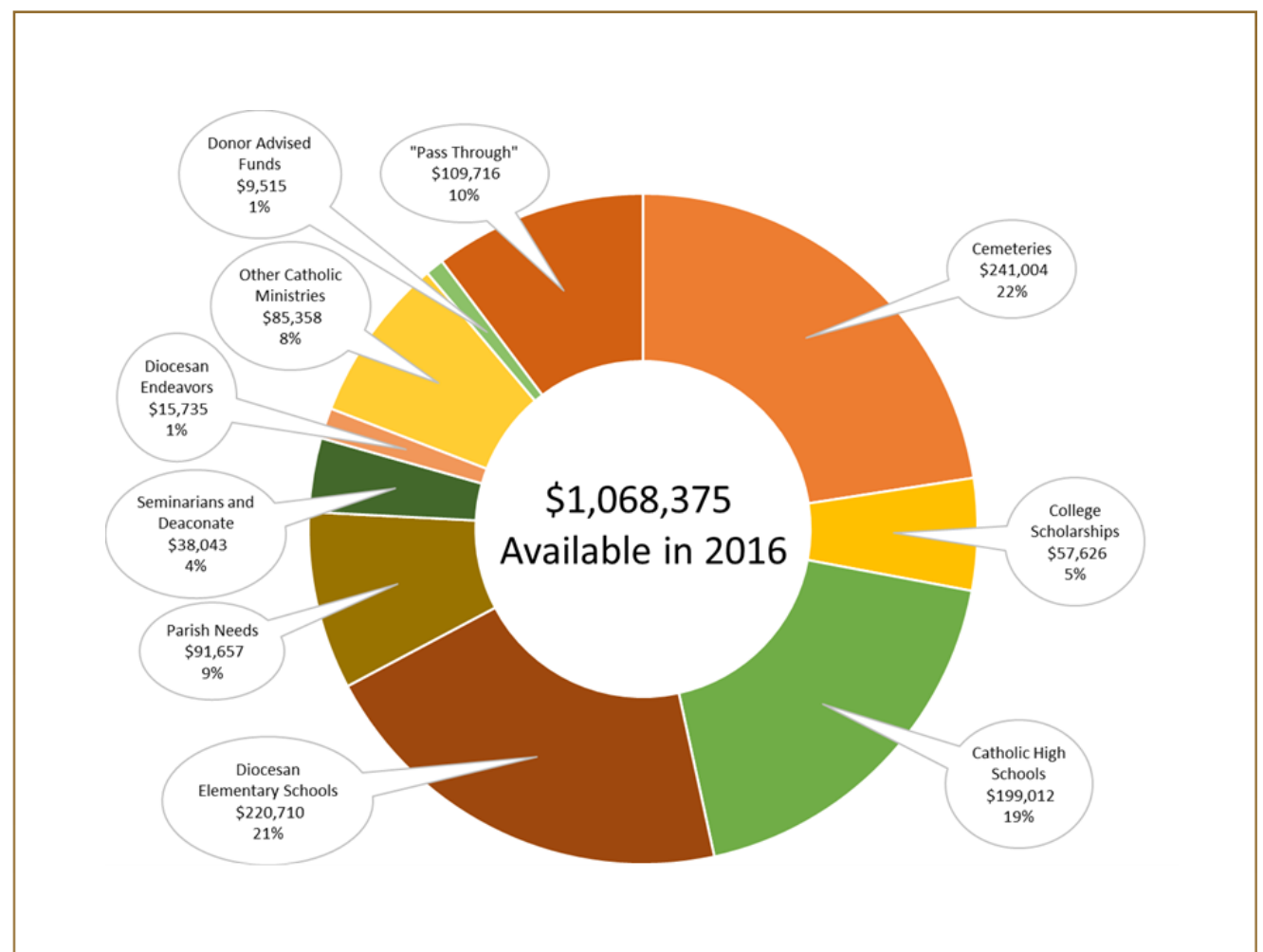
GIVING AT YEAR END

As the end of this calendar year approaches, many people think about financially supporting their favorite ministry. Charitable giving at year end may result in tax savings for the donor. Last year Congress made permanent the popular provision allowing people 70 ½ or older to make tax-free gifts directly from an IRA. The Foundation's website contains information that may be helpful in deciding how and how much to give. The website includes, along with other information, retirement calculators, information on generating income, Q & A's and updated 2016 tax laws. The pages can be found by visiting: www.icfdaj.org > Gift Opportunities > Planned Giving. It is always prudent to consult with your personal tax advisor.



INDEPENDENT CATHOLIC FOUNDATION EARNS COVETED 4-STAR RATING FROM CHARITY NAVIGATOR

The Independent Catholic Foundation's (ICF) strong financial health and commitment to accountability and transparency have earned it a 4-star rating from Charity Navigator, America's largest independent charity evaluator. This is the third consecutive time that ICF has earned this top distinction. Independent Catholic Foundation's exceptional 4-star rating sets it apart from its peers and demonstrates its trustworthiness to the public," according to Michael Thatcher, President & CEO of Charity Navigator. Independent Catholic Foundation's rating and other information about charitable giving are available free of charge on www.charitynavigator.org. "It's important our donors trust that we're using their donations properly to facilitate the temporal support of local Catholic ministries," said Jim Carrieri, President of ICF. "Our 4-star Charity Navigator rating demonstrates to our supporters our good governance and financial accountability."



WELCOME AND THANKS

At its June meeting, the Foundation welcomed two new Trustees. Joining the board for a three year term are Ms. Jackie Martella and Mr. Rick Musar. Jackie was invited to join the board by Monica Garver and the nominating committee. Jackie, her husband and two sons are active members of St. Benedict's Parish in Johnstown. A second generation Registered Pharmacist, she is co-owner of Martella's Pharmacies and Boswell Prescription Services. Jackie a graduate of Duquesne, also serves on the Board of St. Frances University. Rick was invited to join the board by Bob Leahey and the nominating committee. He, his wife and daughter are members of Our Lady of Victory in State College. Rick has a strong background in investments and finance having degrees in engineering and accounting with an MBA from Pitt. In 1998 he and partners founded Aris Corporation an Investment Advisory and Pension Administration firm. Rick now provides consulting to Aris and additionally is an adjunct professor at Penn State. He is a member of the state and national Institutes of Certificated Public Accountants. Outgoing President Dino Persio offered special thanks to Vince Barbera and Tom Kristofco for their years of service; Vince and Tom, were both past presidents. Additionally the board said thanks and farewell to Monica Garver and Tony Kamnikar who were also leaving because of term limits. The Trustees offered a round of applause for the departing Trustees and for incoming President Jim Carrieri.

Trustees

James A. Carrieri
St. Therese, Altoona
President

Joseph Keller
St. Mary, Altoona
Vice President

Peter D. Delricco
Church of the Good Shepherd
State College

Robert F. Leahey
Our Lady of Victory, State College

Matthew J. DiFrancesco
Our Mother of Sorrows, Johnstown
Treasurer

Marty Marasco
Our Lady of Mount Carmel, Altoona
Corporate Secretary

Hampton H. "Hap" Durbin
St. Therese of the Child Jesus Altoona

Jackie Martella
St. Benedict, Johnstown

Rita Halverson
St. Peter, Somerset

Rick Musar
Our Lady of Victory, State College

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

Dino Persio, Esq.
Holy Name, Ebensburg
Immediate Past-President

John J. Wolf
Cathedral, Altoona

WELCOME MARY ANN MIROBELLI



Mary Ann joined the Foundation as accountant in June of this year. She comes to the Foundation having been controller at Nason Hospital in Roaring Spring. She also spends her time working in the office at St. John's (Lakemont) and with her family and Grandson. She replaced long time staff accountant

Matt Reilly who relocated from the area with his wife and daughter. "She really had to hit the ground running" noted Executive Director Hiergeist because she joined us at the end of our fiscal year immediately followed by our distribution process". "She's a great addition to the staff" added Hiergeist.

A Note to Pastors

The Independent Catholic Foundation is guided by 13 lay men and women. In June 2016, four Trustees retired from the board because of term limits. We are looking for lay individuals who you think would be able to contribute to our good works. Many Trustees have supported the Foundation financially but there is no obligation to do so; all Trustees do support us with their prayers and involvement. They would be asked to attend 4 Trustee meetings per year, usually held in Altoona. They are also required to be practicing Catholics and active members of their parish. We have committees that guide our finances, marketing, communication and outreach efforts. If you know someone who you think would be a good candidate, please let us know. We are especially interested in candidates from counties other than Blair, Centre and Cambria.

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.

"Like" us on Facebook

The Foundation has a Facebook page! Please "like" us on Facebook and you will see periodic updates and current news. We have had a page for sometime, but we are now working on adding content in a timelier manner. Please feel free to offer suggestions on what you'd like to see. Search for "Independent Catholic Foundation". "Like" us and follow along.

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.

For a list of current Trustees, please visit our web-site.

Please visit our web-site at www.icfdaj.org

All inquires are held in the strictest confidence.

Bill Hiergeist, Executive Director (814) 201-2080 (814) 201-2092 (fax) (E-mail address) Bill@icfdaj.org
3618 Fifth Ave., Suite 1 • Altoona, PA 16602