

Independent Auditors' Report

To the Most Reverend Thomas John Paprocki, Bishop
Diocese of Springfield in Illinois

We have audited the accompanying financial statements of the Diocese of Springfield in Illinois (the Diocese), which are comprised of the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses 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 audits 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 Diocese of Springfield in Illinois as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Eck, Schaefer & Purke, LLP

Springfield, Illinois
October 28, 2021

Diocese of Springfield in Illinois

STATEMENTS OF FINANCIAL POSITION

June 30

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 1,970,665	\$ 2,514,761
Investments	4,426	4,828,624
Receivables		
Collections and assessments - less allowance for uncollectibles of \$ 320,401 in 2021 and 2020	3,417,185	3,521,180
Premiums - less allowance for uncollectibles of \$ 175,000 in 2021 and 2020	1,952,536	2,312,902
Other	<u>548,689</u>	<u>521,172</u>
	5,918,410	6,355,254
Prepaid expenses	57,946	59,785
Funds invested in the Deposit and Loan Fund	52,472,078	39,176,197
Equipment - less accumulated depreciation of \$ 475,634 in 2021 and \$ 412,811 in 2020	73,656	124,288
Investment in insurers, at cost	244,066	244,066
Other assets	<u>65,127</u>	<u>65,127</u>
	<u>\$ 60,806,374</u>	<u>\$ 53,368,102</u>

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

	<u>2021</u>	<u>2020</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued liabilities		
Trade payables	\$ 129,497	\$ 768,476
Property, payroll and other taxes	373,920	460,033
Claims payable	1,770,000	1,800,000
Deferred income	<u>295,000</u>	<u>360,000</u>
	2,568,417	3,388,509
Funds held for others	<u>1,631,520</u>	<u>1,398,221</u>
Total liabilities	4,199,937	4,786,730
NET ASSETS		
Without donor restrictions		
Undesignated	282,865	194,622
Designated		
Specific	5,000,000	4,050,000
Program	<u>36,516,919</u>	<u>30,521,895</u>
	41,799,784	34,766,517
Net assets with donor restrictions	<u>14,806,653</u>	<u>13,814,855</u>
Total net assets	<u>56,606,437</u>	<u>48,581,372</u>
	<u>\$ 60,806,374</u>	<u>\$ 53,368,102</u>

Diocese of Springfield in Illinois

STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Revenues, gains and other support:			
Annual Catholic Services Appeal	\$ 4,611,973	\$ -	\$ 4,611,973
Diocesan service fees	467,829	-	467,829
Insurance premiums	18,325,959	-	18,325,959
Real estate - net	84,302	-	84,302
Investment loss, net of fees of \$94,968	(671)	(7,829)	(8,500)
Investment income - Deposit and Loan Fund	5,106,032	10,242	5,116,274
Gain (loss) on sale of investments - net	(779)	1,970,281	1,969,502
Change in unrealized loss on investments	-	(733,568)	(733,568)
Contributions	4,728,859	267,543	4,996,402
Catholic Times subscriptions	654,540	-	654,540
Catholic Times advertising	50,890	-	50,890
Bequests	342,716	226,560	569,276
Other	42,953	-	42,953
Net assets released from restrictions	<u>741,431</u>	<u>(741,431)</u>	<u>-</u>
Total revenues, gains and other support	35,156,034	991,798	36,147,832
Expenses			
Program services			
Diocesan and Catechetical services	26,362,522	-	26,362,522
Supporting activities			
Management and general	1,531,733	-	1,531,733
Fundraising	<u>228,512</u>	<u>-</u>	<u>228,512</u>
Total expenses	<u>28,122,767</u>	<u>-</u>	<u>28,122,767</u>
Change in net assets	7,033,267	991,798	8,025,065
Net assets at beginning of year	<u>34,766,517</u>	<u>13,814,855</u>	<u>48,581,372</u>
Net assets at end of year	<u>\$ 41,799,784</u>	<u>\$ 14,806,653</u>	<u>\$ 56,606,437</u>

The accompanying notes are an integral part of this financial statement.

Diocese of Springfield in Illinois

STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains and other support:			
Annual Catholic Services Appeal	\$ 4,420,071	\$ -	\$ 4,420,071
Diocesan service fees	447,350	-	447,350
Insurance premiums	17,891,976	-	17,891,976
Real estate - net	129,290	-	129,290
Investment income (loss), net of fees of \$93,477	656,107	(10,450)	645,657
Investment income - Deposit and Loan Fund	367,394	1,463	368,857
Gain (loss) on sale of investments - net	(143)	178,200	178,057
Change in unrealized loss on investments	-	197,485	197,485
Contributions	3,351,352	354,359	3,705,711
Catholic Times subscriptions	732,038	-	732,038
Catholic Times advertising	57,529	-	57,529
Bequests	91,414	422	91,836
Other	777,636	-	777,636
Net assets released from restrictions	971,730	(971,730)	-
Total revenues, gains and other support	29,893,744	(250,251)	29,643,493
Expenses			
Program services			
Diocesan and Catechetical services	26,639,971	-	26,639,971
Supporting activities			
Management and general	1,639,706	-	1,639,706
Fundraising	387,120	-	387,120
Total expenses	28,666,797	-	28,666,797
Change in net assets	1,226,947	(250,251)	976,696
Net assets at beginning of year	33,539,570	14,065,106	47,604,676
Net assets at end of year	<u>\$ 34,766,517</u>	<u>\$ 13,814,855</u>	<u>\$ 48,581,372</u>

The accompanying notes are an integral part of this financial statement.

Diocese of Springfield in Illinois

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021

	Program Services	Supporting Activities			Total
	Diocesan and Catechetical Services	Management and General	Fundraising	Total Supporting	
Salaries and employee benefits	\$ 3,321,658	\$ 944,185	\$ 178,223	\$ 1,122,408	\$ 4,444,066
Contributions	292,000	-	-	-	292,000
Retirement benefits	2,381,795	-	-	-	2,381,795
Professional fees	103,641	260,439	-	260,439	364,080
Contractual Services	53,164	-	-	-	53,164
Occupancy	683,276	-	-	-	683,276
Travel	42,931	7,364	665	8,029	50,960
Printing	218,179	5,791	5,478	11,269	229,448
Postage and shipping	172,988	3,785	13,123	16,908	189,896
Meetings	39,891	1,018	6,148	7,166	47,057
Insurance claims	17,958,237	-	-	-	17,958,237
Supplies	20,957	753	19	772	21,729
Telephone	3,717	7,388	-	7,388	11,105
Equipment rental and maintenance	89,528	71,403	-	71,403	160,931
Fees	53,366	-	-	-	53,366
Dues and publications	15,860	4,791	1,800	6,591	22,451
Insurance	39,730	-	-	-	39,730
Workshops	10,011	-	-	-	10,011
Advertising	14,257	534	-	534	14,791
Tuition and education	681,603	-	-	-	681,603
Ministry	19,857	-	-	-	19,857
Settlements and therapy	-	140,634	-	140,634	140,634
Other	145,876	17,363	23,056	40,419	186,295
Depreciation	-	62,823	-	62,823	62,823
Bad debt expense	-	2,701	-	2,701	2,701
Interest expense	-	761	-	761	761
Total expenses	<u>\$ 26,362,522</u>	<u>\$ 1,531,733</u>	<u>\$ 228,512</u>	<u>\$ 1,760,245</u>	<u>\$ 28,122,767</u>

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

Diocese of Springfield in Illinois
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020

	Program Services	Supporting Activities			Total
	Diocesan and Catechetical Services	Management and General	Fundraising	Total Supporting	
Salaries and employee benefits	\$ 3,606,605	\$ 926,037	\$ 308,582	\$ 1,234,619	\$ 4,841,224
Contributions	867,218	-	-	-	867,218
Retirement benefits	2,232,944	-	-	-	2,232,944
Professional fees	338,726	358,164	-	358,164	696,890
Contractual Services	82,014	8,252	1,251	9,503	91,517
Occupancy	816,186	-	-	-	816,186
Travel	65,150	9,802	2,925	12,727	77,877
Printing	221,508	7,492	4,048	11,540	233,048
Postage and shipping	202,203	5,926	20,372	26,298	228,501
Meetings	42,345	6,910	1,169	8,079	50,424
Insurance claims	16,644,135	-	-	-	16,644,135
Supplies	21,342	1,015	153	1,168	22,510
Telephone	3,993	6,696	-	6,696	10,689
Equipment rental and maintenance	94,202	70,951	-	70,951	165,153
Fees	34,529	-	-	-	34,529
Dues and publications	36,067	4,619	1,750	6,369	42,436
Insurance	45,102	-	-	-	45,102
Workshops	12,194	-	-	-	12,194
Advertising	15,757	4,524	-	4,524	20,281
Tuition and education	1,016,673	-	-	-	1,016,673
Ministry	31,963	-	-	-	31,963
Settlements and therapy	-	71,413	-	71,413	71,413
Other	209,115	12,917	46,870	59,787	268,902
Depreciation	-	93,968	-	93,968	93,968
Bad debt expense	-	49,888	-	49,888	49,888
Interest expense	-	1,132	-	1,132	1,132
Total expenses	\$ 26,639,971	\$ 1,639,706	\$ 387,120	\$ 2,026,826	\$ 28,666,797

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

Diocese of Springfield in Illinois

SCHEDULES OF PROGRAM SERVICES - OPERATING FUND

Years Ended June 30

	<u>2021</u>	<u>2020</u>
Cathedral operations	\$ 274,636	\$ 249,264
Catholic Pastoral Center operations	575,691	566,936
Human Resources	233,304	286,020
Office of the Bishop	209,309	201,039
Office for Campus Ministry		
Campus Ministry	-	2,132
Newman Center - Charleston	451,674	498,377
Newman Center - Decatur	49,914	50,719
Newman Center - Edwardsville	171,146	200,257
Newman Center - UIS	2,100	2,550
Office for Catholic Schools	193,019	181,902
Office for Catechesis	79,073	113,309
Office for Cemetery	44,264	35,242
Office for Clergy Personnel		
Post Graduate	25,969	43,008
Personnel	21,659	26,242
Clergy Leave	77,345	30,753
Sabbatical	-	8,202
Office for Communications and Information Services	193,288	223,031
Office for Marriage and Family Life	73,721	78,823
Office for Lay Ecclesial Ministry	106	352
Office for Lay Organizations	(302)	9,737
Office for Vicar for Priests	20,652	10,856
Office for Pro-Life Activities & Special Ministries		
Pro-Life Activities & Special Ministries	45,018	97,889
Black Catholic Commission	553	4,196
Deaf Ministry	21,890	24,078
Diocesan Office for Hispanic Ministry	137,637	132,682
Rural life	-	38
Office for Youth and Young Adult Ministry	104,854	111,975
Office for the Tribunal	<u>142,303</u>	<u>97,028</u>
 Total carried forward	 \$ 3,148,823	 \$ 3,286,637

Diocese of Springfield in Illinois

SCHEDULES OF PROGRAM SERVICES - OPERATING FUND - CONTINUED

Years Ended June 30

	<u>2021</u>	<u>2020</u>
Total brought forward	\$ 3,148,823	\$ 3,286,637
Office of Archives Management	210,580	217,483
Office for Vocations		
Seminarians Education	755,881	1,538,896
Office for Divine Worship and Catechumenate	15,654	34,081
Office for Stewardship and Discipleship	161,329	228,201
Office of the Diaconate	93,125	48,080
Presbyteral council	1,940	972
Real Estate Trust contribution	-	322,369
Subsidy to St. Patrick's School	54,167	50,000
Universal Church support		
United States Conference of Catholic Bishops	54,087	47,672
Catholic Conference of Illinois	38,504	34,787
Papal support	42,000	42,000
Catholic University of America	18,000	18,000
Villa Maria - Catholic Life Center	360,701	413,393
Other	27,452	116,738
Communications media	21,100	21,500
Rice Bowl	-	20,000
	<u>\$ 5,003,343</u>	<u>\$ 6,440,809</u>

Diocese of Springfield in Illinois

SCHEDULES OF SUPPORTING SERVICES - OPERATING FUND

Years Ended June 30

	<u>2021</u>	<u>2020</u>
Administration		
Catholic Pastoral Center - Information Technology	\$ 274,610	\$ 280,734
Office for Finance	499,225	446,017
Office of the Chancellor/Director of Policy Development	123,315	140,729
Office of the Vicar General	123,401	141,720
Office of Vocations	38,724	52,383
Delegates for Health Care and Legal Profession	<u>5,400</u>	<u>9,648</u>
	1,064,675	1,071,231
Settlements and therapy	140,634	71,413
Interest	761	1,132
Bad debt expense	2,701	49,888
Depreciation	62,823	93,968
Professional fees	<u>260,139</u>	<u>352,074</u>
	<u>\$ 1,531,733</u>	<u>\$ 1,639,706</u>