

# IN PERPETUUM

CATHOLIC FOUNDATION OF EASTERN PENNSYLVANIA

APRIL 2018 ❖ SPECIAL EDITION  
St. Theresa –Hellertown

*"Give thanks to the Lord  
for He is good. His love  
endures forever."*

PSALM 136.1

## A MESSAGE FROM FATHER TAUBER

### Endowments support our parish ... forever

Dear Parishioners,

I hope you take a moment to read this special edition of the newsletter *In Perpetuum* from the Catholic Foundation of Eastern Pennsylvania. It explains the history and background of the Foundation, and more importantly – as the newsletter's name suggests – it shows how our parish will forever benefit from our endowments managed by the Foundation.

St. Theresa's parish was blessed a few years ago to receive a generous gift from one of our parishioners to help support our school. After careful consideration with our parish finance council, we decided to create an endowment fund with the Catholic Foundation. We could have easily spent it – but it would have been gone after a year.

With an endowment, the original gift, and subsequent gifts from others, would grow with prudent investing. Each year we receive a distribution – about 5 percent – to support the Catholic education of the youth in our parish.

We started a second endowment to support general parish operations. An endowment fund with the Catholic Foundation is truly the gift that keeps on giving.

Key factors led us to the Catholic Foundation. The investment returns were favorable and better than earning 1% in a savings account. The funds are part of a larger pool and allow access to better investment vehicles with lower fees. But more importantly, the Foundation follows a morally responsible Catholic investment policy.

As good stewards, our agreements with the Catholic Foundation outline how the funds may be spent and honors donor intent. It's important that St. Theresa's is financially stable and able to serve our faithful parishioners for years to come.

Please contact me to learn more about our endowments with the Catholic Foundation and why supporting them is a wise decision.

Sincerely,

Father Jerome Tauber



### Catholic Foundation provides 'best-in-class' strategy to assist Catholic causes in generating future income

Five years ago a group of Catholic community leaders gathered together to discuss "a big idea" that would provide Catholic institutions in our region needed funding so they could remain sustainable over the long run. From the big idea, the Catholic Foundation of Eastern Pennsylvania was born.

The Catholic Foundation is a charitable organization independent from the Diocese of Allentown. It is designed to manage assets through endowment and donor designated funds that generate perpetual income and provide financial stability for Catholic parishes, educational institutions, Catholic cemeteries and non-profit organizations in the five-county footprint of the Diocese.

"We have built an independent, low-cost investment strategy that focuses on consistent returns while incorporating Catholic values," Paul Huck, chairperson of the board for the Catholic Foundation and retired CFO of Air Products, said. "We stand ready to help Catholic institutions with their long-term investment strategy that will generate future income to fulfill their missions and respect donor intent."

Currently, the Catholic Foundation manages \$5 million in assets in 21 separate endowment funds. At the end of Q4 2017, the foundation saw a return of 16.34% YTD.

*Continued on page 2*



## Endowments ensure the future of Catholic Education



More than 75 percent of the endowments managed by the Catholic Foundation of Eastern Pennsylvania are education related. Many of the funds were started with a focus on preserving access to a Catholic school education. Individual donors and parishes knew that the best way to ensure future funding for scholarships and education programs was to invest in an endowment.

“Education endowment funds generate future income for our schools and provide the children in our parishes access to a premier Catholic education and a chance to succeed,” Pete Waldron, Executive Director of the Catholic Foundation, said. “Scholarships, teacher excellence efforts and STREAM (science, technology, religion, engineering, arts and math) educational programs are top funding needs and the Catholic Foundation will work with parishes, schools and their individual donors to create endowments that will fund these educational priorities.”

The Catholic Foundation has helped individual donors, educational institutions, organizations, and parishes to recognize endowments as a means to support their causes, not only today, but for future generations. A school or scholarship endowment means that income will be available year after year, and often bridges the gap between tuition revenue and other contributed revenue such as special events and annual fund.

Since its inception, the Catholic Foundation has paid out an estimated \$172,000 in annual distributions to schools or institutions designated from each educational endowment. It expects to pay out an estimated \$160,000 this year.

“Catholic schools have a stabilizing influence for families as well as the communities where they are located,” Waldron said. “Keeping our schools strong today and ensuring their future are two of the main reasons individuals and parishes have made the decision to invest in an endowment fund with the Catholic Foundation.”

Allentown Central Catholic’s Green & Gold (G&G) Fund recently transferred its assets to the Catholic Foundation and Bob Buck, G&G Treasurer and CPA with Buckno Lisicky & Company saw the value immediately.

“It made sense to move the Green & Gold Fund into the Catholic Foundation,” Buck said. “With access to a broader investment portfolio, our fund will earn a better rate of return, grow faster and work harder to support educational programs at Allentown Central Catholic High School.”

There are 16 education endowment funds managed by the Catholic Foundation. In addition to diocesan parish and regional elementary schools, endowments also support special learning centers and Catholic high schools.

### Education endowment funds at the Catholic Foundation include:

- ACCHS Green & Gold Education Endowment Fund
- Assumption BVM School Endowment Fund
- Reverend Joseph A. Barnes Scholarship Endowment Fund
- Berks County Catholic School Scholarship Endowment Fund
- Bishop Thompson Scholarship Endowment Fund
- Catholic School Scholarship Endowment Fund
- Rev. Stephen J. Halabura Seminary Endowment Fund
- Hispanic Scholarship Endowment Fund
- John Paul II Center for Special Learning Endowment Fund
- Albert J. Neupauper Education Endowment Fund
- St. Anne’s (Bethlehem) Education Endowment Fund
- St. Jane De Chantal Education Endowment Fund
- St. Joseph the Worker Angel Scholarship Endowment Fund
- St. Theresa School Endowment Fund
- Scalici Family Endowment Fund
- Charles A. Wagner Scholarship Endowment Fund

### Catholic Foundation *Continued from page 1*

The Foundation is governed by an all-volunteer independent Board of Directors currently comprised of professionals with legal, financial, foundation, and investment management experience. The Board is self-sustaining, electing new and replacing Board members as needed. Pete Waldron is the Catholic Foundation’s first executive director.

The Catholic Foundation of Eastern Pennsylvania is the new kid on the block among a network of 140 similar Catholic foundations across the United States. While there are commonalities among them, each operates individually and is tailored to meet the needs of the Catholic communities they serve.







## St. Theresa's Endowment Funds provide ongoing funding for parish, school programs

Father Jerome Tauber, pastor, calls St. Theresa's School the "treasure of our parish."

"Our school is a major focal point of our parish mission," Fr. Tauber said. "By investing in the Catholic education of our youth, we are laying the groundwork for the continuation of the Catholic faith in our community."

And through the foresight of a generous parishioner, this treasure will continue to shine, with the establishment of an endowment fund with the Catholic Foundation in 2015. The St. Theresa School Endowment Fund was created to support the ongoing education programs and activities of the school.

As Fr. Tauber points out, establishing the endowment was only the first step.

"We need to encourage other donors to contribute to it so it may grow," Fr. Tauber said. "The larger the overall endowment fund, the larger the annual distribution will be to support the education programs at the school."

As Diana Tice, school principal, shared in a recent letter to parishioners, St. Theresa's is currently developing a 5-year strategic plan for the school. She recognizes that plans alone are not enough, without a financial commitment to make them come to life. An endowment fund bridges the gap where tuition, the Annual Fund appeal and other revenue sources fall short.

The parish established a second endowment fund with the Catholic Foundation last year. The **St. Theresa of the Child Jesus Parish Endowment Fund** supports the ongoing operations, programs and activities for the parish.

"St. Theresa has very generous parishioners who are committed to supporting the school and parish," Fr. Tauber said. "As our endowment funds continue to grow through additional contributions and compound interest, parish and school programs will get the funding support they need now and into the future."

### It's easy to support St. Theresa's with the Catholic Foundation

There are two ways St. Theresa's parishioners may support the future of the parish and school through the Catholic Foundation:

- ❖ Start an endowment fund.
- ❖ Contribute to an existing endowment fund.

There are a variety of financial vehicles used to accomplish this goal. Bequests, trusts, and out-right cash donations are the most common. Donors have also made gifts of appreciated securities, IRA distributions (especially if age 70.5 and older), or by naming the parish as an insurance or IRA beneficiary.

It is important that donors consult with their investment advisers on what is the best investment vehicle for them.





## ENDOWMENT FUND: The Gift That Keeps On Giving



LONG-TERM  
INVESTMENT  
**GOAL:**  
**8%**  
RETURN

Perpetual  
Income 



**FINANCIAL  
STABILITY**



**INDEPENDENT  
from Diocese**

**Written  
Guidelines**



  
**VISION**  
Good Stewardship 

**OPPORTUNITY FOR GIVING**  
CASH • SECURITIES • BEQUESTS  
INSURANCE OR INVESTMENT BENEFICIARIES



**401K / IRA TRANSFERS**

**5%**  
DISTRIBUTION 



Bridges  
Funding Gap

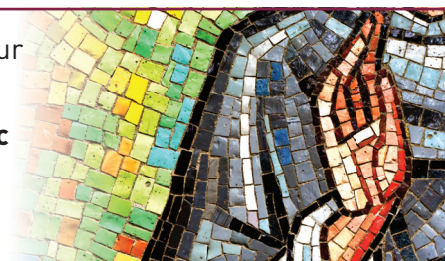


As Endowment Grows -  
Distribution Grows

  
**PEACE**  
Parish or  
cause has  
**\$\$\$ forever**



To start, contribute or remember a fund in your will/trust for your favorite Catholic parish, school, learning center or non-profit, please contact **Pete Waldron, Executive Director of the Catholic Foundation of Eastern Pennsylvania** at **610-439-7681** or **[petewaldron@catholicfoundationep.org](mailto:petewaldron@catholicfoundationep.org)**



## IN PERPETUUM

*The Latin word meaning forever.*

CFEP is an independent, charitable organization designed to manage assets, generate perpetual income and provide financial stability for Catholic parishes, educational institutions and non-profits.

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