CSJ MINISTRIES, INC.

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

Finance Committee
CSJ Ministries, Inc.
St. Paul, Minnesota

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of the CSJ Ministries, Inc. (the Organization), which comprise the statement of consolidated financial position as of June 30, 2024, and the related consolidated statements of activities and changes in net assets, consolidated functional expenses, and consolidated cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization, as of June 30, 2024, and the consolidated changes in its net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Finance Committee
CSJ Ministries, Inc.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Report on Supplementary Information

Our audits were conducted for the purpose of forming opinion on the consolidated financial statements as a whole. The schedule of functional activities and changes in net assets, schedule of total activities under organization direction, and the schedule of changes in investments held for others (the Supplementary Information) for the year ended June 30, 2024 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 15, 2024

CSJ MINISTRIES, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

Cash and Cash Equivalents	$ 223,000
Pledges Receivable, Net	3,760,300
Accounts Receivable	20,920
Investments Held for Others	95,744
Investments	22,854,927
Other Assets	32,944
Total Assets	$ 26,987,835

LIABILITIES AND NET ASSETS

LIABILITIES	
Accounts Payable and Accrued Liabilities	$ 228,641
Annuity Contracts Payable	40,911
Investments Held for Others	95,744
Total Liabilities	365,296
NET ASSETS	
Without Donor Restriction	
Undesignated	6,190,781
Board Designated	10,488,512
Total Without Donor Restriction	16,679,293
With Donor Restriction	9,943,246
Total Net Assets	26,622,539
Total Liabilities and Net Assets	$ 26,987,835

See accompanying Notes to Consolidated Financial Statements.

CSJ MINISTRIES, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions and Gifts	$ 1,457,530	$ 3,757,800	$ 5,215,330
Service Fee Income	140,259		140,259
Estate Proceeds	1,271,282	-	1,271,282
Investment Income - Net of Fees	2,084,577	423,653	2,508,230
Change in the Value of Split-Interest Agreements	(5,174)	-	(5,174)
Miscellaneous Income	723	-	723
In-Kind Contributions	761,656	-	761,656
In-Kind Rent	448,706	-	448,706
Release from With Donor Restricted Net Assets	214,417	(214,417)	-
Total Support and Revenues	6,373,976	3,967,036	10,341,012
EXPENSES			
Program Expenses	2,701,392	-	2,701,392
Supporting Services			
Management and General	445,124	-	445,124
Fundraising	678,754	-	678,754
Total Supporting Services	1,123,878	-	1,123,878
Total Expenses	3,825,270	-	3,825,270
CHANGE IN NET ASSETS	2,548,706	3,967,036	6,515,742
Net Assets - Beginning of Year	14,130,587	5,976,210	20,106,797
NET ASSETS - END OF YEAR	$ 16,679,293	$ 9,943,246	$ 26,622,539

See accompanying Notes to Consolidated Financial Statements.

CSJ MINISTRIES, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services					Support Services			
	Program Expenses	Sarah's… an Oasis for Women	Learning in Style School	Wisdom Ways Center for Spirituality	Total Program Services	Management and General	Fundraising	Total Support Services	Total Expenses
Salaries	$ 18,011	$ 256,393	$ 358,683	$ 298,419	$ 931,506	$ 101,281	$ 393,102	$ 494,383	$ 1,425,889
Payroll Taxes	1,276	18,307	27,019	21,332	67,934	7,177	27,856	35,033	102,967
Employee Benefits	2,019	36,603	17,944	56,582	113,148	11,355	44,072	55,427	168,575
Retirement Expenses	1,001	4,842	5,576	5,874	17,293	5,628	21,845	27,473	44,766
Total Personnel Costs	22,307	316,145	409,222	382,207	1,129,881	125,441	486,875	612,316	1,742,197
Advertising	55	-	-	7,173	7,228	308	1,194	1,502	8,730
Audit/Legal Fees	-	-	-	-	-	64,210	-	64,210	64,210
Depreciation Expense	-	-	-	-	-	1,422	-	1,422	1,422
Event Expenses	-	-	-	-	-	-	66,037	66,037	66,037
Grants	494,417	24,354	-	-	518,771	-		-	518,771
Information Technology	1,033	-	-	11,224	12,257	5,810	22,549	28,359	40,616
Insurance	-	-	-	-	-	17,526	-	17,526	17,526
Occupancy	636	382,978	341,601	10,595	735,810	3,574	13,871	17,445	753,255
Office Expenses	238	10,113	1,736	8,962	21,049	1,337	5,191	6,528	27,577
Other Expenses	915	4,187	9,758	14,198	29,058	11,717	41,049	52,766	81,824
Program Expenses	-	78,805	3,437	67,855	150,097	-	-	-	150,097
Purchased Services	1,840	11,074	3,121	73,725	89,760	213,306	40,150	253,456	343,216
Staff Development	84	3,735	95	1,886	5,800	473	1,838	2,311	8,111
Travel	-	591	-	1,090	1,681	-	-	-	1,681
Total Expenses	$ 521,525	$ 831,982	$ 768,970	$ 578,915	$ 2,701,392	$ 445,124	$ 678,754	$ 1,123,878	$ 3,825,270

See accompanying Notes to Consolidated Financial Statements.

CSJ MINISTRIES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	$ 6,515,742
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Change in the Value of Annuity Contracts	5,174
Realized and Unrealized Investment Gains	(2,508,374)
Depreciation Expense	839
(Increase) Decrease in Assets:	
Pledges Receivable	(3,752,800)
Other Assets	9,274
Increase (Decrease) in Liabilities:	
Accounts Payable and Accrued Liabilities	(29,770)
Net Cash Provided by Operating Activities	240,085
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(590,000)
Proceeds from Sales of Investments	381,260
Net Decrease in Investments Held for Others	(7,301)
Net Cash Used by Investing Activities	(216,041)
CASH FLOWS FROM FINANCING ACTIVITIES	
Annuity Payments	(7,412)
Net Cash Used by Financing Activities	(7,412)
INCREASE IN CASH AND CASH EQUIVALENTS	16,632
Cash and Cash Equivalents - Beginning of Year	206,368
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 223,000

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

CSJ Ministries, Inc. (the Organization) was founded by the Sisters of Saint Joseph of Carondelet in 2023 to operate three ministries they established and operated in the 1990s. The Organization's mission to "welcome neighbors, cultivate community, and foster justice by responding to the needs of the time" is an adaptation of the Sisters' charism. Today, CSJ Ministries, Inc. operates the following three programs in Saint Paul and Minneapolis. Consolidated into CSJ Ministries, Inc. is the Sisters of St. Joseph of Carondelet, Ministries Foundation, St. Paul Province (the Foundation), a Minnesota nonprofit corporation, which is organized for the purpose of fundraising for various ministries of the Sisters of St. Joseph of Carondelet, St. Paul Province (the Province).

Program Expenses

Program expenses includes grants to related party organizations as well as staff allocations towards programming.

Sarah's... an Oasis for Women

Provides a safe home, dignity, resources, and support for a diverse community of 30 immigrant women healing from trauma, where they can begin new, empowered lives. Women work and prepare for a sustainable future for themselves and family members not yet in the U.S. For those without jobs, Sarah's Oasis provides additional food and financial assistance and connects them to educational opportunities in the Twin Cities where they continue to develop skills.

Learning In Style School

Provides quality education in English, math, computer, and citizenship in a supportive and respectful environment to immigrants and refugees from dozens of different nations annually, including recent arrivals from Ukraine, Afghanistan, and Ecuador.

Wisdom Ways Center for Spirituality

Creates open, accepting spaces that advance spiritual growth, authenticity, and fullness of life for all people. Wisdom Ways believes that each of us can call forth healing, growth, integration, and expanded freedom for ourselves and each other. Come and engage your heart, soul, mind, and strength through our inclusive spiritual offerings.

The consolidated financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

Resources are reported in separate categories of net assets based on the existence or absence of donor-imposed restrictions. Unconditional promises to give are recorded as receivables and revenues in the period the promise is made. All contributions are recorded at fair value at the time the promise is made. Conditional promises to give are not recorded until the condition is either substantially met or it is deemed remote that the condition will not be met.

In the accompanying consolidated financial statements, net assets that have similar characteristics have been combined into categories as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Net assets which have no donor-stipulated restrictions, as well as contributions for which donors have stipulated restrictions but which are met within the same reporting period, are reported as without donor restriction support.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts for CSJ Ministries and the Sisters of St. Joseph of Carondelet, Ministries Foundation, St. Paul Province. The control factors between the organizations require a consolidated financial statement presentation. All material interorganization transactions and accounts have been eliminated.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At times, such investments may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the pledge is received. Conditional pledges are not included as support until such time as the conditions are substantially met. The Organization assesses an allowance for bad debts using the allowance method, which is based on management judgment considering historical information and analyzed for collectability.

When all collection efforts have been exhausted and no payments have been received, accounts are individually written off against the related allowance.

Investments

Investments are recorded at fair value based on quoted market values or on fair values as determined by management in consultation with the Organization’s investment managers for certain investments with no readily available quoted market prices. In valuing these investments, management considers the audited consolidated financial statements of the investee, the cost of the investments, developments since acquisition, estimates as to the effect of future developments, general economic conditions, and other pertinent factors.

Changes in the fair value of investments are recorded as unrealized gains or losses in the period of change. Due to the market volatility 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 future statement of activities.

Investments Held for Others

In accordance with the standard for transfers of assets to a nonprofit organization of charitable trust that raises or holds contributions for others, if a nonprofit organization establishes a fund at an Organization with its own funds and specifies itself as the beneficiary of that fund or if a donor contributes assets and names a specific third-party beneficiary, the Organization must account for the transfer of such assets as a liability. The Organization refers to such funds as Investments Held for Others. The Organization maintains legal ownership of these funds and, as such, continues to report the funds as assets of the Organization. However, in accordance with the standard, a liability has been established for the fair market value of the funds.

Contributions

Contributions, including unconditional promises to give, are recognized as without donor restriction or with donor restriction support, depending on the existence and/or nature of any donor restrictions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (Continued)

All donor-restricted support is reported as an increase in the with donor restriction net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), with donor restriction net assets are reclassified to without donor restriction net assets and reported in the statements of activities and changes in net assets as Release from With Donor Restricted Net Assets.

Unconditional contribution pledges are recognized as revenue in the period received. Conditional contributions are recognized when the conditions on which they depend are substantially met. Gifts and bequests are recognized when it has been determined that there is a legal right to the gift or bequest and the actual amount to be received has been determined.

Fair Value Measurements

Financial assets and liabilities recorded on the statements of financial position are categorized based on the inputs used to measure fair value into the following three categories:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the Organization's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

The Organization measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Organization may use valuation techniques consistent with the market, income, and cost approaches to measure fair value.

Income Taxes

The Organization is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal or state income taxes on related business income. Donations to the Organization are tax deductible to the extent allowed by law.

The Organization follows guidance in the income tax standard regarding the recognition of uncertain tax positions. The guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax filing that are not certain to be realized. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income, excise, or other taxes.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations

As of June 30, 2024, 100% of pledges receivable were from one donor and 54% of total contributions were from one donor.

Functional Expenses

Expenses by function have been charged to programs and supporting services classifications on the basis of estimates made by the Organization’s management. Grants are considered to be programmatic in nature. All other expenses are allocated on the basis of full-time equivalent employees and square footage utilized by each program and supporting service.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization determines if an arrangement is a lease at inception. Leases are reported on the statements of financial position as a right-of-use (ROU) asset and lease liability. ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend of terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the balance sheets. As of June 30, 2024, the Organization has a copier lease with monthly payments of $209 that expires in January 2025. The Organization determined the lease was immaterial and chose to not record as a ROU asset and liability.

Adoption of New Accounting Standard

The Organization adopted FASB ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments* (CECL), as amended, which modified the measurement of expected credit losses. The adoption of this Standard did not have a material impact on the Organization's consolidated financial statements.

Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 15, 2024, the date the consolidated financial statements were available to be issued.

NOTE 2 PLEDGES RECEIVABLE

Included in pledges receivable are the following unconditional promises to give:

Year Ending June 30,	Amount
2025	$ 1,023,145
2026	1,000,000
2027	1,000,000
2028	1,000,000
Pledges Receivable	4,023,145
Less: Discount	(242,200)
Less: Allowance for Doubtful Accounts	(20,645)
Total	$ 3,760,300

The annual interest rate used for computing the discount for long-term pledges was 4.33% as of June 30, 2024.

NOTE 3 INVESTMENTS

Investments, stated at fair value, consisted of the following at June 30, 2024:

Cash and Money Market Funds	$ 11,701
S&P Index Fund	16,622,914
U.S. Bond Funds	6,316,056
Subtotal	22,950,671
Less: Investments Held for Others	(95,744)
Total	$ 22,854,927

NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization values all other assets and liabilities, refer to Note 1 – Summary of Significant Accounting Policies.

Valuation Inputs

The following table presents the fair value hierarchy at which the Organization's investments are measured at June 30, 2024:

	Level 1	Level 2	Level 3	Total
Investments				
S&P Index Fund	$ 16,622,914	$ -	$ -	$ 16,622,914
US Bond Funds	6,316,056	-	-	6,316,056
Total	$ 22,938,970	$ -	$ -	22,938,970
Cash and Money Market Funds				11,701
Total				$ 22,950,671

Cash and cash equivalents are included in the table above to reconcile to the investment amounts on the statements of financial position.

NOTE 5 RELATED PARTY TRANSACTIONS

Province

During the year ended June 30, 2024, the Organization paid the Province $43,012 for services provided by the Sisters and for management services. In 2024, the Organization paid the Province $139,526 for rent. The Organization made contributions to the Province of $66,904 during the year ended June 30, 2024. At June 30, 2024, the Organization owed the Province $49,297 for these charges and pass-thru contributions. These amounts were included in the accounts payable balance as of June 30, 2024.

NOTE 5 RELATED PARTY TRANSACTIONS (CONTINUED)

Province (Continued)

The Province paid the Organization $241,374 in 2024 for various services, the most significant of which relates to the portion of expenses covered for Learning in Style, Sarah's… an Oasis for Women, and Wisdom Ways Center for Spirituality. The Province donated in-kind rent of $448,706 to the Organization. Additionally in 2024, the Province made contributions to the Organization of $468,206 during the year ended June 30, 2024.

During the fiscal year ended June 30, 2024, the Province pledged $4,000,000 to the Organization to be paid $1,000,000 a year for the next four years in cash or in-kinds. The net present value of this pledge as of June 30, 2024 was $3,757,800.

Clinics

The Organization made contributions to St. Mary's Health Clinics (the Clinics), an affiliate of the Organization, of $619,961 during the year ended June 30, 2024, which included the net Carondelet Gala revenue and pass-through donations.

The total net payable from the Organization to the Clinics at June 30, 2024 was $3,667 and includes donations raised by the Organization on behalf of the Clinics which have not yet been transferred over to the Clinics. The payable amount to the Clinics at year-end is included in accounts payable and funds held for others.

The Organization charged the Clinics for certain fundraising costs totaling $69,750 during the year ended June 30, 2024.

At June 30, 2024, the Organization had a receivable from the Clinics of $13,125 for the reimbursement of fundraising costs.

NOTE 6 TRUST AGREEMENT

The Foundation is a named beneficiary under an endowment fund (James Doherty Fund). Under the terms of the agreement, the Organization receives distributions from the James Doherty Fund on behalf of others and distributes the funds in accordance with the wishes of the James Doherty Fund. The fund, which is held by an outside trustee, has assets with a fair value of $1,345,920 at June 30, 2024. The Organization received distributions of $75,581 for the year ended June 30, 2024. Under certain circumstances, the Organization's status as beneficiary of the trust may be changed by the trustee and, accordingly, the fund is not reflected as an asset in the consolidated financial statements of the Organization.

NOTE 7 ANNUITY CONTRACTS PAYABLE

The Organization has entered into various gift annuity contracts with donors. Charitable gift annuity contracts obligate the Organization to make payments to the annuitants for the remainder of their lives. Assets are recorded at fair value at the date of receipt and a liability has been recorded equal to the present value of the estimated future obligations. The difference between the fair value of assets contributed and obligations recorded is recognized as contribution revenue.

The various gift annuity contracts have been discounted using interest rates of 4.4% to 7.995%. Internal Revenue Service (IRS) life expectancy tables are utilized to determine life expectancies. Liabilities under gift annuity agreements amounted to $40,911 at June 30, 2024. Changes in split-interest agreements, which resulted from the revaluation of annuity contracts, were $(5,174) for the year ended June 30, 2024.

NOTE 8 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

At June 30, 2024, the Organization’s net assets with donor restrictions were as follows:

Subject to Expenditure for Specified Purpose	
Insurance Fund	$ 111,509
Campaign Fund - Ministry Support	2,199,194
Total	2,310,703
Subject to Time Restriction	
Province Funding	3,757,800
Total Subject to Time Restriction	3,757,800
Endowments	
Original Donor-Restricted Gift Amount to be Maintained in Perpetuity	
Health Care Ministries	603,375
Consociate	78,848
Campaign Fund - Ministry Support	766,120
Total	1,448,343
Subject to Endowment Spending Policy and Appropriation	
Endowment Earnings	
Health Care Ministries	397,483
Consociate	22,806
Campaign Fund - Ministry Support	2,006,111
Total Subject to Endowment Spending Policy and Appropriation	2,426,400
Total Endowments	3,874,743
Total Net Assets with Donor Restrictions	$ 9,943,246

Net assets released from restriction were released when the purpose restrictions were met.

NOTE 9 ENDOWMENT

The Organization's endowment funds were established for health care ministries, ministry support, and consociate support. The endowment includes both donor-restricted and board-designated endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The board of directors of CSJ Ministries, Inc. has interpreted the Minnesota Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date to the donor-restricted endowment fund absent explicit donor stipulations to the contrary.

The following is a summary of endowment fund activity and balances subject to the UPMIFA of 2006 as of and for the years ended June 30:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Fund June 30, 2023	$ 8,927,699	$ 3,665,507	$ 12,593,206
Investment Income	1,150,352	423,653	1,574,005
Contributions	501,674	-	501,674
Appropriations of Endowment Assets	(91,213)	(214,417)	(305,630)
Endowment Fund June 30, 2024	$ 10,488,512	$ 3,874,743	$ 14,363,255

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. The Organization had no funds with deficiencies as of June 30, 2024.

Return Objectives and Risk Parameters

The primary investment objective of the portfolio is an emphasis on capital appreciation with modest current income. The portfolio seeks to maximize potential total return consistent with minimizing overall volatility in the context of these guidelines. The total rate of return for individual investment styles will be compared to their appropriate index.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

NOTE 9 ENDOWMENT (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy

Appropriations by the board of directors were $305,630 for the year ended June 30, 2024. The amount is determined based on the overall needs of the Organization and the programs it supports balanced with the long-term investment return objectives for a fund to be held in perpetuity. Disbursements from the endowment are also approved according to the Organization's overall investment spending policy which is 5% of the investment's average fair value using a five-year average.

NOTE 10 IN-KIND CONTRIBUTIONS

Organizations received the following in-kind contributions as of June 30, 2024:

Rent	$ 448,706
Program Expenses	761,656
Total	$ 1,210,362

Contributed rent is valued and reported at the estimated fair value on the basis of comparable lease agreements in the Organization's market. Contributed rent is used for program services.

Program expenses are used in the Sarah's…an Oasis for Women, Learning in Style School, and Wisdom Ways program. The Organizations estimates the fair value of program expenses on the basis of estimates of the current market rates for similar expenses in the Organization's market.

NOTE 11 LIQUIDITY DISCLOSURE

The Organization strives to maintain liquid financial assets sufficient to cover a year of general expenditures and bi-annual grant payments. The Organization investment portfolio remains sufficiently liquid regardless of market conditions to meet those needs. The Organization's management and finance committee regularly review the liquidity portfolio of the Organization. The Organization's investments are sufficiently liquid that if cash on hand is not sufficient, investments can be liquidated and available in days.

The following reflects the Organization's financial assets available to meet general expenditures within one year of the statement of financial position date:

Cash	$ 223,000
Accounts Receivable	20,920
Pledges Receivable, Net	3,760,300
Investments	22,854,927
Less: Restricted by the Donor	(9,943,246)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 16,915,901

SISTERS OF ST. JOSEPH OF CARONDELET, CSJ MINISTRIES, INC., AND ST. PAUL PROVINCE
SCHEDULE OF FUNCTIONAL ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2024 (UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Giving			
Contributions and Gifts	$ 435,861	$ 3,757,800	$ 4,193,661
Gala Revenue	260,013	-	260,013
Total Giving	695,874	3,757,800	4,453,674
Contributed Province and Sisters' Services	761,656	-	761,656
Service Fee Income	140,259	-	140,259
Estate Proceeds	1,271,282	-	1,271,282
Change in the Value of Split-Interest Agreements	(5,174)	-	(5,174)
Miscellaneous Income	723	-	723
In-Kind Contributions	761,656	-	761,656
In-Kind Rent	448,706	-	448,706
Transfers, Appropriations, and Release from With Donor-Restricted Net Assets	214,417	(214,417)	-
Total Revenues	4,289,399	3,543,383	7,832,782
OPERATING EXPENSES			
Annual Giving			
Annual Fund	20,109	-	20,109
Events	66,038	-	66,038
Total Annual Giving	86,147	-	86,147
Planned Giving	(20,109)	-	(20,109)
Other Fundraising Expenses	1,057,840	-	1,057,840
Total Operating Expenses	1,123,878	-	1,123,878
CHANGE IN NET ASSETS DUE TO OPERATIONS	3,165,521	3,543,383	6,708,904
INVESTMENT ACTIVITY			
General Operating and Restricted	-	423,653	423,653
Board Designated	2,084,577	-	2,084,577
CHANGE IN NET ASSETS DUE TO INVESTMENT ACTIVITY	2,084,577	423,653	2,508,230
PROGRAM EXPENSES			
Grants	7,228	-	7,228
Other Program Expenses	2,694,164	-	2,694,164
DECREASE IN NET ASSETS DUE TO PROGRAM ACTIVITY	2,701,392	-	2,701,392
TOTAL CHANGE IN NET ASSETS	2,548,706	3,967,036	6,515,742
Net Assets - Beginning of Year	14,130,587	5,976,210	20,106,797
NET ASSETS - END OF YEAR	$ 16,679,293	$ 9,943,246	$ 26,622,539

SISTERS OF ST. JOSEPH OF CARONDELET,
CSJ MINISTRIES, INC., AND ST. PAUL PROVINCE
SCHEDULE OF TOTAL ACTIVITIES UNDER ORGANIZATION DIRECTION
YEAR ENDED JUNE 30, 2024 (UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Organization Activities	Activities for the Benefit of Province Organizations	Grants Received for the Benefit of Province Organizations	Year-to-Date Total
OPERATING REVENUES				
Contributions and Gifts	$ 6,486,612	$ 267,986	$ 885,663	$ 7,640,261
Service Fee Income	140,259	-	-	140,259
Change in the Value of Split-Interest Agreements	(5,174)	-	-	(5,174)
Miscellaneous Income	723	-	-	723
In-Kind Contributions	761,656	-	-	761,656
In-Kind Rent	448,706	-	-	448,706
Total Operating Revenues	7,832,782	267,986	885,663	8,986,431
OPERATING EXPENSES				
Annual Giving	86,147	-	-	86,147
Planned Giving	(20,109)	-	-	(20,109)
Other Fundraising Expenses	1,057,840	-	-	1,057,840
Total Operating Expenses	1,123,878	-	-	1,123,878
INVESTMENT INCOME, NET	2,508,230	8,585	-	2,516,815
PROGRAM EXPENSE	2,701,392	283,872	885,663	3,870,927
NET INCOME OF FUNDS RAISED OVER COSTS	$ 6,515,742	$ (7,301)	$ -	$ 6,508,441

Note: As the Organization acts as agent for various Province organizations, funds raised and grant distributions are not included as Organization revenues and expenses in the statement of activities.

SISTERS OF ST. JOSEPH OF CARONDELET,
CSJ MINISTRIES, INC., AND ST. PAUL PROVINCE
SCHEDULE OF CHANGES IN INVESTMENTS HELD FOR OTHERS
YEAR ENDED JUNE 30, 2024 (UNAUDITED)
(SEE INDEPENDENT AUDITORS' REPORT)

	Investments Held for Others			
	St. Joseph's Hospital	St. Mary's Health Clinic	Other	Total
BALANCE - JUNE 30, 2023	$ 63,969	$ 10,990	$ 28,086	$ 103,045
Contributions	75,581	-	192,405	267,986
Disbursements	(75,581)	(3,663)	(204,628)	(283,872)
Investment Gain	7,204	1,381	-	8,585
BALANCE - JUNE 30, 2024	$ 71,173	$ 8,708	$ 15,863	$ 95,744