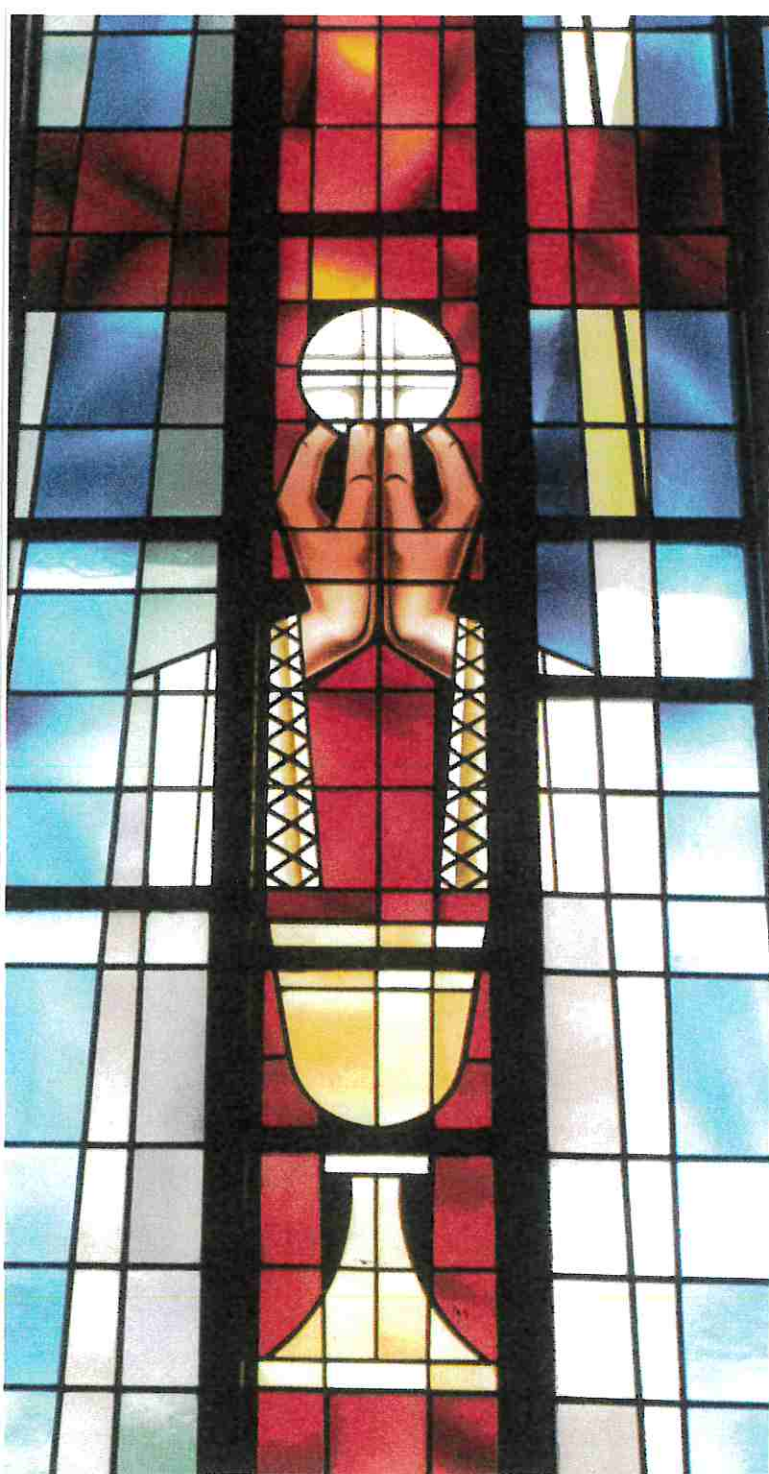


THE
CATHOLIC
COMMUNITY
FOUNDATION

Building the Faith of Future Generations

THE CATHOLIC COMMUNITY FOUNDATION • ANNUAL REPORT 2005



Providing Lasting Support for Your Favorite Causes

For more than 2,000 years, the Catholic Church and its people have carried forth Christ's message of love.

Rooted in the faith of a small band of disciples, this community of believers has branched out and spread to every corner of the world, sharing the good news of salvation through acts of faith and good works.

You are a treasured part of this magnificent tradition.

The Catholic Community Foundation is here to help donors carry out lasting support for their favorite causes by setting up funds that will provide a legacy for them and their families.

These funds are managed for long-term growth based on our socially responsible guidelines with grants awarded annually to organizations in need. The ultimate goal of the Foundation is to increase the amount and effectiveness of philanthropy flowing to causes that support the mission of the Catholic Church in Southeastern Wisconsin.



"Our Lord has been very generous to us, so we were delighted when we became aware of The Catholic Community Foundation and its mission. Through the Foundation our family legacy will be carried on to benefit future generations with the establishment of the Charles and Sara Wieber Family unrestricted fund."

– Charles and Sara Wieber
Waukesha, WI



Stephen N. Graff
Chairman of the Board



Mary Ellen Markowski
President

Dear Friends,

This year has been a year in which we reached a noteworthy milestone – awarding \$1,000,000 in grants since our inception! This is a celebration of a significant achievement in the journey we embarked on starting in July of 2001 and, as we continue to grow, we know this is just the first of many milestones. With the grants awarded we have been able to give purpose to and enrich so many lives and at the same time, help keep the doors of worthy organizations open.

At the close of the fiscal year, with assets totaling \$22.9 million we have seen our assets increase \$3.2 million from last year and awarded grants of \$344,330 to 35 organizations/programs that support the mission of the Catholic Church. This last year the Foundation's grants were awarded to groups that work toward improving the health and needs of the poor and homeless; to organizations that provide sanctuary for the homeless or domestic violence victims; to various educational institutions that provide programs throughout Milwaukee, Racine, and Fond du Lac.

We thank those donors who have already made the commitment to join us in this partnership because they make an amazing impact all around us and brighten so many lives every day. We continue our drive to make philanthropy more effective for the community of Southeastern Wisconsin and more satisfying for donors who establish funds in the Foundation to support and strengthen the causes they care most about.

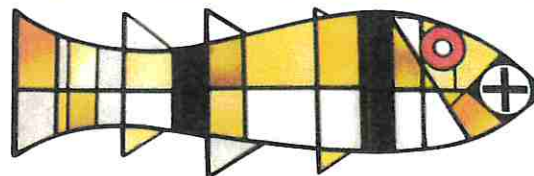
Finally, we are appreciative of the many parishes, schools and other Catholic organizations that have entrusted their endowment funds to us to provide socially responsible investment management expertise. The stronger we help make these organizations, the stronger the future of our faith community.

Together we can continue to build the faith for future generations.

Sincerely,

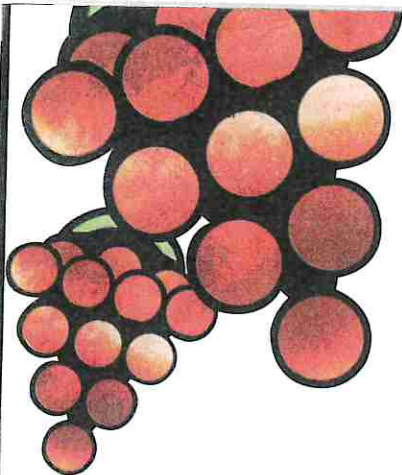
Stephen N. Graff
Chairman of the Board

Mary Ellen Markowski
President



Thank you to the Archbishop Cousins Catholic Center for allowing us to photograph the stained glass windows within the Mater Christi Chapel.





FUNDS

LASTING SUPPORT FOR YOUR FAVORITE CAUSES

The Catholic Community Foundation welcomes gifts of cash, securities, retirement plan assets, bequests and life income arrangements to establish a fund within the Foundation. The gifts are tax deductible. Some gifts allow the donor to retain income for life, avoid certain capital gains taxes, and still make a large gift to establish a fund.

GROWING THROUGH FAITH

The following types of funds, that are given a name and a purpose, can be established by a donor in the Foundation.

Advised fund – Grants are awarded to organizations that are recommended by the donor. These funds may be more favorable than starting a private foundation.

Field of Interest fund – Grants are awarded in a particular charitable area specified by the donor.

Designated fund – The donor indicates one or more agencies or organizations to which grants are awarded.

Unrestricted fund – The board is given full discretion in awarding grants based on the Foundation's priorities.

Supporting Foundations – A private foundation may wish to become a part of the Foundation.

Agency Endowed fund – Agencies, such as parishes, schools or other Catholic organizations are able to incorporate their funds, most typically their endowments into the Foundation while still maintaining ownership. They benefit from investment management and administrative services provided by the Foundation.

A SEPARATE STRUCTURE

The Catholic Community Foundation is a not-for-profit Wisconsin corporation, tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code and governed by its own Board of Directors. The Foundation is a separate civil and canonical entity independent of the Archdiocese of Milwaukee.

INVESTING WITH SOCIALLY RESPONSIBLE GUIDELINES

The Board of Directors of The Catholic Community Foundation believe that it is our responsibility to be sure that our investment managers are investing based on socially responsible guidelines. Based on these guidelines, investments in the Foundation shall be consistent with Catholic teachings.

The Board of Directors and the investment committee provide oversight of the professional management of all funds along with our investment consultant.

We have a goal of providing long-term growth and believe we will achieve this through a diversified mix of equity and bond investments. Distributions are made in accordance with a spending policy that is intended to protect the real value of the corpus.

DONOR FUNDS WITHIN THE FOUNDATION

Bishop Brust Memorial Fund – A field of interest fund established to assist the needs of retired priests, in memory of Bishop Brust, an Auxiliary Bishop of the Archdiocese of Milwaukee.

Reverend Leslie Darneider Scholarship Fund – A field of interest fund to provide scholarships to children of Catholic school teachers whose children attend a Catholic school. Father Darneider was a respected supporter of Catholic education.

DePorres Scholarship Fund – A field of interest fund to provide scholarships and grants-in-aid to Central City Catholic School students.

Education Endowment Fund – A field of interest fund to provide tuition for needy children in any school in the Archdiocese of Milwaukee.

Brian D. Hanley Fund – An advised fund established in memory of Brian Hanley who passed away from cancer. By establishing this fund, Brian's family wishes to continue to provide funds for causes he supported during his lifetime.

Father Gerald B. Hauser and John and Ruth Kegel Priesthood Scholarship Fund – An advised fund in the name of Father Hauser, a diocesan priest, and Mr. and Mrs. Kegel to support the training of priesthood candidates.

JCC Fund – A field of interest fund, established through this donor's estate, which continues the charitable giving to those causes that this philanthropist cared most about and supported during his lifetime.

Marilyn C. Schmit, PhD Fund – Monsignor Ralph K. Schmit established this field of interest fund in memory of his sister, Marilyn, to provide educational support for Catholic high schools located within the ten counties of the Archdiocese of Milwaukee.

St. Aemilian Fund – A field of interest fund to provide for the establishment of facilities in the Archdiocese of Milwaukee for orphans, dependent, neglected and delinquent children; for rehabilitation, treatment and other welfare services needed for such ends and the promotion of education, charity and religion.

St. Anthony Fund – A field of interest fund that supports agencies providing medical assistance to the poor and indigent in Milwaukee.

Archbishop Rembert G. Weakland Fund – A designated fund established by a number of donors to provide support for the Catholic Stewardship Appeal.

Whelandale Trust – An advised fund that provides yearly awards to parish priests for outstanding work in the area of Liturgy, Preaching, Justice and Peace Ministry.

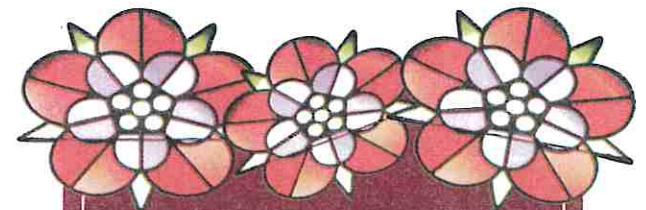
Charles and Sara Wieber Family Fund – An unrestricted fund established by Mr. and Mrs. Wieber to focus on those organizations with the greatest needs as determined by the Foundation's Board of Directors.

The Yaniak Fund – A field of interest fund that provides support for the education and training of priesthood candidates and the necessities of living for retired priests. Father Frank J. Yaniak served the Archdiocese from 1949 to 1999.

AGENCY FUNDS *

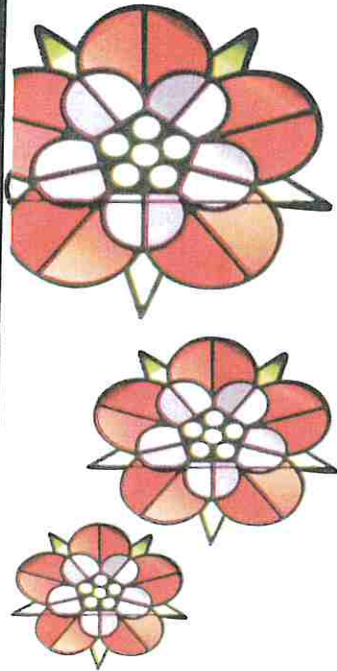
Catholic Charities Endowment Fund
Dominican High School
Mary B. Finnigan Fund
Marquette University High School
Andrew L. Nelson Alumni/AE Chair
on Christian Ethics Fund
Rosalie Manor Community & Family Services
St. Alphonsus-Greendale
St. Andrew-Delavan
St. Bernard-Wauwatosa
St. Boniface-Germantown
St. Dominic-Brookfield
St. Edward-Racine
St. Eugene-Fox Point
St. Francis Seminary
St. John Vianney-Brookfield
St. Margaret Mary-Milwaukee
Ss. Peter and Paul-Milwaukee
St. Roman-Milwaukee
St. Vincent Pallotti-Milwaukee
The Sheboygan County Catholic Fund, Inc.
Sr. Lucy Ann Scholarship Fund
Three Holy Women-Milwaukee
Mary Kane Weakland Education Fund

* Grants at the discretion of the agency.



"This grant is allowing us to recruit/train volunteer tutors from Catholic churches, Catholic-owned businesses, and other Catholic organizations in the Milwaukee community who will offer the gift of English, through one-on-one tutoring, to Milwaukee area adult learners, many of whom are immigrants."

– **Peg Palmer**
Executive Director, Milwaukee
Achiever Literacy Services, Inc.



GRANTS

MANY WILL PROSPER

In awarding discretionary grants, the Foundation will focus on four grant priorities for the foreseeable future:

Teaching Through Catholic Tradition

Education has always been an important mission of the Catholic Church. The Foundation will support Catholic schools and religious education programs that provide formation for students in kindergarten through twelfth grade.

Sharing the Faith Through Leadership

The Church needs effective leaders if it is to move boldly into the new millennium. Parishes, schools and agencies must have leaders who are able to engage people in creating a shared vision for the future while developing sound strategies and infrastructures to achieve the vision.

Strengthening the Foundation of the Church

To help build strong, supportive communities, the Foundation will support initiatives that strengthen families, parishes and those suffering from poverty, discrimination and violence.

Healthcare Support Begins at the Heart

The Foundation awards grants from a fund established by St. Anthony Foundation to support those organizations that are engaged in providing health care services in the City of Milwaukee, with particular attention being given to the central portions of the city that were formerly served by St. Anthony Hospital.

GRANTMAKING POLICIES

The primary geographic area served by The Catholic Community Foundation is the ten counties of the Archdiocese of Milwaukee. At least seventy-five percent of all unrestricted grant dollars are made to organizations located in Milwaukee, Waukesha, Ozaukee, Washington, Dodge, Racine, Kenosha, Walworth, Sheboygan and Fond du Lac counties. Recipient organizations may not necessarily be Catholic, but their missions are required to be consistent with the work of the Roman Catholic Church.

The Board of Directors has established a grants committee that reviews grant proposals and recommends distributions of the Foundation's unrestricted and field of interest funds in accordance with established policies and procedures. The committee also reviews grant distributions from donor designated and donor advised funds. The Board of Directors gives final approval of all grants.

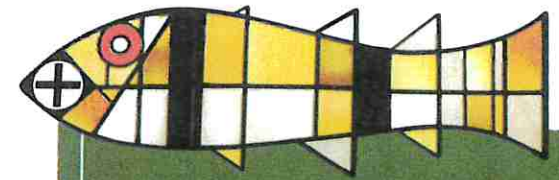
GRANT RECIPIENTS

The Foundation made grants of \$344,330 to 35 organizations/programs in fiscal year 2004/05. The following organizations received grants from the funds within the Foundation.

Adult Learning Center- St. Mary's Foundation	\$10,000
Angel of Hope Clinic- The Foundation for St. Francis Hospital	\$10,000
Archdiocese of Milwaukee-programs	\$12,000
Archdiocese of Milwaukee- Catholic Stewardship Appeal	\$ 1,600
Archdiocese of Milwaukee- retired priests needs	\$15,820
ARISE, Milwaukee	\$ 2,000
Benedict Center	\$12,500
Casa Romero Renewal Center	\$10,000
Cathedral of St. John the Evangelist	\$10,000
Catholic Charities of the Archdiocese of Milwaukee, Inc.- program for immigrants	\$10,000



Catholic Charities of the Archdiocese of Milwaukee, Inc.- program for older adult day services	\$ 9,760	My Good Mourning Place	\$ 5,000
CommonGround Ministry, Inc.	\$10,000	Near South Side Catholic Schools Association	\$15,000
CORE/EI Centro	\$10,000	Our Lady of the Lakes Catholic School, Random Lake, WI	\$ 2,500
CorpCare Distributions, Inc.	\$10,000	Penfield Children's Center	\$12,500
Daystar, Inc.	\$10,000	Pius XI High School	\$ 7,500
Divine Savior Holy Angels High School, Inc.	\$ 5,000	Pregnancy Help Center of Milwaukee, Inc.	\$10,000
Dominican Center for Women, Inc.	\$ 5,000	Racine Elementary Association for Development (READ), Racine, WI	\$10,000
Dominican High School	\$ 2,500	Rosalie Manor Family and Community Services	\$12,500
House of Peace Community Nursing Center-Province of St. Joseph of the Capuchin Order, Inc.	\$12,500	St. Ben's Clinic at Cathedral Center- St. Mary's Foundation	\$12,500
Madre Angela Dental Clinic- St. Mary's Foundation	\$12,500	St. Bernard School	\$ 1,500
Manor Park Foundation, Inc.	\$15,000	St. Lawrence Seminary, Mt. Calvary, WI	\$ 2,400
Medical College of Wisconsin- Family House Assessment and Referral Clinic	\$10,000	St. Francis of Assisi Parish	\$ 7,500
Milwaukee Achiever Literacy Services, Inc.	\$ 7,500	St. Francis Seminary-seminarian training	\$ 6,000
Milwaukee Christian Center	\$ 8,750	St. Francis Seminary-formation program	\$ 5,000
		S.E.T. Ministry, Inc.	\$12,000



*"The Catholic Community Foundation
has helped the Pregnancy Help Center
of Milwaukee to reach more women
and children facing life's obstacles.
Without The Catholic Community
Foundation's support, we would not
be able to provide needed materials
to our young mothers. We are thankful
to them for their continued support."*

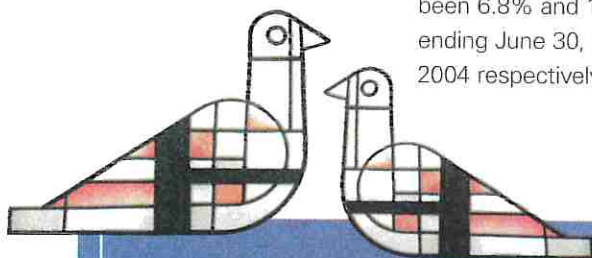
- Paul Zignego
President of the Board
of Directors, Pregnancy Help
Center of Milwaukee, Inc.

FINANCIALS

INVESTING RESPONSIBLY FOR A GREATER RETURN

The Catholic Community Foundation provides socially responsible, diversified, professionally monitored, investment management to protect and grow contributed assets. Investments shall be consistent with Catholic teachings so as not to give rise to serious questions of social justice and moral principles.

The Foundation believes the achievement of investment returns should be viewed in a long-term context and recognizes that rates of return can be volatile on a year-by-year basis. Portfolio annual returns have been 6.8% and 15.0% for fiscal years ending June 30, 2005 and 2004 respectively.

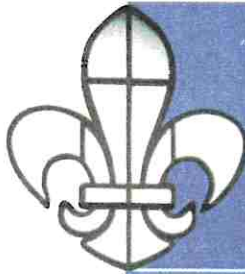


"This grant from The Catholic Community Foundation has afforded us the resources to more thoroughly examine issues found between parents and teens in immigrant Latino families and offer a program that opens parent-teen communication and understanding. Another product is a better appreciation by all members of the families of their cultural and religious traditions and values."

– Fr. David Shields, SJ
Executive Director
Casa Romero Renewal Center

Statements of Financial Position • Years Ended June 30, 2005 and 2004

Assets	YE 2005	YE 2004
Current Assets		
Cash and Cash Equivalents	\$74,968	\$70,300
Accounts Receivable	18,386	10,077
Prepaid Expense	1,107	-
Total Current Assets	94,461	80,377
Property and Equipment	21,391	26,040
Investments		
Investments at Market Value	12,798,758	11,623,639
Agency Funds	10,039,636	7,978,821
Total Investments	22,838,394	19,602,460
TOTAL ASSETS	\$22,954,246	\$19,708,877
Liabilities and Net Assets	YE 2005	YE 2004
Current Liabilities		
Accounts Payable	\$58,688	\$30,066
Accrued Liabilities	8,931	8,832
Total Current Liabilities	67,619	38,898
Long-Term Liabilities		
Agency Funds	10,039,636	7,978,821
Total Liabilities	10,107,255	8,017,719
Net Assets		
Unrestricted Funds	5,554,433	4,516,789
Temporarily Restricted Funds	7,292,558	7,174,369
Total Net Assets	12,846,991	11,691,158
TOTAL LIABILITIES AND NET ASSETS	\$22,954,246	\$19,708,877



"Because of the grant from The Catholic Community Foundation, I am able to work in collaboration with various health agencies to bring medical care to many children from the near south side Catholic schools that wouldn't otherwise receive this care. Thank you for that opportunity!"

*- Patricia Schmeling, RN, BSN
Community Nurse
Near South Side Catholic Schools Association*



Statements of Activities - Years Ended June 30, 2005 and 2004

	Unrestricted	Temporarily Restricted	2005 Total	Unrestricted	Temporarily Restricted	2004 Total
Public Support and Revenue						
Contributions	\$1,007,062	\$5,000	\$1,012,062	\$266,907	\$ -	\$266,907
Contributed facility/services from Archdiocese	22,226	-	22,226	21,528	-	21,528
Interest and dividend income	132,460	201,398	333,858	96,053	158,140	254,193
Realized gains (losses) on investment	(17,238)	(28,490)	(45,728)	170,399	279,528	449,927
Unrealized gains (losses) on investment	209,977	310,763	520,740	332,917	560,561	893,478
Investment management fees	(24,734)	(37,591)	(62,325)	(18,414)	(29,993)	(48,407)
Administrative fee on agency funds	44,021	-	44,021	38,391	-	38,391
Net assets released from restrictions	332,891	(332,891)	-	322,407	(322,407)	-
Total Public Support and Revenue	\$1,706,665	\$118,189	\$1,824,854	\$1,230,188	\$645,829	\$1,876,017
Grants and Expenses						
Grants approved for charitable purposes	\$344,330	\$ -	\$344,330	\$248,270	\$ -	\$248,270
Program related expenses	111,677	-	111,677	75,566	-	75,566
Supporting services:						
Administrative expenses	213,014	-	213,014	194,992	-	194,992
Total Grants and Expenses	\$669,021	\$ -	\$669,021	\$518,828	\$ -	\$518,828
Change in Net Assets	1,037,644	118,189	1,155,833	711,360	645,829	1,357,189
Net Assets - Beginning of Year	4,516,789	7,174,369	11,691,158	3,805,429	6,528,540	10,333,969
Net Assets - End of Year	\$5,554,433	\$7,292,558	\$12,846,991	\$4,516,789	\$7,174,369	\$11,691,158



FINANCIALS

Notes to Financial Statements
Years Ended June 30, 2005 and 2004

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NET ASSETS

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Archdiocese of Milwaukee Catholic Community Foundation, Inc. are classified and reported as follows:

Unrestricted Net Assets

Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Archdiocese of Milwaukee Catholic Community Foundation, Inc. pursuant to those stipulations.

Permanently Restricted Net Assets

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Archdiocese of Milwaukee Catholic Community Foundation, Inc.

AGENCY FUNDS

Agency funds are unrestricted funds received from non-profit organizations and parishes that designate themselves as beneficiaries. Accordingly, agency funds are reported as liabilities rather than as net assets of the Foundation.

TAX-EXEMPT STATUS

Archdiocese of Milwaukee Catholic Community Foundation, Inc. has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding provisions of state law and, accordingly, is not subject to federal or state income taxes.

RELATED PARTY TRANSACTIONS

It is the policy of the Foundation that all board members and staff personnel avoid any conflict between their own individual interests and the interests of the Foundation. The Foundation has a conflict-of-interest policy whereby board members must advise the board of any direct or indirect interest in any transaction or relationship with the Foundation, and abstain from voting for the approval or denial of any grants or expenditures that affect their individual, professional, or business interests. During the fiscal year ending June 30, 2005, the Foundation awarded grants of \$10,000 to related party organizations.

The Foundation paid for services during 2005 to two vendors that have a common board member. The Foundation incurred \$34,828 of expenses for the year ended June 30, 2005. As of June 30, 2005, the Foundation has \$2,355 recorded in accounts payable due to one of the related parties.

The Catholic Community Foundation is audited annually. Copies of the complete audit reports are available upon request.

BOARD OF DIRECTORS

Stephen N. Graff

Chairman of the Board, Retired Managing Partner,
Arthur Andersen LLP

Mary Ellen Markowski

President

Peter W. Bruce

Chief Insurance Officer, Northwestern Mutual

John Callan

Attorney, Foley & Lardner

Barbara Anne Cusack

Chancellor, Archdiocese of Milwaukee

Sarah M. Dean

Retired Executive Director, Faye McBeath
Foundation

Tim Dodge

President, Hanson Dodge Creative

P. Michael Mahoney

President & CEO, Park Bank

Patrick B. Mehigan

Tax Partner, Deloitte & Touche LLP

Dennis J. Purtell

Attorney, Whyte Hirschboeck Dudek SC

Wayne Schneider

Treasurer & Chief Financial Officer,
Archdiocese of Milwaukee

James Simon

Retired Vice President, Giddings & Lewis

The Most Reverend Richard J. Skiba

Auxiliary Bishop, Archdiocese of Milwaukee

Reverend Leonard S. Van Vlaenderen

Pastor, St. John Vianney Parish, Brookfield

STAFF

Mary Ellen Markowski

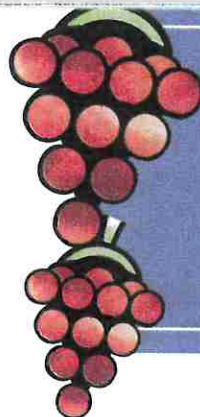
President

John Bickle

Controller

Julie Kurer

Administrative Coordinator



"The grant from The Catholic Community Foundation made a lasting impact on the health of families S.E.T. Ministry serves. Having had individualized guidance these families now are committed to positive health practices that nourish their well being."

- Sister Lucina Halbur, CSA

President & CEO
S.E.T. Ministry



Summary of Investments as of June 30, 2005 and 2004

	Cost	Market Value
2005		
Cash and cash equivalents	\$ 250,448	\$ 250,448
Large cap socially screened S&P 500 index fund	7,225,428	7,864,948
Domestic small/mid cap common stocks	3,673,432	3,971,992
International equities	2,563,317	2,851,318
Bond mutual funds	7,919,568	7,899,688
Totals	\$21,632,193	\$22,838,394

	Cost	Market Value
2004		
Cash and cash equivalents	\$ 179,526	\$ 179,526
Large cap socially screened S&P 500 index fund	6,533,942	6,922,346
Domestic small/mid cap common stocks	2,976,008	3,170,537
International equities	2,211,449	2,635,447
Bond mutual funds	6,795,720	6,694,604
Totals	\$18,696,645	\$19,602,460

The investment market values were determined by Bank One Trust Company
as of June 30, 2005 and 2004 respectively.



THE
CATHOLIC
COMMUNITY
FOUNDATION

Archdiocese of Milwaukee Catholic Community Foundation, Inc.
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