Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.

Consolidated Financial Report
with Additional Information
June 30, 2018

Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.

Contents

Plante & Moran, PLLC
10 South Riverside Plaza
9th floor
Chicago, IL 60606
Tel: 312.207.1040
Fax: 312.207.1066
plantemoran.com

Independent Auditor's Report

To the Board of Trustees
Marillac St. Vincent Ministries, Inc. and
Marillac St. Vincent Family Services, Inc.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc. (collectively, the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2018 and 2017 and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc. as of June 30, 2018 and 2017 and the changes in their net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Trustees
Marillac St. Vincent Ministries, Inc. and
Marillac St. Vincent Family Services, Inc.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2018 on our consideration of Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.'s internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 16, 2018

Consolidated Statement of Financial Position

June 30, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash and cash equivalents	$ 202,453	$ 248,114
Receivables:		
Grants receivable	1,705,374	737,393
Pledges receivable (Note 12)	368,515	189,910
Others	26,265	31,888
Prepaid expenses	19,710	16,798
Total current assets	2,322,317	1,224,103
Investments - Noncurrent (Note 3)	28,513,901	26,538,961
Pledges Receivables - Noncurrent (Note 12)	500,000	61,526
Property and Equipment - Net (Note 4)	16,949,141	17,909,261
Total assets	**$ 48,285,359**	**$ 45,733,851**
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 438,571	$ 320,719
Accrued liabilities and other:		
Accrued payroll-related expenses	675,343	630,890
Other liabilities	62,639	62,639
Interest payable	52,336	52,336
Total current liabilities	1,228,889	1,066,584
Long-term Liabilities - Bonds payable less unamortized bond issuance costs (Note 9)	28,287,321	28,269,321
Other Long-term Liabilities - Pension benefit obligations (Note 6)	318,809	628,252
Total liabilities	29,835,019	29,964,157
Net Assets		
Unrestricted	14,589,281	12,388,633
Temporarily restricted (Note 7)	3,141,347	2,661,349
Permanently restricted (Note 8)	719,712	719,712
Total net assets	18,450,340	15,769,694
Total liabilities and net assets	**$ 48,285,359**	**$ 45,733,851**

See notes to consolidated financial statements.

Consolidated Statement of Activities and Changes in Net Assets

Years Ended June 30, 2018 and 2017

	2018				2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support								
Contributions	$ 1,916,739	$ 1,820,908	$ -	$ 3,737,647	$ 2,412,966	$ 1,963,388	$ -	$ 4,376,354
In-kind donations - Related party	1,797,041	-	-	1,797,041	1,797,041	-	-	1,797,041
Contributions - Related party	618,300	106,000	-	724,300	438,300	100,000	-	538,300
Special events - Net of expense of $221,274 and $224,696 in 2018 and 2017, respectively	725,921	-	-	725,921	660,155	-	-	660,155
Grants from governmental agencies	9,268,138	-	-	9,268,138	8,290,777	-	-	8,290,777
Program service fees	760,783	-	-	760,783	624,021	-	-	624,021
Investment income	1,337,280	42,315	-	1,379,595	2,025,067	75,819	-	2,100,886
Space use fees/rental income	557,992	-	-	557,992	541,734	-	-	541,734
Thrift store sales	66,926	-	-	66,926	51,911	-	-	51,911
Miscellaneous	31,837	-	-	31,837	368,561	-	-	368,561
Total revenue and support	17,080,957	1,969,223	-	19,050,180	17,210,533	2,139,207	-	19,349,740
Net assets released from restrictions	1,489,225	(1,489,225)	-	-	1,217,208	(1,217,208)	-	-
Total revenue, support, and net assets released from restrictions	18,570,182	479,998	-	19,050,180	18,427,741	921,999	-	19,349,740
Expenses								
Program services	14,959,233	-	-	14,959,233	14,245,802	-	-	14,245,802
Support services:								
Management and general	784,826	-	-	784,826	540,252	-	-	540,252
Fundraising	773,034	-	-	773,034	736,234	-	-	736,234
Total expenses	16,517,093	-	-	16,517,093	15,522,288	-	-	15,522,288
Increase in Net Assets - Before pension-related changes other than net periodic pension expense	2,053,089	479,998	-	2,533,087	2,905,453	921,999	-	3,827,452
Pension-related Changes Other than Net Period Pension Expense	147,559	-	-	147,559	(302,715)	-	-	(302,715)
Increase in Net Assets	2,200,648	479,998	-	2,680,646	2,602,738	921,999	-	3,524,737
Net Assets - Beginning of year	12,388,633	2,661,349	719,712	15,769,694	9,785,895	1,739,350	719,712	12,244,957
Net Assets - End of year	**$ 14,589,281**	**$ 3,141,347**	**$ 719,712**	**$ 18,450,340**	**$ 12,388,633**	**$ 2,661,349**	**$ 719,712**	**$ 15,769,694**

See notes to consolidated financial statements.

Consolidated Statement of Functional Expenses

Year Ended June 30, 2018

	Program Services	Management and General	Fundraising	Total
Salaries, wages, and stipends	$ 7,772,261	$ 589,363	$ 447,086	$ 8,808,710
Employee benefits	1,610,310	64,280	77,811	1,752,401
Pension periodic benefit	(151,419)	(3,076)	(7,389)	(161,884)
Total salaries and related expenses	9,231,152	650,567	517,508	10,399,227
Professional fees	115,665	37,292	15,077	168,034
Occupancy	1,279,487	23,135	31,844	1,334,466
In-kind/Related party expenses	1,431,151	29,369	71,208	1,531,728
Direct client	842,317	18,692	22,581	883,590
Communication and technology	227,303	4,519	65,763	297,585
Depreciation and amortization	1,190,056	8,215	19,918	1,218,189
Supplies and other	71,477	13,037	29,135	113,649
Interest expense and fees	570,625	-	-	570,625
Total functional expenses	**$ 14,959,233**	**$ 784,826**	**$ 773,034**	**$ 16,517,093**

Consolidated Statement of Functional Expenses

Year Ended June 30, 2017

	Program Services	Management and General	Fundraising	Total
Salaries, wages, and stipends	$ 7,119,523	$ 366,140	$ 385,542	$ 7,871,205
Employee benefits	1,620,124	43,030	87,806	1,750,960
Pension periodic benefit	(177,063)	(3,597)	(8,657)	(189,317)
Total salaries and related expenses	8,562,584	405,573	464,691	9,432,848
Professional fees	205,876	18,323	75,008	299,207
Occupancy	1,168,035	23,030	34,731	1,225,796
Transportation	68,764	3,535	4,006	76,305
In-kind/Related party expenses	1,431,928	60,593	39,207	1,531,728
Direct client	708,085	4,154	15,002	727,241
Communication and technology	246,049	8,345	67,998	322,392
Depreciation and amortization	1,213,512	9,310	8,119	1,230,941
Supplies and other	67,576	7,389	27,472	102,437
Interest expense and fees	573,393	-	-	573,393
Total functional expenses	**$ 14,245,802**	**$ 540,252**	**$ 736,234**	**$ 15,522,288**

Consolidated Statement of Cash Flows

Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Increase in net assets	$ 2,680,646	$ 3,524,737
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation of property and equipment	1,218,189	1,230,941
Realized and change in unrealized gains on investments	(1,399,984)	(2,117,571)
Bad debt expense	15,000	20,000
Amortization of bond issuance costs	18,000	17,268
Changes in operating assets and liabilities which (used) provided cash:		
Accounts and grants receivable	(962,358)	549,015
Pledges receivable	(632,079)	85,579
Prepaid expenses	(2,912)	15,007
Accounts payable and other accrued expenses	162,305	160,491
Pensions and postretirement benefits	(309,443)	113,398
Net cash provided by operating activities	787,364	3,598,865
Cash Flows from Investing Activities		
Capital expenditures	(258,069)	(152,629)
Proceeds from sale of investments	2,253,044	466,686
Purchase of investments	(2,828,000)	(3,751,003)
Net cash used in investing activities	(833,025)	(3,436,946)
Net (Decrease) Increase in Cash and Cash Equivalents	(45,661)	161,919
Cash and Cash Equivalents - Beginning of year	248,114	86,195
Cash and Cash Equivalents - End of year	**$ 202,453**	**$ 248,114**
Supplemental Cash Flow Information - Interest paid	$ 265,313	$ 265,313

Note 1 - Nature of Business

Marillac St. Vincent Ministries, Inc. (MSVM) and Marillac St. Vincent Family Services, Inc. (MSV) are Illinois not-for-profit corporations providing and supporting social services in the Chicagoland area. Their mission is to strengthen, empower, and give voice to those in need, in the Vincentian spirit of service, through education and comprehensive programs to build vibrant communities in Chicago. MSVM is the sole owner of MSV. The assets, liabilities, and activities of these organizations are presented in these consolidated financial statements.

Note 2 - Significant Accounting Policies

Consolidation

The accompanying consolidated financial statements include the accounts of MSVM and MSV (collectively, the "Organization"). Intercompany transactions and balances have been eliminated in consolidation.

Classification of Net Assets

Net assets of the Organization are classified as permanently restricted, temporarily restricted, or unrestricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements result in temporarily restricted net assets. Permanently restricted net assets result from donor-imposed restrictions that limit the use of net assets in perpetuity.

Cash and Cash Equivalents

Cash includes monies held in checking accounts and highly liquid, interest-bearing accounts without significant withdrawal restrictions. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investments

The Organization's investments, stated at fair value, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to these and other risk factors, it is reasonably possible that changes in the value of the investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

The Organization's funds are primarily invested in Ascension Alpha Fund, LLC (Alpha Fund), a Delaware limited liability company. Ascension Investment Management (AIM), a Missouri limited liability company, serves as Alpha Fund’s manager and principal investment advisor. AIM is registered as an investment advisor under the Investment Advisors Act of 1940, as amended.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the estimated fair value as of the date of donation and are being depreciated on a straight-line method based on their estimated useful lives. Major additions are capitalized, while replacements, maintenance, and repairs, which do not improve or extend the lives of the respective assets, are expensed currently.

Income Taxes

The Organization is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Note 2 - Significant Accounting Policies (Continued)

Unrestricted and Restricted Revenue and Support

Donor-restricted support is reported as an increase in temporarily or permanently restricted 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), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Contributions, including unconditional promises to give, are recorded when a commitment is received from the donor. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional pledges expected to be received over more than one year are initially recorded by the Organization as contributions receivable at fair value. They are subsequently valued at the present value of future cash flows. An allowance for uncollectible pledges receivable is provided based upon management's judgment and analysis regarding such factors as the creditworthiness of the donor, prior collection history, type of contribution, and nature of fundraising activity. Promises to give noncash assets are recorded at fair value. As of June 30, 2018 and 2017, the Organization has not recorded a provision for doubtful accounts since it is the opinion of management that pledges receivable are collectible in full.

Revenue from government grants designated for use in specific activities is recognized in the period in which expenditures have been incurred in compliance with the grantor's restrictions. Revenue from program service fees is recognized in the period in which services are rendered. As of June 30, 2018 and 2017, the Organization has recorded a provision for doubtful accounts in the amount of $35,000 and $20,000, respectively.

The Organization records in-kind donations at fair value at the date of receipt.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

Costs of providing the program and support services have been reported on a functional basis in the consolidated statement of activities and changes in net assets. Costs have been allocated between the various programs and support services on several bases and estimates. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts. The Organization had $221,274 and $224,696 of special event expenses in June 30, 2018 and 2017, respectively, that were not included in the consolidated statement of functional expenses; however, if they had been included in the statement, they would be considered fundraising expenses.

Reclassification

Certain 2017 amounts have been reclassified to conform to the 2018 presentation.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including October 16, 2018, which is the date the financial statements were available to be issued.

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Organization's year ending June 30, 2019. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods. The Organization plans to apply the standard using the full retrospective method and expects to have expanded disclosures as a result of the new standard.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The reporting of lease-related expenses in the statements of activities and changes in net assets and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organization's year ending June 30, 2020 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have an effect on the Organization’s consolidated financial statements as a result of various office equipment leases classified as operating leases. The effect of applying the new lease guidance is expected to increase long-term assets, increase short-term and long-term liabilities, and either increase or decrease net assets.

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU No. 2016-14 requires significant changes to the financial reporting model of organizations that follow FASB not-for-profit rules, including changing from three classes of net assets to two classes: net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Organization’s year ending June 30, 2019 and thereafter and must be applied on a retrospective basis. The Organization is currently gathering the appropriate information to implement these disclosure changes in a timely manner. Management expects an impact to the classification of net assets and an enhancement of disclosures about liquidity, including qualitative and quantitative information.

Note 2 - Significant Accounting Policies (Continued)

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance will result in more governmental contracts being accounted for as contributions and may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance will be effective for the Organization's year ending June 30, 2019 and will be applied on a modified prospective basis. The Organization does not expect the standard to have a significant impact on the timing of revenue recognition for government grants and contracts, but has not yet determined the impact on the timing of recognition of foundation and individual grants and contributions.

Note 3 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization's assets measured at fair value on a recurring basis at June 30, 2018 and 2017 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Investments measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy above. The estimated fair value for the private commingled fund of the AIM Alpha Fund was based on net asset value per share of the fund for the years ended June 30, 2018 and 2017.

Note 3 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2018				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Balance at June 30, 2018
Assets - Investments					
Private commingled fund of the AIM Alpha Fund	$ -	$ -	$ -	$ 28,513,901	$ 28,513,901

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2017				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.	Balance at June 30, 2017
Assets - Investments					
Private commingled fund of the AIM Alpha Fund	$ -	$ -	$ -	$ 26,538,241	$ 26,538,241
Mutual funds	720	-	-	-	720
Total assets	$ 720	$ -	$ -	$ 26,538,241	$ 26,538,961

Investments in Entities that Calculate Net Asset Value per Share

The Organization holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

As of June 30, 2018 and 2017, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	2018	Unfunded Commitments	Redemption Frequency, if Eligible
Private commingled fund of the AIM Alpha Fund	$ 28,513,901	$ -	Daily

	2017	Unfunded Commitments	Redemption Frequency, if Eligible
Private commingled fund of the AIM Alpha Fund	$ 26,538,241	$ -	Daily

The Organization's asset allocation included equity securities, high yield bonds, liquid real assets, cash, and core and unconstrained fixed income. The AIM Alpha Fund’s underlying investments are in line with the Organization’s allocation policy. All earnings, less operating expenses, are distributed to investors based on ownership within the strategies.

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2018	2017	Depreciable Life - Years
Buildings	$ 24,514,372	$ 24,532,372	40
Leasehold improvements	5,859,095	5,681,536	Remaining life of leased asset or estimated useful life, if shorter
Furniture and fixtures	4,455,933	4,375,424	5-10
Vehicles	705,995	705,995	5-10
Total cost	35,535,395	35,295,327	
Accumulated depreciation and amortization	18,586,254	17,386,066	
Net property and equipment	$ 16,949,141	$ 17,909,261	

Depreciation and amortization expense for 2018 and 2017 was $1,218,189 and $1,230,941, respectively.

Note 5 - Related Party Transactions

The Organization has several related parties, including Daughters of Charity, Inc. (DOC). DOC is a parent entity of Mission and Ministry, Inc. (MMI) and Daughters of Charity Ministries, Inc. (DCM), which is the parent entity of the Organization. MMI paid $265,313 for one-half of the interest expense related to the bonds payable in both 2018 and 2017 and contributed $106,000 and $100,000 to support various programs in 2018 and 2017, respectively. DCM contributed $618,300 and $438,000 to support programming in 2018 and 2017, respectively. MMI is the guarantor on the line of credit disclosed in Note 10. DCM has two land lease agreements with the Organization as noted in Note 11. An in-kind contribution of $1,531,728 was recorded for both years ended June 30, 2018 and 2017, as well as the related rent expense.

Note 6 - Pension Plans

The Organization participates in noncontributory multiple-employer defined benefit pension plans sponsored by Ascension Health. Prior to December 31, 2012, the date the plans were frozen, the plans covered all employees working 1,000 hours or more per year. The normal retirement benefit of the plans is a monthly retirement income, which is computed based on years of service and a percentage of highest (five-year) average compensation up to the date the plans were frozen. Contributions to the plans are determined as amounts necessary to provide for benefits attributed to service to date and those expected to be earned in the future.

Under accounting principles generally accepted in the United States of America, the Organization is required to recognize the overfunded or underfunded status of a defined benefit plan as an asset or liability in its consolidated statement of financial position.

Note 6 - Pension Plans (Continued)

Change in Benefit Obligation

Amounts recognized in the consolidated statement of financial position consist of the following:

	2018	2017
Balance at beginning of year	$ 6,274,759	$ 6,251,118
Interest cost	240,090	235,420
Benefits paid	(275,292)	(273,985)
Assumption changes	(304,760)	(33,650)
Actuarial gain	22,257	95,856
Balance at end of year	$ 5,957,054	$ 6,274,759

Change in Plan Assets

	2018	2017
Fair value of plan assets at beginning of year	$ 5,646,507	$ 5,736,264
Actual return on assets	267,030	184,228
Benefits paid	(275,292)	(273,985)
Fair value of plan assets	5,638,245	5,646,507
Plan liabilities in excess of plan assets	318,809	626,252
Accumulated benefit obligation	$ 5,957,054	$ 6,272,759

Amounts included in unrestricted net assets as of June 30, 2018 and 2017 that have not yet been recognized in the Organization's operations consist of the following:

	2018	2017
Unrecognized net actuarial loss	$ 1,909,740	$ 2,060,227
Unrecognized prior service credit	(3,209)	(6,186)
Total	$ 1,906,531	$ 2,054,041

Changes in plan assets and benefit obligations recognized in unrestricted net assets during the years ended June 30, 2018 and 2017 include the following:

	2018	2017
Current year actuarial loss	$ (66,537)	$ 366,230
Amortization of actuarial loss	(83,949)	(66,389)
Amortization of prior service credit	2,927	2,874
Total	$ (147,559)	$ 302,715

Components of net periodic benefit income are as follows:

	2018	2017
Net Periodic Benefit Income		
Interest cost	$ 240,090	$ 235,420
Expected return on plan assets	(482,996)	(488,252)
Amortization of prior service credit	(2,927)	(2,874)
Amortization of actuarial loss	83,949	66,389
Net periodic benefit income	$ (161,884)	$ (189,317)

Note 6 - Pension Plans (Continued)

The prior service credit and actuarial loss are included in unrestricted net assets, and the related amounts expected to be recognized in net periodic pension cost during the years ended June 30, 2018 and 2017 are as follows:

	2018	2017
	$ 100,000	$ 100,000

Assumptions

	2018	2017
Discount rate	4.30 %	3.90 %
Rate of return on plan assets	8.50 %	8.50 %

Description of Investment Policies and Strategies for Plan Assets

The Ascension Health pension plan's asset allocation and investment strategies are designed to earn superior returns on plan assets consistent with a reasonable and prudent level of risk. Investments are diversified across classes, sectors, and manager style to minimize the risk of large losses. Derivatives may be used to bridge specific exposure, reduce transaction costs, or modify the portfolio's duration or yield. The plan uses investment managers specializing in each asset category and, where appropriate, provides the investment manager with specific guidelines that include allowable and/or prohibited investment types. Ascension Health regularly monitors manager performance and compliance with investment guidelines.

The weighted-average asset allocations for the plan as of June 30, 2018 and 2017 and the target allocation for fiscal years ended June 30, 2018 and 2017, by asset category, are as follows:

	2018		2017	
	Target	Percentage of Plan Assets at Year End	Target	Percentage of Plan Assets at Year End
Asset category:				
Equity securities	60.00 %	68.00 %	57.00 %	57.00 %
Fixed income	40.00	31.00	28.00	27.00
Alternative investments	-	1.00	15.00	16.00
Total	100.00 %	100.00 %	100.00 %	100.00 %

Pension Plan Assets

The Ascension Health pension plan's assets are reported at fair value, using the fair value hierarchy as disclosed in Note 3. The following tables represent the plan assets of Master Ascension Health Plan (Master Plan), set forth by level within the fair value hierarchy, that were accounted for at fair value on a recurring basis as of June 30, 2018 and 2017. The Organization's plan is approximately 0.1 percent of the Master Plan as of June 30, 2018 and 2017.

Note 6 - Pension Plans (Continued)

The fair values of Master Plan assets and liabilities at June 30, 2018 by major asset and liability classes are as follows:

	Fair Value Measurements at June 30, 2018 (in thousands)			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pooled short-term investment funds	$ 475,660	$ -	$ -	$ 475,660
Foreign currency	4,980	-	-	4,980
Commercial paper	-	11,057	-	11,057
U.S. government, state, municipal, and agency obligations	-	1,349,069	-	1,349,069
Asset-backed securities:				
U.S. agency	-	126,890	193	127,083
Corporate	-	503,788	5,888	509,676
Corporate and foreign government fixed maturities:				
United States	-	516,666	1,033	517,699
International	-	158,155	2	158,157
Equity securities:				
United States	1,125,817	4,918	-	1,130,735
International	995,564	-	1,779	997,343
Other assets:				
Derivatives receivable	2,061	93,099	-	95,160
Liabilities:				
Derivatives payable	(5,064)	(313,828)	(391)	(319,283)
Subtotal	$ 2,599,018	$ 2,449,814	$ 8,504	5,057,336
Investments measured at NAV:				
Corporate and foreign government fixed maturities				10,262
Equity securities				238,328
Private equity and real estate funds				1,092,155
Hedge funds				1,063,108
Commodities funds				131,769
Other assets - Other receivables				305,496
Liabilities - Other payables				(106,274)
Total investments measured at NAV				2,734,844
Total investments at fair value				$ 7,792,180

The fair values of Master Plan assets and liabilities at June 30, 2017 by major asset and liability classes are as follows:

Note 6 - Pension Plans (Continued)

	Fair Value Measurements at June 30, 2017 (in thousands)			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Pooled short-term investment funds	$ 455,688	$ -	$ -	$ 455,688
Foreign currency	4,197	-	-	4,197
Commercial paper	-	21,479	-	21,479
U.S. government, state, municipal, and agency obligations	-	1,390,495	-	1,390,495
Asset-backed securities:				
U.S. agency	-	94,404	-	94,404
Corporate	-	373,469	4,525	377,994
Corporate and foreign government fixed maturities:				
United States	-	709,358	798	710,156
International	-	161,422	134	161,556
Equity securities:				
United States	1,110,628	324	5,605	1,116,557
International	951,187	-	777	951,964
Other assets:				
Derivatives receivable	73	21,913	19,155	41,141
Liabilities:				
Derivatives payable	(1,268)	(187,552)	(19,358)	(208,178)
Subtotal	$ 2,520,505	$ 2,585,312	$ 11,636	5,117,453
Investments measured at NAV:				
Corporate and foreign government fixed maturities				10,729
Equity securities				259,707
Private equity and real estate funds				965,773
Hedge funds				1,033,743
Commodities funds				303,421
Other assets - Other receivables				229,891
Liabilities - Other payables				(41,905)
Total investments measured at NAV				2,761,359
Total investments at fair value				$ 7,878,812

Level 1 Inputs

Fair value for equity securities is determined by external fund managers based on quoted market prices in active markets.

Note 6 - Pension Plans (Continued)

Level 2 and 3 Inputs

The fair value of investments in U.S. government, state, municipal, and agency obligations is primarily determined using techniques consistent with the income approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, and issuer spreads.

The fair value of U.S. agency and corporate asset-backed securities is primarily determined using techniques consistent with the income approach. Significant observable inputs include prepayment speeds and spreads, benchmark yield curves, volatility measures, and observable broker/dealer quotes.

The fair value of investments in United States and international corporate bonds and foreign government bonds is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads, and security-specific characteristics (e.g., early redemption options).

The fair value of investments in United States and international equity securities is primarily determined using techniques that are consistent with the market and income approaches. The values for underlying investments are fair value estimates determined by an external fund manager based on quoted market prices, operating results, balance sheet stability, growth, dividend, dividend yield, and other business and market sector fundamentals.

Fair value for derivative assets and liabilities is primarily determined using techniques consistent with the market approach. Significant observable inputs to valuation models include interest rates, Treasury yields, volatilities, credit spreads, maturities, and recovery rates.

Net Asset Value

Alternative investments, including hedge funds, private equity funds, real estate funds, commodities funds, funds of equity securities, and corporate and foreign government fixed maturities are valued using the net asset value approach to approximate fair value, as determined by an external fund manager based on quoted market prices, operating results, balance sheet stability, growth, and other business and market sector fundamentals.

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3) at June 30, 2018 (in thousands)				
	Asset-backed Securities	Corporate and Foreign Government Fixed Maturities	Equity Securities	Derivatives	Total
Beginning balance at June 30, 2017	$ 4,525	$ 932	$ 6,382	$ (203)	$ 11,636
Actual return on plan assets:					
Net realized gain	78	27	482	8,380	8,967
Net unrealized gain (loss)	562	(499)	685	-	748
Purchases	1,873	1,012	941	31,623	35,449
Sales	(1,256)	(2,057)	(7,929)	(40,191)	(51,433)
Transfers into Level 3	1,234	1,935	1,462	-	4,631
Transfers out of Level 3	(935)	(315)	(244)	-	(1,494)
Ending balance at June 30, 2018	$ 6,081	$ 1,035	$ 1,779	$ (391)	$ 8,504

Note 6 - Pension Plans (Continued)

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3) at June 30, 2018 (in thousands)				
	Asset-backed Securities	Corporate and Foreign Government Fixed Maturities	Equity Securities	Derivatives	Total
Beginning balance at June 30, 2016	$ 41,244	$ 7,875	$ 901	$ 50,397	$ 100,417
Actual return on plan assets:					
Net realized gain (loss)	1,994	(3,997)	(1,821)	-	(3,824)
Net unrealized gain (loss)	1,020	5,279	(43)	-	6,256
Purchases	12,456	3,307	5,712	19,155	40,630
Sales	(45,658)	(12,630)	(1,817)	(19,358)	(79,463)
Transfers into Level 3	6,271	5,709	3,450	-	15,430
Transfers out of Level 3	(12,802)	(4,611)	-	(50,397)	(67,810)
Ending balance at June 30, 2017	$ 4,525	$ 932	$ 6,382	$ (203)	$ 11,636

Cash Flow

Contributions

Employer contributions for the year ending June 30, 2019 are expected to be $0.

Estimated Future Benefit Payments

The benefit payments are expected to be paid as follows:

Years	Pension Benefits
2019	$ 400,000
2020	400,000
2021	400,000
2022	500,000
2023	400,000
Thereafter	1,900,000

Note 7 - Temporarily Restricted Net Assets

Temporarily restricted net assets as of June 30, 2018 and 2017 are restricted for the following purposes:

	2018	2017
Purpose restrictions:		
Santa Mike program	$ 262,277	$ 281,691
Sister Katie fund	602,667	611,089
Project Hope/Hope Junior programs	141,465	143,408
Program services	149,350	195,683
Dorothy Jiganti fund	874,617	696,000
Infant/Toddler project	505,435	500,000
Systems and other admin. projects	55,536	27,303
Capital improvements	-	94,649
Purpose and time restrictions	50,000	50,000
Total purpose restrictions	2,641,347	2,599,823
Time restrictions	500,000	61,526
Total temporarily restricted net assets	$ 3,141,347	$ 2,661,349

Note 8 - Permanently Restricted Net Assets

The Organization's endowments consist of individual funds established for a variety of purposes. There were six donor-restricted endowment funds in 2018 and 2017. As required by GAAP, net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on existences or absences of donor-imposed restrictions.

Interpretation of Relevant Law

The board of trustees of the Organization has interpreted the 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 of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

Note 8 - Permanently Restricted Net Assets (Continued)

	Endowment Net Asset Composition by Type of Fund as of June 30, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ -	$ 719,712	$ 719,712

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	$ -	$ -	$ 719,712	$ 719,712
Investment return - Investment income	-	42,315	-	42,315
Appropriation of endowment assets for expenditure	-	(42,315)	-	(42,315)
Endowment net assets - End of year	$ -	$ -	$ 719,712	$ 719,712

	Endowment Net Asset Composition by Type of Fund as of June 30, 2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ -	$ 719,712	$ 719,712

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	$ (23,270)	$ -	$ 719,712	$ 696,442
Investment return - Investment income	-	75,819	-	75,819
Underwater repayment	23,270	(23,270)	-	-
Appropriation of endowment assets for expenditure	-	(52,549)	-	(52,549)
Endowment net assets - End of year	$ -	$ -	$ 719,712	$ 719,712

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. There were no deficiencies as of June 30, 2018 and 2017.

Note 8 - Permanently Restricted Net Assets (Continued)

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to produce a moderate return while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide a minimum average rate of return equal to its annual spending policy rate. The spending policy for 2018 and 2017 was to appropriate 100 percent of the earnings to operations.

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 - Bonds Payable

In December 2000, the Organization financed the construction of a new facility through donor contributions and tax-exempt bonds. The Organization entered into a loan agreement with the Illinois Department Finance Authority for $29,300,000 of Series 2000A Bonds (the "Series 2000A Bonds"). The bonds are variable rate revenue bonds, which mature in November 2039 and the remaining principal balance of $28,300,000 will fall due in that month. The Organization entered into an agreement in March 2011 to lock in the fixed rate of 1.4 percent for two years, which expired on February 28, 2013. On February 28, 2013, the Organization locked in the fixed rate of 1.875 percent for six years, expiring on February 28, 2019. The cost of the interest rate lock agreement is capitalized and is amortized over six years. The interest expense incurred in 2018 and 2017 was $530,625. The bonds are guaranteed by the Ascension Health Credit Group. If the Organization defaults on the loan, Ascension Health Credit Group will cover the loan, and there is no required repayment plan by the Organization.

Based on the rates currently in effect for bonds issued by similar issuers with similar terms and average maturities, it is estimated that the fair value of the Series 2000A Bonds as of June 30, 2018 and 2017 was $28,248,777 and $28,398,484, respectively. The debt would have been classified as having Level 2 inputs if it had been included in the fair value table.

Bond issuance costs were incurred on the tax-exempt bonds. The costs have been capitalized and are amortized over the life of the bond. For the years ended June 30, 2018 and 2017, amortization of bond issuance costs reported as a component of interest expense totaled $18,000 and $17,268, respectively.

The outstanding debt balance as of June 30, 2018 and 2017 is $28,287,321 and $28,269,321, respectively, which is composed of the gross debt balance of $28,300,000 less unamortized bond issuance costs of $12,679 and $30,679, respectively.

The loan agreement contains certain nonfinancial covenants which, among other things, place limits on certain items which could cause an adverse change of a material nature in the financial position or results of operations of the Organization.

Note 10 - Line of Credit

On October 14, 2015, the Organization entered into a loan agreement with a bank for a revolving line of credit not to exceed $3,000,000, which is guaranteed by a related party. The term of the line of credit is one year and has been renewed for another year. The line of credit had not been drawn on as of June 30, 2018 and 2017. The interest on the line of credit is 2 percent plus LIBOR.

Note 11 - Donated Facilities and Services

The Organization has two land lease agreements, which are renewed annually with DCM. The first lease charges $10 annually for the land on which SVDC resides. The second charges $120,000 annually for the use of the building and the land in and on which Marillac Social Center (Marillac) resides, and the license financial charges have been waived.

GAAP requires an organization to recognize as revenue the fair value of donated services from individuals and facilities and the corresponding expenses. The amount recognized as in-kind contributions is $258,768 for the SVDC land lease and $1,272,960 related to the Marillac land and building lease for the years ended June 30, 2018 and 2017. The in-kind rent expense is included in inkind/related party expenses on the consolidated statement of functional expenses.

No amounts have been reflected in the consolidated financial statements for donated services from individuals received by the Organization. Many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, campaign solicitations, and various committee assignments. The Organization pays for most services requiring specific expertise.

Note 12 - Pledges Receivable

Pledges receivable as of June 30, 2018 and 2017 are expected to be collected in the following periods:

	2018	2017
Pledges receivable:		
Within one year	$ 368,515	$ 189,910
One to five years	500,000	61,526
Total	$ 868,515	$ 251,436

Note 13 - Concentrations

The Organization receives a substantial portion of its support from the State of Illinois. This support totaled 31 and 29 percent of total revenue for the fiscal years ended June 30, 2018 and 2017, respectively. As of June 30, 2018 and 2017, the Organization has receivables from the Illinois Department of Human Services amounting to $808,549 and $451,504, respectively.

Additional Information

plante moran

Plante & Moran, PLLC
10 South Riverside Plaza
9th floor
Chicago, IL 60606
Tel: 312.207.1040
Fax: 312.207.1066
plantemoran.com

Independent Auditor's Report on Additional Information

To the Board of Trustees
Marillac St. Vincent Ministries, Inc. and
Marillac St. Vincent Family Services, Inc.

We have audited the consolidated financial statements of Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc. as of and for the years ended June 30, 2018 and 2017 and have issued our report thereon dated October 16, 2018, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the 2018 consolidated financial statements as a whole. The consolidating information is presented for the purpose of additional analysis rather than to present the financial position, functional expenses, and results of operations of the individual companies and is 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 2018 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2018 consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2018 consolidated financial statements as a whole.

Plante & Moran, PLLC

October 16, 2018

Consolidating Statement of Financial Position

June 30, 2018

	Marillac St. Vincent Family Services, Inc.	Marillac St. Vincent Ministries, Inc.	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	$ 201,453	$ 1,000	$ -	$ 202,453
Receivables:				
Grants receivable	1,705,374	-	-	1,705,374
Pledges receivable	368,515	-	-	368,515
Others	97	26,168	-	26,265
Related parties	741,386	-	(741,386)	-
Prepaid expenses	19,710	-	-	19,710
Total current assets	3,036,535	27,168	(741,386)	2,322,317
Investments - Noncurrent	8,493,787	20,020,114	-	28,513,901
Pledges Receivable - Noncurrent	500,000	-	-	500,000
Property and Equipment - Net	5,107,464	11,841,677	-	16,949,141
Total assets	**$ 17,137,786**	**$ 31,888,959**	**$ (741,386)**	**$ 48,285,359**
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	$ 438,571	$ -	$ -	$ 438,571
Accrued liabilities and other:				
Accrued payroll-related expenses	675,343	-	-	675,343
Other liabilities	62,639	-	-	62,639
Interest payable	-	52,336	-	52,336
Related parties	-	741,386	(741,386)	-
Total current liabilities	1,176,553	793,722	(741,386)	1,228,889
Long-term Liabilities				
Bonds payable less unamortized bond issuance costs	-	28,287,321	-	28,287,321
Pension benefit obligations	318,809	-	-	318,809
Total liabilities	1,495,362	29,081,043	(741,386)	29,835,019
Net Assets				
Unrestricted	13,830,888	758,393	-	14,589,281
Temporarily restricted	1,811,536	1,329,811	-	3,141,347
Permanently restricted	-	719,712	-	719,712
Total net assets	15,642,424	2,807,916	-	18,450,340
Total liabilities and net assets	**$ 17,137,786**	**$ 31,888,959**	**$ (741,386)**	**$ 48,285,359**

Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.

Consolidating Statement of Activities and Changes in Net Assets

Year Ended June 30, 2018

	Marillac St. Vincent Family Services, Inc.			Marillac St. Vincent Ministries, Inc.				Eliminations				Total			
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support															
Contributions	$ 1,916,739	$ 1,820,908	$ 3,737,647	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,916,739	$ 1,820,908	$ -	$ 3,737,647
In-kind donations - Related party	2,803,060	-	2,803,060	524,081	-	-	524,081	(1,530,100)	-	-	(1,530,100)	1,797,041	-	-	1,797,041
Contributions - Related party	618,300	106,000	724,300	-	-	-	-	-	-	-	-	618,300	106,000	-	724,300
Special events - Net of expense of $221,274	725,921	-	725,921	-	-	-	-	-	-	-	-	725,921	-	-	725,921
Grants from governmental agencies	9,268,138	-	9,268,138	-	-	-	-	-	-	-	-	9,268,138	-	-	9,268,138
Program service fees	760,783	-	760,783	-	-	-	-	-	-	-	-	760,783	-	-	760,783
Investment income	244,821	42,315	287,136	1,092,459	-	-	1,092,459	-	-	-	-	1,337,280	42,315	-	1,379,595
Space use fees/rental income	557,992	-	557,992	1,530,100	-	-	1,530,100	(1,530,100)	-	-	(1,530,100)	557,992	-	-	557,992
Thrift store sales	66,926	-	66,926	-	-	-	-	-	-	-	-	66,926	-	-	66,926
Miscellaneous	31,837	-	31,837	-	-	-	-	-	-	-	-	31,837	-	-	31,837
Total revenue and support	16,994,517	1,969,223	18,963,740	3,146,640	-		3,146,640	(3,060,200)	-	-	(3,060,200)	17,080,957	1,969,223	-	19,050,180
Net Assets Released from Restriction	1,489,225	(1,489,225)	-	-	-	-	-	-	-	-	-	1,489,225	(1,489,225)	-	-
Total revenue, support, and net assets released from restriction	18,483,742	479,998	18,963,740	3,146,640	-	-	3,146,640	(3,060,200)	-	-	(3,060,200)	18,570,182	479,998	-	19,050,180
Expenses															
Program services	14,898,276	-	14,898,276	3,121,157	-	-	3,121,157	(3,060,200)	-	-	(3,060,200)	14,959,233	-	-	14,959,233
Management and general	779,864	-	779,864	4,962	-	-	4,962	-	-	-	-	784,826	-	-	784,826
Fundraising	761,004	-	761,004	12,030	-	-	12,030	-	-	-	-	773,034	-	-	773,034
Total expenses	16,439,144	-	16,439,144	3,138,149	-	-	3,138,149	(3,060,200)	-	-	(3,060,200)	16,517,093	-	-	16,517,093
Increase in Net Assets - Before pension-related changes other than net periodic pension expense	2,044,598	479,998	2,524,596	8,491	-	-	8,491	-	-	-	-	2,053,089	479,998	-	2,533,087
Pension-related Changes Other than Net Periodic Pension Expense	147,559	-	147,559	-	-	-	-	-	-	-	-	147,559	-	-	147,559
Increase in Net Assets	2,192,157	479,998	2,672,155	8,491	-	-	8,491	-	-	-	-	2,200,648	479,998	-	2,680,646
Net Assets - Beginning of year	11,638,731	1,331,538	12,970,269	749,902	1,329,811	719,712	2,799,425	-	-	-	-	12,388,633	2,661,349	719,712	15,769,694
Net Assets - End of year	**$ 13,830,888**	**$ 1,811,536**	**$ 15,642,424**	**$ 758,393**	**$ 1,329,811**	**$ 719,712**	**$ 2,807,916**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 14,589,281**	**$ 3,141,347**	**$ 719,712**	**$ 18,450,340**

Marillac St. Vincent Ministries, Inc. and Marillac St. Vincent Family Services, Inc.

Consolidating Statement of Functional Expenses

Year Ended June 30, 2018

	Marillac St. Vincent Family Services, Inc.				Marillac St. Vincent Ministries, Inc.					Total			
	Program Services	Management and General	Fundraising	Subtotal	Program Services	Management and General	Fundraising	Subtotal	Eliminations	Program Services	Management and General	Fundraising	Total
Salaries, wages, and stipends	$ 7,772,261	$ 589,363	$ 447,086	$ 8,808,710	$ -	$ -	$ -	$ -	$ -	$ 7,772,261	$ 589,363	$447,086	$ 8,808,710
Employee benefits	1,610,310	64,280	77,811	1,752,401	-	-	-	-	-	1,610,310	64,280	77,811	1,752,401
Pension periodic benefit	(151,419)	(3,076)	(7,389)	(161,884)	-	-	-	-	-	(151,419)	(3,076)	(7,389)	(161,884)
Total salaries and related expenses	9,231,152	650,567	517,508	10,399,227	-	-	-	-	-	9,231,152	650,567	517,508	10,399,227
Professional fees	115,665	37,292	15,077	168,034	-	-	-	-	-	115,665	37,292	15,077	168,034
Occupancy	1,279,487	23,135	31,844	1,334,466		-	-	-	-	1,279,487	23,135	31,844	1,334,466
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Dietary	470,672	83	202	470,957	-	-	-	-	-	470,672	83	202	470,957
In-kind/Related party expenses	2,719,477	24,407	59,178	2,803,062	1,771,874	4,962	12,030	1,788,866	(3,060,200)	1,431,151	29,369	71,208	1,531,728
Direct client	371,645	18,609	22,379	412,633	-	-	-	-	-	371,645	18,609	22,379	412,633
Communication and technology	227,303	4,519	65,763	297,585	-	-	-	-	-	227,303	4,519	65,763	297,585
Depreciation and amortization	415,640	8,215	19,918	443,773	774,416	-	-	774,416	-	1,190,056	8,215	19,918	1,218,189
Supplies and other	67,235	13,037	29,135	109,407	4,242	-	-	4,242	-	71,477	13,037	29,135	113,649
Interest expense and fees		-	-	-	570,625	-	-	570,625	-	570,625	-	-	570,625
Total functional expenses	**$ 14,898,276**	**$ 779,864**	**$ 761,004**	**$ 16,439,144**	**$ 3,121,157**	**$ 4,962**	**$ 12,030**	**$ 3,138,149**	**$ (3,060,200)**	**$ 14,959,233**	**$ 784,826**	**$773,034**	**$ 16,517,093**