Salesian Missions, Inc.

Financial Statements
Years Ended December 31, 2024 and 2023

The report accompanying these financial statements was issued by
BDO USA, P.C., a Virginia professional corporation, and the U.S. member of
BDO International Limited, a UK company limited by guarantee.

Salesian Missions, Inc.

Financial Statements

Years Ended December 31, 2024 and 2023

Salesian Missions, Inc.

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Independent Auditor's Report

The Board of Trustees
Salesian Missions, Inc.
New Rochelle, New York

Opinion

We have audited the financial statements of Salesian Missions, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 audits. 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 Financial Statements

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

In preparing the 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 financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 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.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, P.C.

November 21, 2025

Salesian Missions, Inc.

Statements of Financial Position

December 31,	**2024**	2023
Assets		
Current Assets		
Cash and cash equivalents	**$ 7,486,976**	$ 5,440,876
Investments	**45,900,080**	46,116,208
Bequests, contributions, and other receivables, net	**2,360,958**	1,655,292
Inventory, net	**825,791**	846,731
Prepaid expenses and other current assets	**1,805,192**	2,555,209
Assets held for others	**17,094,684**	15,839,139
Total Current Assets	**75,473,681**	72,453,455
Other Non-Current Assets	**588,079**	517,926
Property and Equipment, Net	**466,270**	589,249
Beneficial Interest in Third-Party Trusts	**61,453,975**	51,855,715
Right-of-Use Assets - Operating Lease	**54,856**	58,911
Total Assets	**$ 138,036,861**	$ 125,475,256
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	**$ 1,741,232**	$ 2,469,404
Deferred revenue	**417,343**	474,474
Current portion of annuity obligations	**552,665**	532,633
Funds held for others	**17,094,684**	15,839,139
Current portion of operating lease liabilities	**46,671**	36,289
Total Current Liabilities	**19,852,595**	19,351,939
Annuity Obligations, less current portion	**3,145,713**	2,932,660
Operating Lease Liabilities, net of current portion	**9,780**	24,217
Total Liabilities	**23,008,088**	22,308,816
Commitments and Contingencies		
Net Assets		
Without donor restrictions	**28,239,910**	26,820,597
With donor restrictions	**86,788,863**	76,345,843
Total Net Assets	**115,028,773**	103,166,440
Total Liabilities and Net Assets	**$ 138,036,861**	$ 125,475,256

See accompanying notes to financial statements.

Salesian Missions, Inc.

Statement of Activities

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues			
Contributions	$ 28,964,788	$ 22,627,795	$ 51,592,583
Government grants	102,672	-	102,672
Foundation grants	-	630,810	630,810
Contributed nonfinancial assets contributions and grants	8,513,373	-	8,513,373
Investment gain, net	2,156,248	1,794,108	3,950,356
Other income	292,332	-	292,332
Change in value of split-interest agreements	-	(189,578)	(189,578)
Net assets released from restrictions	14,420,115	(14,420,115)	-
Total Operating Revenues	54,449,528	10,443,020	64,892,548
Operating Expenses			
Program services:			
Mission support	26,718,193	-	26,718,193
Religious ministries	16,915,062	-	16,915,062
Government programs	868,411	-	868,411
Total Program Services	44,501,666	-	44,501,666
Support services:			
Management and general	3,144,215	-	3,144,215
Fundraising	5,809,428	-	5,809,428
Total Support Services	8,953,643	-	8,953,643
Total Expenses	53,455,309	-	53,455,309
Change in Net Assets from Operating Activities	994,219	10,443,020	11,437,239
Other Non-Operating Income	425,094	-	425,094
Change in Net Assets	1,419,313	10,443,020	11,862,333
Net Assets, beginning of year	26,820,597	76,345,843	103,166,440
Net Assets, end of year	$ 28,239,910	$ 86,788,863	$ 115,028,773

See accompanying notes to financial statements.

Salesian Missions, Inc.

Statement of Activities

Year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues			
Contributions	$ 17,577,289	$ 22,720,517	$ 40,297,806
Government grants	684,343	-	684,343
Foundation grants	-	371,902	371,902
Contributed nonfinancial assets contributions and grants	9,306,023	-	9,306,023
Investment gain, net	3,745,102	2,379,767	6,124,869
Other income	302,888	-	302,888
Change in value of split-interest agreements	-	295,215	295,215
Net assets released from restrictions	23,803,297	(23,803,297)	-
Total Operating Revenues	55,418,942	1,964,104	57,383,046
Operating Expenses			
Program services:			
Mission support	27,485,173	-	27,485,173
Religious ministries	18,034,615	-	18,034,615
Government programs	1,034,252	-	1,034,252
Total Program Services	46,554,040	-	46,554,040
Support services:			
Management and general	3,110,820	-	3,110,820
Fundraising	6,008,843	-	6,008,843
Total Support Services	9,119,663	-	9,119,663
Total Expenses	55,673,703	-	55,673,703
Change in Net Assets from Operating Activities	(254,761)	1,964,104	1,709,343
Other Non-Operating Expenses	(200,000)	-	(200,000)
Change in Net Assets	(454,761)	1,964,104	1,509,343
Net Assets, beginning of year	27,275,358	74,381,739	101,657,097
Net Assets, end of year	$ 26,820,597	$ 76,345,843	$ 103,166,440

See accompanying notes to financial statements.

Salesian Missions, Inc.

Statement of Functional Expenses

Year ended December 31, 2024

	Program Services				Support Services			
	Mission Support	Religious Ministries	Government Programs	Total Program Services	Management and General	Fundraising	Total Support Services	Total
Salaries	$ 933,179	$ 954,582	$ 188,348	$ 2,076,109	$ 1,690,850	$ 513,676	$ 2,204,526	$ 4,280,635
Payroll taxes and fringe benefits	215,288	221,028	27,749	464,065	377,950	114,820	492,770	956,835
	1,148,467	1,175,610	216,097	2,540,174	2,068,800	628,496	2,697,296	5,237,470
Distributions to missions	12,718,564	608,655	617,887	13,945,106	-	-	-	13,945,106
Contributed nonfinancial assets to missions	8,513,373	-	-	8,513,373	-	-	-	8,513,373
Direct mail costs	3,061,031	14,754,674	-	17,815,705	195,570	3,694,101	3,889,671	21,705,376
Professional fees	803,330	181,737	15,804	1,000,871	597,743	1,035,256	1,632,999	2,633,870
Supplies and materials	5,080	23,489	1,394	29,963	6,510	5,165	11,675	41,638
Travel and communications	36,009	2,733	8,198	46,940	11,052	2,732	13,784	60,724
Office and occupancy expense	342,072	77,897	9,031	429,000	264,540	443,678	708,218	1,137,218
	26,627,926	16,824,795	868,411	44,321,132	3,144,215	5,809,428	8,953,643	53,274,775
Depreciation	90,267	90,267	-	180,534	-	-	-	180,534
Total	$ 26,718,193	$ 16,915,062	$ 868,411	$ 44,501,666	$ 3,144,215	$ 5,809,428	$ 8,953,643	$ 53,455,309

See accompanying notes to financial statements.

Salesian Missions, Inc.

Statement of Functional Expenses

Year ended December 31, 2023

	Program Services				Support Services			
	Mission Support	Religious Ministries	Government Programs	Total Program Services	Management and General	Fundraising	Total Support Services	Total
Salaries	$ 942,304	$ 963,916	$ 190,190	$ 2,096,410	$ 1,707,384	$ 518,699	$ 2,226,083	$ 4,322,493
Payroll taxes and fringe benefits	193,746	198,912	24,972	417,630	340,132	103,331	443,463	861,093
	1,136,050	1,162,828	215,162	2,514,040	2,047,516	622,030	2,669,546	5,183,586
Distributions to missions	12,457,061	795,797	783,538	14,036,396	-	-	-	14,036,396
Contributed nonfinancial assets to missions	9,348,813	-	-	9,348,813	-	-	-	9,348,813
Direct mail costs	3,283,330	15,699,866	-	18,983,196	208,098	3,930,747	4,138,845	23,122,041
Professional fees	773,456	174,979	15,216	963,651	575,514	996,757	1,572,271	2,535,922
Supplies and materials	5,920	27,371	1,624	34,915	6,831	6,019	12,850	47,765
Travel and communications	41,950	3,184	9,550	54,684	12,875	3,183	16,058	70,742
Office and occupancy expense	347,029	79,026	9,162	435,217	259,986	450,107	710,093	1,145,310
	27,393,609	17,943,051	1,034,252	46,370,912	3,110,820	6,008,843	9,119,663	55,490,575
Depreciation	91,564	91,564	-	183,128	-	-	-	183,128
Total	$ 27,485,173	$ 18,034,615	$ 1,034,252	$ 46,554,040	$ 3,110,820	$ 6,008,843	$ 9,119,663	$ 55,673,703

See accompanying notes to financial statements.

Salesian Missions, Inc.

Statements of Cash Flows

Year ended December 31,	**2024**	2023
Cash Flows from Operating Activities		
Change in net assets	**$ 11,862,333**	$ 1,509,343
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	**180,534**	183,128
Obsolete inventory write-off	**(425,094)**	200,000
Net unrealized and realized gain on investments	**(3,936,529)**	(6,223,496)
Non-cash operating lease expenses	**40,275**	41,489
Decrease (increase) in assets:		
Bequests, contributions, and other receivables	**(705,666)**	7,594,992
Inventory	**446,034**	(87,904)
Prepaid expenses and other assets	**679,864**	849,016
Beneficial interest in third-party trusts	**(9,598,260)**	(8,867,344)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	**(728,172)**	610,627
Due to others	**1,255,545**	8,889,776
Deferred revenue	**(57,131)**	238,158
Annuity obligations	**233,085**	(295,214)
Non-cash operating lease liability	**(40,275)**	(41,489)
Net Cash (Used in) Provided by Operating Activities	**(793,457)**	4,601,082
Cash Flows from Investing Activities		
Purchase of equipment	**(57,555)**	(125,081)
Sale of investments	**19,808,834**	22,495,710
Purchase of investments	**(15,656,177)**	(20,562,700)
Net Cash Provided by Investing Activities	**4,095,102**	1,807,929
Increase in Cash, Cash Equivalents, and Restricted Cash	**3,301,645**	6,409,011
Cash, Cash Equivalents, and Restricted Cash, beginning of year	**21,280,015**	14,871,004
Cash, Cash Equivalents, and Restricted Cash, end of year	**$ 24,581,660**	$ 21,280,015
Supplemental Disclosures of Cash Flow Information		
Contributed nonfinancial assets contributions and grants	**$ 8,513,373**	$ 9,306,023

See accompanying notes to financial statements.

1. Organization

Salesian Missions, Inc. (the Organization) is the Mission Procure of the Salesian Society, Inc. in the United States. The Organization was incorporated in 2000 in the state of New York. Its purpose is to recruit and prepare vocations for the missions, to implement the religious and educational objectives of the Salesian Society, and to support its missions in underdeveloped countries.

The Salesian Society, a Roman Catholic Religious Order, was founded in 1854 by John Bosco in Turin, Italy to serve the needs of disadvantaged youth. The Salesian Society, Inc. was incorporated in 1907 in the state of New York. Currently 34,000 Salesian Fathers, Brothers, and Sisters work in 135 countries in orphanages, clinics, hospitals, and schools that include vocational, technical, agricultural, and academic schools and 23 colleges. Over two million children, of all races and creeds in third-world countries, are welcomed into Salesian programs.

In a determination letter dated July 12, 2010, the Internal Revenue Service held that the agencies, instrumentalities and educational, charitable, and religious institutions operated, supervised, or controlled by, or in connection with, the United States Conference of Catholic Bishops, or its territories or possessions, are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). The Organization is a subordinate organization in the group exemption by virtue of its inclusion in The Official Catholic Directory, which is updated annually. Accordingly, the Organization is exempt from income tax on revenues related to its charitable mission. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the Code and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). Accordingly, the accompanying financial statements reflect no provision for income taxes.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP), as applicable to not-for-profit entities. In the statements of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net asset defined below in the statements of financial position, and the amounts of change in each of those classes of net assets, are displayed in the statements of activities.

These classes are defined as follows:

Without Donor Restrictions – This class consists of net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operations of the Organization. Expenses are reported as decreases in net assets without donor restrictions.

With Donor Restrictions – This class consists of net assets with donor restrictions whose use is limited by donor-imposed, time, and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restriction is accomplished—the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions.

Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization are classified as net assets with donor restrictions perpetual in nature. These net assets with donor restrictions may include a stipulation that assets provided be maintained permanently while permitting the Organization to expend the income generated by the assets, in accordance with provisions of additional donor-imposed stipulations.

Cash, Cash Equivalents, and Restricted Cash

For purposes of the statements of cash flows, the Organization considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents. The Organization's investments are held with an initial maturity over three months and are, therefore, not considered cash and cash equivalents.

December 31,	**2024**	2023
Cash and cash equivalents	**$ 7,486,976**	$ 5,440,876
Assets held for others	**17,094,684**	15,839,139
Total	**$ 24,581,660**	$ 21,280,015

Investment at Fair Value

Professional standards establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are those that market participants operating within the same marketplace as the Organization would use in pricing its assets based on independently derived and objectively determinable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets identical or similar to those which the Organization holds are traded. The Organization estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants who have investments in the same or similar assets would use, as determined by the money managers administering each investment based on the best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 – Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments at the reporting date.

Level 2 - Valuations are based on (i) quoted prices - those investments, or similar investments, in active markets; (ii) quoted prices - those investments, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable

at the reporting date. Level 2 assets include those investments or similar investments that are redeemable at or near the balance sheet date and for which a model was derived for valuation.

Level 3 - Valuations are based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the investments; (ii) the investments cannot be independently valued; or (iii) the investments cannot be immediately redeemed at or near the fiscal year-end.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Organization's investments consist of a variety of investment securities. Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the Organization's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Beneficial Interest in Third-Party Trusts

The Organization is the beneficiary of several perpetual and charitable remainder trusts. The trusts are stated at fair value, based on the underlying assets of the trusts, and are classified as net assets with donor restrictions. Changes in the value of the trusts are reported in net assets with donor restrictions. Distributions from the trusts are recorded as investment income.

Investment Income

Purchases and sales are recorded on a trade-date basis. Investment income is recorded when earned. Realized and unrealized gains and losses are reported in the statements of activities as change in unrestricted net assets unless the use of the income is limited by donor-imposed restrictions. Investment income is presented net of investment expenses.

Inventory

Inventory consists of mailing and religious ministry supplies and are stated at the lower of cost or market using the first-in, first-out (FIFO) method. Contributed nonfinancial assets inventory consists of equipment and supplies received from government and private sources that have not been distributed for program purposes at the date of the statements of financial position. They are reported as contributions at their estimated fair value on the date of receipt and reported as expenses when utilized. The Organization maintains a reserve for obsolete inventory based upon its ability to utilize such items for purposes of fulfilling its mission.

Property and Equipment, Net

Acquisitions of property and equipment in excess of $1,000 are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair value at date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Asset Category	Years
Buildings and improvements	5-50
Furniture, fixtures, and equipment	5-10
Automobiles	5
Software	5

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. For the years ended December 31, 2024 and 2023, there have been no such losses.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Revenue Recognition

Contributions are recognized when an unconditional promise is received and recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires—that is, when a stipulated time restriction ends, and/or a purpose restriction is accomplished—net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Those expected to be collected in future years are recorded at the present value of their estimated future cash flows.

Government grants revenues are nonexchange transactions in which no commensurate value is exchanged. Accordingly, contribution accounting is applied under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. Government grants contracts are evaluated for contributions that are conditional. Factors indicating the existence of a conditional contribution include the presence of a barrier that must be overcome and either a right of return of assets transferred or a right of release of a funder's obligation to transfer the assets. Government grant revenues are recognized when the conditions are satisfied, which is generally when the expenditures for each contract are incurred.

Contributed nonfinancial assets contributions and grants are reported in the financial statements for voluntary donations of services if those services create or enhance non-financial assets or require

specialized skills provided by individuals possessing those skills and would typically be purchased if not provided by donation. All donated services were utilized by the Organization's programs services.

The carrying value of receivables is reduced by an appropriate allowance for uncollectible accounts, based on historical collection experience and, therefore, approximates net realizable value. Receivables are written off when deemed uncollectible. Management determined that there was no allowance that needed to be recorded for the years ended December 31, 2024 and 2023.

The Organization enters into agreements with donors to accept and administer charitable gift annuities. Such agreements provide for payments to the donors, or their beneficiaries, based upon either the income earned on related investments or specified annuity amounts. Assets held under charitable gift annuities are included in investments. Contribution revenue is recognized at the date the annuity contract is established after recording liabilities for the estimated future payments expected to be made to the donors and/or other beneficiaries. The liabilities are adjusted annually for changes in the life expectancy of the beneficiary, amortization of the discount, and other changes in the estimates of future payments.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs common to multiple functions have been allocated among the various functions benefited based upon predetermined allocation rates. Costs such as salaries and fringe benefits are allocated based on estimates of time and effort. Costs such as rent and depreciation are based on square footage. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Expenses incurred in connection with operations have been determined by management to be either program services or management and general expenses.

Income Taxes

In accordance with GAAP, the Organization must recognize a tax liability associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Organization does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits.

The Organization is exempt from federal income tax under Section 501(c)(3) of the Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated business income, to determine its filing and tax obligations in jurisdictions for which it has nexus, and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. In addition, the Organization has not recorded a provision for income taxes as it has no material tax liability from unrelated business income activities.

Reclassifications

Certain amounts included in the fiscal year 2023 financial statements have been reclassified to conform to the fiscal year 2024 presentation.

3. Bequests, Contributions, and Other Receivables, Net

Bequests, contributions, and other receivables, net, consisted of the following:

December 31,	**2024**	2023
Bequests receivable	**$ 1,656,592**	$ 1,001,902
Contributions receivable	**2,000**	2,000
Other receivables	**719,366**	668,390
	2,377,958	1,672,292
Less: allowance for doubtful accounts	**(17,000)**	(17,000)
	$ 2,360,958	$ 1,655,292

Bequests, contributions, and other receivables, net, as of December 31, 2024 are scheduled to be collected within one year.

During 2024 and 2023, the Organization was notified of certain intentions to give, but the amounts were unknown. Consistent with GAAP, such amounts have not been reflected in the accompanying financial statements due to their conditional nature and unknown amounts.

4. Investments

The Organization's assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with professional standards. See Note 2 for a discussion of the Organization's policies regarding this hierarchy. A description of the valuation techniques applied to the Organization's major categories of assets and liabilities measured at fair value is as follows:

Stocks and U.S. Treasuries - These investments are priced using nationally recognized pricing services based on observable market data and are classified as Level 1.

Mutual Funds - Mutual funds are valued at the last reported net asset value (NAV) of shares held by the Organization at year-end and are classified as Level 1.

Foreign and Corporate Bonds – These investments are valued based on the last reported bid price provided by broker-dealers and are reported as Level 2 in the fair value hierarchy.

Beneficial Interest in Third-Party Trusts - On December 31, 2024 and 2023, the Organization's financial assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) represent the fair value of the Organization's beneficial interest in third-party trusts of $61,453,975 and $51,855,715, respectively. There is currently no market in which beneficial interests in trusts trade; therefore, no observable exit price exists for a beneficial interest in a perpetual trust. The assets are held in third-party trusts from which the Organization has an irrevocable right to receive the income earned on the trust assets. The Organization cannot receive

the assets held in the trusts (see Note 6). Furthermore, the Organization cannot make any investment decisions regarding the assets held by the trusts.

The Organization had no financial assets and liabilities that were measured at fair value on a non-recurring basis during the years ended December 31, 2024 and 2023. In addition, there were no transfers between levels during the years ended December 31, 2024 and 2023.

The following tables present the Organization's investments classified within the fair value hierarchy:

December 31, 2024

	Level 1	Level 2	Level 3	Total
Stocks	$ 27,938,474	$ -	$ -	$ 27,938,474
Foreign and corporate bonds	-	9,513,299	-	9,513,299
Mutual funds	774,800	-	-	774,800
U.S. Treasuries	7,673,507	-	-	7,673,507
Total Investments	36,386,781	9,513,299	-	45,900,080
Beneficial interest in third-party trusts	-	-	61,453,975	61,453,975
Total Financial Assets, at fair value	$ 36,386,781	$ 9,513,299	$ 61,453,975	$107,354,055

December 31, 2023

	Level 1	Level 2	Level 3	Total
Stocks	$ 28,912,642	$ -	$ -	$ 28,912,642
Foreign and corporate bonds	-	10,754,502	-	10,754,502
Mutual funds	521,314	-	-	521,314
U.S. Treasuries	5,927,750	-	-	5,927,750
Total Investments	35,361,706	10,754,502	-	46,116,208
Beneficial interest in third-party trusts	-	-	51,855,715	51,855,715
Total Financial Assets, at fair value	$ 35,361,706	$ 10,754,502	$ 51,855,715	$ 97,971,923

The following table represents the reconciliation of the beginning and ending balances of the Organization's financial assets measured at fair value on a recurring basis using significant unobservable inputs:

	Beneficial Interest in Third-Party Trusts
Balance, January 1, 2023	$ 42,988,371
Investment appreciation, net	8,867,344
Balance, December 31, 2023	51,855,715
Investment appreciation, net	9,598,260
Balance, December 31, 2024	$ 61,453,975

Investment gain, net, consisted of the following:

Year ended December 31,		**2024**		2023
Interest and dividends	**$**	**1,068,414**	$	940,636
Net realized gain on investments		**3,956,743**		1,891,574
Net unrealized gain on investments		**62,934**		4,421,145
Investment Gain		**5,088,091**		7,253,355
Investment fees		**(1,137,735)**		(1,128,486)
Investment Gain, Net	**$**	**3,950,356**	$	6,124,869

5. Property and Equipment, Net

Property and equipment, net, consisted of the following:

December 31,		**2024**		2023
Building and improvements	**$**	**3,834,334**	$	3,815,972
Furniture and fixtures		**1,332,530**		1,332,530
Equipment		**1,794,065**		1,754,872
Automobiles		**85,018**		85,018
Systems software		**1,336,742**		1,336,742
		8,382,689		8,325,134
Less: accumulated depreciation		**(7,916,419)**		(7,735,885)
	$	**466,270**	$	589,249

Depreciation expense for the years ended December 31, 2024 and 2023 was $180,534 and $183,128, respectively.

6. Beneficial Interest in Third-Party Trusts

At December 31, 2024 and 2023, the Organization had a beneficial interest in several irrevocable charitable remainder trusts and one perpetual trust. The present value of the Organization's future interests in these charitable remainder trusts and the perpetual trust totaled $908,611 and $60,545,364, respectively, at December 31, 2024, and $1,311,769 and $50,543,946, respectively, at December 31, 2023, and is recorded as beneficial interest in third-party trusts on the accompanying statements of financial position. The perpetual and charitable remainder trusts have been reported as net assets with donor restrictions. The Organization's beneficial interest in the charitable remainder trusts and perpetual trust have been classified as Level 3 within the fair value hierarchy.

The following table summarizes the changes in fair values associated with the assets:

	Perpetual Trust	Charitable Remainder Trusts	Total
Balance, January 1, 2023	$ 41,702,707	$ 1,285,664	$ 42,988,371
Contributions (distributions)	(305,416)	186,332	(119,084)
Investment appreciation (depreciation)	9,146,655	(160,227)	8,986,428
Balance, December 31, 2023	50,543,946	1,311,769	51,855,715
Contributions (distributions)	11,816	(527,055)	(515,239)
Investment appreciation	9,989,602	123,897	10,113,499
Balance, December 31, 2024	$ 60,545,364	$ 908,611	$ 61,453,975

7. Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purposes and time restrictions:

December 31,	**2024**	2023
Masses	**$ 880,749**	$ 801,994
Seminary support	**14,033,439**	14,879,386
Missionaries	**4,376,676**	3,229,654
Time restrictions	**6,952,635**	6,890,863
Perpetual trust within beneficial interest in third-party trusts	**60,545,364**	50,543,946
Total Net Assets with Donor Restrictions	**$ 86,788,863**	$ 76,345,843

8. Net Assets Released from Restrictions

Net assets with donor restrictions were released from restrictions by either incurring expenses or satisfying the restricted purpose, as follows:

December 31,	**2024**	2023
Masses	**$ 80,665**	$ 88,842
Missionaries	**874,043**	1,330,748
Seminary support	**10,774,971**	12,494,119
Time restrictions	**2,690,436**	9,889,588
Total Net Assets Released from Restrictions	**$ 14,420,115**	$ 23,803,297

9. Liquidity and Availability of Financial Resources

The following reflects the Organization's financial assets, reduced by amounts not available for general use within one year of the date of the statements of financial position because of contractual or donor-imposed restrictions:

December 31,	**2024**	2023
Cash and cash equivalents	**$ 7,486,976**	$ 5,440,876
Investments	**45,900,080**	46,116,208
Bequests, contributions, and other receivables, net	**2,360,958**	1,655,292
Total Financial Assets	**55,748,014**	53,212,376
Contractual or donor-imposed restrictions:		
Endowment funds	**(13,670,535)**	(12,572,304)
Other donor restrictions*	**(11,664,353)**	(12,399,550)
Investments held for annuity obligations and related reserves**	**(3,698,378)**	(3,465,293)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	**$ 26,714,748**	$ 24,775,229

* This amount is included in cash and cash equivalents and represents contributions that are not released from restrictions.

** This amount is included in investments and represents amount reserve for the required charitable annuity contribution due next fiscal period.

The Organization is primarily supported by contributions (both with and without donor restriction). Because contributions with donor restrictions require resources to be used in a particular manner or in future periods, the Organization maintains sufficient resources to meet those responsibilities to its donors. The Organization's largest annual expenses are the grants it makes to various Salesian missionaries worldwide, especially those groups working to assist needy youth and families in underdeveloped countries. As part of the Organization's liquidity management, it has a policy to structure its level of annual grant expense to be covered by the support it receives from general operations and its donors.

10. Assets Held for Others

The Organization has custody over several bank accounts that are maintained on behalf of certain Salesian provinces in foreign countries, as directed by the Office of the Director General of Don Bosco Missions in Rome, Italy and Salesians of Don Bosco, Bolivia. The fair value of the assets held at December 31, 2024 and 2023 was $17,094,684 and $15,839,139, respectively. These assets are restricted for the exclusive use of these foreign provinces. As a result, these amounts are included as assets held for others and a corresponding funds held for others liability on the accompanying statements of financial position.

11. Retirement Plans

The Organization also sponsors a 401(k) plan, which covers substantially all employees with one year of service and 1,000 or more hours of service per annum, with the exception of temporary and seasonal employees. Participating employees may elect to contribute, on a tax-deferred basis, a portion of their compensation, in accordance with Section 401(k) of the Code and all other

controlling pieces of federal or local legislation. The Organization's matching contribution rate for the years ended December 31, 2024 and 2023 was 75% of the employee's contribution up to the first 6% deducted from their compensation. The Organization's matching contribution expense for the years ended December 31, 2024 and 2023 was $108,497 and $103,436, respectively.

12. Line of Credit

The Organization has a $5,304,000 available line of credit with a variable interest rate based on LIBOR (5% at December 31, 2024). The Organization's investment securities secure the line of credit. As of December 31, 2024 and 2023, the Organization's line of credit had no outstanding balance or accrued interest.

13. Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, equity, and fixed-income securities and mutual funds. The Organization maintains its cash and cash equivalents in various bank deposit accounts, which, at times, may exceed federally insured limits. The Organization's accounts were placed with high-credit-quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts. The Organization has a significant investment in equity and fixed-income securities and mutual funds and is, therefore, subject to concentrations of credit risk.

14. Endowments

The Organization's endowments consist of various individual with-donor-restricted funds established for various purposes, including support for recruiting and preparing vocations for the missions, to implement the religious and educational objectives of the Salesian Society and to support its missions in underdeveloped countries. As required under GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The New York State Prudent Management of Institutional Funds Act (NYPMIFA) applies to all the institutional funds of the Organization, unless the donor has specifically directed otherwise. As required by NYPMIFA, the Organization sent letters to living donors of donor-restricted endowment funds so that these donors can elect whether to adopt NYPMIFA or retain historical dollar value. The law updates prior rules regarding investment conduct, expenditure of funds, delegation of management and investment, and release or modification of restrictions.

The most significant change made by the law is the elimination of the concept of "historic dollar value" for endowment funds. Under NYPMIFA, a detailed prudence standard governs appropriation from endowment funds, and there is no longer a requirement to maintain historic dollar value.

As a result of this interpretation, the Organization classifies within net assets with donor restrictions: (a) the original value of the 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 net assets with donor restrictions within the endowment fund are those net assets that have not yet been appropriated

for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Board of Trustees 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 effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- The investment policies of the Organization.
- Other resources of the Organization.

The following tables summarize endowment net asset composition by type of fund:

December 31, 2024

		With Donor Restrictions			
	Without Donor Restrictions	Original Gift	Accumulated Gains	Total	Total Endowment Funds
Donor-restricted endowment funds	$ -	$ 4,308,504	$ 9,362,031	$ 13,670,535	$ 13,670,535
Total Endowment Funds	$ -	$ 4,308,504	$ 9,362,031	$ 13,670,535	$ 13,670,535

December 31, 2023

		With Donor Restrictions			
	Without Donor Restrictions	Original Gift	Accumulated Gains	Total	Total Endowment Funds
Donor-restricted endowment funds	$ -	$ 3,308,504	$ 9,263,800	$ 12,572,304	$ 12,572,304
Total Endowment Funds	$ -	$ 3,308,504	$ 9,263,800	$ 12,572,304	$ 12,572,304

Changes in endowment net assets were as follows:

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, beginning of year	$ -	$ 12,572,304	$ 12,572,304
Interest and dividend income	-	242,576	242,576
Net appreciation (realized and unrealized)	-	976,708	976,708
Contributions	-	1,000,000	1,000,000
Amounts appropriated for expenditures	-	(1,121,053)	(1,121,053)
Endowment Net Assets, end of year	-	13,670,535	13,670,535

Year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, beginning of year	$ -	$ 11,874,910	$ 11,874,910
Interest and dividend income	-	232,546	232,546
Net appreciation (realized and unrealized)	-	1,433,583	1,433,583
Contributions	-	-	-
Amounts appropriated for expenditures	-	(968,735)	(968,735)
Endowment Net Assets, end of year	$ -	$ 12,572,304	$ 12,572,304

The Organization has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long term. Accordingly, the investment process seeks to achieve a total real rate of return, including investment income, as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 3%, while growing the funds if possible. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, which are maintained in perpetuity because of donor-restrictions, and the possible effects of inflation.

Underwater Endowment Funds

The Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity, in accordance with the direction of the applicable donor gift instrument. The Organization complies with the NYPMIFA, an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and has interpreted UPMIFA to permit spending from underwater funds, in accordance with the prudent measures required under the law. The Organization has no underwater endowment funds at December 31, 2024 and 2023.

15. Charitable Gift Annuities

Under its Segregated Immediate Charitable Gift Annuity program, the Organization agrees to pay annuitants an actuarially determined sum certain for life in exchange for lump-sum donations from applicable donors. The interest rate used to calculate the fair value of annuity obligations is 5.0% and 5.8% at December 31, 2024 and 2023, respectively, and the 2012 IAR Mortality Table was used to calculate life expectancy. During 2024 and 2023, the Organization recognized $552,665 and $532,633, respectively, as contributions derived from its charitable gift annuities program. The Organization is mandated by New York State Insurance Law to keep, as a reserve, an additional 26.5% of its outstanding annuity contracts, which equaled $2,626,835 and $2,633,458 at December 31, 2024 and 2023, respectively.

Liabilities associated with these agreements were $3,698,378 and $3,465,293 and were included within the current and long-term portion of liabilities as annuity obligations on the accompanying statements of financial position as of December 31, 2024 and 2023, respectively. Assets of the

charitable gift annuities of $14,939,084 and $13,690,813 were included in cash and cash equivalents, other receivables, and investments in the accompanying statements of financial position at December 31, 2024 and 2023, respectively, as follows:

December 31,	**2024**	2023
Stocks	**$ 9,143,501**	$ 8,208,123
Foreign and corporate bonds	**3,123,316**	3,131,034
U.S. Treasuries	**2,307,016**	1,931,445
Accrued interest	**59,143**	57,236
Cash and cash equivalents	**306,108**	362,975
	$ 14,939,084	$ 13,690,813

Stocks, foreign and corporate bonds, and U.S. Treasuries were classified as Level 1 assets within the fair value hierarchy.

16. Allocation of Joint Costs

For the years ended December 31, 2024 and 2023, the Organization incurred joint costs of $21,730,006 and $23,122,041, respectively, for information materials and activities that included fundraising appeals and were reported as direct mail costs in the statements of functional expenses. Of these amounts, for the years ended December 31, 2024 and 2023, the Organization allocated $3,889,671 and $4,138,845 to support services, respectively, and $17,840,335 and $18,983,196 to program expenses, respectively.

17. Operating Leases

As of December 31, 2024, the Organization had a space lease in New York City that expired on April 30, 2018 and is now month-to-month. The cost of this space lease was based upon the tenants' rental value percentage of the owners' estimated building costs, which is reevaluated annually. Also, the Organization has several equipment with initial terms ranging from two to four years. The Organization's leases are accounted for as operating leases.

For leases with initial terms of greater than one year, the Organization records the related right-of-use (ROU) assets and lease liabilities at the present value of the remaining lease payments to be paid over the life of the related lease. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the present value of the remaining lease payments unless the Organization is reasonably certain to exercise the option to extend the lease. The present value of the lease payments is calculated by utilizing the discount rate stated in the lease, when readily determinable. For leases for which a discount rate is not readily available, the Organization has elected to use the risk-free rate at the date of adoption. The Organization has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes, as permitted by GAAP. As such, the Organization accounts for the applicable non-lease components together with the related lease components when determining the ROU assets and lease liabilities. The Organization has made an accounting policy election not to record leases with an initial term of less than one year as ROU assets and lease liabilities in the statements of financial position. The Organization has elected the practical expedients, which includes not reassessing whether any expired or existing

contracts contain leases, not reassessing the lease classification for any expired or existing leases, and an entity not reassessing initial direct costs for any leases.

The following tables summarize information related to the lease assets and liabilities:

Year ended December 31,		**2024**		2023
Lease costs:				
Operating lease cost	**$**	**40,275**	$	41,489
Interest on lease liabilities		**1,124**		1,116
Total Lease Cost	**$**	**41,399**	$	42,605

December 31,		**2024**		2023
ROU assets and liabilities:				
Operating lease ROU assets	**$**	**54,856**	$	58,911
Operating lease liabilities		**56,451**		60,506

Year ended December 31,		**2024**		2023
Other information:				
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases	**$**	**40,275**	$	41,489
Weighted-average remaining lease term – operating leases		**2.48 years**		0.66 years
Weighted-average discount rate – operating leases		**2.08%**		1.21%

Operating lease ROU assets are recorded in operating lease ROU assets, and lease liabilities are recorded in operating lease liabilities in the accompanying statements of financial position.

The following table reconciles the undiscounted operating lease payments to the lease liabilities recorded on the accompanying statement of financial position at December 31, 2024:

Year ending December 31,		
2025	$	49,438
2026		5,962
2027		1,987
		57,387
Less: interest		(936)
		56,451
Less: current portion		(46,671)
	$	9,780

18. Commitments and Contingencies

Contingencies

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursements. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying financial statements for such potential claims.

19. Contributed Nonfinancial Assets Contributions and Grants

Contributed nonfinancial assets contributions and grants recognized within the statements of activities include the following:

Year ended December 31,		**2024**		2023
Furniture and equipment	**$**	**1,923,154**	$	1,363,095
Food		**4,108,710**		6,544,455
Medical supplies		**1,150,577**		422,138
Other		**1,330,932**		976,335
Total	**$**	**8,513,373**	$	9,306,023

The contributed nonfinancial assets contributions and grants represent mainly furniture and equipment, food, medical supplies, as well as other miscellaneous home goods. The contributed nonfinancial assets contributions and grants are valued and are reported at the estimated fair value in the financial statements based on their fair market value at the time of the donation for the cost if the Organization had to purchase the goods. For medical supplies, the Organization utilized prices based on the weighted-average of the most recently reported monthly average wholesale price.

Contributed nonfinancial assets contributions were utilized in servicing the Organization's various programs. Unless otherwise noted, contributed nonfinancial assets contributions and grants did not have donor-imposed restrictions.

20. Subsequent Events

The Organization evaluated events subsequent to December 31, 2024 through November 21, 2025, the date on which the financial statements were available to be issued. There were no subsequent events requiring adjustment to the financial statements or disclosures stated herein.