

EISNERAMPER

**CATHOLIC CHARITIES ARCHDIOCESE OF
NEW ORLEANS AND SUBSIDIARIES**

FINANCIAL STATEMENTS

JUNE 30, 2024



CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Catholic Charities Archdiocese of New Orleans and Subsidiaries, New Orleans, Louisiana

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Catholic Charities Archdiocese of New Orleans and Subsidiaries (the "Agency"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Catholic Charities Archdiocese of New Orleans and Subsidiaries as of June 30, 2024 and 2023, and the consolidated changes in their net assets and their cash flows for each of 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") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information containing the consolidating information on pages 25 through 28, the Consolidating Schedule of Activities by Program Services on page 30, and Schedule of Compensation, Benefits, and Other Payments to or on behalf of the Agency Head on page 31 are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain other 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 consolidated financial statements as a whole.



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Agency's 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 the Agency's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
December 20, 2024

EISNERAMPER
LLP



CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 8,768,070	\$ 10,371,430
Program accounts receivable	4,668,716	4,098,595
Contributions receivable:		
Pledges	400	400
United Way	441,528	439,420
Note receivable	6,000,000	6,000,000
Other receivables	663,574	65,603
Investments	10,645,151	9,764,739
Prepaid expenses and deferred charges	601,125	289,162
Right-of-use assets	296,057	1,091,601
Property and equipment - net	9,021,837	10,132,365
	<u>\$ 41,106,458</u>	<u>\$ 42,253,315</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 4,967,848	\$ 2,943,296
Refundable advances	175,416	29,185
Unearned revenue	-	860,085
Unemployment reserve	61,928	63,728
Operating lease liability	285,306	1,055,147
Funds held for others	137,268	185,044
	<u>5,627,766</u>	<u>5,136,485</u>
Net assets:		
Without donor restrictions	30,925,985	32,292,872
With donor restrictions	4,552,707	4,823,958
	<u>35,478,692</u>	<u>37,116,830</u>
Total net assets	<u>35,478,692</u>	<u>37,116,830</u>
Total liabilities and net assets	<u>\$ 41,106,458</u>	<u>\$ 42,253,315</u>

See notes to consolidated financial statements.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Totals
Revenues						
Public support:						
Contributions	\$ 2,972,206	\$ 626,784	\$ 3,598,990	\$ 2,667,465	\$ 838,108	\$ 3,505,573
Contributed goods and services	345,361	-	345,361	357,362	-	357,362
United Way						
Southeast Louisiana:						
Allocations	-	72,500	72,500	-	72,500	72,500
Designations	36,761	-	36,761	36,149	-	36,149
St. Charles Parish:						
Allocations	83,093	291,000	374,093	86,513	640,054	726,567
Special events (net of direct costs)	132,932	-	132,932	151,577	-	151,577
Total public support	3,570,353	990,284	4,560,637	3,299,066	1,550,662	4,849,728
Governmental financial assistance:						
Federal	22,676,793	10,000	22,686,793	22,608,441	60,000	22,668,441
Patient service revenues	16,139,981	-	16,139,981	13,524,882	-	13,524,882
Other governmental agencies	799,318	-	799,318	751,569	-	751,569
Total governmental financial assistance	39,616,092	10,000	39,626,092	36,884,892	60,000	36,944,892
Other Revenue:						
Program service fees	855,907	-	855,907	903,941	-	903,941
Miscellaneous	40,844	-	40,844	220	-	220
Interest income on loan receivable	602,534	-	602,534	36,164	-	36,164
Loss on disposition of property	(322,769)	-	(322,769)	(3,185)	-	(3,185)
Net assets released from restrictions	1,451,435	(1,451,435)	-	2,927,073	(2,927,073)	-
Total other revenue	2,627,951	(1,451,435)	1,176,516	3,864,213	(2,927,073)	937,140
Total revenue	45,814,396	(451,151)	45,363,245	44,048,171	(1,316,411)	42,731,760
Expenses						
Program services	45,534,348	-	45,534,348	42,747,834	-	42,747,834
Management and general	2,124,454	-	2,124,454	2,111,985	-	2,111,985
Fundraising	462,242	-	462,242	458,403	-	458,403
Total expenses	48,121,044	-	48,121,044	45,318,222	-	45,318,222
Change in net assets before investment activity	(2,306,648)	(451,151)	(2,757,799)	(1,270,051)	(1,316,411)	(2,586,462)
Net investment income	939,761	179,900	1,119,661	1,149,554	239,302	1,388,856
Change in net assets	(1,366,887)	(271,251)	(1,638,138)	(120,497)	(1,077,109)	(1,197,606)
Net Assets						
Beginning of year	32,292,872	4,823,958	37,116,830	32,413,369	5,901,067	38,314,436
End of year	\$ 30,925,985	\$ 4,552,707	\$ 35,478,692	\$ 32,292,872	\$ 4,823,958	\$ 37,116,830

See notes to consolidated financial statements.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

Expenses	Program Services											
	Catholic Charities					Catholic Charities Totals	PHILMAT	PACE	Total Program Services	Management and General	Fundraising	2024 Totals
	Head Start	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs							
Salaries	\$ 3,822,279	\$ 2,200,122	\$ 1,950,511	\$ 494,933	\$ 4,158,049	\$ 12,625,894	\$ 1,824,706	\$ 3,858,805	\$ 18,309,405	\$ 1,270,126	\$ 247,374	\$ 19,826,905
Employee benefits	668,017	350,480	253,201	75,724	644,762	1,992,184	294,954	624,699	2,911,837	171,416	28,572	3,111,825
Payroll taxes	274,783	163,911	146,017	37,022	297,232	918,965	136,138	284,798	1,339,901	86,738	18,536	1,445,175
Total salaries and related expenses	4,765,079	2,714,513	2,349,729	607,679	5,100,043	15,537,043	2,255,798	4,768,302	22,561,143	1,528,280	294,482	24,383,905
Professional fees and contract service payments	283,070	699,545	319,832	241,978	180,114	1,724,539	460,245	1,382,641	3,567,425	297,589	110,681	3,975,695
Supplies and other operating expenses	221,151	379,485	29,170	13,143	129,793	772,742	341,439	339,208	1,453,389	36,862	34,162	1,524,413
Equipment expense	123,803	86,771	48,910	10,666	122,433	392,583	95,536	91,971	580,090	145,293	3,507	728,890
Occupancy	618,098	191,526	(248,708)	148,371	482,078	1,191,365	578,274	280,532	2,050,171	26,834	5,287	2,082,292
Travel and transportation	7,438	37,541	52,937	3,694	26,357	127,967	613,506	249,917	991,390	6,581	320	998,291
Personnel recruitment and development	115,607	8,091	12,947	2,801	79,546	218,992	7,052	49,984	276,028	20,344	888	297,260
Insurance	217,591	157,336	137,564	41,185	77,056	630,732	188,395	328,685	1,147,812	29,886	4,468	1,182,166
Food	182,170	200,894	1,776	2,963	619	388,422	-	452,314	840,736	-	-	840,736
Contributed goods and services	323,069	2,185	-	-	20,107	345,361	-	-	345,361	-	-	345,361
Miscellaneous	2,711	6,836	1,210	432	4,966	16,155	72,656	1,870	90,681	14,487	8,119	113,287
Specific assistance to individuals	2,136	82,964	652,606	821,096	1,270,690	2,829,492	-	190,889	3,020,381	-	-	3,020,381
Provider services	-	-	-	-	-	-	-	7,437,051	7,437,051	-	-	7,437,051
Depreciation	143,173	114,556	141,108	66,055	18,920	483,812	298,714	390,164	1,172,690	18,298	328	1,191,316
Total expenses	\$ 7,005,096	\$ 4,682,243	\$ 3,499,081	\$ 1,960,063	\$ 7,512,722	\$ 24,659,205	\$ 4,911,615	\$ 15,963,528	\$ 45,534,348	\$ 2,124,454	\$ 462,242	\$ 48,121,044

See notes to consolidated financial statements.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2023

Expenses	Program Services											
	Catholic Charities					Catholic Charities Totals	PHILMAT	PACE	Total Program Services	Management and General	Fundraising	2023 Totals
	Head Start	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs							
Salaries	\$ 3,829,319	\$ 2,114,870	\$ 2,224,758	\$ 745,842	\$ 3,849,552	\$ 12,764,341	\$ 1,728,959	\$ 3,664,925	\$ 18,158,225	\$ 1,281,986	\$ 204,479	\$ 19,644,690
Employee benefits	636,411	282,081	250,376	133,322	640,367	1,942,557	281,875	561,079	2,785,511	154,199	30,973	2,970,683
Payroll taxes	280,598	153,988	160,806	54,423	274,428	924,243	126,634	268,991	1,319,868	86,707	15,072	1,421,647
Total salaries and related expenses	4,746,328	2,550,939	2,635,940	933,587	4,764,347	15,631,141	2,137,468	4,494,995	22,263,604	1,522,892	250,524	24,037,020
Professional fees and contract service payments	283,224	554,459	276,652	230,362	141,172	1,485,869	357,287	1,152,442	2,995,598	310,214	139,033	3,444,845
Supplies and other operating expenses	234,712	358,086	53,402	10,050	125,435	781,685	419,666	299,888	1,501,239	47,538	29,460	1,578,237
Equipment expense	140,921	46,596	118,240	20,289	120,480	446,526	68,098	99,404	614,028	115,276	6,505	735,809
Occupancy	587,831	201,009	(191,754)	155,203	411,672	1,163,961	532,367	204,249	1,900,577	36,946	6,968	1,944,491
Travel and transportation	6,963	40,739	57,979	7,701	23,259	136,641	675,039	191,692	1,003,372	3,300	79	1,006,751
Personnel recruitment and development	110,537	11,197	17,043	2,511	56,803	198,091	6,398	45,514	250,003	19,926	13,402	283,331
Insurance	90,960	123,323	45,466	33,988	48,694	342,431	186,070	262,955	791,456	20,460	2,136	814,052
Food	216,686	166,865	2,096	1,106	1,537	388,290	24	325,521	713,835	74	1	713,910
Contributed goods and services	333,797	1,606	-	-	21,959	357,362	-	-	357,362	-	-	357,362
Miscellaneous	3,440	3,430	1,172	534	4,703	13,279	13,324	1,449	28,052	13,501	9,928	51,481
Specific assistance to individuals	900	65,357	719,558	714,343	1,130,564	2,630,722	-	116,867	2,747,589	-	-	2,747,589
Provider services	-	-	-	-	-	-	-	6,466,047	6,466,047	-	-	6,466,047
Depreciation	144,462	101,487	139,274	66,480	11,770	463,473	275,411	376,188	1,115,072	21,858	367	1,137,297
Total expenses	\$ 6,900,761	\$ 4,225,093	\$ 3,875,068	\$ 2,176,154	\$ 6,862,395	\$ 24,039,471	\$ 4,671,152	\$ 14,037,211	\$ 42,747,834	\$ 2,111,985	\$ 458,403	\$ 45,318,222

See notes to consolidated financial statements.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS
AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (1,638,138)	\$ (1,197,606)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	1,191,316	1,137,297
Amortization of right-of-use assets	274,395	417,401
Unrealized gain on investments, net	(783,426)	(1,060,177)
Loss on disposal of property and equipment	322,769	3,185
Loss on early termination of leases	9,999	-
Change in assets and liabilities:		
Program accounts receivable	(570,121)	(473,393)
Contributions receivable	(2,108)	(346,697)
Other receivables	(597,971)	(58,098)
Prepaid expenses and deferred charges	(311,963)	218,641
Accounts payable and accrued expenses	2,024,552	(188,965)
Unemployment reserve	(1,800)	(7,873)
Refundable advances	146,231	-
Unearned revenue	(860,085)	860,085
Operating lease liability	(258,691)	(453,855)
Funds held for others	(47,776)	(18,117)
Net cash used in operating activities	<u>(1,102,817)</u>	<u>(1,168,172)</u>
Cash Flows from Investing Activities		
Purchases of investments	(178,112)	(248,185)
Proceeds from sale of investments	81,126	6,099,081
Purchases of property and equipment	(403,557)	(369,499)
Issuance of note receivable	-	(6,000,000)
Net cash used in investing activities	<u>(500,543)</u>	<u>(518,603)</u>
Net decrease in cash	(1,603,360)	(1,686,775)
Cash and cash equivalents		
Beginning of year	10,371,430	12,058,205
End of year	<u>\$ 8,768,070</u>	<u>\$ 10,371,430</u>
Non-Cash Transactions		
Contributed goods and services	<u>\$ 345,361</u>	<u>\$ 357,362</u>

See notes to consolidated financial statements.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

1. Organization and Significant Accounting Policies

Catholic Charities Archdiocese of New Orleans (the "Agency") or (the "Agency & Subsidiaries"), a not-for-profit charitable organization of the Roman Catholic Church of the Archdiocese of New Orleans (the "Archdiocese"), operates health and community-based programs and provides administrative support and financial management services to separately operated charitable programs which it sponsors. The accompanying financial statements include the accounts of all charitable programs which it operates or sponsors. The Agency's main programs are as follows:

- *Head Start* is a child and family development program for families with children, including children with disabilities. This program promotes the social, emotional, physical and intellectual growth and development of children from six weeks to age 5.
- *Padua Pediatrics and Adult* programs offer comprehensive and specialized care for children and adults with intellectual and developmental disabilities. Care is offered in residential sites that are licensed Intermediate Care Facilities.
- *Community Centers and Services* provides resources, assistance and development for our parishes to better care for the people in need in their communities.
- *Residential Special Needs* provides housing and intensive case management to people with disabilities through federal and private funding along with care focused on homeless families and homeless men and women with chronic mental and physical health needs. Services also match children with moderate to severe emotional, behavioral, or developmental problems, or medically fragile children with families who provide specialized foster care.
- *Non-Residential Day Programs* consists of an array of services that includes immigration and refugee services, pro-life services, case management, counseling, and legal assistance services.

The Agency has the ownership of PHILMAT, Inc., and PACE Greater New Orleans as follows:

- PHILMAT, Inc. ("PHILMAT") was organized to provide health and community services to individuals within all 64 Louisiana parishes. PHILMAT acts as the local agent for the commodity supplemental food program, Food for Seniors. Under this program, food provided by the United States Department of Agriculture (U.S.D.A.) is distributed by PHILMAT to eligible senior citizens, who are classified as low income and vulnerable due to malnutrition.
- PACE Greater New Orleans ("PACE GNO") is the corporate title for the Program of All-inclusive Care for the Elderly, a national model of healthcare for seniors. PACE GNO was organized to provide community services such as medical treatment, social services, meals, activities, and transportation, allowing seniors to spend their final years at home rather than in a nursing home.

The Agency supports numerous programs and initiatives which are periodically assessed. Changes in programs can occur as a result of changes in funding and the needs of the community.

The financial statements of each of these subsidiaries are included in the consolidated financial statements. All significant inter-organizational accounts and transactions have been eliminated.

On November 2, 2023, the Agency submitted a proposal to the Louisiana Office of State Procurement to continue the Food for Seniors Commodity Supplemental Food Program run by PHILMAT. The contract ended December 31, 2023, and the State of Louisiana requested an extension through June 30, 2024. During the year ended June 30, 2024, the Agency was notified that PHILMAT was awarded a portion of the area requested. The Agency determined that this was not financial sustainable, and as a result, the Food for Seniors program has ended effective June 30, 2024.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

1. Organization and Significant Accounting Policies (continued)

Income Taxes

The Agency and Subsidiaries operate as non-profit corporations pursuant to Section 501(c)(3) of the Internal Revenue Code. As such, the Agency and Subsidiaries are subject to income tax only on unrelated business taxable income.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained on examination. As of June 30, 2024 and 2023, management of the Agency and Subsidiaries believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Basis of Accounting

The consolidated financial statements of the Agency and Subsidiaries are prepared on the accrual basis of accounting in accordance with United States of America generally accepted accounting principles.

Net Assets

Generally accepted accounting principles (GAAP) require reporting of information regarding the Agency's financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Agency's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Amounts received with donor stipulations that limit the use of the donated assets are reported as restricted support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restriction and are reported in the statement of activities as net assets released from restrictions.

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 and liabilities at the date of the financial statements and the reported amounts of revenue, income and expenses during the reporting period. Actual results could differ from those estimates.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

1. Organization and Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents include bank deposits and funds on deposit with the Archdiocese. The Agency and Subsidiaries' money market accounts are included in investments.

Program Accounts Receivable

Program accounts receivable include government grants receivable and represent billings which are based primarily on cost reimbursement or unit cost contracts with various governmental agencies. Program accounts receivable are stated at the amount management expects to collect from outstanding balances. The Agency determines an allowance for uncollectible receivables based on historical experience, an assessment of current and supportable forecasted economic conditions, and a review of subsequent collections. Management did not deem any receivables to be uncollectible; therefore, no allowance was recorded at June 30, 2024 and 2023.

Contributions and Revenue Recognition

Contributions to the Agency are recognized when cash, securities or other assets, an unconditional promise to give, or notification of beneficial interest is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met. Revenues from federal and state grants are recorded when the Agency and Subsidiaries have a right to reimbursement under the related grant, generally corresponding to the incurring of grant-related costs by the Agency and Subsidiaries, or when otherwise earned under the terms of the grants. Amounts received are recognized as revenue when the Agency has incurred expenditures in compliance with specific contract or grant provisions.

All contributions are considered to be available for unrestricted use unless specifically restricted by donors for purpose or time. Pledges outstanding that are designated for future periods are reported as with donor restrictions.

The value of contributed goods and services has been recorded as support and revenue and expense in the period received, provided there is an objective basis for measurement of the value of such goods and services and they are significant and form an integral part of the efforts of the program.

Amounts received prior to incurring qualifying expenditures and amounts received in advance for conditional contributions are reported as refundable advances in the statements of financial position. Refundable advances consist of government financial assistance and contributions received in advance, but have conditions in place that have not been met or services that have not been provided as of the date of the consolidated financial statements.

Program service fees and exchange-type grants and contracts revenue are recognized when services are provided. Program fees and payments under exchange-type grants and contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

1. Organization and Significant Accounting Policies (continued)

Contributions and Revenue Recognition (continued)

Patient Service Revenues

PACE GNO's patient service revenue is earned through agreements with government agencies. Under these agreements, PACE GNO provides medical and other services to government program beneficiaries which are billed primarily at capitated rates. Revenues are recorded during the period the services are provided in accordance with contracts with the respective government agencies. Receivables are recorded based on stated contract rates with third party payors and are due in full when billed. Interest is not charged on past due accounts. Historically payments from the government agencies are received at the beginning of each month in which the services are to be provided. Program accounts receivable at June 30, 2024, 2023, and 2022 are \$321,586, \$365,570, and \$742,757, respectively. Contract liabilities (unearned revenues) at June 30, 2024, 2023, and 2022 are \$0, \$860,085, and \$0, respectively. PACE GNO had no contract assets at June 30, 2024, 2023, and 2022.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on monthly capitated rates. PACE GNO believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Performance obligations satisfied over time primarily relate to patients receiving full medical and preventive care. PACE GNO measures the performance obligation from the commencement of services at the beginning of each month to the point when it is no longer required to provide services to that patient at the end of each month. PACE GNO did not have performance obligations that were unsatisfied or partially unsatisfied at June 30, 2024 or 2023.

PACE GNO has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from government agencies for the effects of a significant financing component due to PACE GNO's expectation that the period between the time the service is provided to a patient and the time that the government agency pays for that service will be one year or less. Payments are generally received before services are provided.

Because all of its performance obligations relate to contracts with a duration of less than one year, PACE GNO has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period (if any). The performance obligations for these contracts are generally completed at the end of each month.

PACE GNO reports revenues from patient services at the amount that reflects the consideration to which PACE GNO expects to be entitled in exchange for providing patient care. These amounts are due from governmental programs (Medicare and Medicaid). Revenue is recognized as the performance obligations are satisfied.

Prepaid Expense and Deferred Charges

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and deferred charges in the consolidated financial statements.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

1. Organization and Significant Accounting Policies (continued)

Investments

Investments are reported at their fair values in the statements of financial position. Net investment income includes unrealized gains and losses, realized gains and losses, interest and dividends, and investment fees.

Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions in the reporting period the restrictions are met (either by passage of time or by use). See Note 4 for discussion of fair value measurements.

Property and Equipment

Property and equipment are carried at cost or, when acquired by donation or gift, at appraised values with subsequent additions at cost. The Agency and Subsidiaries' policy is to capitalize expenditures for these items in excess of \$2,000. Depreciation is provided using the straight-line basis over the estimated useful lives of the depreciable assets. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the improvements.

The estimated useful lives used in determining depreciation and amortization follow:

<u>Classification</u>	<u>Lives in Years</u>
Buildings and improvements	20 - 60
Leasehold improvements	10 - 40
Equipment	5
Vehicles	3 - 10

Unemployment Reserve

The Agency and Subsidiaries are self-insured for losses related to unemployment claims. The unemployment reserve is based upon management's estimate of the cost for unemployment claims using historical experience. Although management believes it has the ability to reasonably estimate losses related to unemployment claims, it is possible that actual results could differ from the recorded liability.

Funds Held for Others

The Agency and Subsidiaries receive funds that are passed through to other third-parties. These amounts are held until requested by and reimbursed to the third-party.

Claims Payable

PACE GNO pays patient medical claims through a third-party administrator for items such as personal care assistance, medical equipment, hospital in-patient stays, and special physician visits. The liability for claims includes estimates of the ultimate cost for both reported claims and claims incurred but not reported. Claims payable is included in accounts payable and accrued expenses on the consolidated statements of financial position in the amount of \$1,976,924 and \$897,037 at June 30, 2024 and 2023, respectively.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

1. Organization and Significant Accounting Policies (continued)

Food Distribution

PHILMAT receives pass-through funding from the Louisiana Department of Health and Hospitals to administer and distribute commodity foods related to its Food for Seniors program. Because legal title to the food products does not pass to PHILMAT, neither the value of the food distributed to program beneficiaries nor the value of undistributed food on hand are reflected in the financial statements. The financial statements include only the costs of warehousing, distribution and administration of the program. See Note 17 (unaudited) for an estimate of the value of the food distributed to program beneficiaries.

Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited, primarily based on time incurred or transactions processed. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, supplies and equipment expenses, travel and transportation, personnel recruitment and development, insurance, and other, which are allocated on the basis of estimates of time and effort.

Leases

The Agency has entered into several lease agreements. Determination of leases is arranged at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the Agency's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of the lease payments over the lease term. As most of the Agency's leases do not provide an implicit rate, the incremental borrowing rate is used based on information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the entity will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Agency's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Change in Accounting Principle

Effective July 1, 2023, the Agency adopted FASB ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses on Financial Instruments* ("ASU 2016- 13"), as amended. ASU 2016-13 replaces the "incurred loss" credit losses framework with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology which requires management's measurement of the allowance for credit losses to be based on a broader range of reasonable and supportable information for lifetime credit loss estimates. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost. The Agency adopted ASU 2016-13 using the modified retrospective method for financial assets measured at amortized cost which consisted of certain program accounts receivable and other receivables. The adoption and application of the standard had no material effect on these consolidated financial statements.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

2. Liquidity

The Agency's financial assets available within one year of the statement of financial position date for general expenditures are as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Financial assets at fiscal year-end:		
Cash and cash equivalents	\$ 8,768,070	\$ 10,371,430
Program accounts receivable	4,668,716	4,098,595
Contributions receivable	441,928	439,820
Note receivable	6,000,000	6,000,000
Other receivables	663,574	65,603
Investments	10,645,151	9,764,739
Total financial assets	<u>31,187,439</u>	<u>30,740,187</u>
Less amounts not available to be used within one year or unavailable for general expenditures:		
Required Centers for Medicare and Medicaid Services reserve	2,779,123	1,998,815
Note receivable	-	6,000,000
Custodial funds (funds held for others)	137,268	185,044
Assets with donor restrictions	2,331,810	2,246,927
Board designation for deferred maintenance	326,745	333,920
Board designation for disasters	380,674	344,067
	<u>5,955,620</u>	<u>11,108,773</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 25,231,819</u>	<u>\$ 19,631,414</u>

The Agency and Subsidiaries' goal is generally to maintain financial assets to meet 90 days of operating cash expenses (approximately \$12 million). As more fully described in Note 13, the Agency and Subsidiaries' liquidity plan is to invest excess cash in savings with the Archdiocese and to maintain a \$5.0 million line of credit to meet cash flow needs.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

3. Investments

Investments of the various agencies of the Archdiocese have been pooled to maximize the return on the investments. Investments in the common investment pool consist primarily of debt and equity securities and mutual fund investments. The amounts recorded in the consolidated statements of financial position represent the Agency and Subsidiaries' share of the pool. The following summarizes the market value at June 30 and the investment return for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Balances at June 30	\$ 10,645,151	\$ 9,764,739
Investment return:		
Unrealized gain (loss) on investments, net	\$ 783,426	\$ 1,060,177
Realized (loss) gain on investments, net	(24,938)	(26,079)
Interest and dividends	392,151	403,132
Investment fees	(30,978)	(48,374)
For the year ended June 30, Investment income, net	<u>\$ 1,119,661</u>	<u>\$ 1,388,856</u>

4. Fair Value of Financial Instruments

FASB ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value. Fair value concepts are applied in recording investments.

FASB ASC 820 establishes a fair value hierarchy which prioritizes inputs to valuation techniques used to measure fair value. The term "inputs" refers broadly to the assumptions that market participants would use in pricing an asset or liability. Inputs may be based on independent market data ("observable inputs") or they may be internally developed ("unobservable inputs"). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad categories. These levels include Level 1, unadjusted quoted prices in active markets for identical assets or liabilities; Level 2, directly or indirectly observable inputs other than quoted prices for the asset or liability, such as the quoted market prices for similar assets or liabilities; and Level 3, unobservable inputs for use when little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's 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 the unobservable inputs.

Investments of the Agency and Subsidiaries are held in pooled assets managed by the Archdiocese. The investments in this pool are valued at fair value based on information provided by the Archdiocese and include the use of Net Asset Values (NAV) as the primary input to measure fair value. The investments are considered Level 2 within the fair value hierarchy described above.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

4. Fair Value of Financial Instruments (continued)

The method described above may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Agency believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

5. Endowments

The Board of the Agency and Subsidiaries is of the belief that they have a strong fiduciary duty to manage the assets of the Agency and Subsidiaries' endowments in the most prudent manner possible. The Board recognizes the intent of the endowment is to protect the donor with respect to expenditures from endowments. If this intent is clearly expressed by the donor, whether the intent is in a written gift instrument or not, the intent of the donor is followed. If not expressed, the Board ensures the assets of the endowment are spent in a prudent manner which considers the purpose of the fund, current economic conditions, and preservation of the fund. To follow these principles, the historic value of the fund is always maintained in net assets with donor restrictions.

Annual distributions of up to 5% of the year-end endowment balances are made, unless management elects otherwise.

Endowment Investment and Spending Policies. Agency and Subsidiaries have adopted investment and spending policies, approved by the Board, 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 these endowment assets over the long-term. The endowment's assets are invested in the Archdiocese of New Orleans' investment pool, as previously described. Agency and Subsidiaries' spending and investment policies work together to achieve this objective. Spending is approved by the Board, based on the needs of Agency and Subsidiaries.

The table below represents the endowment related activity for the fiscal year ending June 30, 2024:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 1,746,926	\$ 1,746,926
Investment income (loss), net	-	166,010	166,010
Program expenses	(81,126)	-	(81,126)
Transfer	81,126	(81,126)	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,831,810</u>	<u>\$ 1,831,810</u>

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

5. Endowments (continued)

The table below represents the endowment related activity for the fiscal year ending June 30, 2023:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 1,676,838	\$ 1,676,838
Investment income (loss), net	-	169,169	169,169
Program expenses	(99,081)	-	(99,081)
Transfer	99,081	(99,081)	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 1,746,926</u>	<u>\$ 1,746,926</u>

Distributions of \$81,126 and \$99,081 were made during the years ended June 30, 2024 and 2023, respectively, in accordance with the endowment agreement.

6. Note Receivable

The Agency entered into a note receivable agreement with Notre Dame Health Systems, an affiliate of the Archdiocese, on May 26, 2023, in the amount of \$6,000,000 with an interest rate of 10% per annum commencing on the date of the note and continuing until all amounts owing under the note are paid in full. Payment of principal and interest are due the earlier of the following: (1) within five (5) days of receipt of Notre Dame Health System's federal grant receipts as defined in the agreement or (2) within one year of the date of the note. As of June 30, 2024, the note had not been repaid. The Agency recorded interest income for the note receivable in the amount of \$602,534 and \$36,164 for the year ended June 30, 2024 and 2023, respectively, which is included in "interest income" in the consolidated statement of activities. The Agency expects to collect the full balance of the note receivable and accrued interest pending Notre Dame Health System's receipt of federal grant funding.

7. Property and Equipment

A summary of property and equipment at June 30 is as follows:

	<u>2024</u>	<u>2023</u>
Buildings and improvements	\$ 16,753,498	\$ 16,760,998
Leasehold improvements	3,079,255	3,181,150
Equipment	2,500,215	3,004,995
Vehicles	2,118,470	2,803,322
Land	693,884	693,884
	<u>25,145,322</u>	<u>26,444,349</u>
Less accumulated depreciation and amortization	(16,123,485)	(16,311,984)
Total property and equipment, net	<u>\$ 9,021,837</u>	<u>\$ 10,132,365</u>

As disclosed in Note 1, PHILMAT's Food for Seniors program ended effective June 30, 2024. Included in loss on disposition of property on the consolidating statement of activities for the year ended June 30, 2024 is approximately \$315,000 related to the disposal of equipment that is required to be returned to the grantor.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

8. Leases

The Agency enters into operating leases for operating facilities and office space. Information related to the leases as required under FASB ASC 842 is as follows:

The components of lease expense were as follows:

Year Ended June 30,	<u>2024</u>	<u>2023</u>
Operating lease costs	\$ 504,349	\$ 469,229
Short-term lease costs	127,588	93,963
	<u>\$ 631,937</u>	<u>\$ 563,192</u>

Other information related to leases was as follows:

Year Ended June 30,	<u>2024</u>	<u>2023</u>
Supplemental Cash Flows Information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating Leases		
Operating cash flows from operating leases	\$ 496,710	\$ 574,879
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ 142,341	\$ 0
Weighted Average Remaining Lease Term		
Operating leases	2 years	4 years
Weighted Average Discount Rate		
Operating leases	4.6%	4.6%

Future minimum lease payments under non-cancellable leases as of June 30, 2024 are as follows:

2025	\$ 178,863
2026	140,010
2027	14,831
Total future minimum lease payments	<u>333,704</u>
Less imputed interest	<u>(48,398)</u>
Lease liability	<u>\$ 285,306</u>

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

9. Restrictions on Net Assets

Net assets with donor restrictions are restricted by donors for specific programs, purposes, or to assist specific departments of the Agency and Subsidiaries, or time restricted. These restrictions are considered to expire when expenditures for restricted purposes are made, or when time has passed for time-restricted net assets.

The following sets forth the composition of net assets with donor restrictions at June 30:

	<u>2024</u>	<u>2023</u>
<u>Restricted for time or purpose:</u>		
Homeless services	\$ 11,724	\$ 69,684
Disaster relief	314,985	423,798
Relief services to children	566,428	560,410
Emergency medical financial assistance	557,643	564,692
Purchases of capital assets	502,986	502,986
United Way allocation for subsequent fiscal year	420,893	490,348
Other restrictions	346,238	465,114
<u>Restricted in perpetuity:</u>		
Gift of Life Endowment	1,831,810	1,746,926
Totals	<u>\$ 4,552,707</u>	<u>\$ 4,823,958</u>

The following net assets with donor restrictions were released during the years ended June 30, due to time or satisfaction of donor restrictions:

	<u>2024</u>	<u>2023</u>
Homeless services	\$ 69,059	\$ 1,020,609
Disaster relief	108,813	580,498
Emergency medical financial assistance	575,833	639,543
United Way allocation for subsequent fiscal year	432,955	306,121
Other restrictions	183,649	281,221
Gift of Life Endowment	81,126	99,081
Totals	<u>\$ 1,451,435</u>	<u>\$ 2,927,073</u>

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

10. In-Kind Contributions

During the years ended June 30, 2024 and 2023, the Agency received the following in-kind donations as follows:

	<u>2024</u>	<u>2023</u>
Food	\$ 22,292	\$ 23,565
Staff meals	6,491	17,226
Space	316,578	316,571
Totals	<u>\$ 345,361</u>	<u>\$ 357,362</u>

All donated assets were utilized by the Agency's programs and supporting services. There were no donor-imposed restrictions associated with the donated assets. The Agency received the use of donated facilities for its program operations and supporting services. Donated space is valued at the fair value of similar properties available in commercial real estate listings. Donated food, goods, and staff meals are valued at the wholesale prices that would be paid for purchasing similar products.

11. Employee Benefits

The Agency and Subsidiaries offer a 401(k) retirement plan to its employees. Employees electing to participate in the plan are required to contribute a minimum of 3% of their salaries and may elect to contribute up to a 75% maximum. The plan requires the Agency and Subsidiaries to contribute 3.5% of the participants' salaries. The retirement plan expense also includes an additional 2% contribution by the Agency and Subsidiaries to the employee benefit plan to cover administrative costs and employee benefit costs including life insurance, disability insurance, and other benefits. Any remaining funds from the additional 2% contribution may be used as a discretionary employer contribution to the 401(k) plan. The plan administrator is the Archdiocese. The plan trustee is Voya. The Agency and Subsidiaries contributed approximately \$937,000 and \$922,000, for the years ended June 30, 2024 and 2023, respectively.

12. Expenses by Program

Details of total expenses by program, including those presented as management and general, and fundraising on the Consolidated Statements of Activities, for the years ended June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Community Centers and Services	\$ 3,831,444	\$ 4,144,614
Food for Families	5,169,551	4,934,397
Head Start	7,339,843	7,246,285
Non-residential Day Programs	8,211,803	7,581,888
PACE	16,546,140	14,578,004
Padua Pediatrics and Adult	4,945,499	4,492,490
Residential Special Needs	2,076,764	2,340,544
Total	<u>\$ 48,121,044</u>	<u>\$ 45,318,222</u>

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

13. Related Party Transactions

The controlling member of the Agency, the Archbishop of New Orleans, also serves as president of the Roman Catholic Church of the Archdiocese of New Orleans and the controlling member of all other corporations, board of trustees and separate activities sponsored by, or operated under the auspices of the Archdiocese of New Orleans. In the normal course of operations, the Archdiocese will make available to the Agency and its affiliated agencies specific assistance in the form of operating subsidies, loans, casualty insurance, etc. The Archdiocese, through the operations of the Administrative Offices, serves as a conduit in providing insurance coverage to the Agency. The Administrative Offices assess premiums to the Agency based on relevant factors for each type of coverage. In the normal course of operations, the Archdiocese will make available to the Agency specific assistance in the form of internet services. The Agency is assessed separately for this assistance.

The Agency paid the Archdiocese of New Orleans \$1,519,000 and \$1,047,000 for general liability, property coverage, workman's compensation, vehicle and other insurances and \$188,000 and \$181,000 for equipment and internet services secured on its behalf for the years ended June 30, 2024 and 2023, respectively. The Agency paid the Archdiocese for rent and other operating costs totaling approximately \$150,000 and \$200,000 for the years ended June 30, 2024 and 2023, respectively.

The Agency paid \$4,000 to the Archdiocese of New Orleans during the year ended June 30, 2024 for a convention exhibitor's fee.

The Agency had an annual line of credit with the Archdiocese for \$5.0 million, with an interest rate of 4.6% and a maturity date of June 30, 2025, for the years ended June 30, 2024 and 2023. No amounts were outstanding as of June 30, 2024 or 2023.

The Agency donated \$3,100 and \$1,825 to Notre Dame Seminary during the years ended June 30, 2024 and 2023, respectively, as a fundraising sponsorship.

The Agency donated \$150 to ANO Retreat Center during the year ended June 30, 2023, for sponsorship.

The Agency maintains savings accounts at the Archdiocese. The balance of these accounts is included in "Cash and cash equivalents" on the statements of financial position and totaled \$5,340,064 and \$5,182,222 at June 30, 2024 and 2023, respectively.

As described in Note 6, the Agency entered into a note receivable agreement with Notre Dame Health Systems, an affiliate of the Archdiocese, on May 26, 2023, in the amount of \$6,000,000. Accrued interest receivable totaled \$602,534 and \$36,164 at June 30, 2024 and 2023, respectively.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

14. Significant Contracts and Grants

For the years ended June 30, 2024 and 2023, \$30,421,192 and \$27,628,695, respectively, of the Agency and Subsidiaries' governmental grants and contracts, was from the U.S. Department of Health and Human Services and \$4,200,341 and \$4,186,306, respectively, of the Agency and Subsidiaries' governmental grants and contracts was from the U.S. Department of Agriculture. Management believes that the Agency and Subsidiaries are in compliance with the provisions of these contracts and grants and that the findings of an audit, if any, would not have a material impact on the financial statements. The remaining \$5,004,559 and \$5,129,891 of the Agency and Subsidiaries' governmental revenues in fiscal years 2024 and 2023, respectively, is from various other government agencies.

15. Commitments and Contingencies

The Agency and Subsidiaries are party to various litigations and other claims, the outcome of which cannot be presently determined. Management intends to vigorously defend against such litigations and claims. Management's opinion is that the outcome of such matters that cannot be presently determined would not have a significant effect on the Agency and Subsidiaries' financial position.

The Agency and Subsidiaries are exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. The Agency is a participant in the Archdiocese self-insurance plan. In addition to this coverage, the Agency also purchases commercial insurance coverage as necessary, to the extent that coverage is not provided through the Archdiocese.

On May 1, 2020 the Archdiocese filed for reorganization under Chapter 11 of the Bankruptcy Code. The filing was precipitated by recurring historical operating losses and pressured operating cash flows for several years further compounded by financial challenges arising from COVID-19 restrictions which began in March of 2020 and efforts to bring an equitable resolution to litigation stemming from alleged decades-old incidents of abuse by clergy and lay employees or volunteers. The Agency is a separately incorporated 501(c)(3) and not a part of the debtor entity, as defined by the United States Bankruptcy Court pursuant to the Chapter 11 filing.

The Agency had outstanding alleged abuse claims at the time the bankruptcy was filed. All outstanding abuse claims and additional abuse claims that would have been filed against the Agency have been stayed as a result of the Chapter 11 proceeding. As part of the Archdiocese's bankruptcy proceedings, the Agency, along with other entities affiliated with the Archdiocese, will seek to participate in a channeling injunction. The channeling injunction will address both outstanding abuse claims and any future potential claims and lawsuits of past abuse. To participate in the channeling injunction a contribution will have to be made by the Agency to the settlement fund for the abuse claimants. While at this time, management is not able to estimate the impact that the Chapter 11 filing will have on its financial statements, the resolution could have a material impact on its financial position and results of operations.

As discussed in Notes 3, 5, and 13, the Agency participates in the Archdiocese investment pool and maintains cash on deposit in the Deposit and Loan Fund at the Archdiocese. Management does not anticipate that the Agency will experience any restrictions on its interest in the pooled investments or encumbrances of its deposits that are held with the Archdiocese.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

16. Concentrations of Credit Risk

As of June 30, 2024 and 2023, program accounts receivable consisted primarily of amounts due from governmental sources.

The Agency and Subsidiaries maintain cash in bank accounts in excess of insured limits periodically. In addition, as disclosed in Note 13, the Agency and Subsidiaries have cash with the Archdiocese of New Orleans which is not insured. The Agency and Subsidiaries have not experienced any losses and do not believe that significant credit risk exists as a result of this practice.

17. PHILMAT Commodity Food Distributed (Unaudited)

PHILMAT receives pass-through funding from the Louisiana Department of Health and Hospitals to administer and distribute commodity foods related to its Food for Seniors programs. Because legal title to the food products does not pass to PHILMAT, neither the value of the food distributed to program beneficiaries nor the value of undistributed food on hand are reflected in the financial statements. The financial statements include only the costs of warehousing, distribution and administration of the program. Pass-thru funding received by PHILMAT for their administration and distribution services totaled \$3,966,982 and \$3,882,860, for the years ended June 30, 2024 and 2023, respectively. Commodity foods distributed by the Food for Seniors program during the years ended June 30, 2024 and 2023 had an estimated value of \$16.1 million and \$15.8 million, respectively, and weighed 13,424,448 pounds and 13,168,875 pounds, respectively.

18. Board of Directors Compensation

The members of the Agency's board of directors were not compensated during the years ended June 30, 2024 and 2023.

19. Subsequent Events

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, December 20, 2024 and determined that there were no other events that occurred that require disclosure. No events after this date have been evaluated for inclusion in the consolidated financial statements.

SUPPLEMENTARY FINANCIAL INFORMATION

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

	June 30, 2024					June 30, 2023				
	Catholic Charities	PHILMAT	PACE	Eliminations	Totals	Catholic Charities	PHILMAT	PACE	Eliminations	Totals
ASSETS										
Cash and cash equivalents	\$ 8,767,760	\$ 10	\$ 2,779,423	\$ (2,779,123)	\$ 8,768,070	\$ 10,370,930	\$ 200	\$ 1,999,115	\$ (1,998,815)	\$ 10,371,430
Program accounts receivable	3,332,512	1,014,618	321,586	-	4,668,716	3,120,798	612,227	365,570	-	4,098,595
Contributions receivable:										
Pledges	400	-	-	-	400	400	-	-	-	400
United Way	441,528	-	-	-	441,528	439,420	-	-	-	439,420
Note receivable	6,000,000	-	-	-	6,000,000	6,000,000	-	-	-	6,000,000
Other receivables	640,993	22,581	-	-	663,574	44,709	20,894	-	-	65,603
Investments	10,645,151	-	-	-	10,645,151	9,764,739	-	-	-	9,764,739
Prepaid expenses and deferred charges	568,289	21,244	11,592	-	601,125	256,973	21,098	11,091	-	289,162
Right-of-use assets	296,157	(100)	-	-	296,057	331,254	760,347	-	-	1,091,601
Property and equipment - net	4,238,580	1,416,320	3,366,937	-	9,021,837	4,660,026	1,982,526	3,489,813	-	10,132,365
Due (to) from affiliate	(10,031,867)	(231,011)	7,483,755	2,779,123	-	(10,151,681)	124,879	8,027,987	1,998,815	-
Total assets	<u>\$ 24,899,503</u>	<u>\$ 2,243,662</u>	<u>\$ 13,963,293</u>	<u>\$ -</u>	<u>\$ 41,106,458</u>	<u>\$ 24,837,568</u>	<u>\$ 3,522,171</u>	<u>\$ 13,893,576</u>	<u>\$ -</u>	<u>\$ 42,253,315</u>
LIABILITIES AND NET ASSETS										
Liabilities:										
Accounts payable and accrued expenses	1,626,142	\$ 790,590	\$ 2,551,116	\$ -	\$ 4,967,848	\$ 1,471,450	\$ 166,119	\$ 1,305,727	\$ -	\$ 2,943,296
Refundable advances	175,416	-	-	-	175,416	29,185	-	-	-	29,185
Unearned revenue	-	-	-	-	-	-	-	860,085	-	860,085
Unemployment reserve	52,701	8,090	1,137	-	61,928	53,793	8,798	1,137	-	63,728
Operating lease liability	285,306	-	-	-	285,306	311,116	744,031	-	-	1,055,147
Funds held for others	137,268	-	-	-	137,268	185,044	-	-	-	185,044
Total liabilities	<u>2,276,833</u>	<u>798,680</u>	<u>2,552,253</u>	<u>-</u>	<u>5,627,766</u>	<u>2,050,588</u>	<u>918,948</u>	<u>2,166,949</u>	<u>-</u>	<u>5,136,485</u>
Net assets:										
Without donor restrictions	18,177,412	1,337,533	11,411,040	-	30,925,985	18,070,471	2,495,774	11,726,627	-	32,292,872
With donor restrictions	4,445,258	107,449	-	-	4,552,707	4,716,509	107,449	-	-	4,823,958
Total net assets	<u>22,622,670</u>	<u>1,444,982</u>	<u>11,411,040</u>	<u>-</u>	<u>35,478,692</u>	<u>22,786,980</u>	<u>2,603,223</u>	<u>11,726,627</u>	<u>-</u>	<u>37,116,830</u>
Total liabilities and net assets	<u>\$ 24,899,503</u>	<u>\$ 2,243,662</u>	<u>\$ 13,963,293</u>	<u>\$ -</u>	<u>\$ 41,106,458</u>	<u>\$ 24,837,568</u>	<u>\$ 3,522,171</u>	<u>\$ 13,893,576</u>	<u>\$ -</u>	<u>\$ 42,253,315</u>

See accompanying independent auditors' report.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

	Catholic Charities			PHILMAT			PACE			Totals		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues												
Public support:												
Contributions	\$ 2,718,793	\$ 626,784	\$ 3,345,577	\$ 250,303	\$ -	\$ 250,303	\$ 3,110	\$ -	\$ 3,110	\$ 2,972,206	\$ 626,784	\$ 3,598,990
Contributed goods and services	345,361	-	345,361	-	-	-	-	-	-	345,361	-	345,361
United Way												
Southeast Louisiana:												
Allocations	-	72,500	72,500	-	-	-	-	-	-	-	72,500	72,500
Designations	30,478	-	30,478	6,283	-	6,283	-	-	-	36,761	-	36,761
St. Charles Parish:												
Allocations	83,093	291,000	374,093	-	-	-	-	-	-	83,093	291,000	374,093
Special events (net of direct costs)	132,932	-	132,932	-	-	-	-	-	-	132,932	-	132,932
Total public support	3,310,657	990,284	4,300,941	256,586	-	256,586	3,110	-	3,110	3,570,353	990,284	4,560,637
Governmental financial assistance:												
Federal	18,709,811	10,000	18,719,811	3,966,982	-	3,966,982	-	-	-	22,676,793	10,000	22,686,793
Patient service revenues	-	-	-	-	-	-	16,139,981	-	16,139,981	16,139,981	-	16,139,981
Other governmental agencies	799,318	-	799,318	-	-	-	-	-	-	799,318	-	799,318
Total governmental financial assistance	19,509,129	10,000	19,519,129	3,966,982	-	3,966,982	16,139,981	-	16,139,981	39,616,092	10,000	39,626,092
Other Revenue:												
Program service fees	779,282	-	779,282	7,986	-	7,986	68,639	-	68,639	855,907	-	855,907
Miscellaneous	22,021	-	22,021	-	-	-	18,823	-	18,823	40,844	-	40,844
Interest income on loan receivable	602,534	-	602,534	-	-	-	-	-	-	602,534	-	602,534
Loss on disposition of property	(7,804)	-	(7,804)	(314,965)	-	(314,965)	-	-	-	(322,769)	-	(322,769)
Net assets released from restrictions	1,451,435	(1,451,435)	-	-	-	-	-	-	-	1,451,435	(1,451,435)	-
Total other revenue	2,847,468	(1,451,435)	1,396,033	(306,979)	-	(306,979)	87,462	-	87,462	2,627,951	(1,451,435)	1,176,516
Total revenue	25,667,254	(451,151)	25,216,103	3,916,589	-	3,916,589	16,230,553	-	16,230,553	45,814,396	(451,151)	45,363,245
Expenses												
Program services	24,659,205	-	24,659,205	4,911,615	-	4,911,615	15,963,528	-	15,963,528	45,534,348	-	45,534,348
Management and general	1,285,458	-	1,285,458	256,384	-	256,384	582,612	-	582,612	2,124,454	-	2,124,454
Fundraising	460,690	-	460,690	1,552	-	1,552	-	-	-	462,242	-	462,242
Total expenses	26,405,353	-	26,405,353	5,169,551	-	5,169,551	16,546,140	-	16,546,140	48,121,044	-	48,121,044
Change in net assets before investment activity	(738,099)	(451,151)	(1,189,250)	(1,252,962)	-	(1,252,962)	(315,587)	-	(315,587)	(2,306,648)	(451,151)	(2,757,799)
Net investment income	845,040	179,900	1,024,940	94,721	-	94,721	-	-	-	939,761	179,900	1,119,661
Change in net assets	106,941	(271,251)	(164,310)	(1,158,241)	-	(1,158,241)	(315,587)	-	(315,587)	(1,366,887)	(271,251)	(1,638,138)
Net assets												
Beginning of year	18,070,471	4,716,509	22,786,980	2,495,774	107,449	2,603,223	11,726,627	-	11,726,627	32,292,872	4,823,958	37,116,830
End of year	\$ 18,177,412	\$ 4,445,258	\$ 22,622,670	\$ 1,337,533	\$ 107,449	\$ 1,444,982	\$ 11,411,040	\$ -	\$ 11,411,040	\$ 30,925,985	\$ 4,552,707	\$ 35,478,692

See accompanying independent auditors' report.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

	Catholic Charities			PHILMAT			PACE			Totals		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues												
Public support:												
Contributions	\$ 2,357,796	\$ 838,108	\$ 3,195,904	\$ 306,367	\$ -	\$ 306,367	\$ 3,302	\$ -	\$ 3,302	\$ 2,667,465	\$ 838,108	\$ 3,505,573
Contributed goods and services	357,362	-	357,362	-	-	-	-	-	-	357,362	-	357,362
United Way												
Southeast Louisiana:												
Allocations	-	72,500	72,500	-	-	-	-	-	-	-	72,500	72,500
Designations	29,497	-	29,497	6,652	-	6,652	-	-	-	36,149	-	36,149
St. Charles Parish:												
Allocations	86,513	640,054	726,567	-	-	-	-	-	-	86,513	640,054	726,567
Special events (net of direct costs)	151,577	-	151,577	-	-	-	-	-	-	151,577	-	151,577
Total public support	2,982,745	1,550,662	4,533,407	313,019	-	313,019	3,302	-	3,302	3,299,066	1,550,662	4,849,728
Governmental financial assistance:												
Federal	18,725,581	60,000	18,785,581	3,882,860	-	3,882,860	-	-	-	22,608,441	60,000	22,668,441
Patient service revenues	-	-	-	-	-	-	13,524,882	-	13,524,882	13,524,882	-	13,524,882
Other governmental agencies	751,569	-	751,569	-	-	-	-	-	-	751,569	-	751,569
Total governmental financial assistance	19,477,150	60,000	19,537,150	3,882,860	-	3,882,860	13,524,882	-	13,524,882	36,884,892	60,000	36,944,892
Other Revenue:												
Program service fees	840,799	-	840,799	809	-	809	62,333	-	62,333	903,941	-	903,941
Miscellaneous	220	-	220	-	-	-	-	-	-	220	-	220
Interest income on loan receivable	36,164	-	36,164	-	-	-	-	-	-	36,164	-	36,164
Loss on disposition of property	(3,185)	-	(3,185)	-	-	-	-	-	-	(3,185)	-	(3,185)
Net assets released from restrictions	2,927,073	(2,927,073)	-	-	-	-	-	-	-	2,927,073	(2,927,073)	-
Total other revenue	3,801,071	(2,927,073)	873,998	809	-	809	62,333	-	62,333	3,864,213	(2,927,073)	937,140
Total revenue	26,260,966	(1,316,411)	24,944,555	4,196,688	-	4,196,688	13,590,517	-	13,590,517	44,048,171	(1,316,411)	42,731,760
Expenses												
Program services	24,039,471	-	24,039,471	4,671,152	-	4,671,152	14,037,211	-	14,037,211	42,747,834	-	42,747,834
Management and general	1,308,370	-	1,308,370	262,822	-	262,822	540,793	-	540,793	2,111,985	-	2,111,985
Fundraising	457,980	-	457,980	423	-	423	-	-	-	458,403	-	458,403
Total expenses	25,805,821	-	25,805,821	4,934,397	-	4,934,397	14,578,004	-	14,578,004	45,318,222	-	45,318,222
Change in net assets before investment activity												
Net investment income	455,145	(1,316,411)	(861,266)	(737,709)	-	(737,709)	(987,487)	-	(987,487)	(1,270,051)	(1,316,411)	(2,586,462)
Net investment income	899,142	239,302	1,138,444	250,412	-	250,412	-	-	-	1,149,554	239,302	1,388,856
Change in net assets	1,354,287	(1,077,109)	277,178	(487,297)	-	(487,297)	(987,487)	-	(987,487)	(120,497)	(1,077,109)	(1,197,606)
Net assets												
Beginning of year	16,716,184	5,793,618	22,509,802	2,983,071	107,449	3,090,520	12,714,114	-	12,714,114	32,413,369	5,901,067	38,314,436
End of year	\$ 18,070,471	\$ 4,716,509	\$ 22,786,980	\$ 2,495,774	\$ 107,449	\$ 2,603,223	\$ 11,726,627	\$ -	\$ 11,726,627	\$ 32,292,872	\$ 4,823,958	\$ 37,116,830

See accompanying independent auditors' report.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)

	Catholic Charities				PHILMAT			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 12,625,894	\$ 768,523	\$ 246,543	\$ 13,640,960	\$ 1,824,706	\$ 153,281	\$ 831	\$ 1,978,818
Employee benefits	1,992,184	103,720	28,476	2,124,380	294,954	20,687	96	315,737
Payroll Taxes	918,965	52,483	18,474	989,922	136,138	10,468	62	146,668
Total salaries and related expenses	15,537,043	924,726	293,493	16,755,262	2,255,798	184,436	989	2,441,223
Professional fees and contract services	1,724,539	180,064	110,309	2,014,912	460,245	35,915	372	496,532
Supplies and other operating expenses	772,742	22,304	34,048	829,094	341,439	4,449	114	346,002
Equipment expense	392,583	87,914	3,495	483,992	95,536	17,534	12	113,082
Occupancy	1,191,365	16,237	5,269	1,212,871	578,274	3,238	18	581,530
Travel and transportation	127,967	3,982	319	132,268	613,506	794	1	614,301
Personnel recruitment and development	218,992	12,310	885	232,187	7,052	2,455	3	9,510
Insurance	630,732	18,083	4,453	653,268	188,395	3,607	15	192,017
Food	388,422	-	-	388,422	-	-	-	-
Contributed goods and services	345,361	-	-	345,361	-	-	-	-
Miscellaneous	16,155	8,766	8,092	33,013	72,656	1,748	27	74,431
Specific assistance to individuals	2,829,492	-	-	2,829,492	-	-	-	-
Provider services	-	-	-	-	-	-	-	-
Depreciation	483,812	11,072	327	495,211	298,714	2,208	1	300,923
Total expenses	\$ 24,659,205	\$ 1,285,458	\$ 460,690	\$ 26,405,353	\$ 4,911,615	\$ 256,384	\$ 1,552	\$ 5,169,551

(continued)

See accompanying independent auditors' report.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)

	PACE				2024 Consolidated Totals				2023 Consolidated Totals
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total	
Salaries	\$ 3,858,805	\$ 348,322	\$ -	\$ 4,207,127	\$ 18,309,405	\$ 1,270,126	\$ 247,374	\$ 19,826,905	\$ 19,644,690
Employee benefits	624,699	47,009	-	671,708	2,911,837	171,416	28,572	3,111,825	2,970,683
Payroll Taxes	284,798	23,787	-	308,585	1,339,901	86,738	18,536	1,445,175	1,421,647
Total salaries and related expenses	4,768,302	419,118	-	5,187,420	22,561,143	1,528,280	294,482	24,383,905	24,037,020
Professional fees and contract services	1,382,641	81,610	-	1,464,251	3,567,425	297,589	110,681	3,975,695	3,444,845
Supplies and other operating expenses	339,208	10,109	-	349,317	1,453,389	36,862	34,162	1,524,413	1,578,237
Equipment expense	91,971	39,845	-	131,816	580,090	145,293	3,507	728,890	735,809
Occupancy	280,532	7,359	-	287,891	2,050,171	26,834	5,287	2,082,292	1,944,491
Travel and transportation	249,917	1,805	-	251,722	991,390	6,581	320	998,291	1,006,751
Personnel recruitment and development	49,984	5,579	-	55,563	276,028	20,344	888	297,260	283,331
Insurance	328,685	8,196	-	336,881	1,147,812	29,886	4,468	1,182,166	814,052
Food	452,314	-	-	452,314	840,736	-	-	840,736	713,910
Contributed goods and services	-	-	-	-	345,361	-	-	345,361	357,362
Miscellaneous	1,870	3,973	-	5,843	90,681	14,487	8,119	113,287	51,481
Specific assistance to individuals	190,889	-	-	190,889	3,020,381	-	-	3,020,381	2,747,589
Provider services	7,437,051	-	-	7,437,051	7,437,051	-	-	7,437,051	6,466,047
Depreciation	390,164	5,018	-	395,182	1,172,690	18,298	328	1,191,316	1,137,297
Total expenses	<u>\$ 15,963,528</u>	<u>\$ 582,612</u>	<u>\$ -</u>	<u>\$ 16,546,140</u>	<u>\$ 45,534,348</u>	<u>\$ 2,124,454</u>	<u>\$ 462,242</u>	<u>\$ 48,121,044</u>	<u>\$ 45,318,222</u>

(concluded)

See accompanying independent auditors' report.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA**

CONSOLIDATING SCHEDULE OF ACTIVITIES BY PROGRAM SERVICES

FOR THE YEAR ENDED JUNE 30, 2024

	Catholic Charities								2024 Consolidated Totals
	Head Start	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs	Totals	PHILMAT	PACE	
Revenues									
Public support:									
Contributions	\$ 467,722	\$ 68,126	\$ 780,928	\$ 155,319	1,873,482	\$ 3,345,577	\$ 250,303	\$ 3,110	\$ 3,598,990
Contributed goods and services	323,069	2,185	-	-	20,107	345,361	-	-	345,361
United Way:									
Southeast Louisiana:									
Allocations	-	-	-	50,000	22,500	72,500	-	-	72,500
Designations	10,673	-	5,631	2,567	11,607	30,478	6,283	-	36,761
St. Charles Parish:									
Allocations	-	-	374,093	-	-	374,093	-	-	374,093
Special events (net of direct costs)	-	-	-	-	132,932	132,932	-	-	132,932
Total public support	801,464	70,311	1,160,652	207,886	2,060,628	4,300,941	256,586	3,110	4,560,637
Governmental financial assistance:									
Federal	6,556,450	3,754,065	2,832,263	720,549	4,856,484	18,719,811	3,966,982	-	22,686,793
Patient service revenues	-	-	-	-	-	-	-	16,139,981	16,139,981
Other governmental agencies	92,250	-	-	11,693	695,375	799,318	-	-	799,318
Total governmental financial assistance	6,648,700	3,754,065	2,832,263	732,242	5,551,859	19,519,129	3,966,982	16,139,981	39,626,092
Other Revenue:									
Program service fees	-	269,177	-	167,961	342,144	779,282	7,986	68,639	855,907
Miscellaneous	-	20,049	-	1,350	622	22,021	-	18,823	40,844
Interest income on loan receivable	-	-	-	-	602,534	602,534	-	-	602,534
Gain (loss) on disposition of property	(5,156)	-	-	(1,505)	(1,143)	(7,804)	(314,965)	-	(322,769)
Total other revenue	(5,156)	289,226	-	167,806	944,157	1,396,033	(306,979)	87,462	1,176,516
Total revenue	7,445,008	4,113,602	3,992,915	1,107,934	8,556,644	25,216,103	3,916,589	16,230,553	45,363,245
Expenses									
Salaries	3,822,279	2,200,122	1,950,511	494,933	4,158,049	12,625,894	1,824,706	3,858,805	18,309,405
Employee benefits	668,017	350,480	253,201	75,724	644,762	1,992,184	294,954	624,699	2,911,837
Payroll taxes	274,783	163,911	146,017	37,022	297,232	918,965	136,138	284,798	1,339,901
Total salaries and related expenses	4,765,079	2,714,513	2,349,729	607,679	5,100,043	15,537,043	2,255,798	4,768,302	22,561,143
Professional fees and contract service payments	283,070	699,545	319,832	241,978	180,114	1,724,539	460,245	1,382,641	3,567,425
Supplies and other operating expenses	221,151	379,485	29,170	13,143	129,793	772,742	341,439	339,208	1,453,389
Equipment expense	123,803	86,771	48,910	10,666	122,433	392,583	95,536	91,971	580,090
Occupancy	618,098	191,526	(248,708)	148,371	482,078	1,191,365	578,274	280,532	2,050,171
Travel and transportation	7,438	37,541	52,937	3,694	26,357	127,967	613,506	249,917	991,390
Personnel recruitment and development	115,607	8,091	12,947	2,801	79,546	218,992	7,052	49,984	276,028
Insurance	217,591	157,336	137,564	41,185	77,056	630,732	188,395	328,685	1,147,812
Food	182,170	200,894	1,776	2,963	619	388,422	-	452,314	840,736
Contributed goods and services	323,069	2,185	-	-	20,107	345,361	-	-	345,361
Management and general	333,022	249,017	213,228	104,475	385,716	1,285,458	256,384	582,612	2,124,454
Miscellaneous	2,711	6,836	1,210	432	4,966	16,155	72,656	1,870	90,681
Specific assistance to individuals	2,136	82,964	652,606	821,096	1,270,690	2,829,492	-	190,889	3,020,381
Provider services	-	-	-	-	-	-	-	7,437,051	7,437,051
Fundraising	1,725	14,239	119,135	12,226	313,365	460,690	1,552	-	462,242
Depreciation	143,173	114,556	141,108	66,055	18,920	483,812	298,714	390,164	1,172,690
Total expenses	7,339,843	4,945,499	3,831,444	2,076,764	8,211,803	26,405,353	5,169,551	16,546,140	48,121,044
Change in net assets before investment activity	105,165	(831,897)	161,471	(968,830)	344,841	(1,189,250)	(1,252,962)	(315,587)	(2,757,799)
Net investment income	46,618	-	82,831	393,785	501,706	1,024,940	94,721	-	1,119,661
Change in net assets	\$ 151,783	\$ (831,897)	\$ 244,302	\$ (575,045)	\$ 846,547	\$ (164,310)	\$ (1,158,241)	\$ (315,587)	\$ (1,638,138)

See accompanying independent auditors' report.

CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES
NEW ORLEANS, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO OR ON BEHALF OF THE AGENCY HEAD

FOR THE YEAR ENDED JUNE 30, 2024

Agency Head: Sr. Marjorie Hebert, President and Chief Executive Officer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 163,084
Travel	487
Benefits - retirement	-

See accompanying independent auditors' report.