

**EISNERAMPER**

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

**FINANCIAL STATEMENTS**

**JUNE 30, 2023**



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## **INDEPENDENT AUDITORS' REPORT**

Most Reverend Gregory M. Aymond and the Board of Directors,  
Catholic Charities Archdiocese of New Orleans and Subsidiaries, New Orleans, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Catholic Charities Archdiocese of New Orleans and Subsidiaries (the Agency), a nonprofit organization, which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Catholic Charities Archdiocese of New Orleans and Subsidiaries as of June 30, 2023, and the changes in its 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Catholic Charities Archdiocese of New Orleans and Subsidiaries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Prior Period Financial Statements and Report on Supplementary Information***

The consolidated financial statements of the Agency for the year ended June 30, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on December 21, 2022. In our opinion, the comparative supplementary information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the Agency adopted new accounting guidance in connection with its implementation of Financial Accounting Standards Board (FASB) Accounting Standards Updated (ASU) No. 2016-12, *Leases* (Topic 842). Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditors' Responsibilities for the Audit of the 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 generally accepted auditing standards 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 generally accepted auditing standards 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.



### ***Supplementary Information***

Our audits were performed 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, 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 additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 26, 2023, on our consideration of the Organization'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 Organization'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 Organization's internal control over financial reporting and compliance.

*EisnerAmper LLP*

EISNERAMPER, LLP  
Metairie, Louisiana  
December 26, 2023



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

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**JUNE 30, 2023 AND 2022**

**ASSETS**

	2023	2022
Cash and cash equivalents	\$ 10,371,430	\$ 12,058,205
Program accounts receivable	4,098,595	3,625,202
Contributions receivable:		
Pledges	400	5,100
United Way	439,420	88,023
Note receivable	6,000,000	-
Other receivables	65,603	7,505
Investments	9,764,739	14,555,458
Prepaid expenses and deferred charges	289,162	507,803
Right-of-use assets	1,091,601	-
Property and equipment - net	10,132,365	10,903,348
Total assets	\$ 42,253,315	\$ 41,750,644

**LIABILITIES AND NET ASSETS**

Liabilities:		
Accounts payable and accrued expenses	\$ 2,943,296	\$ 3,132,261
Refundable advances	889,270	29,185
Unemployment reserve	63,728	71,601
Operating lease liability	1,055,147	-
Funds held for others	185,044	203,161
Total liabilities	5,136,485	3,436,208
Net assets:		
Without donor restrictions	32,292,872	32,413,369
With donor restrictions	4,823,958	5,901,067
Total net assets	37,116,830	38,314,436
Total liabilities and net assets	\$ 42,253,315	\$ 41,750,644

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, 2023 AND 2022**

	Without Donor Restrictions	With Donor Restrictions	2023 Totals	Without Donor Restrictions	With Donor Restrictions	2022 Totals
<b>Revenues</b>						
Public support:						
Contributions	\$ 2,667,465	\$ 838,108	\$ 3,505,573	\$ 2,865,410	\$ 1,832,173	\$ 4,697,583
Contributed goods and services	357,362	-	357,362	333,835	-	333,835
United Way						
Southeast Louisiana:						
Allocations	-	72,500	72,500	-	-	-
Designations	36,149	-	36,149	62,787	-	62,787
St. Charles Parish:						
Allocations	86,513	640,054	726,567	81,650	-	81,650
St. John Parish:						
Allocations	-	-	-	-	13,750	13,750
Special events (net of direct costs)	151,577	-	151,577	79,874	-	79,874
Total public support	<u>3,299,066</u>	<u>1,550,662</u>	<u>4,849,728</u>	<u>3,423,556</u>	<u>1,845,923</u>	<u>5,269,479</u>
Governmental financial assistance:						
Federal	22,608,441	60,000	22,668,441	18,699,553	90,000	18,789,553
Patient service revenues	13,524,882	-	13,524,882	13,766,904	-	13,766,904
Other governmental agencies	751,569	-	751,569	530,944	-	530,944
Total governmental financial assistance	<u>36,884,892</u>	<u>60,000</u>	<u>36,944,892</u>	<u>32,997,401</u>	<u>90,000</u>	<u>33,087,401</u>
Other Revenue:						
Program service fees	903,941	-	903,941	863,577	-	863,577
Legal settlement	-	-	-	10,720	-	10,720
Miscellaneous	220	-	220	208,204	-	208,204
Loss on disposition of property	(3,185)	-	(3,185)	(76,610)	-	(76,610)
Property recoveries	-	-	-	15,229	-	15,229
Net assets released from restrictions	2,927,073	(2,927,073)	-	3,019,946	(3,019,946)	-
Total other revenue	<u>3,828,049</u>	<u>(2,927,073)</u>	<u>900,976</u>	<u>4,041,066</u>	<u>(3,019,946)</u>	<u>1,021,120</u>
Total revenue	<u>44,012,007</u>	<u>(1,316,411)</u>	<u>42,695,596</u>	<u>40,462,023</u>	<u>(1,084,023)</u>	<u>39,378,000</u>
<b>Expenses</b>						
Program services	42,747,834	-	42,747,834	39,085,869	-	39,085,869
Management and general	2,111,985	-	2,111,985	2,167,424	-	2,167,424
Fundraising	458,403	-	458,403	493,587	-	493,587
Total expenses	<u>45,318,222</u>	<u>-</u>	<u>45,318,222</u>	<u>41,746,880</u>	<u>-</u>	<u>41,746,880</u>
<b>Change in net assets before investment activity</b>	(1,306,215)	(1,316,411)	(2,622,626)	(1,284,857)	(1,084,023)	(2,368,880)
Net investment income (loss)	1,185,718	239,302	1,425,020	(1,553,899)	(268,602)	(1,822,501)
<b>Change in net assets</b>	(120,497)	(1,077,109)	(1,197,606)	(2,838,756)	(1,352,625)	(4,191,381)
<b>Net Assets</b>						
Beginning of year	32,413,369	5,901,067	38,314,436	35,252,125	7,253,692	42,505,817
End of year	<u>\$ 32,292,872</u>	<u>\$ 4,823,958</u>	<u>\$ 37,116,830</u>	<u>\$ 32,413,369</u>	<u>\$ 5,901,067</u>	<u>\$ 38,314,436</u>

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							PHILMAT	PACE	Total Program Services	Management and General	Fundraising	2023 Totals
	Head Start	Adult Day Health Care	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs	Catholic Charities Totals						
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**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

FOR THE YEAR ENDED JUNE 30, 2022

Expenses	Program Services												2022 Totals
	Catholic Charities						Catholic Charities Totals	PHILMAT	PACE	Total Program Services	Management and General	Fundraising	
	Head Start	Adult Day Health Care	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs							
Salaries	\$ 3,776,244	\$ 37	\$ 2,004,469	\$ 724,258	\$ 818,557	\$ 3,912,002	\$ 11,235,587	\$ 1,745,207	\$ 3,438,294	\$ 16,419,088	\$ 1,376,817	\$ 250,743	\$ 18,046,648
Employee benefits	666,913	5	302,865	105,062	139,928	654,019	1,868,792	384,172	561,975	2,814,939	189,034	35,444	3,039,417
Payroll taxes	277,429	3	148,588	49,992	60,638	284,744	821,394	130,774	255,027	1,207,195	96,001	18,532	1,321,728
Total salaries and related expenses	4,720,586	45	2,455,922	879,312	1,019,123	4,850,765	13,925,773	2,260,153	4,255,296	20,441,222	1,661,852	304,719	22,407,793
Professional fees and contract service payments	212,209	7,349	197,752	87,122	177,395	144,918	826,745	371,625	1,061,964	2,260,334	305,794	125,897	2,692,025
Supplies and other operating expenses	233,416	1	267,494	21,337	12,413	140,761	675,422	288,706	248,104	1,212,232	42,964	33,041	1,288,237
Equipment expense	71,400	126	43,802	75,951	18,211	145,891	355,381	30,992	73,485	459,858	50,934	1,310	512,102
Occupancy	611,469	7,230	201,640	(237,798)	172,921	413,046	1,168,508	554,809	198,259	1,921,576	30,421	6,432	1,958,429
Travel and transportation	6,653	-	30,834	13,043	8,222	11,322	70,074	634,211	197,391	901,676	2,601	110	904,387
Personnel recruitment and development	93,344	-	2,225	7,257	2,065	31,944	136,835	3,974	16,515	157,324	9,005	4,456	170,785
Insurance	85,223	339	141,991	36,762	31,794	84,458	380,567	238,466	241,619	860,652	15,719	2,450	878,821
Food	170,340	-	171,494	783	429	800	343,846	38	265,390	609,274	313	60	609,647
Contributed goods and services	329,735	-	4,100	-	-	75,000	408,835	-	-	408,835	-	-	408,835
Miscellaneous	4,345	1	13,814	901	1,184	5,546	25,791	32,857	5,533	64,181	24,168	14,654	103,003
Specific assistance to individuals	234	-	64,839	350,014	889,104	757,312	2,061,503	-	71,323	2,132,826	-	-	2,132,826
Provider services	-	-	-	-	-	-	-	-	6,528,559	6,528,559	-	-	6,528,559
Depreciation	150,294	1	102,877	132,108	67,985	15,785	469,050	280,375	377,895	1,127,320	23,653	458	1,151,431
Total expenses	\$ 6,689,248	\$ 15,092	\$ 3,698,784	\$ 1,366,792	\$ 2,400,846	\$ 6,677,548	\$ 20,848,330	\$ 4,696,206	\$ 13,541,333	\$ 39,085,869	\$ 2,167,424	\$ 493,587	\$ 41,746,880

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, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (1,197,606)	\$ (4,191,381)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	1,137,297	1,151,431
Unrealized (gain) loss on investments, net	(1,060,177)	2,205,712
Loss on disposal of property and equipment	3,185	76,610
Change in assets and liabilities:		
Accounts receivable	(878,188)	(183,516)
Prepaid expenses and deferred charges	218,641	252,717
Right-of-use assets	417,401	-
Accounts payable and accrued expenses	(188,965)	(794,429)
Unemployment reserve	(7,873)	(17,226)
Refundable advances	860,085	(815)
Operating lease liability	(453,855)	-
Funds held for others	(18,117)	(351)
Net cash used in operating activities	<u>(1,168,172)</u>	<u>(1,501,248)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(248,185)	(283,802)
Proceeds from sale of investments	6,099,081	91,904
Purchases of property and equipment	(369,499)	(532,062)
Issuance of note receivable	(6,000,000)	-
Net cash used in investing activities	<u>(518,603)</u>	<u>(723,960)</u>
<b>Net decrease in cash</b>	(1,686,775)	(2,225,208)
<b>Cash and cash equivalents</b>		
Beginning of year	12,058,205	14,283,413
End of year	<u>\$ 10,371,430</u>	<u>\$ 12,058,205</u>
<b>Non-Cash Transactions</b>		
Contributed goods and services	<u>\$ 357,362</u>	<u>\$ 333,835</u>

See notes to consolidated financial statements.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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, deaf interpreting 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 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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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, 2023 and 2022, 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, 2023**

**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 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. Management considered subsequent collection results and wrote off all year-end balances that were deemed to be not collectible. Accordingly, a valuation allowance was determined to be unnecessary for the years ended June 30, 2023 and 2022.

**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.

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, amounts received in advance for conditional contributions, and patient service revenues received in advance of providing services, 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.

**Governmental Financial Assistance**

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. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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, 2023, 2022, and 2021 are \$365,570, \$742,757, and \$3,762, respectively. Contract liabilities (refundable advances) at June 30, 2023, 2022, and 2021 are \$860,085, \$0, and \$0, respectively. PACE GNO had no contract assets at June 30, 2023, 2022, and 2021.

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, 2023 or 2022.

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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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:

<b><u>Classification</u></b>	<b><u>Lives in Years</u></b>
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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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 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.

**Change in Accounting Principle**

The Agency adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 842, *Leases*. This accounting standard requires lessees to recognize right-of-use ("ROU") assets and lease liabilities related to lease arrangements longer than 12 months on the statements of financial position as well as additional disclosures. This standard was adopted using the modified retrospective approach as of the adoption date, whereby the cumulative effect of adoption was recognized on the adoption date of July 1, 2022 and prior periods were not restated. As a result of the adoption of the new lease accounting guidance, the Agency recognized, on July 1, 2022, a lease liability of \$1,509,002 and a right-of-use asset of \$1,509,002. The standard had a material impact on the statement of financial position but did not have a material impact on the statements of activities, functional expenses, and cash flows.

**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.



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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**1. Organization and Significant Accounting Policies (continued)**

**Reclassifications**

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported change in net assets.

**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:

	<b><u>2023</u></b>	<b><u>2022</u></b>
Financial assets at fiscal year-end:		
Cash and cash equivalents	\$ 10,371,430	\$ 12,058,205
Program accounts receivable	4,098,595	3,625,202
Contributions receivable	439,820	93,123
Note receivable	6,000,000	-
Other receivables	65,603	7,505
Investments	9,764,739	14,555,458
Total financial assets	<u>30,740,187</u>	<u>30,339,493</u>
Less amounts not available to be used within one year or unavailable for general expenditures:		
Required Centers for Medicare and Medicaid Services reserve	1,998,815	1,927,001
Note receivable	6,000,000	-
Custodial funds	185,044	203,161
Assets with donor restrictions	2,246,927	2,176,839
Board designation for deferred maintenance	333,920	485,794
Board designation for disasters	344,067	590,130
	<u>11,108,773</u>	<u>5,382,925</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 19,631,414</u>	<u>\$ 24,956,568</u>

The Agency and Subsidiaries' goal is generally to maintain financial assets to meet 90 days of operating cash expenses (approximately \$11 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, 2023**

**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:

	<b>2023</b>	<b>2022</b>
Balances at June 30	\$ 9,764,739	\$ 14,555,458
Unrealized gain (loss) on investments, net	\$ 1,060,177	\$ (2,205,712)
Realized (loss) gain on investments, net	(26,079)	6,489
Interest and dividends	439,296	435,044
Investment fees	(48,374)	(58,322)
For the year ended June 30, Investment income (loss), net	\$ 1,425,020	\$ (1,822,501)

**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, 2023**

**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, 2023:

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
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, beginning of year	<u>\$ -</u>	<u>\$ 1,746,926</u>	<u>\$ 1,746,926</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**5. Endowments (continued)**

The table below represents the endowment related activity for the fiscal year ending June 30, 2022:

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
Endowment net assets, beginning of year	\$ -	\$ 1,989,979	\$ 1,989,979
Investment income (loss), net	-	(221,237)	(221,237)
Program expenses	(91,904)	-	(91,904)
Transfer	91,904	(91,904)	-
Endowment net assets, beginning of year	<u>\$ -</u>	<u>\$ 1,676,838</u>	<u>\$ 1,676,838</u>

Distributions of \$99,081 and \$91,904 were made during the years ended June 30, 2023 and 2022, 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. The Agency recorded interest income for the note receivable in the amount of \$38,518 and \$0 for the year ended June 30, 2023 and 2022, respectively, which is included in "Net investment income" in the consolidated statement of activities.

**7. Property and Equipment**

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

	<b><u>2023</u></b>	<b><u>2022</u></b>
Buildings and improvements	\$ 16,760,998	\$ 16,760,998
Leasehold improvements	3,181,150	3,071,216
Equipment	3,004,995	2,768,730
Vehicles	2,803,322	2,804,135
Land	693,884	693,884
	<u>26,444,349</u>	<u>26,098,963</u>
Less accumulated depreciation and amortization	16,311,984	15,195,615
Total property and equipment, net	<u>\$ 10,132,365</u>	<u>\$ 10,903,348</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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,**

	<b><u>2023</u></b>
Operating lease costs	\$ 469,229
Short-term lease costs	93,963
	<b><u>\$ 563,192</u></b>

Rental expense for all leases for the year ended June 30, 2022 was \$557,199.

**Other information related to leases was as follows:**

**Year Ended June 30,**

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

Future minimum lease payments under non-cancellable leases as of June 30, 2023 are as follows:

2024	\$ 452,980
2025	210,196
2026	161,594
2027	120,000
2028	120,000
Thereafter	<u>90,000</u>
Total future minimum lease payments	1,154,770
Less imputed interest	<u>(99,623)</u>
Lease liability	<b><u>\$ 1,055,147</u></b>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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>2023</u>	<u>2022</u>
<u>Restricted for time or purpose:</u>		
Homeless services	\$ 69,684	\$ 1,020,609
Disaster relief	423,798	999,059
Relief services to children	560,410	554,671
Emergency medical financial assistance	564,692	700,260
Purchases of capital assets	502,986	455,217
United Way allocation for subsequent fiscal year	490,348	83,915
Other restrictions	465,114	410,498
<u>Restricted in perpetuity:</u>		
Gift of Life Endowment	1,746,926	1,676,838
Totals	<u>\$ 4,823,958</u>	<u>\$ 5,901,067</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>2023</u>	<u>2022</u>
Homeless services	\$ 1,020,609	\$ 1,375,219
Disaster relief	580,498	419,416
Emergency medical financial assistance	639,543	475,320
United Way allocation	306,121	427,926
Other restrictions	281,221	230,161
Gift of Life Endowment	99,081	91,904
Totals	<u>\$ 2,927,073</u>	<u>\$ 3,019,946</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**10. In-Kind Contributions**

During the years ended June 30, 2023 and 2022, the Agency received contributions of donated goods as follows:

	<b><u>2023</u></b>	<b><u>2022</u></b>
Food	\$ 23,565	\$ 4,100
Staff meals	17,226	13,157
Space	316,571	316,578
Totals	<b><u>\$ 357,362</u></b>	<b><u>\$ 333,835</u></b>

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 \$922,000 and \$882,000, for the years ended June 30, 2023 and 2022, 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:

	<b><u>2023</u></b>	<b><u>2022</u></b>
Adult Day Health Care	\$ -	\$ 16,200
Community Centers and Services	4,144,614	1,701,400
Food for Families	4,934,397	5,027,306
Head Start	7,246,285	7,091,583
Non-residential Day Programs	7,581,888	7,243,657
PACE	14,578,004	14,162,668
Padua Pediatrics and Adult	4,492,490	3,941,603
Residential Special Needs	2,340,544	2,562,463
Total	<b><u>\$ 45,318,222</u></b>	<b><u>\$ 41,746,880</u></b>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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 \$1,047,000 and \$1,210,000 for general liability, property coverage, workman's compensation, vehicle and other insurances and \$181,000 and \$180,000 for equipment and internet services secured on its behalf for the years ended June 30, 2023 and 2022, respectively. The Agency paid the Archdiocese for rent and other operating costs totaling approximately \$200,000 and \$186,000 for the years ended June 30, 2023 and 2021, respectively.

The Agency paid \$3,500 to the Archdiocese of New Orleans during the year ended June 30, 2023 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, 2023 and 2022. No amounts were outstanding as of June 30, 2023 or 2022.

The Agency donated \$1,825 and \$1,650 to Notre Dame Seminary during the years ended June 30, 2023 and 2022, 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 \$5,182,222 and \$5,488,223 at June 30, 2023 and 2022, 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.



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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**14. Significant Contracts and Grants**

For the years ended June 30, 2023 and 2022, \$27,628,695 and \$26,724,888, respectively, of the Agency and Subsidiaries' governmental financial assistance was from the U.S. Department of Health and Human Services and \$4,186,306 and \$4,473,596, respectively, of the Agency and Subsidiaries' governmental financial assistance 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 \$5,129,892 and \$1,888,917 of the Agency and Subsidiaries' governmental financial assistance in fiscal years 2023 and 2022, 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, 2023**

**16. Concentrations of Credit Risk**

As of June 30, 2023 and 2022, 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 \$3,882,860 and \$4,226,462, for the years ended June 30, 2023 and 2022, respectively. Commodity foods distributed by the Food for Seniors program during the years ended June 30, 2023 and 2022 had an estimated value of \$15.8 million and \$14.9 million, respectively, and weighed 13,168,875 pounds and 11,611,674 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, 2023 and 2022.

**19. Subsequent Events**

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. The current contract ends December 31, 2023, and the State of Louisiana has requested an extension through June 30, 2024. If a new grant is awarded the term is expected to be for an initial thirty-six months to begin on or about January 1, 2024.

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, December 26, 2023, 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, 2023					June 30, 2022				
	Catholic Charities	PHILMAT	PACE	Eliminations	Totals	Catholic Charities	PHILMAT	PACE	Eliminations	Totals
<b>ASSETS</b>										
Cash and cash equivalents	\$ 10,370,930	\$ 200	\$ 1,999,115	\$ (1,998,815)	\$ 10,371,430	\$ 12,057,605	\$ 300	\$ 1,927,301	\$ (1,927,001)	\$ 12,058,205
Program accounts receivable	3,120,798	612,227	365,570	-	4,098,595	2,459,007	423,438	742,757	-	3,625,202
Contributions receivable:										
Pledges	400	-	-	-	400	5,100	-	-	-	5,100
United Way	439,420	-	-	-	439,420	88,023	-	-	-	88,023
Note receivable	6,000,000	-	-	-	6,000,000	-	-	-	-	-
Other receivables	44,709	20,894	-	-	65,603	7,505	-	-	-	7,505
Investments	9,764,739	-	-	-	9,764,739	14,555,458	-	-	-	14,555,458
Prepaid expenses and deferred charges	256,973	21,098	11,091	-	289,162	434,373	23,861	49,569	-	507,803
Right-of-use assets	331,254	760,347	-	-	1,091,601	-	-	-	-	-
Property and equipment - net	4,660,026	1,982,526	3,489,813	-	10,132,365	4,918,330	2,125,498	3,859,520	-	10,903,348
Due (to) from affiliate	(10,151,681)	124,879	8,027,987	1,998,815	-	(10,220,656)	729,370	7,564,285	1,927,001	-
<b>Total assets</b>	<b>\$ 24,837,568</b>	<b>\$ 3,522,171</b>	<b>\$ 13,893,576</b>	<b>\$ -</b>	<b>\$ 42,253,315</b>	<b>\$ 24,304,745</b>	<b>\$ 3,302,467</b>	<b>\$ 14,143,432</b>	<b>\$ -</b>	<b>\$ 41,750,644</b>
<b>LIABILITIES AND NET ASSETS</b>										
Liabilities:										
Accounts payable and accrued expenses	1,471,450	\$ 166,119	\$ 1,305,727	\$ -	\$ 2,943,296	\$ 1,508,092	\$ 195,999	\$ 1,428,170	\$ -	\$ 3,132,261
Refundable advances	29,185	-	860,085	-	889,270	29,185	-	-	-	29,185
Unemployment reserve	53,793	8,798	1,137	-	63,728	54,505	15,948	1,148	-	71,601
Operating lease liability	311,116	744,031	-	-	1,055,147	-	-	-	-	-
Funds held for others	185,044	-	-	-	185,044	203,161	-	-	-	203,161
<b>Total liabilities</b>	<b>2,050,588</b>	<b>918,948</b>	<b>2,166,949</b>	<b>-</b>	<b>5,136,485</b>	<b>1,794,943</b>	<b>211,947</b>	<b>1,429,318</b>	<b>-</b>	<b>3,436,208</b>
Net assets:										
Without donor restrictions	18,070,471	2,495,774	11,726,627	-	32,292,872	16,716,184	2,983,071	12,714,114	-	32,413,369
With donor restrictions	4,716,509	107,449	-	-	4,823,958	5,793,618	107,449	-	-	5,901,067
<b>Total net assets</b>	<b>22,786,980</b>	<b>2,603,223</b>	<b>11,726,627</b>	<b>-</b>	<b>37,116,830</b>	<b>22,509,802</b>	<b>3,090,520</b>	<b>12,714,114</b>	<b>-</b>	<b>38,314,436</b>
<b>Total liabilities and net assets</b>	<b>\$ 24,837,568</b>	<b>\$ 3,522,171</b>	<b>\$ 13,893,576</b>	<b>\$ -</b>	<b>\$ 42,253,315</b>	<b>\$ 24,304,745</b>	<b>\$ 3,302,467</b>	<b>\$ 14,143,432</b>	<b>\$ -</b>	<b>\$ 41,750,644</b>

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
<b>Revenues</b>												
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
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	3,764,907	(2,927,073)	837,834	809	-	809	62,333	-	62,333	3,828,049	(2,927,073)	900,976
<b>Total revenue</b>	<b>26,224,802</b>	<b>(1,316,411)</b>	<b>24,908,391</b>	<b>4,196,688</b>	<b>-</b>	<b>4,196,688</b>	<b>13,590,517</b>	<b>-</b>	<b>13,590,517</b>	<b>44,012,007</b>	<b>(1,316,411)</b>	<b>42,695,596</b>
<b>Expenses</b>												
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
<b>Change in net assets before investment activity</b>	<b>418,981</b>	<b>(1,316,411)</b>	<b>(897,430)</b>	<b>(737,709)</b>	<b>-</b>	<b>(737,709)</b>	<b>(987,487)</b>	<b>-</b>	<b>(987,487)</b>	<b>(1,306,215)</b>	<b>(1,316,411)</b>	<b>(2,622,626)</b>
Net investment income	935,306	239,302	1,174,608	250,412	-	250,412	-	-	-	1,185,718	239,302	1,425,020
<b>Change in net assets</b>	<b>1,354,287</b>	<b>(1,077,109)</b>	<b>277,178</b>	<b>(487,297)</b>	<b>-</b>	<b>(487,297)</b>	<b>(987,487)</b>	<b>-</b>	<b>(987,487)</b>	<b>(120,497)</b>	<b>(1,077,109)</b>	<b>(1,197,606)</b>
<b>Net assets</b>												
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 ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2022

	Catholic Charities			PHILMAT			PACE			Eliminations - Without Donor Restrictions	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
<b>Revenues</b>													
Public support:													
Contributions	\$ 2,399,716	\$ 1,832,173	\$ 4,231,889	\$ 455,955	\$ -	\$ 455,955	\$ 9,739	\$ -	\$ 9,739	\$ -	\$ 2,865,410	\$ 1,832,173	\$ 4,697,583
Contributed goods and services	333,835	-	333,835	-	-	-	-	-	-	-	333,835	-	333,835
United Way													
Southeast Louisiana:													
Designations	62,787	-	62,787	-	-	-	-	-	-	-	62,787	-	62,787
St. Charles Parish:													
Allocations	81,650	-	81,650	-	-	-	-	-	-	-	81,650	-	81,650
St. John Parish:													
Allocations	-	13,750	13,750	-	-	-	-	-	-	-	-	13,750	13,750
Special events (net of direct costs)	79,874	-	79,874	-	-	-	-	-	-	-	79,874	-	79,874
Total public support	2,957,862	1,845,923	4,803,785	455,955	-	455,955	9,739	-	9,739	-	3,423,556	1,845,923	5,269,479
Governmental financial assistance:													
Federal	14,473,091	90,000	14,563,091	4,226,462	-	4,226,462	-	-	-	-	18,699,553	90,000	18,789,553
Patient service revenues	-	-	-	-	-	-	13,766,904	-	13,766,904	-	13,766,904	-	13,766,904
Other governmental agencies	530,944	-	530,944	-	-	-	-	-	-	-	530,944	-	530,944
Total governmental financial assistance	15,004,035	90,000	15,094,035	4,226,462	-	4,226,462	13,766,904	-	13,766,904	-	32,997,401	90,000	33,087,401
Other Revenue:													
Program service fees	851,698	-	851,698	500	-	500	12,399	-	12,399	(1,020)	863,577	-	863,577
Miscellaneous	10,720	-	10,720	-	-	-	-	-	-	-	10,720	-	10,720
Loss on disposition of property	208,204	-	208,204	-	-	-	-	-	-	-	208,204	-	208,204
Property recoveries	(76,610)	-	(76,610)	15,229	-	15,229	-	-	-	-	(61,381)	-	(61,381)
Net assets released from restrictions	3,019,946	(3,019,946)	-	-	-	-	-	-	-	-	3,019,946	(3,019,946)	-
Total other revenue	4,013,958	(3,019,946)	994,012	15,729	-	15,729	12,399	-	12,399	(1,020)	4,041,066	(3,019,946)	1,021,120
Total revenue	21,975,855	(1,084,023)	20,891,832	4,698,146	-	4,698,146	13,789,042	-	13,789,042	(1,020)	40,462,023	(1,084,023)	39,378,000
<b>Expenses</b>													
Program services	20,849,350	-	20,849,350	4,696,206	-	4,696,206	13,541,333	-	13,541,333	(1,020)	39,085,869	-	39,085,869
Management and general	1,238,182	-	1,238,182	309,463	-	309,463	619,779	-	619,779	-	2,167,424	-	2,167,424
Fundraising	470,394	-	470,394	21,637	-	21,637	1,556	-	1,556	-	493,587	-	493,587
Total expenses	22,557,926	-	22,557,926	5,027,306	-	5,027,306	14,162,668	-	14,162,668	(1,020)	41,746,880	-	41,746,880
<b>Change in net assets before investment activity</b>													
Investment activity	(582,071)	(1,084,023)	(1,666,094)	(329,160)	-	(329,160)	(373,626)	-	(373,626)	-	(1,284,857)	(1,084,023)	(2,368,880)
Net investment income (loss)	(1,296,237)	(268,602)	(1,564,839)	(257,662)	-	(257,662)	-	-	-	-	(1,553,899)	(268,602)	(1,822,501)
<b>Change in net assets</b>	(1,878,308)	(1,352,625)	(3,230,933)	(586,822)	-	(586,822)	(373,626)	-	(373,626)	-	(2,838,756)	(1,352,625)	(4,191,381)
<b>Net assets</b>													
Beginning of year	18,594,492	7,146,243	25,740,735	3,569,893	107,449	3,677,342	13,087,740	-	13,087,740	-	35,252,125	7,253,692	42,505,817
End 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

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, 2023  
(with comparative totals for 2022)**

	Catholic Charities				PHILMAT			
	Program Services	Management and General	Fund-raising	Total	Program Services	Management and General	Fund-raising	Total
Salaries	\$ 12,764,341	\$ 794,186	\$ 204,288	\$ 13,762,815	\$ 1,728,959	\$ 159,534	\$ 191	\$ 1,888,684
Employee benefits	1,942,557	95,526	30,945	2,069,028	281,875	19,189	28	301,092
Payroll Taxes	924,243	53,715	15,058	993,016	126,634	10,790	14	137,438
<b>Total salaries and related expenses</b>	<b>15,631,141</b>	<b>943,427</b>	<b>250,291</b>	<b>16,824,859</b>	<b>2,137,468</b>	<b>189,513</b>	<b>233</b>	<b>2,327,214</b>
Professional fees and contract services	1,485,869	192,178	138,905	1,816,952	357,287	38,604	128	396,019
Supplies and other operating expenses	781,685	29,450	29,433	840,568	419,666	5,916	27	425,609
Equipment expense	446,526	71,413	6,499	524,438	68,098	14,345	6	82,449
Occupancy	1,163,961	22,888	6,961	1,193,810	532,367	4,598	7	536,972
Travel and transportation	136,641	2,044	79	138,764	675,039	411	-	675,450
Personnel recruitment and development	198,091	12,344	13,390	223,825	6,398	2,480	12	8,890
Insurance	342,431	12,675	2,134	357,240	186,070	2,546	2	188,618
Food	388,290	46	1	388,337	24	9	-	33
Contributed goods and services	357,362	-	-	357,362	-	-	-	-
Miscellaneous	13,279	8,364	9,920	31,563	13,324	1,680	8	15,012
Specific assistance to individuals	2,630,722	-	-	2,630,722	-	-	-	-
Provider services	-	-	-	-	-	-	-	-
Depreciation	463,473	13,541	367	477,381	275,411	2,720	-	278,131
<b>Total expenses</b>	<b>\$ 24,039,471</b>	<b>\$ 1,308,370</b>	<b>\$ 457,980</b>	<b>\$ 25,805,821</b>	<b>\$ 4,671,152</b>	<b>\$ 262,822</b>	<b>\$ 423</b>	<b>\$ 4,934,397</b>

(continued)

See accompanying independent auditors' report.

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

**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED**

**FOR THE YEAR ENDED JUNE 30, 2023  
(with comparative totals for 2022)**

	PACE				2023 Consolidated Totals				2022 Consolidated Totals
	Program Services	Management and General	Fund-raising	Total	Program Services	Management and General	Fund-raising	Total	
Salaries	\$ 3,664,925	\$ 328,266	\$ -	\$ 3,993,191	\$ 18,158,225	\$ 1,281,986	\$ 204,479	\$ 19,644,690	\$ 18,046,648
Employee benefits	561,079	39,484	-	600,563	2,785,511	154,199	30,973	2,970,683	3,039,417
Payroll Taxes	268,991	22,202	-	291,193	1,319,868	86,707	15,072	1,421,647	1,321,728
Total salaries and related expenses	4,494,995	389,952	-	4,884,947	22,263,604	1,522,892	250,524	24,037,020	22,407,793
Professional fees and contract services	1,152,442	79,432	-	1,231,874	2,995,598	310,214	139,033	3,444,845	2,692,025
Supplies and other operating expenses	299,888	12,172	-	312,060	1,501,239	47,538	29,460	1,578,237	1,288,237
Equipment expense	99,404	29,518	-	128,922	614,028	115,276	6,505	735,809	512,102
Occupancy	204,249	9,460	-	213,709	1,900,577	36,946	6,968	1,944,491	1,958,429
Travel and transportation	191,692	845	-	192,537	1,003,372	3,300	79	1,006,751	904,387
Personnel recruitment and development	45,514	5,102	-	50,616	250,003	19,926	13,402	283,331	170,785
Insurance	262,955	5,239	-	268,194	791,456	20,460	2,136	814,052	878,821
Food	325,521	19	-	325,540	713,835	74	1	713,910	609,647
Contributed goods and services	-	-	-	-	357,362	-	-	357,362	408,835
Miscellaneous	1,449	3,457	-	4,906	28,052	13,501	9,928	51,481	103,003
Specific assistance to individuals	116,867	-	-	116,867	2,747,589	-	-	2,747,589	2,132,826
Provider services	6,466,047	-	-	6,466,047	6,466,047	-	-	6,466,047	6,528,559
Depreciation	376,188	5,597	-	381,785	1,115,072	21,858	367	1,137,297	1,151,431
Total expenses	\$ 14,037,211	\$ 540,793	\$ -	\$ 14,578,004	\$ 42,747,834	\$ 2,111,985	\$ 458,403	\$ 45,318,222	\$ 41,746,880

(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, 2023**

	Catholic Charities						Totals	PHILMAT	PACE	2023 Consolidated Totals
	Head Start	Adult Day Health Care	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs				
<b>Revenues</b>										
Public support:										
Contributions	\$ 558,786	\$ -	\$ 142,460	\$ 358,350	\$ 319,644	1,816,664	\$ 3,195,904	\$ 306,367	\$ 3,302	\$ 3,505,573
Contributed goods and services	333,797	-	1,606	-	-	21,959	357,362	-	-	357,362
United Way:										
Southeast Louisiana:										
Allocations	-	-	-	-	50,000	22,500	72,500	-	-	72,500
Designations	10,275	-	-	5,812	2,999	10,411	29,497	6,652	-	36,149
St. Charles Parish:										
Allocations	-	-	-	726,567	-	-	726,567	-	-	726,567
Special events (net of direct costs)	-	-	-	-	-	151,577	151,577	-	-	151,577
Total public support	<u>902,858</u>	<u>-</u>	<u>144,066</u>	<u>1,090,729</u>	<u>372,643</u>	<u>2,023,111</u>	<u>4,533,407</u>	<u>313,019</u>	<u>3,302</u>	<u>4,849,728</u>
Governmental financial assistance:										
Federal	6,502,877	-	4,013,887	3,373,939	675,663	4,219,215	18,785,581	3,882,860	-	22,668,441
Patient service revenues	-	-	-	-	-	-	-	-	13,524,882	13,524,882
Other governmental agencies	-	-	-	-	-	751,569	751,569	-	-	751,569
Total governmental financial assistance	<u>6,502,877</u>	<u>-</u>	<u>4,013,887</u>	<u>3,373,939</u>	<u>675,663</u>	<u>4,970,784</u>	<u>19,537,150</u>	<u>3,882,860</u>	<u>13,524,882</u>	<u>36,944,892</u>
Other Revenue:										
Program service fees	-	-	275,301	-	169,571	395,927	840,799	809	62,333	903,941
Miscellaneous	-	-	220	-	-	-	220	-	-	220
Gain (loss) on disposition of property	-	-	-	-	-	(3,185)	(3,185)	-	-	(3,185)
Total other revenue	-	-	<u>275,521</u>	-	<u>169,571</u>	<u>392,742</u>	<u>837,834</u>	<u>809</u>	<u>62,333</u>	<u>900,976</u>
Total revenue	<u>7,405,735</u>	<u>-</u>	<u>4,433,474</u>	<u>4,464,668</u>	<u>1,217,877</u>	<u>7,386,637</u>	<u>24,908,391</u>	<u>4,196,688</u>	<u>13,590,517</u>	<u>42,695,596</u>
<b>Expenses</b>										
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
Employee benefits	636,411	-	282,081	250,376	133,322	640,367	1,942,557	281,875	561,079	2,785,511
Payroll taxes	280,598	-	153,988	160,806	54,423	274,428	924,243	126,634	268,991	1,319,868
Total salaries and related expenses	<u>4,746,328</u>	<u>-</u>	<u>2,550,939</u>	<u>2,635,940</u>	<u>933,587</u>	<u>4,764,347</u>	<u>15,631,141</u>	<u>2,137,468</u>	<u>4,494,995</u>	<u>22,263,604</u>
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
Supplies and other operating expenses	234,712	-	358,086	53,402	10,050	125,435	781,685	419,666	299,888	1,501,239
Equipment expense	140,921	-	46,596	118,240	20,289	120,480	446,526	68,098	99,404	614,028
Occupancy	587,831	-	201,009	(191,754)	155,203	411,672	1,163,961	532,367	204,249	1,900,577
Travel and transportation	6,963	-	40,739	57,979	7,701	23,259	136,641	675,039	191,692	1,003,372
Personnel recruitment and development	110,537	-	11,197	17,043	2,511	56,803	198,091	6,398	45,514	250,003
Insurance	90,960	-	123,323	45,466	33,988	48,694	342,431	186,070	262,955	791,456
Food	216,686	-	166,865	2,096	1,106	1,537	388,290	24	325,521	713,835
Contributed goods and services	333,797	-	1,606	-	-	21,959	357,362	-	-	357,362
Management and general	342,465	-	233,195	241,090	120,414	371,206	1,308,370	262,822	540,793	2,111,985
Miscellaneous	3,440	-	3,430	1,172	534	4,703	13,279	13,324	1,449	28,052
Specific assistance to individuals	900	-	65,357	719,558	714,343	1,130,564	2,630,722	-	116,867	2,747,589
Provider services	-	-	-	-	-	-	-	-	6,466,047	6,466,047
Fundraising	3,059	-	34,202	28,456	43,976	348,287	457,980	423	-	458,403
Depreciation	144,462	-	101,487	139,274	66,480	11,770	463,473	275,411	376,188	1,115,072
Total expenses	<u>7,246,285</u>	<u>-</u>	<u>4,492,490</u>	<u>4,144,614</u>	<u>2,340,544</u>	<u>7,581,888</u>	<u>25,805,821</u>	<u>4,934,397</u>	<u>14,578,004</u>	<u>45,318,222</u>
<b>Change in net assets before investment activity</b>	159,450	-	(59,016)	320,054	(1,122,667)	(195,251)	(897,430)	(737,709)	(987,487)	(2,622,626)
Net investment income	78,092	-	-	129,192	299,537	667,787	1,174,608	250,412	-	1,425,020
<b>Change in net assets</b>	<u>\$ 237,542</u>	<u>\$ -</u>	<u>\$ (59,016)</u>	<u>\$ 449,246</u>	<u>\$ (823,130)</u>	<u>\$ 472,536</u>	<u>\$ 277,178</u>	<u>\$ (487,297)</u>	<u>\$ (987,487)</u>	<u>\$ (1,197,606)</u>

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, 2023**

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

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 159,851
Travel	221
Benefits - retirement	-

See accompanying independent auditors' report.