

**EISNERAMPER**

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

**FINANCIAL STATEMENTS**

**JUNE 30, 2025**



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

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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 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, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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, 2025 and 2024, 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of 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 Organization'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 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

### ***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 26 through 30, the Consolidating Schedule of Activities by Program Services on page 31, and Schedule of Compensation, Benefits, and Other Payments to or on behalf of the Agency Head on page 32 are presented for purposes of additional analysis and is 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 19, 2025 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 19, 2025

EISNERAMPER  
LLP



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

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**JUNE 30, 2025 AND 2024**

**ASSETS**

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 11,172,385	\$ 8,768,070
Program accounts receivable	2,601,577	4,668,716
Contributions receivable:		
Pledges	-	400
United Way	430,000	441,528
Note receivable	6,000,000	6,000,000
Other receivables, net of allowance	143,668	663,574
Investments	11,671,655	10,645,151
Prepaid expenses and deferred charges	287,058	601,125
Right-of-use assets	131,877	296,057
Property and equipment - net	8,623,206	9,021,837
	<u>\$ 41,061,426</u>	<u>\$ 41,106,458</u>

**LIABILITIES AND NET ASSETS**

Liabilities:		
Accounts payable and accrued expenses	\$ 9,635,613	\$ 4,967,848
Refundable advances	181,462	175,416
Unemployment reserve	53,839	61,928
Operating lease liability	122,230	285,306
Funds held for others	79,848	137,268
	<u>10,072,992</u>	<u>5,627,766</u>
Net assets:		
Without donor restrictions	26,780,728	30,925,985
With donor restrictions	4,207,706	4,552,707
	<u>30,988,434</u>	<u>35,478,692</u>
Total net assets	<u>\$ 41,061,426</u>	<u>\$ 41,106,458</u>
Total liabilities and net assets	<u>\$ 41,061,426</u>	<u>\$ 41,106,458</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, 2025 AND 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Totals
<b>Revenues</b>						
Public support:						
Contributions	\$ 4,079,973	\$ 245,571	\$ 4,325,544	\$ 2,972,206	\$ 626,784	\$ 3,598,990
Contributed goods and services	351,443	-	351,443	345,361	-	345,361
United Way						
Southeast Louisiana:						
Allocations	-	46,248	46,248	-	72,500	72,500
Designations	46,500	-	46,500	36,761	-	36,761
St. Charles Parish:						
Allocations	-	329,000	329,000	83,093	291,000	374,093
Special events	135,597	-	135,597	132,932	-	132,932
Total public support	4,613,513	620,819	5,234,332	3,570,353	990,284	4,560,637
Governmental financial assistance:						
Federal	18,345,578	-	18,345,578	22,676,793	10,000	22,686,793
Patient service revenues	19,829,284	-	19,829,284	16,139,981	-	16,139,981
Other governmental agencies	892,299	-	892,299	799,318	-	799,318
Total governmental financial assistance	39,067,161	-	39,067,161	39,616,092	10,000	39,626,092
Other Revenue:						
Program service fees	710,550	-	710,550	855,907	-	855,907
Miscellaneous	41,235	-	41,235	40,844	-	40,844
Interest income on loan receivable	598,356	-	598,356	602,534	-	602,534
Gain (loss) on disposition of property	145,716	-	145,716	(322,769)	-	(322,769)
Net assets released from restrictions	1,274,697	(1,274,697)	-	1,451,435	(1,451,435)	-
Total other revenue	2,770,554	(1,274,697)	1,495,857	2,627,951	(1,451,435)	1,176,516
Total revenue	46,451,228	(653,878)	45,797,350	45,814,396	(451,151)	45,363,245
<b>Expenses</b>						
Program services	47,849,549	-	47,849,549	45,534,348	-	45,534,348
Management and general	3,165,225	-	3,165,225	2,124,454	-	2,124,454
Fundraising	548,986	-	548,986	462,242	-	462,242
Total expenses	51,563,760	-	51,563,760	48,121,044	-	48,121,044
<b>Change in net assets before investment activity</b>	(5,112,532)	(653,878)	(5,766,410)	(2,306,648)	(451,151)	(2,757,799)
Net investment income	967,275	308,877	1,276,152	939,761	179,900	1,119,661
<b>Change in net assets</b>	(4,145,257)	(345,001)	(4,490,258)	(1,366,887)	(271,251)	(1,638,138)
<b>Net Assets</b>						
Beginning of year	30,925,985	4,552,707	35,478,692	32,292,872	4,823,958	37,116,830
End of year	\$ 26,780,728	\$ 4,207,706	\$ 30,988,434	\$ 30,925,985	\$ 4,552,707	\$ 35,478,692

See notes to consolidated financial statements.

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

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2025**

Expenses	Program Services											
	Catholic Charities						PHILMAT	PACE	Total Program Services	Management and General	Fundraising	2025 Totals
	Head Start	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs	Catholic Charities Totals						
Salaries	\$ 4,487,439	\$ 2,202,223	\$ 952,467	\$ 413,679	\$ 4,321,159	\$ 12,376,967	\$ (54,894)	\$ 4,593,278	\$ 16,915,351	\$ 1,231,353	\$ 293,800	\$ 18,440,504
Employee benefits	694,912	394,300	176,305	54,770	734,789	2,055,076	26,918	826,978	2,908,972	166,183	33,934	3,109,089
Payroll taxes	331,056	162,203	75,077	30,696	314,008	913,040	3,653	330,062	1,246,755	84,090	22,014	1,352,859
Total salaries and related expenses	5,513,407	2,758,726	1,203,849	499,145	5,369,956	15,345,083	(24,323)	5,750,318	21,071,078	1,481,626	349,748	22,902,452
Professional fees and contract service payments	293,305	407,752	139,193	316,559	5,849,590	7,006,399	37,039	2,502,893	9,546,331	288,508	131,450	9,966,289
Supplies and other operating expenses	233,754	335,267	21,543	12,025	54,645	657,234	631	441,217	1,099,082	35,736	40,572	1,175,390
Equipment expense	74,319	53,017	31,922	10,005	108,357	277,620	2,331	81,280	361,231	140,858	4,164	506,253
Occupancy	651,093	148,043	(350,813)	130,993	628,264	1,207,580	118,327	252,063	1,577,970	26,015	6,279	1,610,264
Travel and transportation	9,278	41,336	20,253	5,151	19,063	95,081	25,107	223,245	343,433	6,380	380	350,193
Personnel recruitment and development	142,584	10,468	5,870	4,041	91,681	254,644	-	55,125	309,769	19,723	1,056	330,548
Insurance	158,335	157,417	150,744	33,729	36,610	536,835	110,625	328,658	976,118	28,972	5,306	1,010,396
Food	244,336	224,782	612	190	-	469,920	-	617,868	1,087,788	-	-	1,087,788
Contributed goods and services	330,501	-	-	-	20,942	351,443	-	-	351,443	-	-	351,443
Miscellaneous	3,066	103,494	641	2,020	11,842	121,063	2,407	3,130	126,600	14,047	9,641	150,288
Credit loss expense	-	-	-	-	-	-	-	-	-	1,105,621	-	1,105,621
Specific assistance to individuals	91	99,941	245,956	246,739	1,017,344	1,610,071	-	283,718	1,893,789	-	-	1,893,789
Provider services	-	-	-	-	-	-	-	8,160,315	8,160,315	-	-	8,160,315
Depreciation	145,287	110,216	137,392	65,815	17,636	476,346	53,967	414,289	944,602	17,739	390	962,731
Total expenses	\$ 7,799,356	\$ 4,450,459	\$ 1,607,162	\$ 1,326,412	\$ 13,225,930	\$ 28,409,319	\$ 326,111	\$ 19,114,119	\$ 47,849,549	\$ 3,165,225	\$ 548,986	\$ 51,563,760

(continued)

See notes to consolidated financial statements.

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

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2024**

Expenses	Program Services											
	Catholic Charities					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							Catholic Charities Totals
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

(concluded)

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, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (4,490,258)	\$ (1,638,138)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	962,731	1,191,316
Amortization of right-of-use assets	121,529	274,395
Credit loss	1,105,621	-
Unrealized gain on investments, net	(863,424)	(783,426)
Gain (loss) on disposal of property and equipment	(145,716)	322,769
Loss on early termination of leases	3,292	9,999
Change in assets and liabilities:		
Program accounts receivable	2,067,139	(570,121)
Contributions receivable	11,928	(2,108)
Other receivables	(585,715)	(597,971)
Prepaid expenses and deferred charges	314,067	(311,963)
Accounts payable and accrued expenses	4,667,765	2,024,552
Unemployment reserve	(8,089)	(1,800)
Refundable advances	6,046	146,231
Unearned revenue	-	(860,085)
Operating lease liability	(123,717)	(258,691)
Funds held for others	(57,420)	(47,776)
Net cash provided by (used in) operating activities	<u>2,985,779</u>	<u>(1,102,817)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(250,529)	(178,112)
Proceeds from sale of investments	87,449	81,126
Purchases of property and equipment	(614,406)	(403,557)
Proceeds from sale of property and equipment	196,022	-
Net cash used in investing activities	<u>(581,464)</u>	<u>(500,543)</u>
<b>Net Increase (decrease) in cash</b>	2,404,315	(1,603,360)
<b>Cash and cash equivalents</b>		
Beginning of year	8,768,070	10,371,430
End of year	<u>\$ 11,172,385</u>	<u>\$ 8,768,070</u>
<b>Non-Cash Transactions</b>		
Contributed goods and services	<u>\$ 351,443</u>	<u>\$ 345,361</u>

See notes to consolidated financial statements.

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

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

### **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 acted 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.) was distributed by PHILMAT to eligible senior citizens, who are classified as low income and vulnerable due to malnutrition. On June 30, 2024, the Food for Seniors (PHILMAT) contract was not renewed and the program ended. The Agency had minimal activity during fiscal year end June 30, 2025, due to the final close out of the program.
- 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, 2025**

### **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, 2025 and 2024, 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, 2025**

### **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 program accounts receivable to be uncollectible; therefore, no allowance was recorded at June 30, 2025 and 2024.

#### **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, 2025**

### **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, 2025, 2024, and 2023 are \$55,750, \$321,586, and \$365,570, respectively. Contract liabilities (unearned revenues) at June 30, 2025, 2024, and 2023 are \$0, \$0, and \$860,085, respectively. PACE GNO had no contract assets at June 30, 2025, 2024, and 2023.

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, 2025 or 2024.

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, 2025**

**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 \$1,868,458 and \$1,976,924 at June 30, 2025 and 2024, respectively.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

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

**Food Distribution**

Through June 30, 2024, PHILMAT received 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 did 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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

**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>2025</u></b>	<b><u>2024</u></b>
Financial assets at fiscal year-end:		
Cash and cash equivalents	\$ 11,172,385	\$ 8,768,070
Program accounts receivable	2,601,577	4,668,716
Contributions receivable	430,000	441,928
Note receivable	6,000,000	6,000,000
Other receivables	143,668	663,574
Investments	<u>11,671,655</u>	<u>10,645,151</u>
Total financial assets	<u>32,019,285</u>	<u>31,187,439</u>
Less amounts not available to be used within one year or unavailable for general expenditures:		
Required Centers for Medicare and Medicaid Services reserve	3,670,678	2,779,123
Custodial funds (funds held for others)	79,848	137,268
Assets with donor restrictions	2,429,649	2,331,810
Board designation for deferred maintenance	326,503	326,745
Board designation for disasters	<u>423,404</u>	<u>380,674</u>
	<u>6,930,082</u>	<u>5,955,620</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 25,089,203</u>	<u>\$ 25,231,819</u>

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

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

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

#### **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>2025</b>	<b>2024</b>
Balances at June 30	\$ 11,671,655	\$ 10,645,151
Investment return:		
Unrealized gain (loss) on investments, net	\$ 863,424	\$ 783,426
Realized (loss) gain on investments, net	(45,395)	(24,938)
Interest and dividends	492,484	392,151
Investment fees	(34,361)	(30,978)
For the year ended June 30, Investment income, net	<u>\$ 1,276,152</u>	<u>\$ 1,119,661</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.

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.

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

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

#### **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, 2025:

	<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	\$ -	\$ 1,831,810	\$ 1,831,810
Investment income (loss), net	-	184,619	184,619
Program expenses	(86,780)	-	(86,780)
Transfer	86,780	(86,780)	-
Endowment net assets, end of year	<b><u>\$ -</u></b>	<b><u>\$ 1,929,649</u></b>	<b><u>\$ 1,929,649</u></b>

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

	<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	\$ -	\$ 1,746,926	\$ 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	<b><u>\$ -</u></b>	<b><u>\$ 1,831,810</u></b>	<b><u>\$ 1,831,810</u></b>

Distributions of \$86,780 and \$81,126 were made during the years ended June 30, 2025 and 2024, respectively, in accordance with the endowment agreement.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

**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 accrued interest as other receivable in the amount of \$1,236,165 and \$637,808 as of June 30, 2025 and 2024, respectively. As of June 30, 2025, the note had not been repaid. The Agency has recorded an allowance against other receivable in the amount of \$1,105,621 and \$0 for the years ended June 30, 2025 and 2024, respectively. The Agency recorded interest income for the note receivable in the amount of \$598,356 and \$602,534 for the years ended June 30, 2025 and 2024, respectively, which is included in "interest income" in the consolidated statements of activities.

**7. Property and Equipment**

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

	<b><u>2025</u></b>	<b><u>2024</u></b>
Buildings and improvements	\$ 16,658,818	\$ 16,753,498
Leasehold improvements	3,192,466	3,079,255
Equipment	2,611,571	2,500,215
Vehicles	2,398,167	2,118,471
Land	680,943	693,884
	<u>25,541,965</u>	<u>25,145,323</u>
Less accumulated depreciation and amortization	<u>(16,918,759)</u>	<u>(16,123,486)</u>
Total property and equipment, net	<u>\$ 8,623,206</u>	<u>\$ 9,021,837</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.

At June 30, 2025, property and equipment included idle assets with a net book value of \$1,368,954. Subsequent to fiscal year end June 30, 2025, the assets were sold, see Note 19.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

**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:**

<b>Year Ended June 30,</b>	<b>2025</b>	<b>2024</b>
Operating lease costs	\$ 130,447	\$ 504,349
Short-term lease costs	92,729	127,588
	<u>\$ 223,176</u>	<u>\$ 631,937</u>

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

<b>Year Ended June 30,</b>	<b>2025</b>	<b>2024</b>
Supplemental Cash Flows Information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating Leases		
Operating cash flows from operating leases	\$ 123,717	\$ 496,710
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ -	\$ 142,341
Weighted Average Remaining Lease Term		
Operating leases	1 year	2 years
Weighted Average Discount Rate		
Operating leases	4.6%	4.6%

Future minimum lease payments under non-cancellable leases as of June 30, 2025 are as follows:

2026	\$ 113,010
2027	12,528
Total future minimum lease payments	<u>125,538</u>
Less imputed interest	<u>(3,308)</u>
Lease liability	<u>\$ 122,230</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

**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:

	<b><u>2025</u></b>	<b><u>2024</u></b>
<u>Restricted for time or purpose:</u>		
Homeless services	\$ 14,405	\$ 11,724
Disaster relief	278,547	314,985
Relief services to children	573,457	566,428
Emergency medical financial assistance	61,088	557,643
Purchases of capital assets	611,624	502,986
United Way allocation for subsequent fiscal year	354,000	420,893
Other restrictions	384,936	346,238
<u>Restricted in perpetuity:</u>		
Gift of Life Endowment	1,929,649	1,831,810
Totals	<u>\$ 4,207,706</u>	<u>\$ 4,552,707</u>

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

	<b><u>2025</u></b>	<b><u>2024</u></b>
Homeless services	\$ 7,320	\$ 69,059
Disaster relief	36,438	108,813
Emergency medical financial assistance	496,546	575,833
United Way allocation for subsequent fiscal year	442,143	432,955
Other restrictions	205,470	183,649
Gift of Life Endowment	86,780	81,126
Totals	<u>\$ 1,274,697</u>	<u>\$ 1,451,435</u>

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

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

### **10. In-Kind Contributions**

During the years ended June 30, 2025 and 2024, the Agency received the following in-kind donations as follows:

	<b><u>2025</u></b>	<b><u>2024</u></b>
Food	\$ 20,942	\$ 22,292
Staff meals	13,923	6,491
Space	<u>316,578</u>	<u>316,578</u>
Totals	<u>\$ 351,443</u>	<u>\$ 345,361</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 \$949,000 and \$937,000, for the years ended June 30, 2025 and 2024, 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>2025</u></b>	<b><u>2024</u></b>
Community Centers and Services	\$ 1,847,620	\$ 3,831,444
Food for Families	337,519	5,169,551
Head Start	8,204,285	7,339,843
Non-residential Day Programs	15,089,142	8,211,803
PACE	19,918,819	16,546,140
Padua Pediatrics and Adult	4,740,615	4,945,499
Residential Special Needs	<u>1,425,760</u>	<u>2,076,764</u>
Total	<u>\$ 51,563,760</u>	<u>\$ 48,121,044</u>

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

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

#### **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 \$1,350,000 and \$1,519,000 for general liability, property coverage, workman's compensation, vehicle and other insurances and \$185,000 and \$188,000 for equipment and internet services secured on its behalf for the years ended June 30, 2025 and 2024, respectively. The Agency paid the Archdiocese for rent and other operating costs totaling approximately \$222,000 and \$150,000 for the years ended June 30, 2025 and 2024, respectively.

The Agency paid \$3,000 and \$4,000 to the Archdiocese of New Orleans during the year ended June 30, 2025 and 2024, respectively, 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, 2025 and 2024. No amounts were outstanding as of June 30, 2025 or 2024.

The Agency donated \$900 and \$3,100 to Notre Dame Seminary during the years ended June 30, 2025 and 2024, respectively, as a fundraising 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 \$5,502,260 and \$5,340,064 at June 30, 2025 and 2024, respectively.

As described in Note 6, the Agency entered into a note receivable agreement with Notre Dame Health Systems, an affiliate of the Archdiocese.

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

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

### **14. Significant Contracts and Grants**

For the years ended June 30, 2025 and 2024, \$35,389,973 and \$30,421,192, respectively, of the Agency and Subsidiaries' governmental grants and contracts, was from the U.S. Department of Health and Human Services and \$252,605 and \$4,200,341, 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 \$3,424,583 and \$5,004,559 of the Agency and Subsidiaries' governmental revenues in fiscal years 2025 and 2024, 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 was not a part of the debtor entity, as defined by the United States Bankruptcy Court pursuant to this 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 were stayed as a result of the Chapter 11 proceeding. As described in Note 19, subsequent to year end, the Agency is a participant in a settlement agreement related to these claims, and \$6,000,000 is recorded as a liability on the Statements of Financial Position as of June 30, 2025.

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, 2025**

### **16. Concentrations of Credit Risk**

As of June 30, 2025 and 2024, program accounts receivable consisted primarily of amounts due from governmental sources.

On January 27, 2025, the Office of Management and budget (OMB) of the United States Federal Government instituted a pause (freeze) on the disbursements of federal grant and loan funds, which became effective January 28, 2025. The extent to which the funding freeze impacts the Agency's operations, financial results, and cash flows, both current and future, will depend on future developments, which are highly uncertain and cannot be predicted with any measure of certainty or probability. As a result, the Agency is unable to estimate what impact, if any, the funding freeze has on June 30, 2025 financial statements or the Agency's future operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. There has been no impact to the Agency's financial statements as of June 30, 2025.

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)**

Through June 30, 2024, PHILMAT received 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 did not pass through 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 for the year ended June 30, 2024. Commodity foods distributed by the Food for Seniors program during the year ended June 30, 2024, had an estimated value of \$16.1 million and weighed 13,424,448 pounds.

### **18. Board of Directors Compensation**

The members of the Agency's board of directors were not compensated during the years ended June 30, 2025 and 2024.

### **19. Subsequent Events**

The Agency has evaluated subsequent events through December 19, 2025, the date the financial statements were available to be issued.

On November 13, 2025, the Agency filed for a limited reorganization under Chapter 11 of the Bankruptcy Code under a prepackaged agreement in connection with the Archdiocese of New Orleans bankruptcy settlement. On December 16, 2025, the confirmed joint bankruptcy plan became effective, and the Agency's bankruptcy is now concluded. The bankruptcy proceedings had no impact on the Agency's ongoing operations, outstanding liabilities, employees, contracts, or grants and did not impact the Agency's ability to continue as a going concern. All amounts due on the date of the filing have been fully repaid and the terms of all contracts have been fulfilled.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2025**

**19. Subsequent Events (continued)**

As a result of the confirmed joint plan the Agency's bankruptcy, any potential liability for abuse claims or other unknown or unfiled claims that occurred prior to November 13, 2025, will be channeled to the Settlement Trust established by the joint plan, and the Agency will have no obligation related to any of those potential liabilities. To participate in the settlement, the Agency contributed \$6,000,000 to the settlement to pay for professional, administrative, and legal costs related to the bankruptcy proceedings. This amount is recorded on the Accounts Payable and Accrued Expenses line in the accompanying Statements of Financial Position and is included in Legal Fees on the Professional Fees and Contract Service Payments line in the accompanying Statement of Functional Expenses as of June 30, 2025, and was paid in December 2025.

The joint bankruptcy settlement includes a \$70 million payment to a settlement trust from the proceeds of the sale of the Affordable Housing Facilities (a/k/a the Christopher Homes portfolio) with the expected sale closing by March 2026. The \$70 million payment will be secured by irrevocable letters of credit issued by a financial institution. In addition, \$70 million in non-interest bearing promissory notes were issued by the Archdiocese of New Orleans (\$50 million due March 31, 2026 and \$20 million due July 15, 2026) of which the Agency is a co-guarantor of the promissory notes along with 156 affiliated entities. The Agency assessed the likelihood of payment under these notes as extremely remote and therefore has not recognized a liability.

As described in Note 7, on July 9, 2025, the Agency sold two PHILMAT warehouses in the amount of \$2.1 million.

No other material subsequent events requiring adjustment or disclosure were identified.

**SUPPLEMENTARY FINANCIAL INFORMATION**

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

**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**

	June 30, 2025					June 30, 2024				
	Catholic Charities	PHILMAT	PACE	Eliminations	Totals	Catholic Charities	PHILMAT	PACE	Eliminations	Totals
<b>ASSETS</b>										
Cash and cash equivalents	\$ 11,166,725	5,360	3,670,978	\$ (3,670,678)	\$ 11,172,385	\$ 8,767,760	\$ 10	\$ 2,779,423	\$ (2,779,123)	\$ 8,768,070
Program accounts receivable	2,545,827	-	55,750	-	2,601,577	3,332,512	1,014,618	321,586	-	4,668,716
Contributions receivable:										
Pledges	-	-	-	-	-	400	-	-	-	400
United Way	430,000	-	-	-	430,000	441,528	-	-	-	441,528
Note receivable	6,000,000	-	-	-	6,000,000	6,000,000	-	-	-	6,000,000
Other receivables, net of allowance	130,515	13,153	-	-	143,668	640,993	22,581	-	-	663,574
Investments	11,671,655	-	-	-	11,671,655	10,645,151	-	-	-	10,645,151
Prepaid expenses and deferred charges	254,379	20,025	12,654	-	287,058	568,289	21,244	11,592	-	601,125
Right-of-use assets	131,877	-	-	-	131,877	296,157	(100)	-	-	296,057
Property and equipment - net	4,039,663	1,359,879	3,223,664	-	8,623,206	4,238,580	1,416,320	3,366,937	-	9,021,837
Due (to) from affiliate	(10,418,438)	(135,427)	6,883,187	3,670,678	-	(10,031,867)	(231,011)	7,483,755	2,779,123	-
Total assets	<u>\$ 25,952,203</u>	<u>\$ 1,262,990</u>	<u>\$ 13,846,233</u>	<u>\$ -</u>	<u>\$ 41,061,426</u>	<u>\$ 24,899,503</u>	<u>\$ 2,243,662</u>	<u>\$ 13,963,293</u>	<u>\$ -</u>	<u>\$ 41,106,458</u>
<b>LIABILITIES AND NET ASSETS</b>										
Liabilities:										
Accounts payable and accrued expenses	7,158,139	\$ 1,564	\$ 2,475,910	\$ -	\$ 9,635,613	\$ 1,626,142	\$ 790,590	\$ 2,551,116	\$ -	\$ 4,967,848
Refundable advances	181,462	-	-	-	181,462	175,416	-	-	-	175,416
Unemployment reserve	52,701	-	1,138	-	53,839	52,701	8,090	1,137	-	61,928
Operating lease liability	122,230	-	-	-	122,230	285,306	-	-	-	285,306
Funds held for others	79,848	-	-	-	79,848	137,268	-	-	-	137,268
Total liabilities	<u>7,594,380</u>	<u>1,564</u>	<u>2,477,048</u>	<u>-</u>	<u>10,072,992</u>	<u>2,276,833</u>	<u>798,680</u>	<u>2,552,253</u>	<u>-</u>	<u>5,627,766</u>
Net assets:										
Without donor restrictions	14,257,566	1,153,977	11,369,185	-	26,780,728	18,177,412	1,337,533	11,411,040	-	30,925,985
With donor restrictions	4,100,257	107,449	-	-	4,207,706	4,445,258	107,449	-	-	4,552,707
Total net assets	<u>18,357,823</u>	<u>1,261,426</u>	<u>11,369,185</u>	<u>-</u>	<u>30,988,434</u>	<u>22,622,670</u>	<u>1,444,982</u>	<u>11,411,040</u>	<u>-</u>	<u>35,478,692</u>
Total liabilities and net assets	<u>\$ 25,952,203</u>	<u>\$ 1,262,990</u>	<u>\$ 13,846,233</u>	<u>\$ -</u>	<u>\$ 41,061,426</u>	<u>\$ 24,899,503</u>	<u>\$ 2,243,662</u>	<u>\$ 13,963,293</u>	<u>\$ -</u>	<u>\$ 41,106,458</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, 2025**

	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	\$ 4,059,173	\$ 245,571	\$ 4,304,744	\$ 18,196	\$ -	\$ 18,196	\$ 2,604	\$ -	\$ 2,604	\$ 4,079,973	\$ 245,571	\$ 4,325,544
Contributed goods and services	351,443	-	351,443	-	-	-	-	-	-	351,443	-	351,443
United Way												
Southeast Louisiana:												
Allocations	-	46,248	46,248	-	-	-	-	-	-	-	46,248	46,248
Designations	46,035	-	46,035	465	-	465	-	-	-	46,500	-	46,500
St. Charles Parish:												
Allocations	-	329,000	329,000	-	-	-	-	-	-	-	329,000	329,000
Special events	135,597	-	135,597	-	-	-	-	-	-	135,597	-	135,597
Total public support	4,592,248	620,819	5,213,067	18,661	-	18,661	2,604	-	2,604	4,613,513	620,819	5,234,332
Governmental financial assistance:												
Federal	18,345,578	-	18,345,578	-	-	-	-	-	-	18,345,578	-	18,345,578
Patient service revenues	-	-	-	-	-	-	19,829,284	-	19,829,284	19,829,284	-	19,829,284
Other governmental agencies	892,299	-	892,299	-	-	-	-	-	-	892,299	-	892,299
Total governmental financial assistance	19,237,877	-	19,237,877	-	-	-	19,829,284	-	19,829,284	39,067,161	-	39,067,161
Other Revenue:												
Program service fees	665,456	-	665,456	-	-	-	45,094	-	45,094	710,550	-	710,550
Miscellaneous	41,493	-	41,493	-	-	-	(258)	-	(258)	41,235	-	41,235
Interest income on loan receivable	598,356	-	598,356	-	-	-	-	-	-	598,356	-	598,356
Gain on disposition of property	129,224	-	129,224	16,252	-	16,252	240	-	240	145,716	-	145,716
Net assets released from restrictions	1,274,697	(1,274,697)	-	-	-	-	-	-	-	1,274,697	(1,274,697)	-
Total other revenue	2,709,226	(1,274,697)	1,434,529	16,252	-	16,252	45,076	-	45,076	2,770,554	(1,274,697)	1,495,857
Total revenue	26,539,351	(653,878)	25,885,473	34,913	-	34,913	19,876,964	-	19,876,964	46,451,228	(653,878)	45,797,350
<b>Expenses</b>												
Program services	28,409,319	-	28,409,319	326,111	-	326,111	19,114,119	-	19,114,119	47,849,549	-	47,849,549
Management and general	2,349,123	-	2,349,123	11,402	-	11,402	804,700	-	804,700	3,165,225	-	3,165,225
Fundraising	548,980	-	548,980	6	-	6	-	-	-	548,986	-	548,986
Total expenses	31,307,422	-	31,307,422	337,519	-	337,519	19,918,819	-	19,918,819	51,563,760	-	51,563,760
<b>Change in net assets before investment activity</b>	(4,768,071)	(653,878)	(5,421,949)	(302,606)	-	(302,606)	(41,855)	-	(41,855)	(5,112,532)	(653,878)	(5,766,410)
Net investment income	848,225	308,877	1,157,102	119,050	-	119,050	-	-	-	967,275	308,877	1,276,152
<b>Change in net assets</b>	(3,919,846)	(345,001)	(4,264,847)	(183,556)	-	(183,556)	(41,855)	-	(41,855)	(4,145,257)	(345,001)	(4,490,258)
<b>Net assets</b>												
Beginning 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
End of year	\$ 14,257,566	\$ 4,100,257	\$ 18,357,823	\$ 1,153,977	\$ 107,449	\$ 1,261,426	\$ 11,369,185	\$ -	\$ 11,369,185	\$ 26,780,728	\$ 4,207,706	\$ 30,988,434

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
<b>Revenues</b>												
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	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	25,867,254	(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
<b>Expenses</b>												
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
<b>Change in net assets before investment activity</b>												
Net investment income	(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
<b>Change in net assets</b>	106,941	(271,251)	(164,310)	(1,158,241)	-	(1,158,241)	(315,587)	-	(315,587)	(1,366,887)	(271,251)	(1,638,138)
<b>Net assets</b>												
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 FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2025**  
**(with comparative totals for 2024)**

	Catholic Charities				PHILMAT			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 12,376,967	\$ 743,439	\$ 293,795	\$ 13,414,201	\$ (54,894)	\$ 6,817	\$ 5	\$ (48,072)
Employee benefits	2,055,076	100,334	33,934	2,189,344	26,918	920	-	27,838
Payroll Taxes	913,040	50,770	22,014	985,824	3,653	466	-	4,119
Total salaries and related expenses	15,345,083	894,543	349,743	16,589,369	(24,323)	8,203	5	(16,115)
Professional fees and contract services	7,006,399	174,191	131,449	7,312,039	37,039	1,594	1	38,634
Supplies and other operating expenses	657,234	21,576	40,572	719,382	631	198	-	829
Equipment expense	277,620	85,044	4,164	366,828	2,331	780	-	3,111
Occupancy	1,207,580	15,707	6,279	1,229,566	118,327	144	-	118,471
Travel and transportation	95,081	3,852	380	99,313	25,107	35	-	25,142
Personnel recruitment and development	254,644	11,908	1,056	267,608	-	109	-	109
Insurance	536,835	17,492	5,306	559,633	110,625	160	-	110,785
Food	469,920	-	-	469,920	-	-	-	-
Contributed goods and services	351,443	-	-	351,443	-	-	-	-
Miscellaneous	121,063	8,479	9,641	139,183	2,407	81	-	2,488
Credit loss expense	-	1,105,621	-	1,105,621	-	-	-	-
Specific assistance to individuals	1,610,071	-	-	1,610,071	-	-	-	-
Provider services	-	-	-	-	-	-	-	-
Depreciation	476,346	10,710	390	487,446	53,967	98	-	54,065
Total expenses	\$ 28,409,319	\$ 2,349,123	\$ 548,980	\$ 31,307,422	\$ 326,111	\$ 11,402	\$ 6	\$ 337,519

(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, 2025**  
**(with comparative totals for 2024)**

	PACE				2025 Consolidated Totals				2024 Consolidated Totals
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total	
Salaries	\$ 4,593,278	\$ 481,097	\$ -	\$ 5,074,375	\$ 16,915,351	\$ 1,231,353	\$ 293,800	\$ 18,440,504	\$ 19,826,905
Employee benefits	826,978	64,929	-	891,907	2,908,972	166,183	33,934	3,109,089	3,111,825
Payroll Taxes	330,062	32,854	-	362,916	1,246,755	84,090	22,014	1,352,859	1,445,175
Total salaries and related expenses	5,750,318	578,880	-	6,329,198	21,071,078	1,481,626	349,748	22,902,452	24,383,905
Professional fees and contract services	2,502,893	112,723	-	2,615,616	9,546,331	288,508	131,450	9,966,289	3,975,695
Supplies and other operating expenses	441,217	13,962	-	455,179	1,099,082	35,736	40,572	1,175,390	1,524,413
Equipment expense	81,280	55,034	-	136,314	361,231	140,858	4,164	506,253	728,890
Occupancy	252,063	10,164	-	262,227	1,577,970	26,015	6,279	1,610,264	2,082,292
Travel and transportation	223,245	2,493	-	225,738	343,433	6,380	380	350,193	998,291
Personnel recruitment and development	55,125	7,706	-	62,831	309,769	19,723	1,056	330,548	297,260
Insurance	328,658	11,320	-	339,978	976,118	28,972	5,306	1,010,396	1,182,166
Food	617,868	-	-	617,868	1,087,788	-	-	1,087,788	840,736
Contributed goods and services	-	-	-	-	351,443	-	-	351,443	345,361
Miscellaneous	3,130	5,487	-	8,617	126,600	14,047	9,641	150,288	113,287
Bad debt expense	-	-	-	-	-	1,105,621	-	1,105,621	-
Specific assistance to individuals	283,718	-	-	283,718	1,893,789	-	-	1,893,789	3,020,381
Provider services	8,160,315	-	-	8,160,315	8,160,315	-	-	8,160,315	7,437,051
Depreciation	414,289	6,931	-	421,220	944,602	17,739	390	962,731	1,191,316
Total expenses	\$ 19,114,119	\$ 804,700	\$ -	\$ 19,918,819	\$ 47,849,549	\$ 3,165,225	\$ 548,986	\$ 51,563,760	\$ 48,121,044

(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, 2025**

	Catholic Charities								2025 Consolidated Totals
	Head Start	Padua Pediatrics and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs	Totals	PHILMAT	PACE	
<b>Revenues</b>									
Public support:									
Contributions	\$ 814,240	\$ 96,735	\$ 509,252	\$ 188,152	2,696,365	\$ 4,304,744	\$ 18,196	\$ 2,604	\$ 4,325,544
Contributed goods and services	330,501	-	-	-	20,942	351,443	-	-	351,443
United Way:									
Southeast Louisiana:									
Allocations	-	-	-	50,000	(3,752)	46,248	-	-	46,248
Designations	19,383	-	4,146	3,069	19,437	46,035	465	-	46,500
St. Charles Parish:									
Allocations	-	-	329,000	-	-	329,000	-	-	329,000
Special events	-	-	-	-	135,597	135,597	-	-	135,597
Total public support	<u>1,164,124</u>	<u>96,735</u>	<u>842,398</u>	<u>241,221</u>	<u>2,868,589</u>	<u>5,213,067</u>	<u>18,661</u>	<u>2,604</u>	<u>5,234,332</u>
Governmental financial assistance:									
Federal	7,468,525	3,718,429	999,919	840,009	5,318,696	18,345,578	-	-	18,345,578
Patient service revenues	-	-	-	-	-	-	-	19,829,284	19,829,284
Other governmental agencies	249,322	-	-	40,920	602,057	892,299	-	-	892,299
Total governmental financial assistance	<u>7,717,847</u>	<u>3,718,429</u>	<u>999,919</u>	<u>880,929</u>	<u>5,920,753</u>	<u>19,237,877</u>	<u>-</u>	<u>19,829,284</u>	<u>39,067,161</u>
Other Revenue:									
Program service fees	-	172,514	-	76,258	416,684	665,456	-	45,094	710,550
Miscellaneous	-	20,243	-	21,250	-	41,493	-	(258)	41,235
Interest income on loan receivable	-	-	-	-	598,356	598,356	-	-	598,356
Gain (loss) on disposition of property	-	132,483	-	-	(3,259)	129,224	16,252	240	145,716
Total other revenue	-	<u>325,240</u>	-	<u>97,508</u>	<u>1,011,781</u>	<u>1,434,529</u>	<u>16,252</u>	<u>45,076</u>	<u>1,495,857</u>
Total revenue	<u>8,881,971</u>	<u>4,140,404</u>	<u>1,842,317</u>	<u>1,219,658</u>	<u>9,801,123</u>	<u>25,885,473</u>	<u>34,913</u>	<u>19,876,964</u>	<u>45,797,350</u>
<b>Expenses</b>									
Salaries	4,487,439	2,202,223	952,467	413,679	4,321,159	12,376,967	(54,894)	4,593,278	16,915,351
Employee benefits	694,912	394,300	176,305	54,770	734,789	2,055,076	26,918	826,978	2,908,972
Payroll taxes	331,056	162,203	75,077	30,696	314,008	913,040	3,653	330,062	1,246,755
Total salaries and related expenses	<u>5,513,407</u>	<u>2,758,726</u>	<u>1,203,849</u>	<u>499,145</u>	<u>5,369,956</u>	<u>15,345,083</u>	<u>(24,323)</u>	<u>5,750,318</u>	<u>21,071,078</u>
Professional fees and contract service payments	293,305	407,752	139,193	316,559	5,849,590	7,006,399	37,039	2,502,893	9,546,331
Supplies and other operating expenses	233,754	335,267	21,543	12,025	54,645	657,234	631	441,217	1,099,082
Equipment expense	74,319	53,017	31,922	10,005	108,357	277,620	2,331	81,280	361,231
Occupancy	651,093	148,043	(350,813)	130,993	628,264	1,207,580	118,327	252,063	1,577,970
Travel and transportation	9,278	41,336	20,253	5,151	19,063	95,081	25,107	223,245	343,433
Personnel recruitment and development	142,584	10,468	5,870	4,041	91,681	254,644	-	55,125	309,769
Insurance	158,335	157,417	150,744	33,729	36,610	536,835	110,625	328,658	976,118
Food	244,336	224,782	612	190	-	469,920	-	617,868	1,087,788
Contributed goods and services	330,501	-	-	-	20,942	351,443	-	-	351,443
Management and general	401,052	254,734	112,219	74,895	400,602	1,243,502	11,402	804,700	2,059,604
Miscellaneous	3,066	103,494	641	2,020	11,842	121,063	2,407	3,130	126,601
Credit loss expense	-	-	-	-	1,105,621	1,105,621	-	-	1,105,621
Specific assistance to individuals	91	99,941	245,956	246,739	1,017,344	1,610,071	-	283,718	1,893,789
Provider services	-	-	-	-	-	-	-	8,160,315	8,160,315
Fundraising	3,877	35,422	128,239	24,453	356,989	548,980	6	-	548,986
Depreciation	145,287	110,216	137,392	65,815	17,636	476,346	53,967	414,289	944,602
Total expenses	<u>8,204,285</u>	<u>4,740,615</u>	<u>1,847,620</u>	<u>1,425,760</u>	<u>15,089,142</u>	<u>31,307,422</u>	<u>337,519</u>	<u>19,918,819</u>	<u>51,563,760</u>
<b>Change in net assets before investment activity</b>	677,686	(600,211)	(5,303)	(206,102)	(5,288,019)	(5,421,949)	(302,606)	(41,855)	(5,766,410)
Net investment income	71,578	-	80,705	408,677	596,142	1,157,102	119,050	-	1,276,152
<b>Change in net assets</b>	<u>\$ 749,264</u>	<u>\$ (600,211)</u>	<u>\$ 75,402</u>	<u>\$ 202,575</u>	<u>\$ (4,691,877)</u>	<u>\$ (4,264,847)</u>	<u>\$ (183,556)</u>	<u>\$ (41,855)</u>	<u>\$ (4,490,258)</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, 2025**

**Agency Head: Sr. Marjorie Hebert, President and Chief Executive Officer (July 2024 - December 2024)**

<b><u>Purpose</u></b>	<b><u>Amount</u></b>
Salary	\$ 101,248

**Agency Head: Cynthia Hayes, President and Chief Executive Officer (January 2025 - June 2025)**

<b><u>Purpose</u></b>	<b><u>Amount</u></b>
Salary	\$ 100,068
Travel	1,287
Benefits - retirement	2,812
Benefits - insurance	2,377

See accompanying independent auditors' report.

**EISNERAMPER**

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

**SINGLE AUDIT REPORT**

**JUNE 30, 2025**



# CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited, 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 (*Government Auditing Standards*), the financial statements of Catholic Charities Archdioceses of New Orleans (the "Agency") (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 19, 2025.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*EisnerAmper LLP*

EISNERAMPER LLP  
Metairie, Louisiana  
December 19, 2025

EISNERAMPER  
LLP



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited Charities Archdiocese of New Orleans' (the "Agency") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Agency's major federal program for the year ended June 30, 2025. The Agency's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("Government Auditing Standards"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of the major federal program.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2025-001. Our opinion on each major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Agency's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs *and* corrective action plan. The Agency's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal



control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Agency's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Agency's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the consolidated financial statements of the Agency as of and for the year ended June 30, 2025 and have issued our report thereon dated December 19, 2025, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*EisnerAmper LLP*

EISNERAMPER LLP  
Metairie, Louisiana  
December 19, 2025



**EisnerAmper LLP**  
[www.eisneramper.com](http://www.eisneramper.com)

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title/Program Description	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Pass-through programs from:			
State of Louisiana			
Department of Education			
Division of Nutrition Support			
Child and Adult Care Food Program			
Child Day Care	10.558	2004-795171297	\$ 231,286
Child Nutrition Cluster			
National School Lunch Program	10.555	2004-795171297	21,319
Total - U.S. Department of Agriculture			<u>252,605</u>
<b>U.S. Department of Housing and Urban Development</b>			
Direct Programs:			
Continuum of Care Program			
Transitional Housing	14.267	LA0052L63H032417	207,004
Total - U.S. Department of Housing and Urban Development			<u>207,004</u>
<b>U.S. Department of Justice</b>			
Pass-through programs from:			
Louisiana Commission on Law Enforcement and Administration of Criminal Justice			
Crime Victim Assistance			
Domestic Violence	16.575	2023-VA-02-7308	81,119
Total - U.S. Department of Justice			<u>81,119</u>
<b>U.S. Department of State</b>			
Pass-through program from:			
United States Conference of Catholic Bishops			
United States Refugee Admissions Program			
Reception and Placement - Direct Assistance	19.510	S-PRMCO-23-CA-0008	110,833
Reception and Placement - administration	19.510	S-PRMCO-24-CA-0342	60,651
Emergency Refugee Medical Assistance	19.510	S-PRMCO-24-CA-0366	2,223
Total - U.S. Department of State			<u>173,707</u>
<b>U.S. Department of Treasury</b>			
Pass-through program from:			
St. Tammany Parish			
ARPA Healthy Children, Healthy Community COVID-19	21.027	None	154,792
Total - U.S. Department of Treasury			<u>154,792</u>
<b>U.S. Department of Education</b>			
Pass-through program from:			
State of Louisiana			
Louisiana Community and Technical College System			
Adult Education - Basic Grants to States			
Adult Ed-State	84.002	None	139,482
Adult Education	84.002	V002A220018	424,616
Total - U.S. Department of Education			<u>564,098</u>
<b>U.S. Department of Health and Human Services</b>			
Direct Program:			
Head Start Cluster			
Head Start / Early Head Start Program	93.600	06CH011572	7,237,238
Total- Head Start Cluster			<u>7,237,238</u>

(Continued)

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title/Program Description	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass-through programs from:			
State of Louisiana			
Office for Refugees			
Refugee and Entrant Assistance-State-Administered Program			
Older Refugee Support Services	93.566	2401LARSSS	21,005
Refugee Social Services	93.566	2401LARSSS	794,730
CMA - LOR/CCDBR	93.566	2402LARCMA	579,037
LOR - Youth Mentoring	93.566	2401LARSSS	26,310
LOR - Base ASA	93.566	2401LARSSS	56,716
LOR - Afghan RSI	93.566	2401LARSSS	13,449
LOR - AUSAA	93.566	2401LARSSS	141,691
LOR - AYM	93.566	2401LARSSS	2,710
LOR/AUSAA - RSI	93.566	2401LARSSS	39,446
Refugee Medical Screening Program	93.566	2402LARCMA	7,488
POWIR Program	93.576	90RP0121	28,266
Total - Office for Refugees			<u>1,710,848</u>
Department of Children and Family Services			
Social Services Block Grant			
Therapeutic Family Services	93.667	010007814	615,445
Temporary Assistance for Needy Families			
Pathways to Prosperity	93.558	2501LATNF	17,561
Alternatives to Abortion	93.558	None	100,800
Total - Temporary Assistance for Needy Families			<u>118,361</u>
Total - State of Louisiana			<u>2,444,654</u>
Total - U.S. Department of Health and Human Services			<u>9,681,892</u>
<b>Corporation for National and Community Service</b>			
Direct program:			
Foster Grandparent/Senior Companion Cluster			
Foster Grandparents Program	94.011	22SFLA001	288,742
Total - Corporation for National and Community Service			<u>288,742</u>
<b>U.S. Department of Homeland Security</b>			
Direct program:			
Citizenship Education and Training			
Pathways to Citizenship	97.010	23CICET00313-01-00	\$ 64,345
Total - U.S. Department of Homeland Security			<u>64,345</u>
Total Expenditures of Federal Awards included in this report			<u>\$ 11,468,304</u>

**Federal Expenditures Summarized by Assistance Listing Number:**

National School Lunch Program	10.555		\$ 21,319
Child and Adult Care Food Program	10.558		231,286
Continuum of Care Program	14.267		207,004
Crime Victim Assistance	16.575		81,119
U.S. Refugee Admissions Program	19.510		173,707
COVID-19 Coronavirus State and Local Fiscal Recovery Program	21.027		154,792
Adult Education - Basic Grants to States	84.002		564,098
Temporary Assistance for Needy Families	93.558		118,361
Refugee and Entrant Assistance - State Administered Programs	93.566		1,682,582
Refugee and Entrant Assistance - Discretionary Grants	93.576		28,266
Head Start	93.600		7,237,238
Social Services Block Grant	93.667		615,445
Foster Grandparent Program	94.011		288,742
Citizenship Education and Training	97.010		64,345
			<u>\$ 11,468,304</u>

See accompanying notes to schedule of expenditures of federal awards.

# CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS

## Notes to Schedule of Expenditures of Federal Awards June 30, 2025

### (1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Catholic Charities Archdiocese of New Orleans, and PACE Greater New Orleans (collectively, the "Agency"). The Agency's reporting entity is defined in Note 1 to the consolidated financial statements for the year ended June 30, 2025. All federal awards received from federal agencies are included on the schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

### (2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Agency has elected not to use the de minimis indirect cost rate of up to 15-percent allowed under the Uniform Guidance.

### (3) Relationship to Financial Statements

Federal awards are included in the consolidated financial statements of the Agency as follows:

Schedule of Federal Awards	\$ 11,468,304
State and local funds	892,299
U.S. Department of Health and Human Services – Fees	2,192,140
U.S. Department of Homeland Security – Fees	998,477
Office of Health and Hospitals – Medicaid and Medicare	<u>23,515,941</u>
<b>Total governmental financial assistance</b>	<b><u>\$ 39,067,161</u></b>

### (4) Amounts Passed through to Subrecipients

During the year ended June 30, 2025, the Agency did not pass through any federal funding to subrecipients.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**

**Schedule of Findings and Questioned Costs  
Year ended June 30, 2025**

(1) Summary of Auditors' Results

*Financial Statements*

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted: no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes

Type of auditors' report issued on compliance for major programs: unmodified

Any audit findings which are required to be reported in accordance with the 2 CFR 200.516(a)? yes

Identification of major programs:

U.S. Department of Health and Human Services  
Head Start 93.600

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? yes

(2) Findings relating to the consolidated financial statements reported in accordance with Government Auditing Standards:

None

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**

**Schedule of Findings and Questioned Costs  
Year ended June 30, 2025**

(3) Findings and questioned costs relating to federal awards:

2025-001 Timely Submission of SF-425 Reports

Federal Program: U.S. Department of Health and Human Services  
Head Start Cluster, Assistance Listing Number 93.600, 06CH011572

Criteria: Under Head Start reporting requirement, the Agency is required to submit SF-425 reports within certain time frames.

Condition: The population of reports due during the fiscal year included 1 semi-annual reports, and 1 annual report. The semi-annual report and the annual reports for the period ended December 31, 2024 were due by July 30, 2024 and March 31, 2025, respectively. The semi-annual and annual reports were submitted February 13, 2025 and April 1, 2025, respectively.

Statistically Valid Sample: N/A

Cause: The Agency did not have adequate internal controls in place to ensure that the SF-425 reports were submitted timely.

Effect: The Agency is non-compliant with Head Start reporting requirements.

Questioned Costs: None

Repeat Finding: Yes – 2024-001

Recommendation: We recommend that the Agency implement procedures to ensure all federal reports are submitted by the required deadlines, The Agency should consider implementing a centralized reporting calendar with automated reminders to ensure timely submission of all required reports.

Views of Responsible Officials: During the fiscal year ended June 30, 2025, the Agency was required to submit a semi-annual and an annual Federal Financial Report (FFR) Standard Form 425 for the reporting period ended December 31, 2024 for its Head Start program. These reports were due July 30, 2024 for the semi-annual report and March 31, 2025 for the annual reports.

The semi-annual and annual reports were subsequently submitted on February 13<sup>th</sup> and April 1<sup>st</sup>, 2025, respectively.

The Agency acknowledges the importance of adhering to reporting deadlines and has taken steps to mitigate the risk of late reporting in the future by enabling report reminders in the reporting system to notify us when critical financial reports are due.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**

**Summary Schedule of Prior Audit Findings  
Year ended June 30, 2025**

Findings relating to the consolidated financial statements reported in accordance with *Government Auditing Standards*:

None

Findings and questioned costs relating to federal awards:

2024-001 Timely Submission of SF-425 Reports

Federal Program: U.S. Department of Health and Human Services  
Head Start Cluster, Assistance Listing Number 93.600

Criteria: Under Head Start reporting requirement, the Agency is required to submit SF-425 reports within certain time frames.

Condition: The population of reports due during the fiscal year included include 1 semi-annual reports, 1 annual report, and 1 final report. The semi-annual report and the annual reports for the period ended December 31, 2023 were due by April 30, 2024. Both reports were submitted in May 2024. The final report was submitted by the due date.

Status: Not resolved. See repeat finding 2025-001.



### 2024-001 Timely Submission of SF-425 Reports

Federal Program: U.S. Department of Health and Human Services  
Head Start Cluster, Assistance Listing Number 93.600

Criteria: Under Head Start reporting requirement, the Agency is required to submit SF-425 reports within certain time frames.

Condition: The population of reports due during the fiscal year included include 1 semiannual reports, 1 annual report, and 1 final report. The semi-annual report and the annual reports for the period ended December 31, 2023 were due by April 30, 2024. Both reports were submitted in May 2024. The final report was submitted by the due date.

#### Agency Response:

The agency acknowledges the necessity of timely, accurate reporting to funders and stakeholders. The agency plans to implement electronic calendars and checklists which will be used to monitor and manage these deadlines to ensure they are met. We anticipate completion within the fiscal year, 2026.

#### Responsible Contacts:

Stacie Bonck, CFO  
Michael Nathan, Controller

**EISNERAMPER**

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

**REPORT ON STATEWIDE  
AGREED-UPON PROCEDURES ON  
COMPLIANCE AND CONTROL AREAS**

**FOR THE YEAR ENDED JUNE 30, 2025**



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

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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

To: Catholic Charities Archdiocese of New Orleans and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of Catholic Charities Archdiocese of New Orleans for the fiscal period July 1, 2024 through June 30, 2025. Catholic Charities Archdiocese of New Orleans' management is responsible for those C/C areas identified in the SAUPs.

Catholic Charities Archdiocese of New Orleans has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2024, through June 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by Catholic Charities Archdiocese of New Orleans to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Catholic Charities Archdiocese of New Orleans for the fiscal period July 1, 2024 through June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Catholic Charities Archdiocese of New Orleans and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



EISNERAMPER LLP  
Metairie, Louisiana  
December 19, 2025

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *“no exception noted”* or for step 13 *“we performed the procedure and discussed the results with management”*. If not, then a description of the exception ensues.

**1) Written Policies and Procedures**

---

A. Obtain and inspect the organization’s written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the organization’s operations):

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

*No exception noted.*

ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

*No exception noted.*

iii. **Disbursements**, including processing, reviewing, and approving

*No exception noted.*

iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

*No exception noted.*

v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

*No exception noted.*

vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

*No exception noted.*

vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

*No exception noted.*

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

*No exception noted.*

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the organization's ethics policy.

*The Agency is a non-profit. Thus, this procedure is not applicable.*

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*The Agency is a non-profit. Thus, this procedure is not applicable.*

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*No exception noted.*

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

*The Agency is a non-profit. Thus, this procedure is not applicable.*

**2) Board or Finance Committee**

---

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe whether the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**3) Bank Reconciliations**

---

- A. Obtain a listing of organization bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the organization's main operating account. Select the organization's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

*A listing of bank accounts was provided and included a total of 85 bank accounts. Management identified the organization's main operating account. Management represented that only 2 of the 85 bank accounts receive public funds. No exceptions were noted as a result of performing this procedure.*

*From the listing provided, we selected the 2 bank accounts that receive public funds (1 main operating and 1 other) and obtained the bank reconciliations for the month ending June 30, 2025, resulting in 2 bank reconciliations obtained and subjected to the below procedures.*

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

*No exception noted.*

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

*No exception noted.*

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*No exception noted.*

**4) Collections (excluding electronic funds transfers)**

---

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

*A listing of deposit sites was provided and included a total of 4 deposit sites. No exceptions were noted as a result of performing this procedure.*

*From the listing provided, we selected the 4 deposit sites and performed the procedures below.*

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

*A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 4 collection locations. No exceptions were noted as a result of performing this procedure.*

*We selected the 4 collection locations. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.*

- i. Employees responsible for cash collections do not share cash drawers/registers;

*No exception noted.*

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;

*No exception noted.*

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

*No exception noted.*

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
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- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.

*No exception noted.*

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

*No exception noted.*

- D. Randomly select two deposit dates for each of the bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

*We randomly selected 2 deposit dates for each of the 2 bank accounts selected in procedure #3A. For 1 of the bank accounts there were no deposits. We obtained supporting documentation for each of the 2 deposits and performed the procedures below.*

- i. Observe that receipts are sequentially pre-numbered.

*No exception noted.*

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*No exception noted.*

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

*No exception noted.*

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

*No exception noted.*

- v. Trace the actual deposit per the bank statement to the general ledger.

*No exception noted.*

**5) *Non-payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

---

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. At least two employees are involved in processing and approving payments to vendors;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
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JUNE 30, 2025**

Schedule A

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

---

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

---

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by “Written Policies and Procedures”, procedure #1A(vii); and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS  
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS  
JUNE 30, 2025**

Schedule A

**8) Contracts**

---

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

**9) Payroll and Personnel**

---

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

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- i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

## **10) Ethics**

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- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

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- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

***11) Debt Service***

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- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

***12) Fraud Notice***

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

***13) Information Technology Disaster Recovery/Business Continuity***

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- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

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- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled from the network.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

#### **14) Prevention of Sexual Harassment**

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- A. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

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- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- ii. Number of sexual harassment complaints received by the agency;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***

- v. Amount of time it took to resolve each complaint.

***Procedures were not performed in the current year (year 2) in accordance with LLA guidelines.***