

**CATHOLIC CHARITIES, INC.**  
**Jackson, Mississippi**

**Audited Financial Statements**  
Year Ended June 30, 2014  
(With Summarized Financial Information  
for the Year Ended June 30, 2013)

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Catholic Charities, Inc.  
Jackson, Mississippi

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Catholic Charities, Inc. (the "Organization") (a nonprofit corporation) which comprise the statement of financial position as of June 30, 2014, the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2014, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited the Organization's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 30, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 November 12, 2014, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



Ridgeland, Mississippi  
November 12, 2014

**CATHOLIC CHARITIES, INC.**  
 Statements of Financial Position  
 June 30, 2014 and 2013

	<b>2014</b>	<b>2013</b>
<b>ASSETS</b>		
Current assets		
Cash	\$ 3,869	\$ 3,859
Grants receivable (Note 5)	849,947	644,872
Pledges receivable, current portion (Note 2)	71,010	47,437
Accounts receivable, other	15,693	3,899
Savings deposit in Catholic Diocese of Jackson Deposit and Loan Fund (Note 7)	26,027	25,258
Restricted funds on deposit in Catholic Diocese of Jackson Deposit and Loan Fund (Note 7)	262,318	767,079
Prepaid expenses	66,445	40,240
Total current assets	1,295,309	1,532,644
Noncurrent assets		
Property, plant and equipment, at cost less accumulated depreciation of \$448,025 in 2014 and \$434,374 in 2013 (Note 3)	49,595	35,200
Pledges receivable, net of discount, allowance and current portion (Note 2)	67,293	52,304
Endowment deposits in the Catholic Diocese of Jackson Foundation	67,390	67,055
Total noncurrent assets	184,278	154,559
Total assets	\$ 1,479,587	\$ 1,687,203
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Excess of outstanding checks over bank balance	\$ 178,348	\$ 177,400
Accounts payable and accrued expenses	308,131	203,109
Accrued salaries	50,870	39,843
Deferred income	-	21,341
Total current liabilities	537,349	441,693
Net assets		
Unrestricted		
Unrestricted - undesignated	143,380	396,334
Board designated (Note 9)	-	11,097
Total unrestricted	143,380	407,431
Temporarily restricted (Note 9)	731,468	771,024
Permanently restricted (Note 9)	67,390	67,055
Total net assets	942,238	1,245,510
Total liabilities and net assets	\$ 1,479,587	\$ 1,687,203

See accompanying notes.

**CATHOLIC CHARITIES, INC.**  
 Statements of Activities  
 Year Ended June 30, 2014  
 (With Comparative Totals for the Year Ended June 30, 2013)

	Unrestricted Funds	Temporarily Restricted Funds	Permanently Restricted Funds	Total All Funds	
				2014	2013
Public support and revenue					
Public support					
Received directly					
Contributions	\$ 730,613	\$ 298,626	\$ -	\$ 1,029,239	\$ 884,289
Bequest and memorials	198,733	-	-	198,733	128,244
Donated services	155,863	-	-	155,863	140,876
	<u>1,085,209</u>	<u>298,626</u>	<u>-</u>	<u>1,383,835</u>	<u>1,153,409</u>
Grants from governmental and private agencies	4,972,495	921,928	-	5,894,423	5,846,282
Total public support	<u>6,057,704</u>	<u>1,220,554</u>	<u>-</u>	<u>7,278,258</u>	<u>6,999,691</u>
Revenue					
Program service fees	885,284	4,372	-	889,656	847,707
Interest income	7,774	-	335	8,109	22,926
Total revenue	<u>893,058</u>	<u>4,372</u>	<u>335</u>	<u>897,765</u>	<u>870,633</u>
Net assets released from restrictions – satisfaction of program restrictions	1,264,482	(1,264,482)	-	-	-
Total public support and revenue	<u>8,215,244</u>	<u>(39,556)</u>	<u>335</u>	<u>8,176,023</u>	<u>7,870,324</u>
Expenses					
Program services					
Parish-Based Ministries	397,757	-	-	397,757	362,203
Adoptions/Maternity/Foster Care	128,253	-	-	128,253	123,603
Solomon Counseling Center/ Family Ministries	430,172	-	-	430,172	199,973
Unaccompanied Refugee Minor	1,240,134	-	-	1,240,134	1,043,589
Domestic Violence Services	1,030,458	-	-	1,030,458	1,171,912
Rape Crisis Center	236,378	-	-	236,378	248,934
Guardian Shelter/RCC	820,595	-	-	820,595	837,382
Natchez Services	108,042	-	-	108,042	102,325
Children's Mental Health Services	1,977,012	-	-	1,977,012	2,091,793
Alcohol/Drug Abuse/Born Free/ New Beginnings	556,435	-	-	556,435	618,837
Disaster Preparedness	55,586	-	-	55,586	119,726
Northeast Services	69,320	-	-	69,320	50,862
Veterans Services	165,601	-	-	165,601	-
Total program services	<u>7,215,743</u>	<u>-</u>	<u>-</u>	<u>7,215,743</u>	<u>6,971,139</u>
Supporting services					
Management and general	955,311	-	-	955,311	863,560
Fundraising	308,241	-	-	308,241	266,836
Total supporting services	<u>1,263,552</u>	<u>-</u>	<u>-</u>	<u>1,263,552</u>	<u>1,130,396</u>
Total expenses	<u>8,479,295</u>	<u>-</u>	<u>-</u>	<u>8,479,295</u>	<u>8,101,535</u>
Change in net assets	(264,051)	(39,556)	335	(303,272)	(231,211)
Net assets at beginning of year	407,431	771,024	67,055	1,245,510	1,476,721
Net assets at end of year	<u>\$ 143,380</u>	<u>\$ 731,468</u>	<u>\$ 67,390</u>	<u>\$ 942,238</u>	<u>\$ 1,245,510</u>

See accompanying notes.

CATHOLIC CHARITIES, INC.  
 Statements of Functional Expenses  
 Year Ended June 30, 2014  
 (With Comparative Totals for the Year Ended June 30, 2013)

	Program Services														Supporting Services		Total Expenses	
	Parish Based Ministries	Adoption/ Maternity/ Foster Care	Solomon Counseling Center & Family Ministries	Unaccompanied Refugee Minor	Domestic Violence Services	Rape Crisis Center	Guardian Shelter/ RCC	Natchez Services	Children's Mental Health Services	Alcohol/ Drug Abuse/ Born Free/ New Beginnings	Disaster Preparedness	Northeast Services	Veteran Services	Total	Management and General	Fund Raising	2014	2013
Salaries	\$ 190,394	\$ 81,858	\$ 248,965	\$ 582,098	\$ 503,688	\$ 121,537	\$ 446,964	\$ 39,544	\$ 1,045,482	\$ 314,546	\$ 23,474	\$ 23,254	\$ 77,162	\$ 3,698,966	\$ 546,187	\$ 100,788	\$ 4,345,941	\$ 4,057,994
Payroll taxes	15,265	6,375	19,155	47,260	40,031	9,620	36,367	3,295	83,380	25,771	1,886	1,999	6,700	297,104	41,793	8,381	347,278	338,800
Employee benefits	38,177	19,998	45,244	125,922	116,431	28,932	107,695	16,750	230,343	67,772	4,249	928	15,792	818,233	100,339	13,042	931,614	912,743
Supplies and literature	10,216	1,297	10,266	21,234	23,440	914	42,674	1,166	20,362	23,346	928	1,160	2,713	159,716	15,737	12,165	187,618	202,307
Telephone	5,285	1,007	1,494	10,710	12,788	1,962	7,658	5,620	15,905	2,951	92	1,596	2,513	69,581	5,572	2,489	77,642	67,547
Conferences, conventions and meetings	41,538	249	15,467	16,413	469	521	9,130	2,738	29,580	2,240	171	809	396	119,721	9,632	107,722	237,075	170,903
Subsistence, housing, medical and related subsidies	49,776	-	2,972	224,002	48,368	123	56,778	31,173	269,011	17,334	15,061	18,864	40,714	774,176	-	(496)	773,680	907,694
Equipment purchases	-	-	1,544	53,057	4,722	734	-	-	665	(14,805)	-	-	878	46,795	4,473	-	51,268	42,944
Occupancy	18,012	9,618	34,595	102,426	138,418	6,667	54,438	1,990	81,244	77,593	5,267	2,293	3,075	535,636	82,925	14,459	633,020	561,377
Professional fees	5,507	594	23,278	11,401	60,632	464	2,271	270	74,617	5,145	69	393	7	184,648	106,978	8,195	299,821	286,680
Transportation and travel	13,664	4,448	18,710	23,627	10,022	2,421	17,042	1,058	73,036	20,551	3,862	1,193	15,582	205,216	11,635	2,859	219,710	203,681
Insurance	243	65	252	358	3,894	-	1,233	163	998	528	-	100	-	7,834	365	127	8,326	8,883
Repairs and maintenance	-	-	145	8,779	33,481	-	7,748	626	14,221	11,489	-	1,615	-	78,104	4,921	863	83,888	87,763
Printing	5,258	543	7,975	10,234	2,033	601	696	2,392	3,620	-	527	22	69	33,970	8,916	13,881	56,767	48,207
Promotion and public relations	3,763	2,167	110	2,613	1,895	-	72	231	28,990	-	-	268	-	40,109	4,640	3,199	47,948	40,982
Administrative costs	-	-	-	-	-	-	-	789	1,118	-	-	-	-	1,907	6,278	-	8,185	9,388
Donated goods and services	-	-	-	-	29,751	61,882	29,004	-	-	-	-	14,826	-	135,463	-	20,400	155,863	140,876
<b>Total expenses before depreciation</b>	<b>397,098</b>	<b>128,219</b>	<b>430,172</b>	<b>1,240,134</b>	<b>1,030,063</b>	<b>236,378</b>	<b>819,770</b>	<b>107,805</b>	<b>1,972,572</b>	<b>554,461</b>	<b>55,586</b>	<b>69,320</b>	<b>165,601</b>	<b>7,207,179</b>	<b>950,391</b>	<b>308,074</b>	<b>8,465,644</b>	<b>8,088,769</b>
Depreciation of plant and equipment	659	34	-	-	395	-	825	237	4,440	1,974	-	-	-	8,564	4,920	167	13,651	12,766
<b>Totals</b>	<b>\$ 397,757</b>	<b>\$ 128,253</b>	<b>\$ 430,172</b>	<b>\$ 1,240,134</b>	<b>\$ 1,030,458</b>	<b>\$ 236,378</b>	<b>\$ 820,595</b>	<b>\$ 108,042</b>	<b>\$ 1,977,012</b>	<b>\$ 556,435</b>	<b>\$ 55,586</b>	<b>\$ 69,320</b>	<b>\$ 165,601</b>	<b>\$ 7,215,743</b>	<b>\$ 955,311</b>	<b>\$ 308,241</b>	<b>\$ 8,479,295</b>	<b>\$ 8,101,535</b>

See accompanying notes.



**CATHOLIC CHARITIES, INC.**  
 Statements of Cash Flows  
 Years Ended June 30, 2014 and 2013

	<b>2014</b>	<b>2013</b>
Cash flows from operating activities		
Change in net assets	\$ (303,272)	\$ (231,211)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	13,651	12,766
Loss on disposal of assets	-	989
Changes in assets and liabilities		
Grants receivable	(205,075)	281,755
Pledge receivable	(38,562)	40,194
Accounts receivable, other	(11,794)	(3,899)
Deposits and other assets	(335)	(168)
Prepaid expenses	(26,205)	25,466
Accounts payable and accrued expenses	105,022	(33,033)
Accrued salaries	11,027	(4,180)
Deferred income	(21,341)	21,341
Net cash provided by (used in) operating activities	<u>(476,884)</u>	<u>110,020</u>
Cash flows from investing activities		
Deposit to Catholic Diocese of Jackson Deposit and Loan Fund	(769)	(745)
Net, Restricted Fund (deposits to) withdrawals from Catholic Diocese of Jackson Deposit and Loan Fund	504,761	(190,775)
Purchase of property, plant and equipment	<u>(28,046)</u>	<u>(6,072)</u>
Net cash provided by (used in) investing activities	<u>475,946</u>	<u>(197,592)</u>
Cash flows from financing activities		
Excess of outstanding checks over bank balance	<u>948</u>	<u>87,831</u>
Net cash provided by financing activities	<u>948</u>	<u>87,831</u>
Net increase in cash	10	259
Cash at beginning of year	<u>3,859</u>	<u>3,600</u>
Cash at end of year	<u>\$ 3,869</u>	<u>\$ 3,859</u>

See accompanying notes.

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Nature of Operations and Summary of Significant Accounting Policies**

Nature of Operations

Catholic Charities, Inc. (the "Organization") is a Mississippi not-for-profit corporation established in 1963 as the social service agency of the Catholic Diocese of Jackson. The mission of the Organization is multi-faceted and includes direct service, advocacy and public consciousness raising. Services are provided for all people regardless of religious affiliation, race, color or country of origin.

Basis of Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958-205, *Presentation of Financial Statements*. Under ASC Topic 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Summarized Financial Information

The financial statements include prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a complete presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Receivables

The Organization reports receivables, most of which are grants from public or private agencies, at net realizable value. Due to the nature of grants receivable and because historical losses related to grants receivables have been insignificant, the direct write-off method is used to

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Continued**

account for uncollectible amounts. Due to the nature of the pledges receivable and management's experience on the collection of pledges receivable, an allowance for doubtful accounts has been established. On a continuing basis, receivables are analyzed and, when determined to be uncollectible, they are written off through charge against revenue.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Maintenance and repairs are expensed in the period incurred; major renewals and betterments are capitalized. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Depreciation expense was \$13,651 and \$12,766 for the years ended June 30, 2014 and 2013, respectively.

Asset Impairments

The Organization periodically evaluates whether current facts or circumstance indicate that the carrying amount of its depreciable assets to be held and used may not be recoverable. If such circumstances are determined to exist, an estimate of undiscounted future cash flows produced by the long-lived asset, or the appropriate grouping of assets, is compared to the carrying value to determine whether an impairment exists. If an asset is determined to be impaired, the loss is measured based on the difference between the asset's fair value and its carrying value. An estimate of the asset's fair value is based on quoted market prices in active markets, if available.

Net Assets

Restricted net assets are those which have been restricted by individuals or entities outside of the Organization. The restriction may be temporary or permanent, depending upon the terms of the funding source. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction. The unrestricted net asset category contains assets and contributions or grants that are not restricted by donors or grantors or for which restrictions have expired. Board designated net assets are certain unrestricted net assets designated by the Board for future use by specific programs.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Pledges expected to be collected in future years are recorded at the present value of their estimated future cash flows using the Organization's risk-free interest rate in the year promises are received. Amortization of the discount is included in contribution revenue. The Organization establishes a valuation allowance against future pledges receivable to provide for amounts estimated to be uncollectible.

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Continued**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

The Organization reports gifts of long-lived assets as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services are reported in the accompanying financial statements at the estimated fair value of the services received.

Certain federal and state grants are considered to be for the purchase of goods and services, and therefore are deemed to be exchange transactions rather than contributions. Accordingly, such grant revenue is recognized as goods are provided or services are rendered.

Program service fees represent fees charged to clients and are recognized as services are rendered.

Functional Allocation of Expenses

The costs of providing the various programs and other activities are summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

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

The Organization had no significant uncertain tax positions at June 30, 2014 and 2013. If interest and penalties are incurred related to uncertain tax positions, such amounts are recognized in income tax expense. Tax periods for all fiscal years after 2009 remain open to examination by the taxing jurisdictions to which the Organization is subject.

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 2. Pledges Receivable**

As a result of the Journey of Hope, the Organization had pledges receivable at June 30, 2014 as follows:

Receivable in less than one year	\$	71,010
Receivable in one to five years		122,711
Total pledges receivable		193,721
Less discounts to net present value at 5.5 percent and allowance for doubtful accounts of \$12,799 and \$42,619, respectively		55,418
Net pledges receivable	\$	138,303

**Note 3. Property, Plant and Equipment**

A summary of property, plant and equipment at June 30 follows:

	2014	2013
Building improvements	\$ 45,125	\$ 43,119
Furniture and equipment	452,495	426,455
	497,620	469,574
Less accumulated depreciation	448,025	434,374
Total	\$ 49,595	\$ 35,200

**Note 4. Donated Services**

During the years ended June 30, 2014 and 2013, the Organization received the use of facilities for which rent would have totaled \$49,404 and \$37,504 per year, respectively. The Organization also received the services of social work interns who volunteered time along with individuals who donated miscellaneous goods to Domestic Violence Services, Northeast Services and the Rape Crises Center totaling \$106,459 in 2014 and \$103,372 in 2013. The total of these amounts is reflected in the accompanying statements of activities as donated services revenue and in-kind expenses within the applicable program.

**Note 5. Grants from Governmental and Private Agencies**

During the years ended June 30, 2014 and 2013, the Organization was the recipient of governmental and private grants totaling approximately \$5,900,000 and \$5,800,000, respectively, to fund seventeen of its program services.

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

**Note 5. Continued**

The receivables from the grants related to the program services were as follows at June 30:

	2014	2013
HIV Early Intervention Services	\$ 6,062	\$ 4,541
Adoption	42,681	-
Born Free/New Beginnings	55,172	105,588
Disaster Assistance	24,569	12,865
Domestic Violence Services	173,566	185,431
Guardian Shelter and Rape Crisis Center	100,030	69,141
Hope Haven Inpatient	52,859	15,427
Hope Haven Outpatient	25,516	22,352
Migrant Services Center	-	6,783
MAP Team	-	4,027
Natchez Services	10,500	-
Northeast Services	111	-
Office of Family Ministry	15,741	-
Parish Social Ministry	34,606	4,045
Parish Health Ministry	403	8,517
Solomon Counseling Center	49,976	11,928
Therapeutic Foster Care	67,005	81,582
Trauma Recovery for Youth	-	16,558
Unaccompanied Refugee Minors	112,029	95,432
Veteran's Services	31,159	-
Management and General	47,962	655
	<u>\$ 849,947</u>	<u>\$ 644,872</u>

Because the above grants offer valuable program services, it is the intention of the management of the Organization, subject to the availability of governmental and private funds, to participate in similar grants in the future.

**Note 6. Leases**

The Organization leases buildings and equipment under operating leases that expire at various dates through 2017. The leases require the Organization to pay maintenance, insurance, taxes and other expenses in addition to the minimum rental. Rent expense under both cancelable and noncancelable operating leases including donated rental facilities totaled \$586,410 in 2014 and \$517,408 in 2013.

At June 30, 2014, the aggregate annual rental payments due under noncancelable operating leases, with initial or remaining terms of one year or more, were as follows:

2015	\$ 340,539
2016	290,414
2017	147,662
2018	2,874
2019	2,746
	<u>\$ 784,235</u>

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 7. Catholic Diocese of Jackson Deposit and Loan Fund**

At June 30, 2014 and 2013, the Organization was not indebted to the Catholic Diocese of Jackson and the Deposit and Loan Fund. Instead the Organization was in a deposit position of \$288,345 and \$792,337 at June 30, 2014 and 2013, respectively, earning approximately 3 percent interest. These funds represent money invested with the Catholic Diocese of Jackson (the "Diocese"). These funds are classified as restricted funds on the statement of financial position.

The amounts invested in the Diocese at June 30, 2014 and 2013 were not insured by the FDIC. The Organization has not experienced any losses on these deposits in the past, and management does not believe that it is exposed to any significant credit risk on savings deposits.

**Note 8. Pension Plan**

The Organization participates with the Diocese in the Pension Plan for Employees of the Catholic Diocese of Jackson (the "Plan"), which is a multi-employer defined benefit plan. The Plan is an insured non-contributory plan that covers lay employees who have attained the age of 21 and completed one year of service. Effective June 30, 2014, the Diocese closed the Plan to new participants and froze the benefit accruals of all participants. The risks of participating in multi-employer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the Plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the an employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the Plan, referred to as a withdrawal liability.

Employees are fully vested after seven years of service based on a graduated vesting schedule and the normal retirement age is defined as the employee's 65<sup>th</sup> birthday, but the Plan also provides for early retirement, disability and death benefits. Benefits are provided through an insurance contract and are based on years of service and average monthly earnings. Funding is accomplished through annual actuarially determined employer contributions based on the anticipated funding of employees' pension benefits spread over the period from their dates of employment to their dates of retirement.

The Plan has total assets of \$6,645,221 as of June 30, 2014. The annual contributions by the Organization for the year ended June 30, 2014 totaled \$313,183. The Plan's accumulated benefit obligation totaled \$11,079,068 for the year ended June 30, 2014. The financial health of the multiemployer pension plan is indicated by the zone status, as defined by the Pension Protection Act of 2006, which represents the funded status of the Plan as certified by the Plan's actuary. Plans in the red zone are less than 65 percent funded, the yellow zone are between 65 percent and 80 percent funded and the green zone are at least 80 percent funded. The current zone is red. Because the Plan is a church plan and is not subject to ERISA requirements, a funding improvement plan is not required.

**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 9. Restrictions on Net Assets**

The Organization's Board of Directors designated certain unrestricted net assets for specific programs to ensure that each of these programs would be allowed to earmark these net assets for future use. The designation can be lifted at any time by the Board and thus do not indicate any temporarily restricted amounts. Board designated net assets are as follows:

<b>Board Designation</b>	<b>2014</b>	<b>2013</b>	<b>Increase (Decrease)</b>
Domestic Violence	\$ -	\$ 8,171	\$ (8,171)
Hope Haven Home Based	-	1,350	(1,350)
Hope Haven Residential	-	596	(596)
Trauma Recovery for Youth	-	980	(980)
Grand total	\$ -	\$ 11,097	\$ (11,097)

Temporarily restricted net assets are available for the following purposes:

<b>Classification</b>	<b>2014</b>	<b>2013</b>	<b>Increase (Decrease)</b>
Alcohol and Drug Services	\$ 5,965	\$ 1,593	\$ 4,372
Community Services	4,914	9,715	(4,801)
D'Evereaux Hall and St. Mary's Orphan Asylum	26,026	25,258	768
Emergency Assistance	1,512	18,756	(17,244)
Disaster Assistance	44,723	24,321	20,402
Disaster Preparedness	5,812	67,802	(61,990)
Immigration and Refugee Services	38,856	66,592	(27,736)
Journey of Hope	147,795	93,263	54,532
North East Office	20,878	18,990	1,888
Parish Health Ministry	65,462	60,518	4,944
Services to Children	305,397	341,037	(35,640)
Services to Families	44,057	4,057	40,000
Domestic Violence Services	18,153	36,691	(18,538)
Unaccompanied Refugee Minor Program	1,918	2,431	(513)
Grand total	\$ 731,468	\$ 771,024	\$ (39,556)



**CATHOLIC CHARITIES, INC.**  
Years Ended June 30, 2014 and 2013

**NOTES TO FINANCIAL STATEMENTS**

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**Note 9. Continued**

Permanently restricted net assets consist of an endowment fund established for the purpose of assisting the Organization with general operations. Permanently restricted net assets are classified and reported based on the existence or absence of donor restricted funds. The invested funds associated with permanently restricted net assets are on deposit with the Catholic Diocese of Jackson Foundation (the "Foundation") and the Foundation allocates the interest based on its investment policy. The Foundation's investment policy is to allocate the total interest earned to each trust based on the balance in that trust. The Organization has not experienced any losses on these deposits in the past and management does not believe that it is exposed to any significant credit risk. As allowed by donor restriction, interest income is allocated between corpus and general operations as directed by the Organization.

The Organization is subject to the state of Mississippi's enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Organization interprets the current state law regarding the treatment of endowments as the preservation of purchasing power and prudent expenditure of endowment funds and related appreciation.

**Note 10. Related Party**

The Catholic Service Appeal is the annual giving campaign of the Diocese, which provides support to the Organization. The Organization received \$195,000 and \$350,000 in 2014 and 2013, respectively, and recorded a related party receivable of \$175,000 as of June 30, 2014.

**Note 11. Subsequent Events**

The Organization did not have any subsequent events through November 12, 2014, which is the date the financial statements were available to be issued, requiring recognition or disclosure in the financial statements for the year ended June 30, 2014.

Additionally, the Diocese began a 401(k) Plan effective July 1, 2014, in which employees of the Organization may participate.

## **Supplementary Information**

**CATHOLIC CHARITIES, INC.**  
 Parish-Based Ministries  
 Schedule of Functional Expenses by Program Services  
 Year Ended June 30, 2014

	<b>Parish Social Ministry</b>	<b>Parish Health Ministry</b>	<b>Migrant Support Center</b>	<b>Disaster Assistance</b>	<b>Community Services</b>	<b>Total</b>
Salaries	\$ 59,992	\$ 32,361	\$ 86,822	\$ 11,219	\$ -	\$ 190,394
Payroll taxes	4,769	2,785	6,778	933	-	15,265
Employee benefits	14,685	3,393	16,601	3,498	-	38,177
Supplies and literature	275	3,043	6,243	655	-	10,216
Telephone	1,462	698	2,235	890	-	5,285
Conferences, conventions and meetings	37,086	3,261	708	483	-	41,538
Subsistence, housing, medical and related subsidies	1,045	534	67	48,130	-	49,776
Occupancy	5,860	323	10,472	1,357	-	18,012
Professional fees	267	4,021	1,186	33	-	5,507
Transportation and travel	1,367	1,716	4,276	6,305	-	13,664
Insurance	83	-	89	71	-	243
Printing	1,558	1,198	2,271	231	-	5,258
Promotion and public relations	428	-	335	-	3,000	3,763
<b>Total expenses before depreciation</b>	<b>128,877</b>	<b>53,333</b>	<b>138,083</b>	<b>73,805</b>	<b>3,000</b>	<b>397,098</b>
Depreciation of plant and equipment	160	217	282	-	-	659
<b>Totals</b>	<b>\$ 129,037</b>	<b>\$ 53,550</b>	<b>\$ 138,365</b>	<b>\$ 73,805</b>	<b>\$ 3,000</b>	<b>\$ 397,757</b>

**CATHOLIC CHARITIES, INC.**  
Migrant Support Center  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Office of Justice</b>	<b>Internal Revenue Service</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 15,574	\$ 2,534	\$ 68,714	\$ 86,822
Payroll taxes	1,028	237	5,513	6,778
Employee benefits	2,225	-	14,376	16,601
Supplies and literature	7	156	6,080	6,243
Telephone	2	-	2,233	2,235
Conferences, conventions and meetings	-	-	708	708
Subsistence, housing, medical and related subsidies	-	-	67	67
Occupancy	543	678	9,251	10,472
Professional fees	-	-	1,186	1,186
Transportation and travel	-	42	4,234	4,276
Insurance	-	-	89	89
Printing	106	265	1,900	2,271
Promotion and public relations	-	-	335	335
 Total expenses before depreciation	 19,485	 3,912	 114,686	 138,083
 Depreciation of plant and equipment	 -	 -	 282	 282
 Totals	 \$ 19,485	 \$ 3,912	 \$ 114,968	 \$ 138,365

**CATHOLIC CHARITIES, INC.**  
Family Ministries/Solomon Counseling Center  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Department of Human Services</b>	<b>Department of Mental Health</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 59,827	\$ 106,482	\$ 82,656	\$ 248,965
Payroll taxes	4,493	7,542	7,120	19,155
Employee benefits	11,328	18,201	15,715	45,244
Supplies and literature	-	799	9,467	10,266
Telephone	-	-	1,494	1,494
Conferences, conventions and meetings	-	-	15,467	15,467
Subsistence, housing, medical and related subsidies	2,155	-	817	2,972
Equipment purchases	-	-	1,544	1,544
Occupancy	-	10,035	24,560	34,595
Professional fees	7,735	-	15,543	23,278
Transportation and travel	2,163	1,771	14,776	18,710
Insurance	-	-	252	252
Repairs and maintenance	-	-	145	145
Printing	1,002	-	6,973	7,975
Promotion and public relations	-	-	110	110
<b>Total expenses before depreciation</b>	<b>88,703</b>	<b>144,830</b>	<b>196,639</b>	<b>430,172</b>
Depreciation of plant and equipment	-	-	-	-
<b>Totals</b>	<b>\$ 88,703</b>	<b>\$ 144,830</b>	<b>\$ 196,639</b>	<b>\$ 430,172</b>

**CATHOLIC CHARITIES, INC.**  
Domestic Violence Services  
Schedule of Functional Expenses by Program Services  
Year Ended June 30, 2014

	<b>Shelter for Battered Families</b>	<b>Karitas Day Care</b>	<b>Second Stage Housing</b>	<b>Legal Clinic</b>	<b>Total</b>
Salaries	\$ 159,732	\$ 114,995	\$ 156,717	\$ 72,244	\$ 503,688
Payroll taxes	13,124	9,697	12,593	4,617	40,031
Employee benefits	30,766	32,255	44,639	8,771	116,431
Supplies and literature	11,474	6,540	5,246	180	23,440
Telephone	6,948	2,529	2,590	721	12,788
Conferences, conventions and meetings	205	264	-	-	469
Subsistence, housing, medical and related subsidies	24,590	254	23,524	-	48,368
Equipment purchases	2,858	776	1,088	-	4,722
Occupancy	42,753	57,571	33,540	4,554	138,418
Professional fees	46,287	301	6,039	8,005	60,632
Transportation and travel	1,069	3,486	5,305	162	10,022
Insurance	1,221	1,124	158	1,391	3,894
Repairs and maintenance	11,980	16,504	4,997	-	33,481
Printing	1,428	142	237	226	2,033
Promotion and public relations	1,895	-	-	-	1,895
Donated goods and services	-	29,751	-	-	29,751
<b>Total expenses before depreciation</b>	<b>356,330</b>	<b>276,189</b>	<b>296,673</b>	<b>100,871</b>	<b>1,030,063</b>
<b>Depreciation of plant and equipment</b>	<b>395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>395</b>
<b>Totals</b>	<b>\$ 356,725</b>	<b>\$ 276,189</b>	<b>\$ 296,673</b>	<b>\$ 100,871</b>	<b>\$ 1,030,458</b>

**CATHOLIC CHARITIES, INC.**  
Domestic Violence Services  
Shelter For Battered Families  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	Mississippi Department of Education	United Way	City of Jackson/ CDBG	Federal Emergency Management Agency	Dept. of Public Safety VOCA	Dept. of Public Safety VAWA	Mississippi State Board of Health	Office of Justice	Other	Total
Salaries	\$ -	\$ 15,726	\$ -	\$ -	\$ 62,902	\$ 17,184	\$ 28,304	\$ 26,217	\$ 9,399	\$ 159,732
Payroll taxes	-	1,159	-	-	4,637	1,346	2,590	2,152	1,240	13,124
Employee benefits	-	2,506	-	-	10,026	4,510	-	3,202	10,522	30,766
Supplies and literature	-	806	-	1,500	3,224	-	4,606	263	1,075	11,474
Telephone	-	-	-	-	-	-	-	32	6,916	6,948
Conferences, conventions and meetings	-	-	-	-	-	-	-	-	205	205
Subsistence, housing, medical and related subsidies	9,852	-	-	5,000	-	-	-	-	9,738	24,590
Equipment purchases	-	-	-	-	-	-	700	-	2,158	2,858
Occupancy	-	1,650	6,750	-	6,600	-	13,800	2,466	11,487	42,753
Professional fees	-	-	-	-	-	-	-	45,190	1,097	46,287
Transportation and travel	-	-	-	-	-	-	-	165	904	1,069
Insurance	-	-	-	-	-	-	-	-	1,221	1,221
Repairs and maintenance	330	-	-	-	-	-	-	-	11,650	11,980
Printing	-	-	-	-	-	-	-	127	1,301	1,428
Promotion and public relations	-	-	-	-	-	-	-	-	1,895	1,895
Total expenses before depreciation	10,182	21,847	6,750	6,500	87,389	23,040	50,000	79,814	70,808	356,330
Depreciation of plant and equipment	-	-	-	-	-	-	-	-	395	395
Totals	\$ 10,182	\$ 21,847	\$ 6,750	\$ 6,500	\$ 87,389	\$ 23,040	\$ 50,000	\$ 79,814	\$ 71,203	\$ 356,725

**CATHOLIC CHARITIES, INC.**  
Domestic Violence Services  
Karitas Day Care  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Mississippi State Board of Health</b>	<b>United Way</b>	<b>United Way/ Slots</b>	<b>City of Jackson/ CDBG</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 58,670	\$ 7,064	\$ 25,903	\$ -	\$ 23,358	\$ 114,995
Payroll taxes	4,717	600	2,380	-	2,000	9,697
Employee benefits	15,563	1,140	10,873	-	4,679	32,255
Supplies and literature	-	-	2,583	-	3,957	6,540
Telephone	-	-	1,211	-	1,318	2,529
Conferences, conventions and meetings	-	-	200	-	64	264
Subsistence, housing, medical and related subsidies	-	-	42	-	212	254
Equipment purchases	-	-	-	-	776	776
Occupancy	5,963	7,216	23,363	12,500	8,529	57,571
Professional fees	-	-	-	-	301	301
Transportation and travel	-	-	78	-	3,408	3,486
Insurance	-	-	-	-	1,124	1,124
Repairs and maintenance	-	-	7,338	-	9,166	16,504
Printing	-	-	48	-	94	142
Donated goods and services	-	-	-	-	29,751	29,751
<b>Total expenses before depreciation</b>	<b>84,913</b>	<b>16,020</b>	<b>74,019</b>	<b>12,500</b>	<b>88,737</b>	<b>276,189</b>
Depreciation of plant and equipment	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 84,913</b>	<b>\$ 16,020</b>	<b>\$ 74,019</b>	<b>\$ 12,500</b>	<b>\$ 88,737</b>	<b>\$ 276,189</b>



**CATHOLIC CHARITIES, INC.**  
Domestic Violence Services  
Second Stage Housing  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Federal Emergency Management Agency</b>	<b>HUD Supportive Housing Program</b>	<b>City of Jackson/ CDBG</b>	<b>Office of Justice</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ -	\$ 97,016	\$ -	\$ 59,512	\$ 189	\$ 156,717
Payroll taxes	-	7,879	-	4,699	15	12,593
Employee benefits	-	27,253	-	16,607	779	44,639
Supplies and literature	254	1,780	2,473	-	739	5,246
Telephone	-	1,982	-	-	608	2,590
Subsistence, housing, medical and related subsidies	4,777	2,122	-	16,405	220	23,524
Equipment purchases	-	-	-	-	1,088	1,088
Occupancy	-	20,207	11,354	-	1,979	33,540
Professional fees	-	-	-	4,434	1,605	6,039
Transportation and travel	-	-	-	5,199	106	5,305
Insurance	-	-	-	-	158	158
Repairs and maintenance	-	3,683	-	-	1,314	4,997
Printing	-	-	-	-	237	237
<b>Total expenses before depreciation</b>	<b>5,031</b>	<b>161,922</b>	<b>13,827</b>	<b>106,856</b>	<b>9,037</b>	<b>296,673</b>
Depreciation of plant and equipment	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 5,031</b>	<b>\$ 161,922</b>	<b>\$ 13,827</b>	<b>\$ 106,856</b>	<b>\$ 9,037</b>	<b>\$ 296,673</b>

**CATHOLIC CHARITIES, INC.**  
Domestic Violence Services  
Legal Clinic  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Office of Justice</b>	<b>Dept. of Public Safety VAWA</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 23,113	\$ 34,469	\$ 14,662	\$ 72,244
Payroll taxes	1,339	2,448	830	4,617
Employee benefits	2,855	3,695	2,221	8,771
Supplies and literature	91	-	89	180
Telephone	344	-	377	721
Occupancy	1,518	-	3,036	4,554
Professional fees	6,998	-	1,007	8,005
Transportation and travel	162	-	-	162
Insurance	-	-	1,391	1,391
Printing	77	-	149	226
Total expenses before depreciation	36,497	40,612	23,762	100,871
Depreciation of plant and equipment	-	-	-	-
Totals	<u>\$ 36,497</u>	<u>\$ 40,612</u>	<u>\$ 23,762</u>	<u>\$ 100,871</u>

**CATHOLIC CHARITIES, INC.**  
Rape Crisis Center  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Mississippi State Board of Health</b>	<b>Dept. of Public Safety VOCA</b>	<b>Dept. of Public Safety VAWA</b>	<b>Dept. of Public Safety SASP</b>	<b>United Way</b>	<b>City of Jackson/ CDBG</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 23,942	\$ 46,676	\$ 15,682	\$ 17,798	\$ 11,668	\$ -	\$ 5,771	\$ 121,537
Payroll taxes	1,872	3,290	1,281	1,439	823	-	915	9,620
Employee benefits	2,238	6,115	4,369	5,246	1,529	-	9,435	28,932
Supplies and literature	-	-	-	-	-	-	914	914
Telephone	-	-	-	-	-	-	1,962	1,962
Conferences, conventions and meetings	-	-	-	-	-	-	521	521
Subsistence, housing, medical and related subsidies	-	-	-	-	-	-	123	123
Equipment purchases	-	-	-	-	-	-	734	734
Occupancy	-	-	-	-	-	5,939	728	6,667
Professional fees	-	-	-	-	-	-	464	464
Transportation and travel	-	-	-	-	-	175	2,246	2,421
Printing	-	-	-	-	-	-	601	601
Donated services	-	-	-	-	-	-	61,882	61,882
<b>Total expenses before depreciation</b>	<b>28,052</b>	<b>56,081</b>	<b>21,332</b>	<b>24,483</b>	<b>14,020</b>	<b>6,114</b>	<b>86,296</b>	<b>236,378</b>
Depreciation of plant and equipment	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 28,052</b>	<b>\$ 56,081</b>	<b>\$ 21,332</b>	<b>\$ 24,483</b>	<b>\$ 14,020</b>	<b>\$ 6,114</b>	<b>\$ 86,296</b>	<b>\$ 236,378</b>

**CATHOLIC CHARITIES, INC.**  
Guardian Shelter for Battered Families/Rape Crisis  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Mississippi State Board of Health</b>	<b>Dept. of Public Safety VAWA</b>	<b>Dept. of Public Safety VOCA</b>	<b>Dept. of Public Safety SASP</b>	<b>Mississippi Development Authority</b>	<b>Housing and Urban Development</b>	<b>United Way</b>	<b>Guardian Collections and Other Donations</b>	<b>Total</b>
Salaries	\$ 96,910	\$ 22,660	\$ 61,096	\$ 7,397	\$ 3,891	\$ 191,492	\$ 17,280	\$ 46,238	\$ 446,964
Payroll taxes	7,430	1,697	4,542	596	335	16,373	1,664	3,730	36,367
Employee benefits	25,748	5,297	10,562	1,067	60	42,038	4,694	18,229	107,695
Supplies and literature	5,103	-	2,082	1,284	-	31,258	1,852	1,095	42,674
Telephone	4,274	-	-	-	-	629	1,123	1,632	7,658
Conferences, conventions and meetings	-	-	-	-	-	3,078	5,895	157	9,130
Subsistence, housing, medical and related subsidies	3,335	-	-	-	35,032	11,513	6,713	185	56,778
Occupancy	12,277	-	-	-	-	14,733	8,700	18,728	54,438
Professional fees	-	-	-	-	-	-	1,179	1,092	2,271
Transportation and travel	4,067	-	-	-	-	8,396	4,579	-	17,042
Insurance	-	-	-	-	-	825	145	263	1,233
Repairs and maintenance	-	-	-	-	-	1,497	2,838	3,413	7,748
Printing	600	-	-	-	-	-	44	52	696
Promotion and public relations	-	-	-	-	-	-	72	-	72
Donated goods and services	-	-	-	-	-	-	-	29,004	29,004
<b>Total expenses before depreciation</b>	<b>159,744</b>	<b>29,654</b>	<b>78,282</b>	<b>10,344</b>	<b>39,318</b>	<b>321,832</b>	<b>56,778</b>	<b>123,818</b>	<b>819,770</b>
Depreciation of plant and equipment	-	-	-	-	-	-	-	825	825
<b>Totals</b>	<b>\$ 159,744</b>	<b>\$ 29,654</b>	<b>\$ 78,282</b>	<b>\$ 10,344</b>	<b>\$ 39,318</b>	<b>\$ 321,832</b>	<b>\$ 56,778</b>	<b>\$ 124,643</b>	<b>\$ 820,595</b>

**CATHOLIC CHARITIES, INC.**  
Natchez Services  
Schedule of Functional Expenses by Funding Sources  
Year Ended June 30, 2014

	<b>Federal Emergency Management Agency</b>	<b>Mississippi Department of Mental Health</b>	<b>CCI Counseling/ Emergency Assistance</b>	<b>Total</b>
Salaries	\$ -	\$ 557	\$ 38,987	\$ 39,544
Payroll taxes	-	42	3,253	3,295
Employee benefits	-	50	16,700	16,750
Supplies and literature	-	-	1,166	1,166
Telephone	-	-	5,620	5,620
Conferences, conventions and meetings	-	-	2,738	2,738
Subsistence, housing, medical and related subsidies	4,224	-	26,949	31,173
Occupancy	-	-	1,990	1,990
Professional fees	-	-	270	270
Transportation and travel	-	-	1,058	1,058
Insurance	-	-	163	163
Repairs and maintenance	-	-	626	626
Printing	-	-	2,392	2,392
Promotion and public relations	-	-	231	231
Administrative costs	-	-	789	789
 Total expenses before depreciation	 4,224	 649	 102,932	 107,805
 Depreciation of plant and equipment	 -	 -	 237	 237
 Totals	 \$ 4,224	 \$ 649	 \$ 103,169	 \$ 108,042

**CATHOLIC CHARITIES, INC.**  
Children's Mental Health Services  
Schedule of Functional Expenses by Program Services  
Year Ended June 30, 2014

	<b>Therapeutic Foster Care</b>	<b>Crisis Response and Trauma Services</b>	<b>Hope Haven/ Inpatient</b>	<b>Hope Haven/ Outpatient</b>	<b>Total</b>
Salaries	\$ 282,819	\$ 20,098	\$ 455,802	\$ 286,763	\$ 1,045,482
Payroll taxes	22,341	1,560	37,462	22,017	83,380
Employee benefits	59,216	2,292	97,627	71,208	230,343
Supplies and literature	3,920	979	9,163	6,300	20,362
Telephone	4,768	6	5,949	5,182	15,905
Conferences, conventions and meetings	12,108	-	2,473	14,999	29,580
Subsistence, housing, medical and related subsidies	239,281	-	18,832	10,898	269,011
Equipment purchases	-	-	665	-	665
Occupancy	26,950	2,650	30,291	21,353	81,244
Professional fees	42,538	135	16,335	15,609	74,617
Transportation and travel	36,928	-	7,413	28,695	73,036
Insurance	380	-	358	260	998
Repairs and maintenance	946	-	13,076	199	14,221
Printing	946	-	41	2,633	3,620
Promotion and public relations	28,990	-	-	-	28,990
Administrative costs	1,118	-	-	-	1,118
<b>Total expenses before depreciation</b>	<b>763,249</b>	<b>27,720</b>	<b>695,487</b>	<b>486,116</b>	<b>1,972,572</b>
Depreciation of plant and equipment	2,300	-	959	1,181	4,440
<b>Totals</b>	<b>\$ 765,549</b>	<b>\$ 27,720</b>	<b>\$ 696,446</b>	<b>\$ 487,297</b>	<b>\$ 1,977,012</b>

**CATHOLIC CHARITIES, INC.**  
 Children's Mental Health Services  
 Therapeutic Foster Care  
 Schedule of Functional Expenses by Funding Sources  
 Year Ended June 30, 2014

	<b>Therapeutic Foster Care/ Department of Mental Health</b>	<b>Department of Human Services</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 114,103	\$ 142,147	\$ 26,569	\$ 282,819
Payroll taxes	8,855	11,140	2,346	22,341
Employee benefits	25,962	27,459	5,795	59,216
Supplies and literature	2,457	1,202	261	3,920
Telephone	53	3,853	862	4,768
Conferences, conventions and meetings	2,950	6,588	2,570	12,108
Subsistence, housing, medical and related subsidies	215	239,066	-	239,281
Occupancy	24,691	2,259	-	26,950
Professional fees	948	30,408	11,182	42,538
Transportation and travel	20,182	10,256	6,490	36,928
Insurance	-	380	-	380
Repairs and maintenance	693	253	-	946
Printing	417	123	406	946
Promotion and public relations	490	22,370	6,130	28,990
Administrative costs	-	1,118	-	1,118
 Total expenses before depreciation	 202,016	 498,622	 62,611	 763,249
 Depreciation of plant and equipment	 -	 -	 2,300	 2,300
 Totals	 \$ 202,016	 \$ 498,622	 \$ 64,911	 \$ 765,549

**CATHOLIC CHARITIES, INC.**  
 Children's Mental Health Services  
 Crisis Response and Trauma Services  
 Schedule of Functional Expenses by Funding Sources  
 Year Ended June 30, 2014

	<b>Department of Health &amp; Human Services</b>	<b>Mississippi Department of Mental Health</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 11,063	\$ 9,154	\$ (119)	\$ 20,098
Payroll taxes	773	787	-	1,560
Employee benefits	1,481	811	-	2,292
Supplies and literature	-	-	979	979
Telephone	6	-	-	6
Occupancy	2,650	-	-	2,650
Professional fees	135	-	-	135
Total expenses before depreciation	16,108	10,752	860	27,720
Depreciation of plant and equipment	-	-	-	-
Totals	<u>\$ 16,108</u>	<u>\$ 10,752</u>	<u>\$ 860</u>	<u>\$ 27,720</u>



**CATHOLIC CHARITIES, INC.**  
 Children's Mental Health Services  
 Hope Haven/Inpatient  
 Schedule of Functional Expenses by Funding Sources  
 Year Ended June 30, 2014

	<b>Department of Mental Health</b>	<b>Department of Human Services</b>	<b>Federal Emergency Management Agency</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 208,701	\$ 22,719	\$ -	\$ 224,382	\$ 455,802
Payroll taxes	16,654	1,973	-	18,835	37,462
Employee benefits	57,728	1,075	-	38,824	97,627
Supplies and literature	5,940	-	483	2,740	9,163
Telephone	230	-	-	5,719	5,949
Conferences, conventions and meetings	26	-	-	2,447	2,473
Subsistence, housing, medical and related subsidies	10,797	-	4,978	3,057	18,832
Equipment purchases	-	-	-	665	665
Occupancy	724	-	-	29,567	30,291
Professional fees	-	-	-	16,335	16,335
Transportation and travel	25	-	-	7,388	7,413
Insurance	-	-	-	358	358
Repairs and maintenance	9,900	-	-	3,176	13,076
Printing	-	-	-	41	41
Total expenses before depreciation	310,725	25,767	5,461	353,534	695,487
Depreciation of plant and equipment	-	-	-	959	959
Totals	\$ 310,725	\$ 25,767	\$ 5,461	\$ 354,493	\$ 696,446

**CATHOLIC CHARITIES, INC.**  
 Children's Mental Health Service  
 Hope Haven/Outpatient  
 Schedule of Functional Expenses by Funding Sources  
 Year Ended June 30, 2014

	<b>Mississippi Department of Mental Health</b>	<b>St. Dominic's</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 123,892	\$ 59,694	\$ 103,177	\$ 286,763
Payroll taxes	8,828	4,690	8,499	22,017
Employee benefits	34,581	16,128	20,499	71,208
Supplies and literature	2,913	108	3,279	6,300
Telephone	33	-	5,149	5,182
Conferences, conventions and meetings	7,650	42	7,307	14,999
Subsistence, housing, medical and related subsidies	10,049	-	849	10,898
Occupancy	19,233	-	2,120	21,353
Professional fees	652	180	14,777	15,609
Transportation and travel	3,641	15,084	9,970	28,695
Insurance	-	-	260	260
Repairs and maintenance	-	102	97	199
Printing	1,896	-	737	2,633
<b>Total expenses before depreciation</b>	<b>213,368</b>	<b>96,028</b>	<b>176,720</b>	<b>486,116</b>
Depreciation of plant and equipment	-	-	1,181	1,181
<b>Totals</b>	<b>\$ 213,368</b>	<b>\$ 96,028</b>	<b>\$ 177,901</b>	<b>\$ 487,297</b>

**CATHOLIC CHARITIES, INC.**  
 Alcohol/Drug Abuse  
 Born Free/New Beginnings  
 Schedule of Functional Expenses by Funding Sources  
 Year Ended June 30, 2014

	<b>Mississippi Department of Mental Health</b>	<b>Other</b>	<b>Total</b>
Salaries	\$ 314,546	\$ -	\$ 314,546
Payroll taxes	25,771	-	25,771
Employee benefits	65,669	2,103	67,772
Supplies and literature	23,080	266	23,346
Telephone	2,650	301	2,951
Conferences, conventions and meetings	2,061	179	2,240
Subsistence, housing, medical and related subsidies	17,334	-	17,334
Equipment purchases	(14,805)	-	(14,805)
Occupancy	77,589	4	77,593
Professional fees	4,709	436	5,145
Transportation and travel	20,277	274	20,551
Insurance	528	-	528
Repairs and maintenance	11,839	(350)	11,489
<hr/>			
Total expenses before depreciation	551,248	3,213	554,461
Depreciation of plant and equipment	-	1,974	1,974
<hr/>			
Totals	\$ 551,248	\$ 5,187	\$ 556,435
<hr/> <hr/>			



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**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***

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Catholic Charities, Inc.  
Jackson, Mississippi

We have audited, in accordance with the 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, the financial statements of Catholic Charities, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated November 12, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 entity'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 may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Home LLP".

Ridgeland, Mississippi  
November 12, 2014

**CATHOLIC CHARITIES, INC.**

**Report on Compliance in  
Accordance with OMB Circular A-133**

For the Year Ended June 30, 2014

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

Board of Directors  
Catholic Charities, Inc.  
Jackson, Mississippi

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

We have audited Catholic Charities, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2014. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

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

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

*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 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.

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

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the Organization as of and for the year ended June 30, 2014, and have issued our report thereon dated November 12, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Home LLP".

Ridgeland, Mississippi  
November 12, 2014

**CATHOLIC CHARITIES, INC.**  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2014

Federal Granting Agency/ Grant Program/Grant-Contract Number	Federal CFDA Number	Grant/Contract Period	Grant/Grant Award as of 6/30/2014	Federal Expenditures
<b>Direct Programs</b>				
Department of Health and Human Services 2U79SM056091-09	93.243	09/30/2011-09/29/2013	\$ 588,000	\$ 16,108
				<u>16,108</u>
Department of Housing and Urban Development MS0005L4G001205	14.235	02/01/2013-01/31/2014	172,924	107,439
MS0005L4G001306	14.235	02/01/2014-01/31/2015	172,924	67,112
MS0027LG011204	14.235	07/01/2013-06/30/2014	344,360	344,360
				<u>518,911</u>
Office of Justice Programs 2010-WL-AX-0022	16.524	10/01/2010-09/30/2013	488,000	62,152
2012-WH-AX-0075	16.736	10/01/2012-09/30/2015	300,000	118,188
2012-WM-AX-K015	16.888	10/01/2012-09/30/2014	300,000	88,597
				<u>268,937</u>
Federal Emergency Management Agency 508902-011	97.024	01/01/2013-10/31/2014	6,500	6,500
508902-011	97.024	01/01/2013-12/31/2014	6,500	5,031
LRO 026	97.024	01/01/2013-09/30/2014	6,500	5,460
				<u>16,991</u>
Internal Revenue Service 13LITC0171	21.008	01/01/2013-12/31/2013	30,000	4,343
				<u>4,343</u>
Veteran's Affairs 2014-MS-324	64.033	10/01/2013-9/30/2014	457,000	180,841
				<u>180,841</u>
Total direct programs				<u>1,006,131</u>
<b>Pass-Through Programs</b>				
Mississippi Department of Education V0000717810	10.558	10/01/2012-09/30/2013	19,785	1,217
V0000717810	10.558	10/01/2013-09/30/2014	19,785	8,964
				<u>10,181</u>
Mississippi Development Authority 1719-ESG-2721-12	14.321	08/31/2012-08/31/2013	75,000	14,597
1720-ESG-2721-11	14.321	08/31/2012-08/31/2013	100,000	24,720
				<u>39,317</u>
City of Jackson B-08-MC-280003	14.218	10/01/2012-09/30/2013	8,500	1,749
B-08-MC-280003	14.218	10/01/2012-09/30/2013	13,500	2,175
B-12-MC-280003	14.218	10/01/2013-09/30/2014	7,250	4,364
B-12-MC-280004	14.218	10/01/2013-09/30/2014	15,000	6,750
B-12-MC-280005	14.218	10/01/2013-09/30/2014	12,500	12,500
B-12-MC-280006	14.218	10/01/2013-09/30/2014	8,460	6,345
				<u>33,883</u>
Catholic Charities USA 2012-JU-FX-0005	16.726	03/11/2013-09/30/2015	27,962	8,014
				<u>8,014</u>

**CATHOLIC CHARITIES, INC.**  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2014

Federal Granting Agency/ Grant Program/Grant-Contract Number	Federal CFDA Number	Grant/Contract Period	Grant/Grant Award as of 6/30/2014	Federal Expenditures
Mississippi Department of Public Safety				
12VA6021	16.573	07/01/2013-06/30/2014	\$ 87,471	\$ 78,281
12VA5131	16.575	07/01/2013-06/30/2014	145,000	143,470
11SX5131	16.588	06/01/2012-07/31/2013	20,841	2,008
11SV5132	16.588	10/01/2013-06/30/2014	40,973	40,611
11SX6021	16.588	08/01/2012-07/31/2013	13,523	2,426
12SV5131	16.588	07/01/2013-06/30/2014	45,068	44,372
12SV6021	16.588	07/01/2013-06/30/2014	30,116	29,653
12SX5131	16.588	07/01/2013-07/31/2014	27,232	22,475
12SX6021	16.588	08/01/2013-07/31/2014	15,507	7,918
				371,214
Mississippi Department of Health				
1VF1CE002267-01	93.136	11/01/2012-01/31/2014	26,645	12,911
1UF0CE00242601	93.136	11/01/2014-01/31/2015	24,195	8,317
11000DVO	93.136	11/01/2012-10/31/2013	26,645	13,785
11000DVO	93.136	11/01/2013-10/31/2014	18,564	12,428
				47,441
Department of Human Services				
Therapeutic Foster Home	93.556	07/01/2008-06/30/2014	N/A	558,294
Hope Haven Residential	93.556	07/01/2013-06/30/2014	N/A	29,587
128F411	93.590	10/01/2012-09/30/2013	100,000	20,744
128F421	93.590	10/01/2013-09/30/2014	100,000	77,395
				686,020
Mississippi Department of Human Services				
128G131A	93.566	10/01/2012-09/30/2013	1,446,644	365,087
128G141A	93.566	10/01/2013-09/30/2014	1,677,669	999,166
				1,364,253
Mississippi Department of Health				
5U58DP003923-02	93.283	07/22/2013-06/29/2014	6,800	4,691
11000DVO	93.671	10/01/2012-09/30/2013	87,278	15,354
11000DVO	93.671	10/01/2013-09/30/2014	79,443	51,685
G1101MSFVPS	93.671	10/01/2012-09/30/2013	87,278	21,984
G1301MSFVPS	93.671	10/01/2013-09/30/2014	79,443	62,929
				156,643
Department of Mental Health				
8409-CMHS-CYS-23-13	93.958	04/01/2013-09/30/2013	135,000	134,778
8424-CMHS-CYS-23-09-MAP-12	93.958	04/01/2012-09/30/2013	10,357	649
8424-CMHS-CYS-23-09-MAP-13	93.958	04/01/2013-09/30/2014	25,000	25,000
8506-CMHS-CYS-23-TR-12	93.958	04/01/2012-09/30/2013	52,511	10,752
8506-CMHS-CYS-TR-13	93.958	04/01/2013-09/30/2014	125,000	125,000
				296,179
Department of Mental Health				
7568-13SABG-SWP3QTR-PG-59-20	93.959	04/01/2013-06/01-2014	157,774	141,487
7569-13SABG-SWPHH-PG-59-20	93.959	04/01/2013-06/01-2014	363,943	329,705
7671-13SABG-HIV-EIS-59-13	93.959	04/01/2013-06/30/2014	77,832	76,988
				548,180

**CATHOLIC CHARITIES, INC.**  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2014

Federal Granting Agency/ Grant Program/Grant-Contract Number	Federal CFDA Number	Grant/Contract Period	Grant/Grant Award as of 6/30/2014	Federal Expenditures
Mississippi State Department of Health				
11000DVO	93.991	10/01/2012-09/30/2013	\$ 7,372	\$ 1,729
11000DVO	93.991	10/01/2013-09/30/2014	8,250	4,286
40000DVO	93.991	10/01/2012-09/30/2013	7,372	578
2B01DP009032-13	93.991	10/01/2013-09/30/2014	8,250	6,247
				12,840
United Way				
LR0-003	97.024	04/01/2013-10/31/2014	9,110	4,666
LR0-003	97.024	01/01/2012-12/31/2012	6,799	252
LR0-003	97.024	01/01/2013-12/31/2013	6,495	3,972
				8,890
Total pass-through program				3,583,055
Total all programs				\$ 4,589,186

N/A - The expenditures are based on a per diem rate per foster child.  
Accordingly, a specified contract award balance is not applicable.

**Note 1. Basis of Presentation**

The above Schedule of Expenditures of Federal Awards includes the federal grant activity for the period July 1, 2013 to June 30, 2014, for the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of financial statements.

**CATHOLIC CHARITIES, INC.**  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2014

**Section I - Summary of Auditor's Results**

**Financial Statements:**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies 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 weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	No
Identification of major programs:	
CFDA 16.588 Violence Against Women Formula Grant	
CFDA 64.033 Supportive Services for Veteran Families Program	
CFDA 93.958 Block Grants for Community Mental Health Services	
CFDA 93.959 Block Grants for Prevention and Treatment of Abuse	
Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk auditee	Yes

**Section II - Financial Statement Findings**

No matters were reported.

**Section III - Findings and Questioned Costs for Federal Awards**

No matters were reported.

**CATHOLIC CHARITIES, INC.**  
Summary Schedule of Prior Year Audit Findings  
Year Ended June 30, 2014

The Organization had no findings in the prior year.