

*Financial Report*

*Roman Catholic Church of the  
Archdiocese of New Orleans  
Administrative Offices*

*June 30, 2015*



ARCHDIOCESE OF  
**NEW ORLEANS**

*Financial Report*

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Archdiocese of New Orleans  
Administrative Offices*

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June 30, 2015 and 2014

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## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

To the Most Reverend Gregory M. Aymond,  
Archbishop of the Roman Catholic Church of  
The Archdiocese of New Orleans,  
New Orleans, Louisiana.

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

We have audited the accompanying financial statements of the Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices (the "Administrative Offices"), which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities and cash flows for the years 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 controls relevant to the preparation and fair presentation of 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 audits. We conducted our audits 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. Those standards require that we plan and perform the audits 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 Administrative Offices as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules (Schedules 1 through 5) are presented for purposes of additional analysis and are not a required part of the financial statements of the Administrative Offices. The accompanying schedule of expenditures of federal award as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is also not a required part of the financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer (Schedule 6) is presented for purposes of additional analysis and is required by Louisiana Revised Statute 24:513(A)(3) 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 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 December 2, 2015, on our consideration of the Administrative Offices' 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 Administrative Offices' internal control over financial reporting and compliance.



Certified Public Accountants.

New Orleans, Louisiana,  
December 2, 2015.

**STATEMENTS OF FINANCIAL POSITION****Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

June 30, 2015 and 2014

**ASSETS**

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 8,735,002	\$ 8,447,058
Grants receivable - FEMA	7,052,963	3,668,471
Accounts receivable from affiliates and other	3,477,767	3,668,218
Prepaid expenses	1,480,541	1,465,656
Loans receivable from affiliates - less allowance for doubtful receivables of \$11,212,902 and \$12,629,894 for 2015 and 2014, respectively	59,802,336	53,453,471
Investments	264,624,171	270,710,586
Land, buildings, and equipment - less accumulated depreciation of \$35,841,349 and \$34,462,610 for 2015 and 2014, respectively	76,247,124	67,002,472
Other assets	2,372,145	2,475,945
Beneficial interest in charitable remainder trust	403,430	628,245
Total assets	<u>\$ 424,195,479</u>	<u>\$ 411,520,122</u>

**LIABILITIES AND NET ASSETS****Liabilities**

Accounts payable	\$ 7,315,255	\$ 4,411,055
Accrued expenses and other	3,933,472	3,863,024
Accrued liability for self-insured claims	1,167,859	1,278,342
Deposits payable to affiliates	123,978,928	116,386,408
Funds held for affiliates	89,906,975	88,970,075
Bonds payable	59,960,300	61,486,105
Accrued pension liability	36,845,890	38,528,730
Total liabilities	<u>323,108,679</u>	<u>314,923,739</u>

**Commitments and Contingencies (Note 15)**

<u>-</u>	<u>-</u>
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**Net Assets**

Unrestricted	71,756,782	66,486,811
Temporarily restricted	15,193,527	15,973,911
Permanently restricted	14,136,491	14,135,661
Total net assets	<u>101,086,800</u>	<u>96,596,383</u>
Total liabilities and net assets	<u>\$ 424,195,479</u>	<u>\$ 411,520,122</u>

See notes to financial statements.



**STATEMENT OF ACTIVITIES****Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

For the year ended June 30, 2015  
(with comparative totals for 2014)

	2015			2014
	Unrestricted	Temporarily Restricted	Permanently Restricted	Comparative Totals
<b>Revenue, Gains, and Other Support</b>				
Assessments to affiliated entities for:				
Archdiocesan support	\$ 9,268,868			\$ 8,983,853
Priest health insurance and retirement	2,400,503			2,279,177
Insurance	14,613,661			14,457,914
Total assessments	26,283,032			25,720,944
Bad debt recovery	155,103			87,720
Contributions and grants	733,463	\$ 589,871	\$ 830	1,567,694
Rents and royalties	776,246			3,703,587
Investment return - designated for current operations	3,223,739	560,031		3,844,902
Interest income - Deposit and Loan Fund	2,093,516			2,407,408
Fees collected and other revenue	4,622,350			4,456,253
Gain on sale of assets	2,735,938			1,179,093
Changes in value of split-interest agreement		(224,815)		46,233
Net assets released from restrictions - satisfaction of program restrictions	1,284,564	(1,284,564)		-
Total revenue, gains, and other support	41,907,951	(359,477)	830	43,013,834
<b>Expenses</b>				
Program services:				
Christian formation	4,666,443			4,692,175
Clergy	8,636,334			8,317,440
Community services	95,566			141,362
Gifts and grants	353,348			255,307
Insurance	14,532,053			14,569,317
Pastoral services	2,909,161			2,333,349
Religious	210,206			204,697
Total program services expenses	31,403,111	-	-	30,513,647

**Exhibit B-1  
(Continued)**

	2015			2014
	Unrestricted	Temporarily Restricted	Permanently Restricted	Comparative Totals
<b>Expenses (Continued)</b>				
Supporting services:				
Administration	3,174,746			2,979,073
Financial services	8,882,427			9,733,757
Interest	2,785,397			2,935,908
Interest expense - Deposit and Loan Fund	1,269,286			1,224,654
Total supporting services expenses	16,111,856	-	-	16,873,392
Total expenses	47,514,967	-	-	47,387,039
<b>Income (Loss) From Operations</b>	(5,607,016)	(359,477)	830	(4,373,205)
<b>Non-Operating Revenues (Expenses)</b>				
Investment income reduced by the portion of cumulative net investment income designated for current operations	(1,493,781)	(420,907)		10,185,206
Grants and donations related to hurricanes	43,594,834			43,280,553
Distributions of grants and donations to affiliates	(34,934,515)			(25,970,227)
Total non-operating revenues (expenses) - net	7,166,538	(420,907)	-	27,495,532
<b>Excess (Deficiency) of Revenue, Gains, and Other Support Over Expenses</b>	1,559,522	(780,384)	830	23,122,327
<b>Additional Minimum Pension Liability Adjustment</b>	3,710,449			(2,618,233)
<b>Increase (Decrease) in Net Assets</b>	5,269,971	(780,384)	830	20,504,094
<b>Net Assets</b>				
Beginning of year	66,486,811	15,973,911	14,135,661	76,092,289
End of year	<u>\$ 71,756,782</u>	<u>\$ 15,193,527</u>	<u>\$ 14,136,491</u>	<u>\$ 96,596,383</u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES****Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

For the year ended June 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals</u>
<b>Revenue, Gains, and Other Support</b>				
Assessments to affiliated entities for:				
Archdiocesan support	\$ 8,983,853			\$ 8,983,853
Priest health insurance and retirement	2,279,177			2,279,177
Insurance	<u>14,457,914</u>			<u>14,457,914</u>
Total assessments	25,720,944			25,720,944
Bad debt recovery	87,720			87,720
Contributions and grants	371,436	\$ 1,195,672	\$ 586	1,567,694
Rents and royalties	3,703,587			3,703,587
Investment return - designated for current operations	2,983,701	861,201		3,844,902
Interest income - Deposit and Loan Fund	2,407,408			2,407,408
Fees collected and other revenue	4,456,253			4,456,253
Gain on sale of assets	1,179,093			1,179,093
Changes in value of split-interest agreement		46,233		46,233
Net assets released from restrictions - satisfaction of program restrictions	<u>2,082,417</u>	<u>(2,082,417)</u>		<u>-</u>
Total revenue, gains, and other support	<u>42,992,559</u>	<u>20,689</u>	<u>586</u>	<u>43,013,834</u>
<b>Expenses</b>				
Program services:				
Christian formation	4,692,175			4,692,175
Clergy	8,317,440			8,317,440
Community services	141,362			141,362
Gifts and grants	255,307			255,307
Insurance	14,569,317			14,569,317
Pastoral services	2,333,349			2,333,349
Religious	<u>204,697</u>			<u>204,697</u>
Total program services expenses	<u>30,513,647</u>	<u>-</u>	<u>-</u>	<u>30,513,647</u>

**Exhibit B-2  
(Continued)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
<b>Expenses (Continued)</b>				
Supporting services:				
Administration	2,979,073			2,979,073
Financial services	9,733,757			9,733,757
Interest	2,935,908			2,935,908
Interest expense - Deposit and Loan Fund	1,224,654			1,224,654
Total supporting services expenses	16,873,392	-	-	16,873,392
Total expenses	47,387,039	-	-	47,387,039
<b>Income (Loss) From Operations</b>	(4,394,480)	20,689	586	(4,373,205)
<b>Non-Operating Revenues (Expenses)</b>				
Investment income reduced by the portion of cumulative net investment income designated for current operations	7,903,870	2,281,336		10,185,206
Grants and donations related to hurricanes	43,280,553			43,280,553
Distributions of grants and donations to affiliates	(25,970,227)			(25,970,227)
Total non-operating revenues - net	25,214,196	2,281,336	-	27,495,532
<b>Excess of Revenue, Gains, and Other Support Over Expenses</b>	20,819,716	2,302,025	586	23,122,327
<b>Additional Minimum Pension Liability Adjustment</b>	(2,618,233)			(2,618,233)
<b>Increase in Net Assets</b>	18,201,483	2,302,025	586	20,504,094
<b>Net Assets</b>				
Beginning of year	48,285,328	13,671,886	14,135,075	76,092,289
End of year	\$ 66,486,811	\$ 15,973,911	\$ 14,135,661	\$ 96,596,383

See notes to financial statements.

**STATEMENTS OF CASH FLOWS****Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

For the years ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 4,490,417	\$ 20,504,094
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Federal grants restricted for building construction	(8,755,862)	(17,453,539)
Depreciation and amortization	1,631,599	1,396,546
Bond premium amortization	(60,805)	(62,242)
Asset retirement obligation accretion	43,130	41,076
Provision for doubtful receivables - net	(1,416,992)	490,794
Net gain from sale of assets	(2,735,938)	(1,179,093)
Unrealized loss (gain) on investments	1,878,230	(11,021,133)
Increase (decrease) in accrued pension liability	(1,682,840)	4,749,677
Change in beneficial interest in charitable remainder trust	224,815	(46,233)
Contributions restricted for long-term investments	(830)	(586)
Changes in operating assets and liabilities:		
Decrease (increase) in grants, accounts and other receivables	(4,630,015)	348,083
Increase in prepaid expenses	(14,885)	(137,470)
Increase (decrease) in accounts payable, accrued expenses, and other	<u>2,821,035</u>	<u>(2,840,307)</u>
Net cash used in operating activities	<u>(8,208,941)</u>	<u>(5,210,333)</u>

**Exhibit C  
(Continued)**

	<u>2015</u>	<u>2014</u>
<b>Cash Flows From Investing Activities</b>		
Collection on loans to affiliates	62,037,975	71,470,881
Loans made to affiliates	(66,969,848)	(58,361,123)
Increase in investments - net	4,172,206	(27,047,015)
Proceeds from sale of land, buildings, and equipment	3,248,779	1,277,050
Purchases of land, buildings, and equipment	(11,285,292)	(17,241,288)
Decrease in investments restricted for debt service	<u>35,979</u>	<u>132,451</u>
Net cash used in investing activities	<u>(8,760,201)</u>	<u>(29,769,044)</u>
<b>Cash Flows From Financing Activities</b>		
Collection of federal grant funds restricted for building construction	10,191,836	16,471,478
Increase in deposits payable to affiliates - net	7,592,520	9,476,064
Bond principal payments	(1,465,000)	(1,395,000)
Principal payments on line of credit loan	-	(6,000,000)
Increase in funds held for affiliates	936,900	12,711,365
Proceeds from permanently restricted contributions	<u>830</u>	<u>586</u>
Net cash provided by financing activities	<u>17,257,086</u>	<u>31,264,493</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	287,944	(3,714,884)
<b>Cash and Cash Equivalents</b>		
Beginning of year	<u>8,447,058</u>	<u>12,161,942</u>
End of year	<u>\$ 8,735,002</u>	<u>\$ 8,447,058</u>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Cash paid during the year for interest	<u>\$ 2,881,078</u>	<u>\$ 3,031,275</u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

June 30, 2015 and 2014

**Note 1 - ORGANIZATION**

The accompanying financial statements of the Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices (the "Administrative Offices") include the assets, liabilities, net assets, and the financial activities of all administrative and program offices and departments maintained and directed by the administrative offices of the Roman Catholic Church of the Archdiocese of New Orleans, a Louisiana corporation (the "Archdiocese"), and also include certain assets which are owned by the Archdiocese and are used in the operations of certain non-combined affiliated entities. The purpose of the Administrative Offices is to provide support and services to the various church parishes and other related agencies within the Archdiocese. Operating support is derived primarily from assessments received from affiliated entities, contributions and bequests, interest on loans to church parishes, and investment earnings. The activities of the Administrative Offices also include:

- the operation of the Deposit and Loan Fund, which provides savings and loan services to the parishes;
- the administration of a centralized property and casualty insurance program;
- the investment of endowment funds; and
- the administration and funding of health care, auto insurance, and retirement costs for priests of the Archdiocese.

The activities of church parishes, schools, cemeteries, seminaries, nursing homes, charitable institutions, and other distinct operating entities, which operate within the Archdiocese ("non-combined affiliated entities") have not been included in the accompanying financial statements.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Accounting**

The financial statements of the Administrative Offices have been prepared in accordance with accounting principles generally accepted in the United States of America.

**b. Basis of Presentation**

The Administrative Offices reports information regarding its financial position and activities according to three classes of net assets:

**Unrestricted Net Assets** - Those net assets whose use is not restricted by donors.

**Temporarily Restricted Net Assets** - Those net assets whose use by the Administrative Offices has been limited by donors (a) to later periods of time or after specified dates or (b) to specific purposes.

**Permanently Restricted Net Assets** - Those net assets that must be maintained in perpetuity due to donor-imposed restrictions that will neither expire with the passage of time nor be removed by meeting certain requirements. Income earned on these investments may be restricted for specific purposes.

**c. 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 certain reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Of particular significance to the Administrative Offices' financial statements are estimates related to pension assumptions, the allowance for doubtful loans receivable, and the accrued liability for self-insured claims. Actual results could differ from those estimates.



**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Cash and Cash Equivalents**

For the purpose of the Statements of Cash Flows, cash equivalents is defined to include highly liquid short-term investments, including money market account deposits, commercial paper investments, and certificates of deposit purchased with an original maturity of 90 days or less, unless held in the investment portfolios.

**e. Accounts and Loans Receivable**

The accounts and loans receivable include advances made to church parishes and diocesan-related organizations, as a result of a cooperative lending program established by the Administrative Offices for the mutual benefit of participants. The determination of the terms of repayment and interest charges is made by the Administrative Offices on an individual case basis. Since most of the accounts and loans receivable consist of large amounts due from a limited number of related organizations, the determination of the collectability of these receivables is also made by management on an individual case basis, using prior collection histories and current economic factors as judgment criteria.

**f. Allowance for Doubtful Receivables**

The Administrative Offices establishes an allowance for uncollectible loans receivable based on management's evaluation of the collectability of outstanding loans receivable.

**g. Pledges Receivable**

Unconditional promises to give are recognized as revenue or gains and as assets in the period in which the promise is made, and are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Allowances for uncollectible promises to give, if any, are based on management's evaluation of the collectability of such amounts.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h. Investments**

Investments are valued at their fair values in the Statements of Financial Position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 16 for a discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Unrealized gains and losses on investments recorded at fair value are included in the Statements of Activities as increases or decreases in unrestricted net assets, unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

Investments are managed to achieve the maximum long-term total return. A spending rate approach is used to allocate a defined percentage of investment return for operating purposes each year, with the remainder of investment income reinvested and reported as non-operating income. A spending rate of approximately 5% of the market value of the Administrative Offices' pooled investments (excluding funds held for others) as of the beginning of each fiscal year was used during each of the fiscal years ended June 30, 2015 and 2014.

Investments consist of the following:

- Investments over which the Archdiocese retains control and may use at its own discretion subject to donor restrictions, if any;
- Investments restricted for debt service, which are those funds set aside to pay related debt service costs;
- Funds held for others, which funds are owned by affiliated entities that are held in a custodial capacity and invested in a centralized investment pool of assets.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Land, Buildings, and Equipment**

Land, buildings, and equipment are recorded at cost or, when donated, at fair value. Additions and major improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred.

Depreciation on buildings, improvements, and equipment is calculated using the straight-line method over the estimated useful lives, as follows:

Furniture and fixtures	5 years
Transportation equipment	5 years
Buildings and improvements	40 years

**j. Impairment of Long-Lived Assets**

The Administrative Offices reviews its long-lived assets, consisting of buildings and equipment, for impairment and determines whether an event or change in facts and circumstances indicates that their carrying amount may not be recoverable. The Administrative Offices determines recoverability of the assets by comparing the carrying value of the asset to the net future undiscounted cash flows that the asset is expected to generate or to fair value. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the asset. During the years ended June 30, 2015 and 2014, no asset impairments were recorded.

**k. Historical Treasures**

Included in other assets is a donation of historical documents (Garrison St. Lazarus) that does not meet the definition of a collection. This asset was recorded at fair value at the time of donation.

**l. Deposits Payable to Affiliates**

Entities affiliated with the Archdiocese are encouraged to deposit funds not required for short-term operating needs with the Administrative Offices. Such deposits are used to fund loans and make other investments. Market rates of interest are paid on such deposits. Such interest rates are adjusted annually based on changes in the 90-day U.S. Treasury bill rate.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**m. Funds Held for Affiliates**

The Administrative Offices acts as a custodian for funds owned by affiliated entities to provide centralized investment of pooled assets. Earnings on these investments are allocated monthly.

**n. Amortization of Bond Issue Costs**

Included in other assets are bond issue costs of approximately \$3,104,000 as of June 30, 2015 and 2014, which are being amortized over the term of the related bond issue using a method that approximates the interest method. Accumulated amortization was approximately \$854,000 and \$750,000 as of June 30, 2015 and 2014, respectively.

**o. Statements of Activities**

Transactions deemed to be ongoing, major, or central to the operations of the Administrative Offices are reported as operating revenues and expenses. Peripheral or incidental transactions, when material, are reported as non-operating gains or losses, as are investment returns over and above the predetermined spending rate. Grants and donations received and distributed to affiliates and expenses incurred relating to Hurricane Katrina (see Note 3) are reported as non-operating activities.

Changes in unrestricted net assets that are excluded from excess of unrestricted revenues, gains, and other support over expenses include changes in the additional minimum pension liability.

**p. Contributed Support**

The Administrative Offices recognizes all contributed support received as income in the period received. Contributed support is reported as unrestricted or as restricted depending on the existence of donor stipulations that limit the use of the support.

When a donor 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 Statement of Activities as net assets released from restrictions. Federal grant income received and expended in the same year is recorded as unrestricted revenue.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**p. Contributed Support (Continued)**

Long-lived assets acquired with gifts of cash restricted for those acquisitions are reported as unrestricted or as temporarily restricted depending on whether there is an explicit, donor-imposed time requirement as to how long the assets must be maintained. Long-lived assets are reported as permanently restricted only if the Administrative Offices must maintain the assets in perpetuity or if the donor explicitly restricted the proceeds from any future disposition of the assets to reinvestment in long-lived assets.

**q. Functional Allocation of Expenses**

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

**r. Income Taxes**

The Archdiocese is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

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, 2015 and 2014, management of the Administrative Offices believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

**s. Subsequent Events**

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 2, 2015, which is the date the financial statements were available to be issued.

**Note 3 - HURRICANE KATRINA AND RECOVERY**

On August 29, 2005, Hurricane Katrina crossed the Louisiana coast causing catastrophic damage to many of the Archdiocese properties in the civil parishes of Orleans, Plaquemines, St. Bernard, Jefferson, and St. Tammany. As a result of the damage caused by Hurricane Katrina during fiscal 2006, the Archdiocese closed 6 church parishes and delayed the reopening of twenty-three church parishes, and eighteen schools. In addition, the Administrative Offices reduced non-clergy staff by approximately 30%.

The June 30, 2015 and 2014 financial statements reflect certain unusual items resulting from the effects of Hurricane Katrina on the operations of the Administrative Offices and certain non-combined affiliated entities. The 2015 and 2014 statements of activities reflect approximately \$43.6 million and \$43.3 million, respectively, of federal grant monies received and approximately \$34.9 million and \$26.0 million, respectively, of recovery-related expenses. The federal grant monies received in excess of recovery-related expenses totaling approximately \$8.8 million and \$17.5 million during the years ended June 30, 2015 and 2014, respectively, were spent on non-combined affiliated entity capital projects which were recorded as part of land, buildings, and equipment.

Cumulatively, through June 30, 2015, the Administrative Offices has received approximately \$237 million of federal grant monies related to Hurricane Katrina. Of this total, approximately \$47 was spent on non-combined affiliated entity capital projects which were recorded as part of land, buildings, and equipment. As of June 30, 2015, unrestricted net assets includes expenditures of federal grant monies of approximately \$45 million related to capital costs, net of accumulated depreciation. Remaining federal grant monies to be received as of June 30, 2015, totals approximately \$70 million.

Temporarily restricted net assets consisting of non-federal donations related to Hurricane Katrina Recovery totaled \$1,997,245 and \$2,000,177 as of June 30, 2015 and 2014, respectively.

**Note 3 - HURRICANE KATRINA AND RECOVERY (Continued)**

The following table presents information related to Hurricane Katrina recovery for the years ended June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Unrestricted revenues:		
Unrestricted donations related to Hurricane Katrina	\$ -	\$ -
Federal grant monies received	<u>43,594,834</u>	<u>43,280,553</u>
Total unrestricted revenues related to Hurricane Katrina	43,594,834	43,280,553
Temporarily restricted revenues:		
Restricted donations related to Hurricane Katrina	<u>-</u>	<u>-</u>
Total revenues related to Hurricane Katrina	<u>\$ 43,594,834</u>	<u>\$ 43,280,553</u>
Distributions - non-combined affiliated entities:		
Restricted donations received and distributed to affiliates	\$ -	\$ -
Unrestricted donations received and distributed to affiliates	(95,543)	(143,213)
Federal grant monies distributed to affiliates	<u>(34,838,972)</u>	<u>(25,827,014)</u>
Total distributions to non-combined affiliated entities	(34,934,515)	(25,970,227)
Administrative offices:		
Hurricane Katrina related expenses	<u>-</u>	<u>-</u>
Total expenses related to Hurricane Katrina	<u>\$ (34,934,515)</u>	<u>\$ (25,970,227)</u>

**Note 3 - HURRICANE KATRINA AND RECOVERY (Continued)**

The Archdiocese, through the operations of the Administrative Offices, serves as a conduit in providing insurance coverage to its affiliates; including wind, flood, and business interruption (see Note 15). Actual affiliate insurance claims and proceeds received from insurance claims related to wind, flood, and business interruption resulting from Hurricane Katrina are not recorded in the operations of the Administrative Offices and are not included in the Statements of Activities herein. As of June 30, 2011, all insurance claims related to Hurricane Katrina were settled and the insurance proceeds were paid to the non-combined affiliated entities, except for \$248,041 of flood insurance proceeds, which was recognized as insurance revenue on the accompanying Statement of Activities for the year ended June 30, 2014.

**Note 4 - LOANS RECEIVABLE FROM AFFILIATES**

A summary of loans receivable from affiliates as of June 30, 2015 and 2014, is as follows:

	<u>2015</u>	<u>2014</u>
Parishes	\$ 40,723,003	\$ 37,339,911
Nursing homes	341,135	-
Archdiocesan-sponsored high schools	10,253,572	9,844,316
Real estate - affordable housing ministries	10,021,828	7,223,725
Real estate - housing ministry	2,460,044	3,994,103
Other school-related loans	1,653,243	1,802,457
Other	<u>5,562,413</u>	<u>5,878,853</u>
 Total loans	 71,015,238	 66,083,365
 Less allowance for doubtful receivables	 <u>(11,212,902)</u>	 <u>(12,629,894)</u>
 Total loans - net	 <u>\$ 59,802,336</u>	 <u>\$ 53,453,471</u>

As of June 30, 2015 and 2014, the allowance for doubtful receivables relates primarily to parish receivables.



**Note 4 - LOANS RECEIVABLE FROM AFFILIATES (Continued)**

A summary of loans receivable from affiliates based on interest-accrued status as of June 30, 2015 and 2014, is as follows:

	<u>2015</u>	<u>2014</u>
Balances on which interest is accrued	\$ 55,287,963	\$ 50,665,531
Balances on which interest is not accrued	<u>15,727,275</u>	<u>15,417,834</u>
Totals	<u>\$ 71,015,238</u>	<u>\$ 66,083,365</u>

**Note 5 - INVESTMENTS**

The Administrative Offices' investments are held in pooled assets and separately invested portfolios. Pooled assets represent funds that are invested in a commingled portfolio of investments, as opposed to the separately invested assets, which have segregated investments. Investments are recorded at fair value as of June 30, 2015 and 2014, and consist of the following:

	<u>2015</u>	<u>2014</u>
Pooled asset portfolio:		
Cash and cash equivalents	\$ 2,473,910	\$ 3,234,182
U.S. government and agency obligations	9,080,478	8,937,911
Corporate and foreign obligations	6,391,353	6,754,785
Collateralized mortgage obligations	2,396,906	2,321,532
Asset-backed securities	459,259	266,955
Common stocks	10,413,724	9,448,714
Mutual funds	79,241,876	78,671,140
Exchange traded funds	11,550,224	18,026,299
Preferred stock	102,531	-
Common trust funds	18,462,199	17,360,088
Limited partnerships	20,262,212	19,523,574
Hedge feeder fund	4,292,826	4,175,426
Segregated portfolio companies	<u>10,968,860</u>	<u>10,361,012</u>
Total pooled asset portfolio	<u>176,096,358</u>	<u>179,081,618</u>

**Note 5 - INVESTMENTS (Continued)**

	<u>2015</u>	<u>2014</u>
Separately invested portfolio:		
Cash and cash equivalents	8,284,526	17,018,513
Brokered certificates of deposit	3,343,474	3,338,817
Commercial paper	-	599,638
Government and agency obligations	8,852,899	7,259,505
Corporate obligations	40,718,281	35,307,334
Investment in Catholic Umbrella Pool	727,995	928,143
Municipal obligations	24,943,466	22,104,185
Collateralized mortgage obligations	1,153,317	4,561,625
Asset-backed securities	<u>503,855</u>	<u>511,208</u>
Total separately invested portfolio	<u>88,527,813</u>	<u>91,628,968</u>
Totals	<u>\$ 264,624,171</u>	<u>\$ 270,710,586</u>

As of June 30, 2015 and 2014, investments are comprised of amounts owned by the Administrative Offices and funds held for others, as follows:

	<u>2015</u>	<u>2014</u>
Administrative Offices:		
Restricted for debt service	\$ 6,070,883	\$ 6,106,862
Other	<u>172,513,157</u>	<u>180,368,869</u>
	178,584,040	186,475,731
Funds held for others	<u>86,040,131</u>	<u>84,234,855</u>
Totals	<u>\$ 264,624,171</u>	<u>\$ 270,710,586</u>

**Note 5 - INVESTMENTS (Continued)**

Net investment income for the years ended June 30, 2015 and 2014, is comprised of the following:

	<u>2015</u>	<u>2014</u>
Interest, dividends, and realized gains (losses) - net	\$ 3,747,312	\$ 3,008,975
Unrealized gains - net	<u>(1,878,230)</u>	<u>11,021,133</u>
Total net investment income	<u>\$ 1,869,082</u>	<u>\$ 14,030,108</u>
Investment return designated for current operations:		
Unrestricted	\$ 3,223,739	\$ 2,983,701
Temporarily restricted	<u>560,031</u>	<u>861,201</u>
	<u>3,783,770</u>	<u>3,844,902</u>
Investment return - non-operating:		
Unrestricted	(1,493,781)	7,903,870
Temporarily restricted	<u>(420,907)</u>	<u>2,281,336</u>
	<u>(1,914,688)</u>	<u>10,185,206</u>
Total net investment income	<u>\$ 1,869,082</u>	<u>\$ 14,030,108</u>

Investment income is reported net of investment fees. Investment fees were approximately \$509,000 and \$475,000 for the years ended June 30, 2015 and 2014, respectively.

**Note 6 - LAND, BUILDINGS, AND EQUIPMENT**

Land, buildings, and equipment include certain properties, which are owned by the Archdiocese, but are used in the operations of certain non-combined affiliated entities. Additionally, included in land, buildings, and equipment is land held for future development by the Archdiocese, as detailed on following page.

**Note 6 - LAND, BUILDINGS, AND EQUIPMENT (Continued)**

The composition of land, buildings, and equipment and accumulated depreciation as of June 30, 2015 and 2014, is summarized as follows:

	<u>2015</u>	<u>2014</u>
Administrative offices:		
Land	\$ 6,410,583	\$ 4,797,437
Buildings and improvements	29,642,637	29,239,194
Furniture and fixtures	1,324,783	1,473,843
Transportation equipment	<u>58,120</u>	<u>58,120</u>
	37,436,123	35,568,594
Less accumulated depreciation	<u>(16,933,825)</u>	<u>(16,463,078)</u>
Subtotals	<u>20,502,298</u>	<u>19,105,516</u>
Non-combined affiliated entities:		
Land	6,404,690	6,404,690
Buildings and improvements	<u>64,620,191</u>	<u>55,864,329</u>
	71,024,881	62,269,019
Less accumulated depreciation	<u>(18,907,524)</u>	<u>(17,999,532)</u>
Subtotals	<u>52,117,357</u>	<u>44,269,487</u>
Land held for future development (includes \$190,625 of land, the use of which is restricted)	<u>3,627,469</u>	<u>3,627,469</u>
Totals	<u>\$ 76,247,124</u>	<u>\$ 67,002,472</u>

As of June 30, 2014, non-combined affiliated entities' land, buildings and improvement cost included \$20,976,473 of construction in progress on a building to be used by Academy of Our Lady in Marrero, Louisiana. The building was placed in service in March 2015 at a total cost of \$29,732,336. The majority of the project cost was funded by a federal grant.

**Note 6 - LAND, BUILDINGS, AND EQUIPMENT (Continued)**

Depreciation expense for the years ended June 30, 2015 and 2014 was \$1,527,799 and \$1,292,746, respectively, and is reported in the statements of activities by functional category as follows:

	<u>2015</u>	<u>2014</u>
Program services	\$ 260,591	\$ 256,610
Supporting services	<u>1,267,208</u>	<u>1,036,136</u>
Totals	<u>\$ 1,527,799</u>	<u>\$ 1,292,746</u>

**Note 7 - BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUST**

During the fiscal year ended June 30, 2001, the Administrative Offices received possession of a 20% interest in the assets of the Margaret Ellen Lauer Estate (the "Estate"). However, certain assets from the Estate were placed in a charitable remainder trust. The Administrative Offices' interest in this charitable remainder trust is, as follows:

	<u>2015</u>	<u>2014</u>
Contribution receivable	\$ 973,075	\$ 942,747
Less discount to net present value	<u>(569,645)</u>	<u>(314,502)</u>
Beneficial interest in charitable remainder trust	<u>\$ 403,430</u>	<u>\$ 628,245</u>

Until the current year, present values were calculated using a discount rate of 5% and the applicable mortality tables pertinent to each trust beneficiary. During the current year, the Administrative Offices was informed that no distributions would be made until there are no trust beneficiaries remaining. Beginning in 2015, present value was calculated using a discount rate of 5% and the applicable mortality table pertinent to the youngest remaining trust beneficiary. The effect of this change in the present value calculation is recognized as part of changes in value of split-interest agreement on the accompanying statement of activities for the year ended June 30, 2015.

All amounts are considered to be long-term since the dates of the distribution of the trust are uncertain.

**Note 8 - BONDS PAYABLE**

In March 2007, the Archdiocese completed a refinancing for the purpose of advance refunding certain bonds, and providing for the financing of certain capital projects of the Archdiocese and non-combined affiliated entities. The Louisiana Public Facilities Authority issued the \$69.15 million par value 2007 Series Revenue and Revenue Refunding Bonds, at a premium of \$1.3 million. Approximately \$14.8 million of the proceeds were designated for the refunding of all outstanding principal and accrued interest on the 2001A Series Bonds, which were previously outstanding as of June 30, 2006, and the 2002C Series Bonds, which were previously guaranteed by the Administrative Offices on behalf of certain non-combined affiliated entities. Amounts under the 2002C Series, which were refunded by the 2007 Series, were converted to loans receivable from the original obligated parties. Debt service on the bonds is provided, in part, by collections on these loans receivable. The 2007 bonds were issued at fixed rates ranging from 4.5% to 5% and are secured by an assignment of all presently existing and future revenues of the Archdiocese as defined in the loan agreement.

The bonds require the Administrative Offices to maintain certain covenants under the terms of the bond agreement. As of June 30, 2015, management of the Administrative Offices was not aware of any violation of the covenants.

The aggregate maturities of the bonds payable as of June 30, 2015, are as follows:

Years Ending June 30,	
2016	\$ -
2017	1,540,000
2018	1,620,000
2019	1,700,000
2020	1,790,000
2021-2038	<u>52,520,000</u>
Subtotal	59,170,000
Unamortized bond premium	<u>790,300</u>
	<u>\$ 59,960,300</u>

**Note 9 - RETIREMENT PLANS**

The Administrative Offices offers a 401(k) defined contribution plan (the "401(k) Plan") to its lay employees and employees of affiliates. Employees electing to participate in the 401(k) Plan are required to contribute a minimum of 3% of their salaries, and may elect to contribute up to a maximum of 16%. The 401(k) Plan requires the Administrative Offices to contribute 3.5% of the participants' salaries. Retirement plan expenses also include an additional 2% contribution by the Administrative Offices to cover costs for life insurance and disability insurance for the employees. Any remaining funds from the 2% contribution may be used as a discretionary employer contribution to the 401(k) Plan. The 401(k) Plan administrator is the Archdiocese. The Administrative Offices contributed approximately \$346,000 and \$308,000 for the years ended June 30, 2015 and 2014, respectively.

Incardinated priests of the Archdiocese, whose retirement from active service is duly accepted by the Archbishop, are eligible for retirement benefits under an unfunded retirement plan (the "Plan"). The Administrative Offices has elected to account for these retirement benefits under accounting principles generally accepted in the United States of America, as a defined benefit pension plan.

FASB ASC 715-20 requires an employer to recognize the overfunded or underfunded status of defined benefit pension, and postretirement plans, as an asset or liability in its statements of financial position, and to recognize changes in that funded status in the year in which the changes occur through net assets for not-for-profit entities.

**Note 9 - RETIREMENT PLANS (Continued)**

The following table as of June 30, 2015 and 2014 sets forth the Plan's change in benefit obligation, change in Plan assets, and the funded status of the Plan:

	<u>2015</u>	<u>2014</u>
Change in benefit obligation:		
Projected benefit obligation - beginning of year	\$ (38,528,730)	\$ (33,779,053)
Service cost	(641,404)	(515,176)
Interest cost	(1,610,308)	(1,635,518)
Plan amendments	523,808	(1,050,317)
Actuarial gain (loss)	2,162,641	(2,845,841)
Benefits paid	<u>1,248,103</u>	<u>1,297,175</u>
Projected benefit obligation - end of year	<u>(36,845,890)</u>	<u>(38,528,730)</u>
Change in plan assets:		
Fair value of plan assets - beginning of year	-	-
Employer contributions made	1,248,103	1,297,175
Benefits paid	<u>(1,248,103)</u>	<u>(1,297,175)</u>
Fair value of plan assets - end of year	<u>-</u>	<u>-</u>
Funded status - (deficit)	<u>\$ (36,845,890)</u>	<u>\$ (38,528,730)</u>
Amounts recognized in the statements of financial position consist of:		
Accrued pension liability	<u>\$ (36,845,890)</u>	<u>\$ (38,528,730)</u>
Unrestricted net assets		
Net loss	\$ 7,814,011	\$ 10,391,387
Prior service cost	1,183,674	1,916,839
Transition obligation	<u>-</u>	<u>399,908</u>
Totals	<u>\$ 8,997,685</u>	<u>\$ 12,708,134</u>



**Note 9 - RETIREMENT PLANS (Continued)**

The actuarial present value of the projected benefit obligation was computed using a weighted-average discount rate of 4.570% and 4.270% as of June 30, 2015 and 2014, respectively. Because benefit payments are based on years of service rather than compensation levels, there is no difference between the accumulated and projected benefit obligation.

For the years ended June 30, 2015 and 2014, net periodic pension cost, included in Clergy expense in the statement of activities, includes the following components:

	<u>2015</u>	<u>2014</u>
Service costs - benefits earned during the periods	\$ 641,404	\$ 515,176
Interest cost on projected benefit obligation	1,610,308	1,635,518
Amortization of transition obligation	399,908	850,863
Amortization of net loss	414,735	284,326
Amortization of prior service cost	<u>209,357</u>	<u>142,736</u>
Net periodic pension cost	<u>\$ 3,275,712</u>	<u>\$ 3,428,619</u>

The net periodic pension cost was computed using a weighted-average discount rate of 4.270% and 4.960% for the years ended June 30, 2015 and 2014, respectively.

The additional minimum pension liability adjustment, presented in the statement of activities, resulted in a gain of \$3,710,449 for the year ended June 30, 2015 and a loss of \$2,618,233 for the year ended June 30, 2014. The gain in 2015 was primarily due to actuarial gains attributable to an increase in the discount rate, whereas the loss in 2014 was primarily due to actuarial losses attributable to a decrease in the discount rate.

The Administrative Offices currently expects to make benefit payments and contributions to the Plan of approximately \$1,548,000 in fiscal year 2016.

The estimated net loss and prior service cost for the Plan that will be amortized from accumulated unrestricted net assets into net periodic benefit cost over the next fiscal year are estimated to be \$270,972 and \$134,591, respectively.

**Note 9 - RETIREMENT PLANS (Continued)**

Future benefit payments expected to be paid in each of the next five fiscal years, and in the aggregate for the following five years as of June 30, 2015, are as follows:

<u>Years Ending June 30,</u>	
2016	\$ 1,548,032
2017	1,597,121
2018	1,706,304
2019	1,802,100
2020	1,846,365
2021-2025	<u>10,450,252</u>
	<u>\$ 18,950,174</u>

**Note 10 - NET ASSETS**

Unrestricted net assets as of June 30, 2015 and 2014 were \$71,756,782 and \$66,486,811 respectively.

Temporarily restricted net assets as of June 30, 2015 and 2014 consist of the following:

	<u>2015</u>	<u>2014</u>
School Endowment	\$ 2,499,148	\$ 3,114,190
Infirm priests	6,708,950	6,638,120
Hurricane Katrina Recovery	1,997,245	2,000,177
Cathedral Capital Campaign	962,786	1,054,619
Margaret Lauer	682,317	907,132
Burses	580,594	695,078
Hector Ragas	343,069	339,472
Disaster Fund	303,790	284,758
Cummings land donation	127,125	127,125
Other - miscellaneous	<u>988,503</u>	<u>813,240</u>
Totals	<u>\$ 15,193,527</u>	<u>\$ 15,973,911</u>

**Note 10 - NET ASSETS (Continued)**

The following temporarily restricted net assets were released during the years ended June 30, 2015 and 2014, due to satisfaction of program restrictions:

	<u>2015</u>	<u>2014</u>
School Endowment	\$ 698,000	\$ 782,000
Infirm Priests	203,271	194,386
Hurricane Katrina Recovery	2,932	-
Cathedral Capital Campaign	102,271	322,895
Burses	131,000	127,000
Disaster Fund	70,000	580,656
Other - miscellaneous	<u>77,090</u>	<u>75,480</u>
Totals	<u>\$ 1,284,564</u>	<u>\$ 2,082,417</u>

Permanently restricted net assets as of June 30, 2015 and 2014 consist of endowment funds and are held as follows:

	<u>2015</u>	<u>2014</u>
School Endowment	\$ 11,152,537	\$ 11,152,537
Burses	1,983,954	1,983,124
St. Louis Cathedral	<u>1,000,000</u>	<u>1,000,000</u>
Totals	<u>\$ 14,136,491</u>	<u>\$ 14,135,661</u>

**Note 11 - CONCENTRATIONS OF CREDIT RISK**

The Administrative Offices maintains a substantial amount of cash in certain banks, which at times may exceed federally insured deposit limits. The Administrative Offices has not experienced any loss in such accounts, and management believes that the Administrative Offices is not exposed to any significant credit risk related to the cash in banks. As of June 30, 2015, the Administrative Offices had \$2,917,610 of uninsured bank deposits.

The Administrative Offices extends unsecured credit to non-combined affiliated entities, as further explained in Note 2. Financial instruments that potentially subject the Administrative Offices to credit risk include these accounts, which are shown on the statements of financial position as accounts and loans receivable.

## Note 12 - RELATED-PARTY TRANSACTIONS

The Archbishop of New Orleans serves as president of the Archdiocese. He also serves as the controlling member of all other corporations, boards of trustees, and separate activities sponsored by, or operated under, the auspices of the Archdiocese. In the normal course of operations, the Administrative Offices has made and will, when necessary, make available to these non-combined affiliated entities, specific assistance in the form of operating subsidies, loans, use of facilities, and/or administrative support. The Administrative Offices receives income from affiliates in the form of assessments to cover insurance and other administrative costs. In addition, the Administrative Offices pays interest on deposits payable to affiliates and collects interest on loans receivable from affiliates.

In lieu of rental payments for the use of facilities, non-combined affiliated entities pay insurance, repairs and maintenance for the facilities. The provision of the facilities is not recorded as an in-kind contribution and related rental income by the Administrative Offices. The values of the land and buildings are not readily determinable. These rental agreements are classified as exchange transactions because both parties receive significant value from these arrangements.

Other related party transactions include premium payments to a captive insurance company (Note 15).

## Note 13 - FAIR VALUE OF FINANCIAL INSTRUMENTS

**Cash and Cash Equivalents** - The carrying amount approximates fair value because of the short maturity of these instruments.

**Loans Receivable From Affiliates** - The carrying amount approximates fair value because amounts not reserved generally bear interest at market rates.

**Investments** - The carrying amounts of the marketable investment securities reported on the Statements of Financial Position are predominately based on quoted market prices and other observable inputs. See Note 16 for a discussion of fair value measurements.

**Bonds Payable** - The carrying value of long-term debt as of June 30, 2015 and 2014, is \$59,960,300 and \$61,486,105, respectively, which approximates fair value.

**Limitations** - Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

**Note 14 - ENDOWMENT**

*The Endowments.* The Administrative Offices' endowment consists of three individual funds established for specific purposes. Endowment assets include those assets of donor-restricted funds that the Administrative Offices must hold in perpetuity or for a donor-specified period. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

*Interpretation of Relevant Law.* The Administrative Offices has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring preservation of the purchasing power (real value) of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Administrative Offices classifies the following amounts as permanently restricted net assets in the accompanying financial statements: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment, made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Administrative Offices in a manner consistent with the language of UPMIFA.

In accordance with UPMIFA, the Administrative Offices considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Administrative Offices and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Administrative Offices; and
- The investment policies of the Administrative Offices.

**Note 14 - ENDOWMENT (Continued)**

Endowment fund net asset composition by type of fund as of June 30, 2015 and 2014, are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Fund Net Assets</u>
<u>June 30, 2015</u>				
Donor-restricted Endowments:				
School Endowment Funds	\$ -	\$ 2,499,148	\$ 11,152,537	\$ 13,651,685
Other	-	1,543,380	2,983,954	4,527,334
	<u>-</u>	<u>4,042,528</u>	<u>14,136,491</u>	<u>18,179,019</u>
Totals	<u>\$ -</u>	<u>\$ 4,042,528</u>	<u>\$ 14,136,491</u>	<u>\$ 18,179,019</u>
<u>June 30, 2014</u>				
Donor-restricted Endowments:				
School Endowment Funds	\$ -	\$ 3,114,190	\$ 11,152,537	\$ 14,266,727
Other	-	1,749,697	2,983,124	4,732,821
	<u>-</u>	<u>4,863,887</u>	<u>14,135,661</u>	<u>18,999,548</u>
Totals	<u>\$ -</u>	<u>\$ 4,863,887</u>	<u>\$ 14,135,661</u>	<u>\$ 18,999,548</u>

Changes in endowment fund net assets for the years ended June 30, 2015 and 2014 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Fund Net Assets</u>
Net assets, July 1, 2013	\$ -	\$ 3,574,338	\$ 14,135,075	\$ 17,709,413
Contributions	-	-	586	586
Investment earnings:				
Realized gains	-	395,959	-	395,959
Unrealized gains	-	2,125,485	-	2,125,485
Net asset releases	-	(1,231,895)	-	(1,231,895)
	<u>-</u>	<u>4,863,887</u>	<u>14,135,661</u>	<u>18,999,548</u>
Net assets, June 30, 2014	-	4,863,887	14,135,661	18,999,548
Contributions	-	-	830	830
Investment earnings:				
Realized gains	-	446,859	-	446,859
Unrealized losses	-	(336,947)	-	(336,947)
Net asset releases	-	(931,271)	-	(931,271)
	<u>-</u>	<u>(931,271)</u>	<u>-</u>	<u>(931,271)</u>
Net assets, June 30, 2015	<u>\$ -</u>	<u>\$ 4,042,528</u>	<u>\$ 14,136,491</u>	<u>\$ 18,179,019</u>

**Note 14 - ENDOWMENT (Continued)**

*Funds with Deficiencies* - From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Administrative Offices to retain as a fund of perpetual duration. As of June 30, 2015 and 2014, no deficiencies existed.

*Return Objectives and Risk Parameters* - The Administrative Offices has adopted investment and spending policies 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 the endowment assets. Under the investment policy, the performance objective is to exceed by 100 basis points a target annualized rate of return equal to the aggregate of inflation, spending rate and administrative costs, over a full market cycle (defined as market peak to market peak) without exceeding a standard deviation of 1.2 times a weighted benchmark index. The benchmark index will be comprised of each asset class index weighted by its target allocation. It is expected that the portfolio will outperform its weighted benchmark index by 50 basis points and rank in the top half of the appropriate balanced universe over a full market cycle. Actual returns in any given year may vary from this amount.

*Strategies Employed for Achieving Objectives* - Because the Archdiocese is expected to endure indefinitely, and because inflation is a key component in its performance objective, the long-term risk of not investing in equity securities outweighs the short-term volatility risk. As a result, the majority of assets will be invested in equity securities. Fixed income securities will be used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity markets. Cash is not a strategic asset of the portfolio, but is a residual to the investment process and used to meet short-term liquidity needs. Other asset classes are included to provide diversification and incremental return (e.g. small cap equities, international equities, etc.). The Administrative Offices targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent constraints.

*Spending Policy and How the Investment Objectives Relate to Spending Policy* - The Administrative Offices authorized a policy of appropriating for distribution each year (spending rate) a maximum of 5% of the prior year market value of the endowment funds. This is consistent with its objective to maintain the purchasing power of donor-restricted funds.

**Note 14 - ENDOWMENT (Continued)**

During the year ended June 30, 2014, the Administrative Offices exceeded its spending policy to fund a capital improvement project approved by the Archbishop with a total budget of approximately \$600,000. The related St. Louis Cathedral capital expenditure, which totaled \$322,895, is classified as Financial Services Expense in the 2014 statement of activities.

**Note 15 - COMMITMENTS AND CONTINGENCIES**

**Commitments** - The Administrative Offices has agreed to provide financing via the cooperative lending program (see Note 2e) to individual church parishes for capital expenditures. As of June 30, 2015, such commitments totaled approximately \$70,000,000.

In February 2009, the Administrative Offices subscribed to a \$7,000,000 investment in Siguler Guff Distressed Opportunity Fund III, L.P. As of June 30, 2015, \$6,790,000 of this investment was funded. In October 2010, the Administrative Offices subscribed to a \$4,000,000 investment in Siguler Guff Distressed Opportunity Fund IV, L.P. As of June 30, 2015, \$3,380,000 of this investment was funded. In October 2014, the Administrative Offices subscribed to a \$5,000,000 investment in Siguler Guff Distressed Real Estate Opportunity Fund II, L.P. As of June 30, 2015, \$1,825,000 of this investment was funded. In March 2015, the Administrative Offices subscribed to a \$7,000,000 investment in Venture Investment Associates Energy III, L.P. As of June 30, 2015, \$1,400,000 of this investment was funded.

**Guarantees** - As of June 30, 2015, the Administrative Offices has guaranteed \$1.0 million of indebtedness of a non-combined affiliate.

On September 4, 2014, the Administrative Offices agreed to provide up to \$14,000,000 of subordinated debt and/or equity and guarantee the financing of a housing ministry project up to \$43 million. After completion of the project and achievement of certain financial ratios, the guarantee will be reduced to 35% of the guaranteed obligation and ultimately, the guarantee will terminate upon achievement of more stringent financial ratios.



**Note 15 - COMMITMENTS AND CONTINGENCIES (Continued)**

**Self-Insurance Programs** - The Archdiocese, through the operations of the Administrative Offices, serves as a conduit in providing insurance coverage to its affiliates. Prior to July 1, 2011, the Administrative Offices assessed premiums to the various entities based on relevant factors for each type of coverage and retained all of the related risk of self-insurance liability. The accrued liability for self-insured claims on the accompanying statements of financial position represents the estimated reserves for all of the covered entities for claims occurring prior to July 1, 2011.

On June 28, 2011, Archdiocese of New Orleans Indemnity, Inc. (ANOI), a captive insurance company was created to help lower the insurance costs associated with managing the risks of the parishes and various non-combined affiliated entities. ANOI is a wholly-owned subsidiary of a subsidiary of the Archdiocese.

For claims occurring subsequent to June 30, 2011, ANOI provides deductible reimbursement property, automobile liability and physical damage, workers' compensation, breach of personal conduct, and general liability coverages to the Archdiocese. Property, automobile liability and physical damage, and general liability coverages are provided on an occurrence basis and breach of personal conduct on a claims-made basis with limits of \$300,000 per occurrence and a combined \$3,500,000 annual aggregate (limits of \$250,000 per occurrence and a combined \$3,000,000 annual aggregate prior to July 1, 2013). Workers' compensation coverage is provided on an occurrence basis with limits of \$800,000 per accident and no annual aggregate.

The Archdiocese is a subscribing member in the Catholic Umbrella Pool (CUP). The CUP provides the Archdiocese with reinsurance for general property and auto liability claims in excess of its primary layer of insurance coverage of \$3,000,000 through June 30, 2013, and \$3,500,000 thereafter, with excess coverage limits of \$25,000,000 in the aggregate. The Archdiocese has an equity investment in the CUP of approximately \$728,000 and \$928,000 as of June 30, 2015 and 2014, respectively.

For claims prior to July 1, 2011, the Archdiocese is self-insured, as follows:

*General, Property, and Auto Liability* - The Archdiocese is self-insured for \$200,000 per occurrence up to an annual aggregate limit of \$1,500,000 through June 30, 2003, and \$1,750,000 thereafter.

**Note 15 - COMMITMENTS AND CONTINGENCIES (Continued)**

*Workers' Compensation* - The Archdiocese is self-insured for workers' compensation claims for the first \$225,000 per occurrence for claims occurring prior to July 1, 2002, for the first \$750,000 per occurrence for claims occurring between July 1, 2002 and June 30, 2009, and for workers' compensation claims for the first \$800,000 per occurrence for claims occurring subsequent to June 30, 2009.

The Archdiocese is also self-insured for claims relating to breaches of personal conduct. The self-insured portion applies to claims in excess of annual aggregate limits (which include reinsurance for amounts provided by the CUP) as follows: amounts in excess of \$100,000 from July 1, 1990 to July 1, 1993; amounts in excess of \$650,000 from July 1, 1993 to July 1, 1998; and amounts in excess of \$1,000,000 for claims after July 1, 1998.

The Archdiocese has reflected its estimate of the ultimate liability for all known and incurred, but not reported claims in the accompanying financial statements. The estimated reserves for these claims are undiscounted and are approximately \$1,168,000 and \$1,278,000 as of June 30, 2015 and 2014, respectively.

**Asset Retirement Obligations** - In accordance with FASB ASC 410-20, an entity is required to recognize a liability for the fair market value of a conditional asset retirement obligation when incurred, if the liability's fair value can be reasonably estimated. The corresponding cost is capitalized as part of the carrying amount of the related long-lived asset as of the obligating event date. The liability is accreted to its present value each period and the capitalized cost is depreciated over the useful life of the related asset. If the liability is settled for an amount other than the recorded amount, a gain or loss is recognized.

As of June 30, 2006, the Administrative Offices recognized obligations associated with the future retirement of long-lived assets. Asbestos abatement costs were added to the carrying value of the Administrative Offices' building cost. The recorded net book value of the abatement costs totaled approximately \$324,000 and \$344,000 as of June 30, 2015 and 2014, respectively.

Estimated asset retirement obligations of approximately \$906,000 and \$863,000 as of June 30, 2015 and 2014, respectively, were recorded as part of accrued expenses and other liabilities.

**Note 15 - COMMITMENTS AND CONTINGENCIES (Continued)**

**Contingencies** - The Archdiocese has certain pending and threatened litigation and claims; however, management believes the probable resolution of such contingencies will not exceed the established reserves or insurance coverage, and will not materially affect its financial position. It is reasonably possible that estimates included in the financial statements related to these contingencies may change in the near term.

**Note 16 - FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Administrative Offices has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used as of June 30, 2015 and 2014.

*Government obligations and corporate stocks* - Valued at the closing price reported on the active market on which the individual securities are traded. These are included in Level 1 of the fair value hierarchy.

*Money market funds, mutual funds, and exchange traded funds* - Valued at quoted market prices, which represent the net asset value per unit. These are included in Level 1 of the fair value hierarchy.

*Government agency mortgage obligations, municipal obligations, corporate and foreign obligations, collateralized mortgage obligations, asset-backed securities, preferred stock, and commercial paper* - Valued by independent pricing vendors used by the custodians of the investments. The pricing vendor uses various pricing models for each asset class that are consistent with what other market participants would use. The inputs and assumptions to the models used by the pricing vendors are derived from market-observable sources, including benchmark yields, reported trades, broker/dealer quotes, and other market-related data. Since many of these fixed income securities do not trade on a daily basis, the methodology of the pricing vendor uses available information, including benchmark curves, benchmarking of like securities, and matrix pricing. These investments are included in Level 2 of the fair value hierarchy.

*Common trust funds, segregated portfolio companies, hedge feeder fund, and limited partnerships* - Valued, as a practical expedient, using the net asset values reported by the investees. The net asset values are determined based on the fair values of the underlying investments of the funds, companies, or partnerships. Common trust funds are included in Level 2 of the fair value hierarchy. Due to restrictions on withdrawals from the investment, the Administrative Offices' investments in segregated portfolio companies and limited partnerships are included in Level 3 of the fair value hierarchy.

*Brokered certificates of deposit* - Valued based on amounts reported by Interactive Data Corporation which uses modeling techniques which integrate observed transactions data, credit quality, perceived market movements, and other relevant information and included in Level 2 of the fair value hierarchy.

*Corporate obligation-bond-related portfolio* - Valued by the Administrative Offices at par and classified within Level 2 of the fair value hierarchy.

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

*Investment in the Catholic Umbrella Pool* - The Administrative Offices values its investment in this pool based on information provided by the pool manager. This investment is classified within Level 2 of the fair value hierarchy.

*Beneficial Interest in Charitable Remainder Trust* - The Administrative Offices values its investment in this trust based on present value calculations (Note 7) applied to the fair value of trust assets. This investment is classified within Level 2 of the fair value hierarchy.

*Asset Retirement Obligation* - The Administrative Offices calculates this liability based on an original cost estimate of the obligation and accretes such amount to its present value each year.

*Accrued Pension Liability* - The Administrative Offices uses actuarial services to calculate the present value of the projected benefit obligation (Note 9).

The methods 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 Administrative Offices 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.

The Statements of Financial Position as of June 30, 2015 and 2014, include the following assets which are measured at fair value on a non-recurring basis: donated historical treasures included in other assets totaling \$122,000 (Level 3) and donated land in an undetermined amount (Level 3), which are valued at estimated or appraised fair value as of the time of the donations.

Assets and liabilities measured at fair value on a recurring basis as of June 30, 2015 and 2014 are comprised of and determined, as follows:

**Note 16- FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2015 Description	Total Assets and Liabilities Measured At Fair Value	Based on		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Portfolio A				
Cash and money market funds	\$ 2,473,910	\$ 2,473,910		
Government obligations	4,209,460	4,209,460		
Government agency mortgage obligations	4,871,018		\$ 4,871,018	
Corporate obligations (a)				
Aa1	76,262		76,262	
Aa3	101,976		101,976	
A2	413,213		413,213	
A3	848,867		848,867	
Baa1	655,857		655,857	
Baa2	1,428,109		1,428,109	
Baa3	1,923,390		1,923,390	
Ba1	406,740		406,740	
Ba2	226,740		226,740	
Ba3	49,093		49,093	
B1	213,131		213,131	
B2	47,975		47,975	
Collateralized mortgage obligations (a)				
Aaa	1,178,545		1,178,545	
Aa2	274,025		274,025	
Aa3	547,270		547,270	
A2	159,598		159,598	
A3	187,972		187,972	
Baa1	49,496		49,496	
Asset-backed securities (a)				
Aaa	86,080		86,080	
Aa1	99,370		99,370	
Aa3	213,512		213,512	
A2	60,297		60,297	
Common Stock				
Basic materials	56,277	56,277		
Consumer goods	1,176,860	1,176,860		
Financial	2,611,041	2,611,041		
Healthcare	2,066,154	2,066,154		
Industrial goods	1,152,190	1,152,190		
Services	1,850,682	1,850,682		
Technology	1,500,520	1,500,520		
Preferred Stock	102,531		102,531	
Mutual funds				
U.S. large blend	19,840,080	19,840,080		
Foreign large blend	27,247,341	27,247,341		
Real estate	15,296,645	15,296,645		
Diversified Emerging Markets	16,857,810	16,857,810		
Exchange traded funds				
Commodity index	4,505,040	4,505,040		
World bond	7,045,184	7,045,184		

**Exhibit D  
(Continued)**

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2015 Description	Total Assets and Liabilities Measured At Fair Value	Based on		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
<u>Portfolio A (Continued)</u>				
Common trust fund				
SSgA S&P MidCap 400 Index Securities Lending QP Common Trust Fund	18,462,199		18,462,199	
Limited partnerships				
Siguler Guff Distressed Opportunity Fund III, LP	3,490,714			\$ 3,490,714
Siguler Guff Distressed Opportunity Fund IV, LP	3,819,213			3,819,213
Siguler Guff Distressed Real Estate Opportunity Fund II, LP	1,784,746			1,784,746
Venture Investment Associates Energy III, L.P.	1,332,543			1,332,543
Kayne Anderson MLP Fund, L.P.	9,834,996			9,834,996
Hedge feeder fund				
Rimrock High Income PLUS (Cayman) Fund, Ltd.	4,292,826			4,292,826
Segregated portfolio companies				
ABS Offshore SPC Global Segregated Portfolio Class B	10,584,132		10,584,132	
MDFLTD Cerberus March 2009 Segregated Portfolio	183,679			183,679
MDFLTD HF March 2009 Segregated Portfolio	201,049			201,049
Total Portfolio A	176,096,358	107,889,194	43,267,398	24,939,766
<u>Portfolio B</u>				
Money market fund	6,702,671	6,702,671		
Brokered certificates of deposit	2,851,100		2,851,100	
Collateralized mortgage obligations (a)				
Aaa	454,949		454,949	
Aa1	104,703		104,703	
A3	523,547		523,547	
Baal	33,038		33,038	
B1	37,080		37,080	
Government agency mortgage obligations	6,460,007		6,460,007	
Corporate obligations (a)				
Aaa	1,780,160		1,780,160	
Aa1	3,519,335		3,519,335	
Aa2	611,034		611,034	
Aa3	1,514,697		1,514,697	
A1	6,603,584		6,603,584	
A2	5,150,036		5,150,036	
A3	5,335,490		5,335,490	
Baa1	2,776,112		2,776,112	

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2015 Description	Total Assets and Liabilities Measured At Fair Value	Quoted Prices In Active Markets (Level 1)	Based on Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
<u>Portfolio B (Continued)</u>				
Government agency obligations	990,020		990,020	
Municipal obligations (a)				
Aaa	1,203,500		1,203,500	
Aa1	4,056,042		4,056,042	
Aa2	5,389,940		5,389,940	
Aa3	5,158,456		5,158,456	
A1	872,547		872,547	
A2	961,159		961,159	
A3	782,606		782,606	
Asset-backed securities (a)				
Aaa	503,855		503,855	
Total Portfolio B	64,375,668	6,702,671	57,672,997	-
<u>Portfolio C</u>				
Money market fund	63,047	63,047		
Brokered certificates of deposit	492,374		492,374	
Corporate obligations (a)				
Aaa	303,489		303,489	
Aa1	499,275		499,275	
Aa2	250,403		250,403	
Aa3	504,821		504,821	
A1	2,213,306		2,213,306	
A2	2,231,364		2,231,364	
A3	2,070,337		2,070,337	
Baa1	802,763		802,763	
Government agency obligations	758,810		758,810	
Government agency mortgage obligations	644,062		644,062	
Municipal obligations (a)				
Aaa	300,669		300,669	
Aa1	1,746,261		1,746,261	
Aa2	2,276,356		2,276,356	
Aa3	1,131,695		1,131,695	
A1	601,463		601,463	
A2	211,205		211,205	
A3	251,567		251,567	
Total Portfolio C	17,353,267	63,047	17,290,220	-



**Exhibit D  
(Continued)**

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2015 Description	Total Assets and Liabilities Measured At Fair Value	Quoted Prices In Active Markets (Level 1)	Based on Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
<u>Bond-related portfolio</u>				
Money market fund	1,518,808	1,518,808		
Corporate obligation (a) Aa2	4,552,075		4,552,075	
Total bond-related portfolio	6,070,883	1,518,808	4,552,075	-
<u>Investment in Catholic Umbrella Pool</u>	727,995		727,995	
Total investments	\$ 264,624,171	\$ 116,173,720	\$ 123,510,685	\$ 24,939,766
(a) Based on Moody's bond credit rating.				
<u>Beneficial Interest in</u>				
<u>Charitable Remainder Trust</u>	\$ 403,430	\$ -	\$ 403,430	\$ -
Liabilities, at Fair Value				
Asset Retirement Obligation - included in accrued expenses and other	\$ 905,718			\$ 905,718
Accrued Pension Liability	36,845,890		\$ 36,845,890	
Total liabilities	\$ 37,751,608	\$ -	\$ 36,845,890	\$ 905,718

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2014 Description	Total Assets and Liabilities Measured At Fair Value	Quoted Prices In Active Markets (Level 1)	Based on	
			Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Portfolio A				
Cash and money market funds	\$ 3,234,182	\$ 3,234,182		
Government obligations	4,639,499	4,639,499		
Government agency mortgage obligations	4,298,412		\$ 4,298,412	
Corporate obligations (a)				
Aa1	50,663		50,663	
Aa2	189,348		189,348	
Aa3	205,066		205,066	
A1	93,534		93,534	
A2	193,977		193,977	
A3	647,098		647,098	
Baa1	1,161,613		1,161,613	
Baa2	1,251,594		1,251,594	
Baa3	1,449,421		1,449,421	
Ba1	463,769		463,769	
Ba2	354,944		354,944	
Ba3	273,153		273,153	
B1	160,024		160,024	
B2	105,134		105,134	
B3	41,900		41,900	
Foreign obligations (a)				
B2	113,547		113,547	
Collateralized mortgage obligations (a)				
Aaa	1,055,288		1,055,288	
Aa1	93,847		93,847	
Aa2	330,931		330,931	
Aa3	276,435		276,435	
A2	201,540		201,540	
A3	59,179		59,179	
Baa1	226,282		226,282	
Ba3	37,980		37,980	
B1	40,050		40,050	
Asset-backed securities (a)				
Aaa	126,521		126,521	
Aa2	16,159		16,159	
Aa3	124,275		124,275	
Common stock				
Basic materials	750,991	750,991		
Consumer goods	940,598	940,598		
Financial	2,207,079	2,207,079		
Healthcare	937,734	937,734		
Industrial goods	1,151,514	1,151,514		
Services	1,863,528	1,863,528		
Technology	1,549,210	1,549,210		
Utilities	48,060	48,060		

**Exhibit D**  
**(Continued)**

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2014 Description	Total Assets and Liabilities Measured At Fair Value	Based on		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Portfolio A (Continued)				
Mutual funds				
U.S. large blend	16,189,903	16,189,903		
Foreign large blend	27,236,142	27,236,142		
Real estate	16,940,034	16,940,034		
Diversified Emerging Markets	18,305,061	18,305,061		
Exchange traded funds				
Commodity index	6,652,442	6,652,442		
Large value	4,212,957	4,212,957		
World bond	7,160,900	7,160,900		
Common trust fund				
SSgA S&P MidCap 400 Index Securities Lending QP Common Trust Fund	17,360,088		17,360,088	
Limited partnerships				
Siguler Guff Distressed Opportunity Fund III, LP	4,932,978			\$ 4,932,978
Siguler Guff Distressed Opportunity Fund IV, LP	3,368,450			3,368,450
Kayne Anderson MLP Fund, L.P.	11,222,146			11,222,146
Hedge feeder fund				
Rimrock High Income PLUS (Cayman) Fund, Ltd.	4,175,426			4,175,426
Segregated portfolio companies				
ABS Offshore SPC Global Segregated Portfolio Class B	9,939,484		9,939,484	
MDFLTD Cerberus March 2009 Segregated Portfolio	195,140			195,140
MDFLTD HF March 2009 Segregated Portfolio	226,388			226,388
Total Portfolio A	179,081,618	114,019,834	40,941,256	24,120,528
Portfolio B				
Money market fund	15,336,406	15,336,406		
Brokered certificates of deposit	2,849,581		2,849,581	
Collateralized mortgage obligations (a)				
Aaa	3,709,586		3,709,586	
Aa1	166,445		166,445	
Baa1	143,621		143,621	
Baa2	541,973		541,973	
Government agency mortgage obligations	4,525,972		4,525,972	

**Exhibit D  
(Continued)**

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

June 30, 2014	Total Assets and Liabilities Measured At	Quoted Prices In Active Markets	Based on Other Observable Inputs	Unobservable Inputs
Description	Fair Value	(Level 1)	(Level 2)	(Level 3)
Portfolio B (Continued)				
Corporate obligations (a)				
Aaa	517,485		517,485	
Aa1	507,995		507,995	
Aa3	1,503,155		1,503,155	
A1	4,390,359		4,390,359	
A2	3,274,943		3,274,943	
A3	6,428,801		6,428,801	
Baa1	2,806,025		2,806,025	
Baa2	1,020,575		1,020,575	
Government agency obligations	1,972,490		1,972,490	
Municipal obligations (a)				
Aaa	1,306,017		1,306,017	
Aa1	4,034,017		4,034,017	
Aa2	3,166,771		3,166,771	
Aa3	4,483,652		4,483,652	
A1	1,503,076		1,503,076	
A2	460,817		460,817	
A3	1,084,752		1,084,752	
Asset-backed securities (a)				
Aaa	511,208		511,208	
Total Portfolio B	66,245,722	15,336,406	50,909,316	-
Portfolio C				
Money market fund	127,320	127,320		
Brokered certificates of deposit	489,236		489,236	
Commercial paper	599,638		599,638	
Corporate obligations (a)				
Aaa	309,861		309,861	
Aa1	301,854		301,854	
Aa2	454,216		454,216	
Aa3	507,728		507,728	
A1	2,527,940		2,527,940	
A2	2,270,447		2,270,447	
A3	2,297,730		2,297,730	
Baa1	916,081		916,081	
Baa2	720,064		720,064	

**Exhibit D  
(Continued)**

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

	Total Assets and Liabilities Measured At Fair Value	Based on		
June 30, 2014 Description		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Portfolio C (Continued)				
Government agency obligations	761,043		761,043	
Municipal obligations (a)				
Aaa	300,930		300,930	
Aa1	1,216,718		1,216,718	
Aa2	2,155,155		2,155,155	
Aa3	904,388		904,388	
A1	453,817		453,817	
A2	630,615		630,615	
A3	403,460		403,460	
Total Portfolio C	18,348,241	127,320	18,220,921	-
Bond-related portfolio				
Money market fund	1,554,787	1,554,787		
Corporate obligation (a)				
Aa2	4,552,075		4,552,075	
Total bond-related portfolio	6,106,862	1,554,787	4,552,075	-
Investment in Catholic Umbrella Pool	928,143		928,143	
Total investments	\$ 270,710,586	\$ 131,038,347	\$ 115,551,711	\$ 24,120,528
(a) Based on Moody's bond credit rating.				
Beneficial Interest in				
Charitable Remainder Trust	\$ 628,245	\$ -	\$ 628,245	\$ -
Liabilities, at Fair Value				
Asset Retirement Obligation - included in accrued expenses and other	\$ 862,588			\$ 862,588
Accrued Pension Liability	38,528,730		\$ 38,528,730	
Total liabilities	\$ 39,391,318	\$ -	\$ 38,528,730	\$ 862,588

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

The table below sets forth a summary of changes in the fair value of the Administrative Offices' Level 3 assets and liability for the years ended June 30, 2015 and 2014.

	Limited Partnerships					Hedge Feeder Fund	Segregated Portfolio Companies			Asset Retirement Obligation
	Siguler Guff Distressed Opportunity Fund III, L.P.	Siguler Guff Distressed Opportunity Fund IV, L.P.	Siguler Guff Distressed Real Estate Opportunity Fund II, L.P.	Venture Investment Associates Energy III, L.P.	Kayne Anderson MLP Fund, L.P.	Rimrock High Income Plus (Cayman) Fund, Ltd	MDFLTD Cerberus March 2009	MDFLTD HF March 2009	Totals	
<b>Balance July 1, 2013</b>	\$ 6,879,540	\$ 2,402,231			\$ 9,023,861		\$ 255,069	\$ 315,719	\$ 18,876,420	\$ 821,512
Purchases and capital contributions	980,000	560,000				\$ 4,090,478			5,630,478	
* Income, gains, and (losses)	(751,573)	469,133			2,198,285	84,948	23,702	20,086	2,044,581	
Exchanges in and (out)									-	
Sales and distributions	(2,174,989)	(62,914)					(83,631)	(109,417)	(2,430,951)	
Accretion									-	41,076
<b>Balance June 30, 2014</b>	4,932,978	3,368,450			11,222,146	4,175,426	195,140	226,388	24,120,528	862,588
Purchases and capital contributions	280,000	540,000	\$ 1,825,000	\$ 1,400,000					4,045,000	
* Income, gains, and (losses)	254,351	328,065	(40,254)	(67,457)	(1,387,150)	117,400	29,734	14,845	(750,466)	
Exchanges in and (out)									-	
Sales and distributions	(1,976,615)	(417,302)	-	-			(41,195)	(40,184)	(2,475,296)	
Accretion									-	43,130
<b>Balance June 30, 2015</b>	<u>\$ 3,490,714</u>	<u>\$ 3,819,213</u>	<u>\$ 1,784,746</u>	<u>\$ 1,332,543</u>	<u>\$ 9,834,996</u>	<u>\$ 4,292,826</u>	<u>\$ 183,679</u>	<u>\$ 201,049</u>	<u>\$ 24,939,766</u>	<u>\$ 905,718</u>

\* Total gains (losses). Amount attributable to unrealized gains (losses) is not available.

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

The following tables summarize investments measured at fair value based on net asset value (NAV) per share as of June 30, 2015 and 2014, respectively.

Category of Investment		Fair Value		Investment Strategy	Unfunded Commitments		Redemption Frequency (If Currently Eligible)	Redemption Restrictions and Terms	Redemption Notice Period
		June 30, 2015	June 30, 2014		June 30, 2015	June 30, 2014			
Common trust	SSgA S & P Mid Cap 400 Index Securities Lending QP Common Trust Fund	\$18,462,199	\$17,360,088	Approximates the performance of the S & P Mid Cap 400 Index over the long term	\$ -	\$ -	Daily	N/A	N/A
Hedge feeder fund	Rimrock High Income PLUS (Cayman) Fund, Ltd	\$4,292,826	\$4,175,426	Invests in Master Fund that seeks to exploit inefficiencies in the market through the use of hedging, modest leverage, and select longer-term total return investments	-	-	Annually	2 year lockup, 10% holdback on redemption	120 days prior to the last day of the 4th quarter
Limited partnership	Siguler Guff Distressed Opportunity Fund III, L.P.	\$3,490,714	\$4,932,978	Securities of companies undergoing financial distress, operating difficulties, or restructuring	\$210,000	\$490,000	Not Redeemable	Not Redeemable	Not Redeemable
Limited partnership	Siguler Guff Distressed Opportunity Fund IV, L.P.	\$3,819,213	\$3,368,450	Securities of companies undergoing financial distress, operating difficulties, or restructuring	\$620,000	\$1,160,000	Not Redeemable	Not Redeemable	Not Redeemable

**Note 16 - FAIR VALUE MEASUREMENTS (Continued)**

Category of Investment		Fair Value		Investment Strategy	Unfunded Commitments		Redemption Frequency (If Currently Eligible)	Redemption Restrictions and Terms	Redemption Notice Period
		June 30, 2015	June 30, 2014		June 30, 2015	June 30, 2014			
Limited partnership	Siguler Guff Distressed Real Estate Opportunity Fund II, LP	\$1,784,746	-	Securities of real estate companies investing in high quality properties appraising below market value due to mismanagement or high vacancy	\$3,175,000	-	Not Redeemable	Not Redeemable	Not Redeemable
Limited partnership	Venture Investment Associates Energy III, L.P.	\$1,332,543	-	Energy-related private equity partnerships or similar entities	\$5,600,000	-	Not Redeemable	Not Redeemable	Not Redeemable
Fund of funds	Kayne Anderson MLP Fund, L. P.	\$9,834,996	\$11,222,146	Energy-related master limited partnerships	-	-	Monthly	N/A	90 days
Segregated portfolio company	ABS Offshore SPC Global Segregated Portfolio Class B	\$10,584,132	\$9,939,484	Diversified investment strategies throughout the global financial markets aimed at generating absolute returns with moderate risk	-	-	Quarterly	N/A	45 days prior to the last business day of each quarter
Segregated portfolio company	MDFLTD Cerberus Segregated Portfolio March 2009	\$183,679	\$195,140	Acquire, hold, and distribute the proceeds of investments in Cerberus International, Ltd.	-	-	Not Redeemable	Not Redeemable	Not Redeemable
Segregated portfolio company	MDFLTD HF Segregated Portfolio March 2009	\$201,049	\$226,388	Acquire, hold, and distribute the proceeds of investments in Highfields Capital, Ltd.	-	-	Not Redeemable	Not Redeemable	Not Redeemable



## **SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET ASSETS -  
TEMPORARILY RESTRICTED**

**Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

For the year ended June 30, 2015  
(with comparative totals for 2014)

	<u>School Endowment</u>	<u>Infirm Priests</u>	<u>Burses</u>	<u>Disaster Fund</u>	<u>Cummings Land Donation</u>	<u>Cathedral Capital Campaign</u>	<u>Hector Ragas</u>	<u>Margaret Lauer</u>	<u>Hurricane Katrina Recovery</u>	<u>Others</u>	<u>2015 Totals</u>	<u>2014 Totals</u>
Balances, beginning of year	<u>\$ 3,114,190</u>	<u>\$ 6,638,120</u>	<u>\$ 695,078</u>	<u>\$ 284,758</u>	<u>\$ 127,125</u>	<u>\$ 1,054,619</u>	<u>\$ 339,472</u>	<u>\$ 907,132</u>	<u>\$ 2,000,177</u>	<u>\$ 813,240</u>	<u>\$ 15,973,911</u>	<u>\$ 13,671,886</u>
Additions:												
Investment earnings:												
Realized gains	341,041	98,263	63,795	-	-	42,023	5,706	-	-	7,311	558,139	494,547
Unrealized losses	(258,083)	(77,449)	(47,279)	-	-	(31,585)	(2,109)	-	-	(2,510)	(419,015)	2,647,990
Changes in value of split-interest agreements	-	-	-	-	-	-	-	(224,815)	-	-	(224,815)	46,233
Contributions and grants	<u>-</u>	<u>253,287</u>	<u>-</u>	<u>89,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>247,552</u>	<u>589,871</u>	<u>1,195,672</u>
Total additions	82,958	274,101	16,516	89,032	-	10,438	3,597	(224,815)	-	252,353	504,180	4,384,442
Deductions:												
Net assets released from restrictions - satisfaction of program restrictions	<u>698,000</u>	<u>203,271</u>	<u>131,000</u>	<u>70,000</u>	<u>-</u>	<u>102,271</u>	<u>-</u>	<u>-</u>	<u>2,932</u>	<u>77,090</u>	<u>1,284,564</u>	<u>2,082,417</u>
Net change	<u>(615,042)</u>	<u>70,830</u>	<u>(114,484)</u>	<u>19,032</u>	<u>-</u>	<u>(91,833)</u>	<u>3,597</u>	<u>(224,815)</u>	<u>(2,932)</u>	<u>175,263</u>	<u>(780,384)</u>	<u>2,302,025</u>
Balances, end of year	<u>\$ 2,499,148</u>	<u>\$ 6,708,950</u>	<u>\$ 580,594</u>	<u>\$ 303,790</u>	<u>\$ 127,125</u>	<u>\$ 962,786</u>	<u>\$ 343,069</u>	<u>\$ 682,317</u>	<u>\$ 1,997,245</u>	<u>\$ 988,503</u>	<u>\$ 15,193,527</u>	<u>\$ 15,973,911</u>

**SCHEDULE OF CHANGES IN NET ASSETS -**  
**PERMANENTLY RESTRICTED**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**

For the year ended June 30, 2015  
(with comparative totals for 2014)

	<u>School Endowment</u>	<u>Burses Fund</u>	<u>St. Louis Cathedral</u>	<u>2015 Totals</u>	<u>2014 Totals</u>
Balances, beginning of year	\$ 11,152,537	\$ 1,983,124	\$ 1,000,000	\$ 14,135,661	\$ 14,135,075
Additions - contributions	<u>          -</u>	<u>          830</u>	<u>          -</u>	<u>          830</u>	<u>          586</u>
Balances, end of year	<u>\$ 11,152,537</u>	<u>\$ 1,983,954</u>	<u>\$ 1,000,000</u>	<u>\$ 14,136,491</u>	<u>\$ 14,135,661</u>

**SCHEDULE OF EXPENSES -**  
**PROGRAM SERVICES**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**

For the years ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>Christian Formation:</b>		
Campus ministry	\$ 348,490	\$ 355,914
Office of Catholic Schools	2,090,215	2,072,191
Catholic Youth Organization	1,531,967	1,546,477
Director's office	15,757	15,699
Religious education office	609,806	536,145
Eucharistic adoration office	70,208	165,749
Totals	<u>\$ 4,666,443</u>	<u>\$ 4,692,175</u>
<b>Clergy:</b>		
Clergy programs	\$ 7,792,202	\$ 7,648,145
Permanent diaconate	214,405	158,782
Priest personnel office	228,950	161,677
Vocation office	400,777	348,836
Totals	<u>\$ 8,636,334</u>	<u>\$ 8,317,440</u>
<b>Community Services:</b>		
Director's office	\$ 193	\$ 45,295
Seaman's Center	95,373	96,067
Totals	<u>\$ 95,566</u>	<u>\$ 141,362</u>
<b>Gifts and Grants:</b>		
Donations	<u>\$ 353,348</u>	<u>\$ 255,307</u>
<b>Pastoral Services:</b>		
Bishop Perry Center	\$ 129,953	\$ 129,157
Black Catholics office	134,678	132,095
Cenacle Retreat House	1,050,107	731,541
Chaplains	431,397	348,566
Director's office	122,557	134,407
Ecumenical office	3,010	583
Family Life Apostolate	311,266	306,998
Hispanic Apostolate	504,503	321,035
Office of Worship	160,246	176,814
Spirituality Center	42,309	41,184
Courage Ministry	19,135	10,969
Totals	<u>\$ 2,909,161</u>	<u>\$ 2,333,349</u>
<b>Religious:</b>		
Director's office	<u>\$ 210,206</u>	<u>\$ 204,697</u>

**SCHEDULE OF EXPENSES -**  
**SUPPORTING SERVICES**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**

For the years ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>Administration:</b>		
Archbishop - household	\$ 194,819	\$ 207,923
Archbishop - office	427,961	372,415
Archives	435,124	411,023
Communications and public relations	284,777	294,712
Former archbishops	136,563	128,158
National and regional fees	268,729	279,067
Racial Harmony	36,622	37,033
Tribunal - first instance	351,546	344,472
Tribunal - second instance	180,738	176,061
Vicar General	212,902	159,842
Victims Assistance Office	62,855	26,799
Development activities	582,110	541,568
	<u>                    </u>	<u>                    </u>
Totals	<u>\$ 3,174,746</u>	<u>\$ 2,979,073</u>
<b>Financial Services:</b>		
Accounting office	\$ 573,769	\$ 585,185
Bad debt expense	759,685	818,442
Building office	412,915	389,272
Depreciation	1,022,105	796,498
Howard Avenue building services	1,117,515	1,244,214
Human resources and employee benefits	228,594	188,435
In-house legal department	98,053	84,855
Internal audit department	235,512	182,225
Internet services	2,248,545	2,396,135
Office of Chief Administrative Officer	695,009	878,572
Office of Chief Financial Officer	430,446	387,132
Property and general costs	656,683	1,286,807
Walmsley Avenue building services	403,596	495,985
	<u>                    </u>	<u>                    </u>
Totals	<u>\$ 8,882,427</u>	<u>\$ 9,733,757</u>

**SCHEDULE OF INVESTMENT BALANCES BY CLASSIFICATION****Roman Catholic Church of the Archdiocese of New Orleans  
Administrative Offices**

June 30, 2015

	Investment Pool	Non-pooled Investments	Equity In CUP	Restricted For Debt Service	Total
<b>Operating Fund:</b>					
Burse Fund	\$ 2,593,520				2,593,520
General Account	63,139,311	\$ 81,728,935	\$ 727,995	\$ 6,070,883	\$ 151,667,124
Parish Development Fund	2,727,447				2,727,447
School Endowment Fund	13,951,210				13,951,210
Elmer G. Ponton Trust	275,819				275,819
Priests' Pension Fund	3,794,748				3,794,748
St. Louis King of France Cathedral Endowment	1,745,982				1,745,982
Elizabeth G. Lockett Legacy	1,398,420				1,398,420
Hector Ragas Fund	231,756				231,756
Monsignor Reynolds Aged and Infirm Priests Endowment	198,014				198,014
Total operating fund	90,056,227	81,728,935	727,995	6,070,883	178,584,040
<b>Funds Held For Others:</b>					
Adult Day Health Care Endowment	16,966				16,966
Agnes Byrnes Roniger/St. Rita Church Capital Endowment	87,011				87,011
Agnes Byrnes Roniger /St. Rita School Endowment Fund	48,176				48,176
Archbishop Alfred C. Hughes Endowment Fund	180,851				180,851
The Almar Foundation Endowment	31,057				31,057
St. Andrew the Apostle School Endowment Fund	1,623,930				1,623,930
Carmen Anguis Endowment Fund	341,499				341,499
Msgr. Charles F. Aucoin - Gift Annuity	65,140				65,140
Katherine Aycock - Gift Annuity	2,209				2,209
Association Benedictina de Esquipulas Fund	666,523				666,523
Champions of Catholic Education Endowment	10,141				10,141
Champions of Catholic Education Custodial Fund	23,459				23,459
Archbishop Chapelle High School Endowment Fund	818,025				818,025
Catholic Charities Archdiocese of New Orleans	1,482,515				1,482,515
B. Frank Eshleman Seminarian Fund	178,062				178,062
Bahan Trust	408,503				408,503
Barbara Lynn Riehl Endowment	330,271				330,271
Gloria T. Becnel Gift Annuity	203,073				203,073
St. Catherine of Siena Church	64,580				64,580
Beverly B. Durand Memorial Endowment	50,846				50,846
Blackie (Loyd) Barras/Our Lady of Perpetual Help School Endowment	183,901				183,901
Boggs/Cathedral	32,633				32,633
Rev. Rodney Bourg - Gift Annuity	77,306				77,306
Boys Hope Girls Hope Endowment Fund	1,024,050				1,024,050
Rev. Douglas Brougher - Gift Annuity	20,113				20,113
Patrick and Joyce Bryer Endowment Fund	499,074				499,074
C.J. & Jane Dunaway Endowment	8,857				8,857
Carboni Family Fund	430,634				430,634
Rev. Francis J. Carabello Charitable Gift Annuity	10,653				10,653
Care Center Endowment	96,769				96,769
Catholic Charities Endowment	247,527				247,527
Catholic Community on Scouting	36,189				36,189

**Schedule 5**  
**(Continued)**

	Investment Pool	Non-pooled Investments	Equity In CUP	Restricted For Debt Service	Total
<b>Funds Held For Others: (Continued)</b>					
Catholic Foundation Board of Directors Endowment Fund	2,873,878				2,873,878
Catholic Foundation	4,343,060				4,343,060
Catholic Foundation Right to Life Special Projects Fund	1,323,408				1,323,408
Marguerite S. Celestin Endowment Scholarship Fund	50,515				50,515
Elizabeth S. and Alan C. Arnold Fund	30,631				30,631
Chateau De Notre Dame Development Fund	323,309				323,309
Children's Fund Endowment	16,966				16,966
Christ The King Church Endowment	14,005				14,005
Christian Brothers School Endowment	78,346				78,346
Christian Meibaum Endowment	1,511,173				1,511,173
Christopher Homes	92,414				92,414
Christopher Homes Endowment	22,719				22,719
Ciara Endowment	318,299				318,299
Class of '83 Thanksgiving Drive Inc., Endowment	57,923				57,923
Cheryl and Rick Collarini Donor Advised Fund	152,372				152,372
Cole Michael Geigerman Special Needs Trust	2,741				2,741
Community Centers Endowment	16,966				16,966
Community of Deacon's Endowment Fund	19,470				19,470
Covenant House New Orleans Endowment Fund	37,836				37,836
Ann and Price Crane Family Fund	104,485				104,485
Robert & Melanie D'Aquin Gift Annuity	10,912				10,912
Charles J. Derbes, Jr. & Edmund R. Vales Memorial Endowment	12,030				-
Robert E. Dionne "A" - Gift Annuity	58,612				58,612
Robert E. Dionne "B" - Gift Annuity	51,208				51,208
Robert E. Dionne #3 - Gift Annuity	120,712				120,712
Robert E. Dionne #4 - Gift Annuity	122,754				122,754
Robert E. Dionne #5 - Gift Annuity	82,805				82,805
Robert E. Dionne #6 - Gift Annuity	40,611				40,611
Robert E. Dionne #7 - Gift Annuity	41,136				41,136
Robert E. Dionne #8 - Gift Annuity	42,712				42,712
Robert E. Dionne #9 - Gift Annuity	43,238				43,238
Robert E. Dionne #10 - Gift Annuity	57,216				57,216
Robert E. Dionne #11 - Gift Annuity	57,598				57,598
Robert E. Dionne #12 - Gift Annuity	58,366				58,366
Robert E. Dionne #13 - Gift Annuity	59,132				59,132
Robert E. Dionne #14 - Gift Annuity	43,571				43,571
Robert E. Dionne #15 - Gift Annuity	43,781				43,781
Robert E. Dionne #16 - Gift Annuity	44,619				44,619
Robert E. Dionne #17 - Gift Annuity	44,828				44,828
Robert E. Dionne #18 - Gift Annuity	49,866				49,866
Robert E. Dionne #19 - Gift Annuity	48,569				48,569
Robert E. Dionne #20 - Gift Annuity	50,191				50,191
Robert E. Dionne #21 - Gift Annuity	50,947				50,947
Domestic Violence Services Endowment	96,769				96,769
Brandt J. Dufrene Family Fund Endowment Fund	41,658				41,658
E.J. and Marjory B. Ourso Family Fund for Second Harvesters Food Bank	1,392,155				1,392,155
Family Counseling Endowment	16,966				16,966
Mr. & Mrs. Fred Fabacher - Gift Annuity	61,187				61,187
Father Harold Cohen Memorial Endowment	61,270				61,270
Sr. Juanita Federico Scholarship Fund	11,756				11,756
Joseph T. Fitch Charitable Gift Annuity	62,096				62,096
Ms. Dagmar Foley - Gift Annuity	67,386				67,386

**Schedule 5  
(Continued)**

	Investment Pool	Non-pooled Investments	Equity In CUP	Restricted For Debt Service	Total
<b>Funds Held For Others: (Continued)</b>					
Archbishop Francis B. Schulte	148,396				148,396
Donald Garvey Donor Advised Fund - Pool	32,703				32,703
Larry Garvey Family Fund	14,390,229				14,390,229
Lawrence Garvey Presidential Scholarship	615,297				615,297
Joan E. Gaulene - Gift Annuity	7,504				7,504
John & Dathel Geores Endowment	49,795				49,795
Clifford J. Giffin Jr. - Gift Annuity	45,133				45,133
Good Shepherd Parish Endowment	65,763				65,763
The Hillary Lanaux Greve Memorial Scholarship Fund	47,917				47,917
Thomas Greve "A" - Gift Annuity	8,573				8,573
Thomas Greve "B" - Gift Annuity	27,382				27,382
Thomas Greve "C" - Gift Annuity	56,208				56,208
Thomas Greve "D" - Gift Annuity	84,075				84,075
Thomas Greve "E" - Gift Annuity	101,494				101,494
Thomas Greve "F" - Gift Annuity	113,340				113,340
Archbishop Philip M. Hannan Witness Endowment Fund	17,101				17,101
Dolores F. Harris Endowment Fund	372,594				372,594
Harry & Ruth Henderlite Fund	578,659				578,659
William B. Herbert - Gift Annuity	7,315				7,315
Helen Knesel Endowment/St. Catherine of Siena School	22,016				22,016
Holmes Family Endowment	213,645				213,645
Holy Family Endowment	108,919				108,919
Holy Name of Mary Church Endowment Foundation	92,130				92,130
Hooper Endowment	1,007,861				1,007,861
Hope Haven Endowment	19,727				19,727
Hotel Hope Custodial Fund	99,019				99,019
Anna Hugel Endowment	87,272				87,272
Immaculate Conception Church, New Orleans	905,073				905,073
Immaculate Conception Scholarship	104,230				104,230
Frank Incaprera Charitable Gift Annuity	9,529				9,529
Father Michael Jacques Endowment	3,873				3,873
Josephite Fathers Endowment Fund for Needy African American Mothers	13,755				13,755
Saint Katharine Drexel Monument Endowment Fund	42,270				42,270
Tom & Connie Kitchens Family Fund	102,134				102,134
Bobbie & Ray Landry Fund	11,993				11,993
Mark & Jane Landry - Gift Annuity	71,130				71,130
Literacy Endowment	44,694				44,694
T. Ben Lockett Lay Missionary Endowment	369,732				369,732
Thomas B. Lockett Endowment	1,195,769				1,195,769
Athalie Macgowan #3 - Gift Annuity	1,442				1,442
Athalie Macgowan #4 - Gift Annuity	5,831				5,831
Athalie Macgowan #5 - Gift Annuity	8,920				8,920
McPeake/Madonna Manor/Hope Haven	8,852				8,852
Mary June Ragas/St. Mary Magdalen School Endowment	198,696				198,696
Mary Queen of Peace Endowment Fund	1,507				1,507
Mary Queen of Peace School, Rev. Calkins Fund	1,519				1,519
Metairie Manor Endowment Fund B	193,783				193,783
Metairie Manor Endowment Fund	286,142				286,142
T. Milton Hynes & Norma M. Hynes Endowment	94,818				94,818
Monsignor Wynhoven Endowment Fund B	236,952				236,952



## Schedule 5 (Continued)

	Investment Pool	Non-pooled Investments	Equity In CUP	Restricted For Debt Service	Total
<b>Funds Held For Others: (Continued)</b>					
Monsignor Wynhoven Apartments, Inc.	12,629				12,629
Most Holy Trinity Church Endowment	251,229				251,229
Myers Family Fund	15,343				15,343
Betty Jane Nolan Charitable Fund	35,285				35,285
Notre Dame Hospice Development Fund	25,360				25,360
Notre Dame Seminary	4,597,280				4,597,280
Notre Dame Seminary Endowment	188,767				188,767
Our Lady of Divine Providence Parish Endowment Fund	96,565				96,565
Our Lady of Grace Church Endowment	14,629				14,629
Our Lady of Guadalupe Church	1,199,614				1,199,614
National Shrine of Our Lady of Prompt Succor	126,290				126,290
Our Lady of Prompt Succor School, Chalmette	33,616				33,616
Our Lady of Prompt Succor Church (Chalmette) Endowment	13,436				13,436
Our Lady of The Rosary Church Endowment	13,164				13,164
Our Lady of The Rosary Church #2	26,682				26,682
Our Lady of Wisdom Custodian Fund	767,859				767,859
Ozanam Inn Endowment	35,325				35,325
Padua Pediatrics Endowment	16,966				16,966
Jacqueline S. Palama - Gift Annuity	200,861				200,861
The Pat and Bobby McIntyre Family Fund	27,489				27,489
Paula Zabrecky Scholarship Endowment Fund / St. Edward The Confessor School	49,958				49,958
Pennies for Bread Endowment Fund	35,195				35,195
Archbishop Philip M. Hannan Educational Fund	452,572				452,572
Archbishop Philip M. Hannan Memorial Fund	202,176				202,176
Philmat Inc., Endowment Fund	4,794,033				4,794,033
Philmat Operating Account	818,970				818,970
Propagation of the Faith	1,809,792				1,809,792
Quirk/Magnificent Ministry	36,434				36,434
Ralph J. & Faye M. Alvarez Scholarship Endowment Fund - St. Benilde School	30,897				30,897
Resurrection of Our Lord Church Endowment Fund	1,083,089				1,083,089
Reverend Msgr. Andrew C. Taormina Endowment Account	23,555				23,555
Reverend Piovan Endowment Account	23,486				23,486
Rev. William J. McGough Endowment	40,860				40,860
Rick and Maxine Resweber Family Fund	17,106				17,106
Dr. Winston P. Riehl #1 - Gift Annuity	26,216				26,216
Dr. Winston P. Riehl #2 - Gift Annuity	36,981				36,981
Dr. Winston P. Riehl #3 - Gift Annuity	64,600				64,600
Robert E. Dionne Endowment Fund	17,127				17,127
Robin R. & Pamela F. Mingo Family Fund	1,042,612				1,042,612
Fr. Ignatius M Roppolo Memorial Fund	95,110				95,110
Msgr. Allen J. Roy Endowment Fund	18,086				18,086
Archbishop Rummel High School Alumni Association	236,454				236,454
Archbishop Rummel High School Endowment Fund	483,413				483,413
Scholastica Excellence Fund	177,563				177,563
Msgr. Marion F. Schutten Endowment	530,129				530,129
Inez P. Segreto Scholarship Fund	320,568				320,568
Second Harvesters Food Bank	2,578,536				2,578,536
Second Harvesters Food Bank, Food for Families, Food for Seniors	214,034				214,034

**Schedule 5**  
**(Continued)**

	Investment Pool	Non-pooled Investments	Equity In CUP	Restricted For Debt Service	Total
<b>Funds Held For Others: (Continued)</b>					
Serra Club of New Orleans (Connie & Frank Walk Endowment)	12,707				12,707
Archbishop Shaw High School, Msgr. Hebert Endowment	50,654				50,654
Sister Anthony Barczykowski, D.C. Endowment Fund	8,157				8,157
Sister Germaine O. P. Early Childhood Development Center Fund	89,431				89,431
Sisters of the Spirit of Jesus	288,943				288,943
Clyde Smith #1 - Gift Annuity	(270)				(270)
Clyde Smith #2 - Gift Annuity	(152)				(152)
St. Agnes Church Parish Endowment	207,134				207,134
St. Anthony Garden Endowment	480,919				480,919
St. Francis Xavier Hickey	59,848				59,848
St. John Bosco Parish Endowment Fund	338,328				338,328
St. John The Baptist Church Endowment	42,001				42,001
St. Mary's Dominican High School Endowment Fund	2,420,132				2,420,132
St. Peter School - Reserve Endowment	7,936				7,936
St. Alphonsus Fund	35,983				35,983
St. Anthony School (Gretna) Endowment Fund	117,724				117,724
St. Bernard Catholic Church Endowment	6,038				6,038
Sr. Imelda Moriarity/St. Catherine of Siena School	168,048				168,048
St. Christopher the Martyr Church	45,243				45,243
St. Charles Borromeo School Endowment	21,106				21,106
St. Clement of Rome Church Fund	65,173				65,173
St. Clement of Rome School Fund	33,081				33,081
St. Dominic Church Endowment	604,782				604,782
St. Dominic School Endowment	80,836				80,836
St. Francis of Assisi Church Endowment	445,435				445,435
St. Francis Xavier School Endowment	24,949				24,949
St. Joan of Arc Msgr. Robert Vincent Endowment	219,205				219,205
St. Joseph Church Endowment	494,202				494,202
St. Joseph Church Patrimony Endowment	919,020				919,020
St. Joseph Church, Gretna - St. Vincent de Paul Society	90,849				90,849
St. Joseph of Arimathea Priests Recovery Endowment	55,396				55,396
St. Leo The Great Church Endowment	26,917				26,917
St. Louis King of France Parish Endowment	365,887				365,887
St. Luke The Evangelist Parish Endowment	4,658				4,658
St. Margaret Mary Parish Endowment	33,671				33,671
St. Margaret Mary School Scholarship Fund	385,021				385,021
St. Margaret Mary School Endowment	60,765				60,765
St. Mary Magdalen Church Endowment	7,346				7,346
St. Michael Endowment	1,300,994				1,300,994
St. Peter Church, Covington	202,421				202,421
St. Peter (Covington) School Endowment Fund	40,194				40,194
St. Pius X Church Endowment Fund	7,197				7,197
St. Pius X Pillars of Pius Endowment Fund	386,202				386,202
St. Pius X Tuition Assistance Fund	45,070				45,070
St. Rita (Harahan) Parish School Endowment Fund	272,337				272,337
St. Rita Church Parish Endowment Fund	134,742				134,742
St. Robert Bellarmine Seminarian Support Fund	439,096				439,096
St. Scholastica Academy Alumnae Scholarship Fund	30,186				30,186
St. Scholastica Academy Endowment Fund	1,424,066				1,424,066

**Schedule 5**  
**(Continued)**

	Investment Pool	Non-pooled Investments	Equity In CUP	Restricted For Debt Service	Total
<b>Funds Held For Others: (Continued)</b>					
St. Scholastica Academy Endowment					
Scholarship Fund	18,089				18,089
Betty & James E. Smith Endowment	17,452				17,452
St. Stephen School	303,760				303,760
St. Theresa of the Child Jesus	765,782				765,782
St. Anthony of Padua Church (New Orleans)					
Parish Endowment Fund	13,593				13,593
Spirituality Center	55,899				55,899
Bishop Stanley J. Ott Notre Dame Seminary					
Memorial Endowment	184,571				184,571
Steiner Aged/Infirm	209,995				209,995
S. Sternberg (deferred) - Gift Annuity	24,111				24,111
Stewart/Social Apostolate	47,520				47,520
Stoulig Fund	352,545				352,545
T. Hartley Kingsmill Family Endowment	10,554				10,554
The Calamari Family Endowment Fund	1,462				1,462
The Gift of Life Endowment	1,326,370				1,326,370
George & Catherine Theobald Memorial Endowment	81,785				81,785
Charlotte L. Todd #1 - Gift Annuity	1,985				1,985
Charlotte L. Todd #2 - Gift Annuity	8,610				8,610
Tujague/Social Apostolate	130,777				130,777
Angelle Ulfers Memorial Scholarship	18,948				18,948
Visitation of our Lord Endowment	21,354				21,354
Rev. Jules A. Vitte	208,115				208,115
Connie and Frank Walk Endowment Fund	169,087				169,087
Loretta G. Whyte Donor Advised Fund	23,240				23,240
William Richard & Helen Hock St. Joseph					
Parish Endowment	177,257				177,257
Wiseman Endowment Fund	42,766				42,766
Wynhoven Health Care Center Development Fund	25,360				25,360
Peggy Yancey Endowment	171,168				171,168
Total funds held for others	86,040,131	-	-	-	86,040,131
Total investments	<u>\$ 176,096,358</u>	<u>\$ 81,728,935</u>	<u>\$ 727,995</u>	<u>\$ 6,070,883</u>	<u>\$ 264,624,171</u>

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER  
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**  
New Orleans, Louisiana

For the year ended June 30, 2015

**Agency Head Name:** Archbishop Gregory M. Aymond

**Purpose**

Salary	\$ 0
Benefits - insurance	0
Benefits - retirement	0
Benefits - other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
	<hr/>
	<u>\$ 0</u>

Note: No public funds were used to pay the Archbishop's salary, benefits, or any other compensation during the year ended June 30, 2015.

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

**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**

To the Most Reverend Gregory M. Aymond,  
Archbishop of the Roman Catholic Church of  
The Archdiocese of New Orleans,  
New Orleans, Louisiana.

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 the Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices (the "Administrative Offices"), which comprise the statement of financial position as of June 30, 2015, and the related 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 2, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Administrative Offices' internal control over financial reporting (internal control) to determine the 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 Administrative Offices' internal control. Accordingly, we do not express an opinion on the effectiveness of the Administrative Offices' 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 Administrative Offices' 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 Administrative Offices' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Administrative Offices' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Bougeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

New Orleans, Louisiana,  
December 2, 2015.



**INDEPENDENT AUDITOR'S REPORT ON**  
**COMPLIANCE FOR EACH MAJOR PROGRAM**  
**AND ON INTERNAL CONTROL OVER COMPLIANCE**  
**REQUIRED BY OMB CIRCULAR A-133**

To the Most Reverend Gregory M. Aymond,  
Archbishop of the Roman Catholic Church of  
The Archdiocese of New Orleans,  
New Orleans, Louisiana.

**Report on Compliance for Major Federal Program**

We have audited the Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices' (the "Administrative Offices") 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 the Administrative Offices' major federal program for the year ended June 30, 2015. The Administrative Offices' major federal program is 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 program.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the Administrative Offices' major federal program 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 Administrative Offices' 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 the Administrative Offices' major federal program. However, our audit does not provide a legal determination of the Administrative Offices' compliance.

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

In our opinion, the Administrative Offices 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 program for the year ended June 30, 2015.

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

Management of the Administrative Offices 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 Administrative Offices' internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its 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 Administrative Offices' 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.

*Bougeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
December 2, 2015.

## **SCHEDULE OF EXPENDITURES OF FEDERAL AWARD**

### **Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices**

For the year ended June 30, 2015

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Homeland Security:</b>			
<b>Passed Through the Louisiana Governor's</b>			
<b>Office of Homeland Security and</b>			
<b>Emergency Preparedness</b>			
Disaster Grants - Public Assistance			
(Presidentially Declared Disasters)	97.036	1603-DR-LA	<u>\$ 43,594,834</u>
Total expenditures of federal award			<u>\$ 43,594,834</u>

See notes to schedule of expenditures of federal award.

**NOTES TO SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARD**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**

For the year ended June 30, 2015

**Note 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Award includes the federal grant activity of Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices (the "Administrative Offices") and is presented on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Administrative Offices' has met the qualifications for the respective grants. 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, the amount presented in the schedule may differ from the amount presented in, or used in the preparation of, the financial statements.

Funds received from this grant by the Administrative Offices were distributed to various affiliated entities. For financial reporting purposes, these entities are not consolidated with the Administrative Offices' financial statement.

**Note 2 - FINDINGS OF NONCOMPLIANCE**

No federal award findings or questioned costs were reported during the audit of the financial statements for the year ended June 30, 2015.

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

### **Roman Catholic Church of the Archdiocese of New Orleans Administrative Offices**

For the year ended June 30, 2015

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

##### **a) Financial Statements**

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

##### **b) Federal Awards**

Internal control over major program:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be a material weakness ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs: unqualified

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 ☐ Yes ☒ No

**Section I - Summary of Auditor's Results (Continued)**

## c) Identification of Major Program:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
97.036	U.S. Department of Homeland Security: Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between  
Type A and Type B programs: \$1,307,845

Auditee qualified as a low-risk auditee?   X   Yes      No

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters  
Material to the Basic Financial Statements****Internal Control Over Financial Reporting**

There were no findings noted during the audit for the year ended June 30, 2015, related to internal control over financial reporting material to the basic financial statements.

**Compliance and Other Matters**

There were no findings noted during the audit for the year ended June 30, 2015, related to compliance and other matters.

**Section III - Internal Control and Compliance Material to Federal Awards****Internal Control / Compliance**

There were no findings noted during the audit for the year ended June 30, 2015, related to federal award compliance or federal award internal control over compliance.

## **REPORTS BY MANAGEMENT**

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**AND QUESTIONED COSTS**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**

For the year ended June 30, 2015

**Section I - Internal Control Over Financial Reporting and Compliance and Other Matters**  
**Material to the Basic Financial Statements**

**Internal Control Over Financial Reporting**

There were no findings noted during the audit for the year ended June 30, 2014, related to internal control over financial reporting material to the basic financial statements.

**Compliance and Other Matters**

There were no findings noted during the audit for the year ended June 30, 2014, related to compliance and other matters.

**Section II - Internal Control and Compliance Material to Federal Awards**

There were no findings noted during the audit for the year ended June 30, 2014, related to federal award compliance or federal award internal control over compliance.

**Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2014.



**MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**ON CURRENT YEAR FINDINGS**

**Roman Catholic Church of the Archdiocese of New Orleans**  
**Administrative Offices**

For the year ended June 30, 2015

**Section I - Internal Control Over Financial Reporting and Compliance and Other Matters**  
**Material to the Basic Financial Statements**

**Internal Control Over Financial Reporting**

There were no findings noted during the audit for the year ended June 30, 2015, related to internal control over financial reporting material to the basic financial statements.

**Compliance and Other Matters**

There were no findings noted during the audit for the year ended June 30, 2015, related to compliance and other matters.

**Section II - Internal Control and Compliance Material to Federal Awards**

There were no findings noted during the audit for the year ended June 30, 2015, related to federal award compliance or federal award internal control over compliance.

**Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2015.