

**Catholic Charities of North Louisiana**

*Financial Statements  
For the Years Ended June 30, 2021 and 2020*



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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Catholic Charities of North Louisiana  
Shreveport, Louisiana 71106

We have audited the accompanying financial statements of Catholic Charities of North Louisiana (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditors' 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 Catholic Charities of North Louisiana, as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of program expenses – by activity on pages 19 and 20, and the schedule of compensation, reimbursements, benefits and other payments to agency head on page 21, are presented for purposes of additional analysis and are 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 August 27, 2021, on our consideration of Catholic Charities of North Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catholic Charities of North Louisiana's internal control over financial reporting and compliance.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
August 27, 2021

**Catholic Charities of North Louisiana**  
**Statements of Financial Position**  
**As of June 30, 2021 and 2020**

	2021	2020
<b><u>ASSETS</u></b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 686,694	\$ 826,586
Certificates of Deposit	82,029	81,009
Grants Receivable	46,916	-
Donated Items on Hand	89,220	77,903
Prepaid Expenses	535	6,808
Total Current Assets	905,394	992,306
<b>Noncurrent Assets</b>		
Other Assets	225	-
Long-Term Investments	1,197,147	975,433
Property and Equipment, net	547,121	362,865
Total Noncurrent Assets	1,744,493	1,338,298
<b>TOTAL ASSETS</b>	\$ 2,649,887	\$ 2,330,604
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 2,114	\$ -
Refundable Advances	250,104	122,393
Accrued Liabilities	32,003	18,726
Total Current Liabilities	284,221	141,119
<b>Non-Current Liabilities</b>		
Notes Payable	87,813	79,523
Total Liabilities	372,034	220,642
<b>Net Assets</b>		
Without Donor Restrictions		
Undesignated	177,902	233,709
Designated by the Board	1,524,224	1,496,873
Invested in Property and Equipment, net of Related Debt	547,121	362,865
Total Without Donor Restrictions	2,249,247	2,093,447
With Donor Restrictions	28,606	16,515
Total Net Assets	2,277,853	2,109,962
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 2,649,887	\$ 2,330,604

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana**  
**Statements of Activities**  
**For The Years Ended June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Changes in Net Assets Without Donor Restrictions:</b>		
<b>Revenues and Gains</b>		
Contributions	\$ 191,200	\$ 124,009
Grants	33,000	1,826
Use of Contributed Facilities	76,320	76,320
Diocesan Subsidy	-	40,000
Special Events Revenue	15,490	59,272
Program Service Fees	57,990	44,595
PPP Loan Forgiveness	79,599	-
Donated Property & Building	-	355,000
Investment Return, net	225,592	21,063
<b>Total Revenues and Gains Without Donor Restrictions</b>	<b>679,191</b>	<b>722,085</b>
 Net Assets Released From Restrictions	 <b>677,163</b>	 <b>511,586</b>
 <b>Total Revenues, Gains, and Other Support Without Donor Restrictions</b>	 <b>1,356,354</b>	 <b>1,233,671</b>
 <b>Expenses:</b>		
<b>Program Services</b>		
Family Strengthening Program	948,456	688,338
<b>Total Program Services</b>	<b>948,456</b>	<b>688,338</b>
 <b>Supporting Services</b>		
Management and General	183,919	212,175
Fundraising	68,179	73,293
<b>Total Supporting Services</b>	<b>252,098</b>	<b>285,468</b>
 <b>Total Expenses</b>	 <b>1,200,554</b>	 <b>973,806</b>
 Increase/(Decrease) in Net Assets Without Donor Restrictions	 <b>155,800</b>	 <b>259,865</b>

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana**  
**Statements of Activities**  
**For The Years Ended June 30, 2021 and 2020**

	(Continued)	
	<u>2021</u>	<u>2020</u>
<b>Changes in Net Assets With Donor Restrictions:</b>		
Contributions		
Family Strengthening Program	\$ 22,371	\$ 4,915
Lake Providence Location	14,550	7,550
Monroe Location	12,933	6,035
Total Contributions	<u>49,854</u>	<u>18,500</u>
Grants		
Family Strengthening Program	589,379	417,553
Total Grants	<u>589,379</u>	<u>417,553</u>
Gifts-in-Kind to Family Strengthening Program	13,304	8,944
Gifts-in-Kind to Monroe Location	1,293	2,048
Use of Contributed Facilities for Monroe Location	35,424	35,424
Rental Income from Monroe Location	-	-
Diocesan Subsidy for Monroe Location	-	20,000
Diocesan Subsidy for Family Strengthening Program	-	-
Special Events Revenue for Monroe Location	-	19,667
Net Assets Released from Restrictions	<u>(677,163)</u>	<u>(511,586)</u>
Increase/(Decrease) in Net Assets With Donor Restrictions	<u>12,091</u>	<u>10,550</u>
Increase/(Decrease) in Net Assets	167,891	270,415
<b>NET ASSETS AT BEGINNING OF YEAR</b>	2,109,962	1,839,547
<b>NET ASSETS AT END OF YEAR</b>	<u><u>\$ 2,277,853</u></u>	<u><u>\$ 2,109,962</u></u>

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana  
Statement of Functional Expenses  
For The Year Ended June 30, 2021**

	<u>Program Expenses</u>	<u>Supporting Services</u>		
	<u>Family Strengthening</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Total</u>
Advertising and Promotion	\$ 1,239	\$ -	\$ 100	\$ 1,339
Bank and Credit Card Fees	24	773	1,187	1,984
Charitable Contributions	-	200	-	200
Computer Expenses	1,473	7,768	188	9,429
Conferences and Training	2,142	5,038	-	7,180
Cost of Special Events	-	-	3,404	3,404
Depreciation	199	3,377	-	3,576
Dues & Subscriptions	2,824	5,632	2,536	10,992
Emergency Assistance Provided	294,371	-	-	294,371
Employee Benefits	43,042	18,721	7,618	69,381
Employee Screenings	48	25	-	73
Equipment Rental	-	2,653	-	2,653
Food and Supplies Distributed	3,280	-	-	3,280
Insurance	28,140	(678)	849	28,311
Investment Expenses	-	7,395	-	7,395
Interest Expense	-	24	-	24
Meals and Entertainment	188	-	-	188
Payroll Taxes	26,226	556	2,442	29,224
Postage	2,590	858	1,045	4,493
Printing and Reproduction	1,773	-	5,758	7,531
Payroll and Accounting Fees	20,357	1,342	671	22,370
Rent - Donated Facilities	101,299	9,281	3,564	114,144
Repairs and Maintenance	13,011	858	429	14,298
Salaries and Wages	357,673	64,152	38,098	459,923
Supplies	2,103	6,926	-	9,029
Travel	597	-	95	692
Temporary Services	41,260	6,189	-	47,449
Utilities	2,060	42,590	195	44,845
Vehicle Lease	2,495	189	-	2,684
Volunteer Expenses	42	50	-	92
<b>Total Functional Expenses</b>	<b>\$ 948,456</b>	<b>\$ 183,919</b>	<b>\$ 68,179</b>	<b>\$ 1,200,554</b>

The accompanying notes are an integral part of this financial statement.



**Catholic Charities of North Louisiana**  
**Statement of Functional Expenses**  
**For The Year Ended June 30, 2020**

	<u>Program Expenses</u>	<u>Supporting Services</u>		
	<u>Family Strengthening</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>Total</u>
Advertising and Promotion	\$ 907	\$ -	\$ 562	\$ 1,469
Bank and Credit Card Fees	38	465	979	1,482
Charitable Contributions	-	-	3,200	3,200
Childcare	-	-	-	-
Computer Expenses	1,554	1,128	-	2,682
Conferences and Training	2,351	5,968	226	8,545
Cost of Special Events	-	(148)	7,785	7,637
Depreciation	67	3,436	577	4,080
Direct Donor Benefits	-	-	11,283	11,283
Dues & Subscriptions	2,035	3,354	3,364	8,753
Emergency Assistance Provided	145,035	-	-	145,035
Employee Benefits	35,786	17,678	1,610	55,074
Employee Screenings	96	25	302	423
Equipment Rental	-	1,380	-	1,380
Food and Supplies Distributed	12,143	-	-	12,143
Insurance	25,689	(3,336)	854	23,207
Investment Expenses	-	6,844	-	6,844
Licenses & Fees	200	-	-	200
Meals and Entertainment	225	-	290	515
Payroll Taxes	22,769	6,086	2,084	30,939
Postage	2,000	242	1,065	3,307
Printing and Reproduction	1,635	562	4,341	6,538
Payroll and Accounting Fees	3,866	189	127	4,182
Rent	172	-	-	172
Rent - Donated Facilities	101,471	9,481	3,564	114,516
Repairs and Maintenance	11,228	741	370	12,339
Salaries and Wages	298,006	87,042	27,834	412,882
Supplies	8,866	1,052	85	10,003
Travel	2,167	-	289	2,456
Temporary Services	3,386	29,907	2,302	35,595
Utilities	3,956	39,481	200	43,637
Vehicle Lease	2,690	375	-	3,065
Volunteer Expenses	-	223	-	223
<b>Total Functional Expenses</b>	<b>\$ 688,338</b>	<b>\$ 212,175</b>	<b>\$ 73,293</b>	<b>\$ 973,806</b>

The accompanying notes are an integral part of this financial statement.

**Catholic Charities of North Louisiana**  
**Statements of Cash Flows**  
**For The Years Ended June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Cash Flows From Operating Activities</b>		
Increase/(Decrease) in Net Assets	\$ 167,891	\$ 270,415
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation Expense	3,576	4,080
Net Realized (Gains)/Losses on Investments	(5,709)	12,694
Net Unrealized (Gains)/Losses on Investments	(191,354)	657
Forgiveness of SBA PPP Loan	(79,599)	-
Donated Property	-	(355,000)
(Increase)/Decrease in Operating Assets:		
Unconditional Promises to Give	-	1,094,594
Grants Receivable	(46,916)	-
Donated Items on Hand	(11,317)	1,151
Prepaid Expenses	6,273	(3,285)
Increase/(Decrease) in Operating Liabilities:		
Accounts Payable	2,114	(20,649)
Refundable Advances	127,711	10,735
Accrued Liabilities	13,276	(20,525)
Net Cash Provided/(Used) by Operating Activities	(14,054)	994,867
<b>Cash Flows From Investing Activities</b>		
Proceeds from Sales and Maturities of Securities	558,666	994,351
Purchases of Investments	(583,465)	(1,362,271)
Purchases of Certificates of Deposit	(1,020)	(81,009)
Purchases of Property and Equipment	(187,832)	(2,421)
Net Cash Provided/(Used) by Investing Activities	(213,651)	(451,350)
<b>Cash Flows From Financing Activities</b>		
Proceeds from PPP Loan	87,813	79,523
Net Cash Provided/(Used) by Financing Activities	87,813	79,523
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(139,892)	623,040
<b>Cash and Cash Equivalents at Beginning of Year</b>	826,586	203,546
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 686,694	\$ 826,586

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Nature of Activities**

Catholic Charities of North Louisiana (the Organization), formerly known as Catholic Charities of Shreveport, is a not-for-profit social service agency of the Diocese of Shreveport, LA (the Diocese), which is part of the United States Conference of Catholic Bishops (USCCB). It was incorporated on July 14, 2010, under the laws of Louisiana. The Organization's mission is to bring Christ's message of love to the poor and vulnerable by providing quality social services to families and individuals, without discrimination, and in accordance with Catholic Social Teaching and professional standards. The Organization serves the Shreveport area mainly, but also has locations in Monroe and Lake Providence. The Organization is supported through public contributions, grants, program service fees, special event revenues, and investment income.

The following services are provided through the Family Strengthening Program included in the accompanying financial statements:

**Emergency Assistance** – Provides assistance to low income families or families experiencing emergencies, such as unemployment. Financial assistance is provided to help those in need with rent or utilities.

**Immigration Services** – Provides a wide range of services to immigrants. The main objectives of the program are to advise and guide individuals through the immigration process in an efficient, effective and professionally caring manner, honoring the dignity of each person.

**Financial Education** – Reaches out to families of all ages, races, and religions to help them understand how to better manage their finances. Services include instruction on how to budget income and how to understand basic banking, including beginning a savings plan to pay for future needs.

**Benefits Assistance** – Assists individuals in completing applications for Supplemental Nutritional Assistance Program (SNAP – formerly the Food Stamp Program), as well as other programs that aid families, including Family Independence Temporary Assistance (FITAP), Child Care Assistance Program (CCAP), Kinship Care Subsidiary Program (KCSP), and Child Support Enforcement (CSE).

**Gabriel's Closet** – Provides children's furniture and clothing to clients at no charge.

Emergency Assistance and Immigration Services are the Organization's major programs based on associated revenues and expenses.

**B. Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

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**C. Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

**D. Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affected the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**E. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, including the investments in money market funds held by Stephens, Inc., Morgan Stanley, Origin Bank, and Louisiana Catholic Federal Credit Union.

**F. Grants Receivable**

Grants receivable expected to be collected within one year are recorded at net realizable value. Conditional promises to give are not included in revenue until the conditions are substantially met.

**G. Property and Equipment**

Property and equipment are stated at cost or fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Office equipment	3 years
Office furniture	7 years
Leasehold improvements	15 years
Buildings	40 years

Additions and betterments of \$500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

**H. Investments**

The Organization carries investments in equity securities with readily determinable fair values at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

**I. Restricted and Unrestricted Revenue**

Contributions received are recorded as increases in net assets without donor restrictions, or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

**J. Donated Assets**

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

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Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation.

**K. Donated Use of Facilities**

The Diocese provides facilities at no cost to the Organization. A contribution and related expense has been recognized for the fair value of the rent for the year.

**L. Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

**M. Special Events Revenue**

The Organization conducts special events in which a portion of the gross proceeds paid by the Participant represents payment for the direct cost of the benefits received by the participant at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured by the actual cost to the organization. The direct costs of the special events, which ultimately benefit the donor rather than the Organization, are netted with special events revenue as direct donor benefits in the accompanying statement of activities.

**N. Allocation of Functional Expenses**

Expenses are allocated to program and supporting services on the following bases:

- (a) Management and General, Fundraising expenses are allocated on the basis of direct salaries, wages, and temporary services.
- (b) Building and occupancy costs are allocated on the basis of square footage.
- (c) Advertising costs were allocated to fundraising.

**O. Income Taxes**

The Organization is exempt from federal income tax as a subordinate organization of the United States Conference of Catholic Bishops, which is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

**P. Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

**2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at June 30, 2021 and 2020, consisted of the following:

	<u>2021</u>	<u>2020</u>
Origin Bank Checking	\$ 261,945	\$ 238,052
BancorpSouth Checking (Building Account)	172,564	353,289
LCFCU Savings	25	25
Paypal	1,558	-
Origin Bank Money Market	113,275	62,944
Stephens, Inc. Money Market Funds	112,571	73,487
Morgan Stanley Money Market Funds	24,756	98,789
LCFCU Certificate of Deposit	-	-
Total Cash and Cash Equivalents	<u>\$ 686,694</u>	<u>\$ 826,586</u>

The money market sweep accounts at Stephens, Inc. and Morgan Stanley are invested in the Federated Government Obligations Fund, a money market mutual fund, and is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

**3. CERTIFICATES OF DEPOSIT**

The Organization purchased certificates of deposits during the fiscal year ended June 30, 2020. Terms range from 24 to 39 months, with interest rates ranging from .89% to 2%. Balances were \$82,029 and \$81,009 at June 30, 2021 and 2020, respectively.

**4. CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS**

The Organization maintains its cash balances in various institutions located in North Louisiana. The balances are insured either by the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC), or the National Credit Union Administration (NCUA) up to \$250,000. The organization's uninsured cash balances totaled \$135,908 at June 30, 2021, and \$103,289 at June 30, 2020.

**5. PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2021 and 2020, consisted of the following:

	<u>2021</u>	<u>2020</u>
Office Equipment	\$ 27,516	\$ 23,903
Office Furniture	9,464	9,464
Leasehold Improvements	4,350	4,350
Software	2,409	2,409
Construction in Progress	184,219	-
Building	300,000	300,000
Land	55,000	55,000
Total	<u>582,958</u>	<u>395,126</u>
Less: Accumulated Depreciation	<u>35,837</u>	<u>32,261</u>
Net Property and Equipment	<u>\$ 547,121</u>	<u>\$ 362,865</u>

Depreciation expense was \$3,576 and \$4,080 and for the years ended June 30, 2021 and 2020, respectively.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

The Organization had noncash investing activities of \$355,000 during the year ended June 30, 2020, relating to the donation of a building and property located at 902 Olive Street in Shreveport, Louisiana, by the Diocese of Shreveport. Once renovations are completed, the Organization will relocate its operations to this location.

**6. INVESTMENTS**

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

As of June 30, 2021:

	Quoted Prices in Active Markets for Identical Assets (Level 1 Inputs)	Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Mutual Funds	\$ 247,909	\$ -	\$ -
Equities	611,249	-	-
ETFs	337,989	-	-
<b>Totals</b>	<b>\$ 1,197,147</b>	<b>\$ -</b>	<b>\$ -</b>

As of June 30, 2020:

	Quoted Prices in Active Markets for Identical Assets (Level 1 Inputs)	Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Mutual Funds	\$ 234,274	\$ -	\$ -
Equities	527,598	-	-
ETFs	213,561	-	-
<b>Totals</b>	<b>\$ 975,433</b>	<b>\$ -</b>	<b>\$ -</b>

At June 30, 2021 and 2020, the Organization's investments consisted of publicly traded equities, mutual funds, and exchange-traded funds totaling \$1,197,147 and \$975,433. Investments are reported at fair value using a Level 1 measure.



**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

Investment return for the years ended June 30, 2021 and 2020, consists of:

	<b>2021</b>	<b>2020</b>
Interest and Dividend Income	\$ 28,529	\$ 34,414
Net Realized and Unrealized Gains/(Losses)	197,063	(13,351)
<b>Total Investment Return</b>	<b>\$ 225,592</b>	<b>\$ 21,063</b>

Brokerage fees of \$7,395 and \$6,844 were paid for the fiscal years ended June 30, 2021 and 2020, respectively.

**7. ENDOWMENT FUNDS**

In 2012, the Organization received a bequest of marketable securities. The Board of Directors designated this investment fund as a general endowment fund to support the mission of the Organization. Since it resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

The primary objective is the long-term growth of the fund's assets. It is recognized that short-term fluctuations may result in the loss of capital earned on occasion. However, in the absence of contributions and withdrawals, the asset value of the funds should grow in the long run and earn rates of return greater than those of an appropriate market index while avoiding excess risk. The next objective is the preservation of purchasing power. Asset growth, exclusive of contributions and withdrawals, should exceed the rate of inflation. The final objective is to preserve the value of the assets by earning a positive return over the investment time horizon. The Organization has adopted the total return concept to determine dollars available for distribution. This concept is based on a three year rolling annual average of asset values. An annual distribution of 3% to 5% is to be determined.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that is balanced between equity-based investments and fixed income investments to achieve its long-term return objectives within prudent risk constraints.

Composition of and changes in endowment net assets for the year ended June 30, 2021 and 2020, were as follows:

	<b>2021</b>	<b>2020</b>
Board-Designated Endowment Net Assets, Beginning	\$ 1,146,873	\$ 638,352
Additional Funds Invested	-	500,000
Investment Income, net of Brokerage Fees	20,216	27,569
Net Appreciation/(Depreciation)	191,354	(19,048)
Amounts Appropriated for Expenditure	-	-
<b>Board-Designated Endowment Net Assets, Ending</b>	<b>\$ 1,358,443</b>	<b>\$ 1,146,873</b>



**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

**8. REFUNDABLE ADVANCES**

The Organization records grant awards accounted for as exchange transactions as refundable advances until related services are performed, at which time they are recognized as revenue. The activity in the refundable advance account for the years ended June 30, 2021 and 2020, is reported as follows:

	<b>2021</b>	<b>2020</b>
Refundable Advances, Beginning	\$ 122,393	\$ 111,658
Grant Awards Received	589,379	417,553
Grant Expenditures	(461,668)	(406,818)
Refundable Advances, Ending	\$ 250,104	\$ 122,393

**9. NET ASSETS WITH DONOR RESTRICTIONS**

Changes in net assets with donor restrictions consist of the following:

	6/30/19	Additions	Releases	6/30/20	Additions	Releases	6/30/21
Family Strengthening	\$ -	\$ 332,013	\$ 332,013	\$ -	\$ 478,153	\$ 478,153	\$ -
Lake Providence	6,465	21,119	11,069	16,515	22,550	10,459	28,606
Monroe	-	109,578	109,578	-	110,586	110,586	-
<b>Totals</b>	<b>\$ 6,465</b>	<b>\$ 462,710</b>	<b>\$ 452,660</b>	<b>\$ 16,515</b>	<b>\$ 611,289</b>	<b>\$ 599,198</b>	<b>\$ 28,606</b>

**10. DONATED FACILITIES AND SERVICES**

The fair value of donated use of facilities and donated services included as contributions in the financial statements and the corresponding program expenses for the years ended June 30, 2021 and 2020, is as follows:

	<b>Rent</b>	
	<b>2021</b>	<b>2020</b>
Emergency Assistance	\$ 34,312	\$ 34,312
Immigration Services	17,997	17,997
Financial Education	7,670	7,670
Benefits Assistance	5,587	5,587
Gabriel's Closet	35,733	35,733
Management and General	6,881	6,881
Fundraising	3,564	3,564
<b>Totals</b>	<b>\$ 111,744</b>	<b>\$ 111,744</b>

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

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Numerous volunteers have donated significant amounts of time to the Organization's fund-raising campaign and program services. Although no amounts have been reflected in the financial statements, management estimates the fair value of those services to be approximately \$36,248 and \$61,973 for the years ended June 30, 2021 and 2020, respectively.

**11. ADVERTISING**

The Organization uses advertising to promote its programs among the clients served. The production costs of advertising are expensed as incurred. During the years ended June 30, 2021 and 2020, advertising costs totaled \$1,339 and \$1,469, respectively.

**12. EMPLOYEE BENEFIT PLANS**

The Organization provides a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code to its full-time employees through the Diocese. The Organization contributes from 0% to 5% of gross salaries to the plan, depending on the length of service, for qualified employees. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Plan expenses for the years ended June 30, 2021 and 2020, were \$10,738 and \$5,452, respectively. See Note 13.

**13. RELATED PARTY TRANSACTIONS**

**Transactions with national organizations** – The Organization maintains its tax exempt status by operating as a subordinate organization of the United States Conference of Catholic Bishops. No transactions occurred between the entities.

The Organization also has a relationship with its national affiliate. The Organization is required to remit annual dues to the national affiliate. These dues totaled \$500 and \$1,000 for the years ended June 30, 2021 and 2020. The Organization may also receive contributions and reimbursements from the national affiliate. No such contributions or reimbursements were received during the years ended June 30, 2021 and 2020.

**Transactions with local organizations** – The Diocese of Shreveport (the Diocese) administers an employee retirement savings plan, a flexible spending account, and insurance plans available to the Organization's employees. For the years ended June 30, 2021 and 2020, the Organization made \$10,738 and \$5,452, respectively in employer contributions to the Diocese Employee Retirement Savings Plan and \$51,180 and \$61,463, respectively in employer contributions for health, life, and disability insurance plans. The Organization also reimburses the Diocese for various operating expenses, including property insurance, paid by the Diocese throughout the year on behalf of the Organization. Those reimbursements totaled \$23,793 and \$16,558, respectively for the fiscal years ended June 30, 2021 and 2020.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

The Diocese also donated the use of facilities to the Organization, reimbursed the Organization for a portion of its utilities expense, and provided the Organization with a subsidy. The amounts for the years ended June 30, 2021 and 2020, were as follows:

	<u>2021</u>	<u>2020</u>
Donated Use of Facilities	\$ 111,744	\$ 111,744
Utilities Reimbursement	2,079	1,086
Subsidy	-	60,000
Total Received From The Diocese	<u>\$ 113,823</u>	<u>\$ 172,830</u>

**Transactions with board members and employees** – The following related party transactions occurred between the Organization and its board members and/or staff:

	<u>2021</u>	<u>2020</u>
Contributions	\$ 6,945	\$ 15,183

**14. OPERATING LEASE**

The Organization signed a 36 month vehicle lease commencing September 2019 and ending in September 2022. Lease payments are \$286 per month. The vehicle is kept in Shreveport at the Organization's office, and used for business-related travel. During the fiscal years ended June 30, 2021 and 2020, lease payments of \$2,684 and \$3,065 were paid. Future minimum lease payments for the remainder of the lease period are as follows:

Fiscal Year Ending June 30:	
2022	\$ 3,432
2023	858
Total	<u>\$ 4,290</u>

**15. LIQUIDITY AND AVAILABILITY**

The board-designated endowment is subject to an annual spending rate of 3% to 5% as described in Note 6. Although the Organization does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 361,060	\$ 685,467
Certificates of Deposit	82,029	81,009
Investments	1,197,147	975,433
Grant Receivable	46,916	-
	<u>\$ 1,687,152</u>	<u>\$ 1,741,909</u>

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**

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**16. NOTE PAYABLE**

The Organization applied for, and received, a PPP Loan during the fiscal year ended June 30, 2020, due to the economic uncertainty brought about by the COVID-19 pandemic. The loan was in the amount of \$79,523. The loan was subsequently forgiven by the SBA during the fiscal year ended June 30, 2021. The Organization qualified for and received a PPP2 loan in the amount of \$ 87,813, in March, 2021. Management has reviewed the terms of this loan and is confident that it will be forgiven as well. If the loan were not to be forgiven, the loan would accrue interest of 1% and be payable in 60 months.

**17. BOARD DESIGNATED NET ASSETS**

The Board of Directors has designated funds for specific purposes. Since this resulted from internal designations and is not donor-restricted, it is classified and reported as net assets without donor restrictions. Board Designated Net Assets consists of the following at June 30:

	<u>2021</u>	<u>2020</u>
Board designated Endowment Funds (See Note 7)	\$ 1,358,443	\$ 1,146,873
Board designated for Renovation of 902 Olive St. Building	65,781	250,000
Board designated for Monroe operations	100,000	100,000
Total Board Designated Net Assets	<u>\$ 1,524,224</u>	<u>\$ 1,496,873</u>

**18. SUBSEQUENT EVENTS**

Subsequent events were evaluated through August 27, 2021, which is the date the financial statements were available to be issued.

## **Supplemental Information**

**Catholic Charities of North Louisiana**  
**Schedule of Program Expenses - By Activity**  
**For The Year Ended June 30, 2021**

<b>Family Strengthening Program Expenses - By Activity</b>						
	<b>Emergency Assistance</b>	<b>Immigration Services</b>	<b>Financial Education</b>	<b>Benefits Assistance</b>	<b>Gabriel's Closet</b>	<b>Totals</b>
Advertising and Promotion	\$ 1,237	\$ 2	\$ -	\$ -	\$ -	1,239
Bank and Credit Card Fees	9	9	6	-	-	24
Charitable Contributions	-	-	-	-	-	-
Childcare	-	-	-	-	-	-
Computer Expenses	62	928	483	-	-	1,473
Conferences and Training	287	655	1,200	-	-	2,142
Cost of Special Events	-	-	-	-	-	-
Depreciation	-	-	83	116	-	199
Direct Donor Benefits	-	-	-	-	-	-
Dues & Subscriptions	288	2,054	450	-	32	2,824
Emergency Assistance Provided	294,149	-	-	222	-	294,371
Employee Benefits	2,758	24,723	14,522	1,039	-	43,042
Employee Screenings	48	-	-	-	-	48
Equipment Rental	-	-	-	-	-	-
Food and Supplies Distributed	-	-	-	-	3,280	3,280
Insurance	8,776	6,907	1,981	1,416	9,060	28,140
Investment Expenses	-	-	-	-	-	-
Licenses & Fees	-	-	-	-	-	-
Meals and Entertainment	-	64	-	124	-	188
Payroll Taxes	6,297	7,871	9,299	2,759	-	26,226
Postage	209	2,339	21	21	-	2,590
Printing and Reproduction	340	1,277	-	156	-	1,773
Payroll and Accounting Fees	6,935	3,579	1,566	1,118	7,159	20,357
Rent	-	-	-	-	-	-
Rent - Donated Facilities	34,312	17,997	7,670	5,587	35,733	101,299
Repairs and Maintenance	4,434	2,288	1,000	714	4,575	13,011
Salaries and Wages	80,923	107,933	128,698	40,119	-	357,673
Supplies	1,076	305	611	-	111	2,103
Temporary Services	40,137	-	-	1,123	-	41,260
Travel	-	-	418	179	-	597
Utilities	140	720	680	420	100	2,060
Vehicle Lease	979	505	-	-	1,011	2,495
Volunteer Expenses	-	-	-	-	42	42
<b>Totals</b>	<b>\$ 483,396</b>	<b>\$ 180,156</b>	<b>\$ 168,688</b>	<b>\$ 55,113</b>	<b>\$ 61,103</b>	<b>\$ 948,456</b>

See Independent Auditors' Report.

**Catholic Charities of North Louisiana  
Schedule of Program Expenses - By Activity  
For The Year Ended June 30, 2020**

<b>Family Strengthening Program Expenses - By Activity</b>						
	<b>Emergency Assistance</b>	<b>Immigration Services</b>	<b>Financial Education</b>	<b>Benefits Assistance</b>	<b>Gabriel's Closet</b>	<b>Totals</b>
Advertising and Promotion	\$ 907	\$ -	\$ -	\$ -	\$ -	907
Bank and Credit Card Fees	-	38	-	-	-	38
Charitable Contributions	-	-	-	-	-	-
Childcare	-	-	-	-	-	-
Computer Expenses	144	660	-	750	-	1,554
Conferences and Training	60	717	1,254	320	-	2,351
Cost of Special Events	-	-	-	-	-	-
Depreciation	-	-	-	67	-	67
Direct Donor Benefits	-	-	-	-	-	-
Dues & Subscriptions	-	2,035	-	-	-	2,035
Emergency Assistance Provided	145,036	-	-	-	-	145,036
Employee Benefits	80	17,252	13,797	4,656	-	35,785
Employee Screenings	96	-	-	-	-	96
Equipment Rental	-	-	-	-	-	-
Food and Supplies Distributed	-	-	-	-	12,143	12,143
Insurance	8,833	9,605	1,995	(3,687)	9,118	25,864
Investment Expenses	-	-	-	-	-	-
Licenses & Fees	-	200	-	-	-	200
Meals and Entertainment	-	225	-	-	-	225
Payroll Taxes	242	7,955	12,340	2,233	-	22,770
Postage	-	2,000	-	-	-	2,000
Printing and Reproduction	-	429	1,205	-	-	1,634
Payroll and Accounting Fees	1,317	679	297	211	1,360	3,864
Rent	172	-	-	-	-	172
Rent - Donated Facilities	34,312	17,997	7,670	5,587	35,733	101,299
Repairs and Maintenance	3,825	1,974	864	617	3,948	11,228
Salaries and Wages	3,220	98,760	166,843	29,182	-	298,005
Supplies	859	1,834	4,152	308	1,713	8,866
Temporary Services	-	-	3,385	-	-	3,385
Travel	-	1,657	510	-	-	2,167
Utilities	40	973	220	623	2,100	3,956
Vehicle Lease	1,056	545	-	-	1,090	2,691
Volunteer Expenses	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 200,199</b>	<b>\$ 165,535</b>	<b>\$ 214,532</b>	<b>\$ 40,867</b>	<b>\$ 67,205</b>	<b>\$ 688,338</b>

See Independent Auditors' Report.

**Catholic Charities of North Louisiana**  
**Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head**  
**For the Year Ended June 30, 2021**

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**Agency Head:**

Executive Director - Margaret Goorley

**Purpose:**

Salary	\$	-
Benefits - Payroll Taxes and Insurance		-
Travel		-
Reimbursements		-
<b>Total Compensation, Benefits and Other Payments</b>	<b>\$</b>	<b>-</b>

Catholic Charities of North Louisiana is a non-profit organization that receives public funds from time-to-time. During the fiscal year ended June 30, 2021, none of the Executive Director's salary, benefits, travel, or reimbursements were paid from public funds.

See independent auditors' report.



# CAMERON, HINES & COMPANY

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## **INDEPENDENT AUDITORS' 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**

Board of Directors  
Catholic Charities of North Louisiana  
Shreveport, 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 Catholic Charities of North Louisiana, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 27, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Catholic Charities of North Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Catholic Charities of North Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
August 27, 2021

**Catholic Charities of North Louisiana  
Schedule of Findings and Responses  
For The Year Ended June 30, 2021**

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We have audited the financial statements of Catholic Charities of North Louisiana as of and for the year ended June 30, 2021, and have issued our report thereon dated August 27, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of and for the year ended June 30, 2021, resulted in an unmodified opinion.

**Section I - Summary of Auditors' Reports**

**A. Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control

Material Weaknesses \_\_\_ yes X no    Significant Deficiencies \_\_\_ yes X no

Compliance

Compliance Material to Financial Statements \_\_\_ yes X no

**B. Federal Awards – N/A**

Internal Control

Material Weaknesses \_\_\_ yes \_\_\_ no    Significant Deficiencies \_\_\_ yes \_\_\_ no

Type of Opinion on Compliance  
For Major Programs

Unmodified \_\_\_    Modified \_\_\_  
Disclaimer \_\_\_    Adverse \_\_\_

Are their findings required to be reported in accordance with Title 2 U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Uniform Guidelines Requirements for Federal Awards? (Uniform Guidance)

**C. Identification of Major Programs – N/A**

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

Is the auditee a “low-risk” auditee, as defined by the Uniform Guidance?

**Section II - Financial Statement Findings**

There were no findings for the year ended June 30, 2021.

**Section III - Federal Award Findings and Question Costs**

This section is not applicable for this entity.

**Catholic Charities of North Louisiana  
Schedule of Prior Year Findings  
For the Year Ended June 30, 2021**

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**A. Report on Internal Control and Compliance Material to the Financial Statements**

There were no prior year findings for the year ended June 30, 2020.

**Management Letter**

No management letter was issued.