

CATHOLIC CHARITIES, INC.
FINANCIAL STATEMENTS
WITH
SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2015 AND 2014
WITH
INDEPENDENT AUDITOR'S REPORT



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SUPPLEMENTARY INFORMATION**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Catholic Charities, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Catholic Charities, Inc., which comprise the statements of financial position as of June 30, 2015 and 2014, 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.

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 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 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 Catholic Charities, Inc. as of June 30, 2015 and 2014, and the changes in 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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by the 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 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 11, 2015 on our consideration of the Catholic Charities, Inc.'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, Inc.'s internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

December 11, 2015
Wichita, KS

CATHOLIC CHARITIES, INC.**STATEMENTS OF FINANCIAL POSITION**

June 30, 2015 and 2014

ASSETS

ASSETS	2015	2014
Cash and cash equivalents	\$ 908,039	\$ 973,215
Accounts receivable		
Medicaid	145,525	202,006
Grants	608,885	464,782
Clients, net of allowance for doubtful accounts of \$20,329 in 2015 and \$10,632 in 2014	31,665	34,032
Contributions receivable		
Diocesan subsidy	782,000	763,000
Promises to give	491,883	--
Bequest receivable	--	280,900
Other	--	19,000
Investments	4,279,275	3,933,358
Property and equipment, net	4,693,356	4,716,695
 Total assets	 <u>\$ 11,940,628</u>	 <u>\$ 11,386,988</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable	\$ 173,137	\$ 308,232
Accrued compensation and benefits	405,775	286,434
 Total liabilities	 <u>578,912</u>	 <u>594,666</u>
 NET ASSETS		
Unrestricted		
Board designated	1,742,071	1,441,304
Undesignated	5,406,954	5,688,034
 Total unrestricted net assets	 <u>7,149,025</u>	 <u>7,129,338</u>
Temporarily restricted	2,256,408	1,706,701
Permanently restricted	1,956,283	1,956,283
 Total net assets	 <u>11,361,716</u>	 <u>10,792,322</u>
 Total liabilities and net assets	 <u>\$ 11,940,628</u>	 <u>\$ 11,386,988</u>

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

CATHOLIC CHARITIES, INC.

STATEMENTS OF ACTIVITIES

Years Ended June 30, 2015 and 2014

2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support, revenue and investment income:				
Net client service fees	\$ 1,343,495	\$ --	\$ --	\$ 1,343,495
Public grants	3,014,873	--	--	3,014,873
Private grants	--	38,555	--	38,555
Contributions	1,330,809	1,252,399	--	2,583,208
Diocesan subsidy	--	782,000	--	782,000
United Way funding	559,390	--	--	559,390
Fundraising events	279,089	--	--	279,089
Investment income	28,759	26,480	--	55,239
Other	14,660	--	--	14,660
	<u>6,571,075</u>	<u>2,099,434</u>	<u>--</u>	<u>8,670,509</u>
Net assets released from restrictions				
Expiration of time restrictions	1,142,059	(1,142,059)	--	--
Satisfaction of purpose restrictions	407,668	(407,668)	--	--
	<u>1,549,727</u>	<u>(1,549,727)</u>	<u>--</u>	<u>--</u>
Expenses:				
Program services				
Counseling and Pregnancy Support Services	1,477,832	--	--	1,477,832
Adult Day Services	1,156,484	--	--	1,156,484
Our Daily Bread	427,064	--	--	427,064
Southeast Kansas and Sumner County				
Social Services	159,807	--	--	159,807
Anthony Family Shelter	1,105,359	--	--	1,105,359
Harbor House	1,685,487	--	--	1,685,487
Foster Grandparents	533,256	--	--	533,256
Immigration Services	262,030	--	--	262,030
Support services				
Management and general	1,031,002	--	--	1,031,002
Fundraising and public relations	262,794	--	--	262,794
	<u>8,101,115</u>	<u>--</u>	<u>--</u>	<u>8,101,115</u>
Increase (decrease) in net assets	19,687	549,707	--	569,394
Net assets, beginning of year	7,129,338	1,706,701	1,956,283	10,792,322
Net assets, end of year	<u>\$ 7,149,025</u>	<u>\$ 2,256,408</u>	<u>\$ 1,956,283</u>	<u>\$ 11,361,716</u>

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support, revenue and investment income:				
Net client service fees	\$ 1,137,759	\$ --	\$ --	\$ 1,137,759
Public grants	3,452,627	--	--	3,452,627
Private grants	--	42,491	--	42,491
Contributions	1,582,753	114,191	--	1,696,944
Diocesan subsidy	--	763,000	--	763,000
United Way funding	544,314	--	--	544,314
Fundraising events	288,386	--	--	288,386
Investment income	160,056	258,799	--	418,855
Other	23,555	--	--	23,555
	<u>7,189,450</u>	<u>1,178,481</u>	<u>--</u>	<u>8,367,931</u>
Net assets released from restrictions				
Expiration of time restrictions	1,104,143	(1,104,143)	--	--
Satisfaction of purpose restrictions	129,455	(129,455)	--	--
	<u>1,233,598</u>	<u>(1,233,598)</u>	<u>--</u>	<u>--</u>
Expenses:				
Program services				
Counseling and Pregnancy Support Services	1,974,007	--	--	1,974,007
Adult Day Services	1,112,290	--	--	1,112,290
Our Daily Bread	283,652	--	--	283,652
Southeast Kansas and Sumner County				
Social Services	159,783	--	--	159,783
Anthony Family Shelter	886,088	--	--	886,088
Harbor House	1,632,550	--	--	1,632,550
Foster Grandparents	531,464	--	--	531,464
Immigration Services	265,094	--	--	265,094
Support services				
Management and general	706,051	--	--	706,051
Fundraising and public relations	251,058	--	--	251,058
	<u>7,802,037</u>	<u>--</u>	<u>--</u>	<u>7,802,037</u>
Increase (decrease) in net assets	<u>621,011</u>	<u>(55,117)</u>	<u>--</u>	<u>565,894</u>
Net assets, beginning of year	<u>6,508,327</u>	<u>1,761,818</u>	<u>1,956,283</u>	<u>10,226,428</u>
Net assets, end of year	<u>\$ 7,129,338</u>	<u>\$ 1,706,701</u>	<u>\$ 1,956,283</u>	<u>\$ 10,792,322</u>

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

CATHOLIC CHARITIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2015

	Program services					
	Counseling and Pregnancy Support Services	Adult Day Services	Our Daily Bread	SE KS and Sumner Cty Social Services	Anthony Family Shelter	Harbor House
Salaries and benefits	\$ 615,756	\$ 734,186	\$ 47,001	\$ 89,481	\$ 559,765	\$ 1,017,104
Professional fees and dues	227,031	154,814	21,793	24,732	82,169	249,204
Payments to sub-contractors	389,440	--	--	--	--	--
Occupancy	39,678	77,030	18,183	4,805	96,560	96,761
Supplies	62,133	76,095	319,270	5,859	101,868	139,948
Training	5,381	2,125	--	189	5,008	2,508
Travel and automobile	12,528	61,178	2,707	3,114	17,335	26,992
Stipends	--	--	--	--	--	--
Special assistance to individuals	29,745	--	388	31,584	126,585	80,537
Interest	--	--	--	--	--	--
Other	94,770	263	313	43	30,293	535
Subtotal	1,476,462	1,105,691	409,655	159,807	1,019,583	1,613,589
Depreciation and amortization	1,370	50,793	17,409	--	85,776	71,898
Total expenses	<u>\$ 1,477,832</u>	<u>\$ 1,156,484</u>	<u>\$ 427,064</u>	<u>\$ 159,807</u>	<u>\$ 1,105,359</u>	<u>\$ 1,685,487</u>

Program services		Support Services			
Foster Grandparents	Immigration Services	Management and general	Fundraising	Total	
\$ 141,766	\$ 173,603	\$ 1,105,751	\$ 158,212	\$ 4,642,625	
38,435	50,210	(398,323)	17,814	467,879	
--	--	--	--	389,440	
11,403	16,358	102,927	491	464,196	
6,258	18,866	151,195	82,705	964,197	
1,735	2,426	10,033	250	29,655	
60,755	(1,068)	7,780	--	191,321	
272,904	--	--	--	272,904	
--	--	2,773	--	271,612	
--	--	--	--	--	
--	1,450	9,382	--	137,049	
533,256	261,845	991,518	259,472	7,830,878	
--	185	39,484	3,322	270,237	
<u>\$ 533,256</u>	<u>\$ 262,030</u>	<u>\$ 1,031,002</u>	<u>\$ 262,794</u>	<u>\$ 8,101,115</u>	

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

CATHOLIC CHARITIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2014

	Program services					
	Counseling and Pregnancy Support Services	Adult Day Services	Our Daily Bread	SE KS and Sumner Cty Social Services	Anthony Family Shelter	Harbor House
Salaries and benefits	\$ 587,896	\$ 670,328	\$ 52,023	\$ 81,353	\$ 478,074	\$ 972,260
Professional fees and dues	212,082	190,399	21,608	23,347	78,276	303,856
Payments to sub-contractors	1,001,483	--	--	--	--	--
Occupancy	54,977	56,719	17,532	4,247	87,312	86,216
Supplies	74,305	77,279	190,882	18,940	86,403	108,682
Training	3,310	3,226	56	279	970	2,923
Travel and automobile	9,278	58,775	3,493	2,250	13,029	32,173
Stipends	--	--	--	--	--	--
Special assistance to individuals	14,693	--	582	29,798	26,898	58,154
Interest	--	1,338	--	--	--	--
Other	14,143	7,849	688	49	(2,450)	1,426
Subtotal	1,972,167	1,065,913	286,864	160,263	768,512	1,565,690
Depreciation and amortization	1,840	46,377	(3,212)	(480)	117,576	66,860
Total expenses	<u>\$ 1,974,007</u>	<u>\$ 1,112,290</u>	<u>\$ 283,652</u>	<u>\$ 159,783</u>	<u>\$ 886,088</u>	<u>\$ 1,632,550</u>

Program services		Support Services			
Foster Grandparents	Immigration Services	Management and general	Fundraising	Total	
\$ 146,660	\$ 181,273	\$ 848,029	\$ 152,533	\$ 4,170,429	
6,783	43,404	(368,945)	15,531	526,341	
--	--	--	--	1,001,483	
7,244	21,801	83,974	378	420,400	
7,962	10,023	77,736	85,108	737,320	
2,865	2,250	4,253	374	20,506	
64,676	5,464	3,100	--	192,238	
295,313	--	--	--	295,313	
--	--	4,381	--	134,506	
--	--	--	--	1,338	
--	139	9,479	--	31,323	
531,503	264,354	662,007	253,924	7,531,197	
(39)	740	44,044	(2,866)	270,840	
<u>\$ 531,464</u>	<u>\$ 265,094</u>	<u>\$ 706,051</u>	<u>\$ 251,058</u>	<u>\$ 7,802,037</u>	

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

CATHOLIC CHARITIES, INC.

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Change in net assets	\$ 569,394	\$ 565,894
Adjustments to reconcile change in net assets to cash flow from operating activities:		
Depreciation and amortization	270,237	270,840
Provision for doubtful accounts	--	3,605
Unrealized (gain) loss on investments	229,704	(280,735)
Loss on disposal of assets	--	2,426
Change in operating assets and liabilities		
Accounts receivable	(85,255)	105,942
Contribution receivable	(210,983)	233,760
Accounts payable	(135,095)	64,633
Accrued compensation and benefits	119,341	61,422
Net cash flow from operating activities	757,343	1,027,787
Cash flows from investing activities:		
Purchases of property and equipment	(246,898)	(60,293)
Deposits to managed investment accounts	(421,310)	(402,298)
Purchase of investments/earnings reinvested	(280,654)	(134,460)
Withdrawals from managed investment accounts	126,343	99,300
Proceeds from sale of property and equipment	--	6,037
Net cash flow from investing activities	(822,519)	(491,714)
Cash flows from financing activities:		
Payments on long-term debt	--	(71,856)
Net cash flow from financing activities	--	(71,856)
Net change in cash and cash equivalents	(65,176)	464,217
Cash and cash equivalents, beginning of period	973,215	508,998
Cash and cash equivalents, end of period	\$ 908,039	\$ 973,215
Supplemental disclosures of cash flow information		
Cash paid for interest	\$ --	\$ 1,338

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

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Catholic Charities, Inc. (“the Organization”) is sponsored by the Catholic Diocese of Wichita. The Chancery Office of the Diocese provides an annual subsidy to partially fund the programs and services provided by the Organization.

The Organization provides the following programs and services in the southeastern quarter of Kansas:

Counseling and Pregnancy Support Services - Provides individual, family and marital counseling, crisis pregnancy services and school counseling. Provides marriage enhancement and marriage skills training for low-income married couples under the Marriage for Keeps program. The Adoption Services program was closed in January 2015.

Adult Day Services - Licensed facility provides a range of services for the aged and those with developmental, mental and physical disabilities, as well as Alzheimer’s / Dementia.

Our Daily Bread (formerly the Help Center) - Helps individuals and families meet their nutritional needs by utilizing a model that allows them to personally select products from our food pantry on a monthly basis.

Southeast Kansas and Sumner County Social Services - Provides client assistance including rent and utilities with access to other community support services.

Anthony Family Shelter - Homeless families receive emergency shelter, in-house and follow-up case management services, life-skills training and family support services.

Harbor House - Provides temporary shelter, counseling, education, outreach and advocacy to women and children who are victims of domestic violence. Outreach services extend to Via Christi Medical Center, the District Attorney’s office, municipal court and the Wichita, Kansas Department of Children and Families Offices.

Foster Grandparents - Men and women age 55 and older are placed in 20 to 40 hour per week assignments working with “special needs” children, children in foster care and youth in a variety of community settings. A stipend is paid to those who meet income eligibility requirements.

Immigration Services - Provides assistance in applying for immigration and naturalization benefits, and interpreter services.

The Mount - A family enrichment complex that provides paths to permanent housing for survivors of domestic violence, homeless families and adult pregnant women whose immediate crises have passed. Employment services and other family strengthening services are also provided. This program began in October 2015.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents held by investment managers are considered investments.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable - The Organization's accounts receivable are primarily due from Medicaid, grantor agencies and clients. The allowance for doubtful accounts, if necessary, is specifically determined by management for each payor type balance considering a number of factors, including the length of time accounts receivable are past due, previous loss history and the customer's current ability to pay its obligation to the Organization. The Organization provides an allowance for accounts receivable when they become uncollectible. Uncollectible accounts receivable and payments subsequently received on such receivables are charged or credited to the allowance for doubtful accounts.

Contributions Receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. No allowance for uncollectible accounts has been established for promises to give, since management deems them fully collectible. Conditional promises to give are not included as support until the conditions are substantially met.

Bequests receivable consist of one bequest, which represents the Organization's interest in a trust held by a third party trustee. The receivable is recorded at its estimated fair value, which is based on the net realizable value of the Organization's assets in the trust as provided by the trustee. Such amounts were distributed by the trustee to the Organization during fiscal year 2015.

Investments - Investments consist of an investment in the Catholic Dioceses of Wichita endowment fund. The investment in the Catholic Diocese of Wichita endowment fund is stated at fair value in the accompanying financial statements. As discussed in Note 4, fair value is determined as 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.

Property and Equipment - Acquisitions of property and equipment are capitalized at cost when purchased or at fair value at date of gift, when donated. Depreciation is computed using the straight-line method over the estimated useful life of each asset. For long-term lease agreements on property and equipment with lower than market rates, the Organization records the difference between the stated lease rates and the market rates as a right to use asset. The rights to use a building, along with related leasehold improvements, are amortized over the shorter of the lease term or their respective estimated useful lives.

The following estimated useful lives are being used by the Organization:

Building and improvements	20 - 40 years
Right to use - building and related leasehold improvements	5 years
Furniture and equipment	5 - 10 years
Vehicles	3 - 5 years
Software	3 - 5 years

Interest costs on borrowed funds during the period of construction of property and equipment is capitalized as a component of the cost of acquiring those assets.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Client Service Fees - Client service fees are recorded at net realizable amounts, which represent list price net of contractual adjustments (which are the difference between charges and the amount received or receivable from third-party payors) deducted to arrive at net client service fees.

Grant Revenue - Grant revenue is recognized when the related reimbursable expenditures are incurred. Revenue collected in advance of related expenditures is presented as deferred grant revenue in the statements of financial position.

Contributions and Contributed Services - Contributions received and unconditional promises to give are initially measured at fair value and are reported as an increase in net assets. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated asset or if they are designated by the donor as support for future periods. When the 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 are reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized. Conditional promises to give, which are dependent upon the occurrence of a specified future event or other stipulation, are recognized when the conditions are substantially met.

Charity Care - The Organization provides care without charge or at amounts less than its established rates to clients meeting certain criteria based on a sliding scale under its charity care policy. Charity care is not reported as revenue because the Organization does not pursue collection of amounts determined to qualify as charity care. Charges excluded from revenue under the Organization's charity care policy totaled \$14,468 and \$18,914, for the years ended June 30, 2015 and 2014, respectively.

Income Taxes - The Organization is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, any unrelated business income may be subject to taxation. Management reviews significant tax positions and recognizes the financial statement benefit of a tax position only after determining the relevant tax authority would more likely than not sustain the position following an audit. The Organization is generally no longer subject to U.S. federal and state income tax examinations by taxing authorities for years before 2010.

Use of Estimates - In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications - Certain amounts in the financial statements as of and for the year ended June 30, 2014 have been reclassified to conform to the 2015 fiscal year presentation.

Subsequent Events - The Organization evaluated and disclosed subsequent events through December 11, 2015, the date the financial statements were available to be issued.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

2. PROMISES TO GIVE

Unconditional promises to give at June 30 are as follows:

	2015
Receivable in less than one year	\$ 192,000
Receivable in one to five years	351,500
Total unconditional promises to give	543,500
Less discount to net present value	(51,617)
Net unconditional promises to give	\$ 491,883

The long-term promises to give have been discounted using a 5% rate.

3. INVESTMENTS

Investments are as follows as of June 30:

	2015	2014
Catholic Diocese of Wichita endowment fund	\$ 4,279,275	\$ 3,933,358

Catholic Diocese of Wichita endowment fund is invested as follows as of June 30:

	2015	2014
Money market funds	1.09 %	1.92 %
Equity securities		
Domestic	32.55 %	31.47 %
International	21.89 %	24.07 %
Real estate	2.21 %	3.09 %
Hedge fund alternative investments	5.17 %	5.00 %
Managed futures	2.51 %	2.06 %
Fixed-income securities		
Debt obligations	30.16 %	28.02 %
Alternative investments	4.42 %	4.37 %
	100.00 %	100.00 %

Investment income (loss) is comprised of the following:

	Year ended June 30, 2015	Year ended June 30, 2014
Interest and dividends	\$ 78,164	\$ 55,778
Realized and unrealized gains	1,574	386,531
Investment fees	(24,499)	(23,454)
	\$ 55,239	\$ 418,855

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

3. INVESTMENTS (CONTINUED)

In general, the Organization's investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to these risks, it is possible that changes in the values of investments could occur in the near term and that such changes could materially affect the net assets stated in the accompanying financial statements.

4. FAIR VALUE MEASUREMENTS

Generally accepted accounting principles provide guidance which defines fair value, establishes a framework for measuring fair value under current accounting pronouncements that require or permit fair value measurement, and enhances disclosures about fair value measurements.

This guidance enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The guidance requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 Inputs - Quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs - Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3 Inputs - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value measurements of the assets or liabilities.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Catholic Diocese of Wichita Endowment Fund - The Organization's investment in the Catholic Diocese of Wichita endowment fund (the Fund) is valued by the Catholic Diocese of Wichita based on estimates of the net asset value (NAV) of the underlying investments of the Fund as provided by fund managers and based on other market-based data. Because the Organization owns an undivided interest in the Fund, its unit of account for fair value measurement purposes is the Fund. The Organization cannot look through the Fund to its underlying assets for the classification level in the fair value hierarchy. Rather, it must consider if relevant observable inputs exist for an undivided interest in the Fund. The Fund is classified as Level 3 in the fair value hierarchy because no observable inputs exist for an undivided interest in the Fund. However, at June 30, 2015 and June 30, 2014, approximately 88% and 90%, respectively, of the underlying assets of the Fund are mutual funds or publicly traded securities with fair values measured based on quoted market prices for identical assets in active markets. The Organization can only deposit and withdraw from the Fund on a quarterly basis.

Beneficial Interest in Trust - Fair value of the bequest receivable is measured using the fair value of the assets held in the trust reported by the trustee as of year-end.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

4. FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding methods to measure fair value may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of assets and liabilities could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, investments in the Catholic Diocese of Wichita endowment fund and beneficial interest in trust at fair value at:

	Level 1	Level 2	Level 3
June 30, 2015			
Endowment fund	\$ --	\$ --	\$ 4,279,275
	\$ --	\$ --	\$ 4,279,275
June 30, 2014			
Endowment fund	\$ --	\$ --	\$ 3,933,358
Bequest receivable	--	--	280,900
	\$ --	\$ --	\$ 4,214,258

Changes in assets measured at fair value using significant unobservable inputs (Level 3) are as follows:

	Year ended June 30, 2015	Year ended June 30, 2014
Catholic Diocese of Wichita endowment fund		
Balance, beginning of period	\$ 3,933,358	\$ 3,215,165
Interest and dividends	73,875	52,118
Realized and unrealized gains	1,574	386,531
Investment fees	(24,499)	(23,454)
Purchases	421,310	402,298
Withdrawals	(126,343)	(99,300)
Balance, end of period	4,279,275	3,933,358
Beneficial interest in trust contribution		
Balance, beginning of period	280,900	520,000
Withdrawals	(280,900)	(280,000)
Realized and unrealized gains	--	40,900
Balance, end of period	--	280,900
Ending balance Level 3	\$ 4,279,275	\$ 4,214,258

Unrealized gains and losses are reported with investment income on the statement of activities.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

5. ENDOWMENT

The endowment includes donor-restricted permanently endowed funds, other donor funds that are restricted as to purpose only and have been designated by the Board of Directors for investment in the Catholic Diocese of Wichita endowment fund (the Fund), and unrestricted funds designated by the Board to be invested in the Fund. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law - The Board of Directors of the Organization interpreted the Kansas Uniform Prudent Management of Institutional Funds Act (KS UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets, (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, if any, that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by KS UPMIFA.

In accordance with KS UPMIFA, the Organization 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 Organization 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 Organization
- The investment policies of the Organization

Endowment net assets composition by type of fund is as follows as of:

	June 30, 2015			
	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowments funds \$	--	\$ 226,497	\$ 1,956,283	\$ 2,182,780
Board designated endowment from donor restricted funds	30,548	354,424	--	384,972
Board designated endowment from unrestricted funds	1,711,523	--	--	1,711,523
	\$ 1,742,071	\$ 580,921	\$ 1,956,283	\$ 4,279,275

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

5. ENDOWMENT (CONTINUED)

	June 30, 2014			
	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowments funds	\$ --	\$ 279,176	\$ 1,956,283	\$ 2,235,459
Board designated endowment from donor restricted funds	35,111	256,595	--	291,706
Board designated endowment from unrestricted funds	1,406,193	--	--	1,406,193
	<u>\$ 1,441,304</u>	<u>\$ 535,771</u>	<u>\$ 1,956,283</u>	<u>\$ 3,933,358</u>

Changes in endowment net assets are as follows:

	Year ended June 30, 2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at July 1, 2014	\$ 1,441,304	\$ 535,771	\$ 1,956,283	\$ 3,933,358
Interest and dividends	33,460	40,415	--	73,875
Realized and unrealized gains	1,888	(314)	--	1,574
Investment fees	(10,878)	(13,621)	--	(24,499)
Deposits and collection of contributions receivable	323,481	97,829	--	421,310
Appropriation of endowment assets for expenditures	(47,184)	(79,159)	--	(126,343)
Endowment net assets at June 30, 2015	<u>\$ 1,742,071</u>	<u>\$ 580,921</u>	<u>\$ 1,956,283</u>	<u>\$ 4,279,275</u>

	Year ended June 30, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at July 1, 2013	\$ 915,583	\$ 343,299	\$ 1,956,283	\$ 3,215,165
Interest and dividends	20,357	31,761	--	52,118
Realized and unrealized gains	145,055	241,476	--	386,531
Investment fees	(9,016)	(14,438)	--	(23,454)
Deposits and collection of contributions receivable	390,325	11,973	--	402,298
Appropriation of endowment assets for expenditures	(21,000)	(78,300)	--	(99,300)
Endowment net assets at June 30, 2014	<u>\$ 1,441,304</u>	<u>\$ 535,771</u>	<u>\$ 1,956,283</u>	<u>\$ 3,933,358</u>

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

5. ENDOWMENT (CONTINUED)

Return Objective and Risk Parameters - The Organization 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. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity as well as Board designated funds. The Organization's endowment consists of amounts invested in the Fund. The Fund targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Fund invests in equities, fixed income securities, alternative investment strategies and cash equivalents with the primary objective being preservation of the Fund's purchasing power, seeking a balance between long-term appreciation and current income with relatively low tolerance for risk. The Fund investments shall also meet the objectives of social and moral responsibility in harmony with the teachings of the Catholic Church. The Fund's investment objectives over any five year moving average is to exceed the annualized increase in the Consumer Price Index by six percentage points and to equal or exceed 105% of a defined composite portfolio. Actual returns of the Fund in any given year may vary from this amount.

Spending Policy - The Organization has limited distributions from its endowment until fair values again reach historical dollar values.

6. PROPERTY AND EQUIPMENT

Property and equipment are as follows as of June 30:

	2015	2014
Land	\$ 454,418	\$ 454,418
Buildings	5,429,526	5,429,526
Buildings improvements	370,745	351,729
Furniture and equipment	926,078	867,815
Vehicles	406,015	318,835
Software	236,798	157,682
	<u>7,823,580</u>	<u>7,580,005</u>
Less accumulated depreciation and amortization	<u>3,130,224</u>	<u>2,863,310</u>
	<u>\$ 4,693,356</u>	<u>\$ 4,716,695</u>

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

7. LEASE COMMITMENTS

The Organization has noncancellable operating leases. Rent expense related to these leases was \$0 and \$7,131, for the years ended June 30, 2015 and 2014, respectively.

In April 2015, the Organization entered into an agreement with the Sisters of St. Joseph of Wichita to lease a building on their campus for a new family enrichment complex for temporary housing and family strengthening services (known as The Mount project). The term of lease did not commence until August 2015. During the first three years of the lease, the Organization will be sharing the facility with the Sisters, and will reimburse them for operating expenses in lieu of paying rent during that time. Should the Organization exercise its right to extend the agreement in August 2018, annual minimum rents will be paid through 2025. The Organization has renewal options to extend the lease in 5 year increments after 2025.

Scheduled minimum lease payments for all long-term operating leases in effect as of June 30, 2015, are as follows:

2016	\$	142,146 *
2017		142,146 *
2018		142,146 *
2019		134,792
2020		134,792
Thereafter		<u>673,960</u>
Total		<u>\$ 1,369,982</u>

* Includes payments for operating expenses in lieu of paying rent under the Mount agreement.

8. RETIREMENT PLANS

The Organization sponsors defined contribution retirement plans that cover substantially all full-time employees. Employees become eligible after one year of service and at the age of 21. The Organization contributed 5% of participant compensation through May 2011 and 3% thereafter, limited to the amount allowable by law. Benefits to participants are fully vested after five years. Retirement expense totaled \$80,808 and \$70,855 for the years ended June 30, 2015 and 2014, respectively.

9. NET CLIENT SERVICE FEES

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts less than its established rates. Client service fees were recorded net of \$55,978 and \$43,142 of contractual adjustments for the years ended June 30, 2015 and 2014, respectively.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

10. CONTRIBUTED SERVICES AND MATERIALS

The Organization recognizes contribution revenue for certain services and materials received at fair value at the date of receipt. Contributed occupancy consists primarily of donated rent provided by the Chancery Office of the Catholic Diocese of Wichita. Contributed services and materials are summarized as follows:

	Year ended June 30, 2015	Year ended June 30, 2014
Food, clothing, supplies and services (various programs)	\$ 457,884	\$ 208,318
Benefits and mileage (Foster Grandparents)	3,569	14,555
	<u>\$ 461,453</u>	<u>\$ 222,873</u>

11. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Generally, costs are directly related to the applicable program, although certain costs have been allocated among the programs and supporting services benefited.

12. RELATED PARTY TRANSACTIONS

Lease Agreement - During 2010, the Organization signed a lease agreement with the Catholic Diocese of Wichita for administrative offices and ministry facilities. The lease agreement provides the Organization with use of a portion of a building for 40 years at rent of one dollar per year. The lease period began in February 2013. The lease agreement also includes a requirement for the Organization and the Catholic Diocese of Wichita to deposit \$500 a month and \$750 a month, respectively, to a maintenance reserve account until the account balance is \$200,000. The maintenance reserve account can only be used for major repairs or maintenance to the building that do not arise in the ordinary course of business and exceed \$5,000. As of June 30, 2015 and 2014, the Organization held \$14,650 and \$8,538 in its maintenance reserve fund.

13. CONCENTRATION OF CASH

The Organization maintains its cash in one financial institution located in Wichita, Kansas, which at times, may exceed federally insured limits. In addition, restricted cash, savings and investments are maintained at the Catholic Diocese of Wichita. The Organization believes it is not exposed to any significant credit risk.

CATHOLIC CHARITIES, INC.

NOTES TO FINANCIAL STATEMENTS

14. TEMPORARILY RESTRICTED NET ASSETS

The Organization has net assets temporarily restricted for specific purposes or periods as follows as of June 30:

	<u>2015</u>	<u>2014</u>
Purpose restriction		
Program services		
Counseling and Pregnancy Support Services	\$ 4,933	\$ 21,508
Adult Day Services	3,563	2,081
Our Daily Bread and SEK	80,825	39,478
Chanute / Sumner counties	5,082	2,199
Anthony Family Shelter	4,209	6,056
Harbor House	48,132	30,187
Foster Grandparents	1,130	130
Immigration Services	330	--
The Mount	247,010	--
Donor purpose restrictions in endowment	354,424	256,595
Time restriction		
Diocesan subsidy	788,390	769,391
Bequest receivable	--	280,900
The Mount promises to give	491,883	--
Contributions receivable	--	19,000
Endowment funds	<u>226,497</u>	<u>279,176</u>
Total temporarily restricted net assets	<u>\$ 2,256,408</u>	<u>\$ 1,706,701</u>

15. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets invested in the Catholic Diocese of Wichita endowment fund are restricted to investment in perpetuity.

16. DESIGNATED NET ASSETS

Designated net assets have been set aside by the Organization's Board of Directors from unrestricted net assets for the Help Center, Anthony Family Shelter, Harbor House and other Board designated purposes.

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

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Catholic Charities, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Catholic Charities, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2015, 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 December 11, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on

compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

December 11, 2015
Wichita, Kansas

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Catholic Charities, Inc.

Report on Compliance for Each Major Federal Program

We have audited Catholic Charities, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2015. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the

purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

Our consideration of internal control 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.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

December 11, 2015
Wichita, Kansas

CATHOLIC CHARITIES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X No

FEDERAL AWARDS

Internal control over major programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

_____ Yes X No

Major programs, and type of auditor's report issued on compliance for major federal programs:

CFDA Number	NAME OF FEDERAL PROGRAM	OPINION
94.011	<i>Foster Grandparent Program</i>	Unmodified
64.033	<i>VA Supportive Services for Veterans Families Program</i>	Unmodified
84.287	<i>Twenty-First Century Community Learning Centers</i>	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

CATHOLIC CHARITIES INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

SECTION II - FINANCIAL STATEMENT FINDINGS

None were reported.

SECTION III - FEDERAL AWARD FINDINGS

None were reported.

CATHOLIC CHARITIES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

SECTION IV - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None were reported.

CATHOLIC CHARITIES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2015

Agency/Program	CFDA#	Award/Contract Number	Federal Expenditures
U.S. Department of Agriculture:			
Pass-through Kansas State Board of Education Child and Adult Care Food Program	10.558	None	\$ 61,386
U.S. Department of Housing and Urban Development:			
Pass-through City of Wichita Community Development Block Grant/Entitlement Grant	14.218	800200	96,745
Pass-through Kansas Department of Commerce and Housing and City of Wichita Emergency Solutions Grant Program	14.231	E12-MC-20-0001 / HUD-2015-HH	46,371
Total U.S. Department of Housing and Urban Development			<u>143,116</u>
U.S. Department of Justice:			
Pass-through State of Kansas - Office of Attorney General Crime Victim Assistance	16.575	14-VOCA-31 / 15-VOCA-31	85,142
Violence Against Women Formula Grants	16.588	14-VAWA-15 / 15-VAWA-15	44,718
Total U.S. Department of Justice			<u>129,860</u>
U. S. Department of Veterans Affairs:			
VA Supportive Services for Veteran Families Program	64.033	2014-KS-322	<u>275,052</u>
U. S. Department of Education:			
Pass-through Kansas State Department of Education Twenty-First Century Community Learning Centers	84.287	21st Cent- Holy Savior and St. Patrick's	<u>139,369</u>
U.S. Department of Health and Human Services:			
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	90FM004204	721,393
Pass-through Kansas Department of Children and Families Temporary Assistance for Needy Families	93.558	DCF-S.A.F.E.	550,238
Pass-through State of Kansas, Office of the Governor Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	15-FVPSA-16	65,829
Pass-through State of Kansas, Office of Attorney General Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	15-PFA-22	33,678
Total U.S. Department of Health and Human Services			<u>1,371,138</u>
Corporation for National and Community Service:			
Foster Grandparent Program	94.011	12SFWKS001 / 15SFWKS003	<u>447,127</u>
U.S. Department of Homeland Security:			
Pass-through United Way of the Plains Emergency Food and Shelter National Board Program	97.024	Phase 30	6,145
Total Expenditures of Federal Awards			<u>\$ 2,573,193</u>

The accompanying notes are an integral
part of this schedule.

CATHOLIC CHARITIES, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2015

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the agency standard financial statements.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the Organization provided the following federal awards to subrecipients.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Healthy Marriage Promotion and Responsible Fatherhood Grant	93.086	\$ 258,946
Twenty-First Century Community Learning Centers	84.287	121,613