

**CATHOLIC CHARITIES OF THE  
ARCHDIOCESE OF MIAMI, INC.**

FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION AND  
INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2021 AND 2020

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Catholic Charities of the Archdiocese of Miami, Inc.  
Wilton Manors, Florida

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

We have audited the accompanying financial statements of Catholic Charities of the Archdiocese of Miami, Inc. (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.

### ***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 of the Archdiocese of Miami, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650 Rules of the Auditor General of the State of Florida, the schedules of state earnings, cost center actual expenses and revenues as required by the Florida Department of Children and Families (the “Department”), *Guide to Performance Contracting for Alcohol, Drug Abuse and Mental Health Services*, and the schedule of United Way Allocations are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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 October 14, 2021, on our consideration of Catholic Charities’ 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’ internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
October 14, 2021

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
ASSETS		
Cash and cash equivalents, partially restricted	\$ 11,595,727	\$ 13,857,210
Cash held at the Archdiocese of Miami, partially restricted	1,990,298	3,214,031
Accounts receivable, net of allowance of \$72,133 and \$72,298		
Grants	4,957,735	4,082,665
Other	150,902	138,149
Prepaid expenses and other assets	75,401	69,341
Contribution receivable from trust	774,681	650,336
Investments, including endowments	6,300,374	5,192,295
Property and equipment, net of accumulated depreciation of \$15,045,671 and \$14,259,318	<u>13,947,486</u>	<u>10,619,950</u>
TOTAL ASSETS	<u>\$ 39,792,604</u>	<u>\$ 37,823,977</u>
<b>LIABILITIES AND NET ASSETS</b>		
LIABILITIES		
Accounts payable and accrued expenses	\$ 1,207,285	\$ 1,021,888
Deferred revenue	275,271	294,086
Refundable advance	105,000	105,000
Note payable	<u>2,456,380</u>	<u>2,456,380</u>
TOTAL LIABILITIES	4,043,936	3,877,354
NET ASSETS		
Without donor restrictions	26,041,455	23,222,902
With donor restrictions	<u>9,707,213</u>	<u>10,723,721</u>
TOTAL NET ASSETS	<u>35,748,668</u>	<u>33,946,623</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 39,792,604</u>	<u>\$ 37,823,977</u>

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

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Without Donor Restrictions	With Donor Restrictions		Total
		Other Donor Restricted Funds	Gifts Restricted in Perpetuity	
<b>REVENUE AND SUPPORT</b>				
Contributions, foundations, trusts and bequests	\$ 1,009,160	\$ 655,324	\$ 466	\$ 1,664,950
United Way	257,699	-	-	257,699
Contributed facilities, goods and services	4,505,819	-	-	4,505,819
Grants from government agencies and others	26,601,764	163,755	-	26,765,519
Program service fees	6,940	-	-	6,940
Other income	44,619	-	-	44,619
Investment income, net of fees	-	1,367,471	-	1,367,471
Net assets released from restrictions:				
Satisfaction of program restrictions	3,203,524	(3,203,524)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>35,629,525</b>	<b>(1,016,974)</b>	<b>466</b>	<b>34,613,017</b>
<b>EXPENSES</b>				
Program Services:				
Community Based Services	13,240,811	-	-	13,240,811
Child Development Services	15,241,497	-	-	15,241,497
Ministries	75,675	-	-	75,675
Supporting Activities:				
General and Administrative	4,252,989	-	-	4,252,989
<b>TOTAL EXPENSES</b>	<b>32,810,972</b>	<b>-</b>	<b>-</b>	<b>32,810,972</b>
<b>CHANGE IN NET ASSETS</b>	<b>2,818,553</b>	<b>(1,016,974)</b>	<b>466</b>	<b>1,802,045</b>
<b>NET ASSETS - Beginning of year</b>	<b>23,222,902</b>	<b>5,952,188</b>	<b>4,771,533</b>	<b>33,946,623</b>
<b>NET ASSETS - End of year</b>	<b>\$ 26,041,455</b>	<b>\$ 4,935,214</b>	<b>\$ 4,771,999</b>	<b>\$ 35,748,668</b>

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

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Without Donor Restrictions	With Donor Restrictions		Total
		Other Donor Restricted Funds	Gifts Restricted in Perpetuity	
<b>REVENUE AND SUPPORT</b>				
Contributions, foundations, trusts and bequests	\$ 694,538	\$ 1,094,601	\$ 4,835	\$ 1,793,974
United Way	261,184	15,000	-	276,184
Contributed facilities, goods and services	4,837,604	-	-	4,837,604
Grants from government agencies	25,589,587	1,454,410	-	27,043,997
Program service fees	73,817	-	-	73,817
Other income	53,066	-	-	53,066
Investment income, net of fees	-	150,139	-	150,139
Net assets released from restrictions:				
Satisfaction of program restrictions	2,573,592	(2,573,592)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>34,083,388</b>	<b>140,558</b>	<b>4,835</b>	<b>34,228,781</b>
<b>EXPENSES</b>				
Program Services:				
Community based services	12,993,133	-	-	12,993,133
Child development services	14,447,683	-	-	14,447,683
Ministries	52,990	-	-	52,990
Supporting Activities:				
General and Administrative	4,672,172	-	-	4,672,172
<b>TOTAL EXPENSES</b>	<b>32,165,978</b>	<b>-</b>	<b>-</b>	<b>32,165,978</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,917,410</b>	<b>140,558</b>	<b>4,835</b>	<b>2,062,803</b>
<b>NET ASSETS - Beginning of year</b>	<b>21,305,492</b>	<b>5,811,630</b>	<b>4,766,698</b>	<b>31,883,820</b>
<b>NET ASSETS - End of year</b>	<b>\$ 23,222,902</b>	<b>\$ 5,952,188</b>	<b>\$ 4,771,533</b>	<b>\$ 33,946,623</b>

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

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,802,045	\$ 2,062,803
Adjustment to reconcile change in net cash provided by operating activities:		
Depreciation expense	920,202	920,798
Release of refundable advance	-	(35,000)
Loss on disposal of fixed assets	16,608	3,505
Unrealized/realized gain on investments	(1,255,684)	(87,612)
Gain on fair value of contribution trust receivable	(124,345)	-
Reduction of allowance for doubtful accounts	(166)	(110)
(Increase) Decrease in assets:		
Accounts receivable	(887,657)	316,506
Prepaid expenses and other assets	(6,060)	(2,479)
Increase (Decrease) in liabilities:		
Accounts payable and accrued expenses	185,397	307,328
Deferred revenue	(18,815)	72,683
Total adjustments	<u>(1,170,520)</u>	<u>1,495,619</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>631,525</u>	<u>3,558,422</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds of investments	147,605	189,130
Purchase of property and equipment	<u>(4,264,346)</u>	<u>(2,925,691)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(4,116,741)</u>	<u>(2,736,561)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	-	2,456,380
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>-</u>	<u>2,456,380</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(3,485,216)	3,278,241
CASH AND CASH EQUIVALENTS - Beginning of year	<u>17,071,241</u>	<u>13,793,000</u>
CASH AND CASH EQUIVALENTS - End of year	<u>\$ 13,586,025</u>	<u>\$ 17,071,241</u>
Cash and cash equivalents	\$ 11,595,727	\$ 13,857,210
Cash held at the Archdiocese of Miami	<u>1,990,298</u>	<u>3,214,031</u>
	<u>\$ 13,586,025</u>	<u>\$ 17,071,241</u>
<u>Supplemental disclosures of cash flow information:</u>		
Cash payments for interest	<u>\$ -</u>	<u>\$ -</u>
<u>Non-cash financing activities</u>		
Forgiveness of refundable advance	<u>\$ -</u>	<u>\$ 35,000</u>

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



**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Community Based Services	Child Development Services	Ministries	Total Program Services	General and Administrative	Total
Personnel Expenses:						
Salaries and payroll taxes	\$ 5,248,564	\$ 6,908,909	\$ 57,013	\$ 12,214,486	\$ 2,087,048	\$ 14,301,534
Temporary employees	111,096	105,072	-	216,168	3,553	219,721
Pension and health insurance benefits	668,169	1,086,224	3,801	1,758,194	271,459	2,029,653
Total Personnel Expenses	<u>6,027,829</u>	<u>8,100,205</u>	<u>60,814</u>	<u>14,188,848</u>	<u>2,362,060</u>	<u>16,550,908</u>
Specific assistance	3,564,029	766,765	-	4,330,794	597,740	4,928,534
Conferences, meetings and dues	37,408	21,398	-	58,806	37,329	96,135
Insurance	324,624	240,648	-	565,272	20,137	585,409
Professional fees	77,114	91,715	-	168,829	122,653	291,482
Rent and utilities	518,711	367,057	13,170	898,938	39,124	938,062
In-kind expenses	996,496	3,369,475	-	4,365,971	135,450	4,501,421
Repairs and maintenance	820,830	877,174	203	1,698,207	71,547	1,769,754
Supplies	169,373	790,919	-	960,292	65,675	1,025,967
Telephone	155,397	116,631	498	272,526	59,289	331,815
Transportation	78,939	8,806	868	88,613	32,086	120,699
Interest and fees	465	881	-	1,346	540	1,886
Miscellaneous	81,937	148,177	-	230,114	518,584	748,698
	<u>6,825,323</u>	<u>6,799,646</u>	<u>14,739</u>	<u>13,639,708</u>	<u>1,700,154</u>	<u>15,339,862</u>
Total expenses before depreciation	12,853,152	14,899,851	75,553	27,828,556	4,062,214	31,890,770
Depreciation	<u>387,659</u>	<u>341,646</u>	<u>122</u>	<u>729,427</u>	<u>190,775</u>	<u>920,202</u>
Total expenses	<u>\$ 13,240,811</u>	<u>\$ 15,241,497</u>	<u>\$ 75,675</u>	<u>\$ 28,557,983</u>	<u>\$ 4,252,989</u>	<u>\$ 32,810,972</u>

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

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Community Based Services	Child Development Services	Ministries	Total Program Services	General and Administrative	Total
Personnel Expenses:						
Salaries and payroll taxes	\$ 5,481,239	\$ 6,399,589	\$ 34,984	\$ 11,915,812	\$ 2,243,765	\$ 14,159,577
Temporary employees	430,411	43,626	-	474,037	86,917	560,954
Pension and health insurance benefits	689,748	1,113,592	2,188	1,805,528	268,014	2,073,542
Total Personnel Expenses	<u>6,601,398</u>	<u>7,556,807</u>	<u>37,172</u>	<u>14,195,377</u>	<u>2,598,696</u>	<u>16,794,073</u>
Specific assistance	2,725,632	781,180	-	3,506,812	625,319	4,132,131
Conferences, meetings and dues	31,182	14,958	-	46,140	60,896	107,036
Insurance	373,107	203,964	-	577,071	21,039	598,110
Professional fees	81,230	23,344	-	104,574	123,369	227,943
Rent and utilities	555,227	364,577	11,198	931,002	80,402	1,011,404
In-kind expenses	997,396	3,704,758	-	4,702,154	135,450	4,837,604
Repairs and maintenance	745,123	695,800	-	1,440,923	139,403	1,580,326
Supplies	179,500	516,578	-	696,078	131,539	827,617
Telephone	88,606	122,244	603	211,453	55,121	266,574
Transportation	108,525	17,111	4,017	129,653	93,229	222,882
Interest and fees	1,899	1,450	-	3,349	170	3,519
Miscellaneous	80,539	130,775	-	211,314	424,647	635,961
	<u>5,967,966</u>	<u>6,576,739</u>	<u>15,818</u>	<u>12,560,523</u>	<u>1,890,584</u>	<u>14,451,107</u>
Total expenses before depreciation	12,569,364	14,133,546	52,990	26,755,900	4,489,280	31,245,180
Depreciation	<u>423,769</u>	<u>314,137</u>	<u>-</u>	<u>737,906</u>	<u>182,892</u>	<u>920,798</u>
Total expenses	<u>\$ 12,993,133</u>	<u>\$ 14,447,683</u>	<u>\$ 52,990</u>	<u>\$ 27,493,806</u>	<u>\$ 4,672,172</u>	<u>\$ 32,165,978</u>

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

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Operations**

Catholic Charities of the Archdiocese of Miami, Inc. (“Catholic Charities”) was organized under the laws of the state of Florida on October 31, 1967, as a nonprofit corporation with the purpose of meeting the ever changing needs of the communities of Broward, Miami-Dade and Monroe counties of Florida. Catholic Charities operates under the sponsorship of the Archbishop of the Archdiocese of Miami (the “Archdiocese”).

Catholic Charities provides the following services in three counties and in 28 separate locations:

Child Development Services – Through six Child Development Centers, Catholic Charities offers safe and nurturing environments where children can thrive academically and socially. The Head Start, Early Head Start and VPK pre-school programs equip the children and their families with high quality educational and social resources so they can achieve their fullest potential.

Community Based Services – Throughout the counties, Catholic Charities offers services such as: alcohol and substance abuse services, counseling and family services, elderly services, homeless prevention and rapid re-housing services, and immigrants and refugee services. Within these groups, various services are offered which include but are not limited to: acculturation, legal, employment, case management, parenting skills and education, medical, mental health, foster care, emergency housing and cash assistance.

Ministries – The Catholic Charities Monroe Ministries assist the five parishes and Deanery to build upon its efforts to uphold human dignity and to reach out in mercy, service and justice to our most vulnerable people. Emphasis is placed on the formation, education and the empowerment of parishes and the community, as we together, develop ministries in response to needs, and social injustice.

As of February 2008, Catholic Charities obtained control of the Catholic Charities Endowment Trust (the “Trust”) through its control of the governing board of the Trust. During the year ended June 30, 2013, the financial statements of Catholic Charities were consolidated with the Trust. At the request of the Corporate Members of Catholic Charities of the Archdiocese of Miami, Inc., the Trust’s endowment investments were liquidated and transferred to the Catholic Community Foundation in the Archdiocese of Miami, Inc. (the “Foundation”) for the benefit of Catholic Charities. For the years ended June 30, 2021 and 2020, these investments are included in these financial statements and they are to be invested and managed by the Foundation in accordance with its investment policies and practices.

**Basis of Presentation**

Catholic Charities prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and with standards established by the Financial Accounting Standards Board (“FASB”) for external financial reporting by not-for-profit organizations. Accordingly, Catholic Charities’ resources are classified and reported based upon the existence or absence of donor-imposed restrictions, as follows:

Net assets without donor restriction – include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transactions (except income and gains on assets that are restricted by donors or by law) are included in the net assets without donor restriction class. Net assets without donor restrictions include board designated net assets held in cash of \$1,035,613 and \$1,006,044 as of June 30, 2021 and 2020, respectively, and are to be used to provide counseling services.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Basis of Presentation (Continued)**

Net assets with donor restriction – include those net assets whose use by Catholic Charities has been limited by donor imposed stipulations that either expire by the passage of time or can be fulfilled by expending the funds for their restricted purpose. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with the investment return available for operations. Net assets with donor restrictions totaled \$9,707,213 and \$10,723,721 as of June 30, 2021 and 2020, respectively. See Note 12.

**Revenue Recognition**

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Appreciation or depreciation in the fair value of investments and gains and losses on other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless otherwise restricted by explicit donor stipulation or by law. Expirations of time or purpose restrictions on net assets are reported as net assets released from restrictions. Grants from government agencies are recognized as revenue when the grant funds have been expended or the service has been provided in accordance with the grant provisions.

**Contributions**

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Unconditional promises to give are recorded at their net realizable value if they are expected to be collected within one year or at fair value, which is measured using the present value of future cash flows, if they are expected to be collected over periods longer than one year. Catholic Charities has been notified of certain intentions to give under various wills and trusts. Catholic Charities' share of such bequests is recorded when Catholic Charities has an irrevocable right to the bequest and the proceeds are measurable. Contributions of assets other than cash are recorded at their estimated fair value at date of donation. Contributions to be received after one year are discounted using a risk-adjusted rate of return. Amortization of discounts is recorded as additional contribution revenue reflecting donor-imposed restrictions, if any. An allowance for uncollectible contributions receivable is provided based upon management's judgment after considering prior collection history, type of contribution and nature of fundraising activity.

**Deferred Revenue**

Deferred revenue consists of payments received from grant funding agencies, foundations, or donors in advance of the start of the program or of the specific grant obligations being satisfied. Such amounts are recorded as revenues when the related services are performed, or obligations are satisfied.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, Catholic Charities considers all cash in banks and highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Catholic Charities maintains its cash and cash equivalents with high credit quality financial institutions and with the Archdiocese, and at times, balances may exceed federally insured limits. Amounts exceeding federally insured limits at June 30, 2021 and 2020 totaled \$13,245,349 and \$16,777,694, respectively. Catholic Charities has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

**Restricted Cash**

Restricted cash is primarily composed of amounts held with respect to disaster relief programs, the Day 1 Families Fund and other donor restricted purposes. Restricted cash at June 30, 2021 and 2020 was \$2,632,158 and \$4,881,090, respectively.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Accounts Receivable**

Accounts receivable consist primarily of amounts due from governmental entities under Catholic Charities' grant agreements. Accounts receivable are stated at estimated net realizable value. The allowance for doubtful accounts was \$72,133 and \$72,298 for the years ended June 30, 2021 and 2020, respectively.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets with donor restrictions in the reporting period in which the income and gains are recognized and then released if the restrictions are met (either by passage of time or by use).

**Property and Equipment**

Property, equipment and leasehold improvements purchased for a value greater than \$500, and with depreciable lives greater than one year, are stated at cost net of depreciation. Donations of property, equipment or leasehold improvements are recorded as contributions at their estimated fair value at the date of the donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Absent donor stipulations, Catholic Charities reports the assets as without donor restrictions. Upon disposal of fixed assets, the costs and accumulated depreciation are removed from the accounts, and the resulting gain or loss, if any, is included within non-operating activities in the accompanying statement of activities and changes in net assets.

Depreciation is calculated using the straight-line method over the estimated useful lives of the fixed assets ranging from 3 to 20 years.

**Contributed Facilities, Goods and Services**

Facilities - Catholic Charities receives donated facilities. The estimated fair values for these donated facilities were \$2,870,733 and \$2,873,009, for each of the years ended June 30, 2021 and 2020, respectively. See Note 9.

Goods and Services – Donated services are recognized at their estimated fair value when they create or enhance non-financial assets or they require specialized skills, which would otherwise need to be purchased if they were not donated. Catholic Charities recorded \$1,635,086 and \$1,964,595 for the years ended June 30, 2021 and 2020, respectively.

**Concentrations**

Catholic Charities is supported primarily through grants from federal, state and local government funding. Catholic Charities received approximately 77% and 79% of total revenues and support from federal, state and local government grants for each of the years ended June 30, 2021 and 2020, respectively.

**Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Functional Expenses Allocation**

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statement of activities. Accordingly, costs have been allocated among the program and supporting services benefited. The expenses that are allocated are personnel expenses, which are allocated on the basis of estimates of time and effort; facilities and interest expenses and depreciation, which are allocated on a weighted-average square footage basis; and supplies and contracted services, which are allocated based on actual expenses incurred for each function.

**Income Tax Status**

Catholic Charities is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to Catholic Charities' tax-exempt purpose can be subject to taxation as unrelated business income. In addition, Catholic Charities qualified for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation member under Section 509(a)(1). As of June 30, 2021, the tax years that remain subject to examination by taxing authorities are for the years 2017 through 2020.

**Accounting Pronouncements**

Catholic Charities has adopted the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended, during the fiscal year end June 30, 2021. Analysis of the various provisions of this standard resulted in no significant changes in the way Catholic Charities recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

Catholic Charities has adopted ASU No. 2018-08, *Not-For-Profit Entities (Topic 958) Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, during the fiscal year end June 30, 2020. The guidance helps distinguish if grants and contracts with resource providers are exchange transactions or contributions. The ASU also provides guidance to help determine when a contribution is conditional and evaluates the possibility that a condition will not be met is remote. Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are accounted for as a liability until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions. The adoption of this standard in 2020 did not result in a change to the financial statements of Catholic Charities.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for Catholic Charities fiscal year end June 30, 2023, with early adoption permitted. Catholic Charities is evaluating the impact the pronouncement may have on the financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial assets*, requiring an entity to present contributed financial assets as a separate line item on the statement of activities, apart from contributions of cash and other financial assets. ASU 2020-07 includes additional disclosure requirements about contributed nonfinancial assets for not-for-profit entities, including additional disclosure requirements for recognized contributed services. The standard will be applied on a retrospective basis and will be effective for the fiscal year end June 30, 2022. Catholic Charities does not expect the new standard will impact its financial statements other than additional disclosures.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)  
**Accounting Pronouncements (Continued)**

**Subsequent Events**

Catholic Charities has evaluated subsequent events through October 14, 2021, which is the date the financial statements were available to be issued.

NOTE 2 – ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at June 30, 2021 and 2020, respectively:

	2021	2020
Governmental and other entities	\$ 5,029,868	\$ 4,154,963
Other receivables	150,902	138,149
Less allowance for uncollectible accounts	<u>(72,133)</u>	<u>(72,298)</u>
Total	<u>\$ 5,108,637</u>	<u>\$ 4,220,814</u>

NOTE 3 – FAIR VALUE MEASUREMENTS

Catholic Charities reports its fair value measures using a fair value hierarchy defined by generally accepted accounting principles 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).

The three levels of the fair value hierarchy under generally accepted accounting principles are:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, assets or liabilities without restrictions;

Level 2 – Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (that is, inputs supported by little or no market activity).

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statement of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Cash, money market and certificates of deposit: Cash, money market and certificates of deposit with an original maturity of three months or less are valued at their face amount because of the short length of time to maturity.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

U.S. government bonds, equities and corporate fixed income: Valued at the closing price reported on the active market on which the individual securities are traded.

The fair value of the contribution receivable from an irrevocable trust is estimated as the present value of expected future cash inflows.

The fair values of Catholic Charities’ assets measured on a recurring basis at June 30, 2021, are as follows:

Assets	Fair Value	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and money market	\$ 233,538	\$ -	\$ 233,538	\$ -
Mutual Funds:				
Domestic Equity	2,466,430	-	2,466,430	-
International Equity	1,215,204	-	1,215,204	-
Fixed income investments	2,385,202	-	2,385,202	-
Contribution receivable from irrevocable trust	774,681	-	-	774,681
	<u>\$ 7,075,055</u>	<u>\$ -</u>	<u>\$ 6,300,374</u>	<u>\$ 774,681</u>

As indicated in Note 1, the investments were liquidated and transferred to the Catholic Community Foundation in the Archdiocese of Miami, Inc. (the “Foundation”). The investments have been identified as level 2 in these financial statements since Catholic Charities has a unit percentage interest in the pooled funds of the Foundation.

The Foundation has established the following asset allocation policy:

Asset Class	Allocation Range		
	Low	Target	High
Cash	0%	1%	2%
Fixed Income	29%	39%	49%
Domestic Equities	30%	40%	50%
International Equities	10%	20%	30%

As per the Foundation’s investment policy, the asset allocation of the alternative investment asset class is incorporated into the equity or fixed income asset class range as per their purpose in being added to the portfolio. At times, market conditions may cause the Foundation investment in various asset classes to vary from the established allocation. If the actual weighing is outside the asset allocation range, the Foundation will rebalance the portfolio to be within the allocation range.



**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

The fair values of Catholic Charities’ assets measured on a recurring basis at June 30, 2020, are as follows:

Assets	Fair Value	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and money market	\$ 34,997	\$ -	\$ 34,997	\$ -
Mutual Funds:				
Domestic Equity	2,043,063	-	2,043,063	-
International Equity	969,300	-	969,300	-
Fixed income investments	2,144,935	-	2,144,935	-
Contribution receivable from irrevocable trust	650,336	-	-	650,336
	<u>\$ 5,842,631</u>	<u>\$ -</u>	<u>\$ 5,192,295</u>	<u>\$ 650,336</u>

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

Contribution receivable-charitable remainder trust	2021	2020
Beginning Balance	\$ 650,336	\$ 650,336
Change in value of split-interest agreement	124,345	-
Ending Balance	<u>\$ 774,681</u>	<u>\$ 650,336</u>

The change in value of the split-interest agreement of \$124,345 and \$ - for the years ended 2021 and 2020, respectively, are attributed to the revaluation of the contribution receivable-charitable remainder trust based on applicable mortality tables and current market condition and is included in the change in net assets with donor restrictions.

NOTE 4 – INVESTMENTS

Investments reported at fair value consist of the following at June 30, 2021 and 2020, respectively:

	2021	2020
Equity investments	\$ 3,681,634	\$ 3,012,363
Fixed income	2,385,202	2,144,935
Cash and money market	233,538	34,997
	<u>\$ 6,300,374</u>	<u>\$ 5,192,295</u>

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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NOTE 4 – INVESTMENTS (Continued)

Investment income is reported in the statement of activities as follows:

	<u>2021</u>	<u>2020</u>
Interest and dividends, net	\$ 111,787	\$ 62,527
Unrealized/realized gains	1,255,684	87,612
	<u>\$ 1,367,471</u>	<u>\$ 150,139</u>

NOTE 5 – CONTRIBUTION RECEIVABLE FROM TRUST

Boystown of Florida, a program of Catholic Charities, is the beneficiary of the John A. Shubert Charitable Trust, (the “Trust”), an irrevocable trust. The irrevocable trust is administered by a trustee according to the terms of the Indenture of Trust. The terms of the agreement provides that the beneficiary receive the net income of the Trust annually through termination of the Trust in November 2021. The agreement also provides that the trustee shall be reimbursed for reasonable expenses incurred in the management and protection of the Trust. Upon the termination of the agreement, based on the above provisions, the beneficiary will receive the assets remaining in the Trust.

The trust receivable is valued at the net present value of the estimated future benefit to be received discounted at 4%. The net present value of the irrevocable trust as of June 30, 2021 and 2020, respectively, is as follows:

	<u>2021</u>	<u>2020</u>
Contributions Receivable from Irrevocable trust	\$ 774,681	\$ 650,336

NOTE 6 – PROPERTY AND EQUIPMENT

The major classifications of property and equipment consist of the following:

	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 5,013,209	\$ 5,036,966
Building and improvements	9,478,172	9,158,918
Furniture, computers and equipment	5,626,756	5,337,329
Vehicles	106,819	106,819
Construction in progress	8,768,201	5,239,236
	<u>28,993,157</u>	<u>24,879,268</u>
Less: Accumulated depreciation	<u>(15,045,671)</u>	<u>(14,259,318)</u>
Property and equipment, net	<u>\$ 13,947,486</u>	<u>\$ 10,619,950</u>

A substantial portion of Catholic Charities’ buildings and improvements are located on properties owned by the Archdiocese. Therefore, Catholic Charities’ investment in such buildings and improvements may be adversely affected should the Archdiocese decide to change the use of these properties. The Archdiocese has a long-term commitment for the continuance of Catholic Charities’ activities.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 – PROPERTY AND EQUIPMENT (Continued)**

A portion of Catholic Charities' property and equipment has been acquired with grant funds. Although many grantor agencies reserve the right to request the assets be returned, Catholic Charities has capitalized the assets since it is probable that they will be allowed to keep them or most likely will use the assets until fully depreciated. See Note 11.

For the years ended June 30, 2021 and 2020, depreciation expense was \$920,202 and \$920,798, respectively.

**NOTE 7 – NOTE PAYABLE**

In April 2020, Catholic Charities received loan proceeds of \$2,456,380 from a financial institution through the Paycheck Protection Program ("PPP"). The entire balance of the loan proceeds was outstanding as of June 30, 2021 and 2020. Under the terms of the PPP, the Small Business Administration (SBA) will forgive up to 100% of the proceeds received if eligibility and other criteria are met related to use of the funds. The portion of the proceeds received that is not forgiven, if any, is converted to an unsecured term note payable. Catholic Charities applied for forgiveness with the lender on July 2, 2021 and received notification from the financial institution on September 15, 2021 that forgiveness was approved for a total of \$1,194,766 (including interest). Accordingly, the amount of loan forgiveness will be reported as a component of other income in the statement of activities during the year ended June 30, 2022, the fiscal year in which the amount was legally forgiven. The loan balance outstanding as of June 30, 2021 reflected in the statement of financial position is \$2,456,380.

The unforgiven portion of the loan proceeds, totaling \$1,277,173, will be payable in monthly installments of principal and interest of \$185,653, beginning October 10, 2021. The entire balance remaining unpaid, along with all accrued and unpaid interest, shall be due and payable on the maturity date, April 21, 2022.

**NOTE 8 – FISCAL AGENT RELATIONSHIP**

Catholic Charities serves as the fiscal agent for Catholic Charities of Florida ("CCF") to accept and administer grant funds to other organizations as specified by CCF. The amounts undisbursed and held for others are recorded as an asset and liability on the statement of financial position and totaled \$ - and \$29,225 as of June 30, 2021 and 2020, respectively.

**NOTE 9 – RELATED PARTIES**

Archdiocese of Miami – Catholic Charities receives its charter and by-laws via the Archbishop and the Archdiocese of Miami. Catholic Charities and the Archdiocese have some mutual board members, including certain managers of the Archbishop that also serve on the board. Catholic Charities participates in certain benefit plans of the Archdiocese. See Note 10. In addition, during the years ended June 30, 2021 and 2020, Catholic Charities received donated rental facilities of \$2,870,733 and \$2,873,009, respectively.

Catholic Charities is a designated beneficiary of the distributable income of an endowment from the Archdiocese of Miami Millennium Appeal, Inc. d/b/a Vision 2000. These funds are held in trust at the Catholic Community Foundation in the Archdiocese of Miami, Inc. The fair value of the funds at June 30, 2021 and 2020, was \$9,707,366 and \$8,243,919, respectively. Catholic Charities is scheduled to receive 5% of the rolling 3-year average of the fair market value of the funds on an annual basis. For the years ended June 30, 2021 and 2020, Catholic Charities received \$403,126 and \$400,535, respectively from the fund. These amounts received have been included as contributions in the Statement of Activities.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 – RELATED PARTIES (Continued)**

During the year ended June 30, 2019, Catholic Charities received a donor restricted grant award of \$5,000,000 to support family homelessness, referred to as the “Day 1 Families Fund”. The portion of the award that has not been spent or released from restriction as of June 30, 2021 and 2020 totaled \$2,084,019 and \$3,780,613, respectively, of which \$1,875,000 and \$3,125,000 is held at the Archdiocese of Miami. See Note 12.

**NOTE 10 – EMPLOYEE BENEFIT PLANS**

Catholic Charities participates in the health and welfare plan and the retirement plan (the “Plan”) sponsored by the Archdiocese. Employees must meet certain eligibility requirements to participate in the plans. Since the computed value of vested benefits and plan assets for employees of Catholic Charities cannot be segregated from those of other entities participating in the Plan, it is not possible to determine that portion of the excess or deficit, if any, which may be attributable to Catholic Charities.

Payments to the Plan and the health and welfare plan for the years ended June 30, 2021 and 2020, were as follows:

	2021	2020
Retirement plan	\$ 747,152	\$ 677,942
Health and welfare plan and other	\$ 1,282,502	\$ 1,395,600

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

**Operating Leases**

Catholic Charities conducts certain operations in leased facilities or uses equipment under operating leases expiring at various times with varying renewal options. The payment terms of a significant portion of the leased facilities are on a month-to-month basis. The total lease expense pursuant to these leases amounted to \$489,745 and \$563,649 for the years ended June 30, 2021 and 2020, respectively.

Future minimum payments under operating leases with long-term term payment arrangements at June 30, 2021, are as follows:

June 30,		
2022	\$	49,685
2023		24,450
Thereafter		-
	\$	74,135

**Support from Outside Agencies**

Financial awards from federal, state and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against Catholic Charities for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. However, management is of the opinion that no material liability will result from such audits.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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NOTE 11 – COMMITMENTS AND CONTINGENCIES (Continued)

**Construction**

Catholic Charities has entered into a construction contract in Key West, FL for the construction of 37 new units of affordable workforce housing and the renovation of 10 existing affordable housing units. Construction in progress totaling \$7,734,439 and \$5,172,555, has been capitalized for this project as of June 30, 2021 and 2020, respectively. In addition, Catholic Charities is expanding two of their Early Head Start centers, as approved and funded by the federal Head Start program. Construction in progress totaling \$1,033,766 and \$66,681, has been capitalized for this project as of June 30, 2021 and 2020, respectively. The Key West and Early Head Start projects are expected to be completed by the year ended June 30, 2022.

NOTE 12 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted to the following purposes or time periods as of June 30, 2021 and 2020:

	2021	2020
Boystown of Florida	\$ 774,681	\$ 650,336
Day 1 Families Fund	2,084,019	3,780,613
Disaster response	462,902	1,100,477
Homeless Prevention Services	85,237	-
Endowment held in perpetuity	4,771,999	4,771,533
Endowment accumulated earnings	1,528,375	420,762
	<u>\$ 9,707,213</u>	<u>\$ 10,723,721</u>

Net assets with donor restrictions are held as follows as of June 30, 2021 and 2020:

	2021	2020
Cash and cash equivalents	\$ 757,158	\$ 1,756,090
Cash held at Archdiocese of Miami	1,875,000	3,125,000
Contribution receivable from trust	774,681	650,336
Endowment investments	6,300,374	5,192,295
	<u>\$ 9,707,213</u>	<u>\$ 10,723,721</u>

NOTE 13 – ENDOWMENT

Catholic Charities' endowment consists of individual funds established for a variety of purposes. Its endowment includes donor-restricted endowment funds to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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NOTE 13 – ENDOWMENT (Continued)

Interpretations of Relevant Law

The Board has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) 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, Catholic Charities classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not the value of the original gifts to the permanent endowment is classified as net assets with donor restrictions maintained as such for appropriation for expenditure by Catholic Charities in a manner consistent with the standard of prudence prescribed by FUPMIFA and donors' restrictions on use.

Interpretations of Relevant Law (Continued)

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

1. The duration and preservation of the fund.
2. The purposes of the Foundation and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the organization.
7. The investment policies of the organization.

Endowment net assets at June 30, 2021, consisted of the following:

	June 30, 2021		
	With donor restrictions		
	Accumulated		
	Earnings and	Gifts Restricted	
	Other	in Perpetuity	Total
Donor-restricted endowment funds	\$ 1,528,375	\$ 4,771,999	\$ 6,300,374
	\$ 1,528,375	\$ 4,771,999	\$ 6,300,374

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
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NOTE 13 – ENDOWMENT (Continued)

Changes in endowment net assets for the year ended June 30, 2021, were as follows:

	June 30, 2021		
	With donor restrictions		
	Accumulated Earnings and Other	Gifts Restricted in Perpetuity	Total
Endowment net assets, beginning of year	\$ 420,762	\$ 4,771,533	\$ 5,192,295
Investment income, net of fees	111,787	-	111,787
Net appreciation (realized and unrealized)	1,255,684	-	1,255,684
Total investment return	1,367,471	-	1,367,471
Contributions	-	466	466
Distributions	(259,858)	-	(259,858)
Endowment net assets, end of year	<u>\$ 1,528,375</u>	<u>\$ 4,771,999</u>	<u>\$ 6,300,374</u>

Endowment net assets at June 30, 2020, consisted of the following:

	June 30, 2020		
	With Donor Restrictions		
	Accumulated Earnings and Other	Gifts Restricted in Perpetuity	Total
Donor-restricted endowment funds	\$ 420,762	\$ 4,771,533	\$ 5,192,295
	<u>\$ 420,762</u>	<u>\$ 4,771,533</u>	<u>\$ 5,192,295</u>

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
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NOTE 13 – ENDOWMENT (Continued)

Changes in endowment net assets for the year ended June 30, 2020, were as follows:

	June 30, 2020		
	With Donor Restrictions		
	Accumulated Earnings and Other	Gifts Restricted in Perpetuity	Total
Endowment net assets, beginning of year	\$ 527,115	\$ 4,766,698	\$ 5,293,813
Investment income, net of fees	62,527	-	62,527
Net appreciation (realized and unrealized)	87,612	-	87,612
Total investment return	150,139	-	150,139
Contributions	-	4,835	4,835
Distributions	(256,492)	-	(256,492)
Endowment net assets, end of year	<u>\$ 420,762</u>	<u>\$ 4,771,533</u>	<u>\$ 5,192,295</u>

**Return Objectives and Parameters**

Catholic Charities 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 purchasing power of the endowment assets. Under this policy, the endowment assets are invested in a manner that is intended to produce certain returns while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate of return objectives, Catholic Charities 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). Catholic Charities targets a diversified asset allocation that includes equity investments, fixed income, U.S. government and corporate bonds, certificates of deposits and cash using prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

Catholic Charities has a policy of appropriating for distribution each year an amount based on the income of the investment. In establishing this policy, Catholic Charities considered the long-term expected return on its endowment. Accordingly, over the long term, the organization expects the current spending policy to allow its endowment to grow at an annual rate equal to or greater than the consumer price index. This is consistent with the organization’s objective to maintain purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Catholic Charities to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies as of June 30, 2021.



**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

Catholic Charities monitors its liquidity so that it is able to meet its operating needs while maximizing the investment of its excess operating cash. Catholic Charities has the following financial assets that could be made readily available within one year of the statement of financial position date to fund operating expenses without limitation, such as donor-imposed or contractual restrictions or internal designations, as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 11,595,727	\$ 13,857,210
Cash held at Archdiocese of Miami	1,990,298	3,214,031
Accounts receivable	5,108,637	4,220,814
Less those unavailable for general expenditures within one year as follows:		
Restricted cash	(2,632,158)	(4,881,090)
Board designated for counseling services	(1,035,613)	(1,006,044)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 15,026,891</u>	<u>\$ 15,404,921</u>

**NOTE 15 – COVID-19 PANDEMIC**

The World Health Organization declared the coronavirus (COVID-19) a global pandemic and public health emergency. At this time, Catholic Charities cannot reasonably estimate the extent to which this disruption may continue to impact Catholic Charities' financial statements and future results of operations.

SUPPLEMENTARY INFORMATION

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**UNITED WAY ALLOCATIONS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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UNITED WAY OF MIAMI-DADE COUNTY

Miami-Dade Area Programs:

Centro Hispano Child Development Center	\$ 67,154
Sagrada Familia Child Development Center	33,436
Services for the Elderly - Nutrition and Social Support	69,630
Notre Dame Child Development Center	<u>56,670</u>
Total Miami-Dade Area Programs	226,890

UNITED WAY - OTHER

30,809

TOTAL UNITED WAY SUPPORT

\$ 257,699

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Grantor/ Program Title/ Pass-Through Grantor	ALN Number	Grant / Contract Number	Federal
<b>U.S. Department of Agriculture</b>			
<i>Child and Adult Care Food Program:</i>			
Pass-through Florida Department of Health	10.558	S 552	\$ 772,109
Pass-through Florida Department of Health - CARES	10.558	S 552	2,674
Pass-through Florida Department Elder Affairs	10.558	Y6028	7,829
<i>Program Total</i>			<u>782,612</u>
Total U.S. Department of Agriculture			\$ 782,612
<b>U.S. Department of Health and Human Services</b>			
<i>Unaccompanied Alien Children Program:</i>			
Direct - U.S. Department of Health and Human Services	93.676	90ZU0349-02	\$ 1,882,492
Direct - U.S. Department of Health and Human Services	93.676	90ZU0349-01-00	3,405,690
<i>Program Total</i>			<u>5,288,182</u>
<i>Substance Abuse and Mental Health Services Program</i>			
Direct - U.S. Department of Health and Human Services	93.243	5H79TI082159-02	312,331
Direct - U.S. Department of Health and Human Services	93.243	1H79TI082159-01	116,046
<i>Program Total</i>			<u>428,377</u>
<i>Head Start Program:</i>			
Pass-through Miami Dade County:			
Head Start FY 2019 - 2020	93.600	RFA3	553,840
Head Start FY 2020 - 2021	93.600	RFA3	8,525,780
Head Start FY 2019 - 2020 T&TA	93.600	RFA3	8,500
Head Start FY 2020 - 2021 T&TA	93.600	RFA3	27,000
Head Start FY 2019 - 2020 COVID 19	93.600	RFA3	823,781
Early Head Start FY - 2019 - 2020 Start-up Funds	93.600	EHSE-DA 006	967,085
Head Start - American Rescue Plan	93.600	04HE000544	361,100
Early Head Start FY 2020 - 2021 T&TA	93.600	EHSE-DA 006	15,094
Early Head Start FY 2020 - 2021	93.600	EHSE-DA 006	1,792,271
Early Head Start FY 2020 - 2021 COVID 19	93.600	EHSE-DA 006	70,373
<i>Program Total</i>			<u>13,144,824</u>
<i>Aging Cluster:</i>			
Pass-through Alliance for Aging, Inc.:			
Nutrition Services Incentive Program	93.053	AA-2102	39,443
Nutrition Services Incentive Program	93.053	AA-2002	42,129
Special Programs for the Aging, Title III, Part C	93.045	AA-2102	200,900
Special Programs for the Aging, Title III, Part C	93.045	AA-2002	475,777
Special Programs for the Aging, Title III, Part C - CARES	93.045	KCV-2102	192,350
Pass-through Areawide Council on Aging of Broward County, Inc:			
Special Programs for the Aging, Title III, Part B - CARES	93.044	JCA20-39-2021 CW	11,406
Special Programs for the Aging, Title III, Part B - CARES	93.044	JCA20-39-2021 ATT	22,038
Special Programs for the Aging, Title III, Part B	93.044	JA120-392020 ATT & CES	31,159
Special Programs for the Aging, Title III, Part B	93.044	JA121-39-2021	58,366
Nutrition Services, Title III, Part C	93.045	JB8311F-39-2021	8,529
<i>Cluster Total</i>			<u>1,082,097</u>

See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedules of expenditures of federal awards and state financial assistance

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Grantor/ Program Title/ Pass-Through Grantor	ALN Number	Grant / Contract Number	Federal
<b>U.S. Department of Health and Human Services (continued)</b>			
<i>Public Health Emergency Response Program:</i>			
Pass-through Alliance for Aging, Inc. - CARES	93.354	KCA-2002	22,972
<i>National Family Caregiver Support, Title III, Part E Program:</i>			
Pass-through Areawide Council on Aging of Broward County, Inc:	93.052	JA 120-39-2020 CW	387
Pass-through Areawide Council on Aging of Broward County, Inc:	93.052	JA 121-39-2021	19,335
Pass-through Areawide Council on Aging of Broward County, Inc:	93.052	JA 120-392020 ATT & CES	4,982
Pass-through Areawide Council on Aging of Broward County, Inc - CARES:	93.052	JCA20-39-2021 ATT	753
<i>Program Total</i>			<u>25,457</u>
<i>Temporary Assistance for Needy Families Program:</i>			
Pass-through South Florida Behavioral Health Network, Inc.	93.558	ME-225-10-06	423,948
Pass-through Monroe County Homeless Services Continuum of Care Inc.	93.558	KP010	7,821
<i>Program Total</i>			<u>431,769</u>
<i>Block Grants for Prevention and Treatment of Substance Abuse Program:</i>			
Pass-through South Florida Behavioral Health Network, Inc.	93.959	ME-225-10-06	471,553
Pass-through South Florida Behavioral Health Network, Inc. - Matching Funds	93.959	ME-225-10-06	595,019
<i>Program Total</i>			<u>1,066,572</u>
<i>Block Grants for Community Mental Health Services Program:</i>			
Pass-through South Florida Behavioral Health Network, Inc.	93.958	ME-225-10-06	9,698
Pass-through South Florida Behavioral Health Network, Inc. - Matching Funds	93.958	ME-225-10-06	53,549
<i>Program Total</i>			<u>63,247</u>
<i>Refugee and Entrant Assistance_State Administered Programs:</i>			
Pass-through Florida Department of Children and Families	93.566	XK051	968,117
<i>Refugee and Entrant Assistance_Voluntary Agency Programs:</i>			
Pass-through U.S. Conference of Catholic Bishops	93.567	2001DCRVMG	44,713
Pass-through U.S. Conference of Catholic Bishops	93.567	2101DCRVMG	25,444
<i>Program Total</i>			<u>70,157</u>
<i>HIV Emergency Relief Project Grants</i>			
Pass-through Miami Beach Community Health Center:	93.914	N/A	97,146
<b>Total U.S. Department of Health and Human Services</b>			<b>\$ 22,688,917</b>
<b>U.S. Department of Homeland Security</b>			
<i>Emergency Food and Shelter National Board Program:</i>			
Pass-through United Way of Miami-Dade County	97.024	N/A	120,992
Pass-through United Way of Miami-Dade County - CARES	97.024	N/A	119,047
			<u>240,039</u>
<b>Total U.S. Department of Homeland Security</b>			<b>\$ 240,039</b>

See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedules of expenditures of federal awards and state financial assistance.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**U.S. Department of Housing and Urban Development**

*Emergency Solutions Grant Program*

Pass-through Monroe County Homeless Services Continuum of Care Inc.	14.231	KP010	57,439
Pass-through Monroe County Homeless Services Continuum of Care Inc. - CARES	14.231	KP010	83,334
			<u>140,773</u>

*Supportive Housing Program*

Direct - U.S. Department of Housing and Urban Development	14.235	FL0273L4D041912	191,013
Direct - U.S. Department of Housing and Urban Development	14.235	FL0593L4D041803	35,207
Direct - U.S. Department of Housing and Urban Development	14.235	FL0273L4D042013	31,822
Direct - U.S. Department of Housing and Urban Development	14.235	FL0593L4D041904	39,170
<i>Program Total</i>			<u>297,212</u>

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Total U.S. Department of Housing and Urban Development			\$ 437,985
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TOTAL FEDERAL FUNDS AND PASS-THROUGHS			\$ 24,149,553
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See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedules of expenditures of federal awards and state financial assistance.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2021**

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Grantor/ Program Title/ Pass-Through Grantor	CSFA Number	Grant / Contract Number	State
<b>Florida Department of Elder Affairs</b>			
<i>Community Care for the Elderly Program:</i>			
Pass-through Broward County	65.010	19-EVSD-3411-ADC-02A	23,525
<i>Homeless Challenge Grant Program:</i>			
Pass-through Monroe County Homeless Services Continuum of Care Inc.:	60.014	KP010	6,193
<b>Florida Department of Education</b>			
<i>Voluntary Pre-Kindergarten Education Program:</i>			
Pass-through Early Learning Coalition	48.108	N/A	1,122,922
<b>TOTAL STATE PROJECTS</b>			<b>\$ 1,152,640</b>

See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedules of expenditures of federal awards and state financial assistance.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**SCHEDULE OF COST CENTER ACTUAL EXPENSES AND REVENUES-SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES –**  
**PART I**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Part I: Actual Funding Sources and Revenues

STATE-FUNDED																	Total for State SAMH-Funded Covered Services or Projects (B+C)	Total for Non-State-Funded Covered Services or Projects	Total for All Covered Services or Projects (D+E)	Non-SAMH Covered Services or Projects	Total Funding (F+G)
FUNDING SOURCES & REVENUES A	Substance Abuse													Total for State SAMH-Funded Covered Services or Projects (B+C)	Total for Non-State-Funded Covered Services or Projects	Total for All Covered Services or Projects (D+E)					
	Case Management 02	Residential II 19	Transition Voucher B2	Mental Health Total B	Assessment 01	Case Management 02	Intervention (Indiv.) 11	Medication-Assisted Tx 13	Outpatient (Indiv.) 14	Residential II 19	Network Eval. & Dvlpmnt. B1	Transition Voucher B2	Substance Abuse Total C				D	E	F	G	H
<b>IA. STATE SAMH FUNDING</b>																					
<b>Current Year Funding</b>																					
Expenditure Report OCA#	Provider Subcontract#	Funding Source: F-Federal S-State F/S-Federal and State																			
MH001	ME225-10-06	F/S	\$ -	\$ 61,690	\$ -	\$ 61,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,690	\$ -	\$ 61,690	\$ -	\$ 61,690	\$ -	
MHOTB	ME225-10-06	F	2,072	128,006	-	130,078	-	-	-	-	-	-	-	130,078	-	130,078	-	130,078	-	130,078	
MHTRV	ME225-10-06	S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MS003	ME225-10-06	F/S	-	-	-	-	-	-	-	933,912	-	-	933,912	933,912	-	933,912	-	933,912	-	933,912	
MS011	ME225-10-06	F/S	-	-	-	-	-	2,872	19,995	17,381	-	-	-	40,248	40,248	-	40,248	-	40,248	-	
MS027	ME225-10-06	F/S	-	-	-	-	6,388	-	-	-	86,023	-	-	92,411	92,411	-	92,411	-	92,411	-	
MSOTB	ME225-10-06	F	-	-	-	-	2,729	-	-	-	291,141	-	-	293,870	293,870	-	293,870	-	293,870	-	
MSTRV	ME225-10-06	S	-	-	1,558	1,558	-	-	-	-	-	-	-	1,558	-	1,558	-	1,558	-	1,558	
<b>Total Current Year Funding</b>			2,072	189,696	1,558	193,326	-	9,117	2,872	19,995	17,381	1,311,076	-	-	1,360,441	1,553,767	-	1,553,767	-	1,553,767	
<b>TOTAL STATE SAMH FUNDING =</b>			\$ 2,072	\$ 189,696	\$ 1,558	\$ 193,326	\$ -	\$ 9,117	\$ 2,872	\$ 19,995	\$ 17,381	\$ 1,311,076	\$ -	\$ -	\$ 1,360,441	\$ 1,553,767	\$ -	\$ 1,553,767	\$ -	\$ 1,553,767	
<b>IB. OTHER GOVERNMENT FUNDING</b>																					
(1) Other State Agency Funding			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,152,640	\$ 1,152,640	
(2) Medicaid			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3) Local Government			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(4) Federal Grants and Contracts			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 24,312,268	\$ 24,312,268	
(5) In-kind from local govt. only			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER GOVERNMENT FUNDING =</b>			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,464,908	\$ 25,464,908	
<b>IC. ALL OTHER REVENUES</b>																					
(1) 1st & 2nd Party Payments			\$ 14.00	\$ 1,271	\$ -	\$ 1,285	\$ -	\$ 61	\$ 19	\$ -	\$ 116	\$ 8,784	\$ -	\$ -	\$ 8,980	\$ 10,265	\$ -	\$ 10,265	\$ 27,484	\$ 37,749	
(2) 3rd Party Payments (except Medicare)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3) Medicare			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(4) Contributions and Donations			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,799,999.00	1,799,999.00	
(5) Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142,693.00	142,693.00	
(6) In-kind			-	36,420.00	-	36,420.00	-	836.00	923.00	-	1,423.00	230,520.00	-	-	233,702.00	270,122.00	-	270,122.00	4,235,697.00	4,505,819.00	
<b>TOTAL ALL OTHER REVENUES =</b>			\$ 14	\$ 37,691	\$ -	\$ 37,705	\$ -	\$ 897	\$ 942	\$ -	\$ 1,539	\$ 239,304	\$ -	\$ -	\$ 242,682	\$ 280,387	\$ -	\$ 280,387	\$ 6,205,873	\$ 6,486,260	
<b>TOTAL FUNDING =</b>			\$ 2,086	\$ 227,387	\$ 1,558	\$ 231,031	\$ -	\$ 10,014	\$ 3,814	\$ 19,995	\$ 18,920	\$ 1,550,380	\$ -	\$ -	\$ 1,603,123	\$ 1,834,154	\$ -	\$ 1,834,154	\$ 31,670,781	\$ 33,504,935	

See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedule of expenditures of federal awards.



**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**SCHEDULE OF COST CENTER ACTUAL EXPENSES AND REVENUES-SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES –**  
**PART II**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Part II: Actual Expenses

SAMH COVERED SERVICES																				*except IIC & IID	
EXPENSE CATEGORIES A	Mental Health				Substance Abuse								Substance Abuse Total C	Total for State SAMH-Funded Covered Services (B+C) D	Total for Non-State-Funded Covered Services E	Total for All Covered Services (D+E) F	Non-SAMH Covered Services G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I) J	
	Case Management 02	Residential II 19	Transition Voucher B2	Mental Health Total B	Assessment 01	Case Management 02	Intervention (Indiv.) 11	Medication-Assisted Tx 13	Outpatient (Indiv.) 14	Residential II 19	Network Eval. & Dvlpmnt. B1	Transition Voucher B2									
<b>III. PERSONNEL EXPENSES</b>																					
(1) Salaries	\$ 581.00	\$ 53,224.00	\$ -	\$ 53,805.00	\$ -	\$ 2,558.00	\$ 806.00	\$ -	\$ 4,877.00	\$ 367,854.00	\$ -	\$ -	\$ 376,095.00	\$ 429,900.00	\$ -	\$ 429,900.00	\$10,715,851.00	\$ -	\$ 1,929,750.00	\$13,075,501.00	
(2) Fringe Benefits	150	13,747	-	13,897	-	661	208	-	1,260	95,011	-	-	97,140	111,037	-	111,037	2,715,893	-	428,756	3,255,686	
<b>TOTAL PERSONNEL EXPENSES =</b>	731	66,971	-	67,702	-	3,219	1,014	-	6,137	462,865	-	-	473,235	540,937	-	540,937	13,431,744	-	2,358,506	16,331,187	
(1) Building Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	325,372	-	25,373	350,745	
(2) Professional Services	68	6,241	-	6,309	-	300	95	-	572	43,137	-	-	44,104	50,413	-	50,413	334,584	-	126,206	511,203	
(3) Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	88,613	-	32,006	120,619	
(4) Equipment	-	429	-	429	-	20	6	-	39	2,932	-	-	2,997	3,426	-	3,426	92,480	-	14,144	110,050	
(5) Food Services	-	41,849	-	41,849	-	-	-	-	-	257,070	-	-	257,070	298,919	-	298,919	2,173,531	-	20,552	2,493,002	
(6) Medical and Pharmacy	-	-	-	-	-	-	-	-	-	19,996	-	-	19,996	19,996	-	19,996	28,695	-	-	48,691	
(7) Subcontracted Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(8) Insurance	14	5,480	-	5,494	-	218	126	-	215	34,311	-	-	34,870	40,364	-	40,364	524,908	-	20,137	585,409	
(9) Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,346	-	540	1,886	
(10) Operating Supplies & Expenses	893	49,360	1,558	51,811	-	3,515	1,710	-	6,731	355,719	-	-	367,675	419,486	-	419,486	5,817,198	-	1,520,004	7,756,688	
(11) Other-Inkind	365	33,443	-	33,808	-	1,607	506	-	3,064	231,137	-	-	236,314	270,122	-	270,122	4,095,849	-	135,450	4,501,421	
(12) Donated Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER EXPENSES =</b>	1,340	136,802	1,558	139,700	-	5,660	2,443	19,996	10,621	924,306	-	-	963,026	1,102,726	-	1,102,726	13,482,576	-	1,894,412	16,479,714	
<b>TOT. PERSONNEL &amp; OTH. EXP. =</b>	\$ 2,071	\$ 203,773	\$ 1,558	\$ 207,402	\$ -	\$ 8,879	\$ 3,457	\$ 19,996	\$ 16,758	\$ 1,387,171	\$ -	\$ -	\$ 1,436,261	\$ 1,643,663	\$ -	\$ 1,643,663	\$ 26,914,320	\$ -	\$ 4,252,918	\$ 32,810,901	
<b>III. DISTRIBUTED INDIRECT COSTS</b>																					
(a) Other Support Costs (Optional)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(b) Administration	-	22,343	-	22,343	-	1,074	338	-	2,047	154,424	-	-	157,883	180,226	4,072,692	4,252,918	-	-	(4,252,918)	-	
<b>TOT. DISTR'D INDIRECT COSTS =</b>	\$ -	\$ 22,343	\$ -	\$ 22,343	\$ -	\$ 1,074	\$ 338	\$ -	\$ 2,047	\$ 154,424	\$ -	\$ -	\$ 157,883	\$ 180,226	\$ 4,072,692	\$ 4,252,918	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL ACTUAL OPER. EXPENSES =</b>	\$ 2,071	\$ 226,116	\$ 1,558	\$ 229,745	\$ -	\$ 9,953	\$ 3,795	\$ 19,996	\$ 18,805	\$ 1,541,595	\$ -	\$ -	\$ 1,594,144	\$ 1,823,889	\$ 4,072,692	\$ 5,896,581	\$ 26,914,320	\$ 0.00	\$ 0.00	\$ 32,810,901	
<b>III. UNALLOWABLE COSTS</b>																					
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOT. ALLOWABLE OPER. EXP. =</b>	\$ 2,071	\$ 226,116	\$ 1,558	\$ 229,745	\$ -	\$ 9,953	\$ 3,795	\$ 19,996	\$ 18,805	\$ 1,541,595	\$ -	\$ -	\$ 1,594,144	\$ 1,823,889	\$ 4,072,692	\$ 5,896,581	\$ 26,914,320	\$ -	\$ -	\$ 32,810,901	
<b>III. CAPITAL EXPENDITURES</b>																					
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedule of expenditures of federal awards.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**SCHEDULE OF STATE EARNINGS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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1. Total Expenditures	\$ 32,810,901
2. Less other State and Federal Funds	(25,464,908)
3. Less Non-Match SAMH Funds	(721,622)
4. Less Unallowable Costs, per 65E-14, F.A.C.	<u>-</u>
5. Total Allowable Expenditures (Sum of lines 1,2,3 and 4)	<u>6,624,371</u>
6. Maximum Available Earnings (Line 5 times 75%)	4,968,278
7. Amount of Funds Requiring Local Match	270,123
8. Amount Due to Department, if negative (Subtract line 7 from line 6)	<u><u>NONE</u></u>

See accompanying note to the schedule of state earnings, cost center actual expenses and revenues, and schedule of expenditures of federal awards.

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.  
SCHEDULE OF RELATED PARTY TRANSACTION ADJUSTMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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Revenues From Grantee	Related Party	Allocation of Related Party Transactions Adjustment				
		State-Designated Cost Centers				
		1	2	3	.....	Total
Rent	XXX					
Services	XXX					
Interest	XXX					
Other	<u>XXX</u>					
Total Revenue From Grantee	XXX					
Expenses Associated with Grantee Transactions		N/A				
Personnel Services	YYY					
Depreciation	YYY					
Interest	YYY					
Other	<u>YYY</u>					
Total Associated Expenses	YYY					
Related Party Transaction Adjustment	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>	<u>ZZZ</u>

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.**  
**NOTES TO THE SCHEDULE OF STATE EARNINGS, COST CENTER ACTUAL EXPENSES AND**  
**REVENUES AND SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**JUNE 30, 2021**

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**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance (the “Schedules”) presents the activity of all federal awards and state projects of Catholic Charities of the Archdiocese of Miami, Inc. for the year ended June 30, 2021.

The information in the Schedules are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Because the Schedules present only a selected portion of the operation of the organization, they are not intended to and do not present the financial position, changes in net assets, or cash flows of the organization.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (1) Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Catholic Charities has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

In addition, the Schedules of State Earnings, Cost Center Actual Expenses and Revenues were prepared in accordance with the requirements in the State of Florida Department of Children and Families Contract ME-225-10-06 for Substance Abuse and Mental Health Services.

**NOTE C – CONTINGENCY**

Financial awards and assistance from federal and state governmental entities in the form of grants and contracts are subject to special audit and adjustments. If expenditures are disallowed by the grantor/contract agencies as a result of such audit, any claim for reimbursement to the grantor/contract agencies would become a liability to Catholic Charities. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. However, management is of the opinion that no material liability will result from such audits.



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

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To the Board of Directors of  
Catholic Charities of the Archdiocese of Miami, Inc.  
Wilton Manors, Florida

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 the Archdiocese of Miami, Inc. ("Catholic Charities"), a nonprofit organization, which comprise the statement of financial position as of and for the year ended 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 October 14, 2021.

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

In planning and performing our audit of the financial statements, we considered Catholic Charities' 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' internal control. Accordingly, we do not express an opinion on the effectiveness of the Catholic Charities' 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' 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.

A handwritten signature in blue ink, reading "Veedy-DeArmas Turpile".

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
October 14, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT  
AND ON INTERNAL CONTROL OVER COMPLIANCE BY UNIFORM GUIDANCE AND  
CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

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To the Board of Directors of  
Catholic Charities of the Archdiocese of Miami, Inc.  
Wilton Manors, Florida

**Report on Compliance for Each Major Federal Program and State Project**

We have audited Catholic Charities of the Archdiocese of Miami, Inc.'s ("Catholic Charities"), compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *OMB Circular Compliance Supplement*, and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of Catholic Charities' major federal programs and state projects for the year ended June 30, 2021. Catholic Charities' major federal programs and state projects are identified in the summary of auditors' 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 and state projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Catholic Charities' major federal programs and state projects 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, 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 or state project occurred. An audit includes examining, on a test basis, evidence about Catholic Charities' 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 and state project. However, our audit does not provide a legal determination of Catholic Charities' compliance.

### ***Opinion on Each Major Federal Program and State Project***

In our opinion, Catholic Charities 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 and state projects for the year ended June 30, 2021.

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

Management of Catholic Charities' 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 Catholic Charities' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project 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 state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, 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 Catholic Charities' 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 or state project 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 or state project 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 and state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink, reading "Veedy-DeArman Turpin". The signature is written in a cursive style with a large initial 'V'.

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
October 14, 2021

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND  
 STATE FINANCIAL ASSISTANCE  
 FOR THE YEAR ENDED JUNE 30, 2021**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

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

***Federal Awards and State Projects***

Type of auditor's report issued on compliance for major federal programs and state projects: *Unmodified*

Internal control over major federal programs and state projects:

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

Any audit findings disclosed that are required to be reported in accordance the Uniform Guidance or Chapter 10.650, *Rules of the Auditor General*?  yes  no

Identification of major federal programs and state projects:

<b>Federal Program/State Project or Cluster</b>	<b>ALN/CSFA Number</b>	<b>Expenditures</b>
<b>Federal Programs:</b>		
<u>U.S. Department of Health and Human Services</u>		
Aging Cluster	93.053/93.044/93.045	\$ 1,082,097
Unaccompanied Alien Children Program	93.676	\$ 5,288,182
Block Grants for Prevention and Treatment of Substance Abuse Program	93.959	\$ 1,066,572
<b>State Projects:</b>		
<u>Florida Department of Education</u>		
Voluntary Pre-Kindergarten Education Program	48.108	\$ 1,122,922

**CATHOLIC CHARITIES OF THE ARCHDIOCESE OF MIAMI, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND  
STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2021**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS (Continued)**

Dollar threshold used to distinguish between type A and type B federal programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u> X </u> yes <u>    </u> no
Dollar threshold used to distinguished between type A and type B state projects:	<u>\$ 345,792</u>

**SECTION II – FINANCIAL STATEMENT FINDINGS**

The audit disclosed no matters that are reportable for the current year.

**SECTION III – FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AND STATE PROJECTS**

The audit disclosed no matters that are reportable for the current year.

**SECTION IV – OTHER ISSUES**

1. No management letter was issued for the year ended June 30, 2021.
2. No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings relating to Federal Award Programs or state financial assistance projects.
3. No corrective action plan is required because there were no findings required to be reported under the Uniform Guidance or the Department of Financial Services' State Project Compliance Supplement.



**CATHOLIC CHARITIES**  
of the Archdiocese of Miami, Inc.

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Fax: 305-754-6649  
Email: [info@ccadm.org](mailto:info@ccadm.org)  
[www.ccadm.org](http://www.ccadm.org)

November 10<sup>th</sup> 2021

To: **All Funding Providers**

Re: Annual Financial and Compliance Audit – FYE 06/30/2021

Enclosed please find the Annual Financial and Compliance Audit for Catholic Charities of the Archdiocese of Miami, Inc. Fiscal-Year-End 06/30/2021.

Sincerely,

Peter Routsis-Arroyo, LCSW  
Chief Executive Officer