



**AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2024 AND 2023**

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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Jones and Kolb
Certified Public Accountants
Atlanta, Georgia

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Catholic Charities of the Archdiocese of Atlanta, Inc.
Smyrna, Georgia

Opinion

We have audited the accompanying financial statements of Catholic Charities of the Archdiocese of Atlanta, Inc. (the "Organization") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024 and 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary 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, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the

responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Jones and Kolb

March 21, 2025

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
ASSETS		
Cash and cash equivalents	\$ 563,900	\$ 1,394,603
Investments	27,985	25,830
Accounts and government grants receivable	1,417,465	1,230,482
Contributions receivable, net	87,108	1,421,264
Prepaid expenses	350,639	152,214
Beneficial interest in assets held by others	2,492,262	2,229,363
Beneficial interest in remainder trust	263,268	245,450
Operating right-of-use assets	608,993	567,910
Property and equipment, net	156,567	124,447
Total assets	<u>\$ 5,968,187</u>	<u>\$ 7,391,563</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable	\$ 162,203	\$ 118,037
Accrued liabilities	405,682	326,907
Refundable advances	44,257	246,598
Due to Archdiocese of Atlanta	1,473,412	653,649
Operating lease obligations	617,646	576,712
Total liabilities	<u>2,703,200</u>	<u>1,921,903</u>
NET ASSETS		
Without donor restrictions		
Undesignated	1,355,885	2,704,874
Board-designated	425,325	418,745
Total without donor restrictions	1,781,210	3,123,619
With donor restrictions	1,483,777	2,346,041
Total net assets	<u>3,264,987</u>	<u>5,469,660</u>
Total liabilities and net assets	<u>\$ 5,968,187</u>	<u>\$ 7,391,563</u>

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUES			
Public support			
Contributions	\$ 1,452,014	\$ 86,445	\$ 1,538,459
Archdiocese of Atlanta			
Cash contributions	713,229	-	713,229
In-kind contributions	121,302	-	121,302
Private grants	960,380	-	960,380
Government grants	4,148,536	-	4,148,536
Special events, net of \$196,756 of direct costs	122,784	-	122,784
Special events in-kind contributions	46,773	-	46,773
Other in-kind contributions	40,297	-	40,297
Total public support	<u>7,605,315</u>	<u>86,445</u>	<u>7,691,760</u>
Revenues			
Program revenues	217,776	-	217,776
Investment income	453,821	-	453,821
Other	102,426	-	102,426
Total revenues	<u>774,023</u>	<u>-</u>	<u>774,023</u>
Net assets released from donor restrictions	<u>948,709</u>	<u>(948,709)</u>	<u>-</u>
Total public support and revenues	<u>9,328,047</u>	<u>(862,264)</u>	<u>8,465,783</u>
EXPENSES			
Program services	8,777,868	-	8,777,868
Management and general	940,929	-	940,929
Fundraising	951,659	-	951,659
Total expenses	<u>10,670,456</u>	<u>-</u>	<u>10,670,456</u>
CHANGE IN NET ASSETS	(1,342,409)	(862,264)	(2,204,673)
NET ASSETS , beginning of year	<u>3,123,619</u>	<u>2,346,041</u>	<u>5,469,660</u>
NET ASSETS , end of year	<u><u>\$ 1,781,210</u></u>	<u><u>\$ 1,483,777</u></u>	<u><u>\$ 3,264,987</u></u>

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUES			
Public support			
Contributions	\$ 2,951,837	\$ 978,261	\$ 3,930,098
Archdiocese of Atlanta			
Cash contributions	636,996	-	636,996
In-kind contributions	168,475	-	168,475
Private grants	968,376	700,000	1,668,376
Government grants	2,895,224	-	2,895,224
Special events, net of \$195,503 of direct costs	145,692	-	145,692
Special events in-kind contributions	31,823	-	31,823
Other in-kind contributions	99,569	-	99,569
Total public support	<u>7,897,992</u>	<u>1,678,261</u>	<u>9,576,253</u>
Revenues			
Program revenues	166,172	-	166,172
Investment income	307,051	-	307,051
Other	76,886	-	76,886
Total revenues	<u>550,109</u>	<u>-</u>	<u>550,109</u>
Net assets released from donor restrictions	<u>243,363</u>	<u>(243,363)</u>	<u>-</u>
Total public support and revenues	<u>8,691,464</u>	<u>1,434,898</u>	<u>10,126,362</u>
EXPENSES			
Program services	7,167,806	-	7,167,806
Management and general	989,720	-	989,720
Fundraising	1,842,825	-	1,842,825
Total expenses	<u>10,000,351</u>	<u>-</u>	<u>10,000,351</u>
CHANGE IN NET ASSETS	(1,308,887)	1,434,898	126,011
NET ASSETS , beginning of year	<u>4,432,506</u>	<u>911,143</u>	<u>5,343,649</u>
NET ASSETS , end of year	<u><u>\$ 3,123,619</u></u>	<u><u>\$ 2,346,041</u></u>	<u><u>\$ 5,469,660</u></u>

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Refugee Settlement	Immigration	Family Stabilization	Total Program Services	Management and General	Fundraising	Total
Salaries and related expenses	\$ 2,370,314	\$ 1,543,162	\$ 1,607,581	\$ 5,521,057	\$ 490,365	\$ 626,487	\$ 6,637,909
Direct assistance	1,597,314	-	197,105	1,794,419	-	-	1,794,419
Professional fees	140,257	152,830	13,374	306,461	62,053	153,638	522,152
Occupancy	177,582	56,372	116,008	349,962	116,465	31,922	498,349
Technology	70,878	42,749	60,254	173,881	136,742	24,017	334,640
Fundraising and outreach	-	-	-	-	5,488	255,578	261,066
Insurance	59,658	30,904	34,260	124,822	18,977	9,423	153,222
Local transportation	60,236	63,973	5,536	129,745	1,958	3,322	135,025
Telephone	37,653	15,127	23,983	76,763	21,242	2,696	100,701
Supplies	17,834	6,718	57,022	81,574	6,613	5,409	93,596
Printing and postage	7,081	14,148	20,322	41,551	17,732	24,720	84,003
Depreciation and amortization	28,148	11,090	13,552	52,790	4,533	2,297	59,620
Conference and training	18,251	9,609	7,795	35,655	14,988	3,709	54,352
Subscriptions and dues	6,986	10,257	6,144	23,387	16,657	1,823	41,867
Other in-kind cost	22,874	-	17,242	40,116	-	-	40,116
Miscellaneous	4,462	5,643	2,057	12,162	23,327	2,687	38,176
Archdiocese administrative fee	5,634	4,195	3,694	13,523	3,789	687	17,999
 Total expenses	 4,625,162	 1,966,777	 2,185,929	 8,777,868	 940,929	 1,148,415	 10,867,212
 Less costs of direct benefits to donors	 - -	 - -	 - -	 - -	 - -	 196,756	 196,756
 Total functional expenses	 \$ 4,625,162	 \$ 1,966,777	 \$ 2,185,929	 \$ 8,777,868	 \$ 940,929	 \$ 951,659	 \$ 10,670,456

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Refugee Settlement	Immigration	Family Stabilization	Total Program Services	Management and General	Fundraising	Total
Salaries and related expenses	\$ 2,054,224	\$ 1,368,473	\$ 1,538,957	\$ 4,961,654	\$ 319,021	\$ 699,177	\$ 5,979,852
Direct assistance	700,385	2,752	262,400	965,537	-	-	965,537
Professional fees	66,295	128,386	20,757	215,438	106,535	128,264	450,237
Occupancy	177,800	45,830	106,698	330,328	147,919	44,336	522,583
Technology	55,074	29,299	77,980	162,353	133,326	16,081	311,760
Fundraising and outreach	375	-	-	375	16,580	1,020,122	1,037,077
Insurance	52,171	29,905	32,349	114,425	24,766	10,122	149,313
Local transportation	39,183	8,743	3,458	51,384	650	9,932	61,966
Telephone	37,067	9,366	21,908	68,341	22,748	3,353	94,442
Supplies	23,212	6,523	24,654	54,389	14,273	25,808	94,470
Printing and postage	5,282	14,569	12,567	32,418	26,640	29,772	88,830
Depreciation and amortization	27,179	11,407	22,462	61,048	7,050	2,008	70,106
Conference and training	8,487	12,253	8,328	29,068	18,419	5,578	53,065
Subscriptions and dues	830	2,131	767	3,728	17,446	5,222	26,396
Other in-kind cost	66,211	-	25,970	92,181	7,389	31,823	131,393
Miscellaneous	7,151	4,568	2,453	14,172	120,633	6,022	140,827
Archdiocese administrative fee	4,504	3,086	3,377	10,967	6,325	708	18,000
Total expenses	3,325,430	1,677,291	2,165,085	7,167,806	989,720	2,038,328	10,195,854
Less costs of direct benefits to donors	-	-	-	-	-	195,503	195,503
Total functional expenses	<u>\$ 3,325,430</u>	<u>\$ 1,677,291</u>	<u>\$ 2,165,085</u>	<u>\$ 7,167,806</u>	<u>\$ 989,720</u>	<u>\$ 1,842,825</u>	<u>\$ 10,000,351</u>

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (2,204,673)	\$ 126,011
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH AND CASH EQUIVALENTS USED IN OPERATING ACTIVITIES:		
Depreciation and amortization	59,620	70,106
Realized and unrealized (gain) loss on investments	(2,155)	1,415
Net appreciation in beneficial interest in assets held by others	(237,480)	(143,294)
Net appreciation in beneficial interest in remainder trust	(17,818)	(5,570)
Change in accounts and government grants receivable	(186,983)	(84,785)
Change in contributions receivable	1,334,156	(1,441,369)
Change in prepaid expenses	(198,425)	106,597
Change in right-of-use asset - operating leases	(41,083)	(567,910)
Change in accounts payable and accrued liabilities	122,941	88,876
Change in refundable advances	(202,341)	(52,734)
Change in due to Archdiocese of Atlanta	819,763	602,067
Change in operating lease obligations	40,934	558,488
Total adjustments	1,491,129	(868,113)
Net cash and cash equivalents used in operating activities	(713,544)	(742,102)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(91,740)	(15,058)
Purchases of investments	(25,419)	(26,256)
Net cash and cash equivalents used in investing activities	(117,159)	(41,314)

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(830,703)	(783,416)
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,394,603</u>	<u>2,178,019</u>
CASH AND CASH EQUIVALENTS		
End of year	<u>\$ 563,900</u>	<u>\$ 1,394,603</u>
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Non-cash investing and financing activities:		
Addition of right-of-use assets - operating leases	<u>\$ -</u>	<u>\$ 780,344</u>
Addition of operating lease obligations	<u>\$ -</u>	<u>\$ 780,344</u>

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

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Catholic Charities of the Archdiocese of Atlanta, Inc. (the "Organization" or "CCA") is a voluntary health and welfare organization established by the Catholic Archdiocese of Atlanta (the "Archdiocese") as an independent juridical entity pursuant to the Code of Canon Law of the Roman Catholic Church. The Archbishop of the Archdiocese is the sole member of the corporation. The Organization qualifies as a non-profit organization within the meaning of Section 501(c)(3) of the Internal Revenue Code.

Since 1953, CCA has been providing help and creating hope for those in need through professional services that help eliminate barriers to self-sufficiency, stabilize families and transform lives. CCA serves those in need regardless of their religion and tailors services to the unique circumstances of the people served. CCA's strategic intent is to build bridges of hope, mercy and understanding. The Organization is supported through grants, contributions and in-kind donations from public and private donors and the Archdiocese.

B. The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

C. The Organization classifies net assets and revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. The Organization records contributions of cash and other assets as income without donor restrictions unless specifically restricted by the donor. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operation of the Organization. The governing Board has designated an amount, from net assets without donor restrictions, for contingencies.

Net assets with donor restrictions - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; for example, stipulating that those resources be maintained in perpetuity. The donors of these assets permit the Organization to use all of the income earned on related investments for general or specific purposes. More specifically, items included in net assets with donor restrictions are gifts for which restrictions have not been met.

When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

without donor restrictions and reported in the Statements of Activities and Net Assets as "net assets released from donor restrictions."

D. Contributions and private grants are recognized as revenue when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts, if any, is included in contributions in the accompanying Statements of Activities and Net Assets. Conditional pledges, that is, those with a measurable performance obligation or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received prior to the Organization meeting the required conditions are recorded as refundable advances in the Statements of Financial Position. On June 30, 2024 and 2023, the Organization had refundable advances related to conditional grants of \$44,257 and \$246,598, respectively.

The Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. The allowance for doubtful accounts was \$67,168 and \$207,900 on June 30, 2024 and 2023, respectively.

The Organization records non-cash contributions at their estimated fair market value at the date of the contribution. The Organization records contributed services as contribution revenue and as an expense if the services create or enhance a nonfinancial asset, or the services would (1) need to be purchased by the Organization if not provided by contribution, (2) require specialized skills, and (3) are provided by individuals with those skills.

Government grants are in the form of cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures, if any, are reported as refundable advances in the Statements of Financial Position.

CCA recognizes revenues from special events and programs in the period the event occurs. Amounts received prior to the event are reported as deferred revenue in the Statements of Financial Position. The Organization did not have any deferred revenues related to special events or programs as of June 30, 2024 and 2023.

E. The Organization considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

F. Investments, beneficial interest in assets held by others and beneficial interest in remainder trust are recorded at fair value. Unrealized gains and losses are included with investment income in the Statements of Activities and Net Assets. Interest, dividends and gains and losses on investments are recorded as changes in net assets without donor restrictions or net assets with donor restrictions depending on any donor stipulations on the use of the income.

G. Accounts and government grants receivable consist of government grants, program service fees and other receivables. Accounts and government grants receivable are recorded at the amount of cash estimated as realizable. The Organization provides an allowance for doubtful accounts based on the estimated collectability. When an account is determined uncollectible, it is written off to bad debt expense. Receivables are considered delinquent based on the contractual terms of the account. Management believes that the accounts and government grants receivable are fully collectible; therefore, no allowance for doubtful accounts and government grants receivable is provided.

H. Purchased property and equipment are recorded at cost, and donated assets are recorded at their estimated fair market value at the date of donation. Repairs and maintenance are expensed as incurred. Property and equipment are depreciated over the estimated useful lives of the related assets using the straight-line method. Estimated useful lives of the assets range from three to ten years. Leasehold improvements are amortized over their estimated useful lives or their lease term, whichever is shorter.

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

J. Certain prior year amounts have been reclassified to conform to the current year financial statements presentation.

K. Subsequent events have been evaluated by management through March 21, 2025, the date these financial statements were available to be issued.

2. FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Level 1 within the hierarchy states that valuations are based on unadjusted quoted market prices for identical assets or liabilities in active markets. Level 2 within the hierarchy states that valuations are based on quoted prices for similar assets in active markets,

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

quoted prices for identical assets in inactive markets or other observable inputs other than quoted market prices. Level 3 within the hierarchy states that valuations are derived from valuation techniques in which one or more significant inputs are unobservable. At June 30, 2024 and 2023, the only assets or liabilities that are measured at fair value on a recurring basis in periods subsequent to initial recognition are investments.

The following are valuation methodology descriptions used for assets measured at fair value:

Equities, exchange-traded funds and REIT funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Beneficial interest in assets held by others: Valued based upon the Organization's share of the Foundation's pooled investment portfolio (see Note 4).

Beneficial interest in remainder trust: Valued using the fair value of the assets held in the trust as reported by the trustee. Management considers the measurement of its beneficial interest in the trust to be Level 3 within the fair value hierarchy because, although the measurement is based on the unadjusted fair value of the trust assets as reported by the trustee, the Organization does not have the ability to direct the trustee to redeem them.

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

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equities and exchange traded funds	\$ 27,985	\$ -	\$ -	\$ 27,985
Beneficial interest in assets held by others	-	-	2,492,262	2,492,262
Beneficial interest in remainder trust	-	-	263,268	263,268
Total	<u>\$ 27,985</u>	<u>\$ -</u>	<u>\$ 2,755,530</u>	<u>\$ 2,783,515</u>

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Equities and exchange traded funds	\$ 25,830	\$ -	\$ -	\$ 25,830
Beneficial interest in assets held by others	-	-	2,229,363	2,229,363
Beneficial interest in remainder trust	-	-	245,450	245,450
Total	<u>\$ 25,830</u>	<u>\$ -</u>	<u>\$ 2,474,813</u>	<u>\$ 2,500,643</u>

The table below sets forth a summary of changes in the fair value of the Organization's Level 3 investments for the years ended June 30:

	2024	2023
Balance, beginning of year	\$ 2,474,813	\$ 2,299,693
Interest	44,985	44,530
Administrative expenses	(18,866)	(17,584)
Distributions	(700)	(690)
Net appreciation	255,298	148,864
Balance, end of year	<u>\$ 2,755,530</u>	<u>\$ 2,474,813</u>

Investment income is summarized as follows for the years ended June 30:

	2024	2023
Interest and dividends	\$ 217,389	\$ 175,771
Investment management fees	(18,866)	(17,584)
Net appreciation of beneficial interest in assets held by others	237,480	143,294
Net appreciation of beneficial interest in remainder trust	17,818	5,570
Total investment income	<u>\$ 453,821</u>	<u>\$ 307,051</u>

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3. CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of unconditional promises to give recognized as revenue and as assets in the period received. Contributions receivable consist of the following on June 30:

	<u>2024</u>	<u>2023</u>
Contributions expected to be collected in:		
Less than one year	\$ 142,911	\$ 1,162,496
One year to five years	<u>13,000</u>	<u>512,700</u>
	155,911	1,675,196
Less discount to net present value at rates ranging from 4.49% to 4.87%	(1,635)	(46,032)
Less allowance for doubtful accounts	<u>(67,168)</u>	<u>(207,900)</u>
Contributions receivable, net	<u><u>\$ 87,108</u></u>	<u><u>\$ 1,421,264</u></u>

4. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

During 2022, the Organization established the Catholic Charity Atlanta Resource Fund with the Catholic Foundation of North Georgia (the "Foundation"). Except for \$200,000, the fund is an expendable fund, meaning that 100% of the fund's balance (above \$200,000) will be available through distributions for the needs of CCA. In general, CCA will receive income distributions, subject to the Foundation's spending policy. This fund has been recognized as a beneficial interest in assets held by others in the accompanying Statements of Financial Position. The fund balance was \$2,472,963 and \$2,211,410 at June 30, 2024 and 2023, respectively. The Foundation requires that \$200,000 of the total balance be held in perpetuity. The Organization did not receive income distributions from this fund during the years ended June 30, 2024 and 2023.

During 2011, the Organization established an endowment agreement with the Foundation. The Organization is entitled to receive distributions of income, subject to the Foundation's spending policy. This fund has been recognized as a beneficial interest in assets held by others in the accompanying Statements of Financial Position. The fund balance was \$19,299 and \$17,953 at June 30, 2024 and 2023, respectively. The Foundation requires that \$12,250 of the total balance be held in perpetuity. The Organization received income distributions of \$700 and \$690 from this fund during the years ended June 30, 2024 and 2023, respectively.

The Foundation also has endowment funds established by donors for the benefit of the Organization. The Organization is entitled to receive distributions of income, subject to the Foundation's spending policy; however, the Foundation has ultimate authority and control over

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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the endowment funds. Accordingly, these endowment funds have not been recognized by the Organization in the accompanying Statements of Financial Position. The Organization received income distributions of \$115,691 and \$105,910 from these funds during the years ended June 30, 2024 and 2023, respectively.

5. BENEFICIAL INTEREST IN REMAINDER TRUST

Net assets with donor restrictions include the Organization's beneficial interest in a remainder trust. This trust was established upon the death of a donor and is held and managed by a bank. Under the terms of the trust, the Organization will receive a lump-sum distribution upon the death of the lead beneficiary based on a percentage of the fair value of the trust assets. On June 30, 2024 and 2023, the Organization's interest in the trust was \$263,268 and \$245,450, respectively.

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following on June 30:

	<u>2024</u>	<u>2023</u>
Equipment	\$ 262,542	\$ 262,542
Transportation equipment	302,458	210,718
Computer software	65,100	65,099
Furniture and fixtures	64,962	64,962
Leasehold improvements	<u>68,954</u>	<u>68,955</u>
 Total	 764,016	 672,276
Less accumulated depreciation and amortization	<u>607,449</u>	<u>547,829</u>
 Property and equipment, net	 <u><u>\$ 156,567</u></u>	 <u><u>\$ 124,447</u></u>

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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7. NET ASSETS

Changes to net assets with donor restrictions are as follows for the year ended June 30, 2024:

	<u>2023</u>	<u>Additions</u>	<u>Releases</u>	<u>2024</u>
Subject to passage of time	\$ 703,934	\$ -	\$ (652,225)	\$ 51,709
Subject to expenditure for specified purpose:				
Refugee resettlement	805,841	1,230	(114,581)	692,490
Veterans	245,450	50	(92,082)	153,418
Beneficial interest in remainder trust	57,092	17,819	-	74,911
Family stabilization	385,310	66,000	(42,700)	408,610
Other program purposes	82,917	1,346	(1,613)	82,650
Disaster relief	53,247	-	(45,508)	7,739
	<u>1,629,857</u>	<u>86,445</u>	<u>(296,484)</u>	<u>1,419,818</u>
Perpetual in nature	<u>12,250</u>	<u>-</u>	<u>-</u>	<u>12,250</u>
Total	<u>\$ 2,346,041</u>	<u>\$ 86,445</u>	<u>\$ (948,709)</u>	<u>\$ 1,483,777</u>

Changes to net assets with donor restrictions are as follows for the year ended June 30, 2023:

	<u>2022</u>	<u>Additions</u>	<u>Releases</u>	<u>2023</u>
Subject to passage of time	\$ -	\$ 703,934	\$ -	\$ 703,934
Subject to expenditure for specified purpose:				
Refugee resettlement	147,053	705,884	(47,096)	805,841
Veterans	268,310	117,000	-	385,310
Beneficial interest in remainder trust	239,880	5,570	-	245,450
Family stabilization	133,357	69,593	(145,858)	57,092
Other program purposes	64,070	26,070	(36,893)	53,247
Disaster relief	46,223	50,210	(13,516)	82,917
	<u>898,893</u>	<u>974,327</u>	<u>(243,363)</u>	<u>1,629,857</u>
Perpetual in nature	<u>12,250</u>	<u>-</u>	<u>-</u>	<u>12,250</u>
Total	<u>\$ 911,143</u>	<u>\$ 1,678,261</u>	<u>\$ (243,363)</u>	<u>\$ 2,346,041</u>

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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Board-designated net assets consist of funds designated to meet the Organization's annual insurance deductible should claims arise. Board-designated net assets also include amounts to be held in perpetuity by the Catholic Foundation of North Georgia related to the beneficial interest in assets held by others (see Note 4).

8. IN-KIND CONTRIBUTIONS

The Organization's in-kind contributions consisted of the following for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Rent and utilities	\$ 128,057	\$ 168,475
Auction items	46,773	31,823
Volunteer time	20,176	59,170
Household items	11,590	20,971
Miscellaneous	1,776	7,738
Information technology services	<u>-</u>	<u>11,690</u>
Total	<u>\$ 208,372</u>	<u>\$ 299,867</u>

Rent is valued using rent per square foot for comparable office space. Utilities are valued using actual utility costs allocated to the space occupied by the Organization. The contributed rent and utilities are used for both program and supporting services.

The Organization receives items to be sold at its annual gala. Contributed auction items are valued at the lower of the gross selling price received or fair market value established by the donor.

Volunteer time is valued using the vendor's customary rate or a rate based on a comparable position within the Organization. The remaining in-kind contributions are valued using estimated average U.S. prices of identical or similar products or services using pricing data of similar products or services under a "like-kind" methodology, considering the utility of the goods or services at the time of the contribution. These in-kind products and services were used for the Organization's program activities. No in-kind contributions were restricted.

9. FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation for personnel services and facilities. Compensation for personnel services is

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documented with timesheets and allocated based on time spent on each program or grant. Facilities are allocated based on square footage. All other expenses are charged directly to the program benefiting from those costs.

10. RIGHT-OF-USE ASSET AND OPERATING LEASE OBLIGATIONS

The Organization has entered into operating leases for office space and equipment expiring at various dates through June 30, 2027. Management anticipates that expired leases will be renewed or replaced in the normal course of business.

Upon adoption of Accounting Standards Update 2016-02, operating right-of-use assets ("ROU") and operating lease obligations were recorded at the present value of future payments using the U.S. Treasury rate for the initial term and origination date which ranged from 2.88% to 4.48%. The ROU assets are amortized over the life of the lease and is considered rent expense. For the years ended June 30, 2024 and 2023, rent expense, excluding in-kind use of facilities and equipment, totaled \$337,000 and \$307,300, respectively.

Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>	<u>Discount</u>	<u>Obligation</u>
2025	\$ 300,722	\$ 21,108	\$ 279,614
2026	256,052	8,674	247,378
2027	55,126	2,600	52,526
2028	33,564	1,000	32,564
2029	<u>5,594</u>	<u>30</u>	<u>5,564</u>
Total	<u><u>\$ 651,058</u></u>	<u><u>\$ 33,412</u></u>	<u><u>\$ 617,646</u></u>

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

11. LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024 and 2023, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 563,900	\$ 1,394,603
Investments	27,985	25,830
Accounts and government grants receivable	1,417,465	1,230,482
Contributions receivable	87,108	1,421,264
Expendable portion of beneficial interest held by others	<u>2,280,012</u>	<u>2,017,113</u>
 Total financial assets, at year end	 4,376,470	 6,089,292
 Less amounts unavailable for general purposes		
Board-designated net assets	(425,325)	(418,745)
Long-term portion of contributions receivable	(25,000)	(512,700)
Donor restrictions for specific purposes	<u>(1,419,818)</u>	<u>(1,629,857)</u>
 Total financial assets available for general expenditure	 <u><u>\$ 2,506,327</u></u>	 <u><u>\$ 3,527,990</u></u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. On June 30, 2024 and 2023, financial assets include \$1,419,818 and \$1,629,857, respectively, received from donors with purpose restrictions. While the Organization does not intend to fully utilize these funds in the general course of business, they are available for the donor-restricted purposes when necessary. Additionally, the Organization has designated net assets for specific purposes (see Note 7). Although the Organization does not intend to spend from the Board-designated net assets (other than for their intended purpose), these amounts could be made available if necessary.

12. CONCENTRATIONS

The Organization maintains cash balances with a high-credit quality financial institution. Occasionally, the balances may exceed the insurance limits provided by the Federal Deposit Insurance Corporation. Based on the financial strength of the institution, management believes the risk of loss is minimal.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
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13. SIGNIFICANT SOURCE OF REVENUE

The Organization receives a significant portion of its revenue from federal, state and other pass-through government agencies in the form of grants. These grants are either renewable on an annual basis or are one-time grants that may be dependent on current and future economic and social conditions. Federally funded grants received either directly or indirectly accounted for approximately 49% and 29% of total revenue for the years ended June 30, 2024 and 2023, respectively. In 2024 and 2023, approximately 54% and 46%, respectively, of the federal grants came either directly or indirectly from the U.S. Department of Health and Human Services and approximately 25% and 19%, respectively, came either directly or indirectly from the U.S. Department of State.

14. RELATED PARTY TRANSACTIONS

The Organization participates in a defined contribution retirement plan (the "Plan") which is administered by RCAA Administrative Services, Inc. ("RCAA") and covers substantially all lay employees who are at least 21 years old and have completed one year of service. Upon entering the Plan, the Organization funds 6% of an eligible participant's salary if the participant was employed for at least 1,000 hours during each Plan year. The Plan is totally employer funded and employees are not permitted to make contributions to the Plan. The Organization contributed \$178,591 and \$152,605 to the Plan during the years ended June 30, 2024 and 2023, respectively. The Organization has amounts payable to RCAA related to these retirement contributions totaling \$154,403 and \$59,142 at June 30, 2024 and 2023, respectively.

The Organization's health, life and workers' compensation insurance are provided under RCAA's insurance plan and are billed to the Organization. Expenses billed in the years ended June 30, 2024 and 2023 related to these insurance premiums were \$1,365,182 and \$1,177,288, respectively. The Organization has amounts payable to RCAA related to these insurance premiums totaling \$1,295,156 and \$589,777 at June 30, 2024 and 2023, respectively.

The Organization invests excess funds with the AoA Deposit and Loan Fund Trust (the "Trust"), which earns interest at a rate determined by the Trust (currently 3.00%). The Trust receives funds from various schools, parishes and other related agencies and in turn loans funds to other schools, parishes and related agencies. The Organization's funds invested in the Trust at June 30, 2024 and 2023 totaled \$240,235 and \$818,723, respectively.

During the years ended June 30, 2024 and 2023, the Organization received contributions totaling \$713,229 and \$636,996, respectively, from the Archdiocese to support operations.

The Archdiocese provides both the facility and utilities for the Organization's corporate office location. The total value of the facility and utilities was determined by the Archdiocese to be \$121,302 and \$168,475, respectively, during the years ended June 30, 2024 and 2023 and has

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

been recognized as in-kind contributions in the accompanying Statements of Activities and Net Assets. As of June 30, 2024 and 2023, the Organization had amounts payable to RCAA related to general support of \$23,853 and \$4,730, respectively.

The Organization has a line of credit agreement with the Archdiocese that allows for borrowings to fund operations. The Archdiocese increased the line from \$500,000 to \$1,000,000 during the year ending June 30, 2024. The borrowings accrue interest at a rate of 4.5%. The outstanding balance and interest are to be repaid in monthly installments at the stated interest rate. There was no outstanding balance on the line at June 30, 2024 and 2023. The line is set to mature in October 2026.

15. CONTINGENCIES

The Organization is, from time to time, subject to legal proceedings and claims that arise in the ordinary course of business. The Organization carries insurance coverage, subject to a deductible, for risk of loss. Management is not aware of any material claims that could have a material impact on its financial statements.

16. SUBSEQUENT EVENT

CCA has operated a Refugee Resettlement Program ("RRP") for 50 years. CCA receives federal funding for this program from the United States Conference of Catholic Bishops ("USCCB").

There are two federal funding offices for the resettlement program: Office of Refugee Resettlement ("ORR"), which is part of the U.S. Health and Human Services Agency, and the Bureau of Population, Refugees, and Migration ("PRM"), which is part of the U.S. State Department. There have been a series of Executive Orders ("EO") that have impacted the RRP's and award funding. The EO's have halted refugee admissions and the associated funding, including funding for services provided prior to the signing of the EO's.

CCA received notification that USCCB has not been able to draw down funds from the government's Payment Management System for PRM and ORR funded programs since January 22, 2025. Therefore, CCA has not received reimbursement from USCCB for services provided for their PRM and ORR funded programs. The affected PRM funded programs are Reception and Placement, and Emergency Refugee and Migration Assistance. The affected ORR programs are Match Grant and Refugee and Entrant Assistance – Discretionary Grants Preferred Communities.

CCA's accounts receivable balance due from USCCB has increased from \$498,907 at June 30, 2024 to \$1,201,230 at March 21, 2025. USCCB filed a lawsuit challenging the government's unlawful suspension of funding for its refugee admissions program. Litigation is ongoing.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
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USCCB notified CCA on March 21, 2025 of receipt of payment for all ORR expenses incurred before January 20, 2025. CCA will receive reimbursement for expenditures through January 19, 2025, which is approximately \$299,000.

CCA is staying abreast of this evolving situation. CCA has made initial expense reductions and is conducting additional fundraising efforts with the support of the Archdiocese. The Organization is continuing to evaluate and make adjustments as needed.



Jones and Kolb
Certified Public Accountants
Atlanta, Georgia

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

To the Board of Directors
Catholic Charities of the Archdiocese of Atlanta, Inc.
Smyrna, Georgia

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 Atlanta, Inc., which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and net assets, 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 March 21, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Catholic Charities of the Archdiocese of Atlanta, Inc.'s internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Catholic Charities of the Archdiocese of Atlanta, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Catholic Charities of the Archdiocese of Atlanta, Inc.'s internal control.

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

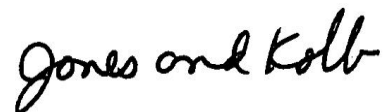
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Catholic Charities of the Archdiocese of Atlanta, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Catholic Charities of the Archdiocese of Atlanta, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catholic Charities of the Archdiocese of Atlanta, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Jones and Kolb". The script is cursive and fluid, with the first letters of "Jones" and "Kolb" being capitalized and prominent.

March 21, 2025



Jones and Kolb
Certified Public Accountants
Atlanta, Georgia

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Catholic Charities of the Archdiocese of Atlanta, Inc.
Smyrna, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Catholic Charities of the Archdiocese of Atlanta, Inc.'s (the "Organization" or "CCA") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2024. CCA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, CCA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of CCA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of CCA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to CCA's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CCA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about CCA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding CCA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of CCA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of CCA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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. Accordingly, this report is not suitable for any other purpose.

Jones and Kolb

March 21, 2025

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

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 X no
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) _____ yes X no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
19.510	Refugee Admission Program
93.567	Refugee and Entrant Assistance
93.676	Unaccompanied Alien Children Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Grantor/Program Title	Assistance Listing Number	Agency Number	Expenditures
U.S. Department of Health and Human Services			
Pass-through from Georgia Dept. of Human Services			
Refugee and Entrant Assistance - State Administered Programs			
Refugee Social Services	93.566	42700-040-0000107508	\$ 39,600
Refugee Social Services	93.566	42700-040-0000112189	183,900
Refugee Social Services	93.566	42700-040-0000112159	122,438
Refugee Youth Mentoring	93.566	42700-040-0000107554	2,408
Pass-through from Georgia Dept. of Human Services			
Refugee and Entrant Assistance - Discretionary Grants			
Refugee School Impact Program	93.566	42700-040-0000107553	23,069
Refugee School Impact Program	93.566	42700-040-0000112160	54,381
Total for program			<u>425,796</u>
Pass-through from U.S. Conference of Catholic Bishops			
Refugee and Entrant Assistance - Voluntary Agency Programs			
Match Grant Program	93.567		1,115,673
Total for program			<u>1,115,673</u>
Pass-through from U.S. Conference of Catholic Bishops			
Unaccompanied Alien Children Program - Safe Passages II	93.676	90ZU0355	225,779
Unaccompanied Alien Children Program - Safe Passages II	93.676		189,150
Total for program			<u>414,929</u>
Pass-through from U.S. Conference of Catholic Bishops			
Refugee and Entrant Assistance - Discretionary Grants			
Preferred Communities	93.576		242,253
Total for program			<u>242,253</u>
Total U.S. Department of Health and Human Services			<u>2,198,651</u>
U.S. Department of State			
Pass-through from U.S. Conference of Catholic Bishops			
Refugee Admissions Program			
Emergency Refugee and Migration Assistance Program	19.510		146,697
Reception and Placement Program	19.510		340,341
Direct Assistance Program	19.510		555,967
Total for program			<u>1,043,005</u>
Total U.S. Department of State			<u>1,043,005</u>

See Independent Auditor's Report.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Grantor/Program Title	Assistance Listing Number	Agency Number	Expenditures
U.S. Department of Education			
Pass-through from Georgia Dept. of Education			
Citizenship Education and Training	84.002A		328,678
Total for program			328,678
Pass-through from Georgia Dept. of Education			
American Rescue Plan - Elementary and Secondary			
Secondary School Emergency Relief	84.425U		23,526
Total for program			23,526
Total U.S. Department of Education			352,204
U.S. Department of Justice			
Pass-through from State of Georgia Office of the Governor			
Criminal Justice Coordinating Council			
Victims of Crime Act Grant Program	16.575	C21-8-030	34,798
Victims of Crime Act Grant Program	16.575	C21-8-097	131,119
Total for program			165,917
Pass-through from State of Georgia Office of the Governor			
Criminal Justice Coordinating Council			
Violence Against Women Act	16.588	W23-8-055	2,382
Total for program			2,382
Pass-through from Catholic Charities USA			
National Mentoring Program	16.726		29,779
Total for program			29,779
Total U.S. Department of Justice			198,078
U.S. Department of Treasury			
Pass-through from State of Georgia Office of the Governor			
Criminal Justice Coordinating Council			
State and Local Fiscal Recovery Funds	21.027	X50-8-237	1,019
Total for program			1,019
Total U.S. Department of Treasury			1,019

See Independent Auditor's Report.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Grantor/Program Title	Assistance Listing Number	Agency Number	Expenditures
U.S. Department of Housing and Urban Development			
Pass-through from Catholic Charities USA			
Housing Counseling Assistance Program	14.169		52,128
Total for program			52,128
Pass-through from Gwinnett County			
Community Development Block Grant	14.218	CDBG-PS-CCAA-001	45,000
Pass-through from City of Marietta			
Community Development Block Grant	14.218		6,014
Total for program			51,014
Total U.S. Department of Housing and Urban Development			103,142
U.S. Department of Homeland Security			
Pass-through from United Way of Metro Atlanta			
Emergency Food and Shelter National Board Program	97.024		52,420
Total for program			52,420
Pass-through from City of Atlanta Mayor's Office of International and Immigration Emergency Food and Shelter National Board Program	97.024		13,253
Total for program			13,253
Total U.S. Department of Homeland Security			65,673
U.S. Department of Agriculture, Food and Nutrition			
Pass-through from Structured Employment Economic Development Corporation State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			
Atlanta Food Stamp Outreach Initiative (SNAP)	10.561	42700-040-0000108880	17,206
Atlanta Food Stamp Outreach Initiative (SNAP)	10.561	42700-040-0000113836	59,839
Total for program			77,045
Total U.S. Department of Agriculture, Food and Nutrition			77,045

See Independent Auditor's Report.

CATHOLIC CHARITIES OF THE ARCHDIOCESE OF ATLANTA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Grantor/Program Title	Assistance Listing Number	Agency Number	Expenditures
NeighborWorks America			
Pass-through from Catholic Charities USA			
Housing Stability Counseling Program	99.U19		38,505
Total for program			38,505
Total NeighborWorks America			38,505
Corporation for National and Community Service			
Pass-through from Catholic Charities USA			
Americorps National Direct Program - Financial Literacy	94.006		20,556
Americorps National Direct Program - Healthcare Outreach	94.006		10,512
Total for program			31,068
Total Corporation for National and Community Service			31,068
TOTAL FEDERAL AWARDS			\$ 4,108,390

NOTES TO SCHEDULE

This schedule includes the federal award activity of the Organization under programs of the federal government for the year ended June 30, 2024. The information in this schedule is 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"). Because this schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Expenditures reported on this schedule 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.

The Organization has elected to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

See Independent Auditor's Report.